

THOMSON REUTERS STRETEVENTS

EDITED TRANSCRIPT

JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

EVENT DATE/TIME: NOVEMBER 02, 2017 / 12:00PM GMT



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

CORPORATE PARTICIPANTS

J. Adam Abram *James River Group Holdings, Ltd. - Chairman, CEO and Chairman of James River Group, Inc*

Kevin Copeland

Robert P. Myron *James River Group Holdings, Ltd. - President, COO and Director*

Sarah C. Doran *James River Group Holdings, Ltd. - CFO*

CONFERENCE CALL PARTICIPANTS

Brian Robert Meredith *UBS Investment Bank, Research Division - MD, Financials Research Sector Head & Global Insurance Strategist*

Mark Douglas Hughes *SunTrust Robinson Humphrey, Inc., Research Division - MD*

Meyer Shields *Keefe, Bruyette, & Woods, Inc., Research Division - MD*

Randolph Binner

PRESENTATION

Operator

Good day, ladies and gentlemen, and welcome to the Q3 2017 James River Group Holdings Earnings Conference Call. (Operator Instructions) As a reminder, this conference is being recorded.

I would like to introduce your host for today's conference, Mr. Kevin Copeland, head of Investor Relations. Sir, you may begin.

Kevin Copeland

Thank you, Bruce. Good morning, everyone and welcome to the James River Group Third Quarter 2017 Earnings Conference Call.

During the call we will be making forward-looking statements. These statements are based on current beliefs, intentions, expectations and assumptions that are subject to various risks and uncertainties, which may cause actual results to differ materially. For a discussion of such risks and uncertainties, please see the cautionary language regarding forward-looking statements in yesterday's earnings release and the Risk Factors section of our most recent Form 10-K, Form 10-Qs and other reports and filings we make with the Securities and Exchange Commission. We do not undertake any duty to update any forward-looking statements.

I will now turn the call over to Adam Abram, Chairman and Chief Executive Officer of James River Group.

J. Adam Abram - *James River Group Holdings, Ltd. - Chairman, CEO and Chairman of James River Group, Inc*

Thank you, Kevin. Hello, everybody, and thank you for joining our Third Quarter Conference Call.

I want to say a few words about my decision to hand over CEO responsibilities to my friend and colleague, Bob Myron, and remain Chairman of the company.

We have great succession in place. Bob and I have worked side by side since 2010, when he first joined us as our CFO. In the last 7 years he's held multiple senior roles, CFO, Chief Operating Officer, President, and for 2 years when we were private, CEO. He has been a member of the Board for most of his tenure here. And he is well known to many, if not all, of you on this phone call.

Sarah Doran, who joined us 9 months ago as CFO, has her side of the leadership table well in order.



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

So now seems to me to be a good time to take an opportunity to make a change, because I know the company is in great hands. I'm proud of the fact that Bob, Sarah and our other colleagues will continue building our franchise and I'm confident they will maintain our commitment to great and innovative underwriting while putting their own marks on the company and making it even better. I look forward to supporting them as Chairman.

Since founding the company 15 years ago, we've grown in expertise, added a tremendous amount of talent, made 2 public offerings, moved to Bermuda, protected hundreds of thousands of policyholders and made healthy returns for our investors. It's been a very satisfying experience to be a part of all this. I've made a number of great friendships here and had the opportunity to work with a lot of smart and dedicated people. I learn something new from my colleagues every day. It was and it is a terrific and fun opportunity to lead this company.

I think we've done a lot of good while we did well for ourselves and our shareholders. We've been fortunate, very fortunate, to have a thoughtful and well-informed shareholder base, including our private equity partners, and many of you on the phone, who have a deep understanding of what drives value in the insurance market. I can tell you the fundamental approach of our company to the market will remain unchanged.

Now let me turn the call over to Bob.

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

Thank you, Adam, and good morning, everyone. I'll make some general comments and then get into a discussion of results of the quarter.

