

SOFT INSURANCE MARKET

November 24, 2014 | | [Do, Policyholder Protection](#)

[PPBloginsurancepolicyimage](#) For those policyholders approaching year end renewals, bear in mind that the insurance, and importantly the reinsurance, markets remain soft. A lack of major 2014 hurricane activity and other catastrophic casualty losses have left the insurance market soft and driven down the internal costs of insurance (such as the cost of reinsurance premiums). Casualty insurers are posting major profits and are actively seeking new policyholder markets. At renewal, policyholders should be presented with multiple, competitive options for casualty insurance by their brokers. Keep in mind that policyholders are in a strong position to negotiate terms and conditions of their insurance, including choice of their own defense counsel and scope of D&O coverage in particular. As the financial claims fallout from the recession has essentially run off, carriers are more willing to take on more D&O risks and find new sources of premium income. So remember to push your brokers or risk managers to aggressively seek the best terms in this soft market. Carriers are expecting negotiation and policyholders need to make the most of the market conditions before casualty events harden the market.

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