



At EBCO we intend to be recognized by our customers for demonstrating the highest levels of competency, objectivity and honesty in all of our services... Our employees will be the best trained team in the industry... We will play a lead role in promoting the integrity of the industry and championing the valuable role fee-based service providers' play...

The mission of EBCO is to deliver the most accurate premium audits possible... We recognize at EBCO that we are in the "assurance" business. We strive to assure our customers that we will do our best to protect their revenue streams from any unexpected surprises...

Announcing Ebco's 2009 Premium Audit Services

As a former Regional Audit Manager for a major insurance carrier, I have designed EBCO to address all of the concerns I wished someone had addressed when I was in your shoes. With a few minutes of your time, I will show you how you can save significant costs on your audit department expense, gain seamless flexibility in your department capacity and increase premium revenues along with the predictability of your revenue stream. We would like to meet with you to tell you about our exciting new program. As an added incentive we are offering a free trail audit worth up to \$500 to acquaint you with the quality of our work. Call us. Set up an appointment today. It will be well worth your time.

Edward Ebner, CIC, APA, President

First, a little about who we are. EBCO Inc. is a Premium Audit Service company in its thirteenth year of providing high quality insurance audits with a quick turnaround, to a variety of customers at competitive prices.

Our operations cover a wide range of territory in the South East, including Georgia, Alabama, South Carolina, Tennessee, Florida and Mississippi. We also support our customers nationwide through our affiliation with the National Association of Independent Insurance Auditors and Engineers (NAIAE). This professional association of service companies maintains strict standards regarding quality and professional integrity in meeting all of your auditing requirements. We are also members of the Premium Audit Association (PAAS), National Council of Workers Compensation (NCCI), and National and Regional Auditors Association (NASIPA).

EBCO provides automated audit reports which are maintained on our secure servers for ready access by your company for auditors, underwriters and management, providing a choice of desired reports at no extra cost. This can reduce your cost of file maintenance to zero by giving you personal direct access to our electronic storage. Audit data is retained for up to five years in secure confidential servers and backed by our 1 million dollar E&O coverage.

Our auditors are not subcontractors. They are paid employees (W-2) who work exclusively for EBCO. They utilize professional auditing software and have direct access to company bulletins and PAAS. *This professional relationship with our employees assures the competence, professionalism and integrity of the associate who completes your audits.*

FEES

Our service fee includes no additional charges for revised audits, including certificate changes, technical opinions and legal representation. **We accept full responsibility for the final accuracy of our audits,** providing professional support to the agent and insured at no additional expense.

- **Physical Audits** (*one hour minimum; no territory tiers*)
\$85/hr.
Direct personal visit by an EBCO auditor to evaluate records, classification codes and risk at the location of the insured. Used for new policies or larger risks when record evaluation at the premises is essential or for state insurance requirements.
- **'Home Office' Audits** (*service designed to reduce cost by reducing travel expense*)
\$65/hr.
Indirect review of records by an EBCO auditor at one of our offices in which the information is mailed (Prepaid Fed Ex) or faxed (secure server) and then processed in the same method as a Physical Audit, but without the on-site visit. Audit will include all aspects of the 'physical' audit except the 'on-site' visit including detailed description, classification analysis, detail record / verification review and exit interview. Used on all risks in which physical visits have been completed in prior years and record / risk evaluation can be completed off-site.
- **Mail Audits** (*nationwide; completed by active professional field auditors*)
\$45/flat
Documented form audits by an EBCO auditor without the physical visit but includes required physical verification by fax/mail of quarterly reports and certificates. Used on small accounts without the physical audit but careful verification is required.
- **Phone Audits** (*nationwide; completed by active professional field auditors*)
\$32/flat.
Direct phone audits by an EBCO auditor without the physical visit to ascertain exposure codes for audit or additional record evaluation. Used on smaller accounts where audit variance is unlikely and cost is a primary consideration.

TIME SERVICE

Our average time service is maintained at 60 days. Our electronic inventory gives you real time access to appointment and status information directly from our auditors. You are "in the loop" in every step of the audit.

AUDIT WORKFLOW

On-line account inventories are maintained through secure servers, posting immediate status information from our field auditors along with open-closed inventory access and ordering. Audit input / output can be customized for direct data strings for seamless data transfer.

