



RISK 
RESOURCES 

Independent Risk Management Consultants
and Insurance Advisors





WE DO NOT SELL INSURANCE

WE HELP YOU REDUCE COSTS

WE PROVIDE YOU WITH PEACE OF MIND



Company Profile

Longevity

Risk Resources' history of providing risk management and insurance consulting services dates back to 1898 through our affiliate, Corporate Policyholders Counsel, Inc. Risk Resources has evolved over the years in name and expertise to keep pace in meeting our clients' risk management and insurance needs.

Expertise

Our consultants individually possess over twenty years of insurance industry experience on average, with the last ten years in a consulting environment. This allows us to bring a broad vision and scope of solutions to client projects using traditional and non-traditional approaches.

Independence / Objectivity / Integrity

As independent consultants, Risk Resources does not sell insurance. We are not associated with any insurance company, brokerage, agency, actuary or self-insurance service organization. Like your accountant or attorney, Risk Resources operates on a fee basis. Our compensation is not based on commissions. This allows us to be totally objective in our analysis and recommendations.



Our Objectives

- ▶ Cost efficient risk management and insurance programs for you.
- ▶ Creative solutions tailored to your specific needs that are practical, workable, and economical.
- ▶ The use of effective communication skills and negotiating techniques on your behalf.
- ▶ Peace of mind for you. A sound risk management and insurance program with no surprises and no hidden gaps in coverage.

Stability

- ▶ Clients have relied on us since 1898.
- ▶ History of long term client relationships.
- ▶ Employee owned since inception.

How Our Services Benefit You

Our services:

- ▶ Help you reduce your risk and insurance costs.
- ▶ Provide you with an objective analysis of your risk management and insurance program. We identify program strengths and offer recommendations for improvement while showing opportunities for cost savings.
- ▶ Reduce the administrative burden of handling your insurance program.
- ▶ Simplify your insurance decisions by providing independent objective counsel. This includes specifications, evaluation of agents or brokers and analysis of proposals.

Services Provided

- ▶ Risk Management and Insurance Audits
- ▶ Insurance Bid / Proposal Management
- ▶ Agent/Broker Selection
- ▶ Ongoing Risk Management
- ▶ Merger/Acquisition Due Diligence
- ▶ Risk Financing Feasibility Studies
- ▶ Workers Compensation Classification/Premium Audits
- ▶ Loss Settlement Assistance
- ▶ Insurance Archaeology
- ▶ Litigation Support/Expert Witness

Risk Management and Insurance Audit

A risk management and insurance audit provides management with an independent assessment of the quality, breadth and pricing/costs of its programs. Program deficiencies are identified and recommendations for correction are offered.

Loss Exposure Analysis

- ▶ Tour the business operations and conduct interviews with key management and operating personnel to identify exposures to accidental loss.

Evaluation of insurance program administrative practices

- ▶ Assess how key insurance information systems are maintained.
- ▶ Review the decision process used to establish liability insurance limits. Review methods used to establish insurance values for real and personal property, loss of income and extra expense.
- ▶ Evaluate procedures in place to identify new/emerging loss exposures.

Insurance Coverage Analysis

- ▶ Analyze all property and liability insurance policies. Evaluate each policy's terms, limitations and deficiencies. Identify any gaps, inconsistencies or overlaps in coverage in each policy.
- ▶ Develop recommendations for improvement and cost savings.

Evaluation of Agent/Broker Services

- ▶ Evaluate technical competence and performance of people providing services.
- ▶ Evaluate the method and amount of compensation for services rendered.

Assessment of Risk Control Procedures

- ▶ Assess procedures in place to review contracts and leases for risk transfer problems.
- ▶ Review how disaster and contingency plans have been developed within the Organization.
- ▶ Review effectiveness of loss control programs.

Production of a Written Report

- ▶ Prepare a written report containing major findings and recommendations.
- ▶ Identify opportunities for cost savings.



