

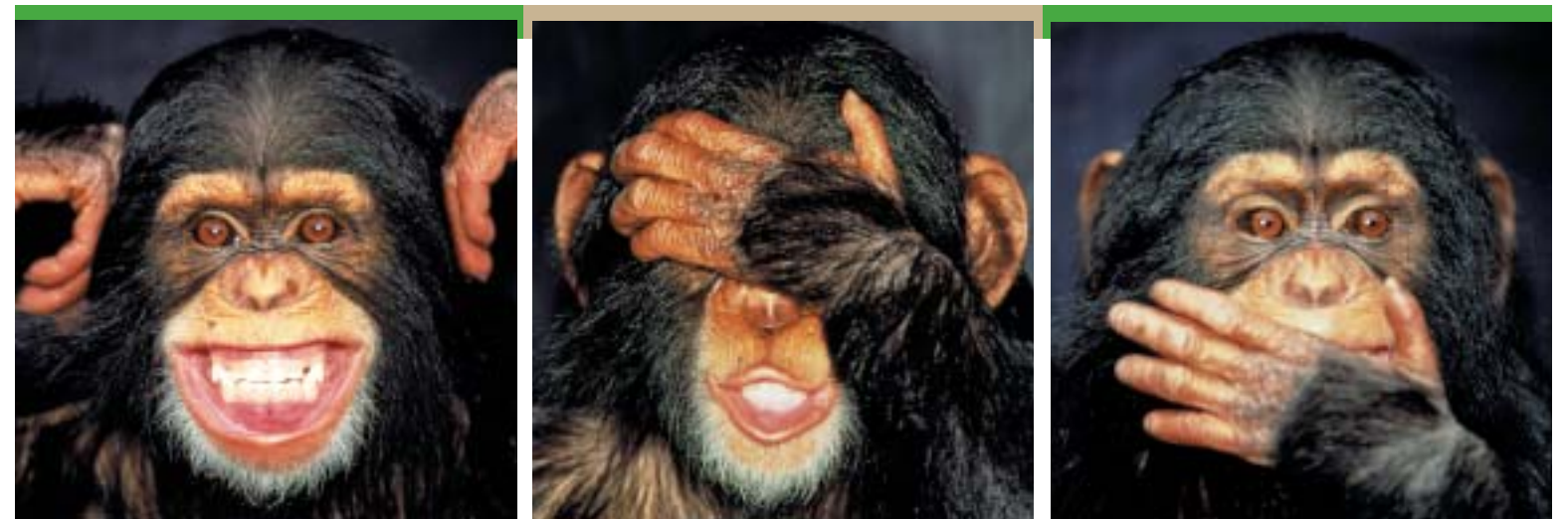
Ten reasons insurance companies should consider Rockwood Solutions:

- 1. Write-Your-Own EPLI.** Differentiate your core product lines by embedding a sub-limit of Employment Practices Liability Insurance to your GL, E&O, or package policies.
- 2. Insurance Agent E&O.** Develop a tailored program to address the specific needs of your distribution network.
- 3. Compliance and Database Services.** Ensure that your production force carries adequate professional liability insurance. Also develop broadcast fax/e-mail capabilities for your marketing department.
- 4. Rockwood IMC.** Give your field force the ability to utilize sophisticated direct marketing techniques via the Internet. Go to www.rockwoodimc.com for more information.
- 5. P&C Choice.** Secure E&O/D&O protection for your company.
- 6. Rockwood Marketing Services.** Allow Rockwood to become your outsourced marketing department! From research to full campaign management.
- 7. Rockwood SBA.** Give your insurance agents the ability to purchase a package of insurance coverages designed specifically to meet their needs. This facility can also be used to expand your portfolio of professional liability lines to include BOP. Go to www.rockwoodsba.com for more information.
- 8. InsuranceIQ.** Connects insurers, program administrators and vendors to retail producers through the power of the Internet.
- 9. Target Markets.** An association built exclusively to serve the needs of program administrators. Check out our site at www.targetmkts.com.
- 10. Rockwood Programs Solutions.** Communicate the availability of a product or service to other insurance companies that may act as potential distributors.

Solutions Rockwood Programs

4001 Miller Road • Wilmington, DE 19802
www.rockwoodinsurance.com

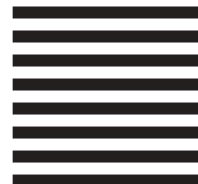
Solutions Rockwood Programs



Is this how your producer force handles its Errors and Omissions exposure?



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES



BUSINESS REPLY MAIL

FIRST-CLASS MAIL PERMIT NO. 632 WILMINGTON DE

POSTAGE WILL BE PAID BY ADDRESSEE

Solutions Rockwood Programs

4001 MILLER ROAD
WILMINGTON DE 19802

A publication of

Rockwood Programs, Inc.

