



Board of Directors Meeting

NAHAC Board Room

Wednesday, December 28, 2016 – 1pm

Presented by Joel Jarvis, Kaercher Insurance Agency

Insurance Review (CYBER, CRIME, PROFESSIONAL LIABILITY)

Executive Summary – After taking over this account via BROKER OF RECORD on Thursday, December 23, 2016, we have been busy with the markets. We have secured extensions on the policies for minimum of 30 days, as we wait for the countermanding period of 5 days to elapse. The current carriers, AmTrust (Professional Liability), Markel (Crime-Employee Dishonesty), Beazley (Cyber/Breach), all have been notified of our assignment as broker and have recognized us as your current broker effective 12-31-16. We have also approached several new carriers to review applications as follows, with marketing results so far, and forthcoming;

- Philadelphia Insurance – declined to quote due to governmental loan program and lending industry
- Great American Insurance – quoting crime only for now, but willing to look at the other lines in future but are worried about the claims in the past. Crime indicated at \$4500, with higher deductible, other lines in process or reviewing.
- Charity First – waiting on response, underwriting is on vacation!
- USLI-declined to quote due to claims history
- Travelers – declined(professional liability) due to the focus in mortgagee assistance programs is outside the scope of our current underwriting strategy, crime and cyber still in process of review
- C N A – will be providing a quote for professional liability and cyber, possibly crime too!
- Markel – would look at the other lines of business
- AmTrust – would look at the other lines of business

Summary Review (see spreadsheet for detailed coverages)

Last years' policies were priced as follows;

- | | |
|---------------------------------------|------------------------------|
| 1. Professional Liability - AmTrust | \$10,794. (\$450 broker fee) |
| 2. Crime-Employee Dishonesty – Markel | \$5,805. (\$250 broker fee) |
| 3. Cyber/Breach – Beazley | \$3,943. |

**included broker fees (\$700 total)

Grand Total 3 policies \$20,542

Suggested Action

Since we are still in the process of getting quotes from your current carriers and the new carriers interested, we have asked the incumbent carriers to extent coverage 30 days until 1-31-2017 in order to allow all the competing quotes to be acquired, and allow for the broker change during this busy holiday season. I expect next week we can finalize all quotes and present the finding to the board on 1-11-17. I do expect to realize some savings on all three policies once we are finished, call it 20%+/-.

Kaercher expects to consolidate some of the companies and will attempt to avoid broker fees, excess taxes, and stamping fees when possible. By reaching out to our markets, and attempting to put all coverages with admitted carriers, this will improve the insurance program overall and aid in processing. Should you have any questions regarding this process, please feel free to contact me personally at 702-304-7839 or via email at jjarvis@kaercherinsurance.com