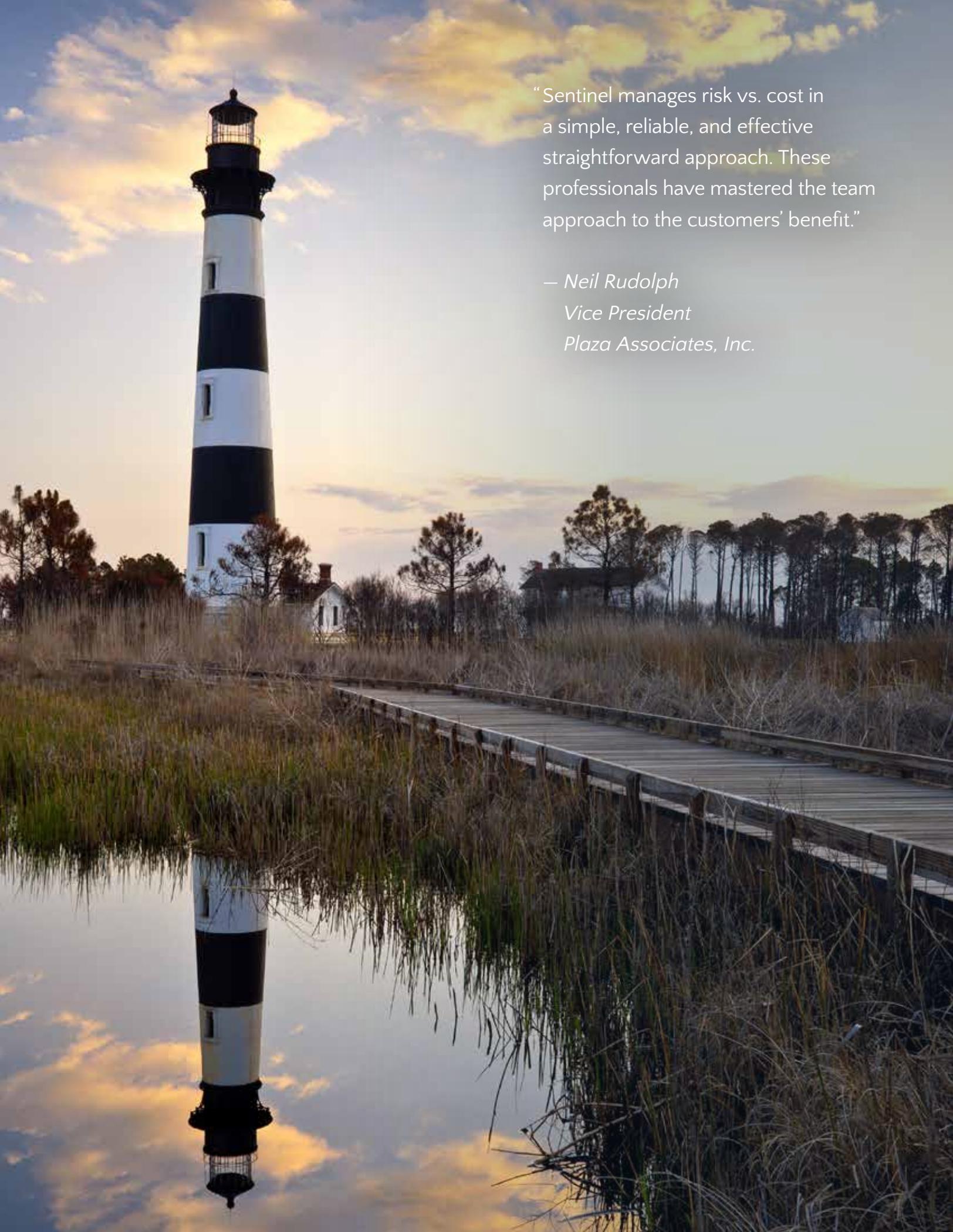


RISK PERFORMANCE GROUP



SENTINEL
RISK ADVISORS

SAFEGUARDING YOUR SUCCESS



“Sentinel manages risk vs. cost in a simple, reliable, and effective straightforward approach. These professionals have mastered the team approach to the customers’ benefit.”

