



**PREMIER**  
RISK MANAGEMENT

**Reduce The Risk**  
**Boost Your Bottom Line**

**Our Professionals offer practical business knowledge based on years of real life experience with backgrounds in some of the following companies:**

Trinitas Regional Hospital	Mitchell Gold, Co.	The Men's Wearhouse
AllianceBernstein	Endicott Interconnect	Vision Equities, LLC
Fisk Alloy, Inc.	Amstar Global	Sweeney & Conroy
Reddy Ice	Amer Tac	New York & Company
Tex Tube	Green Sky	LDF Companies
Preserv Restoration	APA Logistics	JER Partners
J&B Restaurants	Aceto Corp	Revman International
Eastern Christian Children's Retreat	Merfish Pipe & Supply	Senior Bridge Care
Kaltex America	Metropolitan Entertainment & Convention Authority	

### SAMPLE OF CLIENT ENGAGEMENTS

#### Real Estate

Real Estate Owner using various 3<sup>rd</sup> Party Managers of over \$1 billion of Total Insurance Values (TIV) of commercial and residential real estate on a National basis. Properties are comprised of Hospitality, shopping centers, offices, industrial, mixed use and residential.

- Sometimes too many hands in the pot create problems. As an example an area problematic for real estate occurs when insurance needs to be placed on the asset and many times this can lead in too many directions. Up to three different parties (Majority Owner, Minority Partner and Property Manager) are potentially looking to place insurance in a master program. In all scenarios the broker for each party has a financial incentive to place the insurance but who gives the independent advise on the best options that a Fiduciary can depend upon. That is what we do and the end result is a **Financial Savings** to the asset while at the same time **protecting the fiduciaries** of the asset.
- One example of the above scenario – a National Brand Hospitality Franchise managed and insured the asset. The cost of insurance was rising year after year. One issue was the way the Property Manager was determining and allocating insurance cost. Bottom line is we reviewed and saved on a single asset over **\$300,000**. They were also able to recognize this savings year after year.
- D&O and EPLI coverage. Broadened the definition of Employment Practice Claim and amended policy to include in the definition of loss investigation of claims which were previously sub limited to \$1mm.
- Total Program Insurance renewal savings was **\$800,000**.

Owner and manager of \$6.7 billion of commercial and residential real estate on a National basis. Properties are comprised of shopping malls, offices and residential. 18 million square feet and 15,000 apartment units.

- The original program consisted of over 40 insurance policies with a variety of effective dates. This was administratively inefficient and created an inordinate number of coverage gaps but it was an expensive approach. We consolidated the program down to six policies with a common effective date and realized first year savings of just over **\$1,000,000**.
- As the portfolio grew we continued to achieve hard dollar savings of **\$325,000+** on the property renewals.
- Recognized a **23%** savings on the general liability year to year as the portfolio grew.
- Ongoing risk management services

## PREMIER RISK MANAGEMENT, LLC

## *Risk Management Highlights*

Developer of residential Real Estate in NJ, NY and Florida. Provide insurance and risk management advice on selected projects – usually in excess of \$50MM in construction costs.

- Discussed and reviewed the option of OCIP and CCIP.
- Worked with the contractor on behalf of the owner’s interest in developing the insurance checklist and requirements for participation in the CCIP.
- Negotiated and enhanced the Builders Risk Form with coverage for electrical and mechanical testing.
- Enhanced the Builders Risk Form with “collapse” coverage.
- Savings achieved on Builders Risk was **33%**.
- Ongoing risk management services

### **Construction**

Developer for construction utilizing OCIP with a project cost of \$250,000,000.

- Creation of Project Specification and Broker RFP.
- Assisted in the developing of the insurance language in various contract and reviewed as needed.
- Review contractor and subcontractor bid deducts for all OCIP-provided coverages.
- Create an RFP for Third Party Administrator (TPA) Claim Services and review bid packages.
- Savings recognized was over **\$2,000,000**.

General Contractor and Construction Manager focused mainly on commercial development projects throughout New York, New Jersey and Pennsylvania.

- Risk assessment, insurance policy analysis, insurance program marketing, loss mitigation services and ongoing risk management services.
- Reviewed contracts and maintained a tracking program for Certificates of Insurance (COI) to ensure subcontractor compliance and ability to tender defense of claim if needed.
- Saving received on General Liability policy in excess of **\$135,000**.

### **Retail**

National Retailer with revenue excess of \$1.6 billion and over 1,000 locations in the U.S. and Canada.

