

Markel Risk Solutions



December 2005

800-431-1270

mrssubmissions@markelcorp.com

'Tis the Season!

It hardly seems possible, but the holiday season has arrived. MRS has already received a significant number of December and January 1, 2006 new business prospects.

In order for us to give you the best quote up front and meet your timeline, don't wait until the last minute to send your year end and 1-1-06 new business to us. We realize that we can receive a new business opportunity after your standard market has rejected the business for one reason or another, but the more time we have to review the account at year end will convert into a "win" for you and MRS.

There are several important things you can do to enhance your chances of placing accounts with MRS.

- 1. Remember the MRS business model strategy.** We provide an admitted market for risks that are having difficulty being placed in the standard markets.
- 2. Pre-qualify an account with your underwriter prior to submitting it.** Save time by having your underwriter pre-qualify the account through e-mail or by a phone call so you will know what, if any, additional information may be needed to offer a quote.

- 3. Discuss the market situation on the account with your underwriter.** Is the account being non-renewed? Do you control the account? Are there several standard carriers willing to offer a quote?

- 4. Remember our minimum premium level.** Our appetite begins at the \$25,000 account premium level.

- 5. Remember the short list of things we don't do.** We are not a market for workers compensation, truckers, residential contractors, environmental, professional liability, or hazardous products liability more appropriately written in the E&S marketplace.

- 6. Submit completed applications and underwriting information.**

- ACORD applications
- Other underwriting information including web site, brochures, contracts, licenses, etc.

- Information regarding your relationship to the account, and why the account is coming to us
- Recommended pricing
- Hard copies of currently valued loss runs covering the current year and 3 years prior

We sincerely appreciate your business in 2005 and we are well positioned to end the year in a winning fashion. We look forward to our mutual success in 2006!

We wish all of our agency partners a wonderful holiday season!



Underwriting Opportunities Available at MRS

MRS is planning for significant growth in 2006 and beyond. We are always looking to hire qualified underwriting candidates to help us achieve our growth and profitability objectives. If you know an underwriter who is looking for a new challenge, and is interested in working with a dynamic, cutting edge organization, we would appreciate your forwarding the individual's name and phone number to Steve Glancey, our AVP/Divisional Underwriting Officer at 800-431-1270, ext. 7775.

We truly appreciate your assistance.

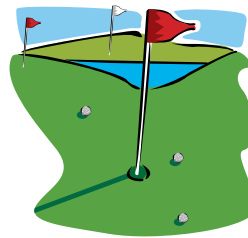


Do You Have an HBB Opportunity?

Markel Risk Solutions is very pleased with the significant business development efforts within our HBB portfolio. An HBB is our description of a Homogeneous Block of Business. The block of business consists of a large number of individual accounts within an industry segment that will have similar underwriting characteristics. Each account within the HBB is submitted to us by our appointed MRS agent. The individual members of the HBB are underwritten based on the merits and characteristics of the account.

Here is a brief list of some of the HBBs currently written by MRS:

- Tourist caves
- Hotels
- Golf tournaments
- Scrap metal dealers
- Recreational gaming
- Temporary staffing
- Franchise restaurants



We are currently assessing and have high hopes for several additional HBBs, including garden apartments, water bottling, private country clubs, and hospitality.

There are a number of distinguishing characteristics that illustrate a good HBB opportunity:

- Agency expertise in underwriting exposure and analysis
- Well-defined marketing platform to access population
- A reasonable number of accounts (30 to 100+) depending on average account premium
- Average account premium of \$25,000+ within the HBB
- \$1 million in premium development within a 12-month period
- Agency-controlled book of business

Please call **Dean Kemp** at **800-431-1270, ext. 7586** to discuss your HBB in more detail.

True Stories and Meaningful Results

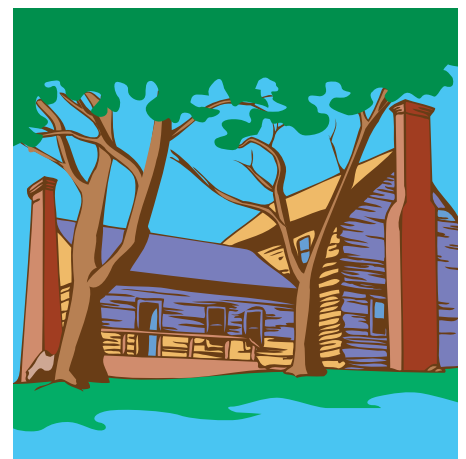
We've had many success stories on accounts written at MRS in 2005. One recent success is worth noting.

MRS executive underwriter James Kolesar received an account prospect that operated a lodge with hiking, horseback riding, and an air field for small private airplanes. Upon our initial review of the account, it appeared that the risk would have to be declined based on the property construction, protection class, and the fact that we would not be able to

entertain the air field exposure. We communicated our concerns to the agent.

Within the initial dialogue process, James was advised that several of the exposures that we were not willing to write could be covered by another insurance carrier, including the property, horseback riding, and air field exposures. James was able to offer the agent a solution for the general liability which included the lodging, small campground, and restaurant exposure as well as the automobile line that included service vehicles and a small van that transported guests to various places around the facility.

The producer was very pleased we could provide a flexible solution for the general liability and the automobile lines. Our ability to offer a quote enabled our producer to round out the entire coverage portfolio for this important client.



