

Risk Concepts Insurance Brokers

Broker Services Proposal

Prepared For:

ABC Widget Manufacturing Company

Prepared By:



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Why Choose Risk Concepts?

Risk Concepts offers its clients the marketplace access and technical knowledge of a large brokerage while providing a high level of responsive and personal service. Client retention is the measure of our success and the foundation of our future growth.

We readily recognize that our success is built on an accumulation of long-term, loyal clients rather than a larger number of new clients that only stay with us for a short while.

Risk Concepts can provide competitive proposals for nearly every type of industry and for nearly every type of risk exposure.

Broker client service is best measured by the following characteristics:

Communication

Telephone voice messages, e-mails and faxes to Risk Concepts are returned promptly (usually within an hour). Certificates of Insurance are issued by Risk Concepts within 24 hours of request (or on an urgent basis, necessary)

Results

“Client Service” is just a promise until there is an valued outcome. We pride ourselves on work that is results-oriented - problems are solved in a timely, thorough and resourceful manner.

Staff

Risk Concepts’ staff turnover is very low – with all team members cross-trained over a wide variety of functions and tasks. Staff is incentivized, recognized and rewarded based on positive client and insurance company feedback

Technical Knowledge

More than half of Risk Concepts’ staff has earned at least one advanced professional academic designation and participation in continuing education is highly encouraged.

Automation

Risk Concepts is highly automated and utilizes an advanced information management system for responsive, efficient service – with excellent data security and redundant (off-site) data duplication.

Renewal Marketing

Updated coverage requirements and renewal marketing strategies are reviewed with the client 120 to 90 days prior to policy expiration. Renewal proposals are presented at the earliest date possible – so that the client has adequate time to consider all options as presented. Payment options – such as premium financing are readily available.

About Risk Concepts

Risk Concepts Insurance Brokers was founded in April of 2005 as an independently-owned insurance brokerage providing clients with service, knowledge and advocacy.

Risk Concepts was founded on the premise that clients are often best served by a modest-sized, efficient and resourceful brokerage. While larger brokerages may offer the appearance of strength through size, the reality is that smaller, local brokerages can match their market access, technical knowledge and resources - while providing a highly responsive level of personalized service.

Risk Concepts was founded and is directed by Mike D. Robertson, CPCU. First licensed as an insurance broker in 1983, Mike's career includes every facet of insurance brokerage sales and management – including more than thirteen years of experience as a brokerage principal. Prior to founding Risk Concepts, Mike was Executive Vice President, Chief Financial Officer and major shareholder of a Bay Area brokerage that was ranked in the top 1% of the United States.

Risk Concepts maintains direct appointments with more than 40 leading “California-admitted” insurers plus access to more than 100 “excess & surplus lines” insurers. As a preferred partner with a number of its insurers, Risk Concepts is able to negotiate the most favorable premium and coverage terms.

As an independent affiliate of Pacific Interstate Insurance Brokers (“PIIB”), Risk Concepts combines its premium volume with 88 other California brokerages to maximize its continuing access to the best insurance companies and client service resources. As PIIB continues to grow, its market leverage increases and Risk Concepts is assured of accessing an ever increasing array of insurance markets and facilities.

Risk Concepts' true core competency and passion lies with client relationships and the development of risk programs to meet their present and future needs/objectives – hence our motto and our statement of commitment:

INTEGRITY BUILDS TRUST – TRUST BUILDS LOYALTY

***Conscientious Service
Reliable Advice
Always***

Our Role as Your Insurance Broker

Insurance brokers are called upon to provide everything from clerical support to highly strategic consulting. Not all risks have the same needs, however the fundamental of client service is quality and consistency. In other words, identify the most appropriate service tasks/functions, consistently perform them well and perform them without delay.

Step 1

We discuss the background and future of your company. What got you to where you are today? What are your current challenges and opportunities? What are you planning for the future? With your help, we identify risks and rank them by impact and probability.

After learning about your company, we focus on how you can manage the risk exposures that your company faces. You have the following options to manage risk:

Avoid	Do not engage in the activity that generates risk
Retain	Use your own financial resources to pay for losses arising from risk
Transfer	Use contracts to transfer risk to others – hold harmless, indemnity, etc...
Insure	Purchase insurance to address risk that you can't avoid, absorb or transfer

Since everyone has a different tolerance to risk and uncertainty, it is our responsibility to identify your options, explain the pros/cons (in common terms) and develop a program that provides the best combination of possible outcomes.

Step 2

By this time in the process, we know about your company, what keeps you awake at night, what insurance you may be contractually required to maintain and your level of comfort with risk. We now turn our attention to marketing your risk program to insurers.

We start by making sure that we present your company to the insurance marketplace in its most favorable light. Our marketing “submission” is professional, thorough and well documented. By proactively providing organized and complete information, we find that prospective underwriters are more responsive, cooperative and competitive.

We request that proposals include various policy limit, deductible and coverage extension options. Once we are satisfied that we have negotiated the most favorable proposal terms, we prepare a concise and informative proposal for your review. The proposal is presented at the soonest date possible – as not to create a “last minute scramble” because you are up against a renewal date deadline.

Once a proposal is accepted, we provide premium payment options that include no-cost insurance company installment plans and in-house premium financing.

Our Role as Your Insurance Broker

Continued

Step 3

Now that we've placed your coverage, we set up a service plan to make sure that any daily or periodic needs will be met in a thorough and timely manner. If Certificates of Insurance and accompanying policy endorsements are required on a regular basis, we use our automation to maximize efficiency of the process and minimize the potential for error or delay.

Aside from “transactional” service needs, we develop and implement a schedule for the actions that will help reduce or avoid the future cost of risk. These actions include the creation and implementation of workplace safety programs, loss control recommendations, claim management reviews and any “customized” needs as identified. We often characterize our service as being like a water faucet – want more, we're immediately available to provide it – want less, just let us know and we'll stand by until you ask for more or if we see an immediate need that should be brought to your attention.

Step 4

By now, renewal is approaching in 120 days. We review events of the past year with you and determine what, if anything has changed to alter how we should manage and market your risk program. At this time, we provide you with a “Pre-Renewal Summary” to ensure that existing coverage limits and premium rating exposures remain accurate and appropriate for the upcoming renewal.

Based on our work above, we prepare our marketing submission and present it to the marketplace 90 days in advance of renewal. Over the next 60 or so days, we communicate with markets and begin the renewal proposal preparation process.

At 30 days prior to renewal, we do our best to finalize all proposal options and present them to you – as far ahead of the renewal date as possible. Our renewal proposals summarize our recommended placement option as well as the proposal details from other insurers that we have approached.

Once the renewal proposal terms have been accepted, we immediately issue Certificates of Insurance and any other documentation to outside parties so that your accounts receivable payments are not disrupted and your staff is not required to respond to “dunning” notices from vendors.