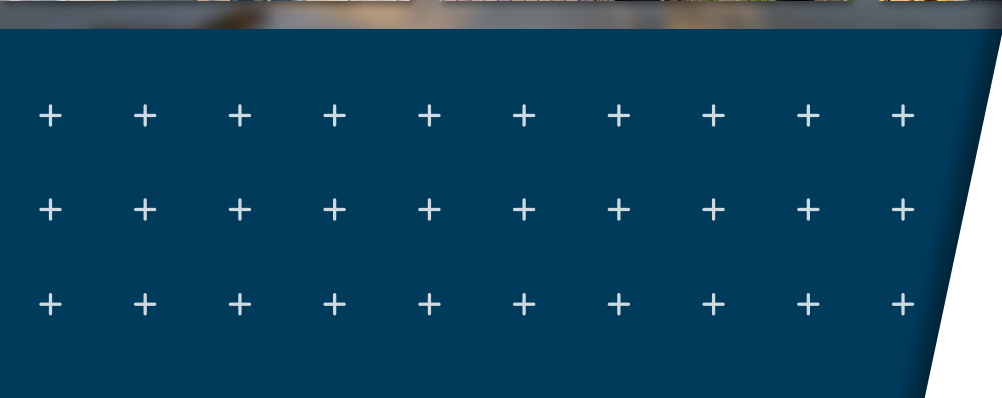
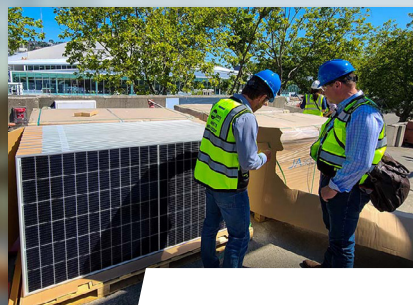




*response to request for qualifications for*

# PROPERTY & LIABILITY, RISK MANAGEMENT, AND INSURANCE CONSULTING SERVICES



On behalf of Parker, Smith & Feek, an IMA Company, we thank you for the opportunity to be part of McKinstry's process to evaluate construction insurance brokers for the possibility of a partnership.

McKinstry is a unique and exciting company, and we at PS&F/IMA have only begun to scratch the surface as we hope to understand the revolutionary changes some of your ventures portend thoroughly. Clearly, we hope to show our qualifications in this response. What's harder to demonstrate in writing is our team and firm's enthusiasm for becoming a part of the McKinstry team. Everyone from our CEO down was honored and excited to be a part of this process. You have our commitment to bring our best people and our steadfast dedication to joining your team.

We believe there are seven ways to treat risk and insurance, and the last is the most reactionary and most expensive. We want to help our clients with the first six methods to lower the cost of insurance and increase its effectiveness. Our approach is to deploy a team of industry specialists to work with McKinstry to bring tailored, transactional, tactical, and strategic solutions, ideas, and products to McKinstry.

To set PS&F/IMA apart from our competitors, the following items that we believe will resonate with McKinstry are highlighted throughout our response:

- + **Subject-matter expertise:** Our largest vertical/specialty practice at PS&F/IMA is our Construction Practice Group. Our proposed day-to-day service team brings more than 145 years of experience in the construction industry. These associates, backed by coverage and service subject matter specialists, will support McKinstry and all its operations.
- + **Best of Both Worlds:** As a top 15 retail insurance broker as ranked by the Insurance Journal, we feel our structure is perfect for providing a full array of insurance and risk management services from anywhere in the country, yet nimble enough to deliver those services in a personalized manner to McKinstry.
- + **Employee ownership:** We take great pride in the fact that PS&F/IMA is employee-owned and has been for over 50 years. Our focus on perpetuation has given us the ability to invest in ourselves rather than focusing on public earnings or family members. In our eyes, there is a difference between being private and employee-owned. Our CEO said it best: "We just think you take better care of the car you own than the one you rent."
- + **Construction encompassed risk management (ERM) framework:** PS&F/IMA has a broader objective of assisting our clients with not only insurable risk, but also non-insurable risk. We have created an ease-of-implementation proprietary ERM framework to assist our clients in addressing all forms of risk holistically.

Again, we appreciate the opportunity to respond. We understand all the brokers involved in this process are qualified, but we believe our response will show you why PS&F/IMA stands out.



**John Claeys**  
Vice President, Director



**Tim Nierman**  
Vice President, Construction Practice Group Leader

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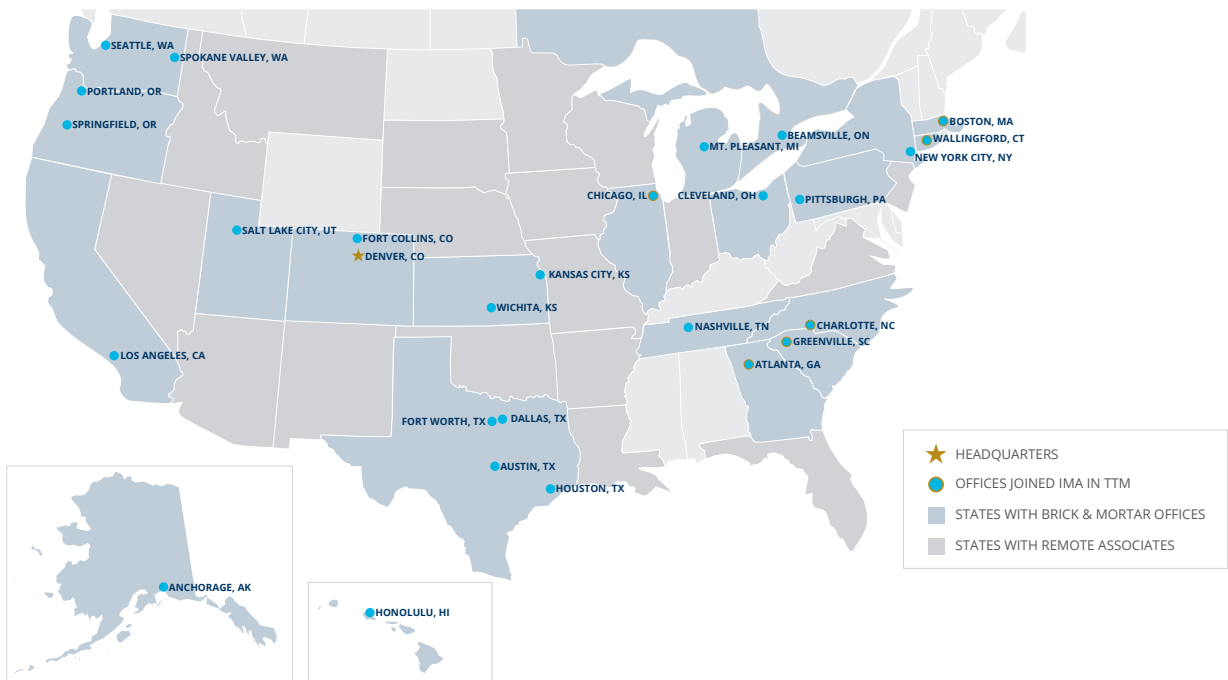


*A brief overview of your company, including qualifications for providing the services requested, what sets you apart from your competitors, and why you would be an excellent partner for McKinstry.*

## PS&F/IMA Overview

PS&F/IMA's ownership structure serves as the foundation to our mission, vision, and core values. As an employee-owned organization, PS&F/IMA is unique in the insurance brokerage marketplace. Ultimately, owners think differently about the services and products they deliver to their clients. Each PS&F/IMA associate has a personal stake in maintaining successful partnerships with our clients. We have an entrepreneurial, non-bureaucratic, and creative approach to assist our clients in meeting the objectives of their employee benefits and risk management programs.

From a single proprietorship founded in 1937, Parker, Smith & Feek has grown to become a nationally recognized, privately-held brokerage firm driven by client service, a core value unchanged since our founding. We offer a full range of services, including commercial insurance, risk management, surety, employee benefits, and personal insurance. In 2021, we entered into a partnership with IMA Financial Group, a national insurance brokerage firm specializing in risk management, insurance, wholesale brokerage, and wealth management. This partnership has tremendously strengthened resources and value for both Parker, Smith & Feek and IMA clients and associates. This organizational change brought together two large employee-owned consulting firms that share a similar culture, industry specialization, and commitment to community and remaining independent and privately held. This evolution has helped PS&F/IMA further deliver the service and solutions that exceed our clients' expectations through the same local relationships and teams they've known, now backed by the expanded resources of the collective group. This is proven by our consistent client retention rate of 96%. **As an independent and employee-owned company with more than 2,300 associates across the United States, we are driven by the ambitions of devoted associates who see the company's future as their own.** We manage over \$8 billion in premium annually, and rank in the top 25 insurance brokerage firms (public and private) in the United States. Our clients operate throughout the United States, in over 100 countries, and on all seven continents.







Distinct from our competitors, our employee ownership model is specifically designed to eliminate silos within our business. Our sales staff, account teams, and directors are incentivized to leverage all resources across our business (whether from different offices or operating units) to help clients. Our stature is perfect as it allows PS&F/IMA to invest and house the full array of insurance specialists and risk management services. Yet, we are nimble enough to deliver those services in a personalized manner. As a privately held firm, we place a high priority on focusing on the future and providing innovative solutions for our clients. It is critical that we stay ahead of new insurance solutions and risk management strategies to accommodate the needs of your growing organization. We celebrate a culture of learning and transparency. Whether it be an investment in technology or workflow changes, our teams are looking to continually improve our operational efficiencies, which in turn assists us in supporting you in a timely and efficient manner. As a trusted advisor to our clients, we are charged with bringing expertise pertaining to the industries in which you operate. We have built teams around the U.S with specific industry focus to create core niches which we call practice groups. These groups are led by specialists that manage and communicate the sharing of resources amongst all associates. Our practice groups with specific expertise relevant to McKinstry include specialty contracting, construction, advanced industries manufacturing, energy as a service, renewable energy, infrastructure, and private-public projects. We view ourselves as the perfect mix of providing cutting-edge insurance expertise, international services, and risk management analytical tools, and serving as a super-sized, integrated, outsourced risk management support department for our clients.

Our more than 2,300 associates are located across offices in Alaska, California, Colorado, Connecticut, Georgia, Hawaii, Illinois, Kansas, Massachusetts, Michigan, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Washington, and throughout the U.S. and Canada.

## PS&F/IMA Fast Facts

- + Incorporated in 1937
- + Employee-owned
- + Over 2,300 employees
- + National in reach, local in service
- + Premium placements of over \$9 billion annually
- + Revenues in excess of \$640 million
- + Client retention leads the industry at 96%
- + 8% revenues invested in value-added client services – twice the industry average of 3.8%
- + Clients with physical operations, exposures, and/ or employees in every state in the U.S. as well as in over 100 countries around the world

**96%**  
**CLIENT**  
**RETENTION RATE**

**EMPLOYEE-OWNED**  
**50** FOR OVER  
**YEARS**



## Core Values

### Professionalism

We set the standard with an unwavering commitment to excellence.

### Relationships

We nurture relationships built on trust, integrity, honesty, humility, and mutual respect.

### Expertise

We are knowledgeable, hands-on, collaborative, innovative, and passionate about service.

### Balance

Our environment encourages a balance of work, family, and community.

### Results

We constantly strive for profitable growth.

### Equity

We embrace diversity, equity, and inclusion and are uncompromising in our support and encouragement of all voices.

## Our Vision

- + Be a trusted advisor to our clients
- + Build and perpetuate a great company
- + Benefit our employees and their families
- + Remain independent

## Company Mission, Vision, And Values

PS&F/IMA's ownership structure serves as the foundation to our mission, vision, and core values. As an employee-owned organization, PS&F/IMA is unique in the insurance brokerage marketplace. Ultimately, owners think differently about the services and products they deliver to their clients. Each PS&F/IMA associate has a personal stake in maintaining successful partnerships with our clients. We have an entrepreneurial, non-bureaucratic, creative approach to assist our clients in meeting the objectives of their employee benefits and risk management programs.

One of our guiding principles as an organization is to share generously within the communities in which we are doing business. That is why we created the IMA Community Action Committee and IMA Foundation, to ensure that we are giving back in a meaningful way.





# PS&F/IMA is Employee-Owned

## Why Employee Ownership Matters

PS&F/IMA is one of the fastest growing and largest brokers/consultants in the U.S., and our ownership structure is the cornerstone of our success. Employee ownership is a crucial difference between PS&F/IMA and other private or public insurance brokers. Our ownership structure has enabled us to maintain a model focused on service and value rather than simply sales.

The following results from our ownership structure are critical for McKinstry to understand:

### REINVESTMENT IN OUR COMPANY

PS&F/IMA has always maintained the belief that reinvesting profits into talent, services or resources will ensure stronger client relationships and help retain clients on a long-term basis. We are not constrained to deliver excessive profits on a quarterly basis to ensure viability. PS&F/IMA invests more than two times the national average into value-added services and resources for its clients. This fact is due to our ownership structure and service philosophy

### ATTRACTING & RETAINING TALENT

Our business is essentially the delivery of intellectual capital, and the competition for attracting and retaining talented individuals is fierce. Offering employees ownership is a key advantage in this competition and is a major selling point for employment at PS&F/IMA. From your perspective, each PS&F/IMA employee that works with you will have a vested interest in working with you, and we believe this translates into better service. Our culture naturally attracts talented people who are enabled to be innovators

### PERPETUATION PLANNING

The founders of PS&F/IMA had the foresight and vision to create this ownership structure as a plan for continuation that avoids becoming a public company or being sold to another broker. When either of these scenarios occurs, it usually causes the sellers to reduce staff or services in order to improve profitability for the impending sale. These changes impact all clients.

**PS&F/IMA's ownership structure has allowed us to perpetuate internally through an organic system without making structural changes.** It has enabled us to remain independent and continue to reinvest in staff and resources for our clients as opposed to potentially selling and causing major service disruption to our clients.

### OWNERSHIP CULTURE

Ultimately, owners think differently about the services and products they deliver to clients. As an employee-owned organization, PS&F/IMA associates have a personal stake in maintaining successful partnerships with our clients. This fosters a positive culture that our clients feel through superior service.

## PS&F/IMA Community Involvement

One of our guiding principles as an organization is to support and share generously within the communities in which we do business. PS&F/IMA team members tutor students, deliver meals to the elderly, fundraise for cultural institutions, support the United Way, build homes, work to improve early childhood education, adopt schools, donate to reduce homelessness and volunteer at dozens of local organizations. This is demonstrated through the examples of our leadership, as well as the financial contributions of our corporation and the time dedicated by our employees. Of course, we do these things not for acclaim, but because we live, work, learn and play in our communities.

PS&F/IMA's mission to make substantial change for the cities it supports was on display during I Make a Difference Day when our PS&F/IMA communities came together at once to make lasting improvements. Associates rolled up their sleeves and flew the PS&F/IMA flag to show that corporate responsibility is everyone's responsibility.

PS&F/IMA employees, families and friends donated approximately 1,500 hours across the country. It was the annual event's largest showing. Most importantly, PS&F/IMA showed kids we care, beautified cultural icons and supported the disadvantaged.

*I Make a  
Difference Day*

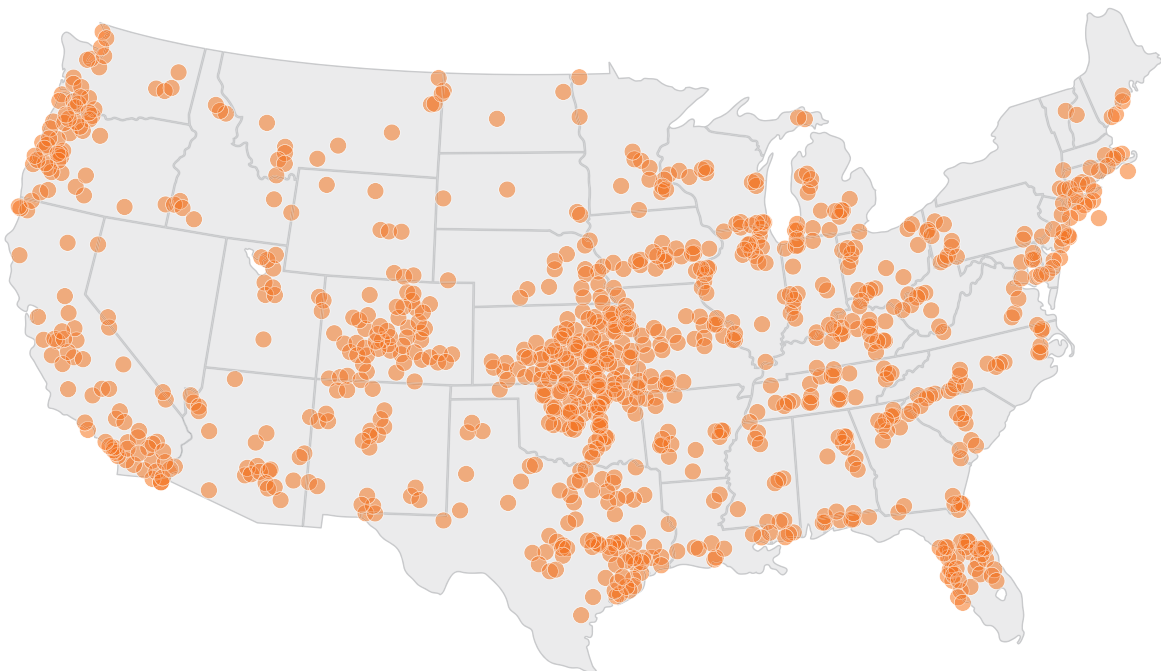
**OUR BUSINESS MODEL REVOLVES AROUND PEOPLE.  
WE KNOW OUR GREATEST ACHIEVEMENTS OCCUR  
WHEN WE WORK TOGETHER.**



## Construction Industry Expertise

PS&F/IMA is an industry focused specialty insurance broker with established specialty groups serving twelve different industries. Our National Construction Specialty Group that serves construction firms is our largest industry specialty serving over 1600 construction clients across the country. When we formally established our national construction specialty, we crafted a service model that would allow us to live out our Construction Specialty Group vision and to promote our ability to execute on our three categories of service – transactional, tactical, and strategic. Our Construction Specialty Group vision is: **“To be the Professional Construction Risk Management Partner to our construction clients by providing world class tactical, transactional and strategic service on a consistent, world class basis regardless of geographic territory.”**

This map represents a client home office, satellite office, or jobsite PS&F/IMA has insured within the last 12 months.



### Our Why

We recognize and respect the construction industry as one of the riskiest industries in America. Contractors face untold and diverse amounts of insurable and non-insurable risk every time they agree to build a structure or perform a scope of work. We believe there are seven ways to treat risk. Insurance is the last, most reactionary and expensive method. We want to help our clients with the first six methods... which are effective in addressing non-insurable risk and lessens the dependence on insurance. By helping our clients manage risk, both insurable and non-insurable, using the full spectrum of risk management techniques, we feel we are in the best position to help our clients address unique risks.

