THE HALES REPORT

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Inside This Issue

The Hales Top 100 (2022). Largest Commercial Focused Agents & Brokers In The U.S. Grow 15% YOY To $69B (+20% ex Big 5 Publics)

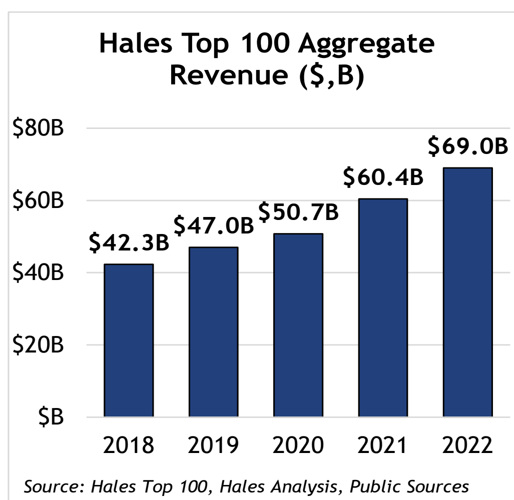
Our **"Hales Top 100" U.S. agents & brokers** grew fully 15% year-on-year to represent $69.0B of aggregate brokerage revenue. The list ranges from #1 **Marsh McLennan with $10.2B of U.S. revenue to the #100 agency with $24M of revenue (Wallace Welch & Willingham).** Exhibit 1 summarizes interesting metrics / observations over recent years, discussed further below.

Exhibit 1 & 2

Hales Top 100 U.S. Brokers Snapshot

Public	2019	2020	2021	2022	YOY Chg
Revenue ($,B)	$27.2	$28.3	$31.6	$34.9	10%
Top 100 Share	58%	56%	52%	51%	-3%
Count	20	18	18	17	-1
Public Stand-Alone	*6*	*6*	*6*	*6*	*0*
*Public Within Enterprise**	*14*	*12*	*12*	*11*	*-1*
Private Equity					
Revenue ($,B)	$13.8	$16.1	$22.3	$27.0	21%
Top 100 Share	29%	32%	37%	39%	2%
Count	21	24	28	30	2
Private					
Revenue ($,B)	$6.0	$6.3	$6.5	$7.1	8%
Top 100 Share	13%	12%	11%	10%	-1%
Count	59	58	54	53	-1

*Source: Hales Report Top 100, *Banks, CBIZ, Paychex*



High Level Interesting Observations (More To Come In Weeks Ahead) …

- Top 5 brokers by revenue are all **publicly traded** (as well as #7 **Truist** which also now includes a minority stake with Stone Point), representing **$30B** of revenue, an increase of 9% in 2022. This is 43% of the Hales Top 100 vs. 45% in 2021.

- Excluding the "Big 5" public brokers (+9% with low single digit growth from **Aon** and **Willis Towers**) the **remaining #6-100 grew a whopping 20% in 2022!**

- Notably, #6 **Acrisure** is within striking distance of #5 **Brown & Brown** ($77M difference; for perspective public market value for B&B is $18.6B). In total there are 17 companies with public ownership (typically within a larger publicly traded group, i.e. banks).

- **Private Equity share across the Top 100 is up to 39% (vs. 37% in 2021 and < 30% in 2019).** This includes 2 new and now a total of 30 with PE ownership vs. 28 last year. Revenues in this group grew 21%. Narrowing down to the 16 brokers with PE backing *within the Top 25*, revenues increased fully 20% (& share increased to 36% vs. 34% in 2021). This reflects the intense focus on "buying revenue" and the substantial M&A years in 2022 and 2021 (record).

- That said, **the # of firms showing "mega growth" was lower**, as 2 firms more than doubled in size (vs. fully 6 in last year's list): #88 **King Insurance** and #44 **Keystone Agency Partners** (both new to this year's list with PE backing). 4 other firms posted growth of >50% (down from 10 in 2021).

- Within the Top 100, our **"$1B Broker Club" now represents $48B of revenue** (vs. $40B YOY) or ~80% of total Top 100 revenues, up to a tally of 17. See our Hales#8 for a full update on the "$1B Broker Club."

- Notably, only 3 firms reported *lower* 2022 revenue, with minimal YOY decreases: (i) #59 **Huntington Insurance** down -4.6%; (ii) #95 **Moody Insurance** -5.2%; and (iii) #97 **Daniel & Henry Co** -1.1%.

- So far this year, there have not been any Top 100 commercial agency deals, but we note AJ Gallagher's **Buck** met the size threshold (at $280M in revenue; excluded from our tally due to Employee Benefits focus).

- **Top broker thresholds continue to increase for the higher end of our rankings**, with the #10 broker up 11% to $2.5B, #25 +19% to $412M and #50 +11% to $99M with #100 little changed at $24M (+2% YOY).

- *The full "Hales Top 100" ranking follows. Next issue we will take a closer look at the data (and provide add'l historical context).*

Exhibit 3

Hales Top 50 U.S. Agents & Brokers

Rank			U.S. Revenue ($,M)			
2021	2022		2021	2022	% Change	Type
1	1	Marsh McLennan (MMC)	$9,343	$10,215	9.3%	Public
2	2	Aon PLC (AON)	$5,459	$5,666	3.8%	Public
3	3	Arthur J. Gallagher (AJG)	$4,716	$5,534	17.3%	Public
4	4	Willis Towers Watson (WTW)	$4,621	$4,760	3.0%	Public
5	5	Brown & Brown (BRO)	$2,974	$3,333	12.1%	Public
6	6	Acrisure LLC	$2,690	$3,256	21.0%	PE / Management
7	7	Truist (TFC)	$2,750	$3,220	17.1%	Public / PE
8	8	Alliant Insurance Svcs	$2,601	$3,187	22.5%	Private Equity
9	9	Hub International	$2,435	$2,953	21.3%	Private Equity
10	10	USI Insurance Svcs	$2,289	$2,545	11.2%	Permanent Private Capital
11	11	AssuredPartners	$2,015	$2,275	12.9%	Private Equity
12	12	Lockton	$1,950	$2,200	12.8%	Private
13	13	NFP Corp.	$1,743	$1,979	13.5%	Private Equity
14	14	BroadStreet Partners	$1,151	$1,310	13.8%	Permanent Private Capital
15	15	Galway Holdings (EPIC)	$1,051	$1,278	21.7%	Private Equity
16	16	Risk Strategies	$930	$1,165	25.3%	Private Equity
17	17	Alera Group	$722	$1,073	48.6%	Private Equity
20	18	BRP Group (BRP)	$567	$981	72.9%	Public
18	19	OneDigital	$593	$750	26.6%	Private Equity
19	20	PCF Insurance Services	$590	$695	17.8%	PE / Management
21	21	Higginbotham	$452	$579	28.1%	PE / Management
22	22	The IMA Financial Group	$450	$560	24.5%	PE / Management
24	23	The Hilb Group	$402	$544	35.1%	Private Equity
23	24	Foundation Risk Partners	$410	$517	26.1%	Private Equity
25	25	Leavitt Group	$347	$412	18.7%	Private
27	26	High Street Insurance Partners	$291	$385	32.3%	PE / Management
33	27	World Insurance Associates LLC	$235	$373	58.5%	PE / Management
26	28	CBIZ Benefits & Insurance Svcs (CBIZ)	$334	$360	7.8%	Public
36	29	Patriot Growth Insurance Services LLC	$216	$354	63.7%	Private Equity
30	30	Cottingham & Butler	$254	$286	12.5%	Private
29	31	Insurance Office of America	$260	$285	10.0%	Private
28	32	Woodruff-Sawyer	$274	$277	1.2%	Private
31	33	Holmes Murphy & Associates	$254	$275	8.4%	Private
32	34	Cross Insurance	$248	$264	6.5%	Private
35	35	Relation Insurance Services	$219	$256	17.2%	Private Equity
34	36	Paychex Insurance Agency (PAYX)	$233	$246	5.8%	Public
40	37	Cobbs Allen/CAC Specialty	$147	$189	28.5%	Private
37	38	Hylant Group	$164	$181	10.2%	Private
39	39	Unison Risk Advisors	$155	$179	15.5%	PE / Management
38	40	Newfront/ABD*	$161	$173	7.5%	VC / Management
41	41	Heffernan Group	$145	$158	9.2%	Private
42	42	INSURICA	$142	$158	10.8%	Private
43	43	Cadence Insurance (formerly BXS (CADE))	$136	$152	11.7%	Public
NEW	44	Keystone Agency Partners	$55	$151	172.7%	Private Equity
45	45	The Liberty Company Insurance Brokers	$120	$151	25.6%	Private
47	46	Marshall & Sterling Enterprises	$103	$110	7.1%	Private
46	47	TrueNorth Cos.	$103	$109	5.7%	Private
52	48	Sunstar Insurance	$86	$103	19.8%	Private Equity
48	49	Eastern Insurance (Eastern Bank (EBC))	$97	$99	1.7%	Public
62	50	ALKEME	$60	$99	64.2%	Private Equity

*Source: Dowling Hales Proprietary Survey * did not disclose, uses 7.5% organic growth assumption*

Exhibit 4

Hales Top 51 - 100 U.S. Agents & Brokers

Rank			U.S. Revenue ($,M)			
2021	2022		2020	2021	% Change	Type
50	51	Lawley Service	$91	$98	10.0%	Private
51	52	Horton Group	$89	$98	9.4%	Private
49	53	M3 Insurance Solutions*	$89	$96	7.5%	Private
55	54	Towne Insurance Agency (Towne Bank (TOWN))	$82	$91	11.5%	Public
57	55	Sterling Seacrest Pritchard	$79	$91	15.7%	Private
53	56	The Loomis Co.	$85	$90	6.0%	Private
56	57	Scott Insurance	$80	$89	10.7%	Private
58	58	Houchens Insurance Group	$78	$86	11.0%	Private
54	59	Huntington Insurance (Huntington Bank (HBAN))	$83	$79	-4.6%	Public
59	60	Starkweather & Shepley Insurance	$72	$78	8.5%	Private
60	61	The Graham Co.	$68	$73	7.7%	Private
68	62	Inszone Insurance Services	$49	$69	40.3%	Private Equity
61	63	Moreton	$61	$67	10.2%	Private
63	64	Robertson Ryan & Associates	$58	$67	15.1%	Private
66	65	Oakbridge Insurance	$53	$64	21.9%	Private Equity
67	66	Poms & Associates Insurance Brokers	$52	$57	8.6%	Private
76	67	Christensen Group	$45	$55	20.9%	Private
65	68	Frost Insurance Agency (Frost Bank (CFR))	$53	$54	3.2%	Public
71	69	The Partners Group	$48	$54	13.8%	Private
69	70	FBBInsurance (Trustmark (TRMK))	$49	$54	10.5%	Public
74	71	Crest Insurance Group	$46	$53	15.9%	PE / Management
72	72	The Mahoney Group*	$49	$53	7.5%	Private
77	73	MJ Insurance	$45	$51	15.5%	Private
73	74	First Insurance Group LLC (First National (FINN))	$46	$50	8.9%	Public
83	75	Reliance Partners	$38	$48	26.1%	Private
78	76	Ansay & Associates	$44	$47	5.7%	Private
75	77	Charles L. Crane	$45	$47	3.1%	Private
79	78	James G. Parker*	$41	$44	7.5%	Private
84	79	The Buckner Co.	$38	$43	13.9%	Private
81	80	R&R Insurance Svcs	$40	$43	7.3%	Private
80	81	Kapnick Insurance Group	$41	$42	3.7%	Private
88	82	TRICOR	$35	$41	16.7%	PE / Management
82	83	Rich & Cartmill*	$35	$38	7.5%	Private
87	84	Tompkins Insurance (Tompkins Financial (TMP))	$35	$36	3.9%	Public
89	85	The Plexus Group	$34	$36	7.0%	Private
92	86	Ross & Yerger Insurance	$31	$35	13.5%	Private
98	87	McAnally Wilkins	$24	$35	43.8%	Private
NEW	88	King Insurance Partners	$9	$34	274.9%	Private Equity
94	89	John M Glover	$29	$34	15.8%	Private
91	90	Stahl & Associates Insurance	$31	$33	5.9%	Private
NEW	91	UNICO Group	$28	$33	15.8%	Private
93	92	Swingle Collins & Associates	$30	$33	10.4%	Private
NEW	93	Commercial Inurance Associates	$24	$32	32.5%	Private
97	94	Gibson Insurance	$28	$31	11.1%	Private
90	95	Moody Insurance	$32	$31	-5.2%	Private
NEW	96	Engle-Hambright-Davies*	$28	$30	7.5%	Private
95	97	Daniel & Henry Co	$28	$28	-1.1%	Private
100	98	The Richards Group	$23	$26	9.9%	Private
99	99	Otterstedt Insurance Agency*	$24	$26	7.5%	Private
101	100	Wallace Welch & Willingham	$21	$24	14.2%	Private

*Source: Dowling Hales Proprietary Survey * did not disclose, uses 7.5% organic growth assumption*

Dowling Hales

Dowling Hales acted as exclusive financial advisor to Total Financial & Insurance Services, Inc. in its sale to Simplicity Group Holdings, Inc.

