

Efficiency, Effectiveness and Economics – The New Day Formula for Mutual Success

In our first year of operation, we have been fortunate to build on many of our long-standing industry relationships—both with our carriers and brokers. Thanks to all of you for allowing us the opportunity to tell you about our new company!

Through the years, many carriers and brokers acquired some modest experience with pollution and professional placements. Especially for the growing number of business situations that require these coverages, for the contractors who must respond to pollution/professional requirements in contract specs or financing sources that are requiring pollution insurance in real estate transactions, this experience is important. Additionally, when effectively presented by their brokers, well-educated clients are purchasing the coverages after recognizing the value of the protection it provides – simple asset protection.

Accessing insurance carriers typically isn't a problem either. With the assistance of a helpful underwriter, coverage can be placed - even for those brokers with little or no experience.

So, if you can access insurance carriers and have some environmental and professional experience and are able to place coverage, why work with New Day Underwriting Managers?

The New Day contribution focuses on the "3 E's" — Efficiency, Effectiveness and Economics.

Efficiency.

By engaging New Day in seeking insurance carriers, submitting applications and other underwriting information and negotiating with underwriters, it allows you to do other things and, overall, be more productive. New Day's understanding of the risks and exposures allows us to match up carriers' appetites with a customer's exposure to achieve an appropriate response. New Day's ability to identify and recommend risk management services provides you the ability to work with the client to manage, reduce or eliminate environmental liability.

In addition, if pollution & professional coverages are not something that you must handle frequently, you are faced with an inherent inefficiency, a learning curve. New Day provides you with an experienced resource to turn to when dealing with professional and/or pollution coverage opportunities.

At New Day we work with you to qualify the business opportunity and obtain the optimal solution for a client.

Effectiveness.

The New Day team has many years experience in the pollution and professional liability insurance arena. Everyday, we interact with insurance companies that

Upcoming Events

AGC National Conference March 19-22

JW Marriott.in Palm Desert, CA.

Jeff Slivka will be attending this AGC Conference. If you wish to arrange a meeting, please call Jeff at 609-298-3516, x102.



specialize in these lines of business. More importantly, New Day's team has well-developed relationships with underwriters. We have developed an understanding and expertise of the carriers' policies, underwriting appetites and their flexibilities. Also in our negotiating process, New Day is often able negotiate terms and conditions that may not be available to other agents without the experience, knowledge, or relationships.

Agents have come to rely on New Day and have utilized New Day in various ways. On new business, agents have incorporated New Day into the Broker of Record letter authorizing the agent to work on the account. Additionally, agents have given New Day authorization letters to work on their behalf on renewal accounts. This allows the agent to validate an existing program and in many cases improve upon it. (Speak to your New Day contact on how this works.)

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Efficiency, Effectiveness and Economics..., continued from page 1

Our team has worked with, and at, some of the top environmental and construction professional carriers in the business. Our understanding of various coverages and their nuances comes from first-hand experience, perhaps even being part of the effort to develop these carriers' policy forms in the first place.

Our contribution to effectiveness stems from the fact that we want to provide the appropriate solution that you, the New Day client, can present to your client. It is important to us that our risk management and solution focus be funneled appropriately through the agent.

Interestingly enough, New Day has built its business model to assist in managing the overall environmental and construction professional risk of its clients, not just to sell insurance. As we all know, insurance is always the best first choice and in fact, it may not be the best choice in managing/financing losses. To determine the best choice, New Day has built an "interactive" website that allows our clients to access other information, documents and databases that assist in advancing the knowledge base of our clients to effectively explain the various risks and understand environmental issues - increases the effectiveness of the insurance sale.

Economics.

Our goal is to work with agents and brokers to obtain the optimal solution to clients' risk management issues. By being efficient and effective, we are able to support the relationship that you have with your client which leads to increased sales. By minimizing your time working on the pollution or professional portion of the account, your efforts can be devoted to support the other lines of business. We have found that this approach has allowed agents to sell new coverages to existing clients. When we are able to showcase our capabilities through our proposal document and online risk management services, it has worked to bring in entire new accounts to the agency. Therefore, combined with the efficiencies and the revenue gained, working with New Day can improve your agency's profitability.

With New Day assisting in producing more revenue, simplifying the sales process on pollution and professional, and obtaining the right product with the right market at the right price, then all are winners. The New Day strategic/collaborative approach may not be for everyone. However, if you feel you can benefit, please contact us.

A New Day"3 'E" Scenario:

We have worked with many agents who in the past have developed a full underwriting submission, submitted to several carriers for underwriting consideration – only to be told by the client that – “the pricing was too high and coverage was too limited and weren't going to spend that kind of money for the insurance.” Been there?

- Completed applications.
- Scouted a few potential markets.
- Found the right forms and the correct underwriting offices.
- Responded to various underwriters' questions.
- Analyzed quotes and created a client presentation.

All that effort and your client declines the coverage.

In the end, you have expended tremendous time and effort resulting in no revenue. Plus, you have worked over a few underwriters that may be less likely to extend themselves the next time you call!

To help improve efficiency, New Day Underwriting works with you, with limited information, to provide you a preliminary proposal which allows you to evaluate your clients interest, thus qualifying the account for all parties makes for a an efficient process for all..



