

Specialist Insurance for ECIA Members

Commercial Insurance & Surety Solutions



ECIA

RKH
Group

The Complete Solution

The UK Engineering Construction Industry has a major impact on the UK economy, directly contributing almost 2% of GDP*. With approximately 50,000 people employed in the UK the nature of the work has changed but remains diverse and complex involving a varied range of companies, contractors and people. Finding the right insurance solution to protect your physical assets along with your general and professional liabilities is vital to ensure that both your company and staff are appropriately covered.

The ECIA recognised that because of the complexities of the work undertaken by its members, they had become significant buyers of insurance products, spending considerable amounts over a variety of different classes of insurance. These include a range of commercial and specialist on-site covers along with any performance related bonds that they may be obligated to meet.

To assist members, the ECIA wanted to find a broker that could not only accommodate all of these different options but could also utilise the buying power of all of its members to ensure that the premiums were competitive in addition to offering high levels of service. The ECIA chose award-winning insurance broker, R K Harrison Group.

R K Harrison is a leading independent insurance and reinsurance broker, specialising in providing bespoke solutions to businesses, insurance brokers, trade associations and private individuals, both in the UK and internationally.

The ECIA offering will be provided by two R K Harrison subsidiaries. R K Harrison Insurance Services will deal with commercial insurances and R K Harrison Financial Risks (RKHFR) will offer Surety Bonds.

Regardless of the size and requirements of your business, we can provide a package that is right for you, your employees and your business.

* Source: Engineering Construction Industry Association.



“ The ECIA fully endorses this R K Harrison service because we believe they offer innovative and flexible solutions that are aimed specifically at ECIA members, whilst still being able to offer them competitive premiums. We thoroughly recommend that you contact them when evaluating your insurance coverage ”

Mike Hockey, Managing Director, ECIA



Commercial Insurance

Commercial insurance will be provided by R K Harrison Insurance Services (RKHIS). RKHIS is one of the UK's leading insurance providers with a great tradition of providing specific products that are tailored to our clients and their industry. We have used this expertise, along with our experience within the engineering sector to develop a comprehensive commercial insurance solution for members of the ECIA.

The risks encountered in Construction are higher than most and this is borne out by the fact that the UK Construction Industry has higher injury rates than virtually all other industry sectors. As a result, insurance premiums for construction companies are often significantly higher than those paid by similar sized companies in other sectors.

However, Engineering Construction is not the same as construction as a whole. Many years of substantial effort from ECIA member companies has delivered a health and safety performance that is consistently and substantially better than that of construction. After consultation with the ECIA and it's members, we have used this information to develop an exclusive service designed to reward you.

Through a selected panel of insurers, we have negotiated a business insurance solution which incorporates a range of industry specific features. This means you should receive a premium that rewards your commitment to risk management.

In addition, we have access to all major insurance markets to ensure we can source a solution for more bespoke requirements.

Key Benefits

■ RISK MANAGEMENT SCORECARD

In our initial meetings, we evaluate your business against an ECIA approved risk management scorecard. The scorecard rating you achieve should have a direct impact upon the premiums you pay. See Risk Management to learn more.

■ COMPREHENSIVE COVER

The key features of this product have been specifically tailored to cover the unique requirements of your industry

■ VOCATIONAL REHABILITATION SERVICE

This service is designed to help return injured employees back to the work place as efficiently as possible.

■ CLAIMS

We will provide you with a personal claims manager who will be your single point of contact whenever you have to make a claim.

■ MEMBERSHIP CONTRIBUTION

RKHIS will directly contribute, upon submission of a valid ECIA membership certificate, up to 25% toward your ECIA basic annual membership subscription every year that you renew your policy through this scheme.

Note: this applies to basic subscription rates only and does NOT apply to ECIA levy or percentage of payroll payments. For clarification contact darycanfield@ecia.co.uk.

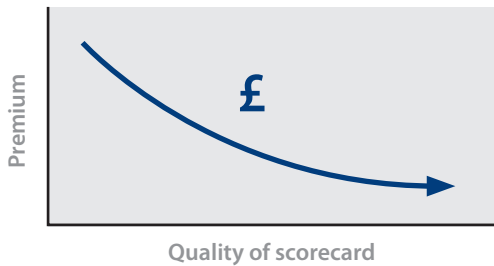
RISK MANAGEMENT

The increasing focus on effective risk management has enabled ECIA members to operate safer businesses as well as contributing to their overall security and stability. We recognise that significant investment has been put into managing risks to safeguard your employees, your shareholders, your customers, and your company's ability to continue trading smoothly. We can help you to maximise your investment by helping to negotiate lower premiums.

