

INSURANCE TRUST ACCOUNT SERVICE™

TO INDEPENDENT P&C INSURANCE AGENCIES

Offered by

PAULMAR GROUP LLC

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CONCEPT OF TRUST ACCOUNT OUTSOURCING TECHNOLOGY™

**SALES &
SERVICE**



Client Management
Marketing
Underwriting
Form Management
Rating
Submittals
Claims

1. Agency
Continues to Sell
and Service & Do
General
Accounting

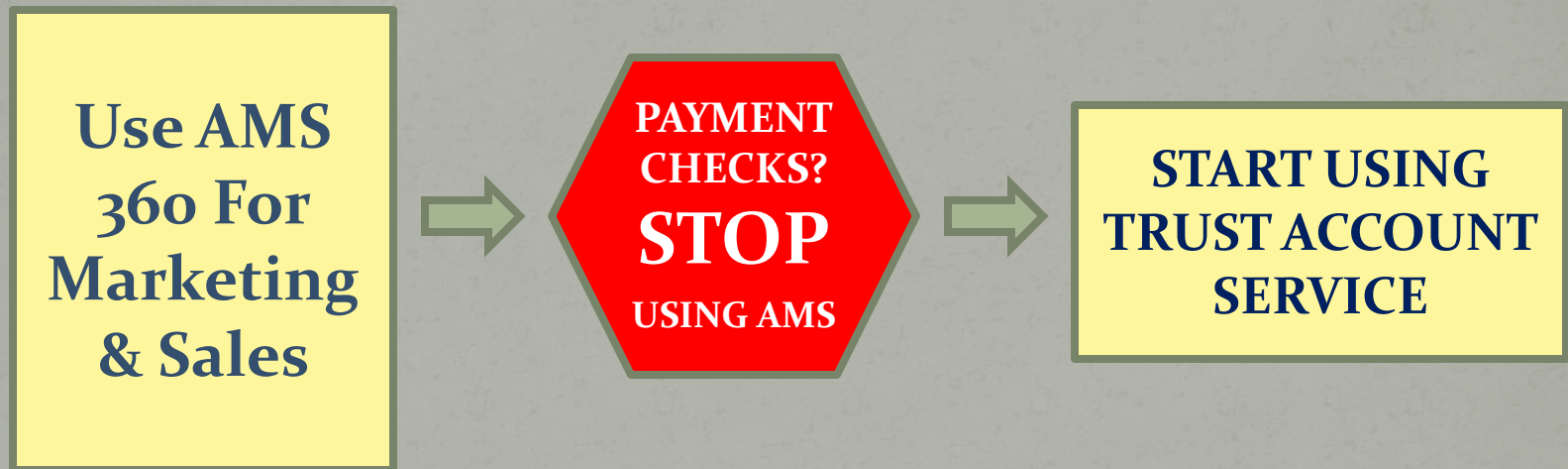
**GENERAL LEDGER
ACCOUNTING**

2. Paulmar
Manages Trust
Account :
Premium Receipts
& Disbursements

**TRUST
ACCOUNT
SERVICE™**

AMS USERS

SWITCH TO A MORE EFFICIENT BUSINESS MODEL !



FOR GL ACCOUNTING USE EITHER
AMS 360 OR QUICK BOOKS

SCOPE OF SERVICE

**Receivables &
Bank Deposits**

**Commission
Income**

**Company
Remittance**

**Return
Premiums**

**Cash & Credit
Premium
Refunds**

**Direct Bill
Commission**

**Producer
Commission**

**Personal
Funds**

**Production &
Financial Solvency
Reports**

WORKLOAD REDUCTION THROUGH OUTSOURCING

CSRs 25% to 30%

Bookkeepers 70% or More

Producers 10% to 15%

Managers 10% to 15%



USE OF WORKLOAD REDUCTION

Agency Management Options:

- Reduce Payroll Expenses
- Grow Agency Business by up to 25% with no Additional Payroll