It's a great time to be taking over the leadership of this company, as we have a very strong foundation on which to build on. Adam, you've been a great partner, mentor, supporter and friend to me in the 7-plus years that I've been at James River, and it's a pleasure working with you. I look forward to continuing to work closely with you in the future in your continuing role as Chairman of our board, and I'm excited to continue to work with the rest of our board and our strong senior management team. I want to acknowledge the critical roles played by Sarah Doran, who is on this call with us today, our segment Presidents and other discipline leaders throughout our group.

We've achieved a lot since I've been here, but there's a lot of opportunity still in front of us. In the wake of substantial catastrophe losses, we expect the industry will seek higher returns on capital across all lines. We are going to be seeking mid- to high single-digit rate increases in many of our core casualty divisions and our E&S business going forward.

In our core E&S business we continue to see strong submission flow. Submissions were up 7% year-over-year in the third quarter. With the catastrophic events of the last few months, we expect submission flow to increase, driven by the rebuild of Texas, Florida and California for our contractors book. Not only do we expect an increase in submissions, but demand surge will likely increase exposures in a good way. Small contractors will be earning more than they did a year ago. Contractor business is generally priced on revenues.

We continue to experience growth in the shared-economy area, which is reflected in our growth in Commercial Auto premiums written. We now have over 50 accounts in this area and are being approached for new ones regularly. And we're writing some of them. Our ability to service claims in this area is creating ongoing opportunities to write business, and our growing claims expertise can translate into additional fee income opportunities.

We have recently rolled out a new contract binding general liability product to wholesale agents that we think can get some traction and be another source of growth for us in the E&S segment. While our account size in the individually underwritten book is generally around \$20,000, this business will be for premiums approximating \$1,000 to \$2,000. However, we think the flow of this business can be strong and in time can add up to a material amount.

We are really just getting started in the area of fee income. Four years ago we had 0 dollars of fee income and our gross annual run rate is now approaching \$30 million. We see significant opportunities going forward, both with respect to funded transactions as well as claims servicing.



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

In fronting we continue to see new opportunities, both from traditional as well as alternative capital sources. We've grown this division so far from really only a handful of deals, but we see opportunity going forward and are regularly being approached for new transactions.

In our Casualty Reinsurance business we believe there will be opportunities for improved pricing on the reinsurance treaties themselves, as well as pricing improvement on the underlying business, which will inure to our benefit since most of premium in the segment is proportional in nature.

Our largest class of business in this segment is general liability for small contractors. So we think the rebuild that I spoke of earlier can possibly impact our reinsurance business as well. Several of our reinsurance treaties have material writings in Florida, Texas and California. We are already hearing expectations of increased flow in the contractors area from brokers and cedants.

I now have a few observations to make about the quarter itself.

We had \$10 million of pretax catastrophe losses in the quarter. We certainly would have been happier if this number had been 0, but it's not surprising that with \$100-billion-plus of industry losses in the U.S. and its territories this past quarter, we would end up with some level of loss. The U.S. government is calling the Houston area flood a 1-in-1,000-year event. The rapid and devastating rise in the water levels there led to losses in nonstandard auto business written by our reinsurance company. The rest of our losses are principally from our E&S excess property division and are from Irma in Florida.

I think it's a testament to our strong risk management that our number for all of the storms was relatively small. We are careful in our risk selection in property and also heavily reinsure or alternatively cap the risk that we do take.

Excluding the catastrophe losses, our company showed a lot of strength this quarter. Profitable underwriting has and always will be a key tenet for us. This is the 19th consecutive quarter where we have had an underwriting profit.

We had growth across all 3 of our segments in the quarter, and underlying the segments we had growth in most of the divisions within each segment.

While Commercial Auto drove the increase in our E&S segment, our core E&S business grew by over 6% year-over-year in the quarter as well. Our favorable reserve development exceeded the amount we had in the same quarter a year ago across the group. Our expense ratio has continued to decline and was less than 25% in the quarter. This gives us flexibility in both pricing as well as expenses, and is a significant competitive advantage.

In our E&S segment our accident year combined ratio excluding catastrophes was 90.3% versus 91.9% in the same quarter a year ago. Our gross fee income grew \$4 million, or approximately 130% to \$7 million in the quarter. As we've said before, this is principally coming from claims handling where we don't have a risk position as well as fronting business.

