

# Scott Simmonds CPCU, ARM

## Unbiased Bank Insurance Coverage Review

### Project Objective

My objective is to ensure that your bank has the right insurance coverage, with the right insurance agent (or agents), and the right insurance companies. This goal is achieved through a review of the bank's operations, the insurance coverage in place, and the abilities of your current insurance agents.

### Approach

I review your bank's insurance policies. At your option, my work can include your financial institution fraud-bond, directors' & officers', management liability, cyber liability, property liability, auto, workers' comp, umbrella, mortgage impairment, forced-placed/REO property, and related property and casualty insurance policies. My work will tell you the quality of your insurance program and offer pragmatic solutions to the issues I raise.

#### Step 1 - Send Me Your Policies

You send me the insurance policies you want me to review and a summary of the coverage in place (usually provided by your agent).

#### Step 2 - I Review The Policies and Report To You

I review your coverage and report on the issues and concerns. I provide you with questions to ask your insurance agent. My report includes my overall impressions and concerns. We review my findings in a conference call. We discuss issues, concerns, and strategies.

#### Step 3 - You Decide What's Next

You decide what's next for us to work on. Some banks take my report to their agent. Some ask me to work with the agent on mitigation. From my initial work, you have a better understanding of your insurance. You will know how I work and how I approach bank insurance. We can enter into a second project (fee to be mutually determined) in our work together, or you can work with your agent on the issues at hand.

#### Unbiased

As a fee-only consultant, I receive no compensation from any of the insurance companies or agents I deal with - no fees, commissions, or gifts. I don't even let them buy me lunch. My obligation, fidelity, and loyalty are only to you, my client.

#### Confidential

All information you provide is confidential. I maintain strict privacy protocols and practices. You can be assured that your information and data is safe. I owe you nothing less than exceptional confidence in our affairs.

#### Professional

I promise the highest level of professionalism. All phone calls are returned within 90 minutes, emails within a business day. You get an exceptional level of service. I want you see me as the most valuable consultant on your team.

## Results & Value You Can Expect

You'll learn the gaps and overlaps that are in your insurance program. I'll help you understand your coverage and will recommend ways that you can more easily manage your insurance program. My service pays for itself in peace of mind, coverage enhancements, easier administration, and better premiums.

You agree to furnish all insurance records, policies, and business information necessary for this project. You understand that the success of this project is dependent upon the quality of the information you provide.

Our work together is confidential. As a "fee only" consultant, I receive no compensation of any kind from any of the insurance companies or agents I deal with in my work for you. My obligation, fidelity, and loyalty are only to you, my client.

Speed, responsiveness, and dependability are an important part of my work. This project includes your unlimited access to me by phone and email. All phone calls during business hours are returned in 90 minutes. All emails will be replied to within one business day.

I will make recommendations and provide my opinions. You are the ultimate decision maker in the purchase of your insurance. My work does not replace diligence on your part. This project does not include assistance with claims. It does not include your group employee benefit plans, or bank-owned-life-insurance. Review of insurance for entities other than your bank will require an additional fee. Assistance with renewals can be contracted at an additional premium. You agree to allow me to list you as a client in marketing materials, including the use of your logo.

**Options and Fees**

	Option 1	Option 2	Option 3	Option 4
Review of your management liability insurance including: directors’ & officers’, bankers professional liability, employment practices liability, and cyber liability.	Included	Included	Included	Included
Review of your financial institution’s fraud-bond including: employee dishonesty, computer fraud, safe depository, funds transfer fraud, and related coverage.		Included	Included	Included
Review of your bank’s standard lines including: property, liability, auto, workers’ comp, umbrella, and related policies.			Included	Included
Review of your lender asset protection insurance - mortgage impairment, REO property, and forced-placed property.				Included
All Inclusive Project Fee	\$2,200	\$3,800	\$4,500	\$6,000

**Agreement**

Fees are due at project commencement. Once executed, this contract cannot be cancelled. Your signature (or payment of the fee) indicates your acceptance of this proposal. My acceptance of this contract must be made in two days. You agree to allow me to list you as a client in marketing materials, including the use of your logo. I will make recommendations and provide advice. You are the ultimate decision maker in the purchasing of your insurance.

Signed: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Print Your Name: \_\_\_\_\_

Bank Name: \_\_\_\_\_

Please Indicate Policies You Would Like To Include In My Insurance Review:

- Management Liability Review
- Bank Specialty Review - Management Liability & Fraud-Bond
- Bank Specialty and Standard Lines Review
- Bank Specialty, Standard Lines, and Lender Asset Protection Review

Scott Simmonds, CPCU, ARM  
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 Phone: 207-284-0085 Email: Scott@ScottSimmonds.com Web: www.ScottSimmonds.com

Checks should be made payable to “Insurance Consultants of Maine, Inc.” and be returned with this signed agreement.

## **Testimonials**

*"Your work for us is as important as any insurance policy we buy."*

Bill Swales  
Bangor Savings Bank

*"BPC Corporation is a multi-bank holding company with the Bank of Putnam County being family owned for 109 years. Scott's professional expertise has been a valuable addition to our organization. His knowledge and ability to explain the coverage in a "common sense" approach has enhanced our understanding of the insurance we currently have and identified additional areas of coverage available. Scott has always been very responsive, objective, and unbiased in his answer of various questions. We look forward to a long term working relationship."*

Gary Medley, CFO  
BPC Corporation  
Cookeville, TN

*"Scott's approach to our insurance review was very professional and timely. We discovered several areas in our policies that had significant gaps in coverage or no coverage at all. Scott's knowledge of financial institution insurance coverage needs is the best I have ever encountered. His opinions and thoughts are unbiased, because he is not representing an insurance company or receiving any commissions. I believe his fee was more than recovered by our premium savings, though our goal was not the cost of our policies but the coverage within the policies. It was all about peace of mind."*

Wade Gort  
Premier Bank  
Rock Valley, IA

## **References**

Here are clients who have given permission to be shown as references. They are ready for your call to review the quality of my work.

### **Northfield Savings Bank**

Kimberly S. Chapin, PHR  
Northfield, VT  
(802)485-5388  
[Kimc@nsbyt.com](mailto:Kimc@nsbyt.com)  
Insurance Review and Renewal Assistance 2012

### **Bank of Putnam County**

Gary Medley, Chief Financial Officer  
Cookeville, TN  
931-525-2418  
[gmedley@bpc-financial.com](mailto:gmedley@bpc-financial.com)  
Insurance Management Since 2010

### **Bangor Savings Bank**

Bill Swales, Senior Vice President  
Bangor, ME  
207-942-5211  
[Bill.Swales@bangor.com](mailto:Bill.Swales@bangor.com)  
Ongoing Insurance Management Since 2002