

# Announcing a Breakthrough – NOBL Trust Account Management Services

- *Avoid “The Seven Deadly Sins of Trust Account Management”*
- *Gain competitive advantage*
- *Secure trust assets*



**Paulmar Group**<sup>™</sup>

*Trust Account Management Service*

# Trust Account Services for Improved Agency Operations

**PAULMAR GROUP** delivers efficient, profitable and safe insurance trust account management service!

## The PAULMAR GROUP's Added Value

Using an outsourced service in a commercial property and casualty agency will:

*Add market advantage over "do-it-yourself" agencies*

*Manage premium dollars profitably*

*Provide complete transparency*

*Lower administration and training costs*

*Guarantee continuous compliance*

*Remove trust account management complexity*

*Increase field sales time for producers*

## 7 Deadly Sins of Insurance Trust Account Management

1. Low profitability
2. Infrequent monitoring and control of trust account solvency
3. Violations of fiduciary obligations
4. Lack of control over commission income transfer to the operating account
5. Violations of the Insurance or Tax Codes - NON COMPLIANCE
6. Mismanagement of Agency Bill commissions
7. Mismanagement of return premiums, credit and refunds



Policy No.	Client Name	City	Item	Date	Commission Received	Commission Earned	Commission Lost	Commission Transferred	Commission Reimbursed
101*1 / GL 214667	Max's Auto Repair	GL	On Pre	02/24/2007	170.00	-	-	-	-
101*1 / GL 214667	Max's Auto Repair	GL	On Pre	03/11/2007	-	70.00	-	-	-
101*1 / GL 214667	Max's Auto Repair	GL	On Pre	05/23/2007	-	-	-	70.00	-
101*1 / GL 214667	Max's Auto Repair	GL	Int 1	06/21/2007	10.00	-	-	-	-
101*1 / GL 214667	Max's Auto Repair	GL	Int 1	06/21/2007	-	10.00	-	-	-
101*1 / GL 214667	Max's Auto Repair	GL	Int 2	06/20/2007	10.00	-	-	-	-
101*1 / GL 214667	Max's Auto Repair	GL	NSF	06/30/2007	-	-	-	-	-
101*1 / GL 214667	Max's Auto Repair	GL	NSF	07/30/2007	-	-	-	-	-
101*1 / GL 214667	Max's Auto Repair	GL	AT	11/19/2007	-	-	-	-	-
					200.00	190.00	(10.00)	170.00	0.00
101*2 / GAR 238642	Max's Auto Repair	GAR	On Pre	02/24/2007	200.00	-	-	-	-
101*2 / GAR 238642	Max's Auto Repair	GAR	On Pre	11/19/2007	-	200.00	-	-	-
101*2 / GAR 238642	Max's Auto Repair	GAR	On Pre	11/19/2007	-	-	-	200.00	-
101*2 / GAR 238642	Max's Auto Repair	GAR	E1	-	-	-	(20.00)	-	-
					200.00	200.00	(20.00)	200.00	0.00

Account No	101*1	Account Status	Active
111 WER	111 WER	Audit Basis	No Audits
Max's Auto Repair	21953 Lake Forest	Work Phone	(949) 380-8800
Lake Forest CA 92630	Lake Forest CA 92630	Home Phone	(949) 309-8691
		Fax	
GL 214667	GL 214667	Commission & Fees	\$290.00
General Liability	General Liability	Commission	\$170.00
California Insurance Co.	California Insurance Co.	Commission Transferred	\$170.00
Earl Harper	Earl Harper	Commission Reimbursement	.00
Total Premium			\$1,630.00
Total Payments			\$503.00

PREMIUM DETAIL	
<b>I. Gross Premium</b>	
Premium	75.00
Policy Tax	25.00
Suspension Fee	.00
Other Co. Tax & Fees	150.00
Broker Fee	100.00
Technology Fee	50.00
Other Agency Fees	.00
Total Agency Fees	150.00
Total Tax & Fees	
Total Premium	
<b>II. Premium Distribution</b>	
Net Premium	990.00
Co. Tax & Fees	150.00
Outside Broker Commission	50.00
Broker Fee - Outside Broker Share	.00
Net Premium	
Agency Commission	110.00
Broker Fee - Agency Share	100.00
Technology Fee	50.00
Other Agency Fee	.00
Agency Commission & Fees	
Total Premium	
<b>III. Producer Commission</b>	
Commission	20.0%
Fees	20.0%
Commission & Fees	52.0%
Earl Harper	50.0%
Michael Murray	29.0%
<b>IV. Agency Net Comm &amp; Fees</b>	
Agency Net Comm & Fees	350.00
ISC Finding / Referral Fee	(30.00)
Net	230.00

Sample Paulmar Reports



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## Trust Account Management is Critical

### Sales

- Put your sales personnel on the front lines, not in the back office.

