



Collateral Savings—A Success Story

PRESENTED BY LOCKTON COMPANIES, LLC

Opportunity

- ❖ Major company with large deductible workers' compensation program
- ❖ Carrier wanted millions in additional collateral
- ❖ Company wanted options to reduce collateral and fixed costs on program

Solution

- ❖ Conduct thorough credit review with carrier
- ❖ Audit and reconstruct loss data
- ❖ Research claims development patterns and revise loss projections
- ❖ Revise "loss picks" and collateral requirements

Impact

- ❖ Reduced collateral by 50 percent, freeing up \$10 million on the company's line of credit
- ❖ Delivered \$350,000 in total cash savings to the client for their program



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