

Quarterly D&O Claims Trends: Q3 2014

Management Liability Awards

Visit <http://www.advisenltd.com/events/> for the event schedule

Advisen's Management Liability Awards / "Call for Nominations"

Use this link to enter your nominations for the P&C Industry's first-ever Management Liability Awards – determined by "People's Choice"

Nominations accepted thru Fri Oct 17

<https://www.surveymonkey.com/s/AdvisenMgmtLiabAwards2014>



Gala Dinner on Monday, December 1 2014 at 6pm EST @ NYC's Grand Hyatt

<http://www.advisenltd.com/events/awards/2014/12/01/2014-management-liability-awards/>

About Advisen

Advisen generates, integrates, analyses and communicates unbiased, real-time insights for the global community of commercial insurance professionals. As a single source solution, Advisen helps the insurance industry to more productively drive mission-critical decisions about pricing, loss experience, underwriting, marketing, transacting or purchasing commercial insurance.

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- Copy of these **slides**
- **D&O Loss Insight** (Advisen's MSCAd large loss database)
- **Front Page News - Management Liability:**
<http://www.advisenltd.com/insurance-news/front-page-news/#management-liability>

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Today's Moderator



Jim Blinn

Executive Vice President and Principal
Advisen Ltd.

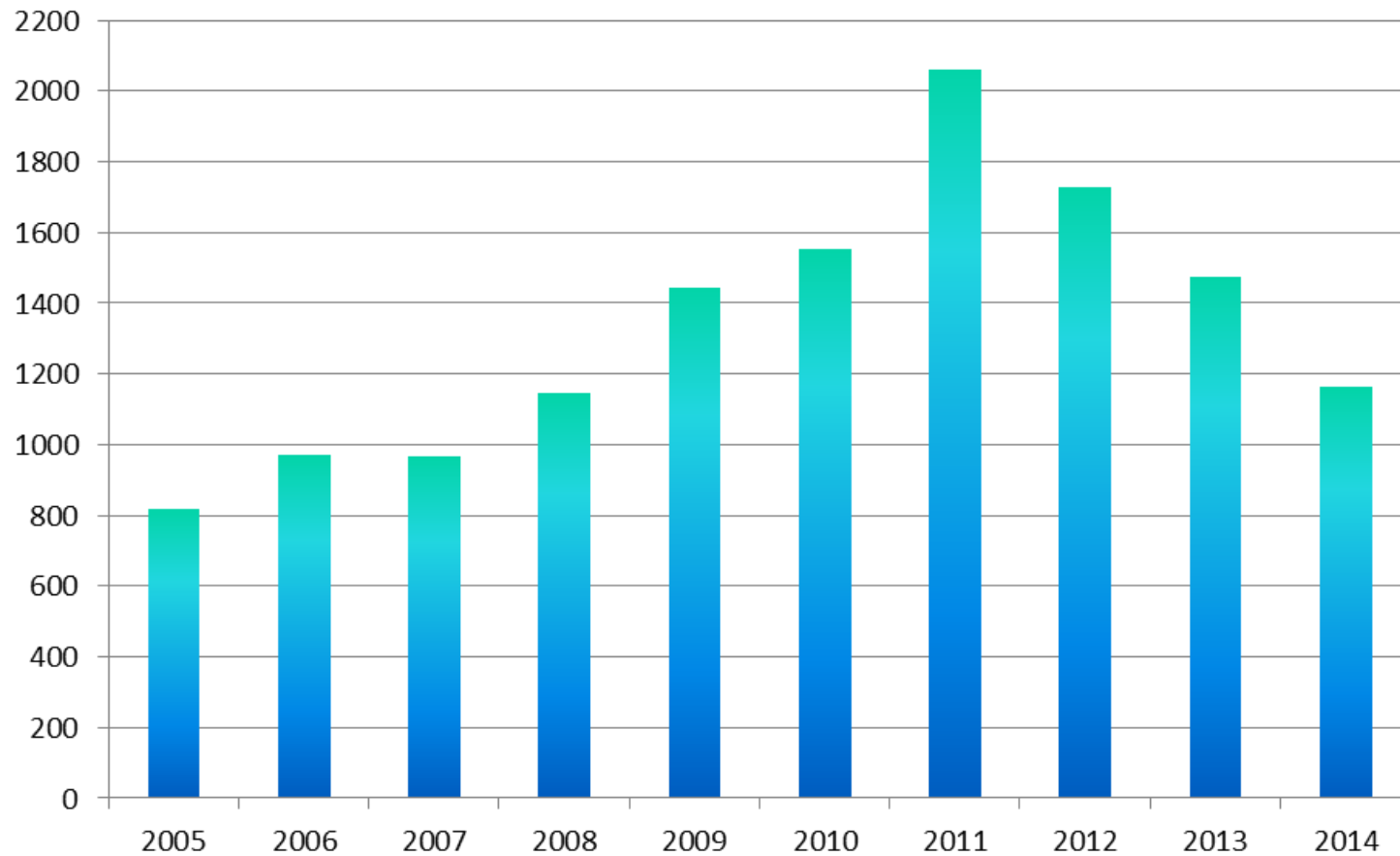
Key Findings

- Securities and business litigation filings declined for a second consecutive quarter.
- The third quarter had the fewest filings of any quarter since the start of the financial crisis.
 - 19 percent decline from Q2 2014
 - 48 percent decline from Q3 2013
- Securities individual actions experienced largest drop falling 86 percent from the second quarter (14 filings to 2 filings).
- Securities class actions
 - Total filings up from 43 in Q2 to 52 in Q3
 - Percentage of total up from 14 percent in Q2 to 21 percent in Q3

Key Findings

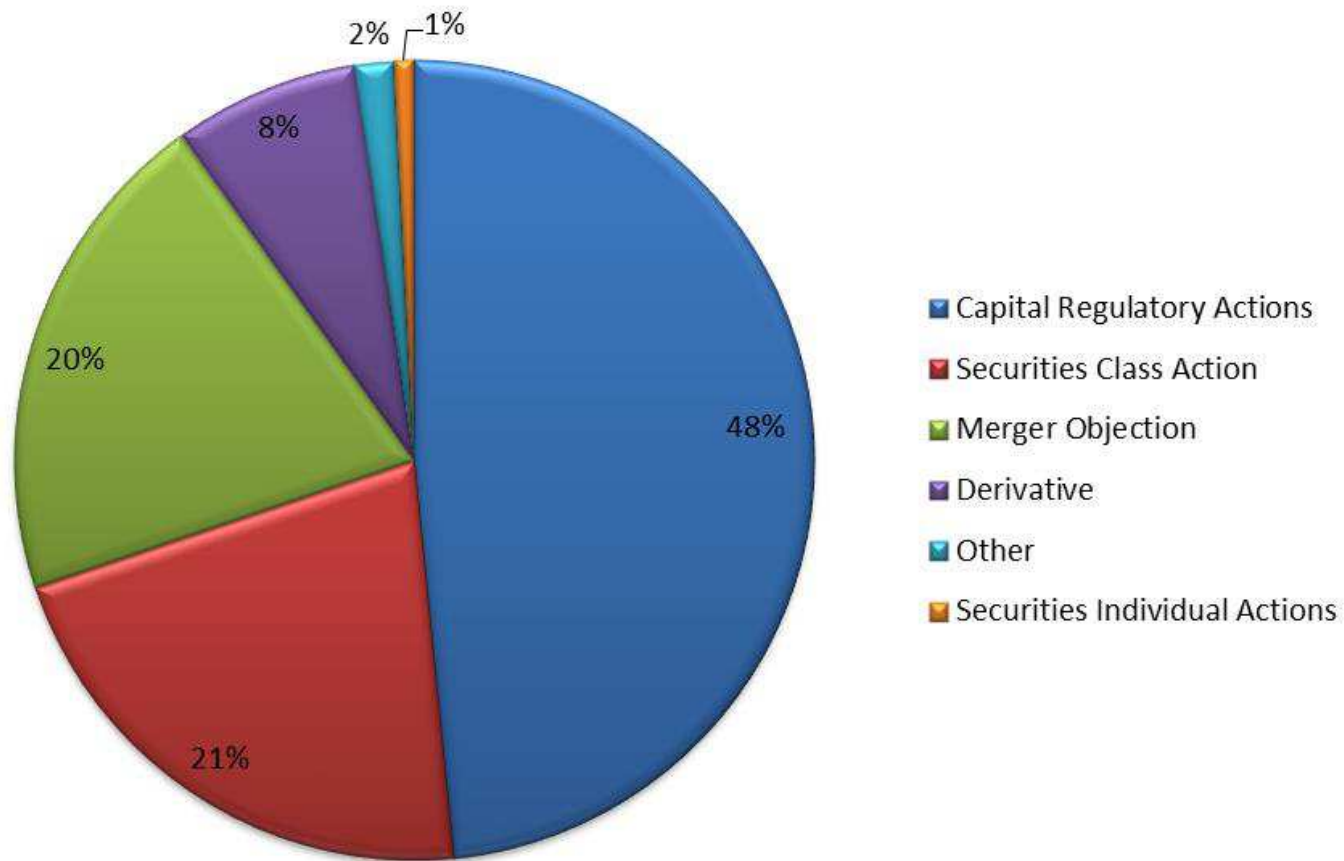
- At 48 percent of the quarterly total, capital regulatory actions remained the leading filing type in the first quarter.
 - *The capital regulatory action event type was introduced in Q3 of 2013 and includes a majority of the cases Advisen previously categorized under securities fraud.*
- Merger objection filings fell 12 percent from the previous quarter.
- Financial Services remained the top sector for new filings.
- The number of settlements and average settlement values were both up from the previous quarter.
- Capital regulatory action settlements averaged the highest value in the third quarter.

