

Moving Forward in a World of Change

In the midst of our preparations to launch this edition of the New Day Standard, the financial stability of our world has been shaken to the core. As we attempt to understand the implications of the current economic anguish, we feel it is important to share how New Day's business is being impacted. Like you, we are paying special attention to AIG's situation. Fortunately, regulators have been highly effective in communicating the ongoing financial stability of AIG's insurance subsidiaries. We are working closely with our broker partners and our underwriting contacts to determine the appropriate course of action for AIG Insureds on a case by case basis. Most Insureds are expressing appropriate concern, but seem willing to take a "wait and see" approach. Accordingly, short tail business and primary layers appear to be renewing. Insureds with longer term policies are reviewing their options when deciding their future relationship with AIG. Especially in this time of economic uncertainty, our staff stands ready to work with you to develop risk management solutions to help preserve the financial health and livelihood of your Insureds.

On a brighter note, we are pleased to share two significant developments for New Day. First, earlier this year, we were given the opportunity to work with underwriters in the Lloyds and London market on a pollution and professional liability placement. In early September, Jeff Lejfer and Jeff Slivka embarked on New Day's first visit to England to meet with London Brokers and Underwriters to gain a better understanding of the capabilities of the London marketplace. Aside

from furthering our business relationships, they enjoyed taking in Big Ben, Parliament and Buckingham Palace. We are excited to have the new London capacity available and will advise you if there are opportunities to work with our friends across the pond to provide appropriate risk management solutions for you and your clients.

Secondly, we are proud that New Day was invited to serve as a sponsor at the upcoming IRMI Construction Risk Conference in Las Vegas. We enthusiastically invite all of our clients and their Insureds to the opening breakfast on Monday October 27, 2008 at 7:30 a.m. Jeff Lejfer, Jeff Slivka and Tim Farrell will be there at the door to welcome you. In addition, Jeff Lejfer and Jeff Slivka will be table hosts at the Construction Café on Tuesday October 28th, at 12:00 p.m. Jeff Lejfer's topic is "Dynamics of the Contractor's Pollution Liability (CPL) Marketplace," while Mr. Slivka will focus on "Tips in Procuring Contractor's Professional Liability (CPrL) Insurance". Jeff Slivka is also presenting a workshop, "Insuring Construction Pollution Liabilities: Navigating Construction Issues & Purchasing Pitfalls" on Wednesday, October 29th from 1:30 to 5:00 p.m. The presentation will explore the dynamics and changes occurring in the environmental insurance marketplace. We look forward to seeing you in Las Vegas!

Upcoming Events

28th IRMI Construction Risk Conference

Las Vegas, NV
 October 27 - 30

Please see Page 3 for details on New Day hosted events and seminars featuring our staff.

New Business Development

We're always looking for ways to support the effectiveness and efficiency of our broker partners. To assist in those efforts, you may



receive a phone call from Stef Steffen in the coming weeks or months. Beyond having a really cool name, Stef's more important task is to help identify any accounts in your existing book of business that would benefit from New Day's services. Offering environmental and/or construction-related professional liability coverages is a great way to round out your current clients' insurance programs and create addition revenue for you. We'd love the opportunity to help you ensure that clients are adequately covered, so stay tuned for a call from Stef.

Jeff Slivka (on left) and Jeff Lejfer (on right) visit Lloyds of London



Success Stories

MANY OF OUR BROKER PARTNERS secure our services for their most valued and important clients. They look to New Day to ensure that these clients are getting the optimal solution from the marketplace. Every day, New Day works with brokers to generate appropriate environmental and construction related professional liability risk management solutions for their Insureds. Read on to find out just how it happens...

Lower Premium, Higher Limits for Mechanical Contractor

A MECHANICAL CONTRACTOR HAD Contractor's Pollution Liability (CPL) and Contractor's Professional Liability (CPrL) policies with two different carriers. Per our standard protocol, New Day first reviewed the policies for our partner broker, identifying both the numerous deficiencies with the dual policies as well as available alternatives. New Day then secured a combined CPrL/CPL policy

affording the coverage enhancements the contractor was seeking. Additionally, New Day negotiated higher limits and a lower premium than the expiring "two-policy" arrangement.

