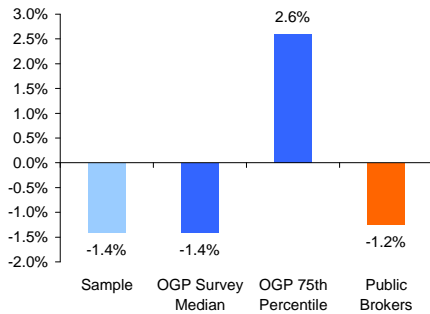


Organic Growth & Profitability Survey (OGP) - Q3 2009

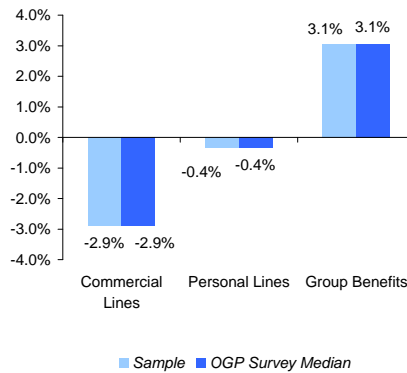
- Median annualized revenue for surveyed firms is \$18 million, average is \$38 million. All U.S. geographies represented.
- Included in the "public broker" data are averages for Aon, Arthur J. Gallagher, Brown & Brown, Marsh and Willis (from public filings, press releases, estimates).

Organic Growth

Total Agency Organic Growth



Organic Growth by Product Line

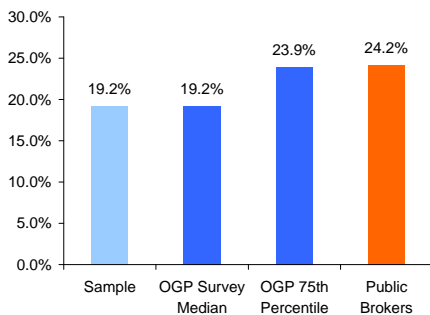


Reagan Consulting Observations

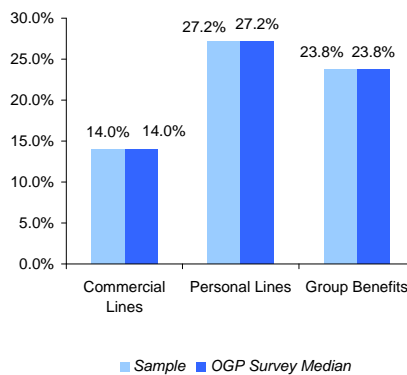
- Median organic growth was negative 1.4% through September 2009, marking the 3rd consecutive quarter of shrinking revenues
- At negative 1.4%, organic growth for the first nine months of 2009 was 2.3% lower than the 0.9% growth posted for the first nine months of 2008
- Commercial lines continues to be the hardest hit, with median organic growth of negative 2.9%
- Benefits growth, while still positive at 3.1%, is slowing dramatically as 2009 progresses. Through June 2009, benefits divisions were up 5.7%.

Profitability

Total Agency EBITDA Margin



EBITDA Margin by Product Line

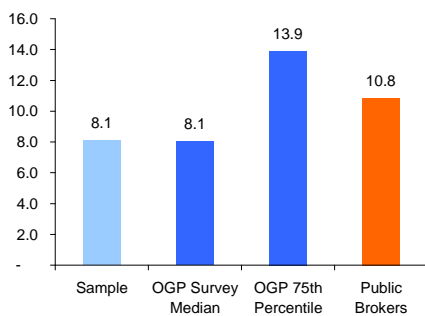


Reagan Consulting Observations

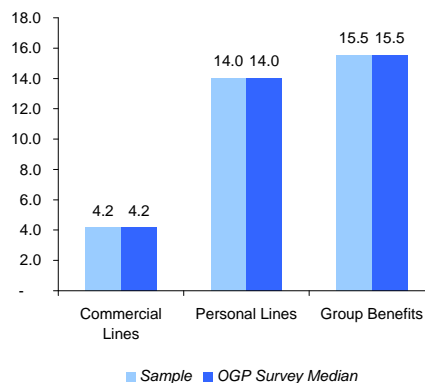
- Median EBITDA margins continue to fall as the year progresses - the median firm's margin is 19.2% through September 2009 versus 21.1% through June 2009
- Profitability is not as strong in 2009 as it was in 2008: Median year-to-date EBITDA margins in 2009 are off 110 basis points from the 2008 level (20.3%)
- Median contingent income in 2009 is down 13% versus 2008, contributing to the year-over-year decline in profitability
- To be a top 25% performer nationwide required EBITDA of 23.9% or higher

