



Understanding the true nature of your own business

Why are we here...how did we get here...where are we going...

Investing in technology for the future

Investments...bottom line profitability...



Keys to Success

Revitalization of goals utilizing youthful exuberance and redefining our future through workable solutions that mandate profitability.



“Ms. Jones, I need the information now..!”



Computers...they are truly ubiquitous!

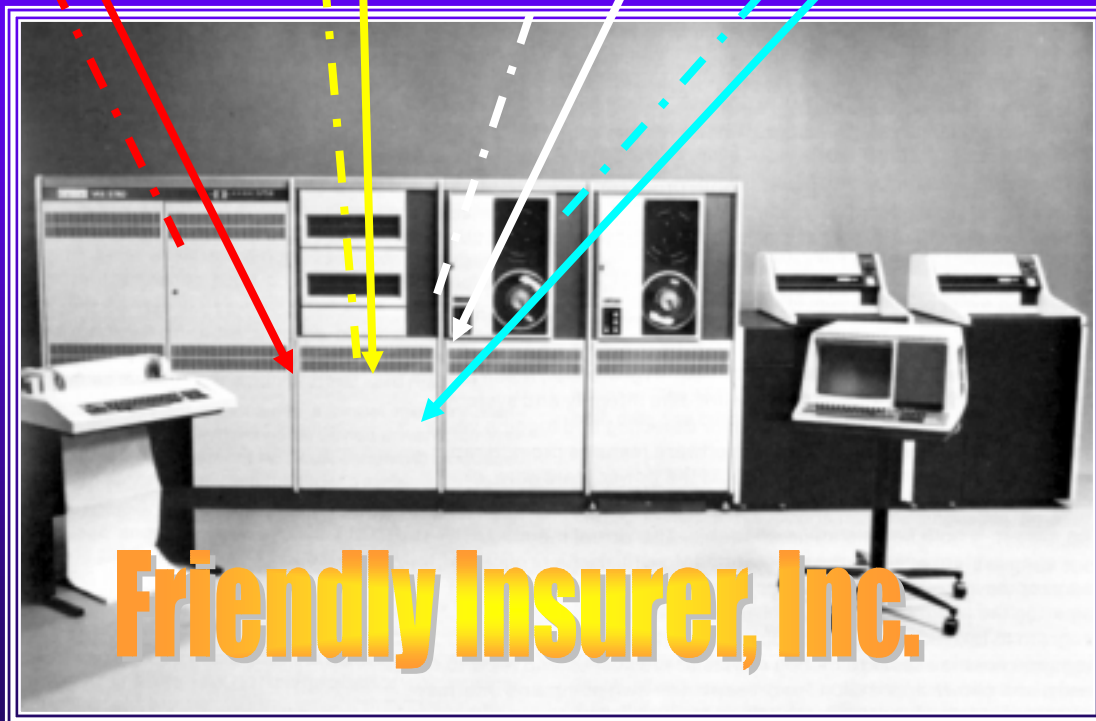


Mere child's play!