Investment income was strong, exceeding our internal expectations. We continued to benefit from our renewable and other investment categories, and our fixed income and bank loan portfolios also performed very well.

In our Specialty Admitted segment we had some elevated current-year Workers' Comp loss activity causing the Q3 accident-year loss ratio to be approximately 80%. As most of you know, this is a relatively small book of business at about \$40 million of premium annually. We have had a few large losses in this small book of business, driving the quarter's accident year loss ratio up. The year-to-date ratio is up only a couple of points, however, over the prior-year period. For several years leading up to 2017, we have had very benign loss activity in this book of business. We will seek rate increases in this book going forward.

With regards to pricing in the third quarter by segment, in our E&S segment core rates were up 1% in the quarter. In the Specialty Admitted segment Workers' Compensation rates were down low double digits. And in our Reinsurance segment, reinsurance treaty pricing was flat, but as has been the case in prior quarters, the underlying primary insurance rates were up 3.5%, which will inure to our benefit given the mostly proportional nature of our reinsurance book.



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

And with that, I will hand it to Sarah to discuss our capital management plans this quarter.

Sarah C. Doran - James River Group Holdings, Ltd. - CFO

Thanks, Bob.

Yesterday we announced that our board declared a common dividend of \$0.30 per share and a special dividend of \$0.50 per share, each payable late next month. You may remember that we raised our common dividend by 50% in the fourth quarter of last year and paid an additional \$0.30 per share in common dividends through 2017.

For the full year we expect to return over \$50 million, or \$1.70 per share, in total dividends to shareholders as compared to \$66 million, or \$2.20 per share, that we returned last year. We've done this despite growing net written premium about 40% over the last 12 months and taking operating leverage from about 0.9x to 1.4x.

Looking ahead in our business and the growth opportunities that Bob mentioned, we believe we've positioned our book well to benefit from expected attractive pricing. We view both the strong ROTE we've delivered and the capital return as important components of shareholder value. The special dividend is an attractive way for us to manage our capital, both to support and respond to our growth and business opportunities, as well as to provide returns to shareholders. As always, we seek to earn an attractive return on every dollar of capital we hold and, to the extent we're not able to utilize our capital, return it to investors in an efficient manner.

We've returned the majority of our earnings to shareholders since becoming a public company almost 3 years ago. Over that period we've paid cumulative dividends, including these upcoming, of approximately \$165 million, or over 1/3 of our original tangible equity at IPO.

We thank our shareholders and business partners for the opportunity to put our capital to work and look forward to continuing to generate meaningful returns for shareholders going forward.

And Operator, with that this concludes our prepared remarks, so if you could open the lines for questions that would be great.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) And our first question comes from the line of Randy Binner from B. Riley.

Randolph Binner

First of all, just congratulations, Adam, on retiring and Bob for taking over as CEO. Look forward to working with both of you in your new roles. It was a good quarter and I just actually had a couple that I wanted to flesh out. First, on fronting you mentioned that there's opportunities from the traditional and alternative kind of capacity providers out there. Can you give us more color on where you're seeing the opportunity and if it's in traditional casualty lines or maybe in other business areas?

Robert P. Myron - James River Group Holdings, Ltd. - President, COO and Director

Yes, sure. I think it's sort of across the board. I think that there is continued interest from traditional and alternative markets to get at more U.S.-based risk. And we're in a position, we're obviously mostly a casualty writer, but we do have some modest property capabilities and we certainly have the interest and ability to do something that would be in the property space. Not something where we would obviously think about taking a



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

tremendous amount of risk, but could certainly with our infrastructure between several admitted companies and very broad E&S and overall licensure and infrastructure in the domestic markets, I think were in good shape there.

J. Adam Abram - *James River Group Holdings, Ltd. - Chairman, CEO and Chairman of James River Group, Inc*

Just adding to that, while we choose not to, because of our model, having to do with volatility and the way we address capital and consistent returns, we recognize that there is a very vibrant capital market that makes a lot of sense that is very interested in taking property risk. And we actually have a very strong property team in our E&S division that is currently capable of writing a lot more property risk than we retain on our balance sheet. So I think we've got a lot of expertise there that we could deploy in the service of other smart capital that wants to take property risk that just doesn't fit our model. We've got the modeling capabilities. We've got the underwriting capabilities, years of experience. We also have the claims handling experience to handle that. So I think we're well situated to do that. And we're developing that -- we also have the ability to develop that on the admitted side, too.

