



**Risk
Invest
Advisory**

Bespoke solutions... **Simplified**

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RISK MANAGEMENT 101



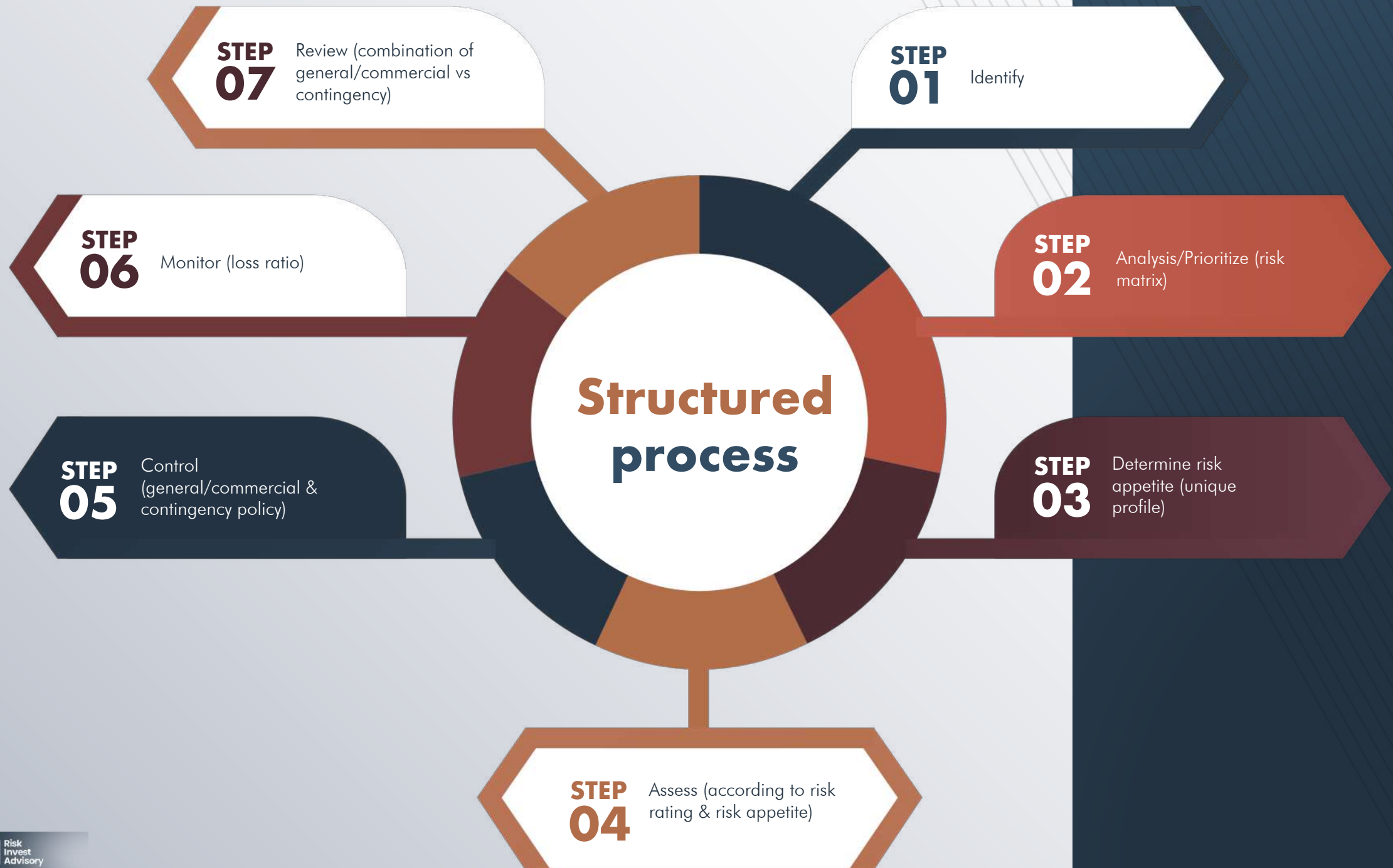
Traditional process

**STEP
01** Identify

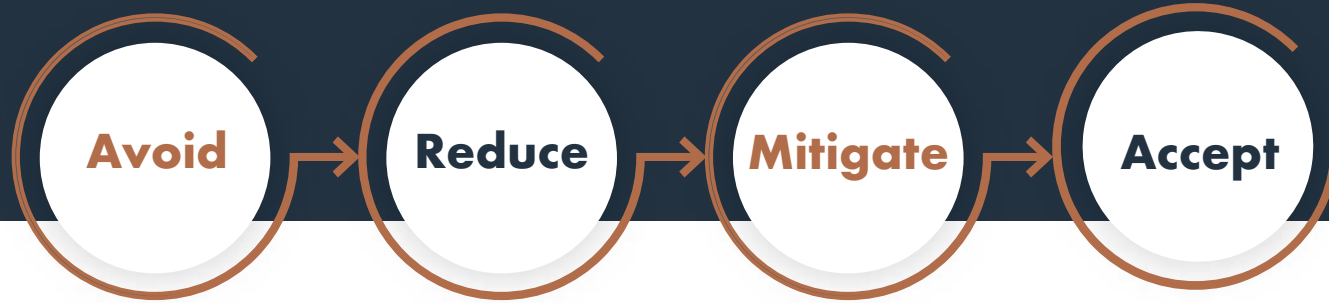
**STEP
02** Assess (everything -
armageddon)

**STEP
03** Control
(general/commercial
insurance)

**STEP
04** Review (more risks
onto policy as business
grow)



CONTROL



GENERAL/COMMERCIAL POLICY

Everyone is familiar

- One size fits all
- Specify risk and premium is determine according to risk profile
- Premiums paid and no claims – money in the water

CONTINGENCY POLICY

50%

of total Non-Life
premiums in the
USA

☑ **Tailormade risk solution**

☑ **Wider scope of risk categories**

- General/commercial policies unwilling to provide cover for certain risks or too expensive to obtain cover

☑ **Reduce cost of general/commercial premiums over time**

☑ **Prevent property loss and accept portion of risk**

☑ **Surplus premiums transfer to following underwriting year or return to client for good risk management**

10%

of total Non-Life
Premiums in RSA

GENERAL/COMMERCIAL VS CONTINGENCY

Risk transfer/cover obtained

Premium amount