Filings and Enforcement Actions



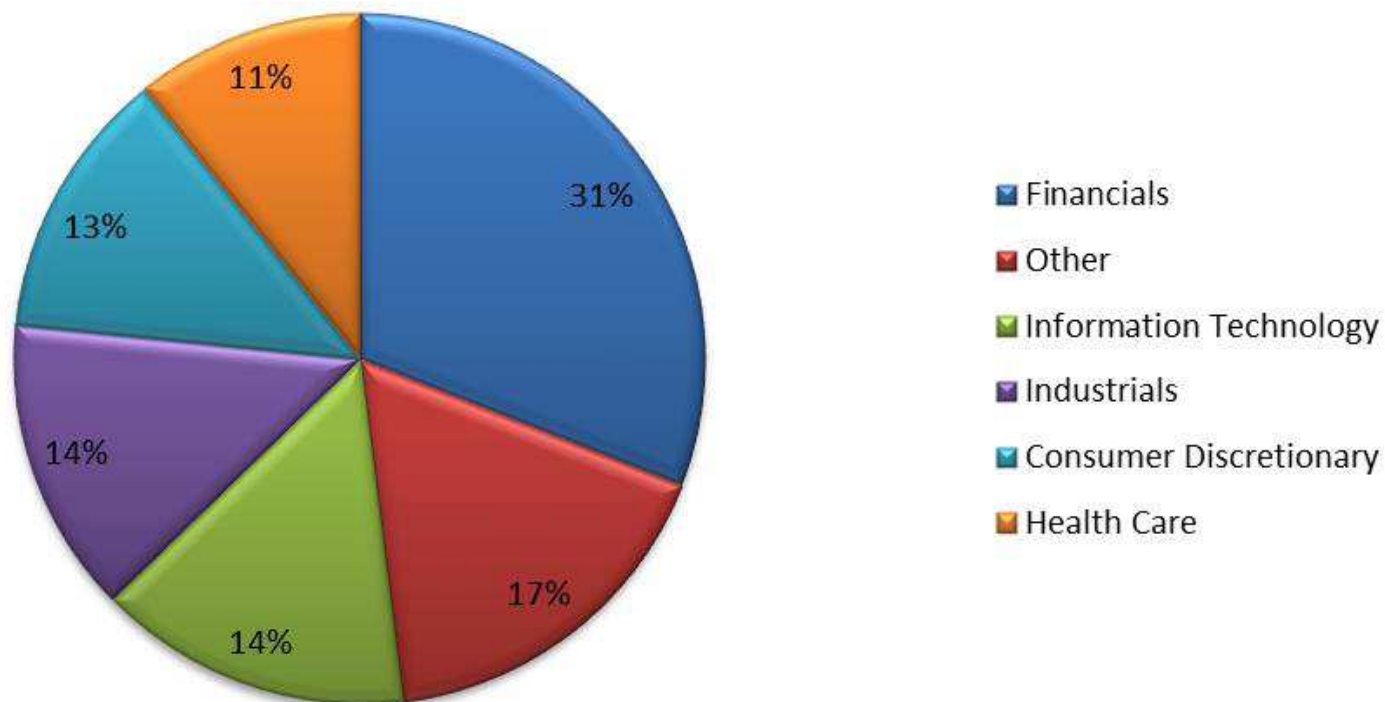
Source: Advisen MSCAd™

Suits by Type