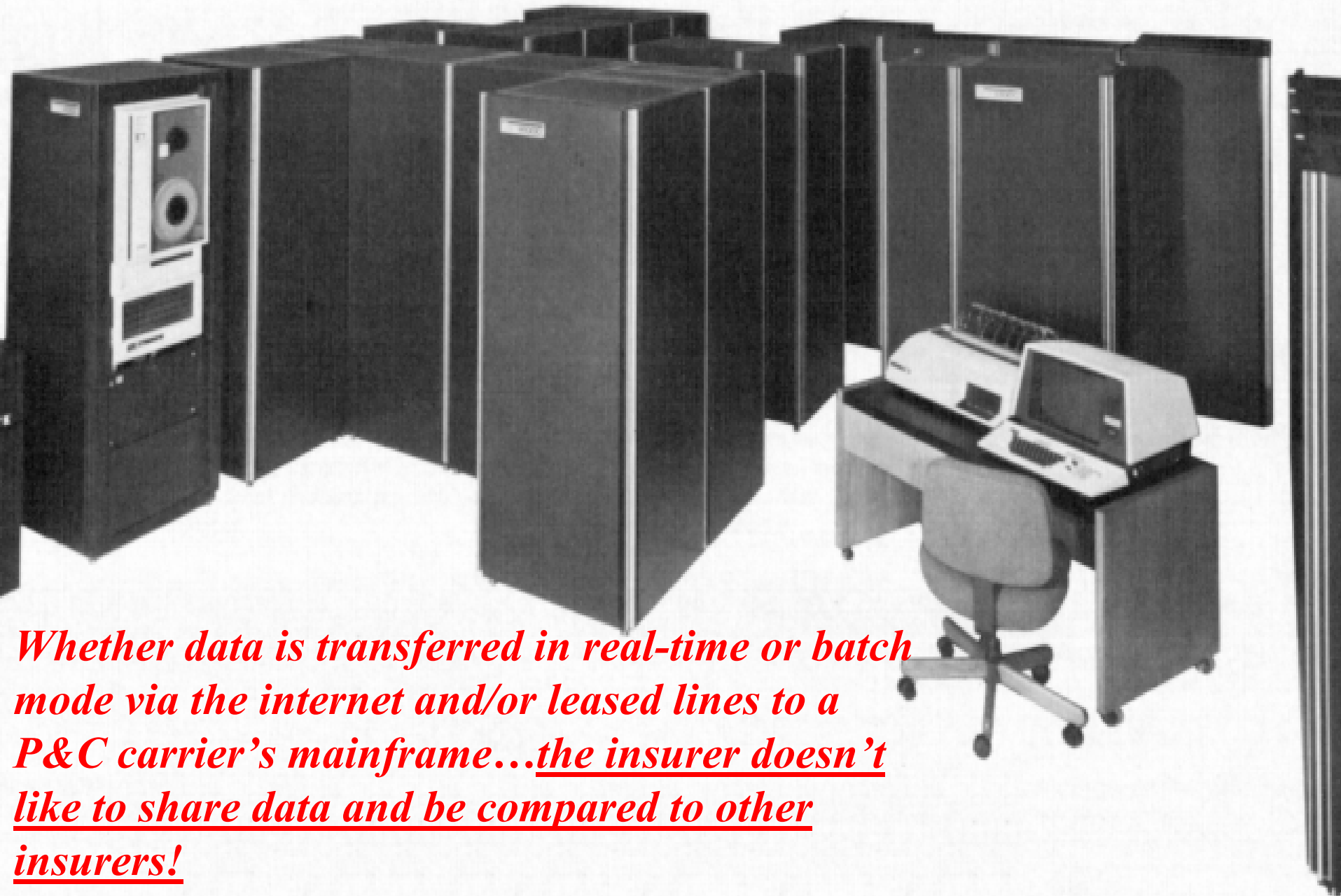


**Speed and
efficiency**





Friendly Insurer, Inc.



Whether data is transferred in real-time or batch mode via the internet and/or leased lines to a P&C carrier's mainframe...the insurer doesn't like to share data and be compared to other insurers!

Spreadsheeting...



NON-SUBSCRIPTION POLICY COMPARISON



	HIGHMARK CASUALTY	LEXINGTON	MIDLANDS MANAGEMENT OF TEXAS	MT Hawley Excess Ind	Nutmeg-Hartford
--	-------------------	-----------	------------------------------	----------------------	-----------------