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

Right. And while we only write excess property currently, many of our folks have experience in primary property.

Randolph Binner

Okay, understood. That's great. And then just on the comp losses, it sounds like that's a discrete set of losses and not necessarily representative of the book, because comp in general is a good line right now. So can you just give us a little more color on what the large losses were there?

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

Yes. It's just -- we have a retention of \$600,000 in that book of business. And we've just had a few large losses in more recent periods that have -- where we've basically taken material amounts up to the \$600,000. As mentioned, this is following on from several years where we had very benign loss activity. So I don't think that it is the result of pricing, and it's not really as a result of underwriting. It just seems like there's been a little bit of a blip here in terms of some larger loss activity. As mentioned, the accident year loss ratio for the year-to-date is not up an awful lot. And we saw some pretty good favorable reserve development coming through on that book from the prior periods that was a good offset to that.

Randolph Binner

Okay. But when you say enlarged losses, you mean as an actual large event. It's not like a series of people going out on claim and not coming back. It's more like an accident, like (inaudible) --

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

That's correct. Yes, absolutely. Yes, it's not a catastrophe, so to speak. It is an individual accident. It is a workplace accident.

Randolph Binner

Okay, understood.



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

Operator

And our next question comes from the line of Mark Hughes from SunTrust.

Mark Douglas Hughes - SunTrust Robinson Humphrey, Inc., Research Division - MD

My congratulations as well. That's super. The quarter in the E&S business, you had mentioned that the underlying profitability excluding cat, excluding development, you had a 160 basis point improvement. Last quarter you were flat there on the same basis. The quarter prior to that you were -- the combined ratio was up. Have you turned the corner? Was there anything unusual in this quarter that helped profitability?

Robert P. Myron - James River Group Holdings, Ltd. - President, COO and Director

I don't know that there was necessarily unusual. I think certainly a component of that is that the segment ended up having approximately a 15% expense ratio, which is framed by the continuing and growing fee income which resulted in a reduction of that. So that was definitely part of it. Obviously we're pleased to see the margin improvement there. And that's a combination of a number of things, both growth as well as performance of the underlying book as well as the expense ratio improvement and fee income.

Mark Douglas Hughes - SunTrust Robinson Humphrey, Inc., Research Division - MD

The loss ratio was up about 80 basis points sequentially. Would that continue to move up a little bit, assuming ride share continues to grow? Are we at a fairly stable point in terms of the loss ratio?

Sarah C. Doran - James River Group Holdings, Ltd. - CFO

Yes. I think it could tick up a little bit more because the Commercial Auto book has grown faster than the core E&S book, although we've still seen decent growth in the core E&S book. So I would expect for the fourth quarter that that could be a little bit higher than it has, just kind of in keeping with the business mix change that we've seen through the course of the year, Mark.

Mark Douglas Hughes - SunTrust Robinson Humphrey, Inc., Research Division - MD

And presumably the expense ratio under those circumstances would continue to come down.

Sarah C. Doran - James River Group Holdings, Ltd. - CFO

And that's right. That's the second piece of it. With the way that that book is set up and the fee income that comes through it, et cetera, the various structural attributes of it, you would expect the expense ratio, again, all things being equal and Commercial Auto growing relative to the core book, to continue to come down.

Mark Douglas Hughes - SunTrust Robinson Humphrey, Inc., Research Division - MD

I wonder, from a capital perspective you're at 1.4x. You're looking at rate increases, new opportunities. The ride-share business is growing nicely. How much more business can you support on the current capital base?



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

Sarah C. Doran - *James River Group Holdings, Ltd. - CFO*

We certainly think we have room to support that. We have additional capital that we could use, i.e., debt capacity. I think that our book can be written at the leverage where it is, maybe slightly higher. So we certainly do not in any way feel limited to look at business opportunities by our capital. So it's not a question of turning business away. It's obviously just a question of writing the best business and the best-returning business that we can see and taking advantage of that opportunity.