Insurance Bid/Proposal Management

Periodic bidding of your insurance program is the most effective way to ensure obtaining the broadest coverage at the most economical cost. The technical assistance of Risk Resources is a key to meeting this objective.

Preparation of Insurance Coverage Specifications

- ▶ Perform a loss exposure analysis and insurance coverage review. Incorporate the findings and recommendations into insurance coverage specifications.
- ▶ With client input, review and update the insurance premium rating information for all coverages.
- ▶ With client assistance, compile necessary underwriting information for all property and liability coverages.

Marketing of Request for Proposal

- ▶ Assist client in selecting insurance agents, brokers and insurance companies to participate in the bid/proposal process.
- ▶ Allocate insurance markets to specific agents/brokers to avoid duplication and confusion in the insurance marketplace.
- ▶ Distribute specifications to selected participants.

Analysis of Proposals

- ▶ Review and analyze each proposal/bid submitted.
- ▶ Produce a written report to management outlining findings and recommendations.

Review of Issued Insurance Policies for Accuracy

- ▶ Review each issued property and casualty insurance policy. Compare the coverage provided with the terms of the accepted proposal. For the discrepancies or mistakes identified, produce a written report outlining the needed corrections.



Agent/Broker Selection

Brokers and agents offer a vast array of services, that can be difficult to evaluate. Risk Resources can assist you in identifying your service needs and guide you in the selection process.

Client Needs Assessment

- ▶ Work with key client personnel who have responsibilities for the risk management and insurance program to define the insurance agent/brokerage services needed.
- ▶ Develop specific criteria upon which the agents/brokers will be evaluated.
- ▶ Develop a list of qualified agents/brokers to participate in the selection process.

Development of a Request For Proposal Document

- ▶ Prepare and distribute a formal Request For Proposal to selected agents and brokers.

Analysis of Written Proposals

- ▶ Review and analyze submitted proposals. Recommend to client the agent/broker finalists to participate in oral presentations.
- ▶ Prepare interview questions and evaluation criteria.

Oral Presentations With Selected Finalists

- ▶ Evaluation of account team members.
- ▶ Obtain additional information and insight into service capabilities.
- ▶ Resolve any questions or issues from the written proposals that were submitted.

Completion of the Selection Process

- ▶ Analyze the results of the interviews and prepare final recommendations.
- ▶ Assist client in transition planning.



Ongoing Risk Management Services

Risk Resources can serve as your Organization's ongoing risk management and insurance advisor to coordinate your entire program. We will help you design, administer, maintain and monitor your risk management and insurance program to achieve the results you desire at maximum cost efficiency.

Ongoing Services

- ▶ Monitor insurance record keeping systems to assure completeness and accuracy.
- ▶ Review premium audits and retrospective adjustments to assure accuracy.
- ▶ Prepare customized claims handling procedures that reflect specific client's needs and desires.
- ▶ Provide assistance in settling claims.
- ▶ Manage the insurance renewal process. Evaluate the property and liability insurance program to assure maximum cost efficiency.
- ▶ Review each new and renewal property and liability insurance policy. Compare the coverage provided with the terms of the accepted proposal. If there are discrepancies or mistakes, produce a written report identifying the corrections to be made. Monitor and follow up with insurance companies until the corrections are completed.
- ▶ Review proposed contracts to assess the risk management and insurance implications.
- ▶ Assess risk management and insurance implications of merger acquisition and divestiture activities.
- ▶ Develop certificate of insurance programs to monitor contractors, and vendors.
- ▶ Coordinate loss control activities.
- ▶ Coordinate and assist in the development of disaster recovery plans.



Mergers and Acquisitions Due Diligence

When most companies get involved in a merger or acquisition, one of the last issues to be considered is insurance. This is often perceived as a commodity that can be easily dealt with. Unfortunately, this is rarely the case.

Structure of Acquisition

- ▶ Determine what liabilities are being assumed.
- ▶ Verify that sellers will continue to purchase insurance for any retained liabilities.
- ▶ Identify uninsured liabilities.