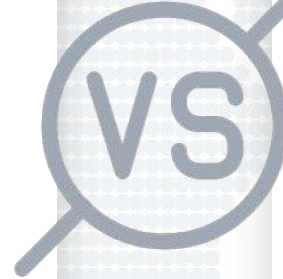
Premium paid and no claims

General/Commercial

Full amount of risk specified

Calculated by insurer to cover full amount of the risk specified

Money in the water / minimal reward for good risk management



Contingency

Usually 120% of the premium purchased

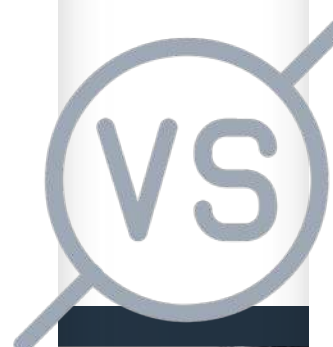
Determined by the client based on the amount of cover to be obtained

Unclaimed premiums transfer to next year or returned to client for good risk management

TRYING TO ACHIEVE

Do's

- Create long term risk management structure
- Sustainable long term risk management structure. Reduce insurance cost over time and grow independence according to risk appetite and unique circumstances
- Continuous monitoring of risk vs claims and getting balance right
- Risk management partner



Don'ts

- Broker obtain cheaper premium but no risk management
- Insure everything commercial as more commission
- Review annually and add risk when company grow
- Just a broker getting cover



Bespoke Solutions... Simplified

Contact details

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THANK YOU

TO FUTURE COLLABORATIONS



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