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

I would agree with that. We don't feel that we've got a capital constraint in going after the business that we want to put on the books. And it's not going to be limiting in terms of going after what we believe is going to be higher-priced business in a number of different areas across the group.

Mark Douglas Hughes - *SunTrust Robinson Humphrey, Inc., Research Division - MD*

You indicated you were going to be seeking mid- to high single-digit rate increases in the Casualty book. What's your early sense on that? Have you already begun? Is it starting to happen? How good do you feel about your success there?

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

Yes, I think we're really just getting started. It's more of what we are -- down to the level of the underwriting desk it's what leadership is seeking. Right? And that has been passed along to those folks as well. And so we're out there expecting to get it. And we think it's completely warranted. But it's going to take a -- we'll have an update for you on it obviously next quarter.

Operator

And our next question comes from the line of Meyer Shields from KBW.

Meyer Shields - *Keefe, Bruyette, & Woods, Inc., Research Division - MD*

I do want to offer congratulations to Adam and Bob on a great past and future. Bob, in your (inaudible) you talked about some expense flexibility as a consequence of the expense ratio improvement. I was hoping you could elaborate on what you meant.

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

Yes, I think we just -- look, it doesn't frame our -- we're definitely going to be seeking the price increases that we talked about. But I think running in the mid-20s versus the mid-30s or higher, which you see sometimes in a commercial specialty business, I think just in general that gives us not only flexibility to add staff, but also at the individual account level it gives us flexibility as well, so to speak, because of that lower overall overhead. So we've always had a philosophy here of sleeves rolled up and running pretty lean. I just think that it would be a different situation, if we were in the high 30s. That could be reasonably constraining.

Meyer Shields - *Keefe, Bruyette, & Woods, Inc., Research Division - MD*

Okay. No, that makes sense. Last night when Allstate reported they talked about broad-based declining frequency in personal auto. Are you seeing the same sort of trend in ride share?



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

Robert P. Myron - James River Group Holdings, Ltd. - President, COO and Director

I would say that we're not necessarily seeing a decline in frequency. I would say from what we've seen most recently there's sort of not a significant change there.

Meyer Shields - Keefe, Bruyette, & Woods, Inc., Research Division - MD

Okay. And then last question. Is there any -- I don't even know if it's meaningful, but to the extent that you have bought very effective protection on the property book, is there a timing issue where reinsurance rates may go up faster than you can push them up on the primary side?

Robert P. Myron - James River Group Holdings, Ltd. - President, COO and Director

So, good question. Interestingly, most of our property reinsurance is renewed in June and July. So I'm not expecting that we're necessarily going to get caught in that timing trap, so to speak. So, no, I don't think so.

Operator

And our next question comes from the line of Brian Meredith from UBS.

Brian Robert Meredith - UBS Investment Bank, Research Division - MD, Financials Research Sector Head & Global Insurance Strategist

Couple questions here for you all. First one, just a quick numbers question here. The current year development in the Admitted segment, what was that from a dollar-figure perspective, just so we can kind of get the true underlying run rate of the accident year?

Sarah C. Doran - James River Group Holdings, Ltd. - CFO

I can come back to you on that, Brian. I don't have that at my fingertips.

Brian Robert Meredith - UBS Investment Bank, Research Division - MD, Financials Research Sector Head & Global Insurance Strategist

Okay. And then, Bob, I'm just cur- -- and Adam, you're talking about getting rates in the E&S Casualty and kind of pushing for that. I just want to dive into that a little bit more. Historically you've always found that you get rate when you get an increase in loss trends or something happens with respect to the perception of risk. Has that changed? Have you seen an acceleration in loss trend? What are you telling to your distribution and brokers and agents as to why you need these price increases?

