

# Markel Risk Solutions



July 2005

## Markel Risk Solutions Partners with Shand Morahan on Nursing Homes and Assisted Living Facilities

MRS and Shand Morahan can now offer you an alternative market for nursing home and assisted living care business.

Shand, a Markel surplus lines company, has selected Health-care Professional Services, Inc., 313 Swanson



Drive, Lawrenceville, GA 30043, as the wholesale broker in this arrangement. If you wish to use this facility, go to [www.shand.com](http://www.shand.com) and click forms and applications. In the Enter a Document Number field, type 5867 and click the search button. Send the completed application, along with at least 5 years of currently valued loss runs and the most recent state license inspection reports, to the attention of Mr. Parker Harvey. Parker can be reached either by phone at (678) 935-5040 or e-mail at [harvey@healthcareprofservices.com](mailto:harvey@healthcareprofservices.com).

You should send the property application directly to your MRS under-

writer to obtain a property cover quotation subject to our underwriting review and \$25,000 minimum premium.

Please note that Shand's minimum premiums at \$1,000,000 per claim professional liability, \$1,000,000 per occurrence general liability with a \$3,000,000 policy aggregate are \$50,000 for skilled nursing and \$35,000 for assisted living. Shand will consider accounts in all states except Florida and Texas, and will write the professional and general liability on a claims-made basis subject to a minimum deductible of \$10,000. Our coverage is also contingent upon a risk assessment survey, and the client pays for the cost of this service. Parker Harvey will assist you with this process.

We are excited about partnering with another Markel company and adding another valuable component that will benefit our business partners.

If you have any other questions please feel free to call **Dean Kemp** at (804) 527-7586.

## To: Our Agency Partners

Our first six months of 2005 have been highly successful and we truly appreciate the business with which you have favored us. We believe we have assembled one of the best agency distribution networks in the industry. Our major challenge is to continue the relationship development that is so critically important to our long-term profitable growth objectives.

Candidly, we have fallen short on our service expectations due to significant growth and system processing issues. We are working diligently to improve our processes to more efficiently respond to your service needs.

In the next several weeks you will see our new underwriting organization unfold which will provide every agency partner with an MRS team to service your market needs. Although this will require some underwriter reassignments, it will immediately provide you with a more frequent and highly visible underwriter presence in your office. This will significantly increase our accessibility and ability to service your clients' insurance needs.

We sincerely appreciate your business and look forward to a great second half of 2005!

**Emmett Morgan**  
*Vice President*

## Markel's Best Rating Reaffirmed!

Markel Insurance Company's rating has been reaffirmed by A.M. Best as "A" (Excellent). The total policy holder surplus size indicator has been increased from XI to XII. Financial stability and strength are critical considerations for policyholders and our valued agency business partners. With market consolidations and deteriorating company financial conditions reducing the number of available markets, Markel continues to do things right.



## MRS Modifies Underwriting Position on Sexual Abuse and Assault and Battery

MRS has always provided admitted solutions for account opportunities within the apartment building, condominium association, and hotel operator's arena. As a non-negotiable condition of binding an account within these business sectors, we would add exclusions for sexual abuse and assault and battery to the general liability section of the policy.

Our agency partners have voiced concern over our unwillingness to remove these exclusions and we have listened.

We have now altered our position on these exclusions. Our new approach is to provide sexual abuse and assault and battery on risks where it makes sense to do so. If the underwriting risk characteristics are acceptable, we will not add the exclusions to the policy.

This approach should allow for enhanced business development opportunities for you and MRS. Please contact your MRS underwriter for additional information.

## New MRS E-mail Address Developed for Account Submissions

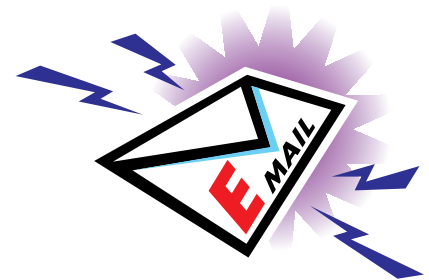
We now have a dedicated e-mail address that should be utilized when submitting your account opportunities to MRS for consideration.

The new e-mail address is  
[mrssubmissions@markelcorp.com](mailto:mrssubmissions@markelcorp.com)

Sending your submissions to this new address will help ensure that we provide a quick disposition on the account and will also enhance our ability to meet your quotation timeline. All other e-mail correspondence should continue to be sent to your MRS underwriter.

### On The Move!

We are very pleased to announce that Julie Rogers has been promoted to Team Leader in MRS. She will have supervisory responsibility for a second team being created as part of our expanded operations. Julie joined MRS in January, 2003 as a Senior Underwriter. She was promoted to Executive Underwriter in October 2004. Julie has contributed significant profitable growth to the MRS results from her Western territory over the past 2 1/2 years. We wish Julie much success in her new assignment.