Founded in 1971 and headquartered in Culver City, CA, Total is a brokerage general agency ("BGA") specializing in the national distribution of life, annuity, long-term care and disability insurance products to high, and ultra-high net worth individuals. Over the course of its 50+ year history, Total has evolved from a small regional player to a nationally recognized BGA, representing agents from nearly every state in the continental United States. The Company will continue to be led by President & CEO Diana Greenberg.

Total Financial NEXT GENERATION REPRESENTED BY DOWLING HALES*	CAPSTONE INSURANCE REPRESENTED BY DOWLING HALES*	Viking Bond Service, Inc. REPRESENTED BY DOWLING HALES*
HAS BEEN ACQUIRED BY	HAS BEEN ACQUIRED BY	HAS BEEN ACQUIRED BY
SIMPLICITY GROUP	ALERAGROUP	Gallagher
APRIL 2023 *CONDUCTED THROUGH HALES SECURITIES, LLC	MARCH 2023 *CONDUCTED THROUGH HALES SECURITIES, LLC	MARCH 2023 *CONDUCTED THROUGH HALES SECURITIES, LLC
HADLEY LYDEN REPRESENTED BY DOWLING HALES*	Davis Insurance Agency, LLC REPRESENTED BY DOWLING HALES*	PROVISION INSURANCE GROUP REPRESENTED BY DOWLING HALES*
HAS BEEN ACQUIRED BY	HAS BEEN ACQUIRED BY	HAS BEEN ACQUIRED BY
WORLD	HIGHSTREET Insurance Partners	evertree
MARCH 2023 *CONDUCTED THROUGH HALES SECURITIES, LLC	JANUARY 2023 *CONDUCTED THROUGH HALES SECURITIES, LLC	JANUARY 2023 *CONDUCTED THROUGH HALES SECURITIES, LLC

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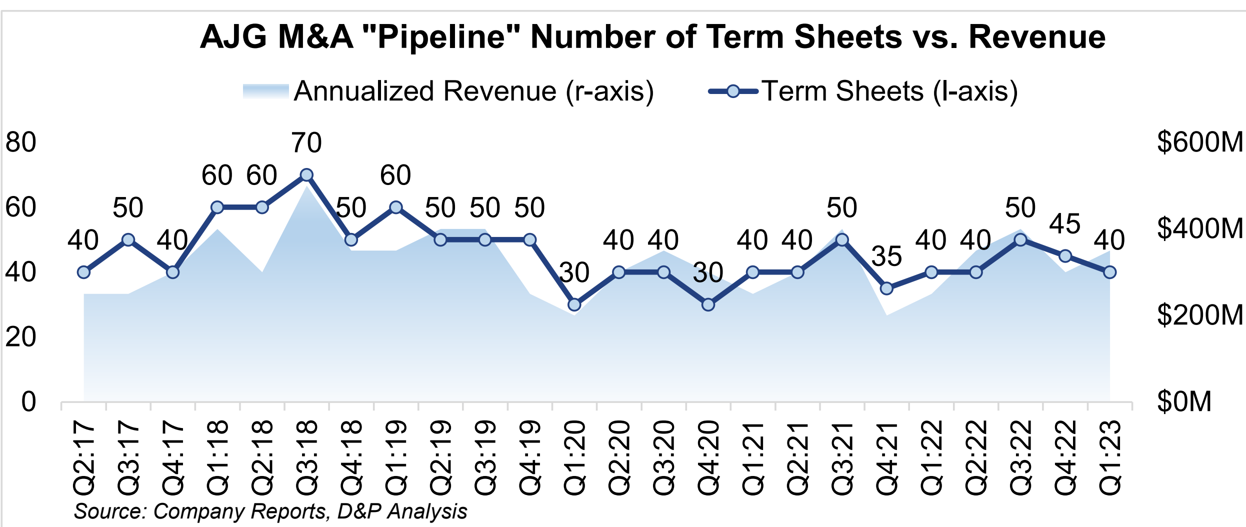
Public Broker M&A Appetite Remains Despite Still Competitive Environment, Little Change In Valuation Multiples Thus Far.

Public (re)insurance brokers continue to keep a close eye on the M&A environment with strong appetites across the board. Middle Market brokers **AJ Gallagher** and **Brown & Brown** remain focused entirely on capital deployment towards M&A (annual cash flow of ~$2B and ~$900M, respectively) while **Marsh McLennan** continues to prioritize M&A over buybacks if opportunities arise (total ~$4B capital deployment target in 2023 net of dividend payments). Even **Aon** and **Willis Towers**, which have historically been less active (particularly in the last 3 years given their merger saga) expressed *incrementally* greater interest in M&A.

The publics clearly recognize their improved competitive position on a relative basis (vs. highly levered PE-backed brokers in a world of tighter credit markets / higher interest rates) but note the **market still remains quite competitive and valuations remain near peaks**. While deal activity slowed last year, it's still quite active and most expect a steady pace of activity throughout 2023.

AJ Gallagher consistently provides "pipeline" metrics, noting the # of term sheets it is seeing have declined somewhat (to 40 vs. 50 as of 9/30/22) but the aggregate revenue in scope remains ~$350M (up from 3/31, back to 9/30 levels). Gallagher management explained: "…we're seeing a slowdown in the number of transactions, which I do think reflects a slowdown in the number of new entrants. There are some people who have been very active in the past that are less active now." Interestingly, Gallagher has reported 6 domestic deals so far in 2023, in line with its activity at this time last year.

Exhibit 5



Source: Company Reports, D&P Analysis

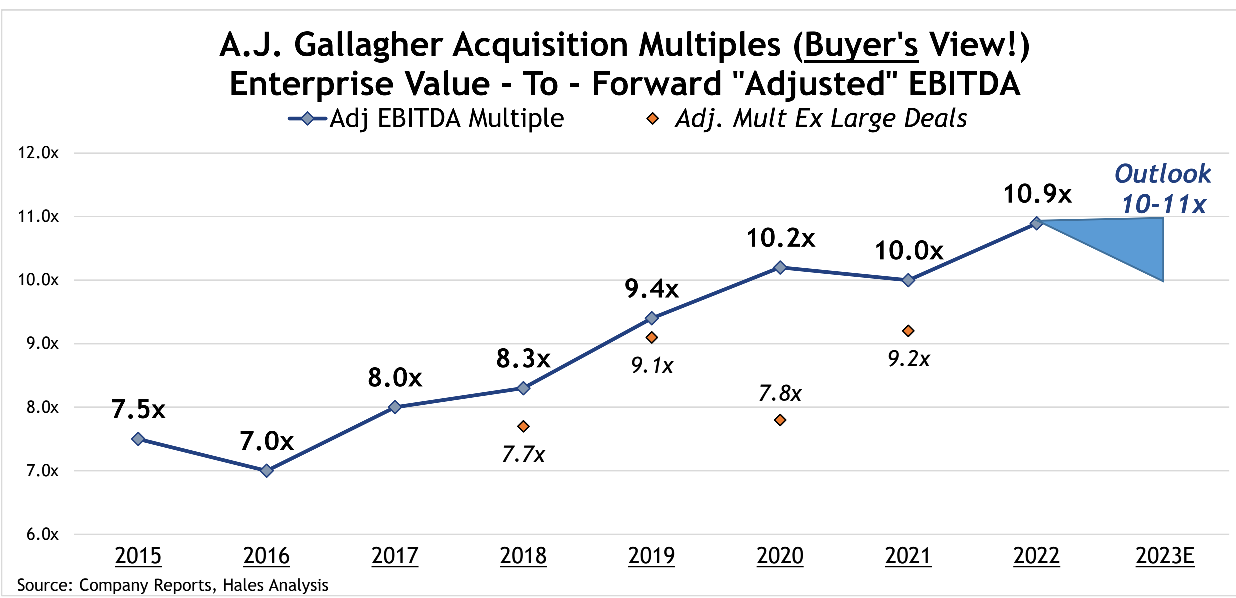
On deal pricing, AJ Gallagher left their **forward M&A multiple outlook unchanged at 10-11x EV to forward "adjusted" EBITDA.** This is still somewhat below the ~11x acquisition multiple paid by Gallagher in 2022. While we believe AJ Gallagher's figures (buyer's view*) understate reality, the trends and outlook are insightful.

"…**we're not seeing a big decrease in those multiples**. If you had 20 people bidding on a property 18 months ago, you still have 11 today. And so I do believe that, like anything, supply and demand, if that demand continues to decrease, and interest rates are, in some way, impinging that capital, **I think that you will see multiples come down, but they're not doing that right now.**"

We agree, but continue to reiterate that it only takes 2 bidders to create a competitive process and we believe deals of a given size and/or specialty will continue to command peak multiples.

BRP noted some initial signs of price softening, but not enough to reinvigorate their interest in pursuing M&A in a more aggressive way (deleveraging also remains a focus, see below). "…we continue to remain opportunistic with respect to the M&A marketplace but reaffirm that we do not currently expect to execute any material partnerships in 2023 as we remain committed to deleveraging and **continue to expect the market to soften over the balance of 2023, a trend we are starting to see.** Price transparency takes time, and it is our current belief that if we are patient, we will see a better environment into which we can put shareholder capital to work."