— Neil Rudolph
Vice President
Plaza Associates, Inc.

Risk Performance Group

Sentinel's Risk Performance Group delivers on the power and promise of superior risk management strategies and services to position our clients and partners for optimal success. The Risk Performance Group marshals the highest level of expertise in the risk management arena today.

This premier team of risk managers and loss control experts safeguard lives and livelihoods. Sentinel's Risk Performance Group works to measure and mitigate the immediate risks our clients face while putting best practices into place to protect their future interests, as well.

For clients with more sophisticated risk management needs, Sentinel is the only firm in the Carolinas with the depth of field to provide elite risk management professionals to work onsite on a consultative basis; effectively serving as an extension of your team.

And should a loss prove unavoidable, the team's incomparable claims experience ensures the best possible outcome.

A Consultative Approach to Risk Management

Our team partners with you to develop and deliver an organizational risk management vision that aligns your tolerance for risk with the right mitigation strategies. With a comprehensive and objective view, we help implement a broad array of proactive solutions across your organization to enhance decision making, reduce uncertainty and increase opportunity.

Your company is bound to face risks. Successful organizations are decisive about which risks to avoid, control, transfer or accept. Building risk management muscle will save you time and money, and ultimately, be a competitive advantage to your organization.

Sentinel's particular areas of focus for our risk management consultative team includes: programmatic review and risk financing, development and implementation of risk management strategies, ongoing risk management administration and reporting, loss control and claims advocacy, guidance to institute contractual standards

and discipline, vendor management, and establishing an enterprise risk management framework.

A Holistic Approach to Risk Control

The insurance industry relies on loss control specialists to pinpoint deficiencies that could impact a business' bottom line. At Sentinel, we take a broader, more holistic view. Our risk control experts are in the business of affecting change.

The team works proactively, marrying the investigative side of assessing risk with finding workable solutions to manage that risk. As an integral part of the Risk Performance Group, the risk control team puts clients on the path to workplace safety, compliance and ultimately, to optimal profitability.

The team assures that OSHA compliance standards are met for businesses with a diverse set of operational risk portfolios. Critical workplace safety trainings are held throughout the year, and the team provides a myriad of resources to help companies navigate state and federal safety standards and regulations.

A Concierge Approach to Claims

Try as we may to avoid them, losses are bound to happen. For Sentinel, ensuring a smooth and successful claims experience gives us an opportunity to earn our client's trust all over again.

Sentinel's incomparable claims experience is owed to a concierge approach that puts the distinct needs of each client ahead of the dollars and cents of the claim. Our team is guaranteed to get your life and business back on track quickly, and be your advocate through the claims process. But that's not what sets Sentinel apart.

In the end, what makes Sentinel's star shine so bright is this: our claims experts are the most highly regarded client advocates in the industry today. They have greater knowledge, better leverage, and the know-how to shepherd a claim through any obstacle under any circumstance, to achieve the best possible outcome on behalf of their clients and partners.

Risk Management Consulting

It's a common dilemma for many companies: how to manage an increasingly complex risk practice with limited staff. Even when a company has dedicated risk management professionals, the very nature of today's risk environment often makes it necessary to bring in additional resources and outside expertise.

Sentinel clients enjoy a strategic advantage: access to elite risk management professionals who work seamlessly as a part of your team. Our consultative engagement will be truly customized to fit your organization's needs—from one-time projects to program implementation to ongoing tasks and tactics that your staff either doesn't have the time, expertise, or energy for.

Your Sentinel consultant will help your firm map out a comprehensive risk plan to ensure the organization is armed and ready to meet whatever challenges tomorrow may bring. Your consultant will be asking the hard questions that reveal gaps and exposures, and providing workable solutions to those questions, such as:

- Is my insurance program protecting the organization and providing value for the cost?
- Are there alternative risk strategies to explore?
- Have I engaged the right third parties and are they performing well?
- Are loss prevention programs effective?
- Could a supplier cause an interruption to my business?
- Do my employment or contracting practices put the company at risk unintentionally?
- How do I address the risks that I cannot insure?
- Are there emerging risks to my organization due to new business opportunities or acquisitions?
- Are my practices effective to adequately forecast costs?
- How do I communicate the performance and value of these programs to my management team?