Control	Ref#	Received	Type	Insured	Policy	Customer	Scheduled	Expired
47299	52122	4/14/08	A	BK INTERIOR CONSTRUCTION INC	9346184832691907	210	7/11/2008	5/11/2008
49254	54018	7/30/08	A	BEAU DAVIS & ASSOCIATES INC	9546184839111107	210	10/9/2008	8/25/2008
47997	52812	6/3/08	A	INTERGRATED CONSTRUCTION MGMT INC	04171848490829	210	9/26/2008	5/25/2008
48019	52832	6/4/08	A	JAS SERVICES INC	05171848487811	210	9/19/2008	7/2/2008
48084	52895	6/5/08	A	GARNTO & GEARIG BROTHERS CONSTRUCTION LLC	07171848487582	210	9/23/2008	7/1/2008
48087	52898	6/5/08	A	GARNTO & GEARIG BROTHERS CONSTRUCTION LLC	0746184829626507	210	9/23/2008	7/1/2008
48088	52899	6/5/08	A	J G JOHNSON CONSTRUCTION INC	0223184885785207	210	9/25/2008	7/1/2008
48253	53054	6/16/08	A	TONY ASHE	07171848487759	210	9/10/1008	7/11/2008
48261	53064	6/18/08	A	JAMES BURG	0746184830669507	210	9/25/2008	7/12/2008
48257	53065	6/18/08	A	RANGER CONSTRUCTION RESOURCES INC	0723184830668207	210	9/25/2008	7/11/2008
48296	53097	6/19/08	A	WALTER RICHARD MEADOWS	0746184831829307	210	9/16/2008	7/16/2008
48329	53130	6/19/08	A	IGUANA LLC	06171848483756	210	9/22/2008	7/14/2008
50426	55141	9/19/08	A	TIGER ENTERPRISES INC	0546184855293707	210	None	10/12/2008
48372	53168	6/23/08	A	REST MASTER BEDDING COMPANY	0746164834279707	210	9/15/2008	7/20/2008
48377	53170	6/23/08	A	MONROE SERVICES INC	02171848475477	210	9/25/2008	7/19/2008
48374	53176	6/23/08	A	ANTHONY UNLIMITED CORP	0546184800791007	210	9/23/2008	7/20/2008
48420	53218	6/27/08	A	GEORGE C PURSLEY MDPC	05171848480939	210	9/25/2008	7/22/2008
48422	53219	6/27/08	A	INTERMED SYSTEMS INC	92171848436043	210	9/25/2008	7/21/2008
48418	53221	6/27/08	A	PALMETTO HOMES	4643741200	210	9/24/2008	7/23/2008
48430	53230	6/27/08	A	FLOOR TECHS	0623184889602407	210	10/1/2008	7/24/2008
48466	53237	6/30/08	A	MCPHERSON PLANNING LOCAL REDEVELOPMENT AUTHO	06171848483868	210	9/26/2008	7/26/2008

EBCO Inc. Premium Audit WEB MANAGEMENT CENTER

Easy access to past audit copies, policies and state or company forms eliminates the need for the staff resources and storage space required to maintain audit documentation.

<input type="checkbox"/>	49242	7/28/08	A	GORDON ORESTI	10/22/08	0646174893813607	9/4/08	9/9/08	Complete
<input type="checkbox"/>	49256	7/30/08	A	MONTGOMERY PAINTING LLC	10/26/08	06171848484201	9/12/08	9/16/08	Complete
<input type="checkbox"/>	49287	8/4/08	A	COLONY HOUSE FURNITURE INC	10/24/08	02171848476224		9/2/08	Complete
<input type="checkbox"/>	49284	8/4/08	A	GILBERT'S FORESTRY SERVICE INC	10/26/08	05171848481123		9/8/08	Complete
<input type="checkbox"/>	49283	8/4/08	A	PIZZA MAKER & CO	10/24/08	03171848477539	9/16/08	9/19/08	Complete
<input type="checkbox"/>	49299	8/4/08	A	IARB BONDING INC	10/27/08	4395111800	9/11/08	9/19/08	Complete
<input type="checkbox"/>	49301	8/4/08	A	MIKE ALLARD LLC	10/3/08	0623184886142707	8/21/08	8/22/08	Complete
<input type="checkbox"/>	49321	8/4/08	A	PROFESSIONAL PAINTING & HOME IMPROVEM	10/27/08	0546184849188007	9/15/08	9/16/08	Complete
<input type="checkbox"/>	49314	8/4/08	A	JERRY MARLOW	10/28/08	0623184800619807	9/4/08	9/9/08	Complete
<input type="checkbox"/>	49451	8/6/08	A	CLEANING CHAMPS OF AMERICA	10/5/08	0423184814466507	9/24/08	9/24/08	Complete
<input type="checkbox"/>	49457	8/6/08	A	DAVID BOWEN	10/5/08	06461848888244	9/12/08	9/16/08	Complete
<input type="checkbox"/>	49466	8/6/08	A	TEAM MARKETING GROUP INC	10/30/08	0546184852536107	9/16/08	9/19/08	Complete
<input type="checkbox"/>	49487	8/6/08	A	BILLY R PEAK	10/29/08	0546184851091107		9/2/08	Complete
<input type="checkbox"/>	49478	8/6/08	A	ZACHARY DELOS REYES	11/29/08	07171848488220	9/16/08	9/16/08	Complete
<input type="checkbox"/>	49571	8/8/08	A	AUTOMATED CREATIONS INC	11/3/08	0346184880951107	9/11/08	9/19/08	Complete
<input type="checkbox"/>	49604	8/12/08	A	HUGO JOSUE MARTEL AVILEZ	11/4/08	07171848488296	9/15/08	9/19/08	Complete