Exhibit 6

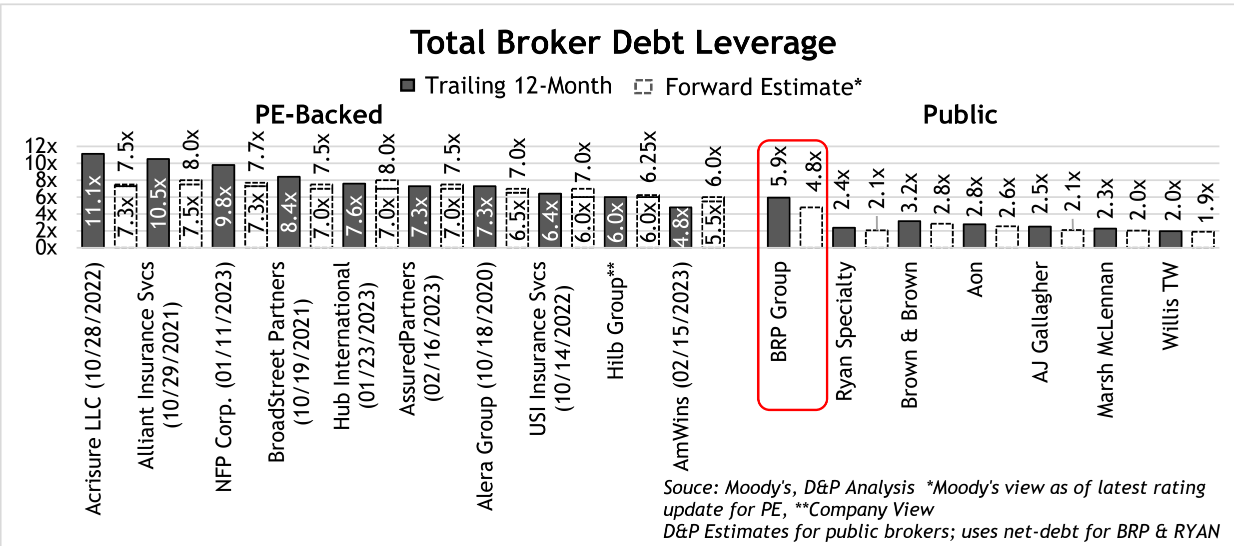


Notably (i) Gallagher uses a pro forma view of EBITDA that primarily adjusts for excess owners' comp, (ii) the figures do not include the earn-out (which can raise the multiple 1-3x) and (iii) AJG is primarily focused on smaller deals.

BRP remains more cautious, in part given their focus on deleveraging. "Competition in the M&A environment has continued largely unabated, and while interest rates have increased, demand has not yet meaningfully diminished, resulting in still-buoyant private market valuations that we believe will generate lower returns for equity holders. With such attractive opportunities to invest inside BRP, only a few external prospective Partner firms can chin the bar at today's prices and costs of capital."

As shown below, **BRP** remains above its target leverage of 4.5x and still near max target of 6.0x (mgmt. tolerance) - 7.0x (max under debt covenants), which also helps to explain their limited appetite for deals. **Brown & Brown** is also focused on deleveraging following several big deals last year (see Hales#6) while others still have some debt flexibility.

Exhibit 7



Additional M&A Commentary of Interest …

- **AON**: "We have a fantastic M&A pipeline and it is focused on our highest growth, highest margin, highest return on capital opportunities. And it reflects the areas we continue to invest in, areas of content and capability that we can scale across the firm. In areas like data analytics…Areas like health and wellness and human capital, areas like our core risk offerings and helping our clients be able to model and manage risk better. And so, we've got lots of areas of great opportunity around the globe and we're really excited about it."

- **Brown & Brown**: "As it relates to the overall M&A market, **the level of deals primarily from financial backers has slowed. That does not mean high quality businesses don't trade at similar multiples to what we've seen over the past year**; but from our perspective, we remain active, and GRP [London-based] had another solid quarter of M&A transactions."

- **Willis Towers**: "Our strong balance sheet gives us continued confidence in our ability to execute a disciplined capital allocation strategy that balances capital return to shareholders **with internal investments in strategic M&A to deploy our capital in the highest return opportunities**... we're very comfortable with our capital position and the capital structure and the embedded financial flexibility that we have there to be able to take advantage of opportunities that come our way."

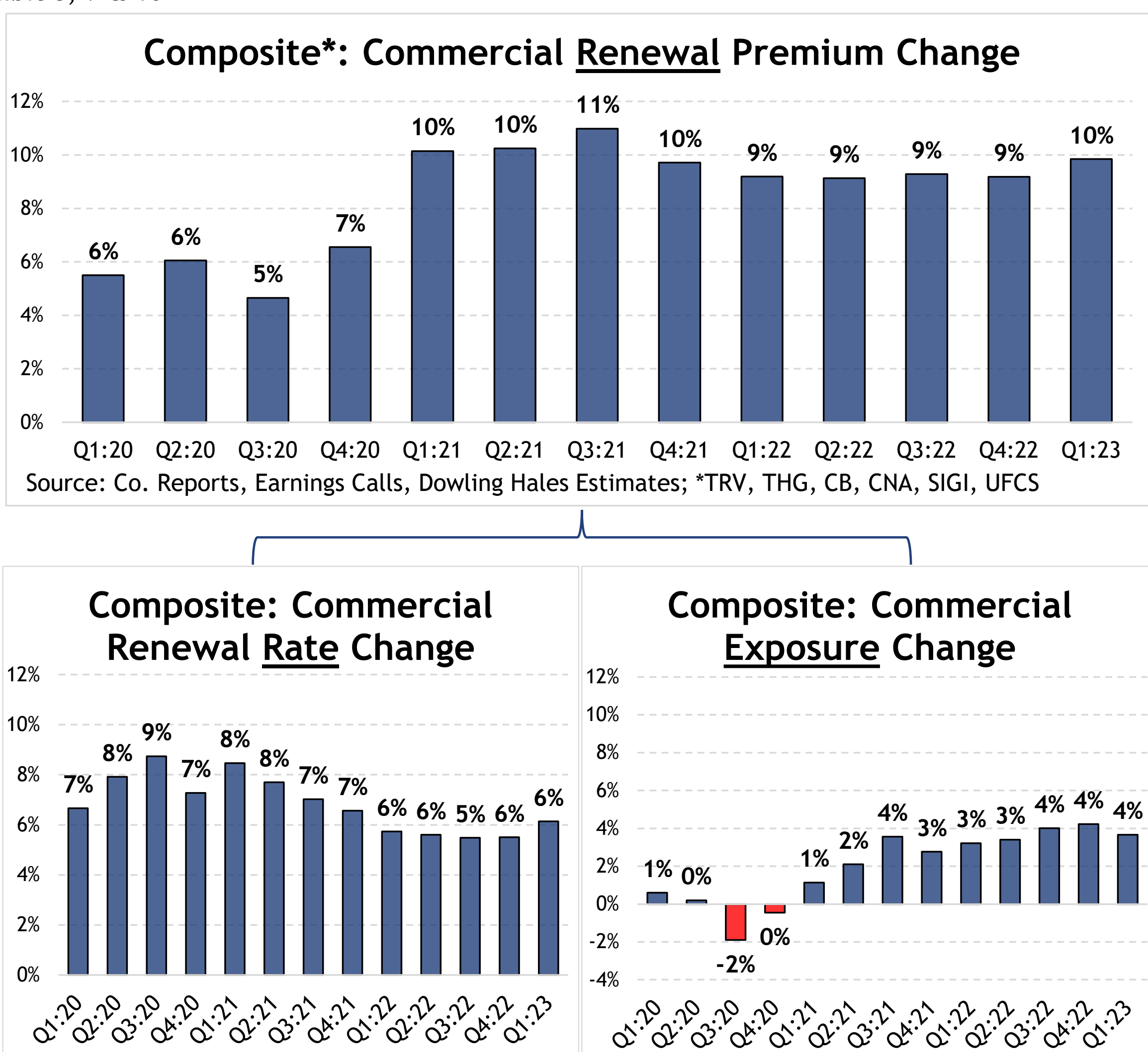
- **Ryan Specialty**: The wholesale broker noted it is on the cusp of potentially announcing a wholesale Employee Benefits deal (has been an area of focus) in its preferred high margin / high growth area. "We've been holding some very serious discussions. We're optimistic about these discussions and the space where we currently exist. We're hopeful we'll be able to communicate positive results in the weeks and months ahead. We're very excited about the strategic objectives that these deals would bring us. We want to stay disciplined. We've said that and we repeat it. And we're only going to do an M&A transaction when it meets all three of our criteria, cultural fit, strategic, and accretive."

Renewal Premium Change Remarkably Stable At ~10% For 9 Quarters, But Components Oscillate. Rates Re-Accelerating In 2023 (Property Driven) As Exposures Moderate.

Renewal premium change, the key driver of organic growth for brokers, has been remarkably stable at nearly 10% for 9 quarters. It's important to consider the key drivers, renewal rate change and exposure change, separately to contemplate the forward trajectory.

As illustrated below, renewal rate change accelerated in the early days of COVID and served to largely offset the exposure reductions amidst economic shutdowns. As exposures rebounded, rates concurrently began to moderate. Since then, **we've seen some stabilization in both metrics, with rate and exposure at +6% and +4%**, respectively. From here it's likely rates will re-accelerate somewhat (property driven) with the exposure outlook a bit uncertain (less robust economy will likely show through at some point, on a lagged basis).

Exhibit 8, 9 & 10



The components of our composite above include rate and exposure change from 6 separate underwriters, with the underlying data summarized below. **Agency focused regionals in particular have reinforced their push for rate increases as inflationary pressures on profitability (both economic & social) are expanding beyond just personal lines and into their commercial books.** See separate article on regionals.

Exhibit 11

U.S. Commercial Pricing	Q1:21	Q2:21	Q3:21	Q4:21	Q1:22	Q2:22	Q3:22	Q4:22	Q1:23
Travelers									
Renewal Rate Change	*7.7%*	*6.8%*	*6.0%*	*5.0%*	*4.4%*	*4.9%*	*5.0%*	*4.5%*	*4.7%*
Exposure Change	*3.8%*	*4.0%*	*4.8%*	*3.9%*	*4.3%*	*5.2%*	*5.1%*	*5.6%*	*4.9%*
Renewal Premium Change	**11.5%**	**10.8%**	**10.8%**	**8.9%**	**8.7%**	**10.1%**	**10.1%**	**10.1%**	**9.6%**
Hanover									
Renewal Rate Change	*6.4%*	*6.1%*	*6.5%*	*6.9%*	*6.3%*	*6.3%*	*6.9%*	*7.3%*	*7.2%*
Exposure Change	*0.3%*	*0.2%*	*2.8%*	*2.5%*	*3.2%*	*3.4%*	*4.1%*	*3.9%*	*3.0%*
Renewal Premium Change	**6.7%**	**6.3%**	**9.3%**	**9.4%**	**9.5%**	**9.7%**	**11.0%**	**11.2%**	**10.2%**
Chubb									
Renewal Rate Change	*14.5%*	*13.5%*	*12.2%*	*10.5%*	*8.7%*	*7.0%*	*4.1%**	*ND*	*6.4%*
Economic Exposure Change	*-1.8%*	*0.4%*	*2.6%*	*3.4%*	*3.2%*	*3.4%*	*4.2%*	*ND*	*4.5%*
Renewal Premium Change	**12.4%**	**13.9%**	**15.1%**	**14.3%**	**12.2%**	**10.7%**	**8.5%**	**6.5%**	**11.2%**
CNA									
Renewal Rate Change	*10.0%*	*8.0%*	*6.0%*	*6.0%*	*5.0%*	*5.0%*	*4.0%*	*5.0%*	*7.0%*
Exposure Change	*2.0%*	*4.0%*	*5.0%*	*2.0%*	*3.0%*	*2.0%*	*3.0%*	*4.0%*	*2.0%*
Renewal Premium Change	**12.0%**	**12.0%**	**11.0%**	**8.0%**	**8.0%**	**7.0%**	**7.0%**	**9.0%**	**9.0%**
Selective									
Renewal Rate Change	*5.5%*	*5.5%*	*5.3%*	*5.0%*	*4.8%*	*5.3%*	*5.8%*	*5.6%*	*7.0%*
Exposure Change	*ND*	*ND*	*ND*	*ND*	*ND*	*ND*	*3.8%*	*4.4%*	*4.7%*
Renewal Premium Change	**ND**	**ND**	**ND**	**ND**	**ND**	**ND**	**9.6%**	**10.0%**	**11.7%**
United Fire									
Renewal Rate Change	*6.7%*	*6.3%*	*6.1%*	*6.0%*	*5.2%*	*5.1%*	*5.7%*	*5.1%*	*4.5%*
Exposure Change	*1.4%*	*1.9%*	*2.6%*	*2.0%*	*2.4%*	*3.0%*	*3.8%*	*3.2%*	*2.9%*
Renewal Premium Change	**8.1%**	**8.2%**	**8.7%**	**8.0%**	**7.6%**	**8.1%**	**9.5%**	**8.3%**	**7.4%**

Source: Company Reports, Earnings Conference Calls, Dowling Estimates; ND = Not Disclosed; *Chubb Q4:22 renewal rate change estimated; Chubb, United Fire & CNA retroactively disclosed both metrics in Q2:22, Q3:22 & Q3:22, respectively

Outside of the regional issues, most underwriters are still focused on at least keeping pace with loss cost trends to keep their loss ratios stable. **The loss cost hurdle has consistently moved higher in recent years as social inflation was compounded by economic inflation, with most now pointing towards a 6-7% loss cost trend.** This is the hurdle for prospective rate increases just to keep loss ratios stable, much higher vs. the longer-term average of ~3-4% (was actually lower than this coming out of the financial crisis).

