



1275 Market Street  
San Francisco, CA 94103  
(415) 565-1456  
www.scif.com

Date: November 2, 2009

## **AGENDA ITEM 15c**

**TO: MEMBERS OF THE BOARD OF DIRECTORS**

- I. SUBJECT: Renewal of 2010 Reinsurance**
- II. PROGRAM: Executive Office**
- III. RECOMMENDATION: To approve placement of the 2010 reinsurance program in accordance with the proposed structure at best available market pricing.**

### **IV. ANALYSIS:**

The Board will be given a report on the status of negotiations regarding the renewal of State Fund's reinsurance program. The report will cover:

- Reinsurance market information
- An assessment of State Fund's current exposure to earthquake and terrorism losses
- The proposed structure (loss retention and limit of reinsurance coverage purchased over the retention) of the 2010 reinsurance program
- Comparative information on the cost of the 2009 program and the likely cost of the 2010 renewal program
- The renewal timeline

### **V. RESULTS/COSTS:**

Placement of a reinsurance program that will limit State Fund's exposure to earthquake and terrorism losses in 2010. Final cost will depend on market pricing.

---

James Neary, Executive Vice President