The scope of the consultative engagement can vary from a few hours to 40 hours per month or more, depending on the needs of your organization and the depth of expertise required. General risk management services include the review and development of tailored risk management and risk financing programs and the administration and reporting that goes along with it.

Insurance Program and Risk Financing Review and Development

Our team's ongoing review of your company's risk programs and insurance products will ensure that you have the optimal insurance coverage, limits and retentions, pricing and funding. We will perform a "total cost of risk" comprehensive assessment and establish a risk management calendar on your behalf that fits the rhythm of your business—key planning dates, fiscal year, seasonality, etc.

We make sure important claim reviews are timed to provide credible numbers for financial planning and reporting. We will document insurance renewal and audit data requirements and assist with preparing submissions and fulfilling audit requirements. We can conduct scenario planning workshops, insurance service provider management, and more.

Risk Management Administration and Reporting

Your Sentinel consultative partner will keep track of all key deliverables relative to your insurance program and manage claims activities. The Sentinel team will break down your organization's total cost of risk, which includes insurance premiums and expenses, retained losses, and loss control efforts.

You will understand how your cost compares with your peers, and our team will provide clarity on the return you are receiving on your investment for risk management initiatives. Reporting tools, including risk management dashboard reports, will communicate results and keep you exceptionally informed.

Risk Management Dashboard

Q3 2017

Total Cost of Risk



Insurance Program Costs YOY



Category	2016 Costs	ELECTRONICS STORE CLIENT	First Quartile	Median	Third Quartile	Average
Dept Admin	145,000	0.13	0.25	0.29	0.35	0.26
General Liability	165,000	0.15	0.02	0.05	0.16	0.23
Auto Liability	620,000	0.58	0.06	0.15	0.46	0.45
Excess Liability	525,000	0.48	0.06	0.15	0.46	0.45
Workers Comp	562,000	0.53	0.06	0.15	0.46	0.45
Crime/Fidelity	15,000	0.01	0.01	0.01	0.02	0.02
Cyber	185,000	0.17	0.04	0.07	0.16	0.13
D&O Liability	160,000	0.15	0.07	0.15	0.29	0.27
Fiduciary	15,000	0.01	0.01	0.02	0.04	0.03
Property Costs	250,000	0.23	0.07	0.15	0.29	0.27
Outside Services	140,000	0.13	0.03	0.11	0.24	0.19
* Risk Management Employees		1.50	1.00	1.70	2.80	2.20
Total Cost of Risk - Consumer Discretionary	2,782,000	2.34	1.57	3.38	6.15	5.01

Source: Advisen Consumer Discretionary; Revenues <\$1Billion

Category	This Year	Last Year	Increase/(Decrease)	
			\$	%
Dept Admin	145,000	140,000	5,000	4%
General Liability	165,000	155,000	10,000	6%
Auto Liability	620,000	570,000	50,000	9%
Excess Liability	525,000	485,000	40,000	8%
Workers Comp	562,000	500,000	62,000	12%
Crime/Fidelity	15,000	15,000	-	0%
Cyber	185,000	185,000	-	0%
D&O Liability	160,000	165,000	(5,000)	-3%
Fiduciary	15,000	15,000	-	0%
Property Costs	250,000	245,000	5,000	2%
Outside Services	140,000	135,000	5,000	4%
Total	2,782,000	2,610,000	172,000	7%

Annual Revenues	110,000,000
Payroll	37,000,000
Total Insured Values for Property	6,000,000
Number of Vehicles	425
Number of Employees	750

Line of Coverage	New Claims	Closed Claims	Change in Incurred	Change in Paid
Auto	18	22	\$ 137,000	\$ 182,654
Workers Comp	42	34	\$ 215,874	\$ 198,410
Liability	4	6	\$ 32,000	\$ 72,417
Total	64	62	\$ 384,874	\$ 453,481

Key Findings:

The good news—overall, costs are lower than your peers

The bad news—auto and workers' comp costs are higher than your peers

- It's time to explore better cyber pricing
- Costs are increasing more than exposures are rising
- The number of new workers' comp claims are on the rise
- Need to improve claims closure rates with TPA/insurer

Guidance to Institute Contractual Standards and Discipline

Our experts will provide you with the resources, education and guidance necessary to fully understand, and ultimately derive benefit from, the various types of contracts on file with your company. Working together, we will develop the so-called “bright lines,” or clearly defined rules and standards, necessary for accepting a more consistent approach to risk management and mitigation.