Exhibit 12

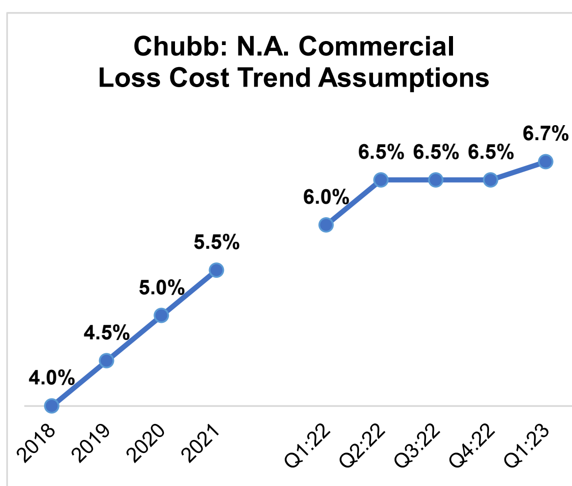
Company Views On Loss Costs	2018 (& Prior)	2019	2020	2021	2022	Q1-23
CHUBB*	~4%	~4.5%	~5%	~5.5%	~6.5%	~6.7%
TRAVELERS	~4%	~4.5%	~5%	~5%	~5.5-6%+	~5.5-6%+
CNA	~2.5%	~3%	~4%	~5%	~6%	~6.5%
AIG	-	~3.5%	-	~4-5%	~6.5%	
SELECTIVE BE UNIQUELY INSURED	~3%	~4%	-	~4-5%	~6.5%	~6.5%
AXIS	-	<4%	-	~4-5%	~6-7%	~6-7%

Source: Company Reports, Dowling Hales Analysis; *N.A. Cml; **Insurance Only

Chubb recently explained the driver of the rising trend and the importance of staying on top of the latest loss cost trends when inflation is at elevated levels. "elevated loss trends are showing up in everything from auto accidents to securities class action suits, from medical malpractice and professional liability claims to sexual abuse-related reviver statutes. While the insurance market is reasonably disciplined at the moment, **casualty rates in most classes will need to rise at an accelerated rate or else the industry will fail to keep pace.**"

"…we're coming out of a period of very low inflation…[when] you don't have to be necessarily as insightful on loss cost at a particular moment in time, lag has less of an impact on you…**In an inflationary environment, which we experienced and began a while ago, that's a killer**. And for those of us who've experienced inflation, time values can mean everything in accuracy…**You have to be on top of the trend and you really have to unpack severity from frequency.**"

Exhibit 13



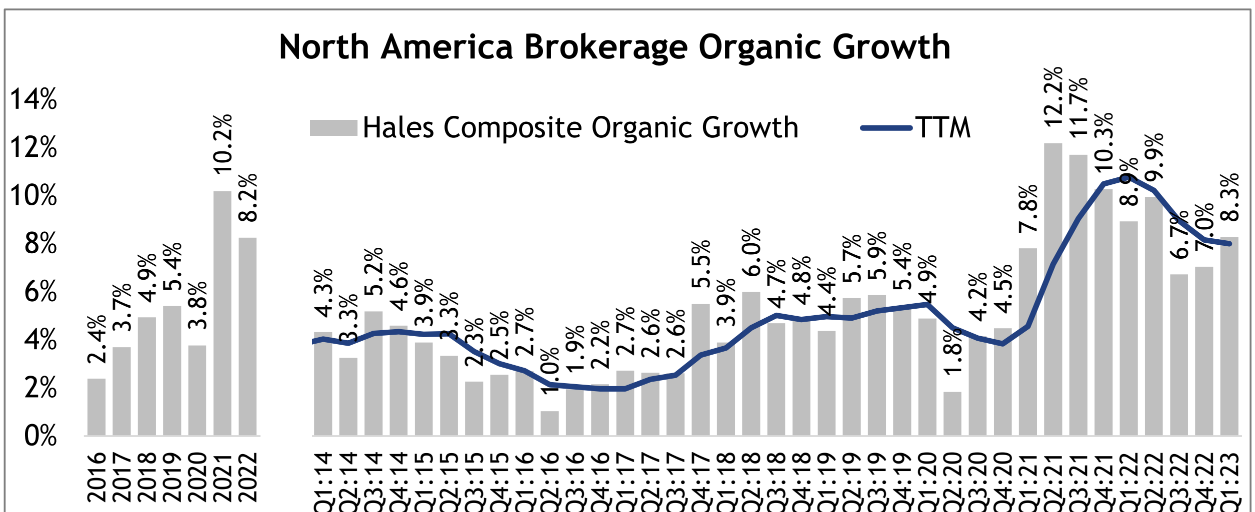
North America Brokerage Organic Reaccelerates To 8%+ In Q1. Inflation & Property Mkt Momentum Counteracts Transaction Business Struggles.

As covered in our prior edition, broker organic growth in aggregate reaccelerated by ~2pts to >9% in Q1. International operations have remained the growth leader for global brokers, but we've also observed reacceleration in **domestic organic growth to >8% in Q1**, following 7% in Q4 and a recent low of 6.7% in Q3:22.

The modest growth in the back ½ half of last year primarily reflected the slowdown in transaction-related activity (IPO, M&A, SPACs), as well as a substantial softening in financial lines (public co D&O). In Q1, **these headwinds persisted but were increasingly offset by the tailwinds from a hardening property market (each month stronger than the prior) and inflation (on a lagged basis underwriters addressing higher valuations).** Notably, no broker reported signs of the weaker U.S. economy affecting brokerage results (similarly would come through on a lagged basis).

Over 2021 and 2022 domestic growth was in the 8-10% range, above pre-pandemic levels of 5-6%.

Exhibit 14



Source: Company Reports, Hales Analysis

A.J. Gallagher emphasized that the middle market U.S. remains on a strong footing.

"We're not seeing recessionary pressure in the middle market by our clients around the U.S., in particular. Those businesses are continuing to grow, and they are robust, even with the headwinds of higher interest rates and higher insurance costs. And those insurance costs are not backing off." - *Pat Gallagher, CEO of A.J. Gallagher*

Exhibit 15

U.S. Brokerage Organic Growth Scorecard

	2020	2021	2022	Q1:22	Q2:22	Q3:22	Q4:22	Q1:23
Marsh U.S.	5%	13%	7%	10%	10%	5%	5%	7%
WTW North America	6%	9%	Growth	Led growth	Growth	Solid Growth	Strong Growth	Strong Growth
Gallagher U.S. Retail P&C	4%	9%	10%	11%	11%	9%	8%	7%
Brown & Brown Total Co.	4%	10%	8%	8%	10%	7%	8%	13%
Hub U.S.	2%	8%	9%	9%	11%	9%	7%	TBD
Truist Total Co.	4%	11%	7%	7%	8%	7%	6%	5%

Source: Company Reports

Marsh provided a good summary of the inter-play between the headwinds in the North America transactions business and tailwinds elsewhere.

"The U.S. and Canada results were once again impacted through tough comps and transactional risk and elevated M&A, SPAC and capital markets activity at the beginning of '22. Specialty growth was good. Credit specialties, construction, aviation and marine cargo easily overset the drop in M&A growth. Renewal growth is very strong in U.S. and Canada, fueled by the new business we've put on in '22; and stronger client retention and reduced loss business." – *Martin South, CEO of Marsh*

"Inflation broadly is driving a higher cost of risk, the frequency of weather-related losses. And we did see U.S. retail property market begin to react to some of the reinsurance market changes as well." – *John Doyle, CEO of Marsh McLennan*

Importantly, as we repeatedly discussed, buying behavior and T&C adjustments will work to taper off property tailwinds on brokerage commissions. **A.J. Gallagher** stressed this point.

"One of the things that our guys do and our gals do out there, is they're pretty good at mitigating some of that rate increase. So when you look at it, property rates are going up 17%. You might see commissions going up 10% or 11%, 12%, something like that, because you increase deductibles, you bring down limits, you come up with some more creative programs in that. So that is a line of business where the direct correlation between the premium increase and then the commissions that we get, there's a delta there."

- Doug Howell, CFO of A.J. Gallagher

The property tailwinds were most pronounced at **Brown & Brown**, which experienced a substantial flow of business into its lender-placed insurance, as well as strong production across wind, quake and captive programs. As a result, its National Programs segment grew organically 34% in Q1, contributing to the 13% headline organic growth.

Warren Buffett Highlights More Cautious Stance On Economy / Non-Insurance Businesses. GEICO Still A WIP. And You Know It's A Rock Hard Market When Berkshire Is More Constructive On Reinsurance!

During **Berkshire Hathaway's** 2023 Annual Meeting, CEO Warren Buffett kicked things off by highlighting a **more cautious stance on the non-insurance businesses**, largely driven by changes in the economy. "I would say that in the general economy, the feedback we get is that, I would say, **perhaps a majority of our businesses will actually report lower earnings this year than last year.** In varying degrees in the last 6 months or so at various times, the businesses have left the incredible period, which is about as extraordinary as I've seen a business since World War 2. …**It was an extraordinary period. And that period ended.** It hasn't ended with employment falling off a cliff or anything in the least, but it is a different climate than it was 6 months ago. And a number of our managers were surprised." In short, it would appear we are past the "peak" from a macroeconomic perspective and should expect inflationary / recessionary headwinds to put pressure on corporate profits moving forward (in turn will impact insurance "spend" decisions).

