

# Risk

# Services



**Risk Happens** Risk occurs from the combination of changes in: your business, the market, the litigious business environment and a rise in the number of man-made and natural disasters. When added to the continuous changes that insurance companies make to your policies, often without your being aware, the risks have never been higher.

**Risk Advisors** - Licata Risk is not an insurance company. We are not brokers and *we do not sell insurance*. We are not committed to any insurance company or product in any way and do not receive commissions. This is an important distinction. As a true risk advisor, we are committed exclusively to the client, working directly for you on a straight fee basis. There is *no conflict of interest*. Our priority is to help you do what is in the best interest of your company.

*“The need for robust and effective risk and controls management has never been more pressing, and companies are responding with increased investment.”* – recent KPMG report

- ▶ How do you know for sure that you have the best insurance rates, coverage and protection possible?
- ▶ When was the last time you performed an audit of your insurance policies and providers?
- ▶ Who is representing you in your dealings with the large insurance companies and brokers?

**LICATA**<sup>▶</sup>**Risk**  
**ADVISORS**  
Risk and Insurance Management  
The Risks *have never been higher*.

### **Risk Assessment**

To quickly determine if you have the best possible programs, coverage, rates and protection, our initial overview will help you discover where risk may be hiding in your business and what you can do to protect yourself. A Risk Assessment includes:

- Overview of company and insurance policies
- Summary of trouble spots and areas of concern
- Review of potential cost savings through premium reduction
- Discussions of risk protection strategies

### **Risk Audit**

To truly uncover the risks that are hiding in your business, our audit will show you exactly where your liability and exposures to loss exist. You will receive a comprehensive report outlining the best ways to protect yourself. Our reports generally satisfy the requirements of the certified public accountants' auditing process and provide:

- Comprehensive review of the 1000's of pages of all insurance policies and programs specifically focusing on the fine print and legal language in the conditions, exclusions & limitations
- Report on where hidden exposures exist
- Recommendations on how to improve your program

### **What You Should Know**

If a broker (who will end up with the business order) runs the bidding process, there is really no competition. It is controlled "competition" with very little impact on the bottom line.

### **RFP & Competitive Bid Process**

The only way to ensure that you have the best coverage and the best rates in place. It includes:

- Comprehensive review of your company and its exposures to loss
- We pay particular attention to the severity exposures that could cause devastating loss
- Creation of custom insurance specifications that are designed specifically for your company
- Submit RFP to insurance companies who specialize in the particular areas that are important to you
- Review and negotiate proposals, and then present you with the best offer and provider who will give you the best protection, coverage and price
- This process typically gives our clients substantial savings on their premium, in some cases as much as 50%—while at the same time giving them better protection



## Ongoing Risk Management

Since risk and the legal language that insurance companies use are constantly changing, you need someone who can continuously monitor and manage all of the issues that can impact your business. Ongoing Risk Management includes:

- Continuous review and ongoing reporting as business, laws & policies change
- Finance risk – design and implement insurance and self-insurance programs
- Manage risk for the following: new ventures, real estate purchases, claim problems, vehicle or employee lease arrangements, hiring of employees, language of agreements with contractors, etc.
- Policies include & are not limited to: Property, General Liability, Professional Liability – E&O, Environmental, Automobile, Directors & Officers, Employment Practices, Fiduciary Liability, IT, Internet-based Exposures, Crime, Umbrella, Workers Comp, Boiler & machinery/equipment breakdown, Marine – transit & equipment
- Issues resulting from: Global Warming and changing weather patterns i.e. flooding, hurricanes, etc., Natural Disasters including earthquakes, wildfires, tsunamis, Political Risk including terrorism, Information Technology and computer issues including: loss and corruption of data, loss of income and lawsuits from customers and others due to exposure and privacy violations and financial loss, impact from Sarbanes Oxley on Directors and Officers, General Risk Management to assess risks to best protect your company from litigation, loss and liability and to arrive at Risk Adjusted Financials



## Financial Impact

- Reduce cost of insurance (in most cases anywhere from 10% to even 50%)
- Broaden insurance coverage where necessary
- Avoid unnecessary insurance
- Reduce exposure
- Minimize risk
- Reduce or eliminate unanticipated losses
- Minimize the financial impact of losses
- Provide proper business valuation –(risk adjusted financials showing reduced premium & added protection)
- Demonstrate ROI



### **Risk-Adjusted Financials**

Assets & Liabilities, Income Statements & Balance Sheets are of course affected by risk. If an asset is wiped out by a natural or man-made disaster; if you don't have enough property coverage; if you are paying too much on your premiums because you have not had a Competitive Bid Process; all of these and more could have serious implications for your financial status. *Ask us about our case studies that show the before and after financial impact of proper risk management.*

### **Who We Work With**

We can work with any mid-market company from any industry, up to \$500 million in revenue, whether it be: Technology, Real Estate, Manufacturing, Transportation, Medical Device, Construction/Contracting, Banking, Pharmaceutical, Government Agency, Internet-Based, etc. Every company faces general risk of loss to things like data, IT and real estate from natural and man-made disasters. But all companies also face risks that are very specific to their particular industry and company. Our job is to discover those risks and be your advocate in dealing with the insurance industry.

Nobody thinks risk will ever happen to them. But in today's perilous business environment, *risk is not a matter of if something will happen, but more a matter of when. When it does, be sure you are ready!*

*The Risks Have  
Never Been Higher!*

*Know for sure that you  
are protected.*

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**Risk and Insurance Management**

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