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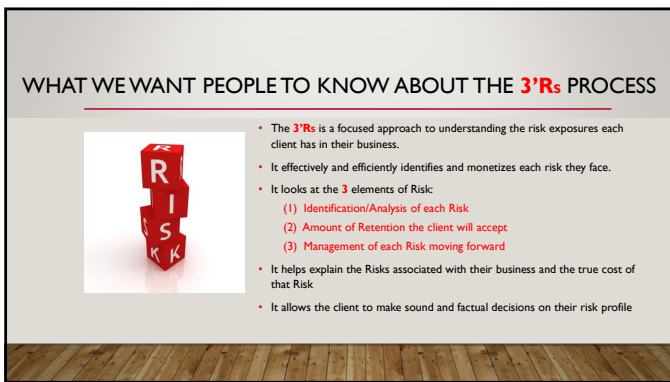
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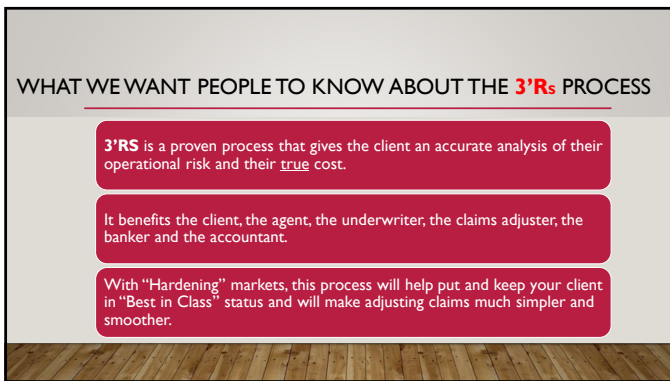
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QUESTION:

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How can your client make an informed business decision without accurate information?

Input from all of you

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DATING PROCESS!!

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- Willing to invest the time. Not the normal underwriting process.
- Interviews with key individuals.
- Asking those hard/tough questions.
- ID potential alternatives available.
- Time elements i.e., fix or replace and time to get back up and running
- Review financials
- All help establish the TRUE cost of BI and EE

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SO, LET'S GET STARTED!

- We received a call from a large poultry operation
- Explained that we are not in the "quoting" business
- Yes, we are interested and set up a meeting date
- Now, let's get the data through online searches and public information

*I'm speaking as a customer now, there often can be a very thin line between information-gathering and stalking*

- Nail down key members of the company and establish those in authority to provide information required to complete the survey
- Develop the agenda for the 1<sup>st</sup> meeting and send to your contact

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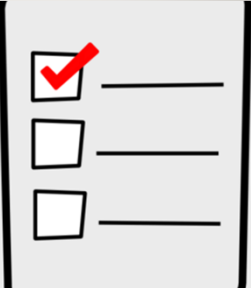
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**ITEMS REQUIRED FOR 1<sup>ST</sup> MEETING**

- Gathered company information we sourced.
- Prepared checklist of documents required/needed.
- Prepare goals, objectives and deliverables (Memo Format)



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**MEETING DAY**



- Review company profile with client
- Obtain tax filing status and FEIN of company and any subsidiaries
- Discuss ownership structure of parent or subsidiaries companies
- Review process steps with prospect
- NDA may be required

*Your customer will feel more at ease if you initiate the NDA discussion. They want to know that you believe their information security is paramount.*

- Set up next meeting and site visit(s) – this is a good time to setup a timeline!
- Obtain all Loss Runs
- Obtain the name(s) of EE's involved in the process
- Review Goals, Objectives and Deliverables with prospect

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**FINANCIAL AND INSURANCE INFORMATION**

- Current P&L by company (preferably 3 years)
- Current Asset Report by company
- Copies of Current Policies. All lines and for other entities, if known.
- Repeat Loss Runs (preferably 5 years) for all entities. Good time to discuss past claims.
- Current Statement of Values for all real property

*Again, as a customer, I would stress confidentiality - we are asking for a lot of their most personal information*

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## SUBCONTRACTORS, VENDORS / SUPPLIERS AND CUSTOMERS



- Copies of subcontractor agreements
- Copies of vendor agreements
- Copies of COI's
- Copies of Customer Agreements outlining Insurance Requirements

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## BUSINESS INCOME & EXTRA EXPENSE ANALYSIS

Item	2020	2021	2022	2023	2024	2025
Revenue	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Expenses	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
Net Income	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000

Category	Monthly	Weekly	4 Months
Contracting	\$1,000	\$2,500	\$10,000
Additional Transportation	\$500	\$1,250	\$5,000
Trip	\$100	\$250	\$1,000
Total Additional Expense	\$1,500	\$3,750	\$15,000