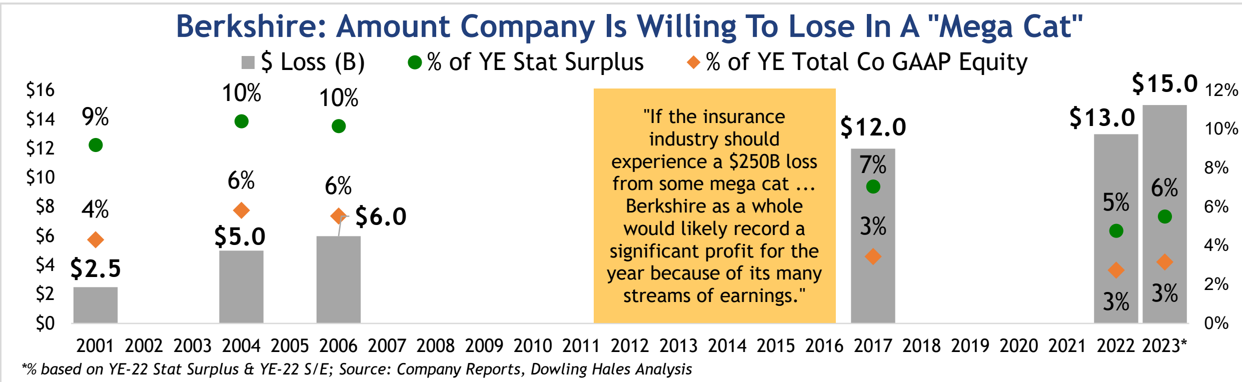
Specific To (Re)insurance Markets … Berkshire Is More Constructive On Property Cat (After "Disappointing" 1/1) In The Latest Evidence of The "Rock Hard" Market …

Following what was described as a "disappointing" 1/1 reinsurance renewal, Ajit Jain (Vice Chair of Insurance ops) was significantly more positive on the 4/1 renewals … "We had a lot of powder dry, and we were lucky that we kept the powder dry because April 1 suddenly prices zoomed up again a lot higher than what they were in January 1 and **started to look attractive to us.** So now we have a portfolio that is very heavily exposed to property catastrophe. **To put that in perspective, our exposure today is almost 50% more than what it was 5, 6 months ago. So I think we have written as much as our capacity will allow us to write.** We are very happy with what we've written. The margins have been healthy." Rather than the April 1 (Japan focused) renewals specifically we suspect the commentary incorporates both (i) companies with Jan 1 renewals that returned to the market for additional capacity (inflation driven demand) and (ii) early writing of some mid-year business (including Florida), and also potentially (iii) a larger play in the industry loss warranty (ILW) market.

As such, Berkshire explained they have a very unbalanced portfolio. "…If there's a big hurricane in **Florida**, we will have a very substantial loss. As opposed to, if we have a very big loss anywhere other than Florida, relative to our competition, we will have a much smaller loss. Net-net, I'm very happy with the portfolio. It's been a lot better. It is a lot better than what it's been in the past. I don't know how long it will last. **And of course, if the hurricane happens in Florida, we could lose -- across all the units, we could lose as much as $15B.** And if there isn't a loss, we'll make several billion dollars as profit … a few weeks ago, we had about $13B of exposure all across the globe. And I called up and I said, we're up to 13, it will be nice if we can go up to 15. That's a good round number. And that was less than a 30-second phone call. I think Warren said yes without even listening to what the numbers were."

To put into context, as shown below, Berkshire / Buffett have discussed the amount of money it would be willing to lose in a "mega cat" at various times over the years. **We would not view the current $15B as a max loss cap, however, with Warren Buffett subsequently quipping: "I hope he [Ajit] calls me again."**

Exhibit 16



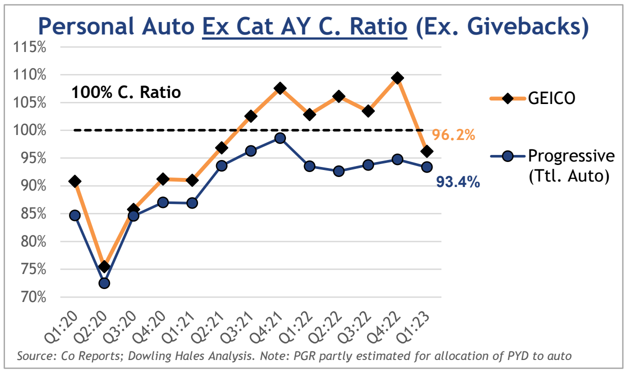
*% based on YE-22 Stat Surplus & YE-22 S/E; Source: Company Reports, Dowling Hales Analysis

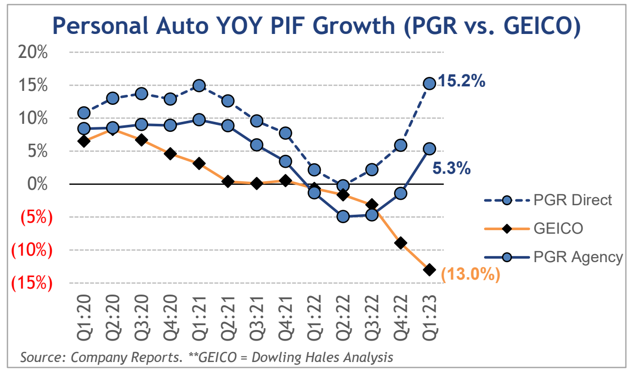
GEICO Still A Work In Process … Ajit Jain downplayed the improved Q1 results at GEICO (92.7% combined ratio) citing favorable development and seasonality. While GEICO has "taken the bull by the horns", much more work is required from a technology / telematics perspective … "**GEICO's technology needs a lot more work than I thought it did.** It has more than 600 legacy systems that don't really talk to each other. And we are trying to compress them to no more than 15, 16 systems that all talk to each other. That's a monumental challenge … Because of that and because of the whole issue, more broadly, in terms of matching rate to risk, **GEICO is still a work in progress**."

Like other auto insurers still plagued by rising inflation impacts (it went from bad to worse in Q1), mgmt. remains cautious and is clearly willing to trade growth for improved profitability: "My guess is the end of the year, GEICO will end up with a combined ratio of just south of 100% as opposed to the target they're shooting for of 96%. I hope they reached the target of 96% by the end of next year … **I think it's important to realize that even if we reach 96%, it will come at the expense of having lost policyholders.** There is a trade-off between profitability and growth. And clearly, we are going to emphasize profitability and not growth, and that will come at the expense of the policyholder. **So, it will not be until 2 years from now that we'll be back on track fighting the battles on both the profitability and the growth front**."

For perspective, GEICO NPW was down -2% YOY while PIF declined -13% YOY in Q1 while average premium per auto policy jumped +15.2% driven by rate increases.

Exhibit 17 & 18





Berkshire Specialty An Overwhelming Success 10 Years In … Having started in 2013, Buffett characterized its unheralded success at Berkshire Specialty. "**We've built more float than probably all of these [new] companies combined. It cost us essentially nothing in terms of an underwriting loss** ... We took on the whole industry and we brought some unique talent in the 4 people that came, and we now have 1,500-or-so worldwide. **We brought capital and we brought capabilities that really only Berkshire could supply. So it was the combination of brains and talent and energy and money.** … Plenty of people in this space didn't like us coming, and we did it without it costing us a dime of entry, and it's been unmatched by any of the companies that went public. And people have seen us do it, but they can't duplicate it. And that's what Ajit has created and Peter Eastwood has led this group. And it's just remarkable."

Berkshire / Berkshire Specialty is an in enviable position given (among other things): **(i)** Great brand (the Berkshire name); **(ii)** Unmatched financial security (massive balance sheet & AA+ S&P rating); **(iii)** Ability to offer massive limits across the globe (Berkshire Specialty has 39 offices in 16 countries with 1,500 employees as of April 2023); **(iv)** Gross line underwriting (i.e. no need or use of reinsurance); **(v)** Significant expense ratio advantage (at least 5pts); **(vii)** Not ROE driven (it's all about the combined ratio – goal of 88-92%) and **(viii)** Incentive compensation is long-term and driven only by underwriting profit.

All said, Berkshire is willing to run *towards* volatility in a world where investors are running away from property cat, and a sustainable hard market has ensued.

Regionals Intensify Efforts To Drive Higher Rates & Pricing (Incl. Exposures / Valuations). Poor Experience Amidst Inflation & Cats.

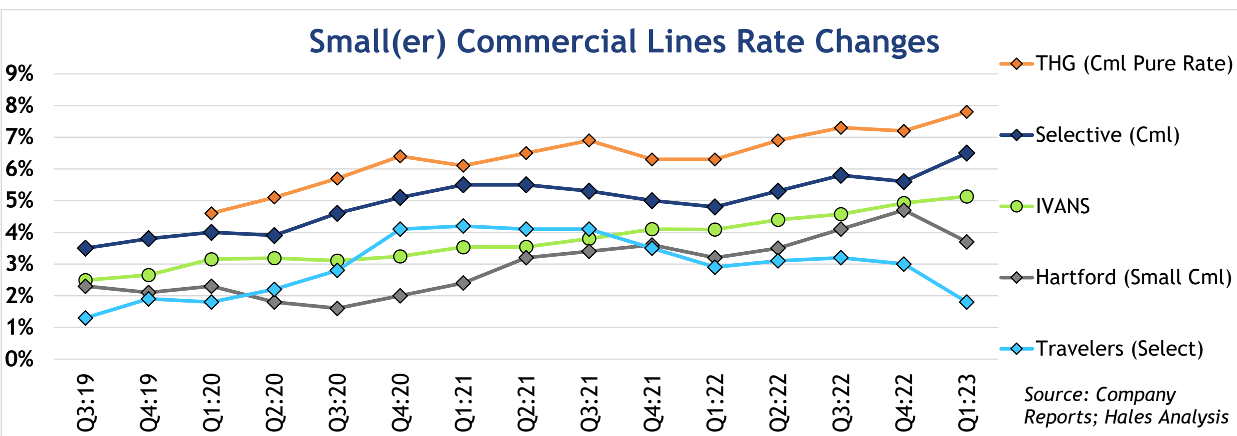
U.S. based regional insurers have had particularly difficult experience in recent months, with profit pressures spilling over from personal lines books to commercial lines, impacted by both economic inflation and social inflation. Regionals have also been particularly disadvantaged amidst the elevated string of $1B+ catastrophe events.

We believe this reflects a combination of (i) size, lacking the premium / scale to absorb these losses; (ii) geographic concentration, particularly in the Midwest (tornado prone) and Northeast (elevated winter weather losses recently) and (iii) reduced reinsurance, not just on catastrophe towers but also less "per risk" cover.

Hanover explained: "With respect to pricing, **we are leaning into the hard market to push for even more rate and greater exposure increases**, which should help offset elevated cat losses and the anticipated increase in reinsurance costs. Both our personal and core commercial businesses are achieving their highest premium exposure increases in many years."

Hanover is joined by peer **Selective** in accelerating rates along with IVANS (proxy for smaller / mid- market commercial). This is in contrast to their larger national peers even within their smaller commercial segments (where pricing moderation is the theme).

Exhibit 19



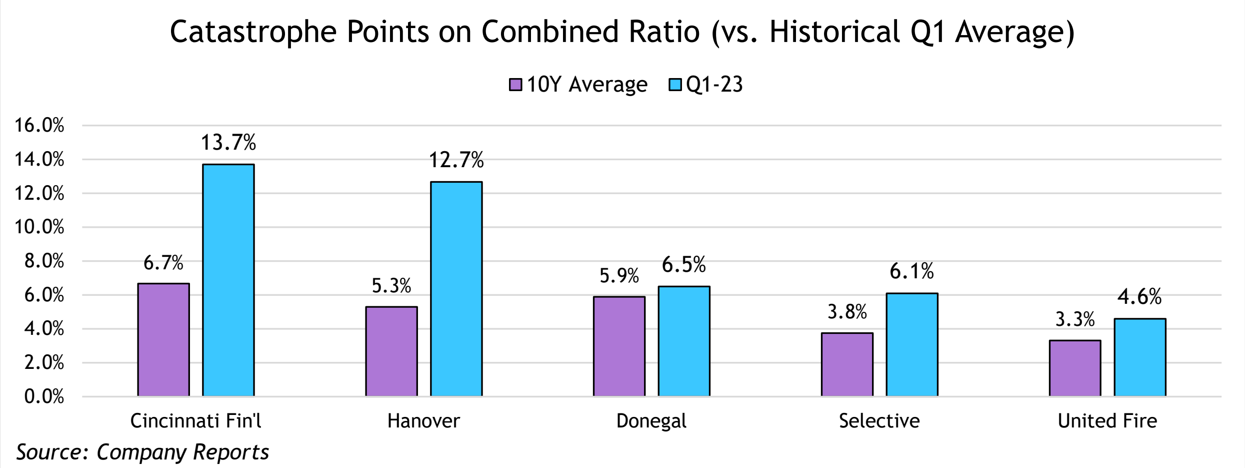
Property is the main driver of rate (re)acceleration for our regional composite, with cat exposed property rates well north of 20% and less cat exposed +10-20%. **United Fire** characterized this phenomenon well: "Renewal premium change in our core commercial business was 7.4% for the quarter, a slight contraction from the first quarter of 2022. **However, the renewal premium change in property exceeded 17% in the first quarter of 2023, as rate increases are accelerating to mitigate inflation and higher reinsurance costs.**" **Selective** similarly noted property renewal rate was +11.8% with pricing +17.5% (i.e. exposure growth added >5%). Cml Auto pricing was also +15% (rate +10%, exposure +4.9%).

