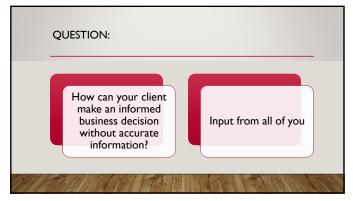


WHAT WE WANT PEOPLE TO KNOW ABOUT THE 3'Rs PROCESS The 3'Rs is a focused approach to understanding the risk exposures each client has in their business. It effectively and efficiently identifies and monetizes each risk they face. It looks at the 3 elements of Risk: (1) Identification/Analysis of each Risk (2) Amount of Retention the client will accept (3) Management of each Risk moving forward It helps explain the Risks associated with their business and the true cost of that Risk It allows the client to make sound and factual decisions on their risk profile

2

WHAT WE WANT PEOPLE TO KNOW ABOUT THE 3'Rs PROCESS 3'RS is a proven process that gives the client an accurate analysis of their operational risk and their true cost. It benefits the client, the agent, the underwriter, the claims adjuster, the banker and the accountant. With "Hardening" markets, this process will help put and keep your client in "Best in Class" status and will make adjusting claims much simpler and smoother.



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

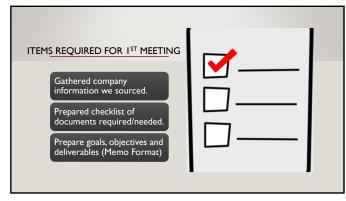
5

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
- ${}^{\bullet}$ Develop the agenda for the I^{st} meeting and send to your contact





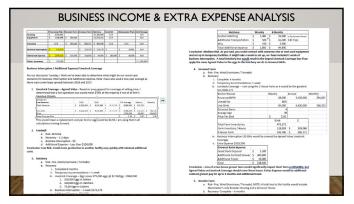
8

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

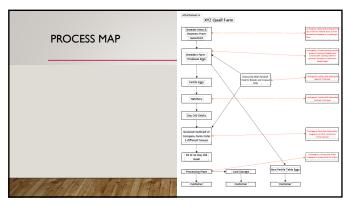
SUBCONTRACT CUSTOMERS	fors, vendors / suppliers and
	 Copies of subcontractor agreements Copies of vendor agreements Copies of COI's Copies of Customer Agreements outlining Insurance Requirements
	1-

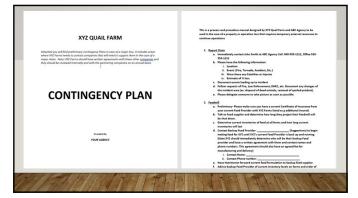


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6. (introdic in a word can, we would have belt) between ord Grown dish but.