To deliver on this mission, we view our daily, weekly, and monthly service in three main categories and continually develop expertise, efficiencies, cutting-edge tools, and capabilities in each. We predicate our service philosophy on the belief “contractors want it yesterday, cheaper than their competitors, and a risk partner to help them know what they don’t know.” Below are our definitions of each service category and examples of the service provided. We provide greater detail of these services throughout this document.





## Transactional

Transactional service is what you think it is, the execution of transactions in a “need it yesterday” time frame. These are necessary to the flow of business and the accuracy and speed in which they are executed determines the ease in which McKinstry’s business can be conducted.

### INCLUDES:

- + Issuance of outgoing certificates of insurance
- + Management of incoming certificates of insurance
- + Accurate invoicing of premiums and deductibles
- + Reviewing policies and endorsements for accuracy
- + Delivery of policies in a timely manner
- + Checking premium audits for accuracy
- + Issuing of bonds
- + Assistance in reporting claims



## Tactical

Tactical service is where our client has already made a decision and they need our help. For example, a client decides they need insurance, they want our help to expertly provide options with superior terms and cost. Our client did not decide to have a claim, but they need our assistance.

### INCLUDES:

- + Marketing insurance placements for broadest terms and conditions
- + Review coverage questions as they arise Review contracts, leases, etc.
- + Expert and strategic claims advocacy to bring about expeditious and favorable outcomes
- + Monthly Open Action Items Meetings
- + Insurance Market Conditions Updates
- + Special Projects/Reports
- + Provide resource material



## Strategic

Strategic service is where our client has not made a decision but wants our advice to help make an informed decision. We are diligently scanning the environment and mining data to be able to “deliver a problem and a solution to our clients before they knew they could have a problem.”

### INCLUDES:

- + Monitoring insurance marketplace for viable alternatives Establishing Plan B and Plan C carrier options
- + Mining data for emerging trends
- + Updates on emerging issues
- + Education and Training
- + Networking



## What Differentiates Us From Our Competitors

We recognize that many brokers of size have good people, coverage matter experts, and ancillary broker services. PS&F/IMA prides itself on our experienced construction specific associates, “constructionized” coverage matter experts, and construction-focused risk management services.

The clients that choose PS&F/IMA as their risk management partner appreciate our construction expertise and our strong understanding of what it takes to service a contractor on a daily, weekly and monthly basis. It is our commitment to serving the construction industry since the 1930s that drives us to keep adapting to the evolving risk environment contractors face today.

A unique ability we feel PS&F/IMA has that differentiates us from our competitors is our ability to help our clients address all risks in a holistic approach. This lessens our client’s dependence on insurance and addresses uninsurable risk.

The PS&F/IMA Construction Encompassed Risk Management (CERM) Framework is just one tool that we developed to help our clients stay on top of and address emerging risks.

Other unique abilities we feel differentiates PS&F/IMA from our competitors include:

1. Our ability to deliver the vast array of resources in a simple and personalized manner.
2. Our in-house construction attorney team provides a broad spectrum of legal review services in conjunction with SDV as PS&F/IMA’s retainer relationship.
3. Our strong understanding of specialty contractor risks and our strong presence in the marketplace enable us to deliver optimal value and customized insurance solutions tailored to McKinstry’s diverse operations in the Energy-as-a-Service (EaaS), Energy Service Companies (ESCO), and renewable energy sectors. McKinstry stands out in a way that few specialty contractors can match. While we do not claim to know everything about McKinstry at this point, we are confident that our team’s technical proficiency, combined with our genuine curiosity and enthusiasm for engaging with the complex risks McKinstry faces, will foster a robust partnership between PS&F/IMA and McKinstry. Together, we can effectively address any challenges that may arise.
4. Our extensive experience and expertise in negotiating complex contracts with a wide range of clients, including national general contractors, developers, and municipalities, is a key strength. Parker, Smith, & Feek, in partnership with IMA, has consistently represented and serviced some of the largest general contractors on the West Coast of the United States. The decades of experience within our service team in negotiating and advocating for our clients against some of the country's largest owners are unparalleled. Many of our construction clients have grown from under \$50 million in revenue to well over \$1 billion, and our team has consistently helped them stay ahead of the curve through both tactical and strategic initiatives.
5. Our proprietary Certificate Compliance (IMACC) Service designed to remove McKinstry’s administrative burden associated with reviewing insurance requirements, the collection of certificates, negotiating with vendors’ agents on needed coverage, finalizing compliance, tracking certificates, and much more. IMACC will ensure that the parties with which McKinstry are in contract are meeting the insurance as required under your agreements, which is a significant way to control risk and prevent you from being wholly responsible in claims and lawsuits.

## THE RIGHT SIZE



### Regional Brokers

<b>Revenues</b> Under \$100M
<b>Ownership Structure</b> Public, Private, Bank Owned
<b>Sample Firms</b> Propel Insurance
<b>Client Focus</b> Small to Middle Market
<b>Marketing Approach</b> Wholesale Brokers & Marketing Departments
<b>Value-Added Services</b> Limited Risk Control, Claims Reporting
<b>Profit Goals/Reinvest</b> Seek 25% Profit Margin Reinvest Less Than 5%

<b>Revenues</b> \$640M+
<b>Ownership Structure</b> Independently Owned
<b>Sample Firms</b> PS&F/IMA
<b>Client Focus</b> Clients who need advanced resources but want personalized and customized service
<b>Marketing Approach</b> Direct Access to Global Markets through PS&F/IMA Service Teams
<b>Value-Added Services</b> Enterprise Risk Management, Contract Review, Risk Control, Legal Risk Management, Carrier Access, Actuarial Modeling & More
<b>Profit Goals/Reinvest</b> Seek 15% Profit Margin Reinvest 10%

### Global Brokers

<b>Revenues</b> Over \$1B
<b>Ownership Structure</b> Publicly Traded, Private Equity Owned & Closely Held
<b>Sample Firms</b> Willis, AON, Lockton, USI, Marsh, HUB & Alliant
<b>Client Focus</b> Fortune 500
<b>Marketing Approach</b> Indirect National Marketing Depts., Wholly-owned Intermediary & London Brokers
<b>Value-Added Services</b> Specialty Profit Centers Claims, Loss Control, Actuarial, Contract Review, Specialty Lines Expertise
<b>Profit Goals/Reinvest</b> Seek 30%+ Profit Margin Reinvest Less Than 2%

*The structure of the team that would be assigned to the account, including their specific responsibilities, a resume for each team member highlighting industry experience and tenure with the firm, and the total number of accounts and revenue handled by each team member. Describe how this team will measure itself in terms of its performance in service of McKinstry's account.*

**Our service model takes our service foundations into consideration and is designed to be simple to free up great people to collaborate to do what is right for our clients.**

Our service model starts with the account executive as the point person, leader, and coordinator for all of our services. The account executive is “ultimately responsible for everything” related to PS&F/IMA delivering our services to our clients. With much responsibility comes equal parts authority and support. Given McKinstry’s size, complexity, and value to our organization, we propose having two account executives working side by side to lead the McKinstry team through all risk management initiatives. Our account executives are supported directly by account managers who are charged with executing many of the transactional day-to-day tasks as well as assisting with the tactical services involving the insurance renewals and ad hoc projects for the client.

The core service team we propose for McKinstry will be led by our most senior account executives **Tim Nierman** and **Jenny Knackstedt**, who are located in Bellevue, Washington. Tim and Jenny’s years of experience working with larger, more sophisticated and risk-presenting construction firms are an asset. They are supported by two direct account manager reports, **Tamra Johnson-Hicks** and **Chelsea Ruther**, both located in Bellevue.

Particularly in the early stages of our relationship, we propose that, in addition to the team above, we would include both **John Claeys** and **Angela Samarel** in order to leverage their knowledge of your industries and their knowledge of the breadth of both the insurance industry and the resources at PS&F/IMA.

McKinstry’s size and diversity warrants day-to-day support for multiple people. We know contractors work six to seven days a week. Our goal is to create a service team that is accessible during our contractor’s working hours and available in times of need off hours.

## Core Account Team



**JOHN CLAEYS**  
**Director**  
 Bellevue  
 \$1.85M, 6 Clients



**TIM NIERMAN**  
**Construction Practice Leader PNW**  
 Bellevue  
 \$2.8M, 14 Clients



**JENNY KNACKSTEDT**  
**Account Executive**  
 Bellevue  
 \$2.1M, 11 Clients



**ANGELA SAMAREL**  
**Complex Risk Consultant**  
 Spokane  
 \$2.0M, 10 Clients



**MICHAEL CAMPO**  
**National Construction Practice Leader**  
 Kansas City



**TAMRA JOHNSON-HICKS**  
**Client Executive**  
 Bellevue  
 \$1.9M, 8 clients



**CHELSEA RUTHER**  
**Account Manager**  
 Bellevue  
 \$2.2M, 9 clients



**DAVID GOLDSMITH**  
**Account Executive**  
 Bellevue  
 \$500K, 6 clients

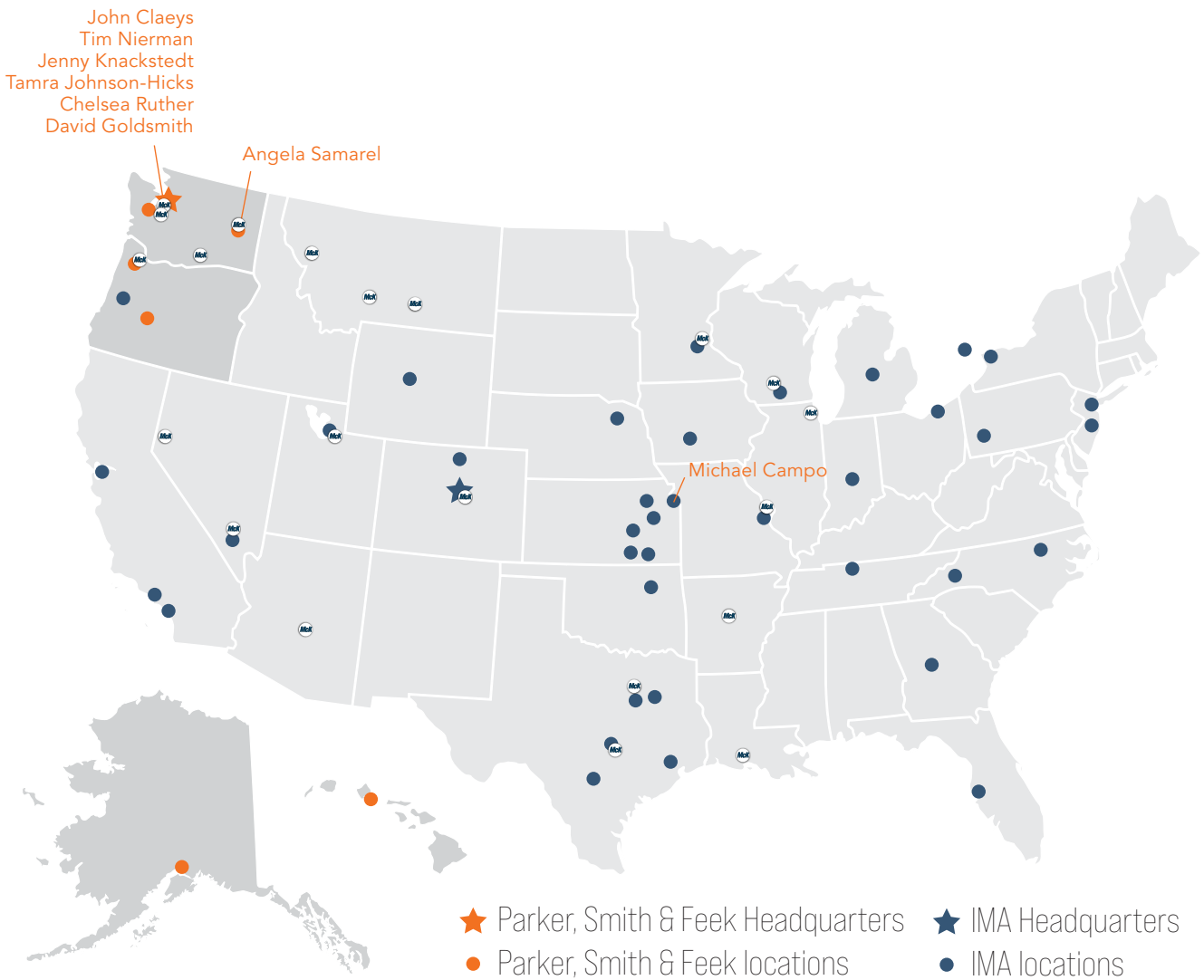




Many of our construction clients are successful in conducting operations outside of the states in which they are headquartered. Much like these clients, PS&F/IMA successfully executes service for clients that reside outside of where the service team members are physically located. As stated in our Construction Specialty vision, our service model is designed to “... **provide tactical, transactional and strategic service on a consistent, world class basis regardless of geographic territory.**”

One of our service foundations is employee ownership. Owners understand that to be successful there is no such thing as an 8-5 work shift. Owners fully understand it means being flexible to address client’s needs extending beyond office time. Technology certainly makes this easier for our associates to be productive in any physical location at any time.

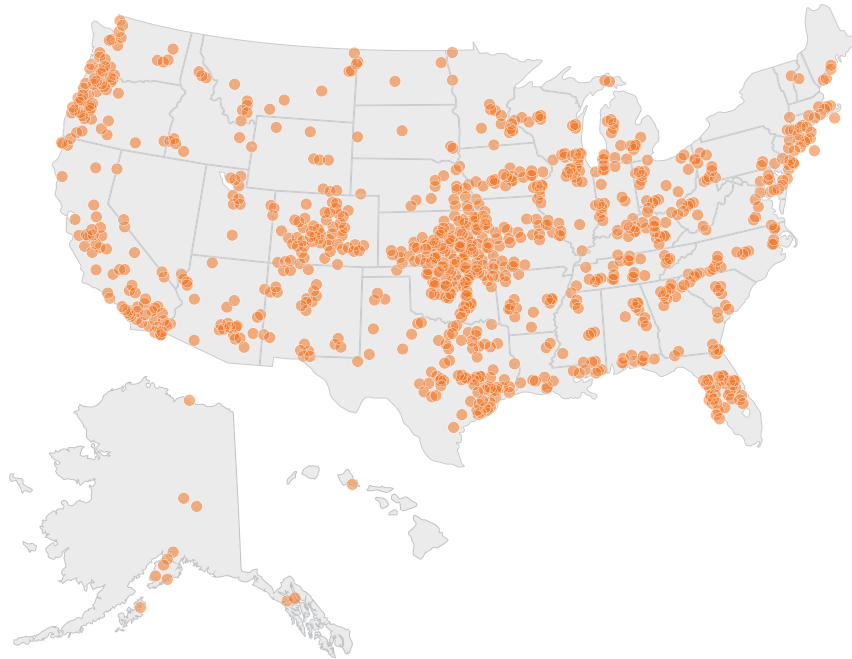
In addition to our “whatever, wherever, whenever,” service culture, we have purposefully tailored the team to be located in McKinstry’s geographic areas of operation – West, Northwest and Midwest.



*Any national resource experts, their experience and expected involvement in McKinstry's account. Describe their current involvement with the proposed team on other accounts.*

As McKinstry continues to grow and expand, we want to outline how our team would support McKinstry with multi-state operations, both current and future.

1. PS&F/IMA's Construction Specialty is privileged to serve over 1,600 construction clients performing operations in all 50 states in the USA. We conduct construction insurance and risk services in all fifty states through over 28 PS&F/IMA office locations. Below is a map representing a client office, satellite location, or a construction project that we have insured in the previous 12 months. Our field of construction and risk knowledge is truly national.



2. We purposefully assigned seasoned construction associates to the core McKinstry Service team where McKinstry is and where McKinstry is expanding. Our core service team for McKinstry is represented primarily by associates in Bellevue, for ease of access and quick responsiveness based on the needs of McKinstry. The national resource experts that will be engaged with McKinstry are spread across the United States strategically to draw upon the expertise of that particular geographical area.
3. Should McKinstry establish operations in additional states, we would access the knowledge of local construction teams, and service team members who are not located in that particular state but have clients who perform work there. If warranted, we can add additional members to the McKinstry service team to meet specific demands in a new state, such as Jim Litterer, PS&F/IMA's national real estate director located in our Denver office. Our employee-owners serving the construction community under one operating umbrella allows for seamless service regardless of state of location.
4. We conduct national construction calls on a weekly basis among the PS&F/IMA group of construction leaders and monthly for the entire group. These are used to share information on "all things construction." We include a section on our calls titled, "All Things Jurisdictional," where we update each other on the pertinent trends and operating environment in different states. This approach supports our strategic service strategy to bring our clients problems and solutions before they knew they could have a problem. We in turn share this information with our clients.

Full resumes of the national resource team members are located in the [Exhibits](#).

## *A description of the onboarding process for new clients, including proposed timeline and milestones.*

We will be fully ready to start as your brokerage firm and implement the transition timeline as soon as your evaluation is complete. We can begin our work immediately upon your direction and implementing our transition plan is not tied to the date of contract.

### Transition

The transition phase is an important time for us to further our understanding of the unique needs and culture of McKinstry, analyze past and current programs and initiatives, set goals, and implement an action plan for ongoing service.

### Broker of Record Letter Execution

Once the broker of record letter has been executed and provided to PS&F/IMA, we will immediately submit it to your insurance carriers. There is typically a waiting period of 5-10 days, depending on carrier and placement, before our appointment as your broker is official. However, we do not rest during this period.

### Onboarding Meeting

Our onboarding meeting helps us understand your organization, your plans, and your culture. During the meeting, we learn about your risk management and insurance objectives, claims needs, overall risk management goals, and timelines while keeping these three goals in mind:

- + **Get to know each other** – preferred work style, preferred communication path, who we are as individuals, roles, and responsibilities
- + **Learn about your organization** – state of the union, risk philosophy, and any other initiatives
- + **Identify issues** – what's working, what needs to change, carrier performance, and training opportunities/needs

The goal of the onboarding meeting is to understand your program administration needs and how we can support McKinstry in the areas of contract review, policy delivery, certificates of insurance, auto insurance cards, invoices, and other key administrative areas.

By the end of the meeting, we will have a clear direction for the next steps and will draft an annual service plan that outlines our service commitments to McKinstry for our brokerage services, including claims, risk control, and data analytics. This plan will identify upcoming deadlines and deliverables, responsible parties, and expected completion dates.

As an adjunct to our onboarding meeting, we will conduct a technology meeting with appropriate McKinstry personnel to provide initial training on using our proprietary technology and an introduction to the content and functions of our Risk Management Center. Further training can be provided, as needed, to additional users.

### Program Assessment Meeting

Combining our policy review efforts with the information we learn at the onboarding meeting will help us assess your current insurance program and determine the key areas for improvements. Our findings are presented at our program assessment meeting and will further guide our service to McKinstry.

Please see the [Exhibits](#) for a high-level sample transition timeline based on an August 1, 2024 broker selection.