These standards will result in best practice tools to successfully negotiate complex risk scenarios. We can also assist in establishing escalation protocols for situations where specific risks cannot be transferred or mitigated.

Services include:

- Indemnification
- Waiver of subrogation
- Limit of liability
- OSHA and safety compliance
- Exculpatory provisions
- Statute of limitations
- Additional insured status
- Property and equipment rentals
- Non-disclosure and confidentiality obligations
- Insurance and performance review

Vendor and Subcontractor Management

It's crucial that your company understand the various categories of vendors used and the associated risks they potentially bring to your organization. It's equally important to have processes and procedures in place for organizing these contracts. Our team is here to put key mitigation strategies into place, monitor for compliance and adjust as necessary.

Services include:

- Lease agreement review
- Insurance and performance report review
- Assess contractual obligations, provide summary of findings
- Service level and non-disclosure agreement review

Employment Protocols

The American workplace is more complicated than ever before, making strategic support of human resources

and employment practices essential. Your Sentinel team will provide you with the expertise to move forward on employment matters with confidence and clarity.

Services include:

- Preparation and presentation of job descriptions
- Hiring and separation practices
- Return-to-work programs
- Policy and procedure development
- Development of applications and interview processes
- I-9 and e-verify compliance audits
- Employment/Independent contractor classification

Sentinel Risk Advisors does not provide legal guidance or legal opinion. Rather, our team of experts leverage years of insurance, human resource and risk management experience into providing solutions to the most common risk scenarios. We strongly advise and encourage our clients contact legal counsel prior to implementing any suggestion provided to them by Sentinel Risk Advisors.

Risk Control and Workplace Safety

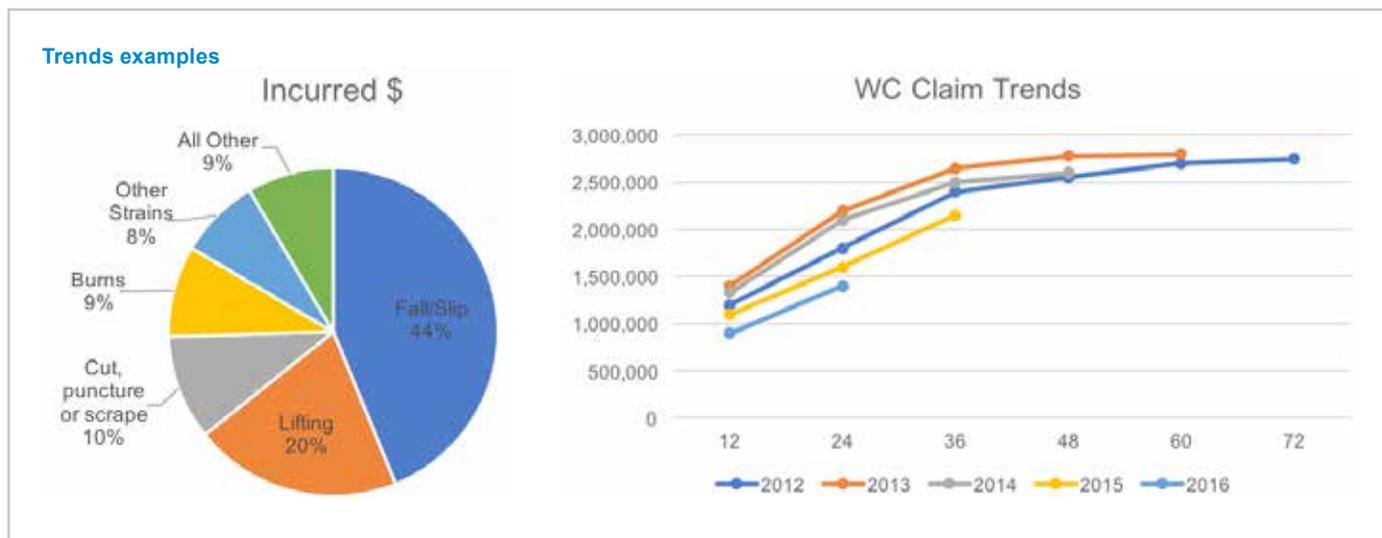
At the heart of any effort to control company losses through workplace safety is this simple truth: the best solution, by far, is to create a culture that values the health and safety of each employee. Companies that successfully create a safety conscious workplace are also much more likely to have employees that care about and protect company resources and infrastructure.

