



Markel Programs News and views

Profitable partnerships with program administrators

Vol. 1 2016

Who is Markel Programs?

We seek to partner with professional Program Administrators (PAs) with whom we can have enjoyable and enduring relationships. We approach the business with a “forever” orientation and commitment. Cultural alignment with our business partners is the foundation for any successful partnership. If you’d like to learn more about Markel Programs and our mission, please contact Debbie Anglin, Director, Business/Program Development, at dlanglin@markelcorp.com or 678-290-2104.

What makes Markel...Markel?



Since 1986 it has been The Markel Style. It is our culture statement and drives every decision we make. It starts: “We believe in hard work and a zealous pursuit of excellence while keeping a sense of humor. Our creed is honesty and fairness in all our dealings.” To read the rest of The Markel Style, go to www.markelcorp.com.

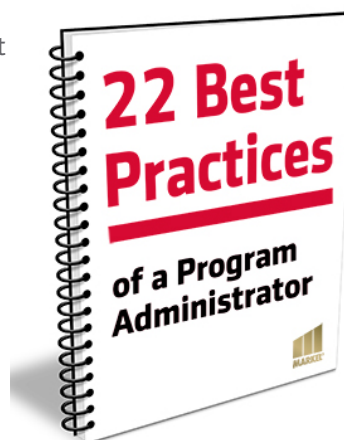
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PA Best Practices “hot off the press”



After his recent tenure as Markel Specialty’s President, Greg Thompson has continued building our program business. Drawing on his 30+ year experience as founder and owner of THOMCO, Greg shares his subject matter expertise in his “PA Best Practices” white paper which includes 22

disciplines. Keep an eye out for more information about this arriving in your inbox soon. Can’t wait? Give Greg a call at 678-290-2109 to get the ball rolling.



Appearing at Target Markets 2016 Mid-Year (Wednesday, April 20th, 2016)



Richie Whitt, Co-CEO Markel, will participate in a Program Market Industry Panel. We will also have our entire team at the meeting, so if you would like to meet, please request a meeting by contacting Mary O’Hern at meohern@markelcorp.com.

What is Markel Programs’ appetite?

Here is our sweet spot:

- Existing programs of \$2M or higher depending on class of business
- Casualty (GL) driven package business
- Homogenous risk classifications
- [NEW!] Now considering highly profitable homogenous commercial auto programs



*Our existing portfolio includes many programs outside this sweet spot, so we encourage you to call us with your opportunity for a quick indication of interest. Please call Debbie Anglin at 678-290-2104 or email at dlanglin@markelcorp.com.

Continued

2015 was a tremendous year for Markel Corporation

- We ended the year with a combined ratio of 89%.
- Our operating revenues surpassed \$5 billion.
- Book value per share ended at \$561.23. Over the five-year period ending December 31, 2015, annual growth in book value per share was 11%.

Markel Programs and its Program Administrators (PAs) do their part - Thank you, PAs!

	2013	2014	2015
Ultimate accident year loss ratio	56.8%	52.8%	52.8%
Expense ratio	37.9%	41.1%*	41.6%*
Combined ratio accident year	94.7%	93.9%	94.4%

*The increase in Expense Ratio is largely attributable to the improved loss ratios and the resulting increased accrual for profit sharing for our Program Administrators.

Markel Programs annual customer survey results

Each year, we survey our current PAs (executives and staff) to identify opportunities for improvement. This year, we earned a 4.4 (out of 5-Excellent) to the question "How would you rank the Markel Programs team relative to your overall satisfaction?" Areas we are focusing on as a result of the survey include cross training, fine tuning our business processes and integration with our PAs, and remarketing our value added services.



Recent Markel accolades

- 5th largest Excess & Surplus lines insurer in the U.S. (SNL Financial, March 2015)
- Top 25 liability insurers in the U.S. (NAIC, April 2015)
- #39 on National Underwriter's Top 100 Groups (July 2014)
- Ward's Top 50 performing P&C insurers (July 2014)
- #504 on Fortune 1000 (June 2015)

Markel acquisitions

Over the years, Markel has acquired many insurance companies and Program Administrators. Here is a list of just a few of the more recent:

Company	Approximate premium volume	Year acquired
FirstComp	\$300M	2011
THOMCO	\$175M	2012
Alterra	\$1.7B	2013

Markel is always looking for acquisition opportunities so if you are exploring options, please contact Greg Thompson (the owner and founder of THOMCO) at gsthompson@markelcorp.com or 678-290-2109.

Insurance is fun.



A woman was in the hospital after feeling very ill. The doctor says to her, "I have some bad news for you. You only have three months to live."

"Oh that's terrible," the woman sighs, "what am I going to do?"

The doctor replies, "Marry an actuary."

"Will I live longer?" asks the woman. "

No," replies the doctor, "but it will SEEM longer."

Markel Programs - Value proposition

Many program carriers treat their PAs at arms-length; offering no assistance or value. For better or worse (you'll be the judge), that's not the Markel Style. Obviously, for our benefit, we monitor and audit the underwriting aspects of the Programs. However, as a relationship business, we also think it's incumbent upon us to help our PAs meet their objectives. With that in mind, we have established a variety of services as part of our value proposition:

- Transition commission (signing bonus)
- Profit sharing
- Co-op marketing
- Marketing consultation
- Promotional and advertising assistance
- Business planning assistance
- Risk management consultation and content library
- Operational consultation
- Greg Thompson's executive consultation and best practices

To request a more detailed description of these services or to learn more, please contact Debbie Anglin, Director, Business/Program Development, at dlanglin@markelcorp.com or 678-290-2104.

Until next time, all the best!



Mark D. Nichols
Managing Executive
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Gloria Barnes to retire



It is with sadness for us, but joy for her, that we announce that Gloria Barnes will be retiring from Markel as of March 31, 2016. Glo has been with Markel for 15 years and has been an integral part of the Markel Programs group since its inception in 2009. We would like to thank Glo for her many years of contributions to Markel.

Welcome Mary O'Hern



We are very excited to welcome Mary O'Hern as a Business Process Analyst to the Markel Programs family. Mary has been with Markel for 19 years and came to us through the Thomco acquisition in 2012. This gives her intimate knowledge of how Program Administrators work. Welcome Mary!

New Markel Programs website launched

To learn more about Markel Programs, please visit us at www.markelprograms.com. Check out our new videos which include a client testimonial and a brief description of our value added services. These can be seen at markelprograms.com. Let us know what you think at mluck@markelcorp.com.



New from Markel Programs in 2016 is this brief newsletter to bring you up to date on news at Markel Corporation and Markel Programs. We hope you find it informational and invite your feedback to Mary Chris Luck at mluck@markelcorp.com.