POLICY STRUCTURE

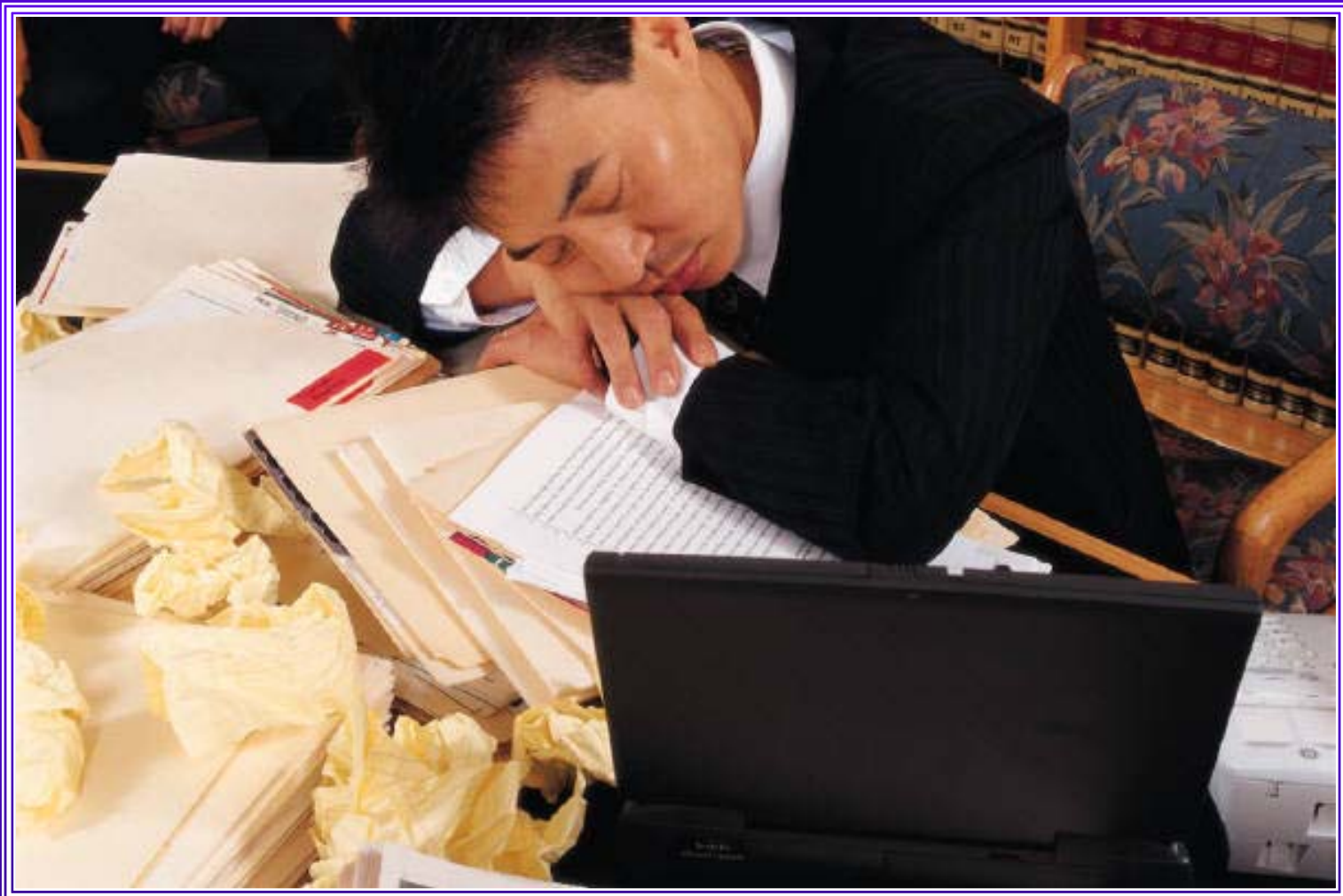
			ESSEX INS. CO.	CLARENDON AMERICAN		
Maximum per Occur.	\$5 MIL.	\$10 MIL.	\$1 MIL.	\$1 MIL.	up to \$10 MIL.	\$1 MIL.
Maximum per Employee	\$5 MIL.	\$1 MIL.	\$1 MIL.	\$1 MIL.	\$1 MIL to \$10 MIL.	\$1 MIL.
Annual Aggregate	\$25 MIL.	yes, stated on dec. page	\$1 MIL.	none	none	\$2 MIL.
OD-CT	Included	exclude unless extra prem end.	exclude unless extra prem end.	exclude unless extra prem end.	included-Limit on dec page	included
Legal Liability	Included	Included	legal liability only	no legal liability	included in CSL	included in CSL
SIR/Deductible	\$2500 up SIR	\$1000 up deductible	Deductible on Dec. page	\$2500 min deductible	\$300,000 SIR	SIR \$1000 up
Dis. Inc. elimination period	0 days up-not included in SIR	7 days up-not included in SIR	n/a	7 days up-not included in Ded.	follows benefit plan	7 days,not included in SIR
Policy type	pay on behalf or indemnity	indemnity	Pay-on-behalf	indemnity	indemnity	pay on behalf