Sentinel recognizes that the most successful way to foster a culture of workplace safety is to focus on prevention. Consider recent findings from the Occupational Safety and Health Administration (OSHA) that for every \$1 invested in effective safety programs, a company will save between \$4-\$6 dollars in lost revenue from employee illness and injury.

And, beyond the immediate dollars and cents spent on medical bills and insurance premiums, is another sobering statistic: the real cost of a workplace accident is five times that. Factor in lost revenue, the cost of employee hiring and retraining, and production delays—all of which can do damage to a company's brand, business and bottom line.

Employers often believe that workplace safety programs are going to be very expensive to implement. The truth is, they are not. Often times, it's the smallest changes that have the biggest impact on an organization. We will examine your claims experience and target efforts to address the most common types and most expensive claims. For example, slips and falls, as well as lifting injuries, were driving this company's claims. The impact of targeted loss control efforts in late 2014 is demonstrated by looking at the trends.

- Safety program development, review, implementation
 - Sample programs, templates, forms
 - Written program audit
 - Implementation guidance and assistance
- Return-to-Work program guidance and assistance
- Assessments, evaluations & audits
 - Safety evaluations, including OSHA and DOT regulatory guidance



Sentinel's risk control team will develop a loss control program that is manageable, leverages available resources, and is measurable in terms of results. No other risk brokerage in the Carolinas covers the scope of risk control and workplace safety services, which include:

- Training
 - Onsite safety awareness training on hazard specific topics and general safety topics
 - Supervisor and management specific training
 - Employee specific training
 - Train the trainer
 - Web based training
 - Sample training presentations
 - Safety 'toolbox' talks
- Seminars
 - Lunch and Learns
 - Recordkeeping – OSHA 300 logs
 - Hazard based safety awareness training

- Ergonomic evaluations
- Report with formal recommendations for follow up
- Safety committee support
 - Sample topics
 - Training
 - Participation
- Incident investigation guidance and assistance
 - Sample forms
 - Follow up investigations
- Loss analysis with formal report
- Access to Succeed Risk Management platform library and tools
- Coordination with carrier loss control representatives

Potential training topics

- OSHA 10 & 30-Hour
- Specific hazard safety awareness training
 - Emergency evacuation/Fire safety

“In construction, we want to provide an extra assurance of security in all we do, and Sentinel has helped us assess and identify potential and existing exposures to risk. Their experienced professionals have provided us with true peace of mind.”

– *Heather Denny*

President

McDonald York Building Company



- Hazard recognition and communication
- Blood borne pathogens
- Personal protection equipment
- Ergonomics
- Lockout/Tagout
- Trenching & excavation
- Confined space
- Powered industrial vehicles
- Noise (hearing) conservation
- Safe lifting/Back safety
- Cold/Heat safety
- Fleet safety
 - Defensive driver
 - DOT compliance basics
- Cost of accidents assessments

Claims Advocacy and Analysis

Claims is an integral part of Sentinel's Risk Performance Group. Ultimately, our claims team has two goals: to maximize benefit to the client who has experienced a single loss, and to maximize resources to the company by better understanding and impacting losses over time.

For individuals who have suffered a loss to their home, automobile, or personal articles, you will find no greater advocate than Sentinel's claims team. We treat each claim with urgency, and deploy our extensive expertise to bring

about the best possible outcome, often by successfully negotiating with carriers and third parties on your behalf.

