



Pandemic Survey

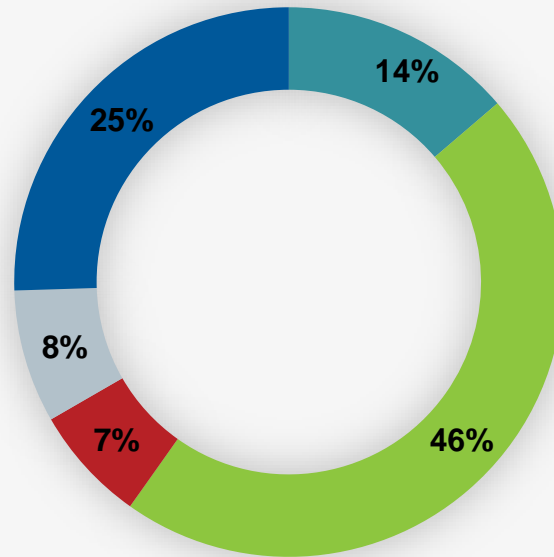
2016 Association of Home Office Underwriters (AHOU) Annual Conference

June 15, 2016
Munich Re, U.S. (Life)

Munich RE 

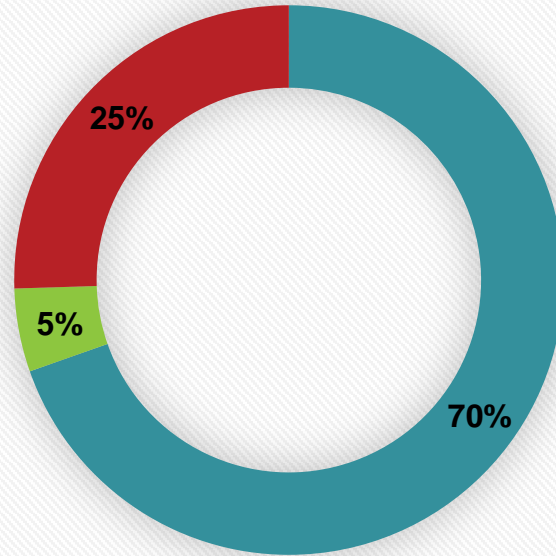
- The survey was conducted at the Association of Home Office Underwriters (AHOU) 15th Annual Conference in Orlando, Florida, May 1 - 4, 2016.
- The following presentation is intended to represent the views of 102 underwriter attendees, primarily from life insurance companies, who participated in in-person interviews.

Q1: Which of the following potentially pandemic diseases do you feel carries the most risk for the insured population?



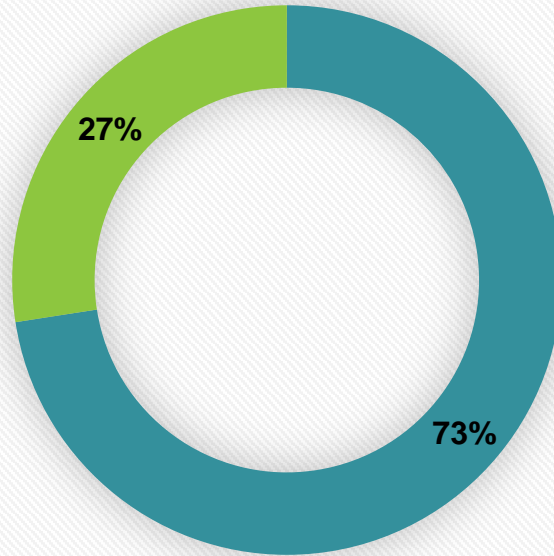
■ Zika ■ Influenza (e.g. bird, swine, etc.) ■ SARS ■ Ebola ■ A currently unknown disease

Q2: Over the next five to 10 years, compared with the last five to 10 years, do you expect the number and severity of epidemics and pandemics to



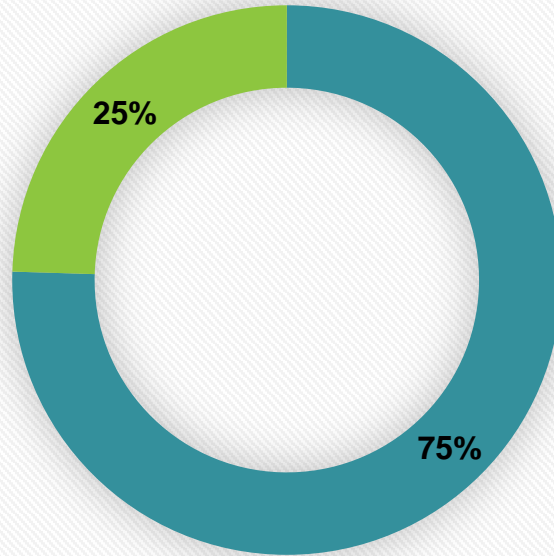
■ Increase ■ Decrease ■ Stay about the same

Q3: In your medical underwriting, do you take into account geographically localized risks?