Directors & Officers (D&O) Liability

- ▶ Ensure insurance coverage properly responds to exposed liabilities and contractual obligations.
- ▶ Ensure continuity of seller's insurance after sale.

General Liability

- ▶ Identify the cost of insurance in the seller's insurance program.
- ▶ Identify and evaluate any "claims made" insurance for gap in coverage.
- ▶ Determine financial quality of past product liability insurers.
- ▶ Assess liability potential for products no longer manufactured by the seller.
- ▶ Evaluate potential for employment practices liability claims.

Workers Compensation

- ▶ Determine potential impact of change in experience modification factor.
- ▶ Determine potential for outstanding premium audits due to past insurers.
- ▶ Analyze outstanding retrospective adjustments and obligations.

Environmental Liability

- ▶ Determine if seller has experienced any claims or litigation.
- ▶ Determine existence of any past or present pollution liability insurance.



Risk Financing Feasibility Studies

Firms have a wide range of risk financing alternatives available to them in today's complex insurance marketplace. Risk Resources can assist clients in their decision making process to choose and implement the most appropriate risk financing method to meet their needs.

Risk Financing Alternatives

- ▶ Dividend Plans
- ▶ Retrospective Rating Plans
- ▶ Large Deductible Plans
- ▶ Individual Self-Insurance
- ▶ Group Self-Insurance
- ▶ Captive Insurance Companies
- ▶ Finite Risk Plans
- ▶ Integrated Risk Plans
- ▶ Risk Retention Groups
- ▶ Risk Purchasing Groups



Workers Compensation Classification and Premium Audits

Premium overpayments commonly occur due to incorrect classifications, unverified experience modifications and misapplied rating rules. Risk Resources can identify past overpayments and secure refunds from insurance companies.

Initial Review of Documents

Perform review of documents, including current insurance policy, insurance proposals, loss runs, and experience modification worksheet.

Business Operations Analysis

Tour the main facilities and conduct interviews to determine exactly what business operations are conducted and the specific activities of different groups of employees.

Comprehensive Review of Documents

- ▶ Review insurance policies to determine:
 - ▶ Are the classifications accurate?
 - ▶ Are the rates, schedule credits and other rating factors the same as originally proposed?
- ▶ Review Experience Modification Worksheet to determine:
 - ▶ Were the correct payrolls used?
 - ▶ Were the correct losses used?
 - ▶ Were the losses valued at the appropriate time?
 - ▶ Is the correct experience period used?
 - ▶ Is the modification correctly calculated?
- ▶ Review Payroll Audits to determine:
 - ▶ Were proper payrolls used?
 - ▶ Were credits allowed for overtime, officer excess wages and subcontracted work?
 - ▶ Were new classifications added without authorization?
 - ▶ Were payrolls properly assigned to classification codes?
- ▶ Review Loss Sensitive Rating Adjustments to determine:
 - ▶ Were proper audited premiums used?
 - ▶ Were the correct rating plan factors used?
 - ▶ Were the correct losses used?
 - ▶ Were losses valued at the correct time?



Workers Compensation Classification and Premium Audits

Production of a Written Report and Implementation of Recommendations

- ▶ Prepare a written report containing major findings.
- ▶ Identify areas of premium reduction.
- ▶ Obtain proper return premiums from insurance companies.



Loss Settlement Assistance

Having a claim denied or mishandled by an insurance company is very distressing. Unfortunately, this situation is becoming more prevalent. Risk Resources provides expert advice to obtain satisfactory resolution of claims.

Denied Claims

- ▶ Review denied claims for their validity. Make sure the insurance company has properly applied the policy terms and conditions. Where necessary, assist client in challenging improperly denied claims.

Insured Claims

- ▶ Assist client in compiling appropriate documentation to establish accurate valuation of losses.
- ▶ Assist in the preparation and calculation of claims.
- ▶ Assist client in identifying and challenging excessive loss reserves.
- ▶ Review the insurance policy to ensure all loss reporting requirements have been met to prevent denial or disputes.
- ▶ Negotiate directly with the insurance company to ensure the client is fairly reimbursed for a loss.