1. Common or word and the belt between de Grown dish but.

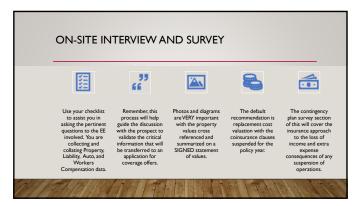
2. Common or word can be the second order of the common dates of the c
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3. Hatchery	d. A Representative of XYZ Farms should accompany a representative of the	
Have someone determine how many eggs were in inventory in the Hatchery.	Integration to visit selected contract farm(c) and immediately begin preparation	
Datail Setters, Hatchers, Coolers.	for resolving birds.	
b. Preliminary: XYZ should determine who will be their backup Hatchery	XYZ should provide written arccedures to the Contract Grower as their process.	
Distribution, XYZ Farms should develop a written agreement that includes	for growing Guali will be different from proving chicken or tarkey.	
1. Agreed coverage (number of Setters & Hatchers available)	f. Assign to: (XYZ Employee):	
2. Cost	t. Audit in lett enhalsele	
3. Contact information	5. Breeder Farm	
c. Contact Backup Hatchery (hatcheries)	a. Determine the level of loss if not completely lost could hause be walled off to	
eers and determine process and delivery schedule.	continue operation?	
i. Contact Name:	b. XYZ can convert an existing company owned Growout House into a Breeder	
ii. Contact Phone Number:	House and XYZ can use a Contract Grower for Growout Housing.	
d. Determine if a backup location and used equipment is a feasible short-term.	e. Preliminary: XYZ Farms needs to contact local chicken integrators (Pilgrim,	
eption. XYZ Farms should begin this review as soon as possible.	House of Reford, Amisk, Perdue, Prestage) and determine if they have a small	
e. If feasible	contract farms that could temporarily be used as a Quali Grawout Farm. An	
i. Find a short-term rental facility in the Columbia Area that could be	agreement should be in place with multiple integrators as their placement may	
used.	restrict availability. A written agreement needs to be developed that includes	
ii. Contact a company that deal in used Hatchery Equipment to determine	1. Agreed coverage	
if equipment is available (Lawing Incubator and Hatchery Planning are	2. Replacement Grower Pay	
good sources to contact)	3. Any compensation to integrator(?)	
f. Determine if Quali Eggs in Chicken Egg Flats is a feasible alternative (as Chicken	3. Contact Information.	
Egg Flats will be more commonly available)	d. Contact all integrators and determine who has a small form available.	
g. Assign to: (XYZ Employee):	i. Contact Name: Phone:	
	ii. Contact Name:Phone:	
	II. Contact Name:Phone:	
4. Growast farm	e. A Representative of XYZ farms should accompany a representative of the	
Determine the level of loss. If not completely lost could house be walled off to	Integrator to visit selected contract farm(s) and immediately begin preparation	
continue operation?	for receiving binds.	
b. Freliminary: XYZ Farms needs to contact local chicken integrators (Filgrim,	f. XYZ should provide written procedures to the Contract Grower as their process	
House of Reeford, Amick, Pendue, Prestage) and determine if they have a small	for growing Qualt will be different from growing chicken or turkey.	
contract farms that could temporarily be used as a Quail Growout Farm. An	g. XYZ will need to have Livehaul transfer Growout Birds into the Contract	
agreement should be in place with multiple integrators as their placement may	Growers houses.	
restrict availability. A written agreement needs to be developed that includes	h. Contact G & M Sales / Johnson & Murphy Construction to begin planning for	
1. Agreed coverage,	replacement house(s)	
2. Replacement Grower Pay	i. Contact used equipment suppliers to find temporary nests (probably Chicken	
3. Any compensation to integrater(?),	Breeders nests and equipment) until replacement can be orders.	
Contact information. Contact all integrators and determine who has a small form available.	j. After consultation with GBM Sales / Johnson B Murphy Construction, XYZ should contact equipment supplier and order replacement equipment custom	
c. Contact all integrators and determine who has a small farm available. i. Contact Name: Phone:	should contact equipment supplier and order replacement equipment custom sized for Duali.	
i. Centact Name:Phone:	sized for Quali.	

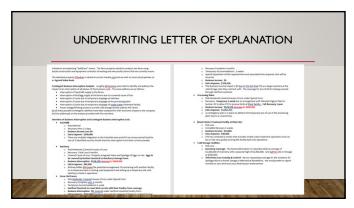
6. Processing Floris A contesting of Qualitative and James Rigeon and adults of a less and bagin planning for processing of Qualitative progress. Notes: It would be advisable to develop a written agreement with Planning Rigeon Nationals an agreed processing charge. Les Contestines when first Nation can be delivered. B. Centestines when first Nation can be delivered. B. Centestines when first Nation can be delivered. Contestines the Contestines of the Contestine processing (peasibly second with or off days). Contest Targe Joseph Power. 4. Homes Resources and Missagament must take to every processing employee. Advanced to the Contestines of the C	
7. Wastewater Treatment System a. Centest a devotating company to supply trailers to filter solids from water so treated wastewater can sentious by an into the day seven. Recommendation of the second seco	





	LETTER AND FIN	DINGS TO CLIENT		
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	Mark & Magnetic Service Servic	The control of the Markey In the M	\$143,255 \$193,266 \$123,266 \$124,206 \$134,400 \$1,346,000 \$2,344,000 \$2,344,000 \$74,000 \$74,000 \$74,000 \$74,000 \$75,000	
	Notes	5. Cold Storage Stocks 6. Cold Storage Stocks 6. Cold Storage Stocks 8. Stocks	\$2,000,000	

