



SML SERVICES

PREMIUM AUDIT

ABOUT SML



Risk management services supporting the insurance underwriting and claims community worldwide.

These services have one goal: promoting safety while preventing risks.

Established in April 2007, SML has constructed a team of knowledgeable individuals whose mission is to provide value added services to the insurance marketplace. SML does not sell insurance and operates with complete impartiality and independence.

SML is composed of insurance and safety professionals with decades of combined experience in the areas of underwriting, loss control, premium audits, claims management, program management, and risk analysis.

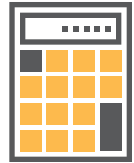
We have the talent and resources to get the job done right and in a timely manner. Our products provide meaningful information to the underwriting and claims community.

At SML, we pride ourselves on our commitment to our clients. If you are not completely confident with our services, we want to know. Our only measure of success is your satisfaction.

SML CUSTOMERS



PREMIUM AUDIT



SML provides Telephone, Voluntary (Mail), & Physical Audit coverage nationwide.

- ✓ Workers Compensation
- ✓ Assigned Risk Business - All Lines
- ✓ General Liability
- ✓ Preliminary/Test Audits
- ✓ Auto Fleet
- ✓ Physical Audits
- ✓ Garage Liability
- ✓ Telephone Audits
- ✓ Premium Audit Extensions
- ✓ Voluntary (Mail) Audits

We provide this coverage through our network of auditors, who share our same quality and professional standards. We only use providers who have been tested and meet the challenge of our quality control and time service procedures.

SML makes this a seamless process for the carrier. The carrier sends all audit requests to SML, then assigns and tracks all audits to outside field auditors and providers. In turn, all audits are sent back to SML for quality review.

SML covers all expenses required to complete audits and invoices the carrier at SML's agreed upon rate.

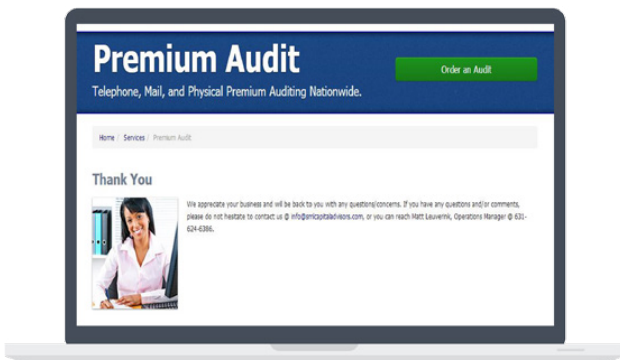
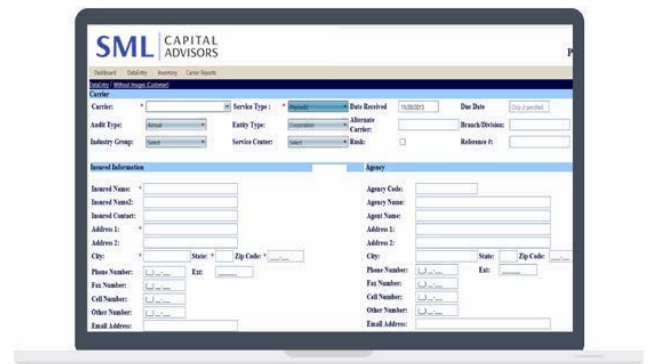
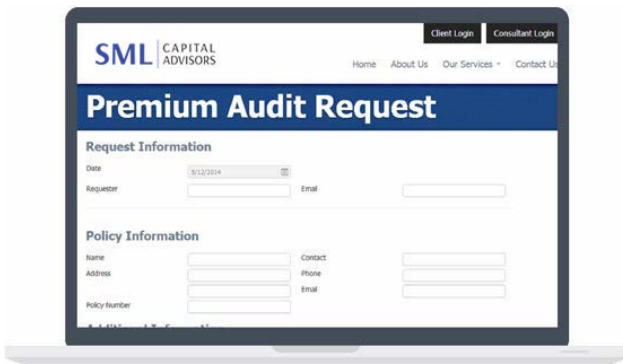
Every SML Premium Audit is completed using the latest technology available. Our Client Portal and Nexus Audit Software offer 24/7 online access to your account information, inventory, and completed audits.

