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## Assurant, Inc. Q1 2008 Earnings Call Transcript

### Question-and-Answer Session

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[Operator Instructions]. Our first question comes from Kevin Walsh of Citi.

**Robert B. Pollock - President and Chief Executive Officer**

Good morning, Kevin.

**Keith Walsh - Smith Barney Citigroup**

Good morning, how are you? First question for Gene, couple of questions on Specialty Property, if you could just remind us why we see seasonality in the gross written premiums from fourth quarter to first, why they declined? And then secondly, just more broadly, when we think about originations in the mortgage industry, they're down pretty sharply across the board, but much more so for Countrywide. Now are you seeing relative migration to your book away from Balboa or let's say, may be if you can talk a little bit to that and then I've got a follow up for Mike.

**Gene Mergelmeyer - President, Assurant Specialty Property**

Okay, great. Yes, let me try and address seasonality. I think one of the things you can look at to is if you look at there is a similar pattern that occurred in the fourth quarter of '06 versus the first quarter of '07, and really what that relates to, if you look at our book a number of the expirations let's say, do kind of expire in the middle of the year, kind of consistent with when most people were buying their homes and that's when their insurance was kind of set up and the expirations occur. So there is a tendency to run to that and there is some little cyclicity around how premiums are processed as well.

As it relates to the origination side of the business, we do feel that again, our core competency around aligning ourselves with the industry leaders has us well positioned. Certainly, I mean there was a couple of our large lenders that in the first quarter actually did announce that despite all of the problems and all of the press around originations being down that their originations were up and some significantly over the first quarter of last year in this first quarter. So we do see some of that happening, we also do believe that as the Banc of America Group takes over for a Countrywide, to the extent that does go through, they have already announced that they do plan on cutting back of their warehouse lending as well as their subprime lending and so we do believe kind of our partners are in a good position to probably take advantage of that market.

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