The Rule of 20⁽¹⁾

Total Agency Rule of 20



Rule of 20 by Product Line



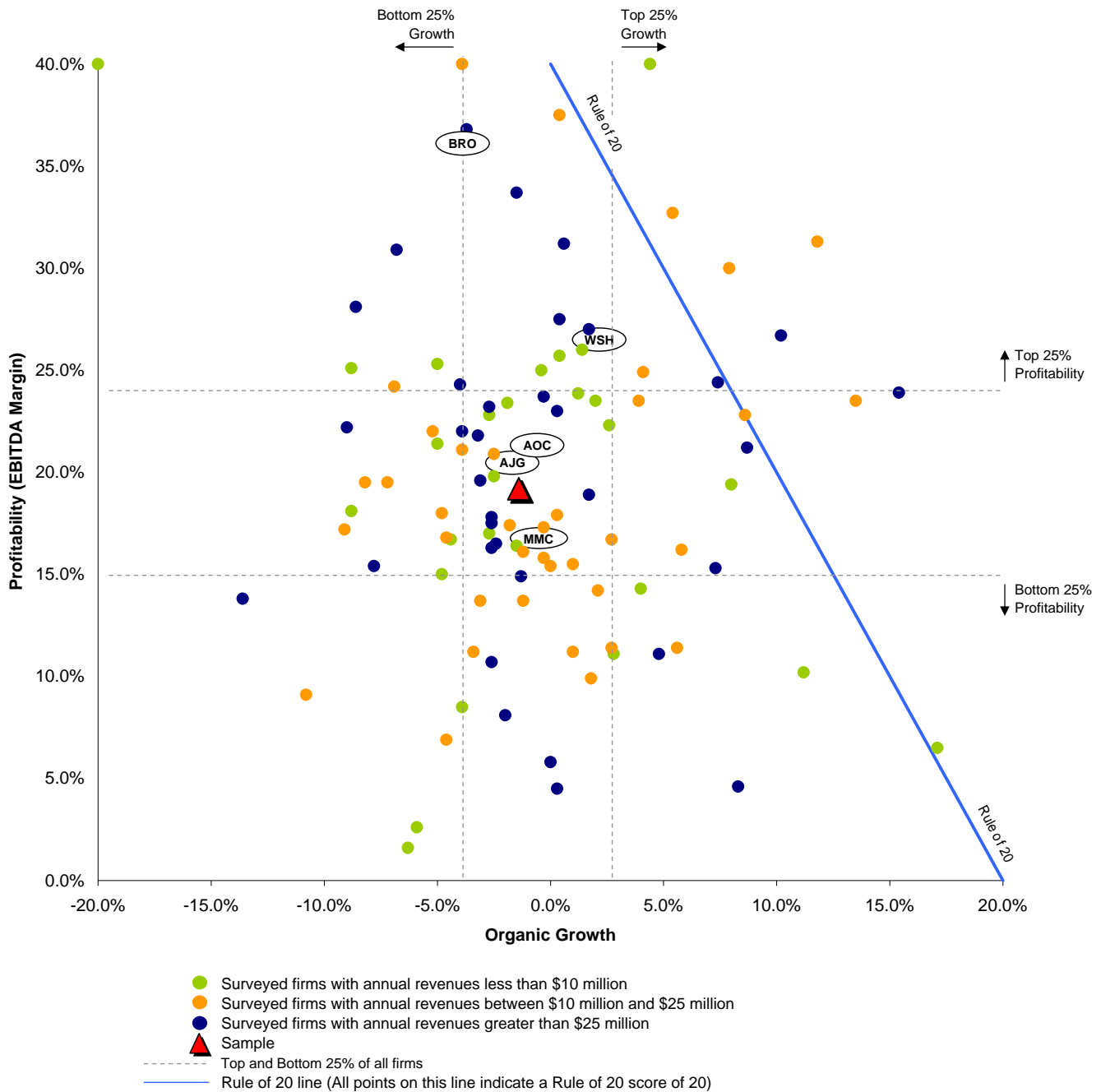
Reagan Consulting Observations

- Hitting a score of 20 in the Rule of 20 calculation is becoming more and more difficult - only 10% of firms achieved a score of 20 or higher and the median firm had a Rule of 20 score of just 8.1
- The median Rule of 20 score has fallen from 12.8 in Q1 2009 to 10.7 in Q2 2009 to 8.1 in Q3 2009
- Commercial Lines trails Personal Lines and Group Benefits by approximately 10 points in the Rule of 20 calculation
- To be a top 25% performer required a Rule of 20 score of 13.9 or higher

(1) Reagan Consulting has developed a metric called the "Rule of 20" to provide a quick means of benchmarking an agency's shareholder returns. The Rule of 20 is calculated by adding half of an agency's EBITDA margin to its organic revenue growth rate. An outcome of 20 or higher means an agency is likely generating, through distributions and / or share appreciation, a shareholder return of approximately 15% - 17%, which is a typical agency / brokerage return under normal market conditions. Given current market conditions, however, few firms are achieving a score of 20 or better.

NOTE: If data for your firm reads "0.0%" or "0.0" it may mean that no data was submitted for that metric.

Agency Organic Growth & Profitability Scatter Plot



About the Scatter Plot

In the chart above, we've plotted every firm in the survey that completed both the total agency organic growth section and the total agency profitability section. Each firm's organic growth is plotted along the x-axis, and each firm's profitability is plotted along the y-axis. We've included a couple of guidelines on the graph to help in interpreting the data. The grey dotted lines show the top and bottom 25% of firms in organic growth and profitability. The solid blue line represents all combinations of organic growth and EBITDA margin that result in a Rule of 20 score of 20. Finally, we've broken the firms into groups based on revenue size, as distinguished by the different colored dots. The goal of this scatter plot is to show the wide range of organic growth and profitability results in the industry and to benchmark where your firm falls.