Filling in the Gaps

JUST A WEEK BEFORE THE POLICY'S expiration date, a partner broker asked New Day to negotiate the renewal of a Contractor's Pollution Liability policy with the incumbent carrier. After reviewing the expiring policy, New Day noticed gaps in coverage and requested several improvements. Within two days, the incumbent underwriter responded with a quote including new components to address the policy weaknesses that had been identified. With New Day working in the background on their behalf, our partner broker was then able to deliver a timely and superior quote to their Insured. The new and improved policy renewed that day.

Paving the Way to Win a Prospect

ONE OF OUR RETAIL BROKER partners requested New Day's assistance in analyzing an existing Pollution Legal Liability Program for a prospect. In conducting a coverage analysis, New Day identified several deficiencies and provided suggestions for enhancements upon the policy's renewal (i.e., on-site clean-up coverage was not provided under the expiring program). The retail broker presented New Day's analysis and proposed coverage enhancements to the prospect. At the request of the retail broker, New Day also

met with the prospect to discuss the specific program deficiencies and identify strategies for improved management of their real estate exposures. Shortly after that meeting, the prospect presented our retail broker partner with a Broker-Of-Record Letter. New Day promptly assisted in securing the enhanced program.

Finding the Right Carrier in a Hurry

NEW DAY WAS ASKED TO HELP secure a rush Contractor's Pollution Liability (CPL) program for a retail broker with a painting contractor client. The requested turn around time was less than a day. After reviewing the expiring policy, New Day quickly determined that the best coverage would be provided by a carrier new to the marketplace offering CPL coverage as well as Non Owned Disposal Site coverage, an option not afforded in the current policy. The new policy was also negotiated to include coverage for first and third party transportation. New Day was also able to negotiate a decrease in the renewal premium along with the significant coverage enhancements. Backed by New Day's expertise and experience, the retail broker bound the account that day.

Specialized Expertise for Specialized Needs

A RAPIDLY GROWING SOLAR PANEL installer had a professional policy in place, but was hesitant to purchase a combined Professional and Contractors

Continued on page 3



Success Stories, continued



Pollution Liability policy. New Day was asked to secure a quote for the CPL component. In exploring the options available, New Day determined that it was more cost effective to maintain separate professional and CPL programs for this particular client. Leaving the professional policy intact, New Day obtained a formal CPL quotation from a carrier providing exactly what the client needed – coverage for blanket additional insureds, a blanket waiver of subrogation, coverage for real estate rented or leased in conjunction with project sites, and the inclusion of mold liability. These enhancements were critical to the ongoing successful operation of this business. Armed with New Day's knowledge of the marketplace and ability to assess a company's overall environmental insurance program, the broker was able to present his client with an optimal solution.

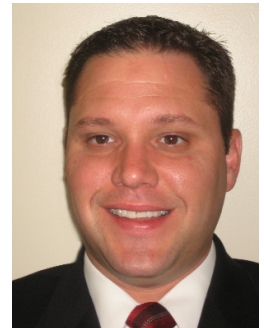
CONTACT US



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

New Day Welcomes David Russo

Please join us in warmly welcoming David Russo to the New Day team. Dave started with us in April 2008 as an Account Manager. He is responsible for maintaining a renewal book of business consisting of Contractor's Pollution Liability, combined Professional and Pollution Liability and environmental programs. He's also tasked with developing new business, as well as cultivating relationships with our established retail brokers.



Dave received a dual major in Risk Management & Insurance and Economics from Temple University before embarking upon a career in the reinsurance business in 1998. The bulk of his time since was spent with Venture Programs, a leading administrator of specialty insurance programs to select industries. At Venture, Dave worked on their Golf and Hospitality insurance teams before forming a Community Banking program and then managing their Technology/Life Science program. He returned to the Golf Program as a Territory Underwriting Manager before leaving Venture to join Commerce Insurance as a producer.

As if starting a new job wasn't a big enough transition, Dave and his wife celebrated the birth of their first child, Emily Grace, just a few weeks after he came aboard this spring. When he's not here in the office working with our broker partners or home being a dotting dad, you're likely to find Dave riding the streets on his Harley Davidson motorcycle. With over a decade of diverse insurance experience, we are confident that Dave will be a significant contributor to New Day's continued growth and success.