## *The process and frequency of analysis and evaluation of current insurance coverage and recommended changes based on this analysis.*

---

As no two construction firms are alike, our PS&F/IMA Construction Encompassed Risk Management (CERM) Framework works to identify key risks unique to each organization. If afforded the opportunity, we would look forward to conducting this process to identify key risks specific to McKinstry.

What we do know about McKinstry is mainly from our various interactions with McKinstry team members over the past few decades. On the surface, it is easy to see that McKinstry presents a diverse set of risk profiles emanating from the commercial, energy, and ESCO divisions. Some of McKinstry's operations are typical construction projects, while the vast majority of the operations present a much more complex array of EaaS, ESCO, and other various types of energy-related work delivered through any combination of project delivery models. There are different markets served in terms of project types and areas of the country.

When identifying risk, we classify it into four categories:

1. **Hazard Risk:** Arises from property, liability, or personal loss exposures.
2. **Operational Risk:** Arises from breakdown in people, process, systems, or controls.
3. **Financial Risk:** Arises from the effect of market forces on financial assets or liability.
4. **Strategic Risk:** Arises from trends in the economy and society.

From these risks, we define key risks as "those risks that would materially impact the overall organization's strategic plans and goals or involves the safety and wellbeing of people."

If selected, PS&F/IMA will utilize the information gathering approach found in CERM to understand McKinstry's large array of complex risks. We have found it to be the most methodical, comprehensive, and thorough manner to capture the right information to educate our team. We ultimately would use the information to generate a risk register and scorecard of key risks and the basis to review insurance coverages for adequacy.

Staying abreast of McKinstry's operations and exposures is a function of communication. We propose weekly open action item discussions to maintain a set opportunity to communicate. We have an agenda item to ask what is new at every meeting to generate a discussion around changes within our clients.

The CERM process calls for quarterly updates to the risk scorecard. During this structured roundtable, conversations around emerging risks, new operations, and proposed strategies are analyzed for risk and potential risk management techniques. If McKinstry does not move further with CERM, PS&F/IMA would still like to establish these quarterly discussions as a means to focus on changing risk exposures.

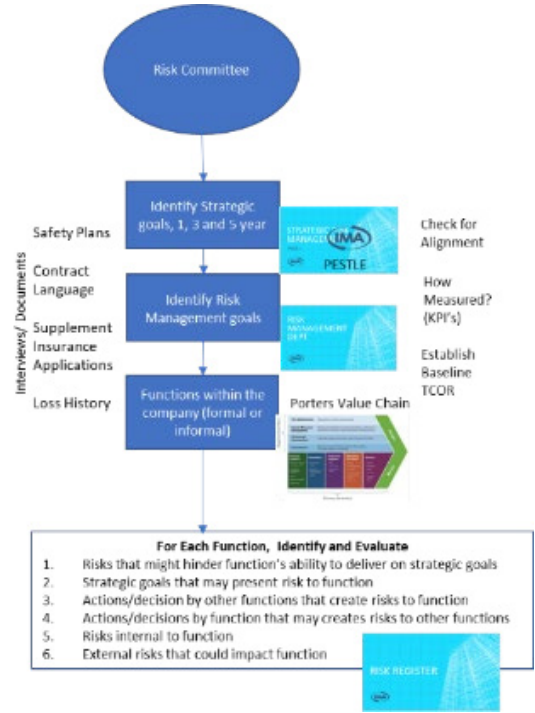
## Information Gathering Approach

The image illustrates our methodical process to conduct deep dives into our clients to learn corporate objectives, current risk management objectives/goals and to perform due diligence on McKinstry's functions. The process recognizes the decisions and activities (or non-activities) at functional levels creates the risk that could affect the entire McKinstry organization.

Requested information will be reviewed before discussions with various McKinstry functions. This information consists of contracts, safety programs, employee manuals, fleet safety, inspections, flowcharts, financial statements, investor presentations, etc.

We utilize Porter's Value Chain to map the inter-dependent functions at McKinstry. We will apply our proprietary construction risk management surveys to first understand McKinstry's strategic plans and then to learn more about McKinstry's risk management function. We will evaluate current processes, responsibilities, and roles. After a strong understanding of McKinstry's strategic plans and the risk management function, we then set up interviews with various functions within McKinstry.

All information will be documented with deliverables to McKinstry including a completed risk register, value chain, and heat map.



Harvard Business Professor and business author Michael Porter introduced the concept of the value chain in 1985 in his book, "Competitive Advantage." A value chain is a set of activities that an organization carries out to create value for its customers. Porter proposed a general-purpose value chain that companies can use to examine all of their activities and see how they're connected. We utilize the Porter Value Chain to identify the connected activities to methodically identify exposures to loss.

## Porters Value Chain Template For Commercial Contractor

**Firm Infrastructure:** Financing, Legal, Strategic, Planning, Safety, Risk Management

**Human Resource:** Recruiting, Training, Compliance, Education

**Technology Development:** IT Systems, Business Systems

**Procurement:** Materials, Subcontractors, Services

CLIENT DEVELOPMENT	PROJECT SELECTION	PRE-CONSTRUCTION	CONSTRUCTION MANAGEMENT	POST-CONSTRUCTION
+ Marketing	+ Project Delivery	+ Project Team Selection	+ Communication Protocols	+ Manage Subcontractor Closeouts
+ Business Development	- Hard Bid - EstPS&F/ IMAting	+ Project Scope Project Budget Permits & Licenses Project Materials	+ Progress Payments	+ Site Clean -up
- Project Delivery	- D/B	- Ordering	+ Documentation Updates	+ Prepare Final Documentation
+ CRM	- Negotiated	+ Subcontractor Selection	+ On-site Logistics/ Scheduling	+ Building Handoff
+ Third-party Design	+ Project Risk Assessment	+ Site Prep	+ Dispute Resolution	+ Ongoing Customer Support
	+ Insurance Assessment			+ Warranties/ Punchlist
	+ Regulatory Compliance			
	+ Contract			





## How We Will Bring These Resources To McKinstry

It is our service model and employee-owned culture that allows us to deliver our resources in a timely, tailored manner, leveraging resources from across all of PS&F/IMA, not just a single office. These services will be coordinated through our most senior account executives, Tim Nierman and Jenny Knackstedt, supported directly by two account managers, Tamra Johnson Hicks and Chelsea Ruther.

We are experienced with the service needs for complex, diverse, and geographically spread firms like McKinstry. These needs involve the coordination of subject matter experts, outside vendors, and other professionals needed to serve McKinstry.

To simplify and keep track of these various action items we create an action item report for each of our clients. This is maintained weekly and is the document that prioritizes services, scheduled events, and our promises.

**CLIENT AS OF:**

### OUTSTANDING ACTION ITEM REPORT



DATE OPENED	DESCRIPTION	RESPONSIBLE PARTY	DUE DATE	COMPLETION DATE	NOTES

We utilize Microsoft Teams as our internal platform that makes it easy for the McKinstry PS&F/IMA service team members to access all documents, policies, loss information, actuarial reports, calendars, underwriting information and the open action items report. Communication between team members is facilitated through the site, making it easy to communicate in a group setting. The McKinstry Teams site is the technological catalyst that allows any member of the service team to have access to all McKinstry information needed in order to respond in a timely manner to McKinstry’s needs regardless of physical location or time zone.

The PS&F/IMA team will coordinate and facilitate meetings with McKinstry to review the open action items, any changes in operations that could impact the program in place and keep McKinstry in tune with changes in market conditions, trends, and emerging risks.



## Annual Risk Management Report

We believe that “stewardship” reports tend to restate activities of the past. With that said, we will provide these on an annual basis or as frequently as requested by McKinstry would like. Conversely, we have been encouraging our larger clients to publish an internal Annual Risk Management Report.

Much like a corporate annual report, this document serves to provide insight to the enterprise regarding the function and return on investment provided by the risk management group. This becomes a communication vehicle within McKinstry to raise risk awareness throughout the organization.

The objectives of the Annual Risk Management Report include:

- + An opportunity to frame your risk management philosophies, goals and objectives in a single document
- + Establish the criteria in which McKinstry risk management will measure success
- + Communicate the value the risk management department continually brings to McKinstry

We would love the opportunity to partner with McKinstry in developing an annual risk management report that works within McKinstry’s culture.

Lastly, we believe our stature is perfect size to allow PS&F/IMA to invest in and house a full array of insurance specialists and risk management services yet nimble to deliver those services in a personalized manner. Our employee ownership keeps our most talented associates working closely with the clients, not wasting time on managing the “business of the business.”

## *A description of the annual renewal process, specifically for the McKinstry family of companies.*

### Account Marketing / Carrier Relationship

A client's annual insurance renewal is an important event in the course of the year. For this reason, we have developed a very structured and comprehensive workflow that results in the presentation of a detailed proposal approximately two weeks prior to the effective date of coverage, or on a timeline set to meet your schedule.

As part of our approach to account management, your account team is responsible for the marketing and placement of insurance. We believe that limiting third-party involvement in negotiating critical policy coverage requirements and price quotations will yield preferred results for our clients. Our account teams develop individual relationships with insurance company staff. We can respond to the underwriting questions about your company and ensure that important coverage features critical to your business are not overlooked. We can also ensure the original design and intent of the insurance program will retain its integrity throughout the marketing process.

### Placement of Coverage – Insurance Program Renewal

Each year we initiate the renewal process with a renewal strategy meeting with McKinstry's management and your PS&F/IMA account team approximately 120-150 days before policies expire. This planning session sets the parameters for our renewal activities and includes a review of loss experience, exposures, program and coverage, regulatory or legal developments, carrier performance assessment, market conditions, design and cost projections, geographic shift, changes to the services you offer, and McKinstry's satisfaction review. During the renewal strategy meeting, we will collectively develop our renewal strategy including scope of coverage, program structure, and alternatives to pursue. Because insurance company appetites for various classes of business vary over time based upon loss experience, legal climate, and other factors, we will also determine which prospective carriers to approach for renewal terms. The markets may change over time, but we will introduce McKinstry to our leading markets as well as other carriers we think can offer superior coverage and service.

At the same time as our renewal strategy meeting, we will also review your losses for adequacy, closing any claims that have lingered and right-sizing any claims that have inflated reserves. We want to make sure that your loss history presents the best picture of McKinstry.

As our marketing continues, we will keep you informed about our progress and any new developments – whether positive or negative. Our written renewal proposal will provide full details including policy exclusions and limitations, which may differ from carrier to carrier, and are critical in making the best value decision. We will help McKinstry evaluate the program options to find the best combination of structure, coverage, price, and services to meet your needs each year. After meeting with you, we will finalize negotiations with underwriters, bind coverage, and provide a final proposal that serves as a summary of coverage pending receipt of the actual policy contracts.

There is typically merit in consolidating policy renewals to a limited number of renewal dates, or a couple of strategic dates during the year. This can consolidate premium dollars with carriers when marketing, negotiating, and placing coverage providing additional leverage for McKinstry. It also streamlines the administration of your program by having your team focus on an insurance renewal once or twice per year. This leaves time during the rest of the year to focus on other risk management goals.

*A description of your firm's claims management services. Include how your firm would assist McKinstry's claims management team from the initial report of a claim through closeout. Describe claim services provided for self-insured exposures (not including WA Self-Insured Workers Compensation) or claims within retentions and how those losses are documented, and the reports provided to McKinstry.*

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## Claims Advocacy

**We understand in our discussions and responses to our questions that McKinstry takes a very active role in the resolution of claims. We outline our claims services below knowing that the degree they are utilized will be to supplement and support McKinstry's current processes.**

PS&F/IMA's commitment to assisting our clients in mitigating risk is reflected in our investment in a dedicated and experienced claims team. The PS&F/IMA claims team's industry knowledge, carrier and third-party adjuster relationships, and understanding of policy language and coverage applications provides clients with the best resources to affect a positive outcome in the event of a claim.

The claims team possesses a wide breadth of industry and claims experience as former claim adjusters, risk managers, and attorneys. Our team is well equipped to assist McKinstry through the complexity of a large claim, working with all parties involved to push for advance payments and early resolution.

The role of a PS&F/IMA claims advocate is to represent your interests, while communicating between all parties, assuring necessary information flows effectively and timely. At PS&F/IMA, we believe in claims advocacy and management, not simply claims monitoring. PS&F/IMA's claims team zealously advocates on behalf of our clients throughout the entire claim process, analyzing reserves and evaluations to ensure the adjuster is handling the claim in accordance with McKinstry's claim philosophy, negotiating coverage disputes, managing TPA performance, and assisting with litigation management when needed.

Our approach begins with immediate assistance upon the notification of a claim. We coordinate with McKinstry's internal team to gather all necessary documentation and details, ensuring a thorough and accurate claim submission.

Once a claim is reported, our claims advocates work diligently to communicate with the insurance carriers, leveraging our strong relationships to expedite the process and negotiate favorable outcomes. We provide regular updates to McKinstry, keeping your team informed of the claim status and any developments. Our proactive approach includes identifying potential issues early in the process and addressing them promptly to avoid delays. Throughout the lifecycle of a claim, we ensure that all communications, decisions, and actions are well-documented, providing a transparent and traceable record for McKinstry.

For self-insured exposures or claims within retentions, our services are equally robust. We assist McKinstry in developing and maintaining a structured process for managing these claims, from initial reporting to resolution. Our team provides detailed documentation of each loss, including incident reports, investigation findings, and cost analyses. This documentation is compiled into comprehensive reports, which are regularly reviewed with McKinstry to ensure alignment with your risk management objectives and to identify any trends or areas for improvement.

Our claims management process includes quarterly claims review meetings, where we collaborate with McKinstry’s internal team and carrier representatives to evaluate open claims and strategize on resolutions. These reviews are critical for maintaining an up-to-date understanding of your claims portfolio and for making informed decisions about reserves and settlement strategies. Additionally, we conduct periodic assessments of your claims management procedures, providing recommendations to enhance efficiency and effectiveness.

By partnering with PS&F/IMA, McKinstry will benefit from a team that is not only experienced and knowledgeable but also deeply committed to your success. Our claims advocacy and management services are designed to reduce your administrative burden, improve claims outcomes, and ultimately support your broader risk management goals. With our support, McKinstry can confidently navigate the complexities of insurance claims, ensuring that you are well-protected and positioned for continued growth and success.

**Edie Valentine** is our proposed lead claim advocate, who has access to subject-matter experts in every line of coverage. Edie, along with Steve Tertel, will provide proactive claim support, accessing additional expertise, as needed, and including SDV Law Firm to ensure McKinstry receives the best claim advocacy under any circumstance. As McKinstry’s appointed broker, PS&F/IMA’s first step will be to perform a comprehensive review of McKinstry’s current claims processes and procedures. Understanding McKinstry’s risk appetite and claim philosophy is vital to developing a service plan that meets McKinstry’s specific needs. The assigned claims advocate will lead discussions with McKinstry to gain a comprehensive understanding of McKinstry’s internal claims structure, claims philosophy and goals, in conjunction with discussions on identifying specific areas in which PS&F/IMA can assist with identifying improvements in management of claims. The goal is to leverage PS&F/IMA’s knowledge, experience, relationships, and industry contacts to assist in resolving claims.

### Litigation Management

In cases where McKinstry is a defendant in litigation, Edie will work with McKinstry to explore and identify any relevant facts which may impact the development of defenses, counterclaims, crossclaims, and third-party claims. Upon notice of the claim, Edie will work with McKinstry, defense counsel, and the assigned liability adjuster to identify areas of available risk transfer in the corresponding contracts and push for responsible parties to pick up McKinstry tender of defense and indemnity. Claims advocacy includes open and consistent communication with McKinstry, defense counsel, and the adjuster to ensure the claim is moving in the right direction, participating in strategy meetings with defense counsel and the adjuster, and coordinating with all potential affected excess insurers throughout the course of the claim.

#### CLAIM LIFECYCLE

PRIOR TO CLAIM	REVIEWING THE CLAIM	CONTROLLING THE CLAIM	CONCLUDING THE CLAIM
<ul style="list-style-type: none"> <li>+ Review current claim program for each line of coverage</li> <li>+ Develop custom reporting procedures</li> <li>+ Assign, engage, and orient designated adjusters/TPAs</li> <li>+ Pre-determine settlement goals and consultation levels</li> <li>+ Address choice of counsel</li> </ul>	<ul style="list-style-type: none"> <li>+ Review all claim facts with you</li> <li>+ Identify any potential coverage issues</li> <li>+ Determine your desired outcome</li> <li>+ Strategize with you to develop an action plan</li> <li>+ Respond promptly, advise, and advocate</li> </ul>	<ul style="list-style-type: none"> <li>+ Advocate for optimal coverage</li> <li>+ Develop clear and concise action plans with your adjusters</li> <li>+ Ensure adjusters are proactively managing outcomes</li> <li>+ Hold all stakeholders accountable to move claim toward resolution</li> </ul>	<ul style="list-style-type: none"> <li>+ Communicate potential settlement prior to claim closure</li> <li>+ A good claim is a closed claim</li> <li>+ Continually monitor and revise protocols</li> </ul>





## Coverage Disputes

In the event McKinstry receives a claim denial or a reservation of rights letter from a carrier, your claim advocate will discuss the details with you and conduct a thorough review of the coverage letter to determine which, if any, of the insurer's coverage position statements are reasonable, and engage with the insurer claim professional to understand their position and ensure they are fully aware of all pertinent facts surrounding the claim. We will discuss our findings with you, presenting the options available, and develop a go-forward strategy guiding McKinstry through the claim process, troubleshooting coverage issues, and protecting your rights under the insurance policies. When appropriate, PS&F/IMA will leverage our relationships with executive-level contacts with the insurer to attempt negotiation of an insured friendly interpretation of any ambiguities regarding coverage.

### PS&F/IMA CLAIMS MANAGEMENT

- + **Communication:** Clients count on the PS&F/IMA claims group for responsiveness and accessibility.
- + **Dedicated claims specialists:** We understand the nuances and buried meanings of policy language. We recognize the hurdles, pitfalls and delays that can impact resolution.
- + **Innovative, fresh ideas:** We stay continually abreast of industry trends and best practices.
- + **Qualified expertise:** Solid advice from professionals with experience as loss adjusters in every type of claim situation.
- + **Quick and appropriate claims resolution:** We will work diligently with the carrier and to ensure expedient resolution of claim issues.
- + **Relationships with all major carriers:** We will ensure quality service and experienced claims handling.
- + **Results:** We see the big picture. We achieve the best possible outcomes.

