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The EIM IAC is available to respond to specific questions from Member Companies, as well as respond to specific assignments from EIM's Board. Our goal is to communicate to the Board the thoughts, insights and suggestions received from EIM Member Risk Managers (you and your companies). The IAC meets quarterly, and as your EIM Insurance Advisory Committee (IAC) Member Representative I wanted to update you on the IAC's December 2018 meeting.

The following is a general summary of discussion items from the fourth quarter IAC meeting held on December 4, 2018:

- EIM Policyholders' Surplus is \$1.175 billion through October 2018.
- With a current membership count of 153, EIM's retention rates never have fallen below 95%, with 75% of the membership being with EIM at least 10 years.
- New business opportunities since January 1 include 13 GL submissions, 2 D&O submissions; 9 Property submissions and 13 Cyber submissions.
- EIM is considering increasing property limits to \$50m.
- The October 2018 Energy School held at Florida State University, was a success, with positive reviews coming from the 36 attendees.
- The IAC task forces discussed the following topics:
  - Cyber Liability – Cyber renewals are averaging single-digit increases as coverage uptake and cyber losses continue to rise. Phishing appears to be the major and largely successful attack vector for those wishing to penetrate organizations information systems.
  - Pollution – Indoor air quality appears to be leading cause of losses and underwriting concern. Google Street View cars are now equipped with sniffers for natural gas, in an effort to detect leaks before they become bigger problems.
  - Emerging Risk – Poly and perfluorinated substances are man-made chemicals used in a variety of industrial and commercial products. They may pose health risks.
  - Renewables – Eighteen percent of all electricity in the U.S. was produced by renewable sources in 2017. Battery boom will draw \$1.2 trillion in investment by 2040.

- The IAC Survey was sent out to Members and Brokers in October, with 78 respondents. The survey will remain open until the end of the year. Please complete it if you didn't already.
- Nominations for the David L. Hadler Risk Manager of the Year Award were received and a recipient for 2019 chosen.
- The next IAC meeting is scheduled for February 26, 2019.

Please let me know any questions or comments you may have regarding the above items, or any issues or topics you would like the IAC to address for EIM Board and/or management consideration.

It will be my pleasure to discuss and answer questions you may have regarding the activities of the IAC and EIM.

Thank you for your continued support of EIM.