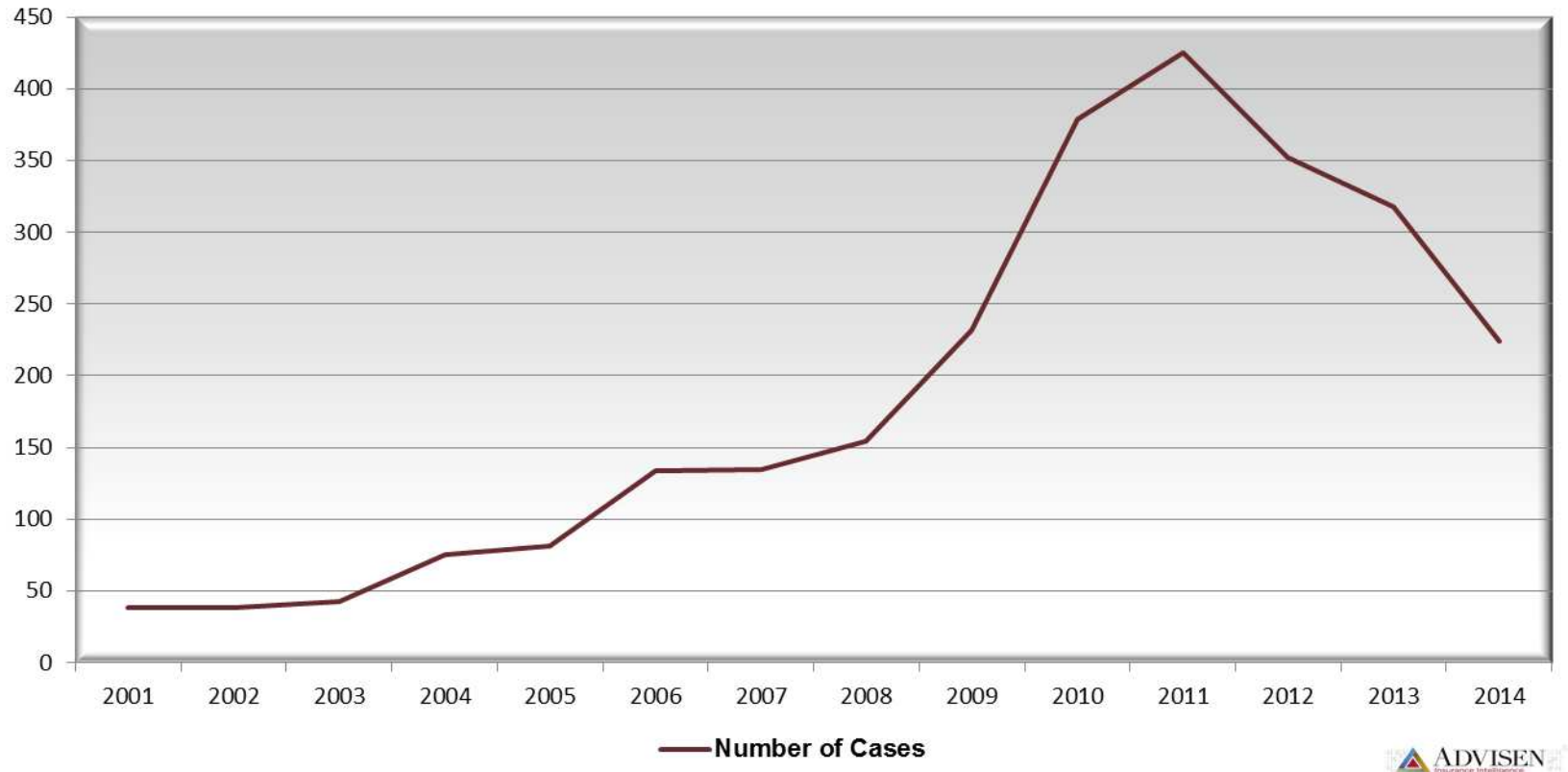
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Suits by Sector