### NOT YOUR TYPICAL CLAIM REVIEWS

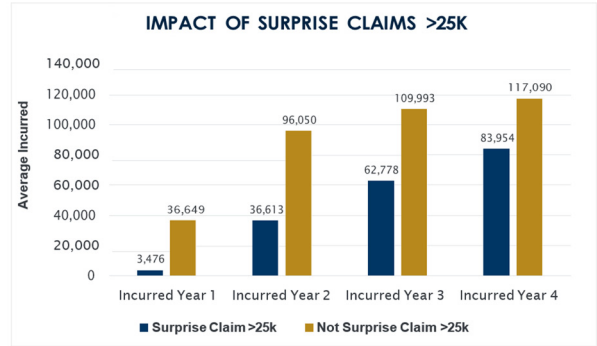
PS&F/IMA claims will conduct claim reviews with each TPA and/or past carriers, to ensure all open claims are being handled proactively and according to the special claim handling instructions. The frequency of these claims reviews will be what McKinstry deems necessary. We expect daily interaction and weekly discussions. Claims reviews have historically been about carving out time to talk to the adjuster about individual claims over a certain threshold. Ideally this discussion would be about information that is not already in the adjusters notes and/ or to check to make sure the adjuster is hitting their marks in trying to resolve the claim favorably and expeditiously.

A flaw in this process is reviewing claims that have already reached a certain threshold. By using predictive analytics to implement proactive measures before a claim matures, McKinstry will be able to lower their total cost of risk for losses within McKinstry's retention.

### IMPACT OF SURPRISE LOSSES

Certain claims start as large losses due to the nature of the claim and will be large claims regardless of any intervention (e.g., fractured skull) and develop 3x the original incurred.

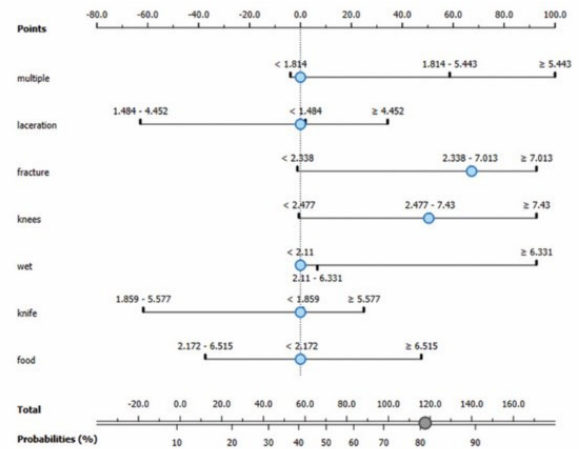
However, other claims appear to be ‘minor’ claims for a period and then grow unexpectedly into large claims, often developing nearly to the level of the certain large losses resulting in development of 24x the estimated cost in the first year.



By identifying claims early that have risk factors that lead to bad outcomes, we can develop a strategy that focuses on the highest risk claims with the goal of minimizing the probability of bad outcomes.

### CERTAIN WORDS INCREASE THE PROBABILITY OF LARGE CLAIMS

This variable slide tool that allows McKinstry to see the probability of a claim becoming a large claim based on the key words found in the adjuster notes and claim descriptions. These key words in the description either increase or decrease the probability of that claim being a large loss.



### CARE COORDINATOR

PS&F/IMA has a proven approach to assisting clients like McKinstry to moving workers’ compensation claims to a quicker and more favorable outcome. Our care coordinator service is based on utilizing immediate post-injury management efforts that safely influence decisions made during the lifecycle.

The program is a proactive approach that helps the injured employee through the claim and treatment process. It ensures the injured employee’s needs are being met to eliminate the temptation to involve an attorney and at the same time remind the injured employee that someone is constantly monitoring activities to eliminate “intentional claim escalation costs.”

The PS&F/IMA claims team has created a “fee-based” program to partner with you to facilitate your workers’ compensation process. This value-added program will positively change the way your managers and employees feel about the workers’ compensation claim process.

It is also an effective way to manage workers’ compensation claims and save you money.

- + Significantly reduces lost time
- + Improves medical utilization
- + Helps prevent or reduce attorney involvement
  - Reduced loss costs, positive return on investment
  - Positive impact on premiums and experience modifier
  - Improved human resources and employee experience



## What Is A Care Coordinator?

Workers' compensation is a complicated process. If an employee is injured at work, there may be uncertainty as to how the workers' compensation process works.

A care coordinator will help educate the injured worker about the workers' compensation process. The care coordinator works as a liaison between the injured employee, medical providers, employer, and adjuster. The three main functions of the role include:

1. Training staff on their expectations in the claims program
2. Managing claims
3. Implementing, managing, and advocating the Return-to-Work program

### Manage Claims and Training

A care coordinator will train location managers with designated medical providers and post procedures, if appropriate. Additionally, we will train your employees on return-to-work options, communicating the importance of return to work to your managers. We also prepare managers to provide modified duty jobs that can be made available for all positions, as well as help create job descriptions.



**REVIEW  
LOSS RUN**



**COMPLETE  
REVIEW**



**CLOSE CLAIMS  
REDUCE RESERVES  
SAVE PREMIUM DOLLARS**

We want to ensure that your employees receive the best care and return to work as soon as possible.

**The care coordinator** helps confirm employees are getting the best treatment they need while also containing your company's workers' compensation costs.

*A description of contract review services offered. Include what is reviewed, who conducts the reviews, and the typical turnaround time. Describe your involvement in negotiating your client’s position with owners, general contractors and others involved. Provide examples of your experience in this regard.*

## CONTRACT REVIEW

PS&F/IMA is one of the few brokers in the country to employ in-house attorneys who function solely to assist with legal review for our clients. Our clients asked if we could help solve the issue of having to use outside counsel for the review of contracts. In addition to the hourly costs charged by outside attorneys, many of their reviews resulted in recommendations that were not based in generally accepted practices or rooted in the real construction world. The Contract Review Group is headed by **Donna McConnell** who also heads up our Claims Advocacy Group. We created a client industry focus within this group to take advantage of all the advantages specialization affords. **Michael Lygrisse** heads this group of individuals within Legal Review catering to the construction industry.

PS&F/IMA felt this service was best suited in the same risk management firm that understood the client’s risk tolerance, philosophies towards risk, insurance coverages and generally accepted practices. By concentrating this service in our firm, we are able to see emerging trends in contract construction and assist our clients before they realize it. This approach ensures we are aligned with our client’s risk management philosophy.

This service will provide important assistance to the client’s team in those areas of the country where subcontractors continue to provide their own insurance to projects. The department consists of 21 individuals with diverse insurance and legal backgrounds. The services provided are designed to assist with contractual risk transfer mechanisms as they relate to insurance and risk management.

We understand McKinstry has a very sophisticated legal review process and is supported by an in-house legal team. We have other clients who have in-house counsel that utilize our legal review team in various manners. Since our legal review team sees contracts from all over the country, in-house legal counsels will inquire to gain information that may help in the negation process with another party. As part of the strategic service, our legal review group will alert our clients to trends they are seeing in contracts and raise awareness for more effective review.

**The Contract Review Group can provide contractual risk review for the following types of documents, among others:**

<b>CONSTRUCTION MANAGEMENT AT RISK</b>	<b>MASTER SERVICES AGREEMENTS</b>	<b>RELEASE OF LIABILITY WAIVERS</b>
<b>DESIGN BUILD</b>	<b>SUBCONTRACTOR AGREEMENTS</b>	<b>RENTAL AGREEMENTS</b>
<b>JOINT VENTURE AGREEMENTS</b>	<b>LEASE AGREEMENTS</b>	<b>MERGER &amp; ACQUISITIONS CONTRACTS OR DOCUMENTS</b>

\*The typical turnaround time on in-depth contract reviews are a week, but exceptions can be made based on the scope, breadth, and capacity by our legal team.\*

## Utilizing Outside Coverage Counsel as a Resource to Support Coverage Analysis

PS&F/IMA has a formal relationship with a specialist construction coverage law firm, Saxe, Doernberger & Vita (SDV). SDV only represents construction firms in coverage disputes against insurance carriers. Their track record is unparalleled. Supplementing PS&F/IMA's claims resources and internal legal resources with an outside firm like SDV is designed to resolve disputes before litigation occurs.

Our relationship partner is Greg Podolak, out of SDV's Naples, FL office. However, our Denver and west coast offices have interacted with Jeremiah Welsch on several issues.



SDV routinely provides the following services:

- + Reviewing new policy forms and endorsements for potential issues
- + Educating and advising on how changes in the law and state-to-state variations in the law impact coverage
- + Devising customized educational seminars and presentations to answer various insurance and risk transfer questions
- + Improving contractual risk transfer and insurance language
- + Advising on risk transfer options and strategies for claims
- + Analyzing insurer disclaimer and ROR letters and drafting responses
- + Sharing lessons learned through litigating insurance disputes on a national basis

In matters of complex claim issues, our claims advocate will bring together PS&F/IMA's director of claims, the account executive, the PS&F/IMA national construction specialty director, and SDV to analyze the situation to craft a strategy to resolve the issue. This approach looks to coordinate "the pulling of different levers" to resolve the coverage or claim issue.

SDV has been helpful in assisting us in crafting coverage. There was a precedent setting court ruling in the State of Colorado that resulted in undermining coverage in a builder's risk policy. With SDV's involvement with our construction specialists, we crafted manuscript wording for our clients accepted by the carriers to close the gap created by the erroneous ruling.

*A description of your firm's risk management services. Include risk assessment methodologies, customized risk management solutions, and loss prevention strategies and services.*

## Contractual Risk Assessment Services

The Contractual Risk Assessment Department offers the following services:

### Contract Review

- + Reviewing agreements to align with coverage
- + Provide modifications and suggestions to transfer risk to other parties
- + Align language with industry standard
- + Negotiate with and on behalf of clients

### Training/Education

- + Specified trainings to meet clients request for more information/knowledge
- + Trainings provided to all levels or groups within client organizations

### General Legal Support

- + Access to general legal support and research for insurance related legal/contract questions

## Risk Control

PS&F/IMA's Risk Control team is comprised of thirty-five risk specialists located across the country. Of PS&F/IMA's 35 risk control specialists, 12 are dedicated full-time to the Construction Specialty Practice Group and have previously worked in the construction industry. In addition to the 12 risk control specialists who focus on construction, PS&F/IMA has subject matter experts in property, fleet safety, environmental, industrial hygiene, employee training, and equipment theft. PS&F/IMA will designate representatives as a point of contact, but McKinstry will have full access to PS&F/IMA's entire team. McKinstry's risk control point of contacts will be Associate Vice President of Risk Control Art Chang, located in Bellevue, Washington and Construction Risk Control Practice Leader Marcus Reiter, located in Kansas City, Missouri. Both will collaborate with McKinstry's safety and risk team to provide resources and service across the country and align with McKinstry's current challenges and prepare for future growth.

We take pride in developing unique and customized solutions for our clients, spending the time needed to understand your business operations while developing relationships with middle and upper management within your organization. We are an active participant in the PS&F/IMA CERM process should McKinstry wish to look at their risk in holistic manner using enterprise risk management principals. Our goal is to become a trusted advisor and partner in your loss prevention program.

We work with our clients to develop a customized service plan to align with your culture, goals, and objectives while also maximizing value-added services available from our insurance carrier partners. We aim to improve your program through strategic engagement and becoming an integral member of your team. In addition to our industry specific consultants, PS&F/IMA's Risk Control Department has dedicated professionals focused on data analysis, strategic employee engagement, and safety management systems.





## PS&F/IMA'S Risk Control Practice offers:



Industry leading expertise  
in multiple verticals  
and specialties



Day-to-day risk  
consultation



Catastrophic risk  
solutions and response



Engineering  
evaluation



Loss analytics intended to  
identify pain points and drive  
down your total cost of risk



Leverage of technology  
for data driven results



Catastrophic risk  
solutions and response

## Coverage Specific Services That May be of Interest To McKinstry

### WORKERS' COMPENSATION EXPERTISE

Our consultants aim to assist in managing your workers' compensation program through assessment tools and strategies that provide further insight into your operations. This allows us to identify and advise on hazard mitigation techniques, provide insight on best hiring practices, ensure reporting and investigation programs are effective, and work with you to develop a strategic plan to move forward.

### FLEET EXPERTISE

PS&F/IMA fleet risk control partners with our clients to understand their unique fleet exposures and provide practical solutions to mitigate their risks. We consult with our clients on policies and procedures, driver qualification standards, DOT regulatory compliance, general fleet safety, vehicle telematics/camera implementation, and driver-specific safe working methods. Whether owned, non-owned, DOT regulated, or third-party transportation exposures, we have the expertise to address our client's needs.

- + **DOT Regulatory Compliance Consultation** – Assess each fleet to validate DOT compliance processes are in place and serve as a trusted resource on all matters related to regulated transportation.
- + **Collision Avoidance Consultation** – Analyze the current fleet safety program, loss trends, and fleet exposures to determine the effectiveness of current controls and work with the team(s) to develop and implement innovative improvement strategies. Such strategies include technology, training, target communication, and accountability.
- + **Driver Qualification Consultation** – Work with each business partner to ensure consistency in policy and fleet driver qualification process execution. We will serve as a trusted resource to assist in understanding the differences in state/provincial motor vehicle record evaluation.

### Client & Insurance Carrier Advocacy

PS&F/IMA risk control aims to work with the carrier on the client's behalf to ensure recommendations and unnecessary site visits are limited, whether in-person, over the phone, or virtual. Our goal is to ensure your time is well spent and your efforts are meaningful.

## *A description of the firm's educational offerings for clients.*

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### **PS&F/IMA Construction Client Education Series**

PS&F/IMA has long been the leader in educating the construction industry on insurance and risk related issues. For the past 20 years, we have developed and led educational classes for clients, industry groups, project owners, and potential clients. We estimate we have given hundreds of classes and educated thousands of construction industry professionals through our PS&F/IMA University at industry events and at clients' offices.

PS&F/IMA's National Construction Group created two formal tools to meet our clients' need:

1. We offer a broad base of courses to our clients. Specific to construction, PS&F/IMA University created five core courses. They are Insurance 101, Contracts & Certificate Review 101, Certificates & Endorsements 201, Claims 101, Construction & Project-Related Insurance 101. These classes cover topics like certificates of insurance, indemnity provisions in leases and contracts, how insurance market cycles work, and how insurance policies are constructed. A description and with course schedules provided in [Exhibits](#).
2. PS&F/IMA Construction Client Educational Series for construction risk managers and insurance administrators. The objective of this educational series is to be deeply thorough, useful in the real world, and flexible to meet the constraints of our clients' time. A secondary objective is to present material in a consistent manner so the risk management individual would be further along toward obtaining an industry risk management designation such as Construction Risk Insurance Specialist (CRIS) or Associate in Risk Management (ARM).

The PS&F/IMA Construction Client Educational Series mirrors a vast majority of the training provided to our internal PS&F/IMA construction associates and provides it to our clients. Twenty-two topics that are geared toward risk management/enterprise risk management concepts and practices and insights into insurance carriers and coverage. The coverage training entails going through each of the client's policies line-by-line for explanations and understanding of where coverage begins and where coverage ends. In this way, the client can be assured the policy has been reviewed in light of their particular exposures. A copy of a standard course catalog is included in the [Exhibits](#).

We believe that educated buyers make the best clients.

Additional training is offered by our Risk Control, Legal Review, Professional Liability Services, and Surety Groups.

## *The types of financing offered and the process for obtaining financing through the firm.*

### **Insurance Premium Financing for McKinstry**

At PS&F/IMA, we understand the importance of flexible and efficient financing solutions for managing insurance premiums, especially for large and complex organizations like McKinstry. To address this need, we offer a variety of premium financing options designed to align with your financial strategy and operational goals. Our financing services are tailored to provide you with the most favorable terms and conditions, ensuring that your insurance costs are managed effectively and affordably.

We collaborate with multiple reputable finance companies to offer competitive premium financing solutions. By leveraging our strong relationships with these finance partners, we are able to negotiate and secure the best possible terms for our clients. This multi-faceted approach allows us to pit finance companies against each other, ensuring that McKinstry benefits from the most advantageous interest rates, repayment schedules, and overall financing conditions available in the market.

Our process begins with a thorough assessment of your specific financing needs and objectives. We work closely with McKinstry's financial team to understand your cash flow requirements and budget constraints. Based on this assessment, we present you with a range of financing options from our network of finance companies. Each option is carefully evaluated and customized to meet your unique needs, ensuring that you have the flexibility to manage your premium payments without straining your financial resources.

In addition to securing external financing, we also engage directly with the various insurance carriers to negotiate favorable payment terms. Our goal is to alleviate some of the interest burden associated with premium financing by extending payment schedules or securing more lenient terms. This collaborative approach not only reduces the overall cost of financing but also enhances your financial planning and budgeting processes.

Once a financing option is selected, our team facilitates the entire process, from documentation to approval and implementation. We ensure that all necessary paperwork is completed accurately and promptly, streamlining the financing process and minimizing administrative burdens for your team. Throughout the term of the financing, we provide ongoing support and monitoring, ensuring that all payments are managed efficiently and any issues are addressed swiftly.

By partnering with PS&F/IMA for your insurance premium financing needs, McKinstry can expect a seamless and transparent process that prioritizes your financial well-being. Our commitment to securing the best possible terms and conditions, coupled with our proactive engagement with insurance carriers, ensures that you receive a comprehensive and cost-effective financing solution. This allows McKinstry to focus on your core operations, confident in the knowledge that your insurance premiums are managed in the most efficient and financially prudent manner possible.

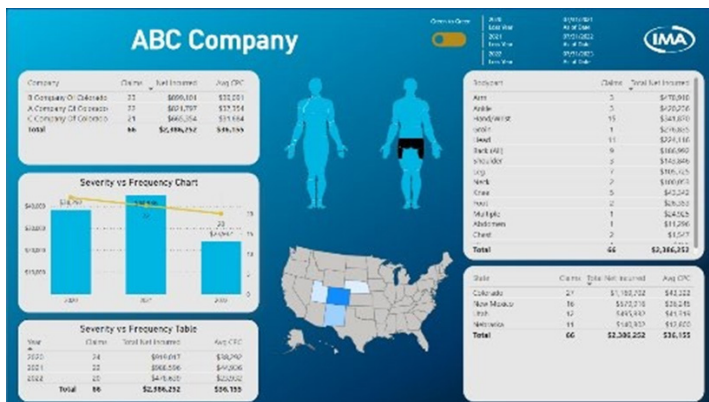
*A description of the technology systems, tools and platforms that your firm uses and how McKinstry would interact with these for policy and COI management, claims reporting, and program administration.*

## Technology Solutions For Clients

### How Do We Use Data to Bring Value to Our Clients?

Using data to make decisions is undoubtedly the most effective approach to driving improvement. As a committed partner, we aim to leverage the power of data analytics to support our clients. We understand how data can provide an objective and factual foundation for your decision-making. Our team will analyze past trends, identify patterns, and build future scenario outcomes to tailor products and services to meet and exceed our client's specific needs. By regularly collecting and analyzing relevant data, we can provide our clients with insights and recommendations that empower them to make informed choices that drive success. In an era of information abundance, our dedication to data-driven decision-making will be a valuable asset to every client's endeavors.

Using client loss data, PS&F/IMA Risk Control will perform an analysis of losses and develop a service plan to specifically address concerns. The data provided must contain specific fields, time frames, and data sets for insight across all lines of coverage. When ready, your PS&F/IMA team will work with you to ensure we have the data we need to provide you with valuable loss observations. A sample dashboard can be found below.





