

memo



American International Companies
70 Pine Street
New York, N.Y. 10270
212/770-7000

To: Company Presidents, RVPS
From: J.W. Greenberg
Re: Hurricane Andray

Date: August 24, 1992
Direct Dial: 212/770- 6900

This storm will cause extensive damage in southern Florida and, if it also strikes a populated area after picking up speed in the Gulf, may cause the insurance industry the biggest storm loss ever. The industry cannot absorb the loss and the cash hit without increasing rates. We have opportunities from this and everyone must probe with brokers and clients.

Begin by calling your underwriters together and explaining the significance of the hurricane. This is an opportunity to get price increases now. We must be the first and it begins by establishing the psychology with our own people. Please get it moving today.

JWG/al

cc: T.R. Tizzio