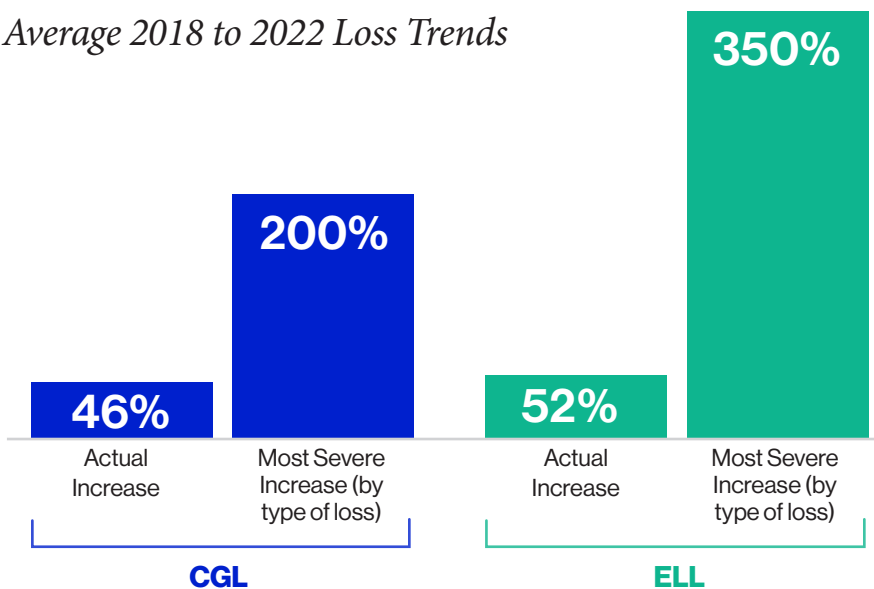


The Rising Cost of Claims: By the Numbers

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. Average personal injury awards jumped 137% from \$1 million in 2014 to \$2.4 million in 2020. Educational institutions are facing rising jury awards across all liability lines.

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

Average 2018 to 2022 Loss Trends

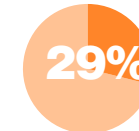


Sexual Misconduct

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

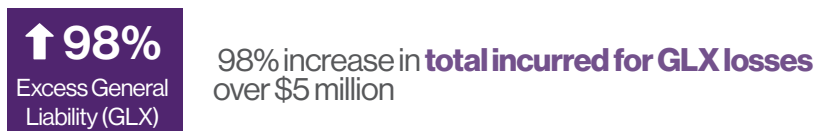
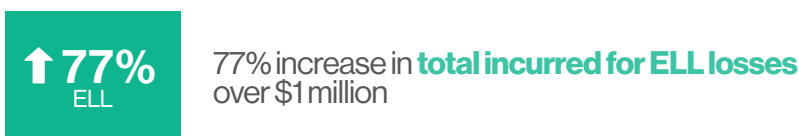
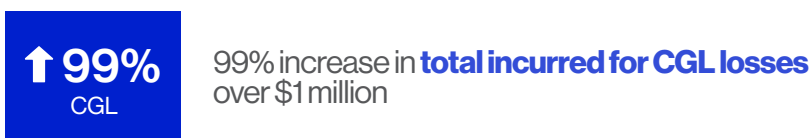


Grow **3x faster** than all other claims types over the last 15 years



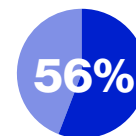
Comprise **nearly 29%** of total incurred GL losses

Increase in Large Losses by Incurred Dollar Value From 2018 to 2022



Defense Costs

The charts below identify the portion of claims costs attributable to legal defense from 2020 to 2022.



CGL



ELL

Members partnering with UE on claims resolution, including identifying the right fit for defense counsel, is helping mitigate the rising cost of legal defense.