## PS&F/IMA Risk Management Center

The PS&F/IMA Risk Management Center (RMC) is a unique web-based software suite of safety and risk management tools designed to empower your organization's risk prevention efforts. It is easy to access and use and provides a cost-effective risk reduction and safety center for your entire organization.

The RMC allows you to proactively manage risk exposures and develop effective workplace safety programs to reduce claims, losses, and associated costs.

The RMC provides tools to reduce risks and injuries while improving profitability. The RMC enables employers to:

- + Efficiently manage a hazard communication program and safety data sheets
- + Access safety and HR libraries of written policies and procedures
- + Train employees efficiently with a multitude of editable bilingual PowerPoints and trackable online lessons
- + Manage certificates of insurance to limit liability and risk
- + Create job descriptions and modified duty programs

## Customized Training Offerings

PS&F/IMA Risk Control takes pride in offering a variety of valuable training courses to our clients each year. Whether through the PS&F/IMA Risk Control Training Academy (view offerings at <https://imacorp.com/risk-control-training/>) or personalized on site or virtual trainings, our industry experts provide engaging workshops and classes with beneficial takeaways for your employees. We understand different levels of instruction may be necessary for supervisory or manager level attendees, which is why we aim to create courses targeting specific attendees and topics.

## Risk Finance and Analytics

Utilizing our risk finance and analytics team, we have the expertise and resources to provide you with comprehensive analytical and actuarial support. Our goal is to assist you in evaluating risk management and insurance alternatives that align with your organization's risk appetite and tolerances.

**Sean Behan** and **Megan Burke**, work with companies who wish to pursue a wide range of alternative risk financing structures. Exploring alternative risk financing strategies is embedded within PS&F/IMA's process that aligns the selected structure with McKinstry's key financial metrics and leverages advanced analytics to make the most data-informed decision possible.

PS&F/IMA has a wide variety of proprietary and publicly available risk finance tools to help clients make the most data-informed decisions related to their specific and aggregate retentions. Before making a recommendation on structure, PS&F/IMA's Risk Finance and Analytics Practice spends significant time developing a deep understanding of McKinstry's strategic corporate goals and objectives, risk management goals, key financial metrics and risk appetite. This is the exact information that is captured in the first steps of PS&F/IMA's CERM.

This information allows us to develop tools that allow McKinstry make their decisions based upon its own financial metrics. Moreover, our abilities with loss forecasting and reserve analysis help to compare premiums and retained losses against any potential cost-benefit with greater deductibles, as McKinstry 's finance and risk managers prepare for any future risk-transfer of financial liabilities.

The most important starting point, quantitatively, is PS&F/IMA's core actuarial models based upon McKinstry's historical losses, loss development factors, and exposures to come up with a baseline estimate for retained and transferred risk based on various structures. To help provide alternative viewpoints, this baseline estimate is then supplemented with a variety of benchmarks from industry and internal datasets to demonstrate potential alternative scenarios and what might be expected for similar companies.

Once the core actuarial models are complete, PS&F/IMA runs Monte Carlo simulations of the various structures to help demonstrate the range of possible outcomes and confidence levels of customized structures that are not available using simpler actuarial techniques. This approach allows McKinstry to assume a level of risk that is within its defined risk appetite while at the same time maximize the reward for assuming that risk.

#### **ACTUARIAL ANALYSIS BY LINE OF BUSINESS, INCLUDING:**

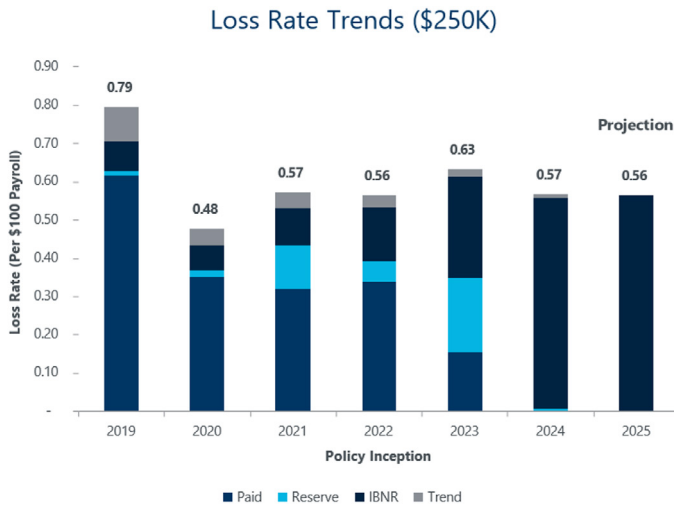
- + Loss projection and stratification by deductible layer
- + Optimal deductible analysis based upon frequency and losses by layer
- + Development of historical ultimate losses for all years
- + Collateral analysis and negotiation
- + Loss triangles and loss development patterns to compare client experience to industry experience
- + Frequency and severity analysis to identify the source of loss trends
- + Confidence intervals by layer to provide a range of possible outcomes
- + Independent actuarial analysis review and client education
- + Premium estimates and carrier profitability analysis
- + Comparison of total cost based upon renewal pricing options
- + Cash flow analysis of different program structures and the comparison of the NPV of varying programs

#### **LOSS PROJECTIONS AND LOSS STRATIFICATION TOOLS**

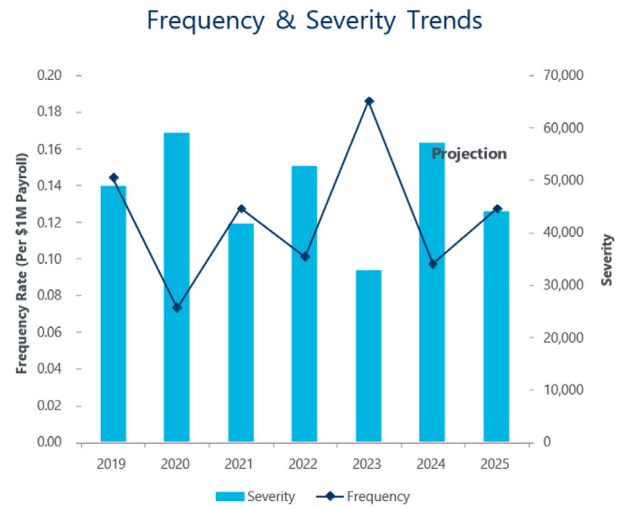
The core actuarial models that generate loss projections and loss stratifications are critical in assisting the service team to analyze proper deductible levels and the premium the carrier wishes to charge for the deductible program. Analytics also help the PS&F/IMA account team market the desired program structure and use the analytical insights as leverage with the markets based upon what the data is "saying" rather than blindly accepting the pricing of the market.



### WORKERS' COMPENSATION LOSS TRENDS



Payroll: **\$470,000,000**  
 Projection (\$250K): **\$2,648,000**



Projected Claim Count: **60**  
 Projected Severity: **\$44,133**

### WORKERS' COMPENSATION LOSS PROJECTION BY DEDUCTIBLE

LOSS STRATIFICATION SUMMARY

WORKERS' COMPENSATION

Deductible Layer	CIANBRO All Year	Industry Expertise	Industry Benchmark	Adj. Industry Benchmark
	Payroll	249,524,654		
250,000	1,068,000	1,068,000	3,051,577	1,495,273
<b>500,000</b>	<b>1,363,000</b>	<b>1,228,000</b>	<b>3,509,278</b>	<b>1,719,546</b>
750,000	1,515,000	1,292,000	3,729,625	1,827,516
1,000,000	1,606,000	1,356,000	3,876,289	1,899,382
Unlimited	1,718,000	1,632,000	4,657,490	2,282,170

Current Deductible →

### LOSS DISTRIBUTION OF \$500K DEDUCTIBLE

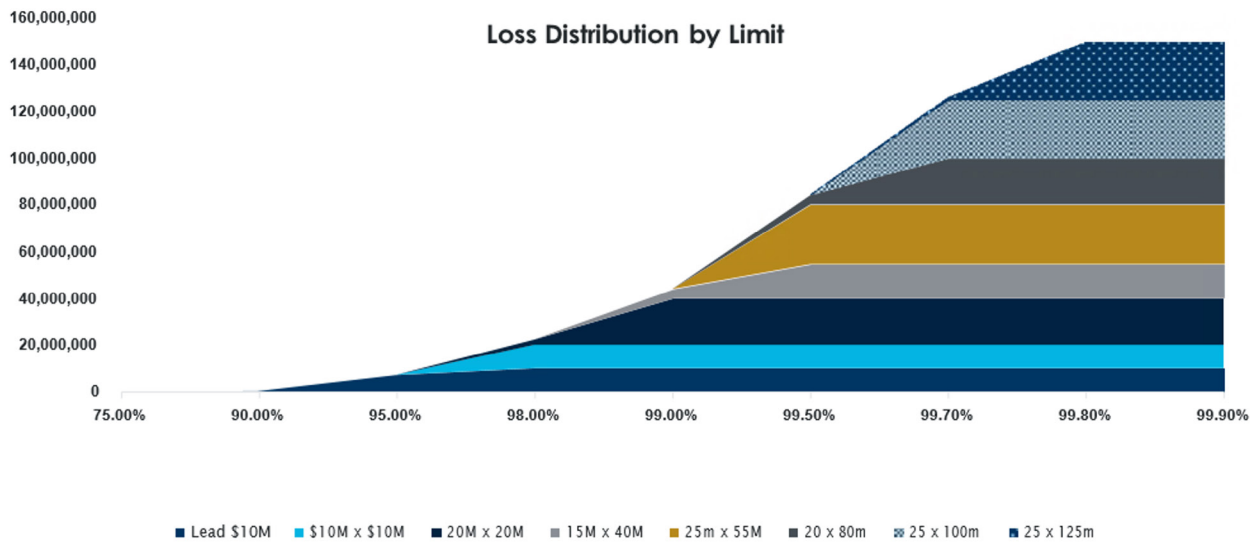


## Ability To Analyze Excess Limits

Companies are constantly trying to balance the trade-off between the cost of buying insurance and the need to adequately protect the balance sheet. Many companies will make the decision regarding their excess limits based upon the available budget to buy insurance or simple benchmarking (such as through Advise or peer comparisons). However, there is no company just like McKinstry, therefore peer comparisons are not the optimal way to make that decision.

Because insurance is just another form of capital, and like all forms of capital, has a cost of capital embedded within the premium charged by the insurance market, the question is whether the cost of capital to assume that risk by McKinstry is lower than the cost of capital to transfer the risk to the insurance vendor. This can be approximated by considering the likelihood of adverse events occurring, the severity distribution of those events and the associated cost of capital. Once modeled and aligned with McKinstry 's risk appetite and tolerance, this modeling can help McKinstry make decisions related to attachment point, insurance cost, insurance limits and risk retention to arrive at the most efficient structure.

### ECONOMIC CAPITAL MODELING



MODEL OUTCOMES	LEAD \$10M	\$10M X \$10M	20M X 20M	15M X 40M	25M X 55M	20 X 80M	25 X 100M	25 X 125M
Average Simulated Loss	641,113	303,616	312,430	140,308	163,362	95,851	89,866	69,285
Standard Deviation	2,230,476	1,627,547	2,326,153	1,403,713	1,946,568	1,356,491	1,451,159	1,292,769
CV	3.48	5.36	7.45	10.00	11.92	14.15	16.15	18.66

For illustrative purposes only.



## Collateral

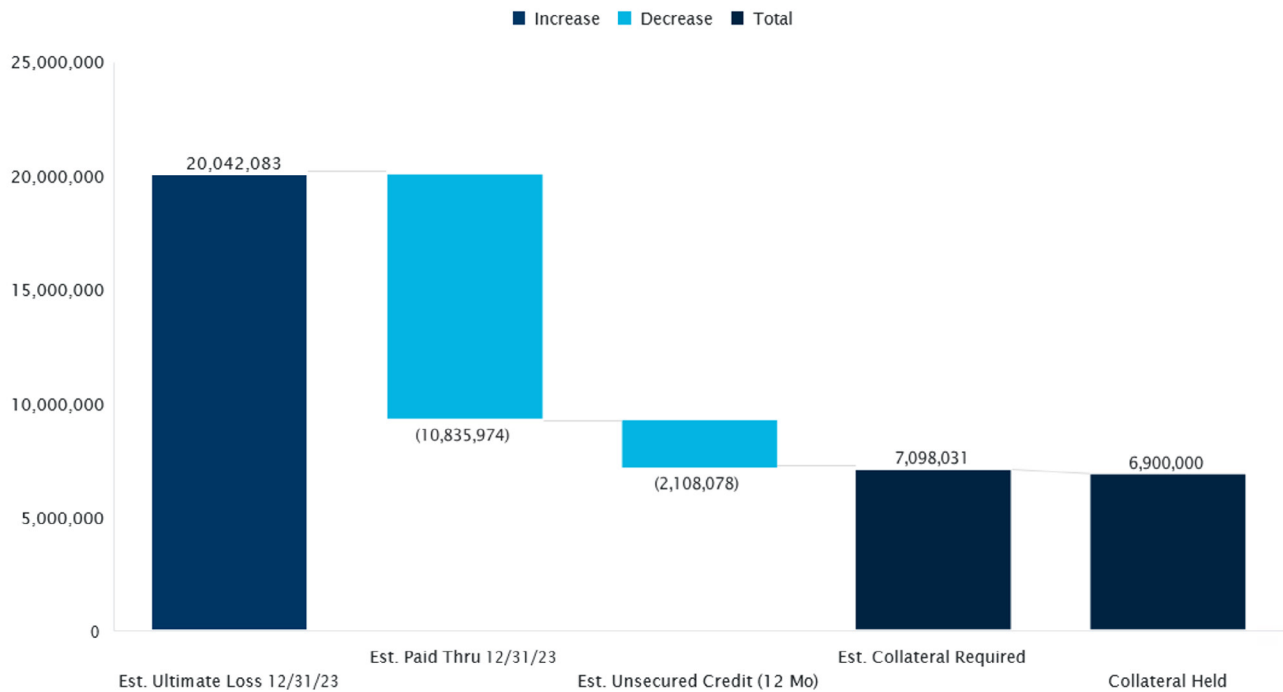
Our understanding is that McKinstry currently has no placements other than WA workers' compensation that might involve collateral. However, should coverage placements that would require collateral be mutually determined to be in the best long-term interest of McKinstry, PS&F/IMA will be your advocate and liaison with legacy, current, and future insurance carriers that require collateral for its large deductible program. The most efficient collateral structure involves multiple phases, all of which can be negotiated.

The first phase is the actuarial analysis, which is the starting point for estimating potential future liabilities. PS&F/IMA will leverage its internal actuarial analysis as well as the insurer's own analysis to drive the most efficient outcomes. Often, this requires direct discussion and negotiation with the insurer's actuary to better understand both the quantitative and qualitative factors that should be considered.

The second stage is the credit process, which leads to the amount of unsecured paid loss credits the insurer will provide off of its actuarial estimate of liability. PS&F/IMA goes through an in-depth credit review, much like S&P and Moody's, to develop an indicated credit rating. The credit officer of the insurer is going through a similar process. Rather than accepting what they provide, we prefer to proactively manage the process by getting Matrix in front of the credit officer to guide them towards the best result.

Finally, the form of collateral impacts the cost and amount of collateral. There are a range of accepted instruments, such as cash, trust, surety, and letters of credit. Many carriers also have their own collateral products that should be considered.

### Sample Collateral Calculation



For illustrative purposes only. Additional data required to evaluate collateral requirements.



## Captives and Other Alternative Risk Financing Options

We understand that McKinstry has explored the concept of utilizing a single-parent captive in the past and wishes their insurance broker of tomorrow to have capabilities to revisit the concepts at the appropriate time.

PS&F/IMA's captive expertise includes both captive consulting as well as captive program management and administration. PS&F/IMA has hundreds of clients who participate in a captive structure and work with the top captive managers, domiciles, and service providers who support our clients.

PS&F/IMA provides captive consulting related to single-parent captive and rent-a-captive structures. In this role, PS&F/IMA has strategically decided to not be a captive manager so that we can remain objective and strictly provide consultation to help our clients most efficiently finance their risk.

Many of our clients who have single-parent captives use them to finance the risk of deductibles/retentions that are being assumed, provide formal funding for risks that are uninsured, or as a vehicle to participate in a layer of risk via fronted/reinsurance structures that allow the company to participate in their good loss experience while at the same time provide the necessary risk transfer and ability to certificate the necessary contractual insurance requirements.

When it comes to deductible buy-back structures, PS&F/IMA has developed customized captive structures that allow clients to continue transferring risk to traditional insurance carriers for catastrophic losses while at the same time use the captive to finance the layer of risk being assumed.

## Executive Risk Group

PS&F/IMA's Executive Risk Solutions Group is comprised of highly experienced and extremely technical individuals. All members of the team have over ten years of experience specifically in the public company D&O space, with many having over 20 years of experience. The coverages serviced by our Executive Risk Group include:

- + Errors and omissions
- + Crime, including third-party
- + Directors and officers' liability
- + Employment practices liability, including third-party
- + Fiduciary liability
- + Fraud and abuse allegations
- + Other regulatory risks

We have deepened our executive risk expertise by creating a group of individuals focused solely on construction clients. This Construction Executive Risk Group led by **Brock Lewark** is a subset of the Executive Risk Group and bridges the gap between product expertise and construction industry expertise for our clients. This allows us to more easily apply what we know to our construction clients to help our clients look around corners.

PS&F/IMA's Executive Risk Solutions (ERS) group is monitoring the marketplace in real-time. Several tools are used in staying current on the marketplace, including:

- + The ERS group is in the market every day negotiating programs for companies ranging from pre-IPO to Fortune 150
- + PS&F/IMA is analyzing its own and third-party data regarding D&O premium rates, such as those published by A.M. Best
- + PS&F/IMA is monitoring and updating data regarding securities class action claims from sources such as Cornerstone Research and Stanford Securities Class Action Clearinghouse
- + Monitoring settlements and trends for securities class action claims, derivative claims, and regulatory settlements
- + Our claims team monitors and assesses coverage litigation that goes to a published decision. We then incorporate any lessons learned into our coverage scorecard, which is further discussed herein

**We relay this information to our clients throughout the year by publishing concise quarterly updates and whitepapers on key topics.**

From an overall analysis standpoint, PS&F/IMA is the only broker in the industry with a comprehensive approach to D&O program design and structure that is backed by cutting-edge data and analytics and an innovative legal approach. We created a proprietary, 300+-point "coverage scorecard" to analyze and compare D&O program options. This scorecard includes a "best-in-class" analysis that scores each distinct coverage position in every negotiated D&O program. Ultimately, the D&O coverage scorecard allows us to provide our clients with a complete understanding of their coverage options, which then allows for informed decision making. With D&O litigation remaining frequent and, in many instances, severe, securing the necessary scope of coverage has never been more important.