Businesses look to Sentinel to not only positively impact commercial loss claims, but to affect positive change from within the organization relative to loss control. Sentinel's team will help your organization see how your claims experience has changed over time, analyze the factors that influence claims, and help you maximize opportunities to secure better insurance coverage and rates.

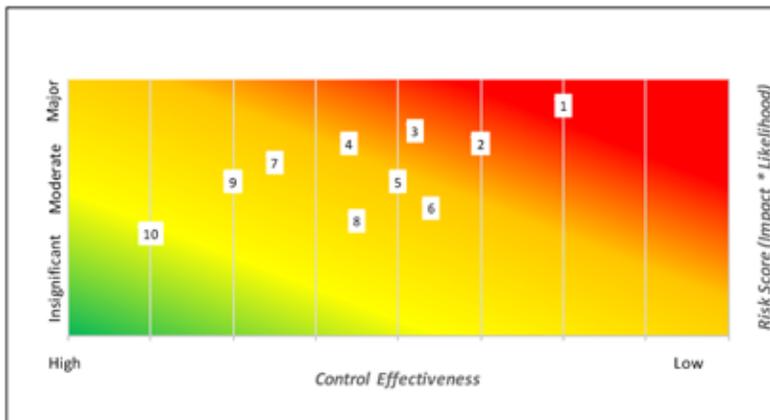
Enterprise Risk Management (ERM)

Sentinel will articulate your risk management process to stakeholders and ensure that a proper framework is in place so that risks are assessed regularly, risk discussions happen at the appropriate time and level, and resources are deployed appropriately.

Services include:

- Develop and implement ERM framework consistent with best practices
- Review of financial statements and reporting
- Contract review for key customers and vendors
- Internal risk management communications
- Preparation and presentation of preliminary risk register
- Conduct risk assessments via survey tools, manager interviews
- Conduct validation meeting(s) to prioritize actions
- Preparation and presentation of risk analysis, risk map and/or dashboard

Risk Map example



#	Risk Name
1	Succession Planning
2	Cyber Security & Protection
3	Loss of a major customer
4	Vendor Management
5	Employee Recruitment & Retention
6	Emergency Planning
7	Information Governance
8	Disruptions in the Credit and Capital markets
9	Regulatory Compliance
10	Conflict of Interest /Corruption

Due Diligence for Mergers & Acquisitions

Successful mergers and acquisitions strike a balance between risk and reward. Optimizing profitability is the job of due diligence. As the Carolinas' premier risk management firm, Sentinel is uniquely positioned to leverage the information and intelligence necessary to move even the most complex deals from negotiation to closing.

Sentinel's role in due diligence, whether retained on the buy-side or sell-side, is to identify and assess a company's known risks, uncover undisclosed and unexpected liabilities and exposures, and advise solutions that inspire the trust necessary to move the deal to a successful resolution.

Sentinel deploys a risk assessment strategy capable of navigating today's increasingly complicated insurance landscape. Our systemic process draws upon the latest trends in insurance litigation, claims, carrier behavior, and legal precedent to produce a final recommendation that has weight and value for all parties.

The ultimate goal of every due diligence that Sentinel performs is to position the companies we represent for greater capacity and prosperity.

At Sentinel, our reputation is built on exceptional client experience.

Our greatest endeavor is investing in your company's success. Our Risk Performance Group's commitment to you is a partnership that will protect your company and position it for optimal prosperity—on your terms.