UNDERWRITING LE	TTER OF EXPLANATION	
them. 1970/19 Them and Merchant and Merchan	I the state of the	



	Coverage Comparison Summary Revisions	
	All Property Coverage at AGREED VALUE	
Company A		Company B
	Coverage Line & Limits	
\$1,000,000 Per Occurrence \$2,000,000 Aggregate	Gereneral Laibility	\$1,000,000 Per Occurren \$2,000,000 Aggregate
\$2,000,000 Comp. Ops		\$2,000,000 Comp. Ops
\$6,000,000	Commercial Umbrella	\$4,000,000
\$1,000,000-CSL	Commercial Auto	\$1,000,000-C
\$1.000.000	Workers Comp	\$1,000.00
\$1,000,000		\$1,000,00
\$1,000,000	\$2,500 Deductible to be added	\$1,000,000
	\$2,500 Deductible to be added Revisions to Payroll to be made	
\$200,000	Cargo	\$100,00
	(Revised based on Load Capacity)	
	Property	
	All Porperty to be insured at Agreed Value	
	Commerical Property Valuations based on Marshall & Swift Reports	

		Building 2: Hatchery	7				
		Value: \$1,560,000		Value:	\$1,300,000		
		BPP: \$700,000		BPP:	\$985,000		
		511. \$700,000	Company C	Spokage:	\$.25/egg		
			Company B	Theft:	\$50,000		
			Company D	110000	430,000		
	Location 3:	Building 1: Breeder Barn					
		Value: \$356,928		Value:	\$245,000		
		BPP: \$550,000		BPP:	\$380,000		
		Spolage: \$0	Company B	Spolage:	\$25,000		
		Building 2: Grow Out Barn					
		Value: \$286,000		Value:	\$245,000		
		BPP: \$104,000		BPP:	\$0		
		517. \$101,000		DIT.	- 40		
		Building 3: Mobile Home					
		Value: \$12,500		Value:	\$12,500		
				vaue:	\$12,500		
		Building 4: Compost Shed					
		Value: \$17,800		Value:	\$17,800		
		Building 5: Pump House					
		Value: \$1,536		Value:	\$1,536		
	Location 4:	Building 1: Grow Out Barn					
		Value: \$286,000		Value:	\$245,000		
		BPP: \$104,000		BPP:	\$0		
		Building 2: Grow Out Barn					
		Value: \$286,000		Value:	\$106,000		
		BPP: \$104,000		BPP:	\$0		
		Building 3: Grow Out Barn					
		Value: \$286,000		Value: NO	T QUOTED		
		BPP: \$104,000		BPP:		The same of the sa	-
1 to 1 1 de	7				7.70	11 11 11 11	
J. 22 . 1. 1. 1. 1.		Bulding 4: Grow Out Barn			1/4		
10/1/1/1/1/		Value: \$286,000		Value: NO	T QUOTED	ACTION TO A STATE OF THE PARTY	
	7	PDD: \$104,000		PDO:	1 QUOTED	1 1 1 1 1	

A	B B	C	U	t		O	H	
					Hatchery		\$.51/Q	uail
							\$151,000/ N	fax Limit
							\$40,000 Tram	sit-to Farm
		1	lo Coverage		Poultry		\$3,000,000 1	Max Limit
							Slding Scale	Valuation
							\$.51 to \$	2.53
			Business I	come &	Extra Expense			
	Location 1			50			BI:	\$0
		E	E	\$0			EE:	\$0
	Location 2:							
	Building 1		RI: \$3,506,69	10			BI:	\$199,021
		E	E: included in above in	nits			EE:	\$1,095,213
	Building 2		F: included in above in				BI:	\$174,140
	Building 2		E: included in above in				EE:	
			t: included in above in	nts			EE:	\$318,500
	Location 3:							
	Building 1	E	II: No Coverage				BI:	\$0
		E	E: No Coverage				EE:	\$318,500
	Building 2	E	II: No Coverage				BI:	\$174,140
		E	E: No Coverage				EE:	\$318,500
1				1001				
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				18 45	1 4 2 2 2		1 9 -1	

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)
- I	 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.