Trends in the construction industry pose unique executive risk exposures. Changes in the Davis-Bacon Act, joint employer rule, project labor agreements, overtime rule all have increased the employment compliance risk for contractors. These recent changes put pressure on employment practices liability coverages and wage and hour issues. Construction clients are overwhelmingly private, which on the surface would incorrectly suggest a lower D&O liability exposure. Employee-ownership, joint employer rules, and private equity involvement in the construction industry demands vigilance in identifying and addressing executive risk coverages.

The issues and the coverages themselves are so nuanced, that having dedicated subject experts focusing on them for contractors is a huge support to the account executive and service team.

## Directors and Officers

We understand from our discussions that McKinstry may have a desire to explore the insurance marketplace at renewal for their directors and officers (D&O) insurance placement. Every D&O renewal begins with the comprehensive analysis (previously described) of the existing program structure in order to create a strategy and roadmap for the upcoming renewal.

From a D&O perspective, McKinstry should not sacrifice coverage for competitive pricing, and unfortunately, all carriers' base forms need significant modifications to provide necessary personal asset and balance sheet protection.

In terms of addressing the uniqueness of the D&O coverage and the other executive liability lines of coverage, some general areas of focus for McKinstry should include, without limitation: entity coverage expansion for investigations irrespective of whether a related D&O securities claim accompanies the investigation; ensuring a proper response and coverage scope for shareholder derivative claims and shareholder derivative demands, informal investigation coverage expansion, avoidance of onerous general terms/conditions surrounding reporting and defense/cooperation, expanding key definitions, removing or narrowing onerous exclusions, and ensuring your carriers do not have too much leverage in the event of an "application" misrepresentation.

**PS&F/IMA has developed manuscript language to address all these areas. We will also be transparent with McKinstry on the language we have negotiated.**

We are confident that we could add tremendous value to McKinstry's management liability placements going forward. The key to securing competitive terms and conditions is to have a sound marketing plan in place. At the center of this marketing effort should be a thoughtful and comprehensive strategy for distinguishing the company and its risk profile from other companies.

This will be accomplished via a meeting between McKinstry and select D&O underwriters, in which we will:

- + Work directly with senior-level underwriters
- + Differentiate the company and its risk profile via a compelling story, including key strengths
- + Identify issues for discussion and develop a message that will alleviate any concerns

**No "Class of Business" underwriting... instead, we will educate underwriters and position the company for success. The better the underwriters know McKinstry's business, the more comfortable they become, and the more willing they are to provide the most favorable coverage grants and pricing terms available.**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>+ PS&amp;F/IMA to begin initial discussions and vetting process with multiple leading carriers (90 days pre-renewal date)</li> <li>+ PS&amp;F/IMA to host meeting ("D&amp;O Roadshow") between McKinstry and select D&amp;O underwriters (60 days pre-renewal date)</li> <li>+ PS&amp;F/IMA to negotiate and present primary layer renewal options, including various structures and carriers (45 days pre-renewal date)</li> </ul> | <ul style="list-style-type: none"> <li>+ PS&amp;F/IMA to negotiate and present full program renewal options (15-30 days pre-renewal date)</li> <li>+ PS&amp;F/IMA to discuss D&amp;O program with McKinstry's Board of Directors (as requested)</li> <li>+ McKinstry to confirm final renewal program (any time before the renewal date)</li> </ul> |
|--|---|





## Professional Liability Service Group and Environmental Group

PS&F/IMA has a dedicated Professional Liability and Environmental Group with teams of subject experts whose role is helping clients identify, manage, and insure against professional and environmental exposures.

These are two separate teams each with their dedicated experts. Our Professional Liability Services Group is led by Stephen Lane and not only supports the construction service teams for contractors’ professional coverage but also our pure design clients, such as architects and engineers. Our Environmental Group is led by Sharon Burger. McKinstry can expect the following services from Stephen, Sharon, and their respective teams.

- + Environmental risk analysis
- + Coverage reviews
- + Contractual analysis
- + Marketing and placement of professional and pollution policies
- + Claims support/advocate
- + Regulatory updates/guidance

Our Environmental Group has been actively working with the Construction Specialty Group in regard to the EPA’s recent decision to include PFAS/PFOS chemicals as hazards eligible under the Comprehensive Environmental Response, Compensation and Liability Act, otherwise known as CERCLA or the Superfund law. This rule change could have significant impact on contractor’s pollution liability exposure. We continue to assess the exposures and investigate the insurance coverage adequacy.

## Cyber Risk Solutions

PS&F/IMA has a dedicated Cyber Risk Solutions team whose goal is helping clients identify, manage, and insure against cyber incidents that can affect the organization. Having a dedicated resource for this unique risk will provide McKinstry with additional resources to complement McKinstry’s internal initiatives to develop a sophisticated risk management and incident response strategy to go a long way in making McKinstry a cyber resilient organization.

We have deepened our cyber risk solutions expertise by creating a group of individuals focused solely on construction clients. This Construction Cyber Risk Group, led by **Jim Millar**, is a subset of the Cyber Risk Solutions Group and bridges the gap between product expertise and construction industry expertise for our clients. This allows us to more easily apply what we know to our construction clients to help our clients look around corners.

Jim and our Construction Cyber Risk Group has crafted their services as depicted below.

TRANSACTIONAL	TACTICAL	STRATEGIC
<ul style="list-style-type: none"> <li>+ Dedicated Cyber Account Executive and Associate Broker Team</li> <li>+ Coverage Analysis</li> <li>+ Meaningful Underwriting Relationships</li> </ul>	<ul style="list-style-type: none"> <li>+ Experienced Cyber Claims Team</li> <li>+ Cyber Risk Hub</li> <li>+ Carrier Cyber Risk Management Resource Facilitation</li> <li>+ Cyber Financial Loss Exposure Analysis</li> <li>+ Cyber Limits Benchmarking</li> </ul>	<ul style="list-style-type: none"> <li>+ Cyber Contract Language Review</li> <li>+ Cyber Threat and Risk Analysis Technology</li> <li>+ Cyber Incident Response Planning Resources</li> </ul>

McKinstry can expect to benefit from PS&F/IMA’s underwriting relationships with the leading cyber carriers around the world. The PS&F/IMA cyber team places tens of millions of dollars of premiums into the market annually, so our market partners hold our team in high regard. PS&F/IMA also employs a full-time cyber product manager (Bill Boeck) who is focused on negotiating the broadest coverage language possible with our senior underwriting partners. This combination of significant premium volumes and key underwriting relationships contributes to our ability to serve McKinstry’s best interests.

Determining McKinstry’s unique perils can be analyzed by developing a cyber risk matrix in concert with our PS&F/IMA cyber risk solutions team, and our client’s risk management, information technology, operations, and finance leaders. By determining a client’s practical exposure to these incidents, and subsequently analyzing current or proposed policy language, tactics are determined through which the PS&F/IMA cyber risk solutions team can look for any stand-alone coverage solutions as needed to supplement the cyber liability, pollution, property, and other coverages where a cyber incident may have a tangible impact. This can be accomplished either by negotiating language into policies that will not exclude a cyber incident or, if necessary, by creating a stand-alone policy to “carve back” excluded perils as needed.

RISK	CONSEQUENCES	PROBABILITY	SEVERITY	RELATIVE INSURANCE PRIORITY	POTENTIAL DAMAGES	DAMAGES EXPRESSED IN DAYS OF LOST REVENUE (ACROSS COMPANY)	CURRENTLY INSURED?
Network business interruption attributable to technology service provider	Loss of income, forensic investigation expense	4	5	20	\$50,000,000	7.60	TBD
Network business interruption caused by external attack	Loss of income, forensic investigation expense	3	6	18	\$100,000,000	15.21	TBD
Network business interruption caused by system failure (hardware, operating system malfunction or human error)	Loss of income, forensic investigation expense	5	4	20	\$20,000,000	3.04	TBD
Advertising Injury or Personal Injury resulting from creation/dissemination of electronic content	Legal Liability, defense costs	6	7	42	\$200,000,000	30.42	TBD
Reputational risk	Loss of income due to customer churn associated with a publicized security/privacy event	6	6	36	\$100,000,000	15.21	TBD
Information asset loss or damage resulting from network security failure	Cost to investigate and re-create information	7	3	21	\$15,000,000	2.28	TBD

After completing this exercise, the PS&F/IMA cyber team will have a clear picture of the actual exposures that may affect McKinstry and can create a marketing strategy to address any exposures that are insurable under a cyber liability policy. As a result of conducting this cyber risk matrix many times for individual clients, we have crafted policy language that meets the specific needs that present themselves across all contractors. These coverages include:



## Missed Bid Coverage

A work stoppage stemming from a cyber incident is a significant risk. The risk of missing the opportunity to bid and win new business because of a cyber incident is also significant. The loss of speculative income, not having had the opportunity to bid for and win a contract can be as impactful on the bottom line as a work stoppage in some instances. Contracts and proposal management systems that are impacted by a cyber incident can result in a general contractor being unable to submit a bid for a large multi-year project. For example, the contractor was unable to submit a bid within the required deadline and missed out on several years of work and hundreds of thousands of dollars in potential profits.

## Liquidated Damages/Downstream Contractual Penalties Coverages

Owners and operators of construction companies may be subject to liquidated damages, assuming they fail to meet certain deadlines or performance standards stipulated in their contracts. Cyber policies can provide coverage for liquidated damages (i.e., downstream contractual penalties) stemming from a covered cyber incident.

## Privacy Liability Stemming From Drone Operations

Companies are frequently deploying new and innovative monitoring technology including drones to scope and manage projects in the field. However, using drones creates the opportunity for claims alleging violation of privacy stemming from their operations near private residences or other commercial establishments.

## Additional Insured Status For Owners Of Property Managed By The Insured

The owners of any property managed by the named insured can be named as an additional insured on the cyber policy automatically. Assuming the contractor suffers a breach for which they and the owner of the property are named in a suit, the cyber policy would respond to cover both parties.

## Coverage Analysis

Every proposal we provide includes detailed coverage analysis of every option provided. Jim Millar and Bill Boeck will audit the current and prospective cyber insurance solutions relative to McKinstry 's leading cyber exposures.

## Carrier Risk Management Resource Facilitation

McKinstry can expect the PS&F/IMA cyber team to educate them on loss control resources provided as an added benefit provided through any carrier, we are negotiating insurance terms with. For example, some carriers provide access to a full-time risk engineer for pro-bono cyber risk management consultation. Every carrier has a different risk management offering and we feel it is important to educate our clients on these additional resources. McKinstry can expect the PS&F/IMA cyber team to engage with carrier loss control teams to provide every possible value-add service additional to the insurance program.

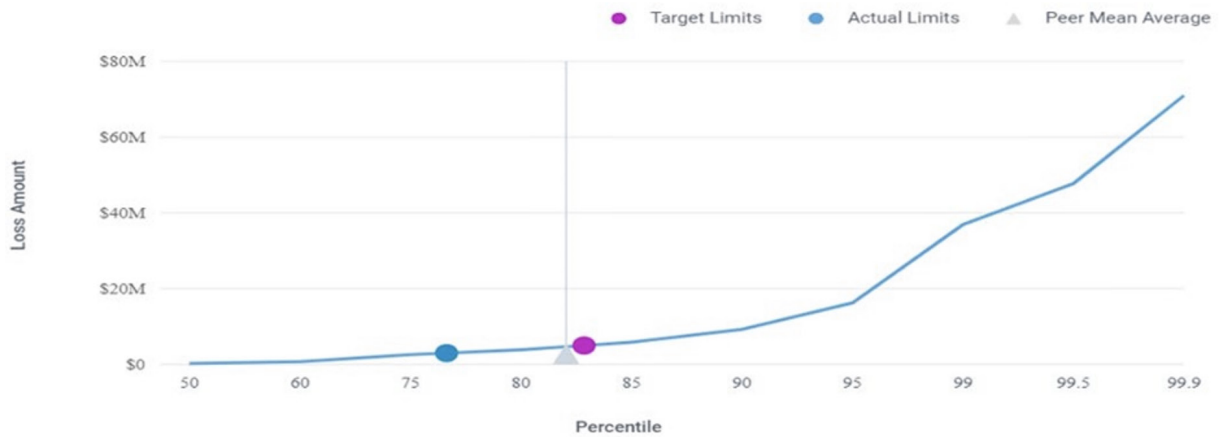
## Financial Loss Exposure Analysis and Limits Benchmarking

PS&F/IMA invests in cyber risk quantification and benchmarking technology to help compare limits purchased against industry standards. McKinstry can expect to engage with the PS&F/IMA cyber risk solutions team to deliver several different cyber risk benchmarking and quantification tools to determine the most appropriate insurance coverages and limits.

### Peer Group Average Comparison (for Aggregate Severity Distribution)

PEER GROUP INFO

Construction | Medium: (250M – 1B) | 10-50 Peers



	Risk Transfer Percentile	Meaning
Your Actual Limits	<b>77<sup>th</sup></b>	Your Company's limits are transferring financial risk for 77% of simulated cyber losses.
Your Target Limits	<b>83<sup>rd</sup></b>	Your Company's limits are transferring financial risk for 83% of simulated cyber losses.
Peer Group Average	<b>82<sup>nd</sup></b>	Your peer group (mean) average limits <u>is</u> transferring financial risk for 82% of simulated cyber losses.
	<b>\$4.7M</b>	Your equivalent limits at this peer percentile.
Peer Group Median	<b>74<sup>th</sup></b>	Your peer group (mean) average limits <u>is</u> transferring financial risk for 74% of simulated cyber losses.
	<b>\$2.5M</b>	Your equivalent limits at this peer percentile.

This analysis may not represent a whole view of your cyber risk assessment and is provided "as is" without representations, warranties or liability.  
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## PS&F/IMA Certificate Compliance (IMACC) Service

IMACC is a fee-based service designed to remove the administrative burden associated with reviewing insurance requirements, the collection of certificates, negotiating with vendors’ agents on needed coverage, finalizing compliance, tracking certificates, and more.

### Why PS&F/IMA Certificate Compliance?



Ensure your vendors have and keep the right level of coverages



Have the experts handle the certificate compliance from cradle-to-grave



Limit the amount of time and money your firm invests in certificate compliance



It is an easy-to-use streamlined online system

### Benefits To McKinstry

IMACC will ensure that the parties with which you are in contract are meeting the insurance as required under your agreements is a significant way to control risk and prevent you from being wholly responsible in claims and lawsuits.

- + Expertise – understanding the correct insurance for each of your vendors based on scope of their work.
- + Efficiency – broker to broker communication.
- + Reduced internal labor from client.
- + Fee is typically less than that of similar services available in the market.
- + The reviewing of certificates/endorsements and decision making is done substantially by the IMACC and contract review team.

This means there are fewer questions coming from a third-party about waiving requirements and more decisions made by IMACC with your direction and utilizing both our insurance and legal expertise.

### Services

#### IMPLEMENTATION

Review of contract agreements and internal training

- + IMACC to review all vendors and categorize insurance requirements to individual vendors
- + Reviewing and updating all insurance requirements per project by IMACC

#### AUTOMATION

- + Certificate requests for individual vendors sent directly to their broker

#### REVIEW OF REQUESTED CERTIFICATES

Review all requested certificates of insurance, including additional wording and compliance verification for all requested physical endorsement forms.

- + No limitation on emails and calls to vendor broker until compliance is resolved
- + Ability to make waiver decisions autonomously – other certificate compliance systems will not make any waivers without your verification
- + Modifying project and insurance requirements on an “as needed” basis

*A minimum of three (3) client references from clients in similar industries (e.g., construction, energy/ESCO, Ecodistricts, renewables, P3, energy as a service, manufacturing), with revenue over \$100 million, and serviced by at least one member of the proposed team.*

**PrimeLine Utility Services** // Matt Lambert // [matt.lambert@primelineus.com](mailto:matt.lambert@primelineus.com) // 208-819-2036

PrimeLine Utility Services has been a long-standing client of PS&F and John Claeys, with a core service team overseen by Tamra Johnson-Hicks. PrimeLine Utility Services, a wholly owned subsidiary of Vinci Energies S.A., specializes in infrastructure solutions for the electric, gas, and telecommunications sectors across the United States. Their offerings include construction, maintenance, engineering, professional support, and emergency restoration services for electric transmission, electric distribution, substation, and gas distribution infrastructure. PrimeLine and its subsidiaries are recognized for their safe and efficient handling of complex utility projects. The company generates over \$2 billion in annual revenue, reflecting its substantial impact and presence in the utility services industry.

**Prime Electric** // Ken Hughes // CFO // [khughes@primeelectric.com](mailto:khughes@primeelectric.com) // 425-747-5200

Prime Electric has been a long-standing client of PS&F and Tim Nierman, with a core service team overseen by Jenny Knackstedt. Prime Electric is a premier electrical contractor with over 30 years of experience, serving Seattle and Silicon Valley. They specialize in the design, installation, and maintenance of commercial electrical systems, and also provide services in underground utilities, technology integration, and renewable energy. Known for their innovative approach and sustainable practices, Prime Electric handles major projects such as educational facilities and commercial buildings. With a diverse portfolio and advanced techniques like virtual modeling, Prime Electric generates approximately \$600 million in annual revenue.

**Campos EPC** // Ruth Kraemer // CFO // [ruth.kraemer@camposepc.com](mailto:ruth.kraemer@camposepc.com) // 303-807-7734

Campos EPC has been a long-standing client of IMA Denver, with Michael Campo and Stephen Lane being included as the core risk management team involved in all ERM initiatives. Campos EPC, headquartered in Denver, Colorado, specializes in providing engineering, procurement, and construction (EPC) services for utility, energy, and midstream organizations. Known for their expertise in delivering innovative and cost-effective solutions, Campos EPC offers a wide range of services including project management, integrity management, and renewable energy solutions. The company generates over \$400 million in annual revenue and emphasizes quality, safety, and community outreach, particularly through initiatives supporting STEM education for underrepresented minorities and female students.

### Notable Client List - General Contractors







*A copy of the firm's standard service agreement.*

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Please see the [Exhibits](#) for a copy of PS&F/IMA's standard service agreement.



*Broker compensation will be on a fee basis. Provide the base broker fee and/or how your firm will be compensated annually. Identify all services included in the base compensation. List any optional services not included in the base compensation and the fee for each such service.*

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We fully embrace the concept of fee-based brokerage and, for firms the size and complexity of McKinstry, generally prefer it. Unlike other professional service providers, the insurance industry has never perfected a system of billing either by the hour or by the service. We don't think that's a bad thing. By embracing the confusion this sometimes creates, there becomes a need for honest dialogue. It isn't always easy, but done properly, it can align goals and expectations and foster teamwork. Interestingly, many of the answers you provided to "your biggest risk management challenges" are not readily addressed by standard market insurance placements. This creates an exciting opportunity to both better understand McKinstry and bring some creativity to what we do.

It's impossible to provide an exact quote to you at this juncture. We simply don't know enough about the internal resources at McKinstry and we haven't had the time to fully understand your goals for where you want to see the risk management program go as McKinstry grows. That said, we fully understand and intend to agree on a fixed fee BEFORE we are selected as your broker.