As part of our initial review, we will complete our risk management scorecard with you, the results of which will help assess and measure the quality of your business. This scorecard was developed exclusively with the ECIA to ensure that the risk areas that affect you most were addressed. The better your scorecard rating, the lower your premiums should be.

COMMITMENT TO BEST

By having rigorous controls implemented in areas such as Health and Safety, along with incorporating initiatives such as the Behaviour, Slips and Trips initiative (BEST), your commitment to reducing risk will have a positive effect on the scorecard rating and will help to have a positive effect upon the premiums paid.



DEALING WITH CLAIMS

A key part of any policy is ensuring that any claims you make are dealt with swiftly, minimising the impact on your business.

- Through your claims manager, we will ensure that details of your loss adjusters are confirmed from the outset of the policy. You will receive emergency out-of-hours contact details for the loss adjuster in respect of property and liability claims to ensure that the claims process is started as soon as possible.
- Every claim is unique and we believe all claims should be dealt with as quickly and efficiently as possible by professionals who have a full understanding of your situation. You have the security of knowing that we employ a team of professionals who will be there to advise and support you if required.
- Where you have a Business Continuity Plan, we will ensure it is central to the claims management process for serious incidents allowing your key stakeholders to act immediately in accordance with the plan.
- Through our insurer panel, we will provide a vocational rehabilitation service, designed to work closely with you, the employer, to return injured employees back to the workplace as efficiently as possible.

RECOVERY & RESTORATION

BELFOR is one of the leading recovery and restoration experts with specialist skills in the areas of document recovery and electronic plant and equipment restoration. When notified of a new property damage claim, where appropriate, we can arrange an early on-site inspection and report by BELFOR with the aim of getting you up and running again as soon as possible.



Surety Solutions

Surety Solutions will be provided by R K Harrison Financial Risks (RKHFR). We specialise in arranging Political Risks, Structured Credit and Trade Credit & Bonds insurance, complemented by our Specialty Reinsurance team. We also provide insurance and reinsurance solutions for financial institutions and corporations throughout the world.

Placing bonds via the surety market rather than using other facilities such as bank overdrafts can provide a business with the opportunity to use their bank facilities to meet cash flow demands in this demanding economic climate.

SURETY BONDS

A surety bond is a guarantee to pay the direct loss, usually between 10% and 25% of the contract value, suffered as a result of a breach of contract. It is a written agreement that provides protection to the employer under the contract against the contractors default.

Advantages include:

- the surety bond is not set against businesses cash assets, which will help cash flow.
- borrowing facilities and working capital remain unaffected.
- bank guarantee facilities could be called upon regardless of a company's performance in relation to the contract.
- the bond is classed as a contingent liability and is off balance sheet.
- protection of contract conditions including assurance that the contractor has the credit worthiness to complete the contract and is also named as the beneficiary on the bond wording.



Key Benefits

■ FREE FACILITY ASSESSMENT

You will receive an assessment of your facility requirements helping you to plan ahead, knowing the costs incurred and coverage given.

■ FREE BOND WORDING ASSESSMENT

We can review any proposed bond wording providing the appropriate feedback required.

■ LETTER OF INTENT

During a tender process, you may be asked to include details of the bond arrangements. This could include details of the surety provider, the bond wording, duration and in some cases the cost of the bond. We can arrange for these to be issued, usually within 24 hours, at no extra cost.

■ PRICING

Because of our reputation within the market, we are able to negotiate competitive terms for members.



TYPES OF BONDS AVAILABLE

We are able to arrange a wide variety of bonds either as one-off, contract specific or as part of a facility. The more commonly used bonds in the engineering construction industry are:

■ CONTRACT PERFORMANCE BONDS

This covers the damage suffered by a customer in the event of the non-performance of contract by a company.

■ ADVANCE OR STAGE PAYMENT

These are for large contracts where they are utilised to help the company mobilise or for the cost of raw materials. This will protect the customer in the event that the contractor defaults.

■ MAINTENANCE

Instead of monies being held for the duration of the contract, a contractor can provide this bond which guarantees that they will fulfil their maintenance obligations.

■ BID OR TENDER

For use where a buyer is obtaining tenders usually for a large contract and requires a bond as security against the successful bidder failing to enter into the contract.