- Year one program savings **\$2.6mm** / Year two program savings **\$1.1mm** / Year three program savings **\$300,000** with a 30% decrease of Incurred Claims thus realizing an additional claims handling expense savings of **\$130,000**.
- Negotiated a reduction of Collateral from over \$8mm to \$3.3mm.
- Amended Catastrophic (Quake, Flood, Wind) loss deductible to “per occurrence” versus the “per location” under property insurance. Based on the minimum catastrophic loss deductible being changed to “per occurrence” from “per location” allowed for claim payment at various locations due to Hurricane Katrina Losses and a larger portion of claim to be paid in excess of \$2,750,000.

National Retailer with revenue excess of \$1 billion and over 500 locations in the U.S.

- Year one program savings **\$1.2mm** / Year two program savings **\$500,000** / Year three program savings **\$150,000**.
- Assisted in creating a standardized insurance language for vendors.
- Formulated Business Interruption Analysis for various store locations; in addition presented and negotiated with insurance carrier on final payments.

## *Risk Management Highlights*

### Retail/Wholesale Distribution

Distributor of fresh food in a regional area with revenue around \$45mm and 39 power units.

- 1<sup>st</sup> year there was over a **50% hard dollar premium savings**.
- 2<sup>nd</sup> year the Loss Ratio for the carrier was 200% in claim payments thus we focused on minimizing any increase with an end result of 8% increase but still significantly less than the prior year. This was an excellent result given the sizable loss payment.
- In the same 2<sup>nd</sup> year we focus on the Workers Compensation policy – end results:
  1. Over a **36% hard dollar premium savings**.
  2. Discovered current carrier was utilizing incorrect payroll thus client would have seen \$10,000 of additional premium due as a result of audit.
  3. Reduced deductible from \$10,000 (client was paying 100% of losses) down to \$1,000. Recognized savings **\$25,000**.

Wholesale distributor of automotive cooling systems & auto parts throughout NJ, NY, CT & PA. 17 locations.

- Added coverage enhancement for pollution upset and overturns.
- Auto Liability renewal savings in excess of **\$150,000**
- WC renewal savings in excess of **\$300,000**.
- Assisted in review of Fleet Safety Manual
- Program Savings **\$450,000** with ongoing risk management services

Distributor of home furnishings - owns the license rights to produce bed and bath products for Laura Ashley, Tommy Hilfiger, Nicole Miller, Echo, Michael Kors, Izzy, Manor Hill, Aura, Hiccups and Marimekko. They distribute their products to Macy's, Bloomingdales, Bed Bath & Beyond and other notable retailers all over the world. Manufacturing relationships in Mexico, Asia and Southeast Asia. \$200+ million revenue.

- Auto Liability renewal savings in excess of **\$220,000**
- WC renewal savings in excess of **\$175,000**.
- Discussed and assisted with implementation of a web based driver safety program that resulting in **reduction** of incurred claims cost by **30%**.
- Program Savings **\$395,000** with ongoing risk management services

### Manufacturer/Retail

Furniture manufacturer and home accessories importer with 20 retail locations nationally in major markets

Benefits plan costs were increasing at 20% a year due to plan design, contribution schedule and aging population.

- 1<sup>st</sup> year moved contract to national carrier **reducing claims costs by 15%** due to better discounts modified contribution schedule and plan design to coincide with market levels **increase reduced to 5%**.
- 2<sup>nd</sup> year developed and implemented a wellness strategy incorporating health risk assessments and compliance program for participation requirements **delivered 6% increase; 50% less than original renewal pricing**.
- 3<sup>rd</sup> year developed specifications for an **on-site clinic** and vetted vendors **resulting in a financial guarantee of no more than a 3% increase in claims year over year**.
  1. **Attained 90% participation from employees and spouses in wellness/clinic program**
  2. **3 year average increase was 50% of national trend of 12%+**
  3. **Projected increases going forward will be 3% or less year over year**

## *Risk Management Highlights*

### Manufacturing

Electronics Manufacturer with revenue over \$400,000,000 providing solutions for Defense & Aerospace, Medical and Communications & Computing.

- Year one savings **\$1.1mm** / Year two savings **\$500,000** / Year three savings **\$350,000** / Year four savings **\$600,000**.
- Able to secure 3<sup>rd</sup> party product recall, intellectual property and trade secret coverage as required in CLIENT contracts to ensure compliance.
- Able to obtain Batch clause wording for Medical Products Liability and amend the Extended Reporting Period to a Bilateral meaning Insured has the option to cancel and still elect extended reporting coverage.

Manufacturer of stainless steel tables, stools, cabinets, I.V. poles, mayo stands and other related equipment. The end users are mainly healthcare organizations. The products are distributed primarily by manufacturer's representatives that are located throughout the U.S. and a small percentage of sales are distributed overseas. Manufacturing facilities in New Jersey, Texas and Mexico.