From our perspective, when we determine fees, we consider:

- + The volume of work: certificates, contract reviews, claims consultations, etc.
- + The complexity of marketing and placing the coverage.
- + The value of premium being placed.
- + Extra expenses for travel, consultants, etc.
- + A benchmark relative to the fees we charge our other clients in your space and your markets.

Your insurance program doesn't seem to be broken. You have a placement with quality insurers and sufficient limits to protect your company and owners. So, our immediate task seems less about immediately remarketing an insurance placement and more about investing in getting to know a dynamic client. Our goal is to better understand McKinstry and to craft an agreement that reflects both parties' goals.

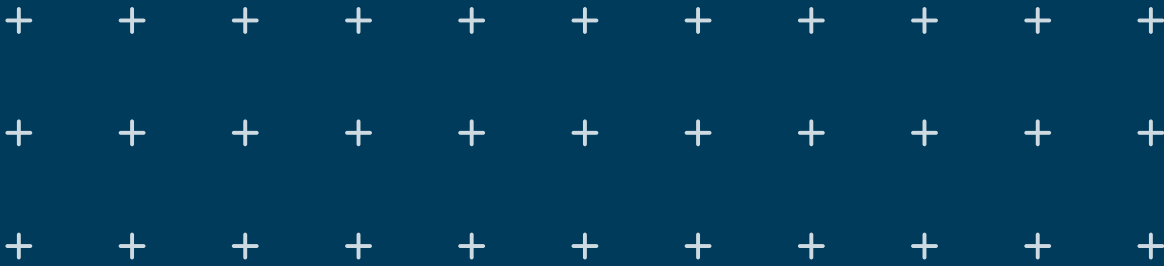


*Responding firms shall execute a Nondisclosure Agreement to certify that all information they receive in the RFQ process shall be treated as confidential and proprietary. An executed NDA is required before McKinstry will provide the listed Exhibits and responses to any RFQ-related questions.*

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PS&F/IMA acknowledges that we have executed an NDA to certify that all information we receive in the RFQ process will be treated as confidential and proprietary.

# EXHIBITS



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## Core Account Team

### **John Claeys** // Executive Vice President, Director

*35 years of experience*

John is a vice president, senior account executive, and director at PS&F/IMA, with expertise in both insurance and surety. John's experience includes the placement of high deductible programs, collateral negotiations, workers' compensation, complex builder's risk placements, and marine professional liability. He has negotiated surety lines through ESOP, bankruptcy, and ownership transitions for some of the largest contractors on the West Coast. John's work is also distinguished by his development of a model for financial benchmarking and innovative solutions for energy-related guarantees.

Before joining Parker, Smith & Feek in 2013, John was senior vice president and regional surety manager for Willis in Seattle for 13 years, serving on their National Surety Advisory Council. He represented local and publicly traded clients with revenue up to \$4 billion. Previously, John served 10 years with Reliance Surety, the last three years as regional manager. By developing new markets in environmental surety, shipbuilding, and timber, John helped build the Seattle Reliance office into the largest in the Northwest region. John began his career in commercial banking with experience in commercial loans and management. He graduated from the University of Puget Sound in 1983 with a degree in finance.

John is active in The Beavers, CFMA, and AGC. His community service includes the Catholic Youth Organization and Big Brothers Big Sisters of Puget Sound.

### **Tim Nierman** // Senior Vice President, Construction Practice Leader PNW

*23 years of experience*

Tim is a vice president and account executive at PS&F/IMA and leads our Construction Practice Group. In this capacity, he has overall responsibility for coordinating the resources of the firm to provide responsive services that meet the needs of his clients now, while having an eye toward identifying what will be needed in the future. He works with our account teams to develop innovative risk management strategies, delivering insurance programs with competitive pricing while reducing his clients' total cost of risk.

Tim brings value to his clients through consultative risk assessment, contractual risk transfer, loss control, claims handling, builder's risk review, and identifying new market opportunities. Tim's clients span the west coast and are focused within the construction and real estate sectors. He works closely with owners, developers, and contractors of all scope and size in creating the most efficient risk management program.

Tim began his insurance career in 2002 as an independent agent and broker. He enjoys advocating for his clients to help them achieve their business objectives. Although he would rather walk the job site discussing construction, Tim takes the time to get into the minutiae of construction risk to make sure his clients are protected.

Tim currently holds the Certified Insurance Counselor (CIC) and Construction Risk Insurance Specialist (CRIS) designations. He is a graduate of the University of Washington, a father of two daughters, and will likely be found doing something outdoors on the weekend.

**Jenny Knackstedt // Account Executive***22 years of experience*

Jenny is a client executive in our Commercial Department. She works with our account teams to design, market, and implement insurance programs that are tailored to the individual needs of some of our largest and most technically complex clients. Jenny also manages all administrative aspects of the insurance program and works directly with risk managers and senior level management on account marketing plans and ongoing insurance matters throughout the year.

Jenny collaborates with our account team to develop, analyze, and implement a comprehensive insurance program tailored to meet the individual needs of the client. She prepares our marketing submission that is used by underwriters to develop the terms, coverages, and pricing of the insurance program. Her expertise includes strong negotiation skills that result in breadth of coverage and competitive pricing. Throughout the policy term, she coordinates the processing of all necessary documents, including endorsements, audits, certificates of insurance, invoices, and premium allocations.

Jenny works in our Construction Practice Group, focusing on clients ranging from general contractors, subcontractors, and real estate development/real estate holding firms. As a result of her more than 16 years of experience in the insurance industry, she is an expert in construction and real estate coverages.

Jenny began her insurance career in 2002, working predominantly on construction-related accounts before relocating to Northern California in 2013. Before joining Parker, Smith & Feek in late 2016, Jenny worked with a large national broker on complex real estate accounts. She graduated from Washington State University in 2001 with a B.A. in business.

Jenny has several industry designations such as Certified Risk Manager, Certified Insurance Counselor, Construction Risk and Insurance Specialist, and Accredited Advisor in Insurance.

**Angela Samarel, CIC // Complex Risk Consultant***34 years of experience*

Angela is a vice president and account executive in our Commercial Department. She coordinates the resources within our firm to design and implement insurance programs tailored to meet the risk management objectives of her clients. In addition, she manages all aspects of the insurance program for some of our largest and technically complex clients.

Angela's expertise lies in the construction industry, but she has experience managing a diverse cross section of key accounts. Her skill in coordinating the insurance submissions on large, complex accounts is highly valued by our account teams and clients alike. Angela's capabilities include strong negotiation skills that result in breadth of coverage and competitive pricing. She also conducts insurance training seminars for clients on all aspects of contract management, including review and proper handling of certificates of insurance.

Angela began her insurance career in 1991 for an independent agent in Coeur d'Alene, Idaho. She joined Parker, Smith & Feek in 1999 and currently holds the Certified Insurance Counselor designation.



**Michael Campo // Executive Vice President, National Construction Practice Leader***34 years of experience*

As the national director of PS&F/IMA's National Construction Specialty Group, Michael has multiple responsibilities. He is responsible for coordinating the overall efforts and resources of the firm to make PS&F/IMA construction clients business better. Part of his duties include leading the mission for PS&F/IMA to have deep knowledge of our construction client's industry, promote strong risk and insurance expertise within the teams, search out emerging risk issues for contractors and continue to find ways to increase PS&F/IMA's value to construction clients. A significant part involves Michael working closely with individual clients in the service of their risk and insurance needs in the enterprise risk management space.

Having started in the insurance business as a construction underwriter in 1990, Michael went on to work in Zurich's North American Home office in Schaumburg, IL before a twenty-one-year stint with a top 10 broker serving the last ten of those years as the team leader of the Construction & Design Group. Michael has worked with some of the largest most diverse national construction clients in America ranked in ENR's Top 100 for both general contractors and specialty contractors. He personally led the day-to-day service for 5 of the ENR top 100 general contractors located in the North and Southeast and 7 of the largest specialty contractors in America. He has a unique background in coverage, construction enterprise risk management, insurance, loss sensitive programs, claims, and strategic risk management.

As way of giving back to the industry, Michael taught a Risk and Insurance class at the Henry Bloch School of Management at the University of Missouri – Kansas City for four years. He has co-taught Enterprise Risk Management to the accelerated MBA program at UMKC. Michael is a regular presenter at insurance and construction conferences.

**Tamra Johnson-Hicks // Client Executive***20 years of experience*

Tamra is a client executive and the client service manager in our Construction Practice Group. She is responsible for the overall oversight and direction of the administrative staff for the CPG, ensuring our construction clients are receiving the care and service they are accustomed to receiving from PS&F/IMA. She works with our account teams to design, market, and implement insurance programs that are tailored to the individual needs of our larger, more complex clients. Additionally, she manages all administrative aspects of the insurance program and is a primary contact for our clients working directly with them on account marketing plans and ongoing insurance matters throughout the year.

Tamra collaborates with our account team to develop, analyze, and implement a comprehensive insurance program tailored to meet the individual needs of the client. She prepares our marketing submission that is used by underwriters to develop the terms, coverages, and pricing of the insurance program. Her expertise includes strong negotiation skills that result in breadth of coverage and competitive pricing. Tamra also reviews each policy for completeness and accuracy and facilitates any required revisions from underwriters. Throughout the policy term, she coordinates the processing of all necessary documents that keep the insurance program current, including endorsements, audits, certificates of insurance, invoices, and premium allocations.

Tamra's area of specialty is contractors, both general and subcontractors. Her expertise includes contract reviews for insurance purposes, and the issuance and review of certificates of insurance.

Prior to joining Parker, Smith & Feek in 2009, Tamra worked as a customer service representative for a local broker where she specialized in contractor accounts. She began her insurance career in 2005.

Tamra received the Associate in Risk Management designation in 2017.

**Chelsea Ruther // Account Manager***10 years of experience*

As an associate account manager II in our Construction Practice Group, Chelsea assists the account managers in all administrative duties and processing activities associated with the insurance program.

While working with our practice group, Chelsea assists in the process of our marketing submission that is used by underwriters to market and coordinate the best insurance program for our clients. During the day-to-day tasks, Chelsea helps handle endorsements, certificate requests, audits, and her team in any way she can.

Chelsea has been with PS&F/IMA since 2022. Prior to joining our firm, she worked for another insurance agency and also worked as a claims adjuster for four years. Chelsea received her B.A. in psychology from California State University Northridge. She is working toward the Construction Risk and Insurance Specialist (CRIS) professional designation.

**David Goldsmith // Vice President, Specialty Construction Broker***7 years of experience*

David is a vice president, account executive in our Commercial Department, working with clients primarily in the construction industry. David's primary experience lies in the placement of complex insurance programs for various national high-risk specialty contractors in the design-build and progressive design build space. Managing these programs has allowed him the opportunity to guide clients through their risk management efforts with a proactive approach to risk control, claims management, negotiations with underwriters, and mitigation of risks present in specialty construction space.

Before joining PS&F/IMA in 2023, David spent seven years at a strong specialty brokerage firm where he was a commercial insurance broker in the large construction space. David's focus on the fire suppression space gave him a deep understanding of what specialty subcontractors face by becoming a valued partner in their business operations. He has extensive knowledge of a few subject matter areas, including construction risk, captive analysis, large deductible programs, manuscripting coverage forms, and enterprise risk management.

David is active in the CFMA and AGC as a member of the education committee and legislative committee respectively. Since the firm early last year, David has acquired his CLCS, ACLC, CRIS, and ARM designations. David has published two articles, one on fire sprinkler and safety technology for commercial real estate, and the second on managing risk in construction-led design-build projects for the Puget Sound Business Journal.

David manages clients with complex insurance needs. His clients are all subcontractors, ranging from tower crane and powerline contractors to fire suppression and homeless shelter contractors. David's core client list is roughly 6 clients with brokerage revenue of \$500K, with the capacity to reinforce the belief that our clients will never need to look elsewhere to find the support they need.

## National Resource Team

Our team of national resource experts is poised to provide exceptional support to McKinstry as it continues to grow and expand. Here is an overview of our key experts, their experience, and their expected involvement in McKinstry's account:

### **Michael Campo** // Executive Vice President, National Construction Practice Leader

As the national director of PS&F/IMA's National Construction Specialty Group, Michael has multiple responsibilities. He is responsible for coordinating the overall efforts and resources of the firm to make PS&F/IMA construction clients business better. Part of his duties include leading the mission for PS&F/IMA to have deep knowledge of our construction client's industry, promote strong risk and insurance expertise within the teams, search out emerging risk issues for contractors and continue to find ways to increase PS&F/IMA's value to construction clients. A significant part involves Michael working closely with individual clients in the service of their risk and insurance needs in the ERM space.

Michael has worked with some of the largest most diverse national construction clients in America ranked in ENR's Top 100 for both general contractors and specialty contractors. He personally led the day-to-day service for 5 of the ENR top 100 general contractors located in the North and Southeast and 7 of the largest specialty contractors in America. He has a unique background in coverage, construction ERM, insurance, loss sensitive programs, claims, and strategic risk management.

One of McKinstry's key priorities over the next 12-18 months is to update and refine their enterprise risk management program, increase consistency in preconstruction processes, and bolster contract review processes. Michael's strategic leadership in ERM and his experience in developing and implementing robust risk management programs can significantly contribute to achieving these goals. His ability to integrate analytical data into risk management decisions will enhance McKinstry's existing practices, ensuring that they are data-driven and effective.

### **Marcus Reiter** // Risk Control Team Leader

Marcus joined PS&F/IMA as a risk control team leader in 2020. Marcus demonstrates commitment in delivering comprehensive safety and health services to his clients. Marcus's safety consultation services and responsibilities include, but are not limited to, developing client-specific service plans; generating recommendations to assist clients with the reduction of losses; interpreting compliance with mandated state, federal, and local safety and health regulations; performing safety culture assessments; structuring management practices pertaining to risk control; and providing safety and health training sessions and other related reference material and/or guidance documents as needed. Before joining PS&F/IMA, Marcus had seven years of experience in the insurance industry providing construction loss control consulting and worked in the construction industry for nine years overseeing safety on water and wastewater, government, and healthcare commercial construction projects. Marcus has also managed owner-controlled insurance program (OCIP) and contractor-controlled insurance program (CCIP) projects.

Marcus Reiter's extensive background in construction loss control consulting and on-site safety management makes him an ideal resource to help McKinstry address its risk control challenges. His expertise in developing client-specific service plans, performing safety culture assessments, and structuring management practices pertaining to risk control aligns perfectly with McKinstry's need to bolster their contract review process, mitigate supply chain issues, and manage subcontractor/vendor performance. Marcus's skills will be instrumental in enhancing McKinstry's risk management program, ensuring compliance with safety regulations, and reducing losses through targeted safety consultations and training sessions.

### **Michael Lygrisse** // Contractual Risk Advisor

Michael began his career with PS&F/IMA the summer of 2018 after leaving Coffeyville Resources Refining and Marketing, LLC, a wholly owned subsidiary of CVR Energy where he worked as a division order analyst and in-house title/division order attorney. Michael works primarily with PS&F/IMA's Construction Practice Group, Energy Practice Group, and Architect, Engineers & Design-Build Firms Practice Group, reviewing an array of different legal documents in order to advise PS&F/IMA clients on various risk transfer provisions and how they relate and interplay with insurability.

Michael Lygrisse's expertise in reviewing and advising on legal documents related to risk transfer provisions will be invaluable to McKinstry, particularly in addressing their challenges with onerous contracts and insufficient contract reviews. His experience with construction, energy, and design-build firms equips him to enhance McKinstry's contract review process and ensure robust risk management practices. Michael's ability to interpret and advise on complex legal documents, combined with his direct access to SDV through PS&F/IMA's retainer relationship, will help McKinstry mitigate contractual risks, support their goal of bolstering their contract review process, and ultimately improve their overall risk management framework.

### **Donna MacConnell** // SVP, Managing Director, Claims

Donna joined PS&F/IMA in 2021 with over 30 years of experience in insurance claims and related fields. Her leadership experience and background in various claim and legal roles has reinforced her strategic approach to client challenges. Her understanding of insurance products and appreciation for relationships across the spectrum has allowed her to build a reputation as a respected advisor and valued partner. Prior to PS&F/IMA, Donna led high-performing claims teams in the insurer and broker space, in addition to excelling as defense and coverage counsel. She also has a passion for her community, having served on the Colorado Women's Chamber of Commerce board of directors in addition to volunteering and fundraising for numerous charitable organizations.

Donna's extensive experience in insurance claims and her strategic approach to client challenges make her an invaluable resource for McKinstry. Her expertise in leading high-performing claims teams and her background as defense and coverage counsel align perfectly with McKinstry's need for effective claims management and resolution. Donna's ability to build strong relationships and her deep understanding of insurance products will enhance McKinstry's risk management practices, particularly in managing their high volume of automobile and general liability claims. Her community-focused approach and leadership experience will also resonate with McKinstry's values of building trusted partnerships and making a positive difference.

### **Steve Tertel** // Claims Account Executive

Steve is a claims account executive within PS&F/IMA's claims department with a focus on construction related accounts. He assists and advises clients to identify which incidents should be submitted as claims, monitors potential large exposure losses and provides intuitive feedback regarding coverage decisions from insurance carriers. Over his 29-year career, Steve has worked handling claims for insurance carriers with an emphasis on litigation and construction defect claims in both standard market and captive insurer capacities. He spent seven years with a

privately held insurance agency in Texas building out their claims, loss control, risk management, and client services divisions. He is dedicated to serving and furthering the interests of construction related clients, including general contractors, subcontractors, developers, and property managers.

Steve's extensive experience in handling claims and his focus on construction-related accounts make him a valuable asset for McKinstry. His expertise in identifying which incidents should be submitted as claims, monitoring potential large exposure losses, and providing feedback on coverage decisions aligns perfectly with McKinstry's need to manage their high volume of claims effectively. Steve's background in litigation and construction defect claims, along with his experience building out claims and risk management divisions, will help McKinstry enhance their claims management processes, reduce potential losses, and ensure that they receive optimal support from insurance carriers. His dedication to serving construction clients ensures that McKinstry's specific needs and challenges will be well understood and addressed.

### **Sean Behan // Vice President, Managing Director, Risk Finance & Analytics**

Sean provides strategic advice to clients by developing customized risk strategies. As PS&F/IMA's Risk Finance and Analytics Practice Group leader, Sean helps clients explore large deductible, captive or other self-insurance structures. He helps companies make informed data-based decisions, simplifies the complexity of sophisticated risk finance structures and communicates it in terms that are meaningful to clients. Areas of consulting include quantitative analytics, risk management strategy, alternative risk financing vehicles, commercial insurance solutions, financial analysis, and credit/collateral negotiation.

Sean's expertise in developing customized risk strategies makes him an invaluable resource for McKinstry. His ability to explore large deductible, captive, or other self-insurance structures aligns perfectly with McKinstry's interest in higher deductibles and potential future exploration of captives. Sean's skill in quantitative analytics and financial analysis will help McKinstry make informed, data-based decisions to optimize their risk management strategy. By simplifying complex risk finance structures and communicating them effectively, Sean will enable McKinstry to better understand and implement sophisticated risk financing solutions, ultimately enhancing their overall risk management program.

