

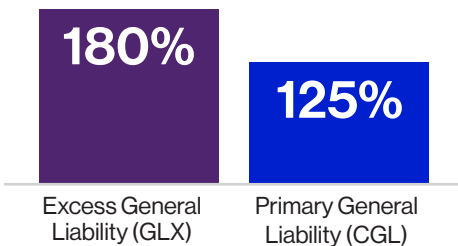
# The Rising Cost of Claims for Independent Schools: By the Numbers

United Educators (UE), like other insurance companies, has been affected by issues of social inflation and other societal factors that are drastically increasing the cost of claims. Educational institutions including independent K-12 schools are facing rising jury awards across all liability lines.

## Independent School Insights

Social inflation and increased settlements significantly impact independent schools.

Average losses for independent school claims have increased in the past four years:

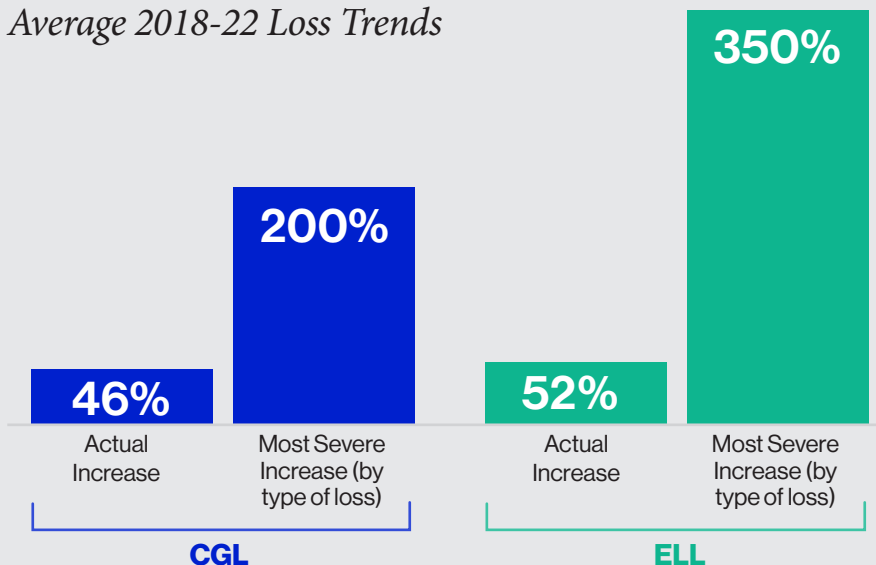


The loss ratio (which measures the portion of each premium dollar attributable to claims activity) for independent school policies has **increased 25%** over four years, indicating that total loss cost trends are outpacing premium increases.

All UE members, including independent schools, have seen an increase in claims severity and the number of sexual misconduct claims.

## CGL and Educators Legal Liability (ELL) Claims Trends: Increased Severity

Average 2018-22 Loss Trends

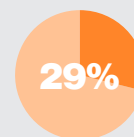


## Sexual Misconduct

Excluding employment-related harassment and high-profile claims related to mass serial abusers, UE saw sexual misconduct claims:



Grow **3x faster** than all other claims types over the last 15 years



Comprise **nearly 29%** of total incurred GL losses