MRS New Business Hit List

Here is a partial list of accounts MRS has recently written:

Apartment Buildings	\$211,543
Assisted Living/Nursing Home – Property Only	\$108,744
Automobile and Truck Dismantler	\$29,600
Bowling Center.....	\$32,913
Casino/Gaming	\$42,657
Cellulose Insulation Manufacturer.....	\$123,941
Commercial Landscape Contractor	\$70,678
Commercial Roofing Contractor	\$83,597
Condominium Association.....	\$70,366
Convenience Stores with Gas Service.....	\$62,373
Custom Cabinet Manufacturer	\$35,147
Dirt Contractor	\$182,586
Distributor of Snack Foods and Candy.....	\$76,355
Dinner Theatre.....	\$93,868
Electronic Door Installation	\$52,873
Electrical Contractor	\$52,468
Excavation Contractor.....	\$100,563
Furniture Manufacturer	\$30,000
General Contractor.....	\$103,495
Hardware Stores	\$95,067
Hotel	\$40,658
Iron and Metal Recycler	\$79,839
Manufacturer of Fiberglass Tubs	\$69,400
Mobile Office Rental	\$43,516
Offices and Apartments	\$170,069
Painting Contractor	\$34,074
Pest Control Services.....	\$389,392
Property Owner	\$60,539
Quarry Operation.....	\$99,931
Restaurant/Lounge Chain.....	\$945,000
Roofing Materials Manufacturer	\$250,352
Scrap Metal Dealer	\$111,573
Scrap Tire Recycler	\$147,567
Senior Independent Living	\$123,100
Shopping Center.....	\$31,407
Specialty Finance Store	\$65,619
Street and Road Cleaning.....	\$50,576
Telephone Cable Installation.....	\$101,956
Theatrical Lighting Design	\$67,536
Travel Center.....	\$50,461
Wood Truss Manufacturer	\$153,000

New Faces in MRS

Janet Golden,
Associate Underwriter

Janet brings over 10 years of P&C experience to MRS. She began her career with Markel in the Agriculture Division where she worked in the rating department. She most recently held the position of rating analyst/assistant underwriter at W. R. Berkley in Richmond, Virginia. We welcome Janet back to the Markel family.

Movin' On Up

Congratulations to Mike Murphy and Liann Rider on their recent promotions. Mike has been promoted from Senior Underwriter to Executive Underwriter. Liann has been promoted from Underwriter to Senior Underwriter. Please join us in congratulating Mike and Liann.

New E-Mail Address for Submissions

Remember, we now have a dedicated e-mail address for you to use when submitting your account opportunities to MRS for consideration.

The e-mail address is mrssubmissions@markelcorp.com

Sending your submissions to this new address will help ensure that we provide a quick disposition on the account. It will also enhance our ability to meet your quotation timeline. Please continue to send all other e-mail correspondence to your MRS underwriter.

MRS Introduces Commercial Auto Extension Endorsement

MRS is pleased to offer the commercial auto extension endorsement enhancing the ISO Business Auto Coverage Form. This endorsement will give our insureds an option to expand their commercial automobile coverage when their business uses one or more scheduled owned autos.

The coverage highlights include:

- Broad form insured: Includes subsidiaries and newly formed or acquired organizations
- Fellow "employee" exclusion deleted
- Mental anguish when resulting from bodily injury
- Rental reimbursement: Up to \$50/day for up to 30 days, with a \$1,500 maximum

- Towing and labor: Up to \$100 each time a covered auto is disabled
- Hired car physical damage: Up to \$40,000
- Loss of use for hired cars: Up to \$1,000/accident
- Personal effects coverage: In the event of a total theft of covered vehicle, pays up to \$400 for loss of clothing and other personal items that were in or on the stolen vehicle
- Customized furnishings coverage: Up to \$500 to replace or repair a vehicle's special carpeting or insulation, height-extended roofs, and custom graphics (murals, paintings, decals)

- Auto loan or lease gap coverage: In the event of a total loss to a covered auto, will pay certain unpaid amounts due to the lease or loan (restrictions apply)

Availability of the commercial auto extension endorsement is based on state approval.

Contact your MRS underwriter for additional information.



New York State Approves OmniFlex

MRS is pleased to announce that New York State has approved the OmniFlex property coverage form effective 11-1-05 for new and renewal business. The OmniFlex, typically used on medium to larger property schedules, forms the foundation of a truly comprehensive property product for a large number of eligible industry segments including manufacturing, industrial, habitational, institutional, retail, wholesale, and service providers.

OmniFlex provides coverage for all of the insured's buildings and business property at covered locations anywhere within the coverage territory. This coverage is typically much broader than the ISO commercial property form. OmniFlex's coverage extends to signs, foundations of

buildings, structures and machinery, bulkheads, underground pipes, and more. It can be combined with other coverage forms including the CGL, auto, inland marine, crime, and umbrella.

The OmniFlex not only offers significant coverage value, the pricing component is a non-ISO based rating methodology. MRS underwriters can use their expertise in developing the rate from the ground up, based on the property's risk characteristics.

The OmniFlex product is now approved for use in all states except California and Virginia.

Ask your MRS underwriter about the OmniFlex on your next account opportunity.