- Conclusion:** Additional \$15,000 per year would be required to cover the cost of additional equipment and all other miscellaneous expenses. It might take a week or so, so we have included a week of Business Interruption. A total hardware loss would result in the largest overhead coverage loss. We apply the same agreed value for the eggs to the hatchery as we do to the broiler stock.
- General Form
    - Risk: Fire, Wind (Hurricane / Tornado)
    - Recovery: 3 months
    - Temporary Accommodations: 1 week
    - Contract Coverage: 1 year using the 2 month term as would be the greatest loss (\$50,000)
  - Business Interruption
 

Item	Monthly	Weekly	Annual	Monthly
Production	\$100,000	\$25,000	\$300,000	\$25,000
Production/OPW	\$100,000	\$25,000	\$300,000	\$25,000
Inventory	\$100,000	\$25,000	\$300,000	\$25,000
Loss Ratio	\$100,000	\$25,000	\$300,000	\$25,000
Production Term	\$100,000	\$25,000	\$300,000	\$25,000
Average Age	\$100,000	\$25,000	\$300,000	\$25,000
Other Cost	\$100,000	\$25,000	\$300,000	\$25,000
Total	\$100,000	\$25,000	\$300,000	\$25,000
  - Extra Expense \$10,000
 

Item	Monthly	Weekly	Annual
Contract Coverage	\$1,000	\$2,500	\$10,000
Additional Contract Coverage	\$1,000	\$2,500	\$10,000
Additional Transport	\$500	\$1,250	\$5,000
Total	\$2,500	\$6,250	\$25,000

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Item	2020	2021	2022	2023	2024	2025
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Expenses	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
Net Income	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000

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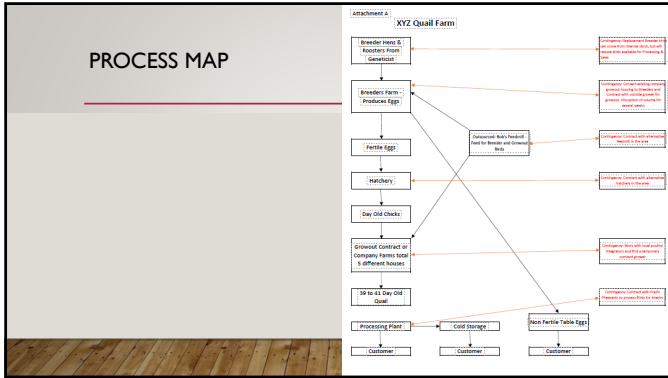
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Expenses	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
Net Income	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000

Category	Monthly	Weekly	4 Months
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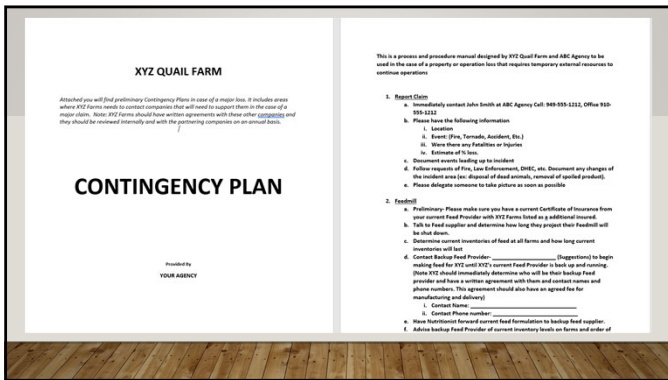
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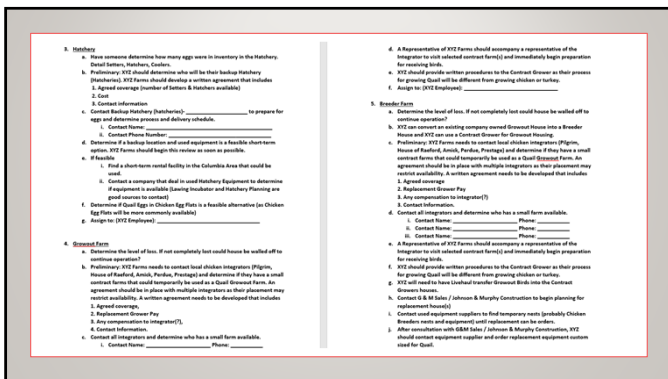
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## SUMMARY AND QUESTIONS



- This is a lot of information, and it works in your favor!
- As you will note, this is not a fast process, but allows for a VERY close and personal relationship-building with your client. (Retention)
- This is used on larger and complex accounts not your small BOP accounts.
- Having your team work and understand this process keeps everyone in the loop and knowledgeable of the risk and allows fast responses to questions or claims. (Next Level of Service to your Client)
- This is a quick overview, but we're available to help your agency start this process and have many agencies across the country very interested in using this process to write and retain accounts for the long run.

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