## MRS Wants to Write Your HBB Business!

You may recall receiving an e-mail in May describing our interest in writing what we call HBBs, or homogeneous blocks of business. In the announcement we indicated MRS has a high interest in writing a book of business consisting of individual accounts with similar characteristics that would develop a minimum premium level of \$750,000 within a 12-month period. Each member of the HBB is underwritten individually, based on the underwriting merits of the account. We are very pleased with the enthusiastic response generated by our agency plant.

Here's a brief list of some of the HBBs written by MRS:

- Tourist caves
- Hotels/motels
- Golf tournaments
- Recreational gaming
- Scrap metal dealers
- Apartments
- Franchise restaurants
- Temporary staffing

HBBs are generating significant premium for MRS and our agency partners in 2005.

There are a number of distinguishing features that illustrate a desirable HBB:

- Agency expertise in underwriting exposure and analysis
- Well-defined marketing platform to access risk population
- A reasonable number of accounts (30 to 100+) depending on average account premium
- Average account premium of \$25,000+ within the HBB
- Agency controlled book of business

Please call **Dean Kemp** at 804-527-7586 to discuss your opportunity in more detail.

## Recent MRS Accounts Written

Restaurant/lounge .....	\$935,000
Grocery store .....	\$275,000
Roofing products mfg.....	\$250,352
Grounds maintenance .....	\$195,233
Scrap metal dealer HBB .....	\$181,115
Roofing contractor.....	\$138,492
Cable installation .....	\$117,625
Property management.....	\$108,802
Hardware store.....	\$95,067
Hotel/convention center .....	\$94,841
Electrical component mfg. ....	\$90,792
Restaurant .....	\$85,192
Condo association .....	\$80,965
Apartment HBB .....	\$77,277
Tub manufacturer.....	\$69,400
Bowling alley .....	\$68,829
Job shop .....	\$65,390
Condo association .....	\$55,633
Painting contractor.....	\$50,566
Truck stop .....	\$50,461
Wire manufacturer .....	\$49,479
Sporting goods store .....	\$47,895
Hotel HBB .....	\$42,650
Casino.....	\$42,500

## MRS Offers Flexible Premium Payment Plans

MRS is pleased to offer the following premium payment options to you and our valued insureds. The following plans are available on either an agency bill or direct bill basis.

- **Option 1:** Annual payment
- **Option 2:** 25% down plus 3 installments of 25% every 60 days
- **Option 3:** 25% down plus 7 installments every 30 days

Our quoted account premiums will be based on the assumption of Option 1, annual payment. Discuss the availability of Options 2 or 3 with your underwriter. A \$5 charge per installment applies to policies billed under Options 2 or 3.

## New Faces in MRS

**Steve Glancey**, *Associate Vice President, Divisional Underwriting Officer*

Steve has been associated with several national insurance carriers over the past 20 years with his most recent assignment being Chief Casualty Underwriter for Zurich Middle Markets, Zurich North America. He brings extensive technical underwriting and management experience that will be a valuable complement to the continuing profitable growth of MRS.

**Sissy Owens**, *Associate Underwriter*

Sissy brings over 20 years of P&C experience to MRS. She started her career at Atlas Insurance Agency in Richmond, Virginia. Sissy then held the rating supervisor position at Great American before assuming an underwriting position in the professional liability unit at Apex Insurance Agency.

## You Win with an Accurate VIN

To help us deliver your policy faster, please be sure to give us accurate vehicle identification



numbers (VIN) for automobiles scheduled on the ACORD application. Many states now require us to report this information to their Division of Motor Vehicles. Our policy recording system will recognize an invalid VIN, which may cause a delay in policy issuance. Your cooperation is appreciated.

## Markel Risk Solutions Company Contacts

**Toll Free Number:**  
(800) 431-1270

**Direct Dial:**  
All extension numbers  
begin with (804) 527-XXXX  
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## MRS Procedure for Liability Deductible Recovery

MRS makes frequent use of both bodily injury and property damage liability deductibles on accounts which may have a problem with frequency of smaller losses. We are willing to work with you on deductibles, as their use can often

make the difference in the pricing, terms, and conditions on an account so it can be written at a profitable level.

In the event of a liability claim, the insured and the agent will be put on notice that they will be informed in writing if we pay any part, or the entire amount, of the deductible. If the claim is ultimately paid, the insured is sent a letter with a copy

to the agent advising that they have 30 days to reimburse us the amount of the deductible paid. If payment is not received within the 30-day time frame, the outstanding balance is turned over to a collection agency. Please call your MRS underwriter if you have additional questions about this process.