

Specialists in Workers' Compensation Since 1942



Safety National Workers' Compensation Loss Portfolio Transfer (LPT)

A.M. Best Rating A (Excellent) Financial Size Category XI
A subsidiary of the Delphi Financial Group

Loss Portfolio Transfer (LPT) - A financial solution for transferring outstanding loss liabilities.

Founded in 1942, Safety National is one of the longest providers of alternative workers' compensation services in America. For 70 years, the company has pioneered new products for the self-insured community.

A Safety National LPT includes an assumption of total, unlimited liabilities for self-insured entities for a specified time period. A cost estimate can be developed free of charge with a complete set of information including named insured, description of operation, LPT coverage terms, historical payroll information, loss development triangles (normally part of an actuarial report), details of excess policies or other applicable insurance coverage for the transfer period(s) and information regarding TPA handling claims. Depending on the motivation and financial stability of a prospective client, Safety National can consider a creative structure for these transactions.

Safety National offers:

- **Free preliminary quote**
- Unlimited risk protection cover
- Multiple years coverage in a single contract
- Stability of A.M. Best rating A (excellent), Financial Size Category XI (policyholders' surplus of \$750 million to \$1 billion)
- Standard Self-Insurance Loss Portfolio Transfer Assumption Agreement
- Opportunity to transition account to
 - Safety National Large Deductible
 - Safety National Fronted Primary Coverage
 - Safety National Excess Workers' Compensation Program
 - Rent-a Captive Facility
- Streamlined, standardized process with quick turnaround

Client Benefits:

- Conversion of all known and unknown liabilities into a fixed payment
- Potential release of collateral from state
- Elimination of Joint and Several Liability for group self-insureds
- Elimination of potential for additional assessments of members
- Potential tax deductibility of loss payments *
- Elimination of administrative costs and future assessments
- Improved balance sheet

Broker/TPA Benefits

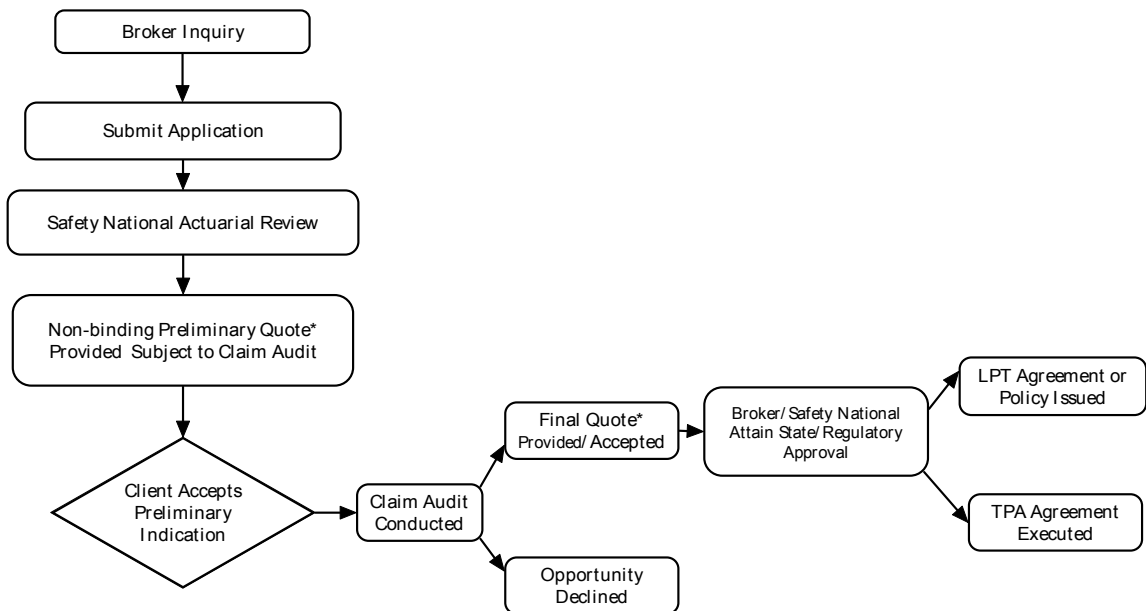
- Unbundled ability to use existing TPA relationship
- Single market for aggregate protection and transition opportunities
- Ability to control future claim handling services
- Ability to generate additional revenues from claim handling services and commissions on aggregate protection, rent-a-captive or captive vehicle

Target Classes

- Public Entities
Municipalities, schools, counties, water districts, hospitals
- Light and medium manufacturing
- Healthcare
Hospitals, nursing homes
- Hospitality
Hotels, restaurants
- Wholesale distributors
- Technology
- Retail
- Gaming operations/ Tribal gaming

(*) As with any significant financial transaction, Safety National urges its clients to consult with a tax advisor to assess and analyze tax implications.

Safety National Loss Portfolio Process



* quote does not include claim handling fees, brokerage commissions, or premium tax if applicable unless requested

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