### Service

- Give your CSRs the freedom to actually service your customers, not manage receivables.

### Cash Flow

- Meet mandated premium financial solvency requirements.
- Pay debts when due.
- Extract and transfer agency commissions in a timely manner.
- Remit carrier net premiums when due.
- Refund returned premiums upon receipt of carrier credit.
- Avoid compliance trouble with Insurance Code or Tax Code.

### Profits

- Properly managed trust accounts become profit centers.
- Managing premium trust accounts can near-double profits without sales increases.

## PAULMAR State-of-the-Art Communications

We use information technology that has been in the making for a decade. No other company has technology that matches PAULMAR. Our system is accountable for monthly communications in black and white:

- Agency-billed premium management reporting
- Direct-billed commission management reporting
- Agency commission and fees management reporting
- Agency producer commission and fees reporting

## Continuing Education Classes for Greater Trust Account Implementation

The PAULMAR GROUP offers two Department of Insurance approved continuing education classes. This is the first time ever that trust account management classes are being offered within the P&C brokerage industry:

- Insurance fiduciary duty
- Trust account financial solvency management

Topics covered are insurance broker fiduciary capacity, authority and fiduciary obligations, penalties for violations.

**Return Premium Detail**

Account No. 10012  
 Client Name: Paul & Judy Pickett  
 Policy No. GR 238642  
 Policy Description: 02/22/2007-06/21/2008  
 Insured: 07/01/2008

Insurance Company: California Insurance Company  
 General Agent/Broker: National Agents of America

**I. Premium**

Transferred Premium, Tax & Fees	
Endorsement AP	
Endorsement AP	1,400.00
Earned Premium	(270.00)
<b>Total</b>	<b>1,130.00</b>

**Payments By Insured**

Direct Premium	1,400.00
Direct Reimburse	(80.00)
Endorsement AP	(80.00)
Short Payments	(80.00)
MP Checks	(80.00)
Total Payments	1,140.00
Return Premium to Insured / Finance Co.	(80.00)

**II. Net Premium**

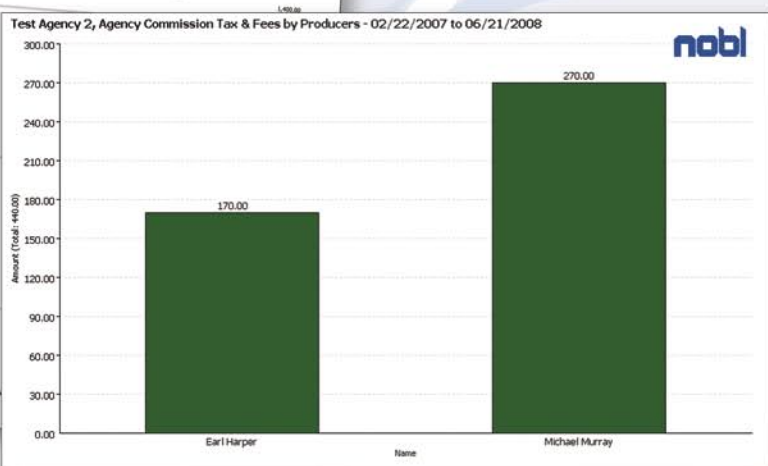
Transferred Net Premium, Tax & Fees	
Endorsement AP	
Endorsement AP	1,400.00
Earned Net Premium	(270.00)
<b>Total</b>	<b>1,130.00</b>

**III. Commission**

Transferred Commission & Fees	
Endorsement AP	
Endorsement AP	170.00
Earned Commission	(80.00)
<b>Total</b>	<b>90.00</b>

**IV. Summary of Agent Premium Reconciliations**

- Due to Insured
- Due to Finance Company
- Premium Refunded
- Identified Premium
- Premium Credit
- Premium Offset



**Contact Us Today!**  
**800-830-9093 or**  
**info@PaulmarGroup.com**

*Enroll and Earn  
 Continuing  
 Education Credits*

## **CONTACT US TODAY!**

**Learn how the power of this new service will eliminate your trust account solvency problems and increase your profits...**

**GUARANTEED!\***

*Email or call now:*

*[info@PaulmarGroup.com](mailto:info@PaulmarGroup.com)*

*or 1-800-830-9093*

*Receive a no-obligation consultation.*



PAULMAR GROUP does not compete with any current agency management products such as AMS or Applied Systems.



***Paulmar Group***<sup>TM</sup>

*Trust Account Management Service*

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***Put your Trust in us!***

\*Paulmar Group LLC guarantees that your agency insurance trust account will be solvent and compliant with all applicable laws. All financial reports generated by Paulmar Group will be flawlessly accurate and free of errors. Additionally, your agency can experience increased profitability if all Paulmar procedures are consistently and accurately applied. Paulmar Group cannot be responsible for erroneous input data supplied by our customers.