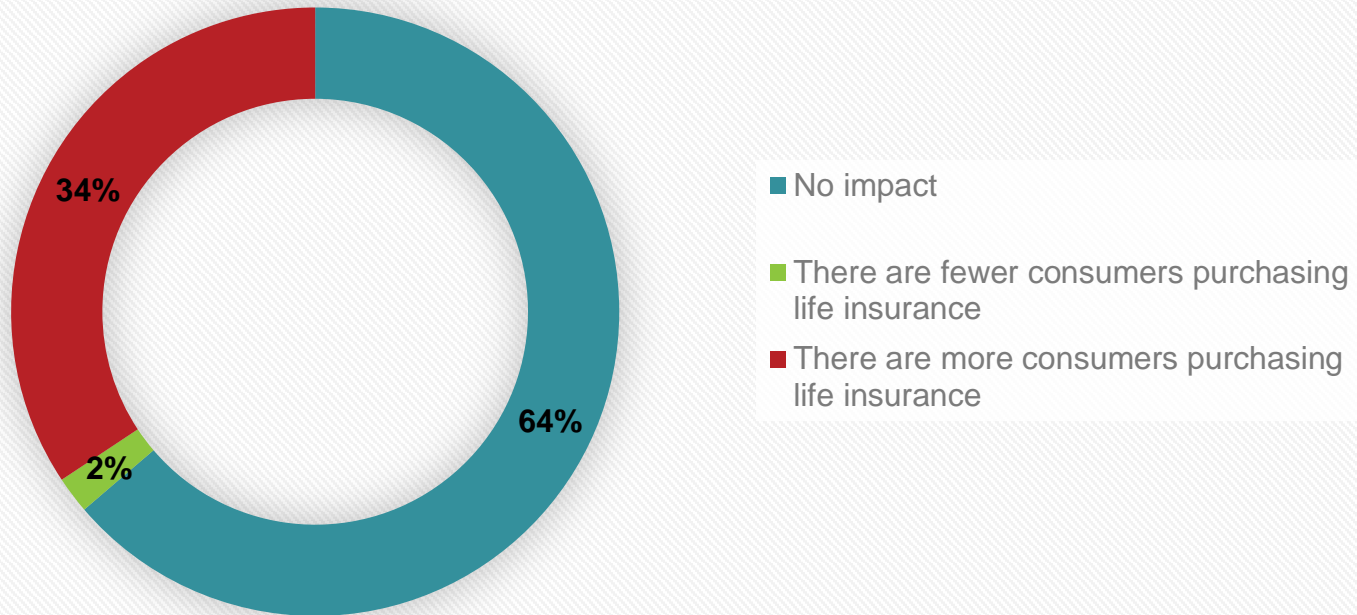
■ Yes ■ No

Q4: Do your company's guidelines take Zika virus into account in life insurance underwriting?

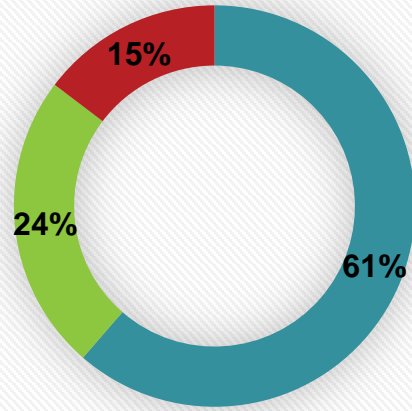


■ Yes ■ No

Q5: How do you think recent epidemics have affected consumer behavior regarding life insurance purchases?

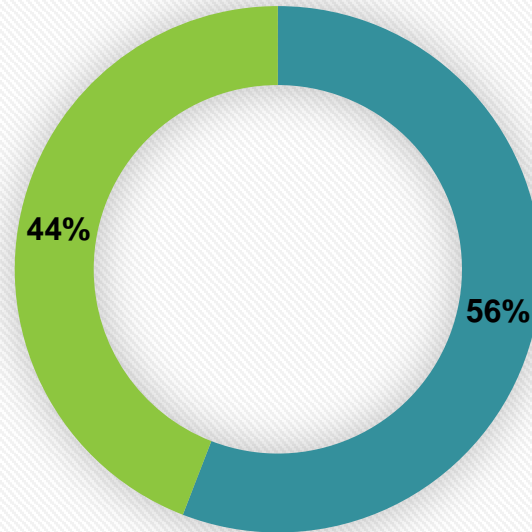


Q6: What do you believe will be true about accessibility of life insurance in the next five to 10 years?



- It will be easier for the average consumer to obtain insurance at affordable rates
- It will be harder for the average consumer to obtain insurance at affordable rates
- There will be no material differences in the ability of the average consumer to obtain insurance at affordable rates

Q7: In your opinion, do you believe that the occurrence of epidemics or pandemics will have an impact on the accessibility of life insurance?



■ No ■ Yes

- The majority survey respondents (46 percent) believe influenza (bird flu, swine flu, etc.) is the potential pandemic disease that carries the most risk for the insured population, followed by a currently unknown disease (25 percent), Zika virus (14 percent), Ebola virus (8 percent), and SARS (7 percent).
- Of the life insurance companies represented, a majority (73 percent) take into account geographically localized risks in their medical underwriting process. However, only one-quarter of the life insurance companies polled currently have guidelines in place that take Zika virus into consideration, despite recent outbreaks across parts of Central and South America.
- Nearly two-thirds (64 percent) of respondents felt recent epidemics such as Ebola virus and Zika virus have had no impact on consumer behavior regarding life insurance purchases, while 34 percent believe there are now more consumers seeking coverage.
- A small majority of respondents believe that the occurrence of epidemics or pandemics will have no impact on the accessibility of life insurance (56 percent).
- An overwhelming majority (91 percent) of the underwriters surveyed suggest it will be easier for the average consumer to obtain insurance at affordable rates within the next five to 10 years.

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