EBCO Inc. Premium Audit WEB MANAGEMENT CENTER

Audits, policies and data documentation is retained in PDF format for ease of printing.

BILLING

Audits are tallied and invoiced at the conclusion of each month. Each audit batch is forwarded with a control sheet that details audit time, allowing for review of expenses and confirmation of receipt. Invoices are due upon receipt.

ADDED VALUE

When you consider professional customer service, electronic inventory and dedicated employee auditors who will be available in the years to come, the choice is clear. We act as an extension of your audit department or we can act as your "on call" audit department for all of your premium audits.

EBCO provides the benefits of a company auditor with flexibility! We give you an extended staff of dedicated employees, ongoing training, professional accounting backgrounds along with direct accountability to assist in dispute resolution and technical assistance in every area of premium audit.

COMMITMENT TO ONE CHARGE assures you that the audit cost will not be inflated with additional gas surcharges, policy handling fees (software charges), audit reassignment charges, or additional charges for support of dispute resolution.

To prove that you will be satisfied with our services, we will give you \$500 in services FREE to allow you to try our services at no cost or obligation. Call us today to set up an information meeting to allow us to explain our programs to your satisfaction. Pick up the phone and call right now.

Sincerely,

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Business Cell

P.S. Look at our cost calculator on the following page, fill in your own numbers, and you will see the cost benefit of using EBCO to supplement your Premium Audit needs.

Proud members of the Premium Audit Advisory Service / National Association of Independent Insurance Auditors and Engineers / National Society of Insurance Premium Auditors / Dun and Bradstreet Financial Services

AUDITOR COST CALCULATOR

YEARLY COST ESTIMATES

AUDITOR SALARY	\$ _____	(\$45,000)
AVERAGE BENEFITS, INSURANCE AND TAXES	X 66% _____	(\$29,700)
PLUS COMPANY VEHICLE	+ _____	(\$6,000) (500 X 12)
PLUS EXPENSE ACCOUNT	+ _____	(\$14,700 Total) (\$4,200) (100 X 42) GAS (\$4,200) (100 X 42) MOTEL (\$2,100) (50 X42) MEALS (\$4,200) (100 X 42) MISC
AUDITOR TOTAL	= _____	\$95,400 (conservative)

PRODUCTION ESTIMATES

TOTAL AVAILABLE WEEKS	365 DAYS
LESS WEEK ENDS	104 DAYS
LESS HOLIDAY	12 DAYS
LESS OFFICE DAYS	52 DAYS
LESS VACATION	14 DAYS
LESS SICK DAYS	10 DAYS
NET WORK DAYS	= <u>173 AVAILABLE DAYS (35 work weeks)</u>
WEEKLY COST (wrkng wks/yr)	\$95,400 / 35 WKS = \$2,726 per week
HOURLY COST (wrkng hrs/wk)	\$ 2,726 / 25 HR = \$ 109 per hour

OBSERVATIONS

1. SALARIES, COSTS AND EXPENSE ASSUMPTIONS ARE CONSERVATIVE.
2. ADDITIONAL MEDICAL LEAVES, INJURIES NOT INCLUDED.
3. INITIAL / ADDITIONAL TRAINING AND BRANCH MEETINGS NOT INCLUDED.
4. PROMOTIONS OR SEVERENCES NOT INCLUDED.
5. ADDITIONAL MANAGEMENT EXPENSE / OVERSIGHT / REPORTING NOT INCLUDED.
6. HOME OFFICE OPERATIONS / SOFTWARE / MISC PAPER WORK / STORAGE NOT INCLUDED.
7. STAFFS CALCULATIONS ASSUME STEADY 12 MONTH WORK LOAD.
8. OUTSIDE AUDITORS ARE AVAILABLE ON AN "AS NEEDED" BASIS.
9. OUTSIDE AUDITORS ARE PRECIEVED AS MORE OBJECTIVE BY THE INSURED.
10. **EVEN USING THE MOST CONSERVATIVE ASSUMPTIONS, EXTERNAL AUDITORS REPRESENT A REAL COST SAVING OPTION TO SUPPLEMENT "IN HOUSE" STAFF.**