



# INSURANCE RISK ENGINEERING

The mutual goal of business leaders and corporate risk managers is to increase profitability and reduce risk. **Baker Engineering and Risk Consultants, Inc.** (BakerRisk) has a proven track record of providing credible, cost-effective services that assist our clients in achieving this goal. Our experienced professional staff with industry and/or insurance brokerage backgrounds ensure an independent assessment of the risks evaluated.



*Petroleum Refinery*

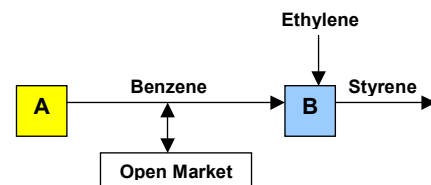
Although we are not directly associated with insurance brokers, agents or carriers, our studies fully satisfy the requirements of outside insurers.

BakerRisk assessments allow your company to:

- Understand its risks;
- Reduce exposures through cost effective mitigation solutions;
- Establish preventive and corrective measures;
- Improve loss experience;
- Accomplish business and loss prevention goals; and
- Evaluate program effectiveness.

BakerRisk provides a balanced approach to reviewing your risks by utilizing our knowledge of the industry and extensive experience in conducting these assessments. A team concept is fostered throughout the evaluation process by the Project Manager. Our studies utilize a structured quality management system.

Many companies have not adequately assessed Business Interruption (BI) risk since the extent of exposure related to BI may not be readily apparent, particularly where substantial interdependencies exist.



*Interdependency Flow Diagram*

BI exposure arises from a potential loss of revenue to cover fixed costs and provide profit following an adverse event. History has shown that financial loss from BI can exceed the associated direct damage to assets by a substantial amount. Proper evaluation of BI and interdependency exposure requires an interdisciplinary approach with input from multiple sources.

BakerRisk's state-of-the-art models allow us to more accurately assess the risk exposures so that appropriate insurance limits may be established with confidence and cost-effective risk mitigation and control options can be evaluated.



**BAKER ENGINEERING AND  
RISK CONSULTANTS, INC.**

**Headquarters**

3330 Oakwell Court, Suite 100  
San Antonio, TX 78218-3024  
210.824.5960 tel  
210.824.5964 fax

**Houston Office**

4100 Greenbriar, Suite 130  
Stafford, TX 77477-3908  
281.491.3881 tel  
281.491.3882 fax

*About BakerRisk*

Baker Engineering and Risk Consultants, Inc. is one of the world's leading explosion analysis, structural design, and risk engineering companies. BakerRisk provides comprehensive consulting, engineering, laboratory and range testing services to government agencies and private companies who are involved with dangerous, highly hazardous, reactive, or explosive materials.

✦  
**Blast Effects & Explosion Testing**

✦  
**Dynamic Structural Analysis  
and Design**

✦  
**Risk Engineering**

✦  
**Process Safety**

✦  
**Incident Investigations**

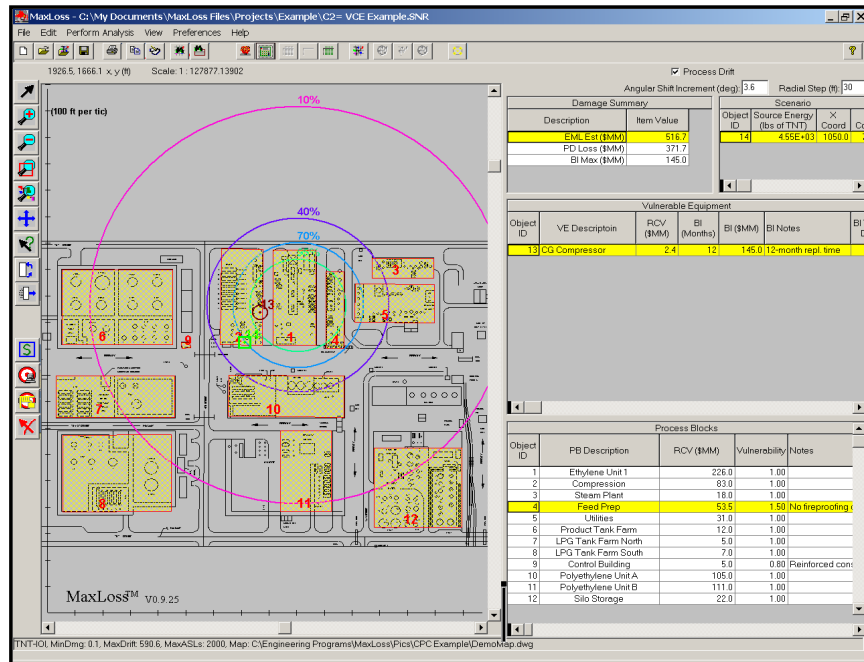
✦  
**Reactive Chemicals Testing &  
Management Systems**

**www.BakerRisk.com**

# INSURANCE RISK ENGINEERING

## *Insurance Risk Engineering Services*

- Loss Estimate (quantification) Studies
- Business Interruption and Interdependency Studies
- Risk Analysis (marketing) Studies
- Third Party Liability Evaluations
- Property Loss Prevention Surveys
- Cause & Origin Investigations
- Litigation Support
- Due Diligence Assessments



**MaxLoss™ Calculation Screen**

One of our analysis tools, the MaxLoss™ Model, provides a consistent means of quantifying loss potentials and assists Risk Managers in establishing property damage and business interruption insurance limits.

MaxLoss™ can use either the traditional TNT Equivalency approach or the state-of-the-art Baker-Strehlow-Tang (BST) methodology.

This model is accepted throughout the insurance underwriting community and carriers have expressed an interest in the purchase of the program for their internal evaluation of risk.