COVERED BENEFITS

Medical	usual and customary	usual and customary	none	usual and customary	usual and customary	usual and customary for 104 weeks
AD and Dismemberment	Death benefit policy defined. dismemberment ERISA defined	Death benefit<csf or 10 x sal Dism. % policy defined	none	Death ben.<10 x sal or \$350m Dism. % policy defined	determined by benefit plan	\$100,000
Disability Income	70-75%-\$500/\$1000 for 158 or 401 weeks	Weekly ben.on dec page.Paid for combined cov period-104wks	none	Weekly ben on dec page. 75% for cov. Period-104 weeks	determined by benefit plan	75% to \$600 for 104 weeks
Legal Liability	Insured choice of atty.Cost inside SIR and limit. Punitive included.	Duty to defend.Cost of Company. counsel outside Ded. and Limit Punitive included.	No duty to defend.right to inter pose with cost inside ded.and outside Limit.Punitive included	No legal liability coverage	Insured choice of atty. Cost inside SIR.and Limit.Punitive included	Duty to defend,cost of counsel outside SIR and Limit.Punitive included

EXCLUSIONS

1.Exceptions to drug,alcohol,suicide,intentional	none	none	none	none	none	none
2.Employed in violation of law	excluded if with knowledge of insured.	actual and punitive excluded with or w/o knowledge	not excluded	actual and punitive excluded with or w/o knowledge	excluded if with knowledge of insured	not excluded
3.Employment practices	excluded	excluded	excluded	excluded	excluded	excluded
4.ERISA violations	excluded	excluded	excluded	excluded	excluded	excluded
5.Contractual	excluded except for ERISA	excluded except for ERISA	excluded	excluded except for ERISA	excluded	excl.except for benefit plans
6.Aviation	not excluded	exclude except for commercial	excl.non-comm'l air_all water	exclude except for commercial	not excluded	exclude except for commercial
7.Athletic activities	excl.except if in scope of emp.	excludexcept if in scope of emp.	not excluded	excl.except if in scope of emp.	excl.except if in scope of emp.	not excluded
8.Heart attack	excl.except if due to accident	total exclusion	total exclusion	not excluded	excl.except if due to accident	excl. except if due to accident
9.Mental	pol.covers physical injury only	total exclusion	excluded in absence of injury	total exclusion	not excluded	excl. except if due to accident
10.Asbestos/nuclear	excluded	exclusion	excluded	excluded	excluded	excluded
11.Terrorism	excluded	not excluded	not excluded	not excluded	excluded	not excluded