4001 Miller Road

Wilmington, DE 19802

www.rockwoodinsurance.com

302-765-6000

Company Sponsored E&O Programs

Who are we?

Rockwood Programs, Inc. was founded in July of 1996 and is based in Wilmington, Delaware. Rockwood has quickly established itself as a premier provider of marketing services and risk management solutions for insurance companies. Our management team has developed a portfolio of products and services to help insurance companies manage their liability risk.

Executive Summary

In this issue of "Solutions" we address the Errors and Omissions exposures faced by insurance agents. A recent study attempted to categorize the most frequent sources and causes of E&O claims. The top five:

- 1 **Failure to obtain proper coverage.** Over 40% of all E&O lawsuits allege that the agent failed to secure adequate or proper insurance for their clients.
- 2 **Misrepresentation.** Claims that policy coverages and benefits were either not fully disclosed or distorted account for nearly a fifth of all case files examined in the study.
- 3 **Policy change errors.** Includes failure to recommend coverage or update the policy with requested changes.
- 4 **Failure to notify.** Agents failing to properly notify their clients of the actions taken by the insurance carrier. Cancellations, non-renewals, coverage restrictions, and other similar actions fall under this category.
- 5 **Administrative errors.** Includes failure to remit premium payments on a timely basis or initiate the renewal process on expiring accounts.

Problems:

Many programs available today are simply derivations of miscellaneous Errors and Omissions coverage forms. These policies do not take into account the unique exposures faced by insurance professionals. Among the potential gaps: activities related to mutual funds, securities, financial planning, and claims handling.

Solutions:

Rockwood is the national administrator for comprehensive E&O programs specifically designed to meet the needs of insurance agents. We have the systems, contacts, and expertise to develop tailored solutions for virtually every type of distribution network. The use of Risk Purchasing Groups, master policies and certificates, and experience rating has allowed us to develop a highly competitive program. Your distribution system benefits through superior benefits and group purchasing power. The insurer also realizes some distinct advantages. First, the program provides a first line of defense for all producer-related claims. It also serves to enhance affinity within your agency network. Our E&O team can craft an approach that maximizes participation for all involved. We have the experience to handle the E&O liability needs for the distribution force of any P&C, Life, Health, or Long-Term Care insurance company. *We've even developed THE ROCKWOOD GUARDIAN, an innovative policy form designed to provide E&O protection on EVERY account written on behalf of your insurance company (regardless of whether or not the producing agent maintains professional liability insurance). With THE ROCKWOOD GUARDIAN, carriers can "load" the cost of E&O coverage directly inside the product expense components!*



Compliance and Database Services

As a by-product of our Agents and Brokers Errors and Omissions efforts, we have the capability to provide compliance services to our insurer clients. For a small investment, our team will methodically contact every one of your producers to ensure that they maintain adequate E&O coverage. Depending upon the specifications of the insurer partner, we can obtain hard copies of certificates of insurance and relay results electronically. Compliance services can be expanded to include database work to develop most current fax, e-mail, home address, etc.

Let Rockwood Marketing Services turn your compliance effort into a dynamic marketing asset! The compliance database becomes the "engine" for broadcast fax, fax on demand and intranet/internet instant communications for your marketing department.



Rockwood Insurance Marketing Center (IMC)

Rockwood IMC provides an Internet-based direct marketing solution to your field force. Create tailored prospect lists utilizing proprietary consumer databases. Point-and-click selecting/ordering, credit card payments, and interactive letter development can turn even the smallest agent/agency into a sophisticated direct marketer. The entire process can be co-branded to your company to reflect your sponsorship. Access our website at www.rockwoodimc.com to learn more.



Rockwood Small Business Administration (SBA)

Our Rockwood SBA facility gives insurance agency operations the ability to purchase a package of insurance coverages designed specifically for the small business owner. This coverage provides protection for major property and liability exposures, business auto, and loss of income. Workers compensation insurance may also be available (certain restrictions apply). Access our website at www.rockwoodsba.com to learn more.

Next Steps? Complete the reply card below. Our team will send you a company questionnaire to enable us to build customized strategies to maximize participation, increase agent affinity, and provide a first line of defense for your distribution network.

YES, We are interested in Rockwood's "Solutions" for Life, Accident and Health, and P&C agents E&O

INSURANCE COMPANY: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE/CONTACT/TITLE: _____

E-MAIL: _____

BEST TIME TO CONTACT: _____

Please mail to the address on the reverse.
If you desire immediate feedback, fax to 302-764-5477,
or e-mail; president@rockwoodinsurance.com

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