Challenged Catastrophe Experience Given Size & Frequency of Recent $1B+ Events…

Catastrophe losses in Q1 were once again large, with Regional insurers particularly exposed to the severe convective storm activity in the US, which **Aon** currently estimates to result in $5.4B of insured losses. As depicted below, regional insurers catastrophe points were well ahead of historical Q1 averages. **Hanover** recorded an all-time high for cat losses in Q1 and **Cincinnati Fin'l** a 10 year high.

Hanover explained: "…it's abundantly clear that the increasing severity of claims from changing weather patterns, including winter storms, necessitates even more aggressive strategies. While we have significantly reduced our catastrophe concentrations in many geographic markets across our portfolio over the past several years, **we are acting with a heightened sense of urgency given the recent events.**"

Exhibit 20

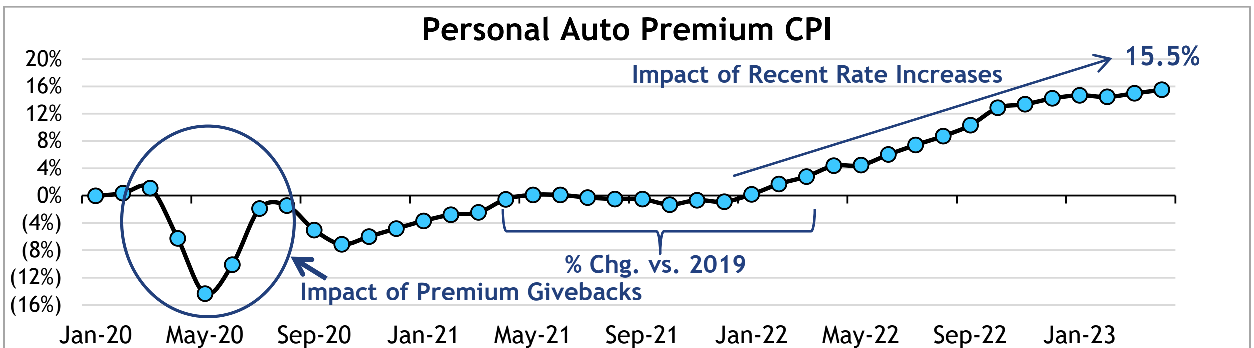


Source: Company Reports

April Auto Premium Continues To Accelerate Up +15.5% YOY (vs. +15.0% In March). Used Cars Increase Sequentially For 2nd Straight Month While Medical Care and Auto Body Work Continue To Moderate.

The **April Auto Premium CPI** was up +15.5% YOY (vs. +15.0% in March) continuing at new multi-decade highs reflecting the ongoing accumulation of auto rate increases. Recall, auto premium reaccelerated in March after moderating slightly to +14.5% in February (from +14.7% in January). Note, the highest increase recorded since 2001 was Feb-18 at +9.7%, and the closest time period to current levels was in the 1985-1987 period.

Exhibit 21



Source: BLS; April 2021 to March 2022 Premium Chg vs. 2019

D&P's CPI Loss Cost Index was 3.4% in April vs. 3.2% in March and 9.1% YOY. Auto Body Work and Medical make up most of the auto loss cost severity index getting 40% and 50% weights, respectively, while the Used Car index only gets 10%.

Exhibit 22

D&P Loss Cost Index Weight / CPI - Auto Related - YOY % Chg	2022 Apr	2022 May	2022 June	2022 July	2022 Aug	2022 Sep	2022 Oct	2022 Nov	2022 Dec	2023 Jan	2023 Feb	2023 Mar*	2023 Apr	Apr '23 vs. '19
Motor Vehicle Ins. Premium	**4.4%**	**4.5%**	**6.0%**	**7.4%**	**8.7%**	**10.3%**	**12.9%**	**13.4%**	**14.2%**	**14.7%**	**14.5%**	**15.0%**	**15.5%**	**19.9%**
Medical Care (Bodily Injury - 50%)	3.2%	3.7%	4.5%	4.8%	5.4%	6.0%	5.0%	4.2%	4.0%	3.1%	2.3%	1.5%	1.1%	10.9%
Auto. Body Work (PD - 40%)	13.0%	13.7%	14.4%	14.6%	11.5%	12.6%	13.1%	12.4%	10.1%	9.9%	9.2%	9.0%	8.8%	33.0%
Used Cars & Trucks (PD - 10%)	22.7%	16.1%	7.1%	6.6%	7.8%	7.2%	2.0%	(3.3%)	(8.8%)	(11.6%)	(13.6%)	(11.2%)	(6.6%)	37.7%
Weighted Avg. Phys. Dam.	*15.0%*	*14.2%*	*12.9%*	*13.0%*	*10.7%*	*11.5%*	*10.9%*	*9.3%*	*6.3%*	*5.6%*	*4.7%*	*5.0%*	*5.7%*	*33.9%*
D&P Loss Cost Index	9.1%	9.0%	8.7%	8.9%	8.0%	8.8%	8.0%	6.7%	5.1%	4.3%	3.5%	3.2%	3.4%	22.4%
Premium-Loss Severity Gap	(4.7%)	(4.5%)	(2.7%)	(1.5%)	0.7%	1.6%	4.9%	6.7%	9.1%	10.4%	11.0%	11.8%	12.1%	(2.5%)
Other Auto Related														
Motor Vehicle Main. & Repair	5.3%	6.1%	7.9%	8.1%	9.1%	11.1%	10.3%	11.7%	13.0%	14.2%	12.5%	13.3%	13.3%	27.3%
Motor Vehicle Parts & Equip. ex Tires	12.5%	14.5%	14.1%	13.1%	12.9%	14.1%	13.3%	13.7%	11.8%	12.1%	9.4%	10.3%	9.6%	28.4%
Prof. Medical Services	1.8%	1.9%	2.6%	2.2%	2.4%	3.3%	3.3%	3.1%	3.0%	2.7%	2.4%	2.2%	2.2%	9.5%
Hospital & Related Services	3.6%	3.8%	3.9%	4.0%	4.1%	3.9%	3.4%	3.2%	4.6%	4.0%	4.0%	3.2%	3.3%	15.4%
New Vehicles	13.2%	12.6%	11.4%	10.4%	10.1%	9.4%	8.4%	7.2%	5.9%	5.8%	5.8%	6.1%	5.4%	21.0%

Source: BLS, Dowling & Hales Analysis; *Auto Body Work for March undisclosed (the +9.0% increase is the difference between the Feb. and Apr. YOY Increase)

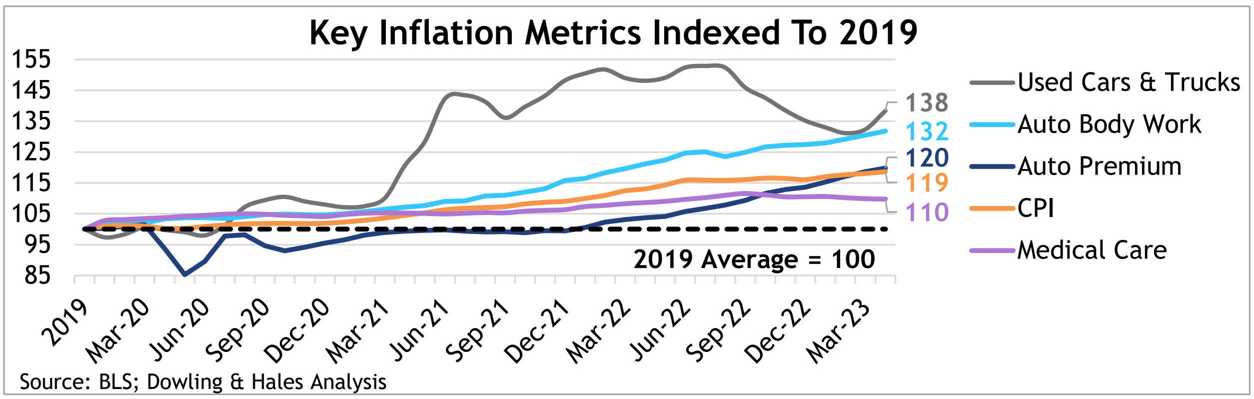
- **Auto Body Work** (up +8.8% YOY; and down from +9.2% in February). Note, Auto Body Work was not disclosed in March. Therefore, for purposes of D&P's auto loss cost index, a +9.0% YOY increase is used (midpoint of February and April).

- **Medical Care** (up +1.1% YOY vs. +1.5% in March): The actual index for Medical Care was down -0.1% sequentially (March was down -0.3% sequentially).

- **Used Cars** (down -6.6% YOY vs. -11.2% in March): Used Cars increased sequentially for the 2nd straight month, (actual index up +4.5%). Recall, Used Cars inflected higher in March finally following the Manheim trend which inflected higher in mid-December (a noticeably longer lag than the typical 6-8 weeks). Manheim continued to trend higher for 4 consecutive months before turning back negative in April, suggesting we may see a couple more months of sequential increases.

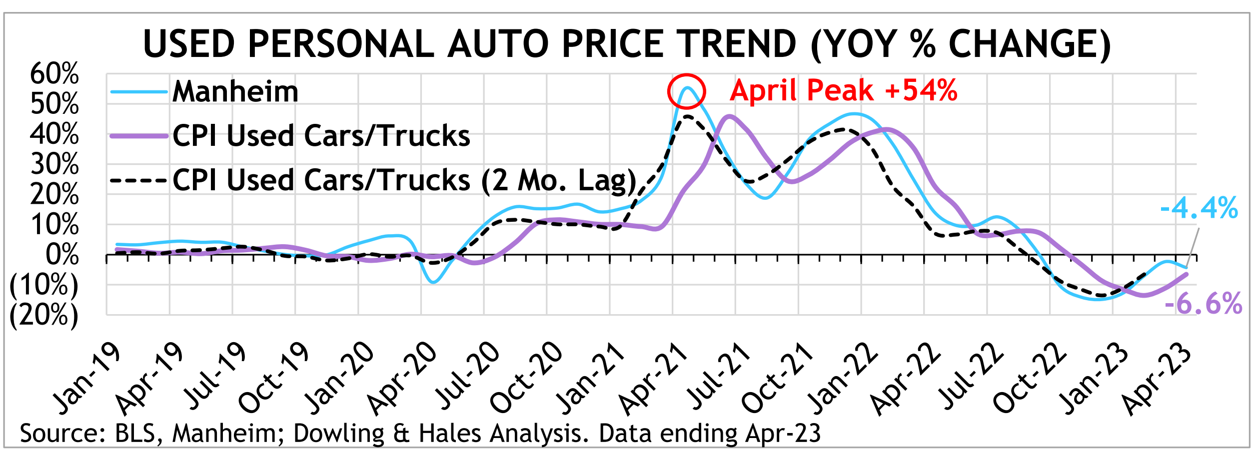
Note, **relative to pre-pandemic levels**, auto premiums (+20%) have now increased in line with the headline CPI (+19%), but below the physical damage severity inputs of Used Cars & Trucks (+38%) and Auto Body Work (+32%).