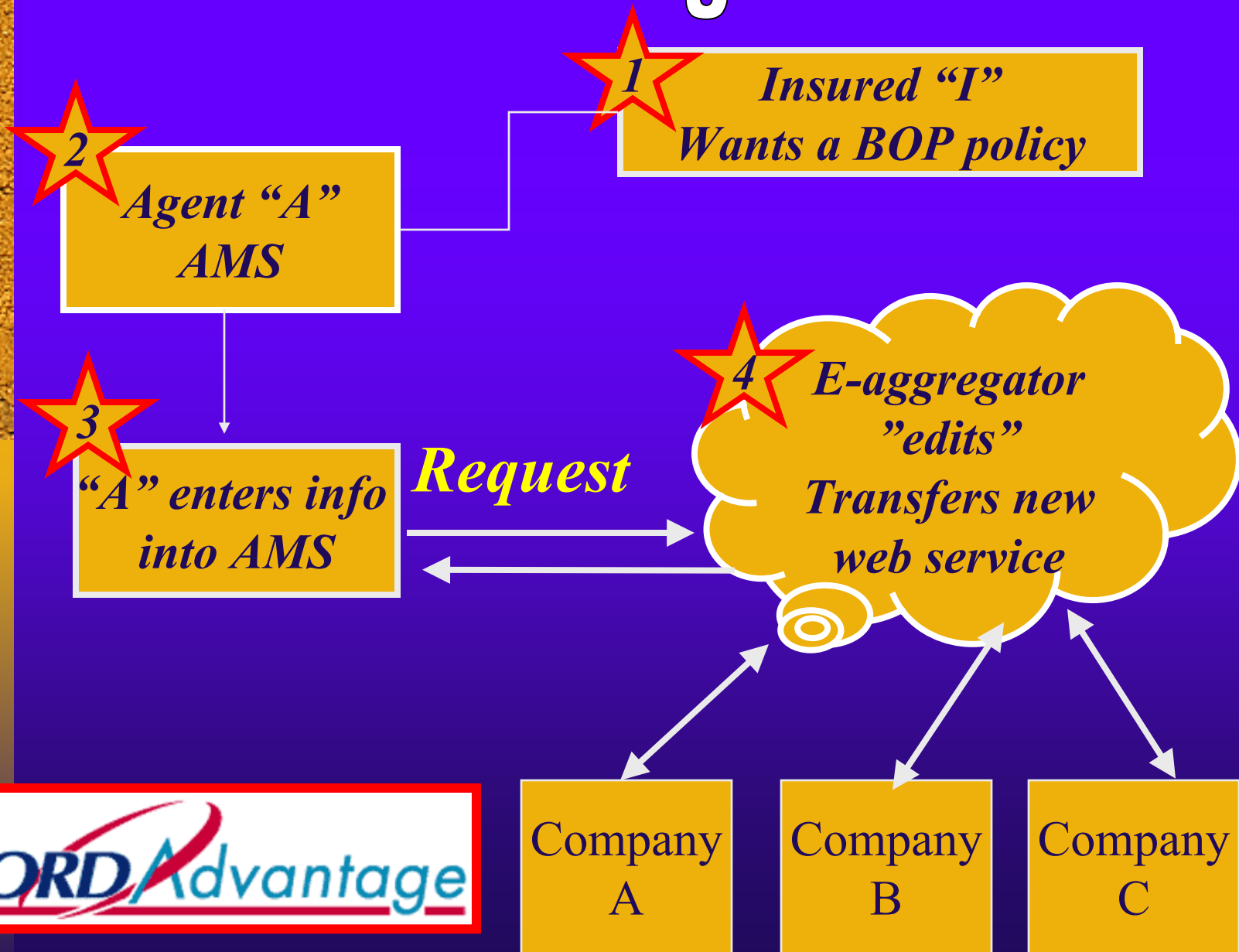


Tired of waiting for your quotes... no modem lines available to hook up with the internet?

“The Final Frontier”...



How did we get here?



ACORD Advantage

✓ *Once*

✓ *Twice*

✓ *Three
times...*

✓ *More
than that!*

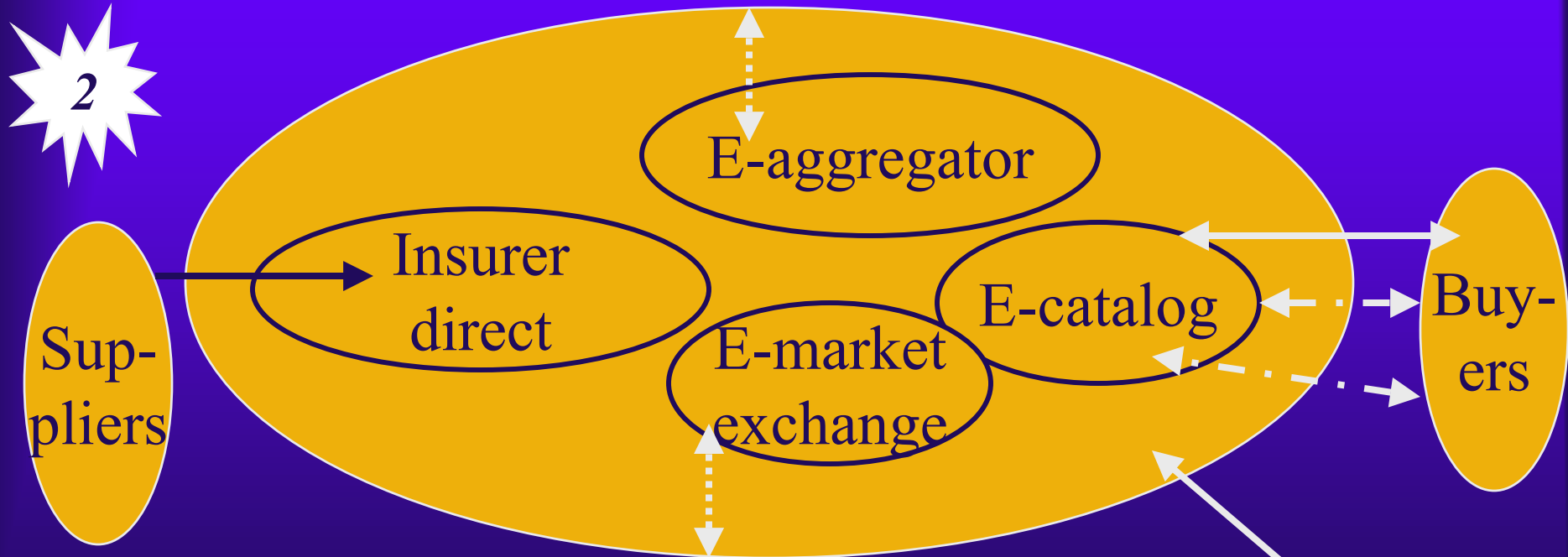
*I think I am getting
a little tired! How
many times do I
have to enter this?*



What is it we are really trying to do?