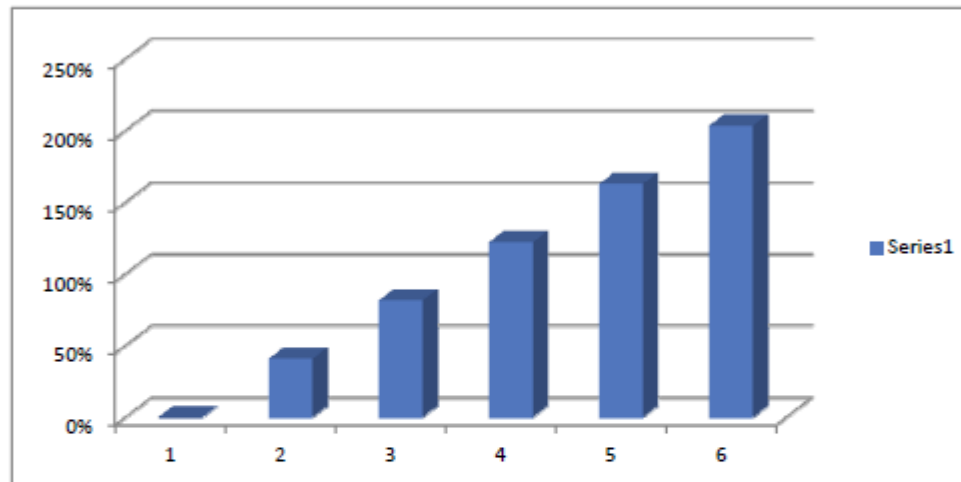
SOURCE OF ECONOMIC ADVANTAGE

Increasing Sales With No Additional Payroll Expenses

● Sales Expenses		
Sales Commission		30%
Other Sales Expenses		5%
● Profit on Additional Sales		
Commission Income From Addl Sales		\$100
Related Expenses 35%		(\$35)
Profit From Additional Sales		\$65
● Profit Margin on Additional Sales		65%
● Current Profit Margin (Average)		8%
● Overall Profit Margin (Estimated)		19.4%

OUTSOURCING ECONOMIC ADVANTAGE

\$10.0 Million Annual Premium Agency



ADDITIONAL PROFIT AS % OF CURRENT PROFIT

	Sales Increase*	Additional Profit
1	0%	0%
2	5.0%	41%
3	10.0%	81%
4	15.0%	122%
5	20.0%	163%
6	25.0%	203%

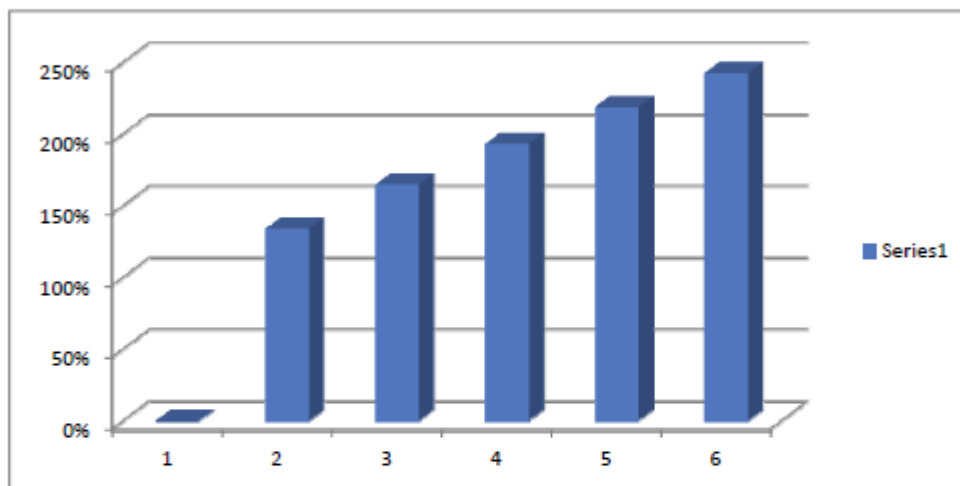
(*) With no additional payroll expenses

Current commission rate = 12.6%; Current Profit Margin=8%

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OUTSOURCING ECONOMIC ADVANTAGE

\$10.0 Million Annual Premium Agency



PROFIT MARGIN INCREASE

	Sales Increase*	Profit Margin Increase
1	0%	0%
2	5.0%	134%
3	10.0%	165%
4	15.0%	193%
5	20.0%	219%
6	25.0%	243%

(*) With no additional payroll expenses

Current commission rate = 12.6%; Current Profit Margin=8%

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OTHER OUTSOURCING BENEFITS

**Accurate Data
& Accounting
Records**

**Full Control
Over Premium
Dollars**

**Reliable
Production
Reports**

**Unique Financial
Solvency
Reporting**

**Guaranteed
Fiduciary
Compliance**

**Peace of Mind
for Agency
Owners**

**Focus on Sales
& Service**

**More Efficient
Workflow**

**Superior
Agency
Valuation**

DEPLOYMENT OPTIONS

- **Dedicated Computer on Agency Premises**
 - Agency Saves Source Docs in Trust Account Folder
 - Paulmar Enters Data & Performs Management Functions Remotely
 - 24/7 Operation Using the Internet
- **Service Deployed in the Cloud**
 - Data & Software Application Reside on Remote Server
 - Identical Service Operation