J. Adam Abram - James River Group Holdings, Ltd. - Chairman, CEO and Chairman of James River Group, Inc

A couple of things. One is we think this is, based on the feedback we're getting from the senior leadership of our insurance companies, we think this is an expectation that is not unique to us in the market, that there is an expectation among -- and of course the brokers want to represent their customers and they'll push back on this. But I think there's an understanding that rates have been relatively flat for 4 or 5 years. And I think there's also a recognition in the market that the casualty business that you're writing, that we're writing and our competitors are writing, has a 4- to 5-year, or in some cases longer, tails. And with rates having been relatively flat for 4 or 5 years and the nature of the tail of this business, it's prudent for every capital provider to be looking for rate increases. And in the wake of a tremendous loss of capital, really a record loss of capital in some people's estimates, in the insurance business across the insurance industry, people are going to be very careful about where they allocate their capital, we hope. We think that that makes a lot of sense. And this is a moment in time when it's appropriate for there to be, just on the merits, for there to be price increases. It's well understood in the industry. Now, how that all plays out remains to be seen, but I don't think we're going to be alone in looking for price increases. And I think that the industry is absolutely appropriately pricing risk when they raise rates in the mid-single-digit or high



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

single-digit rates. And of course some of this will be by line of business and by the nature of the class of the risk or the class code of the risk itself and the history of individual accounts. But we expect that -- we're going to push for and expect that others will be pushing for across-the-board rate increases. Bob, do you have something to add?

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

Yes, just a couple of additional thoughts, one of which Adam made in part. But I think we -- several years in a row here of bouncing along with up 1%, down 1%, so to speak. And while the underlying loss trends have been benign, we just can't ignore the obvious need for loss cost inflation, for example, just healthcare costs, right, when somebody gets hurt and the like. So that has obviously -- there have been increases in underlying -- there's been lost cost inflation. It's unavoidable coming from some places, without necessarily corresponding rate increases. And our margins have been okay. But I think we have to take that into account further to Adam's point about the duration and tail with this. I think the other most obvious answer, and particular in E&S, is we are likely going to get increased cost of reinsurance. It's very -- it's likely it's coming. We buy a substantial amount of reinsurance in our E&S. It's almost entirely excess of loss. But we have an expectation, further to the discussion earlier on this phone call, that there are going to be increases coming from reinsurance capital providers. So a couple of more reasons why it's completely warranted.

Brian Robert Meredith - *UBS Investment Bank, Research Division - MD, Financials Research Sector Head & Global Insurance Strategist*

Got you. But those increases you would think more on your property than the casualty side. Right?

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

We very well could be getting casualty price increases as well. I mean, I think that it's -- you spend time at conferences. We obviously listen to other people's conference calls. There is a lot of the losses that are out there are still sort of unreconciled. They're not relative -- the industry loss estimates and what people put out there have not been -- that difference hasn't been reconciled. I think that there is a trend towards loss increases for P&C more broadly -- I mean cost increases for P&C insurance more broadly.

Brian Robert Meredith - *UBS Investment Bank, Research Division - MD, Financials Research Sector Head & Global Insurance Strategist*

Got you. And just curious, if I look at your E&S segment and we kind of adjust for the obviously increase in the ride-share business and the effect that's had on your underlying accident loss ratios, how have they trended the last couple of years? Have they kind of moved up some because of that loss trend in excess of pricing? Or have they kind of been stable?

Robert P. Myron - *James River Group Holdings, Ltd. - President, COO and Director*

They've moved up a little bit, but they have been off a very low level. We have had several years of very benign loss activity and then there's been a little bit of elevated loss activity this year, not to the level that we would deem to be problematic in terms of where we price the business that we are putting on now and have put on in the recent past. But it is up a little bit over the more recent years.

Operator

(Operator Instructions) And I'm showing no further questions at this time.

J. Adam Abram - *James River Group Holdings, Ltd. - Chairman, CEO and Chairman of James River Group, Inc*

Well, thank you all very much for your interest in our company. And we look forward to Bob and Sarah and team reporting results in future quarters. And good being with you and to investing alongside of you for a long time. Thank you.



NOVEMBER 02, 2017 / 12:00PM, JRVR - Q3 2017 James River Group Holdings Ltd Earnings Call

Operator

Ladies and gentlemen, thank you for your participation in today's conference. This does conclude the program and you may all disconnect. Everyone have a great day.

DISCLAIMER

Thomson Reuters reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES THOMSON REUTERS OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2017, Thomson Reuters. All Rights Reserved.