(1) Traditional vs. (2) web-based supplier – buyer transactions

Manufacturers Sales/Distributors Customers



Policy flow

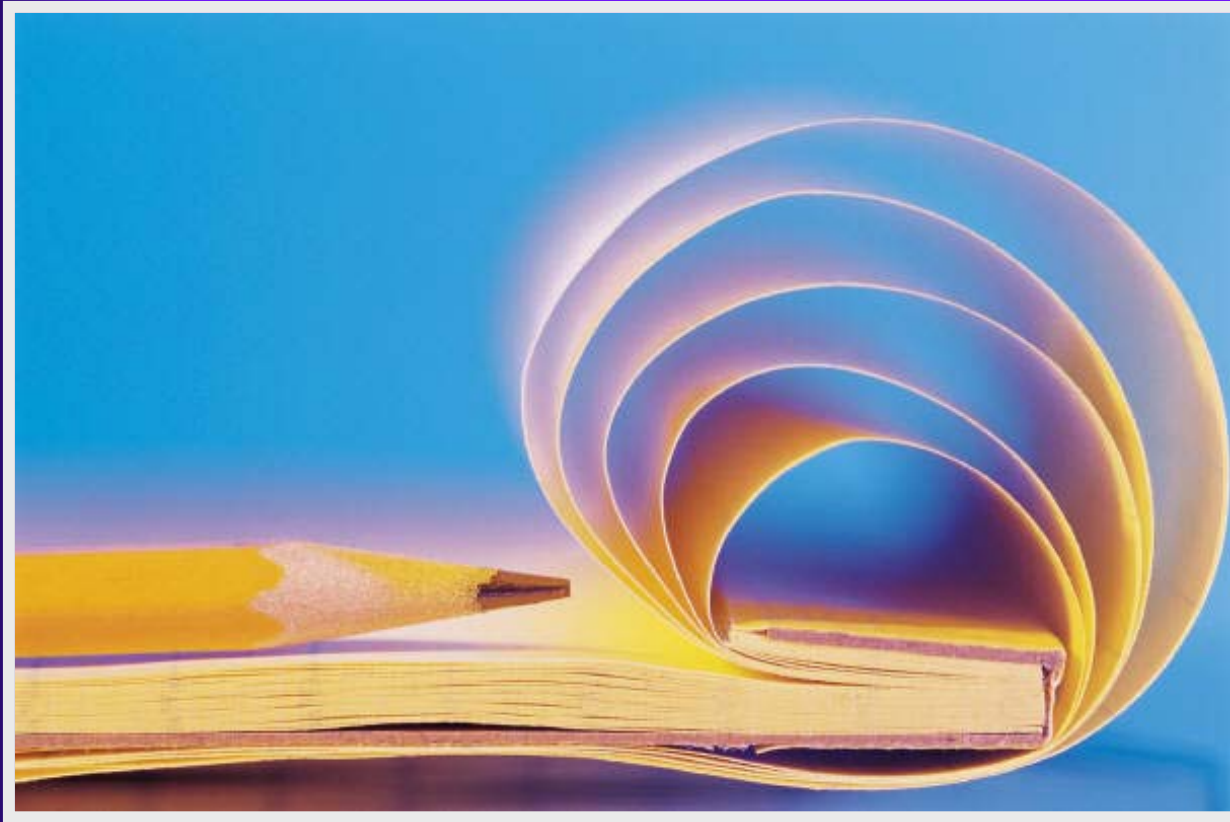
Information flow

Financial flow

Internet



Don't put the cart before the horse...



Where
are we
today?

“While many companies still prefer to do their adjusting the old-fashioned way, these old-school insurers may become viewed as industry ostriches, with heads firmly imbedded in the sand.”





- ❑ The adjuster or agent's office can be anywhere!
- ❑ Insurer's can reach their workforce in previously unheard of circumstances where one may work.

Working from home





What is your future?



*Thanks for coming
and enjoy your
day!*