- Products Liability renewal savings of **\$150,000**.
- Received various coverage enhancements to the product liability policy.
- Conducted a WC Experience Mod audit with resulting savings of **\$25,000**.
- Program Savings **\$175,000** with ongoing risk management services

Manufacturer, Marketer, and distributor of pharmaceuticals, nutraceuticals and specialty chemical ingredients. Global operation with revenues in excess of \$400,000,000.

- Savings on D&O renewal in excess of **38%** along with major coverage enhancements needed for a public company.
- Able to get excess carriers to agree to batch clause language on primary policy. Client advised he tried to accomplish same for over 4 years.
- Savings on general liability and excess liability **\$250,000**.
- Secured enhance coverages for a finished product liability policy.

Manufacturer of sewing machines and accessories annual sales of \$500 million+

Benefits plan design and contribution schedule did not drive desired employee elections and created a financial burden.

- 1<sup>st</sup> year modified the employer HSA contribution to more closely mirror market levels **\$250,000 of savings on \$3.5 million expense**. Carrier competition for business resulted in **6% renewal increase down from 10% plus**.
- 2<sup>nd</sup> year modified plan design to meet market conditions resulting in a **2% decrease to rates**.
  1. **Client's HSA expense was reduced and will remain flat going forward**
  2. **24 month aggregate increase is less than 4% compared to national average of 12%+**.

### Health Care

Regional Hospital with over 530 beds and various services.

- Year one program savings **\$1mm** / Year two program savings \$250,000
- Significant coverage enhancement to various policies. More importantly to the Hospital Professional and D&O.
- Major coverage enhancement to the **umbrella program** that a financial savings could not be quantified.
  - Defense is provided in addition to the limit of liability.
  - Limit for HPL and GL are now provided in **dual towers** vs. shared.

## *Risk Management Highlights*

- WC Audit/Review resulted in an Experience Mod reduction from .72 to .47
- Assisting in analysis of insurance program for a Joint Venture.

### Not-For-Profits

Not-for-profit – we provide services for a variety of not-for-profit organization with various operations. Below is an example of their various achievements.

- Conducted a marketing effort of the D&O which resulting in a savings of **45%**.
- Able to reduce D&O deductible from \$25,000 to \$10,000.
- Provided comprehensive D&O comparison by carrier for board review and decision for purchase.
- Discussed and recommended adjustment on property valuation resulting in **10%** savings.
- Provided Policy Review Audit on various policies to identify coverage gaps.
- Ongoing risk management services

### Personal Insurance

A client with a primary home in New Jersey and four rental properties on other states. The policies were a mixture of direct writers, one standard carrier and two specialty brokers.

- Determined the home was over insured by \$100,000.
- Increased deductible from \$500 the \$1,000 with a premium savings of \$370.
- Increased Umbrella Policy limit from \$1,000,000 to \$2,000,000 to provide higher limits due to the rental exposures.
- Brought Automobile Liability up to comply with the Umbrella Liability minimum requirements.
- Decreased collision deductible from \$2,000 to \$1,000 and Comprehensive deductible from \$2,000 to \$250 with minimal premium impact.

A client with primary home, auto and umbrella in New Jersey is being serviced in a call center. She received a proposal to switch insurance companies based upon broader coverage.

- Proposal reviewed and numerous errors were discovered.
- The home is deeded to a Family Trust. The trust was not a named insured on the policy.
- The call center in Delaware was unfamiliar with New Jersey contract language and coverages.
- Comparative quotes were inaccurate.
- Corrected coverage and premium comparisons were prepared and discussed.
- The initial estimated premium savings of 15% was not accurate; given the various mistakes there would have been an additional premium of 10%.

A client with a home in a prestigious neighborhood was insured with a Direct Writer. The original policy was placed 5 years ago and never updated.

- The home was currently insured for \$2,200,000 with a deductible of \$500.
- An appraisal on the home estimated to actual rebuilding cost to be \$3,500,000.
- The policy was placed with an insurance company that specializes in high value homes, and the deductible was increased to \$5,000. Premium impact was minimal though the coverage was superior.
- Personal Liability was \$300,000 and no Umbrella Policy was in force.
- The homeowners allow a church group to use their pool and tennis courts as a summer camp thus an Umbrella Liability Policy of \$10mm was put into effect.

**\* All of the engagements noted above resulted in significant hard dollar premium and insurance related cost reductions ranging from 10 percent to 84 percent. In addition, all of these clients had major coverage shortfalls and deficiencies which were ultimately corrected resulting in better protection for the organization. As a consequence of our involvement, the responsible party (CEO, CFO, Controller etc.) at the organization for the insurance oversight saved a significant amount of time by our management of the process as well as organizing documentation for future reference and use.**