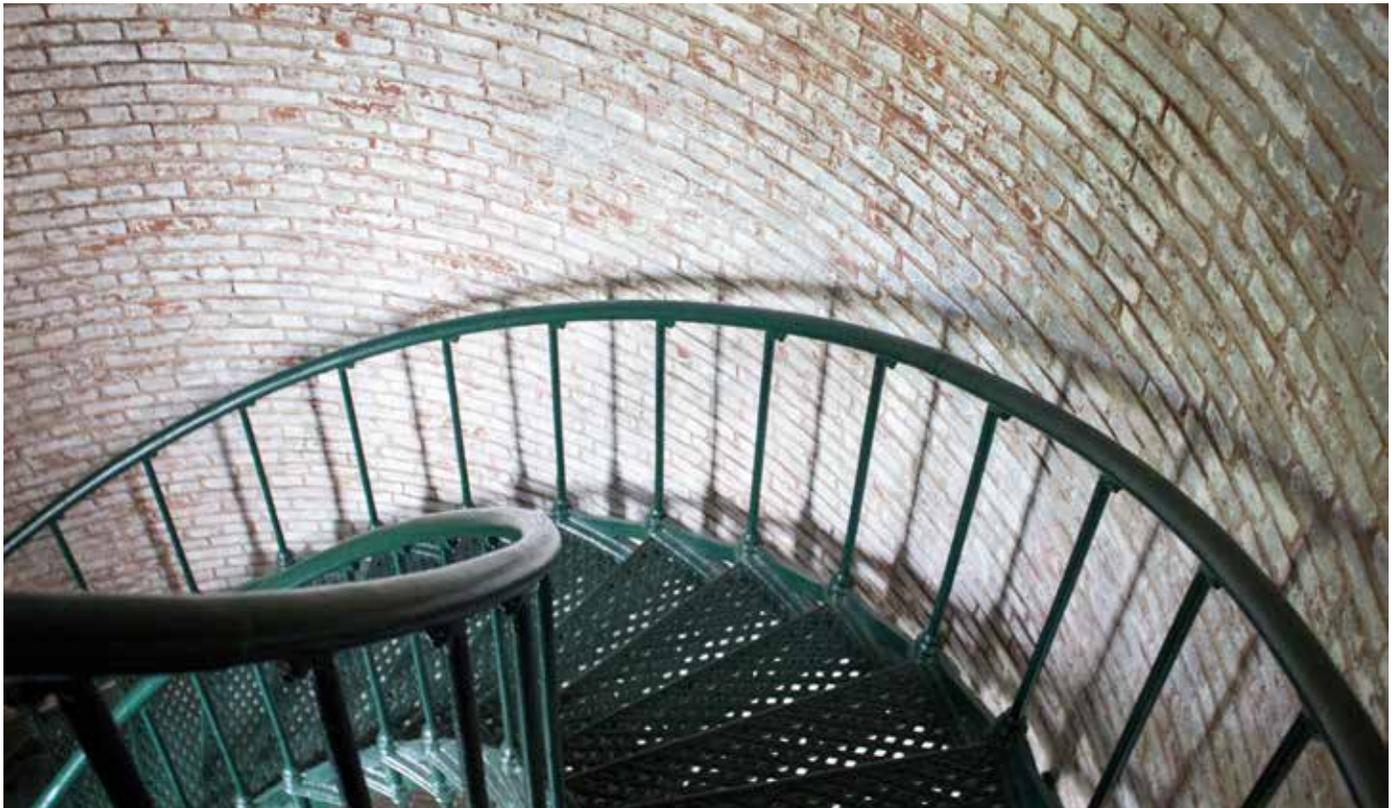
The Risk Performance Group team will work with you to assess the size and scope of our partnership, whether it be a one-time project or an ongoing series of work performed on-site or off. We are here to give you organizational strength and better leverage your team's resources in times of challenge and change.

Results will be measured. Risk leveraged for greatest reward. Success guaranteed.



SENTINEL
RISK ADVISORS

Call Sentinel today.



“Sentinel exceeded our expectations on every front, from planning to execution and support. Your team scoped the engagement correctly up front and laid out a clear timeline for the work. Furthermore, the Sentinel team communicated the right amount and at the right times, beat every deadline and delivered high quality work.

Sentinel’s transaction support was nothing short of excellent. The team worked seamlessly and efficiently with lenders and attorneys on all insurance-related matters. Your examination of our risk management was comprehensive and provided deep insight into the company’s people, systems and processes.”

— *Nate Edgerly*

*Executive Vice President and Treasurer
Investors Management Corporation*





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Sentinel Risk Advisors is the Carolinas' premier risk management firm with a reputation for exceptional client experience. Sentinel offers a broad scope of property, casualty, and risk management services for today's global marketplace. Clients depend on Sentinel to protect their assets, preserve their wealth, and elevate their personal and professional position.

For more information, visit sentinelra.com

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