INTRODUCING TIMOTHY FARRELL, VICE PRESIDENT, SALES

Tim Farrell is a 20-year veteran of the commercial property and casualty industry with an exceptionally strong sales and marketing record in the environmental insurance industry. Tim has contributed to the early success of New Day Underwriting Managers by his ability to focus an agent towards increasing revenues, and often reminds agents that providing environmental insurance to a client not only increases revenue but is a good risk management practice for the agency – protecting their own errors & omissions insurance. He is able to suggest to agen-

cies the formulas for sales that have worked successfully at other agencies.

Tim joined New Day Underwriting Managers after more than a decade selling environmental insurance coverages and services with XL Environmental, formerly ECS, Inc., part of the XL Capital group of companies. He began his environmental insurance sales career with ECS in 1995, prior to the company's acquisition by XL Capital in 1999. His extensive experience

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How We Can Work for You.

HEAVY HIGHWAY/BRIDGES/TRANSIT GENERAL CONTRACTOR. New Day's involvement included structuring Contractor's Pollution Liability (CPL) and the Pollution Legal Liability (PLL) policies. We were able to assist the broker in winning back the professional liability portion of the account, which had been written by another agent the previous year. New Day reviewed the existing professional policy, pointing out coverage discrepancies, assisting in the sales process and delivering a cost effective program with an insurance carrier that significantly expanded coverage. It developed additional income for the agency and it allowed our agent to write all lines of business for this insured.



GENERAL CONTRACTOR/CONSTRUCTION MANAGER. New Day placed a Combined Professional Liability (PL) and Contractors Pollution Liability (CPL) policy. The existing program had numerous coverage limitations. New Day was able to create a program that expanded coverage to include: mold liability coverage for professional and pollution, silica coverage for both professional and pollution and expanded the professional liability insuring agreement to provide for additional coverage. In working with the agent, the insured, and the carrier, New Day was able to secure mold liability

coverage without an existing mold prevention program. New Day provided guidelines and a template that the client used to create a mold prevention program and committed to having it complete within 90 days of the effective date. The mold plan provided the insured with a way to document their mold risk management and purchase the appropriate insurance coverage.

LIGHT MANUFACTURER. One of our retail brokers came to us to assist in the placement of Pollution Legal Liability (PLL) coverage for a manufacturing risk with 15 locations in the southern United States. The broker had made the submission to the markets and was not able to secure the coverage needed. One carrier was in the premium range the client was willing to pay for the program however various exclusions made the program unacceptable. Rather than marketing to other carriers, New Day's approach was to work with the carrier that had the "best" program at that point and attempt to narrow down the exclusions. The broker authorized us to access the carrier and negotiate terms. Working with the technical information provided – Phase I's and II's, New Day was able to remove two of the major exclusions and dramatically narrow down the remaining exclusions to be contaminant specific in certain medium. The program was purchased 30 days later. Working with an underwriter that was open-minded and solution oriented allowed New Day to come through on this account.



HIGHLIGHTS OF OTHER RECENT SUCCESSES

- Large Contractor's Protective Professional - Broadened Contractors Pollution Liability (CPL) coverage to occurrence. In addition, secured broader terms on the Contractors Professional (CPrL) and CPL.
- Combined Pollution & Professional. New Day was able to broaden the covered professional services to appropriately address the insured's professional services. The incumbent was unable to obtain this important change.
- Took over negotiations with a carrier on behalf of a broker for PLL on a portfolio of industrial sites in NC involved in a transaction. New Day was able to broaden the scope of coverage/negotiate the appropriate imitations that were acceptable to all parties.

Introducing Tim Farrell, continued

includes additional sales and marketing experience as a broker, managing general agent and insurance carrier. Prior to joining ECS, Tim worked in regional sales and marketing positions for CIGNA Property & Casualty Co. in Philadelphia and Maguire Insurance Group in

Wynnewood, PA. He earned his Masters of Business Administration from St. Joseph's University and his Bachelor of Business Administration degree from Temple University. He is a member of Philadelphia's Mariner Club.

New Day Product Update: Construction Professional

While many of you think of New Day to assist you with your efforts for pollution insurance, we also have expertise in the area of construction professional. In working with in this line of business, we utilize the same business model. We have relationships with many carriers and facilities, including XL Insurance, Zurich Construction, Beazley USA, ACE, RA&MCO (Houston Casualty), & Shand (Evanston).

Owners Protective Policies.

Several carriers offer a solution to property owners where they find that project professional insurance is either unavailable or too highly priced. Talk to your New Day contact about how this innovative product can help you out.

RISK MANAGEMENT REPORT



RECENT DEVELOPMENTS IN ENVIRONMENTAL INSURANCE

A recent development that will affect how public companies look at their environmental liabilities 2006 is the new Financial Accounting Standards Board (FASB) Interpretation No. 47 (FIN 47). It obligates public companies to recognize immediately, rather than defer indefinitely, estimated cleanup or disposal costs associated with facilities or equipment being taken out of service.

Public companies who also have had to address Sarbanes-Oxley issues in the past two years can utilize environmental insurance to stabilize the affect that FASB 47 may have on their balance sheet.

Talk to New Day on how we can assist you and your client to address this development.

CONTACT US



Email info@newdayunderwriting.com to have one of our business development managers contact you.



Published by:
New Day Underwriting Managers LLC
33 Third Street, Suite 201, Bordentown, NJ 08505
Toll Free: 877-NDU-8008 • Tel: 609-298-3516
Fax: 609-298-6254 • www.newdayunderwriting.com
Editor: Jefferey S. Lejfer, CPCU

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