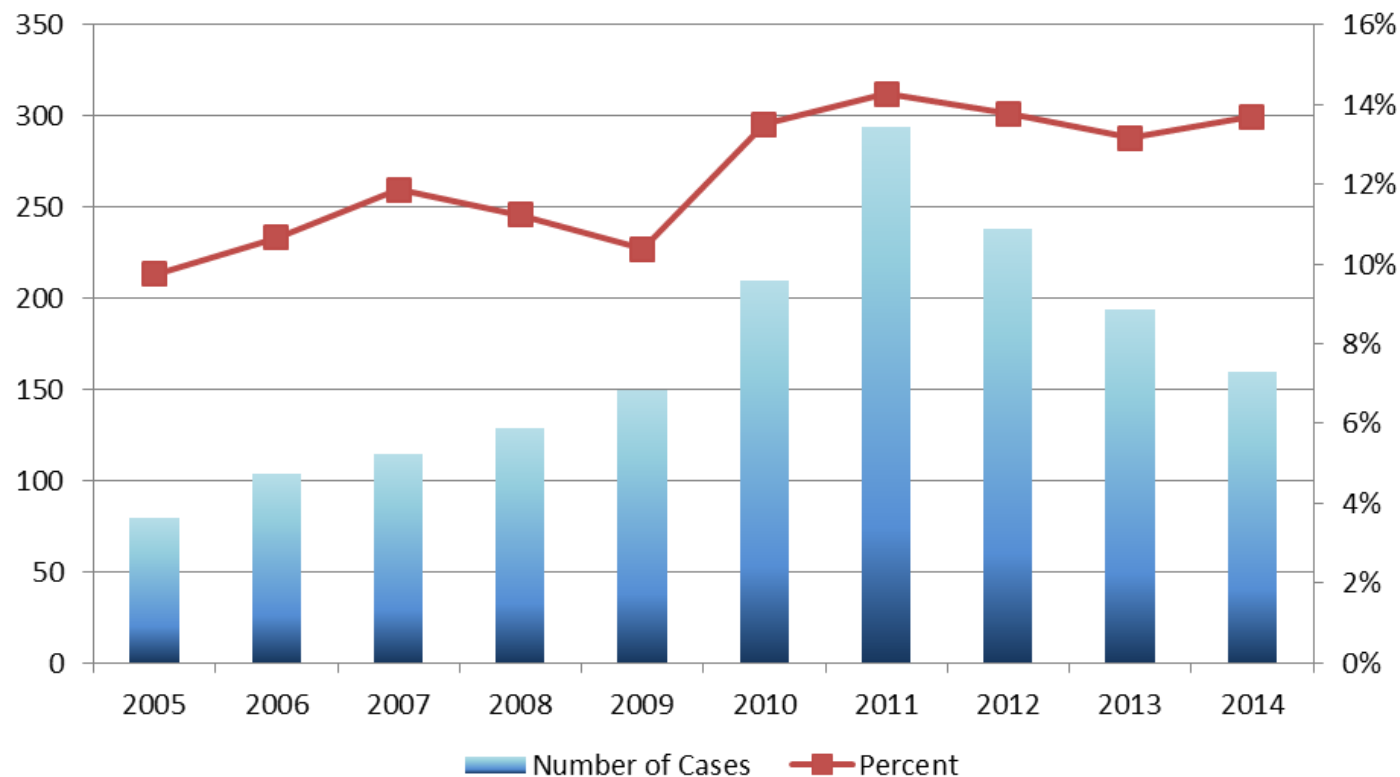
Source: Advisen MSCAd™

Merger Objection Cases Annualized



Source: Advisen MSCAd™

Non-US Companies



Source: Advisen MSCAd™

Today's Panelists



Kevin LaCroix

Executive Vice President,
RT ProExec, a division of RT Specialty



Jed Melnick

Managing Partner
Weinstein Melnick LLC



Joe White

Co-Founder & Attorney
Saxena White

Jed Melinick Biography Highlights

- 1999 graduate of Cardozo School of Law, where he founded and was the first Editor-in-Chief of a now-nationally ranked dispute resolution journal
- Spent the past 10 years in the mediation field, where he learned working with Judge Daniel Weinstein (ret.)
- Managing Mediator of Judge Weinstein's mediation team and he is the youngest JAMS panelist by almost 10 years.
- Mediated over one thousand complex disputes; a few of his cases of which he is most proud are:
 - A pro bono case between the Disability Rights Advocates and the New York City Taxi and Limousine Commission, leading to a historic settlement raising the number of taxi cabs accessible to people with disabilities from 300 of 13,000 to 50% of the entire fleet by 2020. The settlement led the Judge overseeing the case to comment, "[T]his is one of the most significant acts of inclusion in this city since Jackie Robinson joined the Brooklyn Dodgers."
 - His involvement with the team that mediated most of the cases coming out of the Adelphia and Lehman bankruptcies.
 - His class action settlements of multiple sexual abuse cases including Catholic Church cases and the Earl Bradley cases from DE.
- Jed was selected to the 2010 list of Pennsylvania "Lawyers on the Fast Track," recognition given to 30 Pennsylvania Lawyers under the age of 40 by *Legal Intelligencer* and the *Pennsylvania Law Weekly*.

Side
Claims renewals securities
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Many Thanks to our Speakers!



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