BOND FACILITY

A bond facility can be arranged with a surety provider free of charge. You only pay for the bonds that have been issued. The advantage is that at the beginning of the facility year, the parameters such as the maximum bond value and rates applicable to the bonds, as well as the maximum duration of the bond are agreed upfront.

This enables a company to plan ahead in the knowledge of certainty of cost and coverage and tender for work with the safety net of a facility able to meet their business requirements without current or future working capital and bank facilities being affected in a very efficient manner.

WHAT INFORMATION IS REQUIRED?

Surety products are assessed on the basis of the financial strength or stability of a company and its balance sheet underwriting in its purest form. On this basis, in order to assess the surety risk the only information required in the first instance, to provide an indication of cost and structure is as follows:

- A fully completed bond requirement questionnaire
- The last three years audited report and accounts and a copy of the contract.

For the assessment of a facility the only additional information required is:

- Details of all previous contracts undertaken and completed in the last twelve months combined with details of future contracts over the forthcoming twelve months.

About R K Harrison

R K Harrison Insurance Services and R K Harrison Financial Risks are part of the R K Harrison Group, a leading, independently owned insurance and reinsurance broker. With offices in the UK and Bermuda we specialise in providing insurance solutions for businesses, associations and private individuals both in the UK and internationally.

With premiums in excess of £750 million placed annually on behalf of clients, we have the expertise and strength to deliver quality products and competitive pricing.

Although a dynamic, forward thinking organisation, we pride ourselves on our traditional approach to personal service. We employ highly skilled, motivated people. Our staff retention is one of our strengths and it allows us to offer continuity so we are truly able to understand our clients and their needs.

Awards



Broking Initiative of the year
British Insurance Awards 2008:
Winner



National Broker of the year
Insurance Times Awards 2009:
Winner

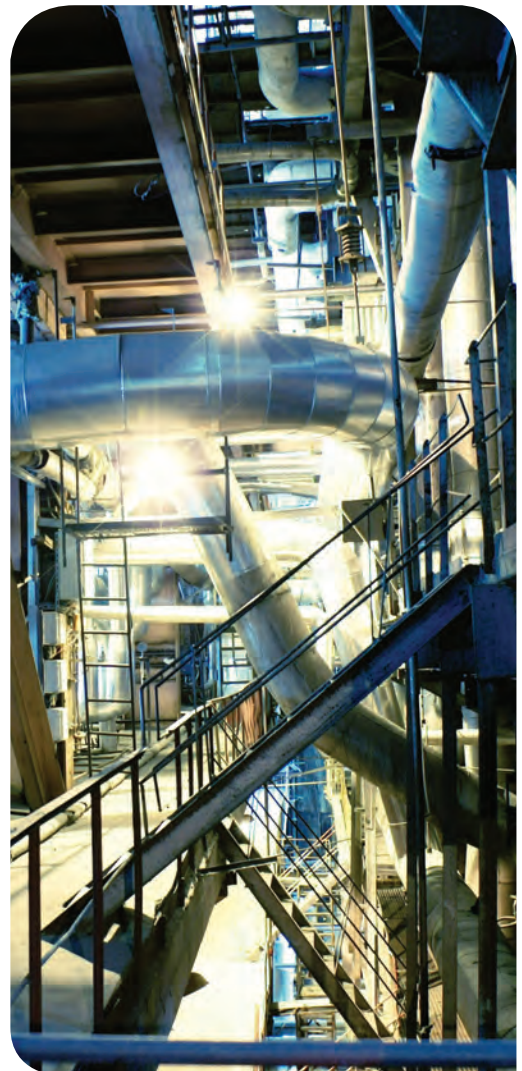
ADDITIONAL PRODUCTS

To ensure that you have the complete insurance solution, R K Harrison Group provides a comprehensive range of products and has access to all leading insurers.

Other products that you may need to consider include:

- Engineering Inspection and Insurance
- Directors' and Officers' Liability
- Trade Credit
- Professional Indemnity
- Group Travel
- Marine Cargo
- Legal Expenses
- Motor Fleet
- Business Continuity Planning

NOTE: ECIA will act purely as an introducer to R K Harrison and accordingly will not provide advice or arrange insurance contracts for member companies. ECIA will also not take any commission income from R K Harrison for introducing general insurance business.



Contact Us

For more information on the exclusive offering for ECIA members call:

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ECIA

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