Exhibit 23



The Manheim Used Vehicle (wholesale) Index decreased sequentially in April after inflecting positive in December and increasing sequentially in each of the first 3 months of 2023 (up ~9% sequentially in Q1). For April, the sequential decrease was -3.0% vs. March, a larger decrease than mid-April's -2.7% sequential decrease (March was up +1.5% vs. February). YOY, April was down -4.4% (vs. -2.4% YOY in March). The YOY decreases are still largely a product of "rolling over" into elevated YOY figures.

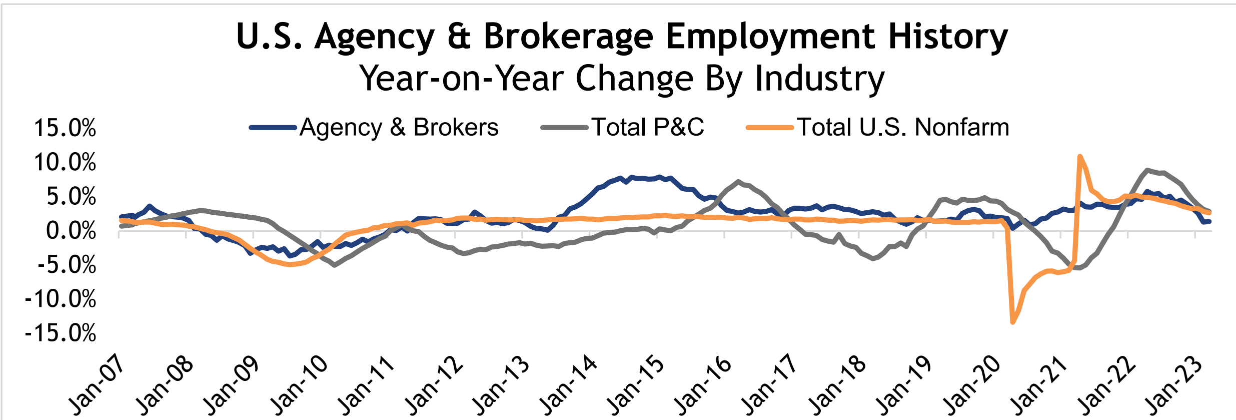
Exhibit 24



U.S Employment Up +19.4% From Pandemic Low In April 2020. Agents / Brokers Up +1.4% YOY.

Overall U.S employment again grew marginally in April, +0.2pts sequentially, now up +19.4% from the pandemic lows of April 2020. The pace of growth was healthy in April (+2.6% YOY), though a continued moderation from the levels seen in recent months. As we continue to monitor recessionary indicators, the rate of growth in U.S. total non-farm employees continues to slow vs. YE-21 (albeit better than expected).

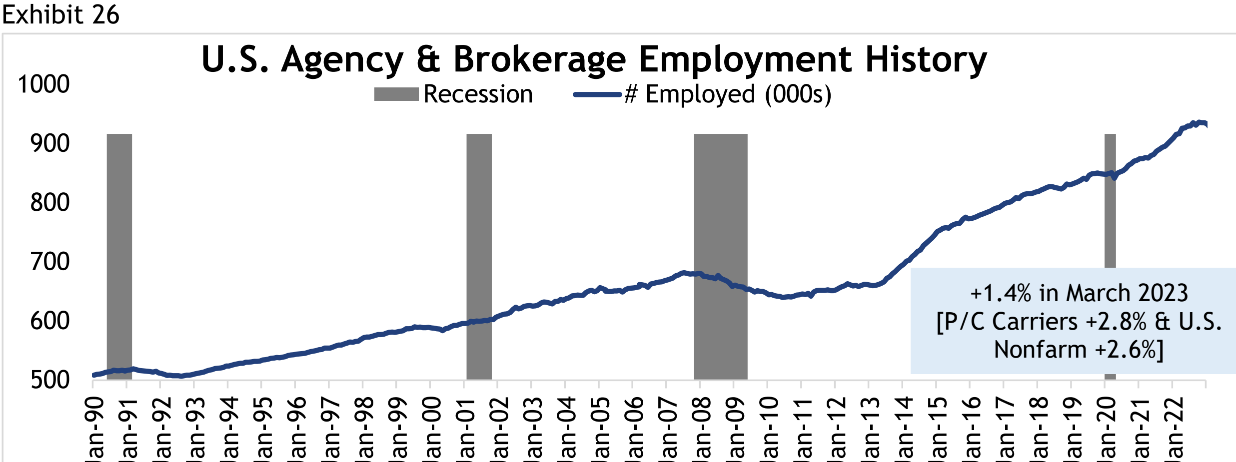
Exhibit 25



Source: U.S. Bureau of Labor Statistics

The agent/broker segment slightly increased in March, +0.2pts sequentially, and grew +1.4% YOY (+12K jobs), a slight acceleration from February's +1.3% YOY. Following a period of declines, P/C employment grew again in March, albeit at a moderating pace (+2.8% following +3.2% in February and +3.8% in January). Elsewhere, the Direct Life & Health group increased +1.9 YOY.

Exhibit 26



Source: U.S. Bureau of Labor Statistics

Hales Hits:

- **NCCI** published its 2023 annual State Of The Line Workers' Comp market analysis highlighting another strong year with the 2022 combined ratio 3pts lower YOY to 97%, helped by strong payroll growth, benign loss trends and less direct COVID losses. Notably, NCCI estimates the workers comp industry has a $17B reserve redundancy (up from $16B in 2021) and the 2022 combined ratio will ultimately develop to 86%. Industry premium growth increased 11% YOY.

- In other Workers' Compensation related news… **the California WCIRB** reported full-year 2022 results with similar findings as NCCI. Industry underwriting results improved in 2022 with the initial 2022 combined ratio of 107% 5pts lower vs. 112% in Accident Year 2021. The improvement reflects a significant increase in premium (+14% YOY to $15.7B) due to higher payrolls and very modest changes in claim frequency and severity.

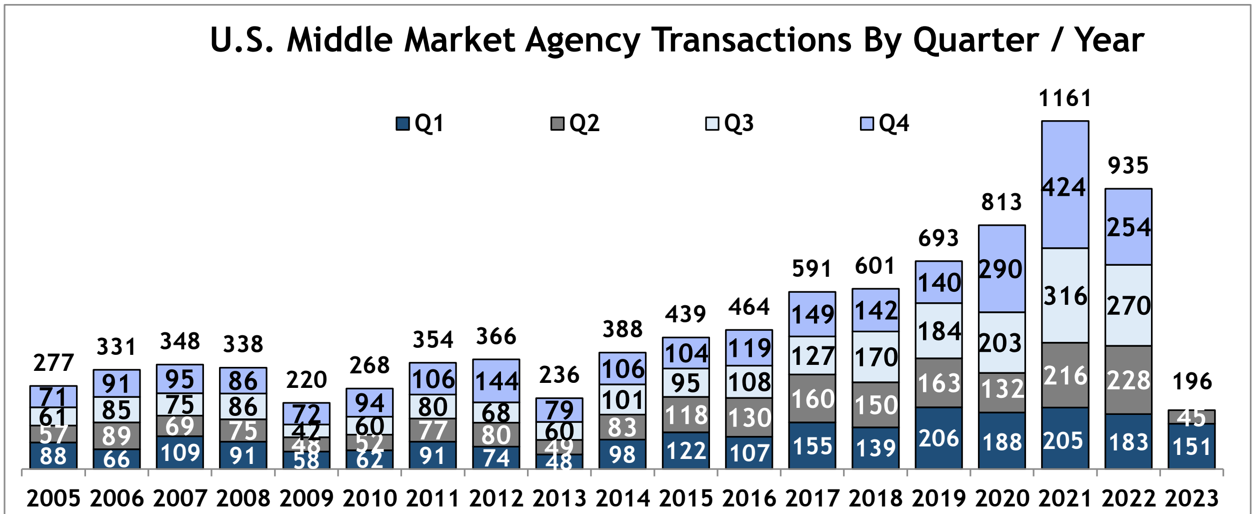
- #2 reinsurance broker **Guy Carpenter** sued **Howden** over orchestrating a "raid" of 38 UK staff members, including its Chief of Europe, whose departure was followed by a wave of resignations. The lawsuit is one of several legal actions brought by Guy Carpenter against Howden in recent years. Howden has agreed to halt further recruitment of Guy Carpenter employees ahead of a trial later this year.

- James Kent, formerly CEO of **Gallagher Re** and since March this year CEO of global insurance strategic relationships at **A.J. Gallagher**, will be "retiring" from the company in June. Kent joined Gallagher in 2021 after its acquisition of Willis Re, where he served as CEO since 2017. In March, Tom Wakefield succeeded him as CEO of Gallagher Re.

U.S. Deal Diary – Q2 Updates:

The 16 deals over the past 2 weeks put the total Q2 count of deals at 45 (vs. 228 total in Q2 2022). So far this year, the deal tally of 196 is slightly lower than 234 at this time last year.

Exhibit 27 & 28



Source: The Hales Report via S&P Capital IQ, Factset, other public sources.

2023 Most Active Acquiring Brokers - Monthly (U.S. Only Insurance Agency Deals)

	2022	Q1:22	Q2:22	Q3:22	Q4:22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	2023
National Brokers											
Acrisure, LLC	102	14	24	33	31	5	1	-	-	-	6
PCF Insurance Services	87	26	27	29	5	-	-	2	-	-	2
Hub International	47	10	14	12	11	3	-	2	3	1	9
High Street Insurance Partners	44	13	6	12	13	3	-	1	3	2	9
AssuredPartners, Inc.	43	0	9	15	19	3	2	2	-	-	7
Patriot Growth	39	6	11	7	15	1	-	7	-	-	8
Liberty Company Ins. Brokers	37	3	16	13	5	-	2	-	-	-	2
World Insurance Associates	39	2	9	9	19	2	1	7	2	-	12
Broadstreet Partners	35	5	11	7	12	7	2	4	-	4	17
Alera Group	33	1	5	11	16	1	1	2	1	-	5
Keystone Agency Partners	29	3	8	9	9	3	2	2	2	-	9
RSC Insurance Brokerage, Inc.	23	4	4	10	5	-	5	1	3	-	9
Hilb Group, LLC	21	2	8	5	6	1	5	-	-	-	6
Inszone Insurance Services	21	9	6	3	3	3	1	-	1	-	5
Arthur J. Gallagher & Co.	20	3	5	6	6	4	-	1	-	1	6
OneDigital	19	7	3	2	7	2	1	-	-	-	3
Relation Insurance Services	19	4	8	4	3	1	-	-	-	-	1
USI Insurance Services	16	3	3	6	4	2	1	-	-	1	4
Brown & Brown	15	1	6	6	2	-	-	-	-	1	1
Marsh McLennan Companies	15	1	1	5	8	-	-	-	-	-	-
King Insurance	15	2	5	2	6	1	-	-	-	-	1
Alliant Insurance Serivces	12	1	2	4	5	1	1	-	1	2	5
Integrity Marketing Group	12	5	5	2	0	-	-	1	-	-	1
NFP Corp.	11	5	2	4	0	2	-	-	-	-	2
Higginbotham	11	6	1	2	2	-	-	-	-	-	-
ALKEME	6	1	1	1	3	-	2	1	-	-	3
Heffernan Insurance Brokers	6	0	2	2	2	1	1	-	-	-	2
BRP Group	3	1	1	1	0	-	-	-	-	-	-
Sub-Total	**780**	**137**	**202**	**221**	**214**	**46**	**28**	**33**	**16**	**12**	**135**
Other	*155*	*46*	*26*	*49*	*40*	*13*	*17*	*14*	*13*	*4*	*61*
Total Broker Deals	935	**183**	**228**	**270**	**254**	**59**	**45**	**47**	**29**	**16**	**196**

Source: The Hales Report via S&P Capital IQ, Factset, other public sources.

