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# SECURITY AMERICA


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Risk Retention Group, Inc.



***Relax!***

**We've Got You Covered!**



**Security America Risk Retention Group (RRG)** was created by your colleagues to offer you affordable and stable insurance (including general liability and errors & omissions) specifically tailored to the electronic life safety, security and systems industry.

This unique insurance is available exclusively to members of the **NBFAA**

# History of Security America Risk Retention Group (SARRG)

- ❖ Received articles of incorporation Sept 2003 through Vermont Department of Banking Insurance Securities.
- ❖ At the start of the program was administered though Marsh Insurance Company
- ❖ 2004 Beecher Carlson Holdings Company started administering the program.
- ❖ Since 2004, SARRG has grown from a 75k company to over 2.2 million with over 700 satisfied policyholders.

# Risk Retention Group....?

Liability insurance companies owned by their policyholders. Membership is limited to people in the same business or activity, which exposes them to similar liability risks. These entities are formed under the Liability Risk Retention Act of 1986. Under law, risk retention groups are precluded from writing certain coverages such as property lines and workers' compensation. They predominately write medical malpractice, general liability, professional liability, products liability and excess liability coverages

# Regulatory Oversight Of A RRG

## 50 STATES REGULATION

- ❖ Primary regulator is the Insurance Division in Vermont. The same department that regulates ALL insurers (brand names - AIG, State Farm, etc., regulates Security America)
- ❖ All other states ALSO regulate Security America by requiring annual filing, financials, and notification of business plan changes
- ❖ Company undergoes an annual audit by a brand name CPA
- ❖ Company's loss funds are assessed for adequacy annually by a certified actuary

### **BOTTOM LINE:**

**SECURITY AMERICA IS SUBJECT TO REGULATION JUST LIKE ANY OTHER INSURER**

# Do **You** Have GL/E&O Exposures?

General Liability (GL) policies provide coverage for non-economic losses (e.g. bodily injury and property damage), while E&O policies provide coverage for liability resulting from economic loss.

*Considering such exposures, you have a substantial stake in protecting yourself (your business) in the event of such claims.*



Do I need **Errors** and  
**Omissions** Insurance?



***YES!!!!***

# E&O Insurance

- ❖ Also called professional liability or “malpractice” insurance.
- ❖ E&O Coverage protects against claims or lawsuits for mistakes or omissions that result in financial losses to a client or third party. The insurance is not the same as GL insurance. But it is complementary to and should be combined with GL Insurance.

# Claims Example

- ❖ **Bodily Injury:** A customer purchased an alarm system and had it installed by an alarm company. One month after the system had been installed, a fire occurred at the client's business. The alarm failed to function due to improper installation. A customer was seriously injured.
- ❖ **Property Damage:** A customer purchased an alarm system and had it installed by an alarm company. One month after the system had been installed, a fire occurred at the client's business. The alarm failed to function due to improper installation. A customer's vehicle that was parked outside the building was damaged.
- ❖ **Economic Loss:** A jewelry store owner purchased an alarm system and had it installed by an alarm company. When a test run was performed on the system, a design flaw was discovered. As a result, the customer had to hire a 24-hour security guard until the system could be re-designed and re-installed. The alarm company is sued for the cost of the security guard service.

# General Liability Limits

- ❖ Our policy is based on industry standard forms, parts of which are modified to accommodate the needs of the security industry.
- ❖ Deductibles: The standard deductible is \$1,000, Optional deductibles of \$2500, \$5,000 or \$25,000 are also available.

# Limits of Liability

❖ Per Occurrence:	1,000,000
❖ Personal/Advertising Injury	1,000,000
❖ Product-Completed Op. Agg:	2,000,000
❖ Professional Liability (E&O):	1,000,000
❖ General Aggregate:	2,000,000
❖ Fire Damage:	100,000
❖ Medical Payments:	10,000
❖ Lost Key Coverage:	5,000

# Excess & Umbrella Coverage

## What's the difference?

- ❖ Umbrella coverage will provide coverage above any scheduled underlying Commercial Auto Liability or Employers' Liability portion of the Workers Comp policy, General Liability policies
- ❖ Excess Coverage simply raises the limits of the General Liability policy Only

# Why Should You Choose **Security America**?

- ❖ Ensures tailored and specific coverage
- ❖ Pricing consistency
- ❖ Re-insured by AM Best 'A' rated companies
- ❖ Insurer stability
- ❖ Can be purchased through your own agent
- ❖ Security America is subject to federal and state regulation
- ❖ The company is audited and the adequacy of loss funds are assessed annually

# Why Many of Your Colleagues Have Chosen **Security America...**

- ❖ “Security America saved me \$3,700 - I wish I had contacted them sooner.”

*Marshall Marinace  
Marshall Alarm Systems, Corp.*

- ❖ “My commercial liability policy was due to increase by \$16,000. I had been with my provider since 1989 and had NO claims. Security America actually decreased my previous policy premium by \$1,800. My experience with Security America has been excellent. I would highly recommend them to anyone in the security business.”

*John A. Sperraza  
Advanced Alarm, Inc.*

- ❖ “Using my local agent to sign up was easy and convenient. Best of all, I’m saving about \$7,000 a year.”

*George Gunning  
USA Alarm Systems, Inc.*

# How To Contact Us

❖ Visit our website:

[www.securityamericarrg.com](http://www.securityamericarrg.com)

❖ Call us at:

**(866) 315-3838**

❖ Email us at:

[\*\*info@securityamericarrg.com\*\*](mailto:info@securityamericarrg.com)



*Security America  
Risk Retention Group...*

*Protecting Those Who Protect Our  
Homes and Businesses.*