### **Megan Burke // Senior Risk Finance Analyst**

Megan has a bachelor's degree in mathematics with an emphasis in actuarial science and is currently pursuing her actuarial designation. As a data analyst on the complex risk team at PS&F/IMA, Megan provides loss projections, collateral estimates, benchmark estimates and other actuarial analyses to our clients who take on significant risk to help them make decisions regarding what program structure best fits their goals, objectives, and risk appetite.

Megan's ability to provide detailed loss projections, collateral estimates, and benchmark analyses will help McKinstry make informed decisions about their risk management program, ensuring it aligns with their goals and risk appetite. Megan's actuarial insights will enhance McKinstry's ability to optimize their insurance structures and manage significant risks effectively.



### **Jim Millar** // Account Executive, Cyber Risk Solutions

Jim joined IMA in 2018. He currently works as an account executive managing cyber risk and insurance placements for PS&F/IMA's clients across the country. Jim is focused on educating his clients on cyber risk and aligning business strategy with cybersecurity best practices. Jim quickly acquired a diverse book of clients in the nonprofit, technology, and professional service industries once he joined the company. He was recognized as the Young Producer of the Year for IMA Select in 2020 and distinguished as a PS&F/IMA Core Values Superstar in 2022 for his successes. Jim received his B.S. degree in business administration and communications from the University of Nebraska – Lincoln.

Jim Millar's expertise in managing cyber risk and insurance placements makes him a valuable resource for McKinstry, especially as they expand their technical services and consulting. His focus on educating clients about cyber risk and aligning business strategies with cybersecurity best practices will help McKinstry mitigate potential cyber threats. Recognized for his outstanding achievements and dedication to core values, Jim's insights and proactive approach will enhance McKinstry's risk management program and ensure robust cybersecurity measures are in place.

### **Brock Lewark** // Vice President, Executive Risk Solutions

Based in Kansas City, Brock will oversee management liability programs, including directors and officers, employment practices, fiduciary and cyber liability, as well as crime, and kidnap and ransom coverage. Brock formerly led Chubb's financial lines and management liability underwriting. He has developed a national reputation based on 20 years of commercial insurance brokerage experience and underwriting expertise.

### **Sharon Burger** // Vice President, Environmental Practice Leader

Sharon joined PS&F/IMA in 2013 and is the Environmental Practice Group Leader. Sharon focuses on the design and placement of environmental risk management programs. Prior to joining PS&F/IMA, Sharon led the Denver Environmental Practice for five years at a large competitor. She also served as an environmental risk specialist for AIG, where she underwrote and marketed a full suite of pollution liability products, focusing on large national corporations with revenues over \$500M. In addition to her 16 years of insurance expertise, Sharon brings ten years of experience in environmental consulting and sustainability. Sharon received her B.S. degree in conservation biology and environmental studies from the University of Wisconsin – Madison and her master's in environmental Sustainability from the University of Edinburgh. She was on the marketing leadership advisory board of the U.S. Green Building Council (USGBC), a Fellow of the Kinship Conservation Institute, and an associate member of the Environmental Forum Steering Committee for the Associated General Contractors of America (AGC). In 2016, Sharon was an honoree of Denver Business Journal's Top Women in Energy. Sharon's expertise will help McKinstry navigate environmental liabilities and improve their sustainability practices, directly supporting their growth and risk mitigation strategies.



### Stephen Lane // Account Executive

Stephen joins PS&F/IMA as an account executive in the Professional Services Practice Group. Stephen has over 15 years of insurance industry experience, first with AIG on the underwriting side (environmental/general liability) and most recently as a broker specializing in engineering and design-build firms. As an account executive in the Professional Services Practice Group, Stephen is the client's first point of contact with respect to professional liability coverage questions, contract reviews, and marketplace intelligence. His strong carrier relationships and experience on both the carrier and broker side allow him to effectively negotiate the most competitive terms, conditions, and pricing for his clients. Stephen earned his undergraduate degree from the University of Illinois and his master's in business administration from Washington University in St. Louis. His passion for learning continues to drive him to better understand the current industry challenges facing professional services firms.

Stephen's expertise in professional liability coverage and his extensive experience with engineering and design-build firms make him a valuable asset for McKinstry. Given McKinstry's significant involvement in professional services within the construction industry, Stephen's ability to address professional liability coverage questions and conduct thorough contract reviews will be crucial. His strong relationships with carriers and experience on both the underwriting and brokerage sides enable him to negotiate the most competitive terms, ensuring McKinstry's projects are well-protected and aligned with industry best practices. Stephen's passion for understanding industry challenges will help McKinstry navigate the complexities of professional services in construction, enhancing their risk management and contractual processes.





## PARKER, SMITH &amp; FEEK UNIVERSITY

# PARKER, SMITH & FEEK University

## EDUCATIONAL SERIES

Parker, Smith & Feek offers a variety of insurance-focused classes aimed at individuals unfamiliar with commercial insurance. Parker, Smith & Feek is excited to offer our University series as **virtual sessions** in 2024. Check our website for the most up-to-date information.

### About

Parker, Smith & Feek is a nationally recognized, full service insurance broker and employee benefits consulting firm. Founded in 1937 in Seattle, Washington, Parker, Smith & Feek has grown to be one of the largest risk management and insurance brokerage firms in the United States. From our offices in Bellevue, Tacoma and Spokane, Washington; Anchorage, Alaska; Portland, Oregon; and Honolulu, Hawaii, Parker, Smith & Feek provides risk management consulting services, business and personal insurance, employee benefits consulting, and surety bonds.

### Contact

If you have questions about the Parker, Smith & Feek University classes, please contact:

**Sidney Gardner**  
Marketing Coordinator  
[smgardner@psfinc.com](mailto:smgardner@psfinc.com)

Our classes are subject to change and additional classes may be added throughout the year. For the latest class offerings, please visit:

[www.psfinc.com/classes](http://www.psfinc.com/classes)

### 2024 Virtual Class Offerings



#### INSURANCE 101 – PROPERTY & CASUALTY BASICS

Presented by *Jaci Glenn*

#### Thursday, January 25

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

#### Thursday, April 11

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

#### Thursday, July 18

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

#### Thursday, October 3

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

This virtual class is intended for individuals with little or no insurance experience and knowledge. It is designed to familiarize non-insurance professionals with basic concepts of traditional insurance coverage as well as key terms and principles. The major coverages dealt with are property insurance, general liability insurance, auto insurance, umbrella/excess liability, and more. Areas of importance include named insureds, coverage forms, policy exclusions, conditions and limitations, and coverage enhancements and solutions for common insurance issues.

The attendee will leave this seminar with a basic understanding of standard insurance coverages, including their function and areas that are often confusing or misunderstood.

Please note: classes will **not** be recorded for distribution purposes.

*continued >*

## PARKER, SMITH &amp; FEEK UNIVERSITY

# PARKER, SMITH & FEEK University

## EDUCATIONAL SERIES



### CONSTRUCTION & PROJECT-RELATED INSURANCE 101

Presented by [Angela Samarel](#)

**Thursday, February 29**

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

**Thursday, April 25**

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

**Thursday, July 25**

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

**Thursday, October 17**

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

While initially designed for contractors and subcontractors, this virtual class benefits those involved with construction activities and projects, including real estate developers. The class foundation is built upon a basic knowledge of insurance and coverages essential to the construction industry, but also includes sections on contractual requirements and claims processes that apply to construction and real estate concerns alike.

Project-related insurance topics include builder's risk, owner/contractor-controlled insurance programs (OCIPs or CCIPs – often referred to as wrap ups) and owners and contractors protective (OCP) coverage. If you are responsible for construction contracts, construction site supervision, project development, and/or the overall management of related insurance programs, this class is for you.

Please note: classes will **not** be recorded for distribution purposes.



### CONTRACTS & CERTIFICATE REVIEW 101

Presented by [Kylene Hendren](#)

**Wednesday, March 20**

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

**Wednesday, June 5**

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

**Wednesday, October 9**

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

**Wednesday, December 4**

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

This virtual class is designed for individuals with the primary responsibility for securing and monitoring insurance coverages and certificates of insurance. Topics focus on negotiating contracts, contractual requirements in leases and contracts, and the various insurance coverages required to comply. This includes a discussion of certificates of insurance - what they are, what they do, and how to read them.

Please note: classes will **not** be recorded for distribution purposes.

*continued >*

## PARKER, SMITH &amp; FEEK UNIVERSITY

# PARKER, SMITH & FEEK University

## EDUCATIONAL SERIES



### CERTIFICATE & ENDORSEMENTS 201

Presented by *Tamra Johnson-Hicks*

#### Thursday, March 21

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

#### Thursday, June 6

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

#### Thursday, October 10

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

#### Thursday, December 5

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

This virtual class is designed for businesses that hire contractors and/or work in the construction industry. It will benefit those responsible for reviewing certificates and endorsements. We will break down additional insured, primary/non-contributory, and waiver of subrogation language within policy forms and endorsements attached to the ACORD certificate of liability insurance. Attendees will learn to identify and differentiate between the various coverage triggers found in additional insured endorsements as well as recognize the coverage limitations and exclusions contained therein.

Attendees will come away with a comprehensive checklist and forms library that can be utilized to support the process of compliance and certificates of insurance monitoring.

Please note: classes will **not** be recorded for distribution purposes.



### CLAIMS 101 – DEMYSTIFYING THE CLAIMS PROCESS

Presented by *Annie Nason and Bret Ommodt*

#### Thursday, May 9

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

#### Thursday, October 24

8:00 am – 11:00 am AKST  
9:00 am – 12:00 pm PST  
10:00 am – 1:00 pm MST

This virtual class is intended for those individuals who want a greater understanding of the claims process. Have you ever wondered if the ads about insurance company adjusters are really true? Or why some claims are paid and others are not? Maybe you've had a personal experience with a claim and you still don't understand what the adjuster did?

This class will help to unmask the claims process and provide the attendee with a basic understanding of common claims terms, concepts, and procedures used by insurance companies from the time they are notified of a claim to its resolution.

Please note: classes will **not** be recorded for distribution purposes.

## PARKER, SMITH &amp; FEEK UNIVERSITY



# PARKER, SMITH & FEEK University



## EDUCATIONAL SERIES

**PERSONAL INSURANCE 101**

Presented by *Jennifer Weaver* and *Claire Kathol*

**Thursday, March 28**

8:00 am – 9:30 am AKST

9:00 am – 10:30 pm PST

10:00 am – 11:30 pm MST

**Thursday, September 26**

8:00 am – 9:30 am AKST

9:00 am – 10:30 pm PST

10:00 am – 11:30 pm MST

This virtual class is designed for individuals and financial advisors who have a beginner-to-intermediate level of personal insurance knowledge. We will survey auto, homeowner, collections, and umbrella coverages. Policy review will include named insureds, coverages, exclusions, and limitations. The class will also explore possible coverage gaps, optional coverage enhancements, and practical solutions for common personal insurance issues. We will address the factors that affect insurability and premiums, ways to help control insurance costs, and life events that may require changes to insurance coverage.

The attendee will leave this seminar with a basic understanding of standard personal insurance coverages and those areas that are often confusing or misunderstood.

Please note: classes will **not** be recorded for distribution purposes.

## FEE AGREEMENT FOR STANDARD SERVICES

# FEE AGREEMENT FOR STANDARD SERVICES



AGREEMENT, dated \_\_\_\_\_ between \_\_\_\_\_ ("client") and Parker, Smith & Feek Insurance, LLC ("PS&F").

It is agreed as follows:

## 1. **Services:**

PS&F is engaged as the client's insurance, risk management and risk financing advisor and insurance broker and shall perform the following services for the client:

- (a) Work with the client to assess the client's risks;
- (b) Work with the client to design and develop the client's risk transfer and risk acceptance program;
- (c) Negotiate on the client's behalf with insurers and keep the client informed of significant developments. PS&F is authorized for purposes of this Agreement to represent the client in all discussions and transactions with all insurers, provided that PS&F shall not place any insurance on behalf of the client unless so authorized by the client;
- (d) Implement the client's insurance program upon the client's instructions, it being understood that PS&F will not independently verify or authenticate client-provided information necessary to prepare underwriting submissions and other documents relied upon by insurers. The client shall be solely responsible for the accuracy and completeness of such information and other documents furnished to PS&F and/or insurers;
- (e) PS&F will not be responsible for the solvency or ability to pay claims of any insurance carrier. Insurers with whom the client's risks are placed (with the concurrence of client) will be deemed acceptable to the client, in the absence of contrary instructions from the client;
- (f) Review policies and endorsements for accuracy and conformity to specifications and negotiated coverages;
- (g) In certain cases, placements that PS&F makes on the client's behalf may require the payment of surplus lines taxes and/or fees to state regulators, boards or associations, which the client agrees to pay. Such taxes and/or fees will be identified on invoices covering these placements;
- (h) Process or direct the processing of certificates of insurance, auto identification cards, as requested by the client;
- (i) Review audits & rating adjustments.
- (j) Keep the client informed of significant changes and/or trends in the insurance marketplace and provide the client with an annual discussion of market conditions and loss experience;
- (k) Assist the client in establishing claims reporting procedures; report claims as appropriate;
- (l) Consult with the client regarding specific claims;
- (m) Report claims to carriers and advocate for the client as needed;
- (n) Follow-up with insurers with respect to the collection and settlement of claims;
- (o) Provide loss control services including coordination of carrier loss control as needed;
- (p) Premium Allocations as needed;
- (q) Coordinate placement of international policies as needed;
- (r) Assist the client in connection with issues relating to the coverage of insurance policies placed by PS&F;
- (s) Data analysis to assess proper retention levels;
- (t) Conduct strategic planning sessions to review current performance and establish future objectives and strategies for the client's risk and insurance program;
- (u) Develop a mutually agreeable renewal action plan and timeline that highlights accountability and meets the client's objectives; and
- (v) Meet regularly with the client's key people designated by the client key contact person.

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FEE AGREEMENT FOR STANDARD SERVICES



If PS&F has taken over any existing program or policies implemented by another broker, PS&F will not assume any responsibility for the adequacy or effectiveness of those programs or policies or any actions or omissions occurring prior to PS&F's obtaining responsibility for said business until PS&F has completed a review of those programs and policies and has had an opportunity to make recommendations it believes are necessary.

PS&F does not guarantee or make any representation or warranty that insurance can be placed on terms acceptable to the client.

**2. Compensation:**

PS&F will deliver the services as outlined in this Agreement for an annual fee of \_\_\_\_\_ less commissions collected (noted below at binding). The Fee is payable and to be invoiced \_\_\_\_\_. With respect to insurance placed by PS&F on the client's behalf, PS&F will also disclose to the client any commissions received by PS&F. This fee contemplates the policies and operations in place as of the date of this agreement. Any additional policies placed during the term of this agreement will be placed on a commission basis unless negotiated otherwise.

In the event there is a significant change in the client's operations that affects the nature and scope of its insurance program, PS&F and the client both agree to renegotiate PS&F's compensation in good faith as appropriate.

Client agrees to pay PS&F for all expenses including collection expenses of any and all Client obligations including but not limited to unpaid but earned premiums including commission, fees and other direct Client responsibilities.

**Policies Written With Commission (if any):**

Policy Type	Carrier	Term	Annualized Commission
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**Disclosure Statement:**

PS&F maintains agreements with some insurance carriers whereby we are eligible to receive future additional compensation through what is commonly known as contingency or profit sharing agreements. The formulas are typically complex in nature and are generally based on calendar year factors such as the total eligible premium volume of business placed with an insurer, the overall loss ratio of the business placed with that insurer, and the aggregate amount of business that was retained from one year to the next and so forth.

We have no effective way of identifying specifically how much of any contingency monies we receive might be attributable to the placement of your particular insurance with one of these companies.

PS&F's revenue from all alternate compensation for the last three calendar years was less than 2% of the total Property and Casualty premium volume.



## FEE AGREEMENT FOR STANDARD SERVICES

## FEE AGREEMENT FOR STANDARD SERVICES



We will gladly furnish you any further specific information you might require to properly analyze the placement of your insurance.

3. **Additional Services:** May be available for an additional fee.

4. **Client Responsibility:**

The Client commits to:

- a. Complete and sign applications in a timely manner.
- b. Provide accurate information as needed in an agreed time frame.
- c. Commit time and personnel necessary to be fully informed on the steps taken and program terms & conditions regarding risk management.
- d. Be proactive in keeping PS&F informed of changes, additions, entities, locations, and all other forms of operational and risk changes.
- e. Advise PS&F of claims to be reported to excess carrier or others if PS&F didn't place or doesn't directly manage and portions of insured's program or policies.

5. **Terms:**

The term of this Agreement shall commence 9/1/2023 and shall terminate one (1) year thereafter. The term may be extended by mutual written agreement of the parties. In the event of termination, PS&F will assist the client in arranging a smooth transition process. However, PS&F's obligation and the obligation of its affiliates to provide services to the client will cease upon the effective date of termination, unless otherwise agreed in writing.

Notwithstanding the term of this Agreement, either party shall have the right to terminate this Agreement upon 90 days prior notice to the other.

In the event of a termination by Client prior to expiration, PS&F's annual compensation will be deemed to be fully earned unless agreed otherwise.

6. **Books and Records:**

The client is entitled to copies of reports and/or policy documents relating to its account. PS&F is only required by law to retain policy files and related information for five (5) years past policy expiration dates.

7. **Miscellaneous:**

This Agreement contains the entire understanding of the parties with respect to the subject matter contained herein, superseding all prior agreements, understandings and negotiations with respect to such matters. This Agreement may be modified or otherwise amended and the observance of any term of this Agreement may be waived, only if such modification, amendment or waiver is in writing and signed by the party to be charged with same. This Agreement shall be binding upon and inure to the benefit of the parties' respective successors. Neither party shall have any liability for any failure or delay in performance of its obligations under this Agreement because of circumstances beyond its reasonable control, including without limitation, acts of God, fires, floods, earthquakes, acts of war or terrorism, civil disturbances, sabotage, accidents, unusually severe weather, governmental actions, power failures, computer/network viruses that are not preventable through generally available retail products, catastrophic hardware failures or attacks on its server.

Parker, Smith & Feek Insurance, LLC.

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# FEE AGREEMENT FOR STANDARD SERVICES



**Client Name:** \_\_\_\_\_

**Individual Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

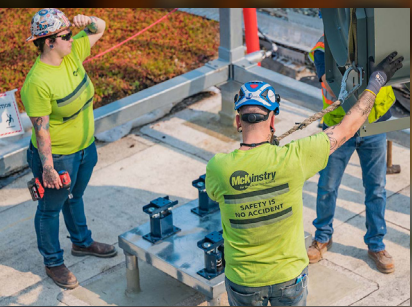
  

**PS&F Executive:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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