Exhibit 29

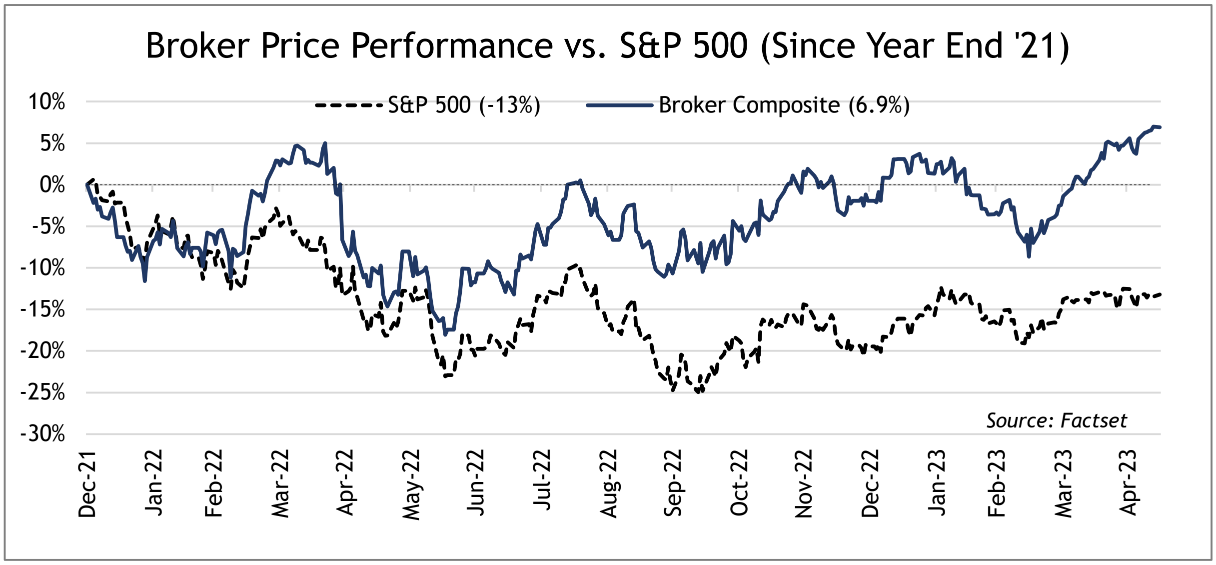
2023 U.S. Middle Market Brokerage M&As April & May

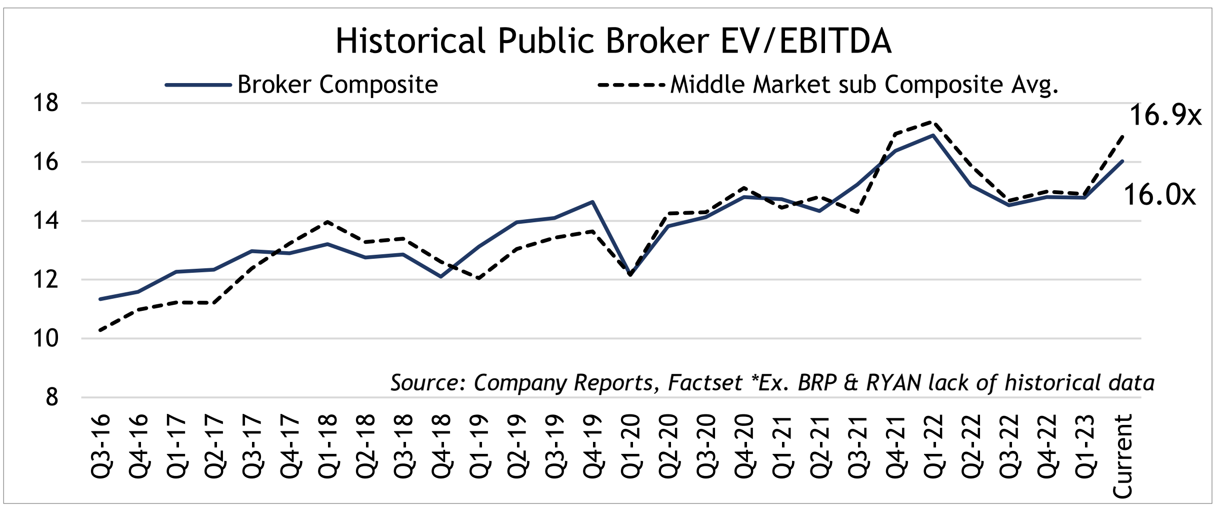
Date	Acquirer	Acquiree	Acquiree State
1-Apr	Alliant Insurance Services, Inc.	*Windmark Insurance Agency, Inc*	*TX*
1-Apr	World Insurance Associates LLC	*Rubicon Benefits*	*NY*
1-Apr	World Insurance Associates LLC	*Morris*	*MI*
1-Apr	Hilb Group LLC	*Commercial and Personal Lines Property and Casualty (P&C) Business*	*N/A*
1-Apr	Hilb Group LLC	*Commercial and Personal Lines Property and Casualty (P&C) Business*	*N/A*
3-Apr	Investor Group	*CrossCover Insurance Services, LLC*	*TX*
3-Apr	Keystone Agency Partners	*Certain Assets of Harbour Risk Management, LLC DBA Harbour Insurance*	*FL*
3-Apr	Keystone Agency Partners	*Certain Assets of AJB Group, Inc.*	*MN*
3-Apr	Arch Capital Group Ltd.	*Verifly Insurance Services, Inc.*	*NY*
3-Apr	Keystone Agency Partners LLC	*Assets of Dennis Machor Insurance Agency, Inc. dba Machor Sage*	*OH*
3-Apr	Keystone Agency Partners LLC	*Membership Interest of Roland, Abbott, & Dezoort Insurance Agency, LLC*	*GA*
4-Apr	Hub International	*Assets of Horizon Agency, Inc.*	*MN*
4-Apr	RSC Insurance Brokerage, Inc.	*May, Bonee & Clark Insurance*	*CT*
4-Apr	Oklahoma General Agency Inc	*Jaeger + Haines, Inc.*	*AR*
5-Apr	Hub International	*Cherokee Capital Inc.*	*MT*
6-Apr	Hub International	*Assets Of DeFranco Insurance, Inc.*	*WA*
6-Apr	Keystone Agency Partners LLC	*K&B Financial Inc.*	*IL*
11-Apr	Fairfield County Bank	*Antalek & Moore Insurance Agency, LLC*	*NY*
11-Apr	Inszone Insurance Services, Inc.	*Hahn & Associates Inc.*	*CO*
12-Apr	Highstreet Insurance Partners, Inc.	*Milestone Risk Management*	*CA*
13-Apr	Alera Group, Inc.	*iPros Insurance Professionals*	*CA*
13-Apr	Hub International Limited	*Assets of Weiss-Schantz Agency*	*PA*
14-Apr	Highstreet Insurance Partners, Inc.	*Kuipers Insurance Advisors*	*MI*
14-Apr	Highstreet Insurance Partners, Inc.	*Simmons & Associates, Inc.*	*OR*
24-Apr	Goosehead Insurance, Inc	*Vivint Insurance Agency's Current Book Of Business*	*N/A*
24-Apr	RSC Insurance Brokerage, Inc.	*JW Bond Consultants, Inc.*	*PA*
25-Apr	Zinnia, LLC	*Policygenius Inc.*	*NY*
25-Apr	Zinnia, LLC	*Policygenius Inc.*	*NY*
26-Apr	RSC Insurance Brokerage, Inc.	*Johnson Insurance Services, LLC*	*WI*
1-May	USI Insurance Services, LLC	*Hooker & Holcombe, Inc.*	*CT*
1-May	BroadStreet Partners, Inc.	*Certain insurance assets*	*CO*
1-May	BroadStreet Partners, Inc.	*Certain Insurance Assets*	*TN*
1-May	BroadStreet Partners, Inc.	*Certain Insurance Assets*	*SD*
1-May	BroadStreet Partners, Inc.	*Certain Insurance Assets*	*IN*
1-May	Community Bank System, Inc.	*Certain Assets Of Hyde Park Insurance Services, Inc.*	*FL*
1-May	Hylant Group, Inc.	*Aegis Insurance Services, Inc., Powered by Hylant*	*GA*
2-May	Griffin Insurance Agency, Inc.	*Simmons Insurance Agency, Inc.*	*NC*
2-May	American Financial Group, Inc.	*Crop Risk Services, Inc.*	*IL*
4-May	Arthur J. Gallagher & Co.	*Leavitt Insurance Services of Los Angeles*	*N/A*
8-May	Alliant Insurance Services, Inc.	*Mcanally Wilkins Inc.*	*TX*
8-May	Brown & Brown, Inc.	*Brownlee Agency, Inc.*	*GA*
8-May	Hub International	*Assets of Red Rock Financial, Inc.*	*N/A*
9-May	Alliant Insurance Services, Inc.	*Estrella Insurance Company*	*FL*
11-May	Highstreet Insurance Partners, Inc.	*Undisclosed Insurance Agency*	*N/A*
11-May	Highstreet Insurance Partners, Inc.	*Undisclosed Insurance Agency*	*N/A*

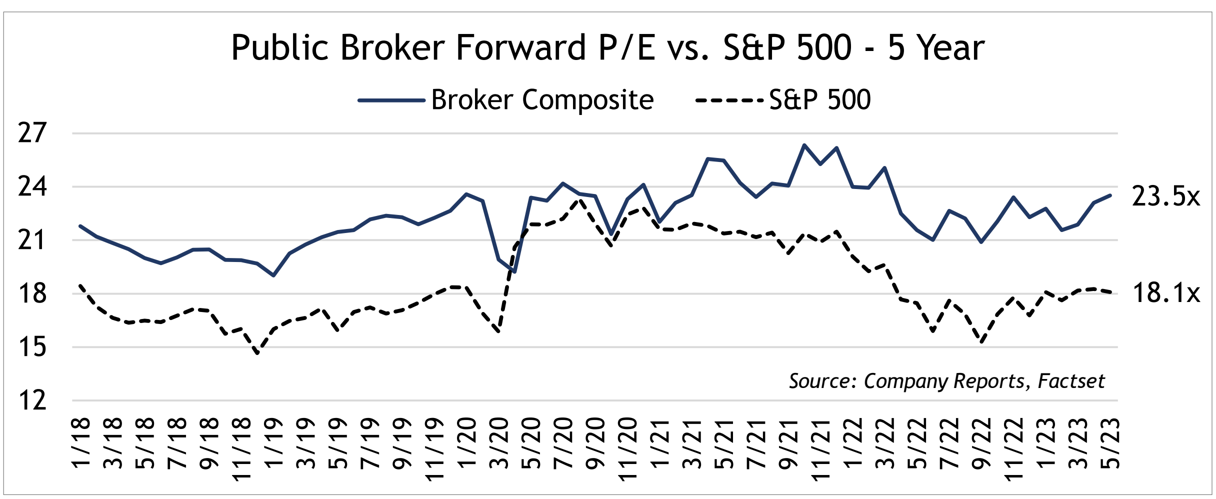
Source: S&P Capital IQ, Factset, and other public sources for announced transactions; Note excl. Acrisure deals.

Public Broker Valuations:

Exhibits 30, 31 & 32







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