28TH IRMI CONSTRUCTION RISK CONFERENCE

Las Vegas, October 27–30, 2008

New Day is a proud sponsor of this year's Conference. Please join our staff at these entertaining and education events:

Opening breakfast on Monday, October 27th at 7:30 a.m. Jeff Lejfer, Jeff Slivka and Tim Farrell will be at the door to greet you.

Construction Café on Tuesday, October 28th, at 12:00 noon, hosted by Jeff Lejfer and Jeff Slivka. Mr. Lejfer will discuss "*Dynamics of the Contractor's Pollution Liability (CPL) Marketplace*," while Mr. Slivka focuses on "*Tips in Procuring Contractor's Professional Liability (CPrL) Insurance*".

"Insuring Construction Pollution Liabilities: Navigating Construction Issues & Purchasing Pitfalls" on Wednesday, October 29th from 1:30 – 5:00 p.m. presented by Jeff Slivka. Jeff examines common pollution liability exposures for both owners and contractors, describes the coverage options available and provides strategies for negotiating the optimal program.

For more information, visit www.irmi.com/Conferences/Crc/

In the News...Real Life Claims

We read every day about businesses who have failed to implement effective risk management programs. Don't let your clients suffer the same fate as the companies below. Contact New Day to help ensure your clients have the most appropriate, high-quality environmental and construction related professional liability insurance coverages so they can stay out of the headlines.

CEMENT FACTORY IN MICHIGAN – A federal appeals court upheld a \$2.6 million settlement in a dispute over mercury pollution from a cement factory. State regulators found that the factory emitted 520 pounds of mercury into the air in 2005. The decision came more than nine years after a group of residents filed a lawsuit against the cement company.

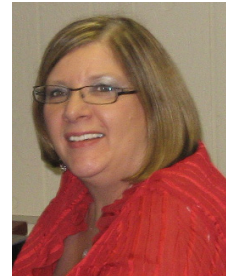


POULTRY COMPANY IN ARKANSAS – A federal lawsuit filed against 14 poultry companies for damages from alleged water pollution in the Illinois River and Lake Tenkiller has cost the state over \$20 million to date. The lawsuit accuses the companies of violating state and federal laws in improperly disposing of chicken litter containing hazardous metals and bacteria.

CONCRETE COMPANY IN NEW YORK – A concrete manufacturer has been charged with dumping liquid concrete, gravel, sand and other byproducts into the Newtown Creek, a three mile tributary of the East and Hudson Rivers and New York Harbor. The dumping was done without the necessary permits, a clear violation of environmental laws including the Clean Water Act. Fines have yet to be levied.

Q&A Maureen Efthyvoulou

WE ARE EXTREMELY PROUD of our dedicated and talented staff. Responsive and friendly service is the cornerstone of our business, and we think it's important that you get to know the faces behind all the work that goes into supporting our broker partners. So please meet Maureen Efthyvoulou, one of New Day's very first employees.



Q: How long have you been with New Day?

A: From the start – March 14, 2005!

Q: What are your primary job responsibilities?

A: I serve as New Day's Underwriting Support Supervisor and Compliance Supervisor. I ensure that our front office procedures keep the work flowing smoothly and help our underwriters process orders-to-bind and proposals. I also handle regulatory compliance and all aspects of Surplus Lines Tax filing, reports and payments.

Q: What part of your job do you enjoy the most?

A: I enjoy assisting both New Day's clients and my colleagues with everyday issues. I like troubleshooting to solve any problems that arise. I've been in the insurance industry for over 25 years, and I take great pride in knowing that I can be relied on to help with all of our day to day operations.

Q: Why would you recommend that brokers work with New Day?

A: Because we are true to our motto – knowledgeable, professional, and certainly responsive.

Q: What are you looking forward to as we head into the fall?

A: I am excited to visit my son and his family who moved to Arizona over a year ago. An added bonus is that my brother and sister in law, who are arriving from England next week, will make the trip to Arizona with me.



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