Insurance Archaeology

Environmental liability claims arising from exposure to harmful substances over a long period of time and other similar type claims have created the need for Organizations to reconstruct their insurance coverage going back thirty, forty, or even fifty years. Risk Resources can assist firms in researching and reconstructing their past insurance coverages even though the actual insurance policies may have been lost or destroyed. These efforts can yield evidence of insurance coverage worth millions of dollars to affected Organizations.

Archaeology Project Components

- ▶ Review of corporate records - onsite and offsite.
- ▶ Interviews with former employees, insurance agents, brokers and insurers.
- ▶ Research Lloyd's of London and other London excess liability markets.
- ▶ Research third party records sources - customers, suppliers, contractors, railroads, etc.
- ▶ Reconstruction of policies.
- ▶ Compilation and organization of records.



Construction Wrap-ups and Consolidated Insurance Programs (CIP)

Construction related Owner Controlled Insurance Program's (OCIP's) and Contractor Controlled Insurance Programs (CCIP's) require proper planning and execution to have the greatest chance of success.

Project Risk Exposure Analysis

- ▶ Review proposed contract documents.
- ▶ Review other project related documents including project scope, budget and timeline.
- ▶ Conduct interviews with stakeholders.
- ▶ Evaluate loss exposures.

CIP Feasibility

- ▶ Estimate rating exposures.
- ▶ Estimate contractor premium credits.
- ▶ Estimate fixed and variable costs.
- ▶ Prepare recommendations for CIP sponsor.

CIP Administration Selection

- ▶ Determine internal capabilities of CIP sponsor.
- ▶ Prepare RFP for administration services.
- ▶ Analyze proposals and interview administrators.
- ▶ Prepare recommendations for CIP sponsor.

CIP Program Design/Selection

- ▶ Determine limits of liability and coverages.
- ▶ Prepare RFP.
- ▶ Analyze proposals and interview insurers.
- ▶ Prepare recommendations for CIP sponsor.

CIP Implementation, Maintenance and Closure

- ▶ Review CIP Manuals provided by administrator.
- ▶ Review insurance policies for accuracy.
- ▶ Conduct training as needed.
- ▶ Participate in periodic claims review meetings.
- ▶ Assist with program closure.



Litigation Support

Services Overview

Our litigation support services are directed towards the attorney whose practice involves property or liability insurance related issues. We provide a variety of services at various stages of a dispute or lawsuit. By making available these resources, the attorney can obtain highly competent counsel without incurring the expense of maintaining in-house professional staff. We possess particular expertise in coverage/policy terms interpretation and industry practices.

Coverage Interpretation

Insurance policies and related documents commonly include coverages, terms, conditions, exclusions and limitations which are difficult to understand even to professionals within the insurance field. We make the attorney specifically aware of the special meanings of terms and interpret how the various policy coverage components mesh together.

Industry Practices

The business of insurance is conducted in accordance with industry customs and practices, some of which may have evolved over decades or even centuries. The collective experiences of our consulting staff and an insurance library over a century old are important resources to an attorney.

Litigation

When a dispute can't be resolved without litigation, we can assist an attorney in different ways depending upon individual circumstances. These include the following:

- ▶ Organize and analyze insurance related documents.
- ▶ Conduct custom research using internal and external reference sources and databases.
- ▶ Assist in the development of litigation strategies.
- ▶ Review draft complaint to ensure technical portions relating to insurance are correct and relevant documents and parties are referenced appropriately.
- ▶ Assist in the pre-discovery phase to assess which documents are needed, who should be deposed and for what information, and who are the important witnesses and experts needed.
- ▶ Assist in preparing deponents and witnesses.
- ▶ Presentation of testimony at trial.



RISK 
RESOURCES

Independent Risk Management Consultants
and Insurance Advisors

E-mail: consultant@riskresources.net