ORDERING THE AUDIT

The audit can be ordered through our online portal.

OR

Through the Nexus Premium Audit software.



ORDER CONFIRMATION

An email confirmation will be sent to the person who requested the audit.

AUDIT PROCESS

For report consistency purposes, our auditors complete all audits using the Nexus software platform. Upon receipt of the physical audit, a Senior SML Audit Manager reviews the audit for quality and accuracy, and makes any necessary changes or adjustments. Our Field Audit Procedures are as follows:

PLANNING

- Review the Policy.
- Determine what records to use.
- Teleconference with underwriter.
- What location to visit? (if applicable).
- Who is the contact?
- What questions are important to the carrier?

ANALYZE AND VERIFY PREMIUM RELATED DATA

- Is data logical and complete?
- Is data consistent with industry averages?
- Can the deviations from the expected amount be explained?

REPORT FINDINGS

- Prepare a detailed report of findings prepared in a format consistent with policy premium calculation.
- Is data consistent with industry averages?
- Can the deviations from the expected amount be explained?

REVIEW OF INSURED'S OPERATIONS

- Determine nature of the insured identity.
- Observe the operation to compare similar enterprises.
- Identify classifications not shown on policy.
- Assess quality and cooperation levels of management.
- Note any changes in the operation and new loss exposures.

FINDING AND EVALUATING BOOKS AND RECORDS

- Decide what records will provide the necessary information.
- Determine alternative information sources.

DETERMINE EMPLOYMENT RELATIONSHIPS

- Who are the employees and what are their classifications?
- Are there any subcontractors?
- Do they work on wrap-ups? (Collect OCIP/CCIP Certificates).

AUDIT BOOKS AND RECORDS

- Ascertain classifications and number of exposure units.
- Has the NY Payroll Limitation been applied? (if applicable)
- Remove OCIP/CCIP exposures, based on collected certificates.

Insured Information		Policy Information	
Name	Sample	Audit Type	CGL
Address 1	1 New York Ave	Policy Number	654649481
Address 2		Policy Period	03/05/13 to 03/05/14
City	New York	Audit Location	
State	NY	Address 1	1 New York Ave
ZIP	10001	Address 2	
Phone	111-111-1111	City	New York
Company Desc	General Building Contractor	State	NY
Contact	Stranger Bell, Office Manager	ZIP	10001
Audit Date	3/30/2014		

From Composite Rate Endorsement						
Coverage	Exposure Type	Estimated Exposure Rate	Composite Rate Per \$1000	Estimated Premium	Minimum Premium	Deposit Premium
CGL	Profession	\$ 2,000,000	\$ 14,7000	\$ 29,501.00	\$ 23,625.00	\$ 29,501.00

FINAL AUDIT SUMMARY

Once the audit is finalized, the client will receive an audit summary detailing the results of the audit.

ADJUSTMENT PROCESS

When calculating the final audited premium, our procedures vary by line of business. For Workers' Compensation policies, we need to be provided access to the insured's rating base, as the rates, schedule credits, and many other factors can be unique and carrier specific. We take the information collected during our physical audit, and enter that exposure by state and class code into your rating system, which generates the final audited premium by calculating the exposures against the appropriate rates, and then applying all of the other factors such as experience modifications, premium discounts, credits, etc.

When more complicated program adjustments are needed (i.e., Retention plans, Retrospective Rating Plans, Multi-Year deals (OCIPs/CCIPs), etc.), we can perform these calculations, if requested.

Request a Premium Audit Consultation

[Click Here](#)

SML | CAPITAL
ADVISORS

SML CAPITAL ADVISORS

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