



WE MAKE WORKERS' COMP WORK

“Cash Flow Advantage”

The Builders Group – Security Deposit Vs. Traditional Carrier – Down Payment
(20% / 12-Pay) (25% / 9-Pay)

At TBG we are often asked why we use a security deposit instead of the standard down payment that is commonly used by traditional carriers. Because we are workers' comp specialists for the construction industry we choose a plan that maximizes your company's cash flow throughout the year and for years to come.

Getting started with most traditional carriers required you to pay a 25% down payment along with the first month's estimated premium payment to initiate a policy. You'll continue to make level premium payments through the ninth month. You must then come up with another 25% down payment and the first month's estimated premium in order to renew your policy for another year.

At TBG we understand the cash flow issues of your business and have built a program designed with you in mind. To get started with TBG we also use an estimated premium projection in order to provide a target for an annualized price and the calculation of our security deposit. TBG only requires a non-working security deposit of 20% of the estimated annual premium in order to get started. Without the monthly reporting process of paying you premiums based on the previous month's actual payroll, your first month's premium isn't due until the 15th of the following month. This alone means that you will spend 40% less out of your pocket to initiate coverage with TBG compared to a standard (25%, 9-pay) program! As a matter of fact, you will have been required to make two premium payments with a traditional carrier before your first premium is due to TBG! As you continue throughout the year to pay your premiums based on the previous months actual payroll you will immediately recognize the value of your premiums flowing with the cash flow of your business, a true “pay-as-you-go” advantage. This means you will no longer face months of estimated payments without the cash flow or activity in your business to support them.

Another advantage to TBG's program is you are no longer required to make a down payment to renew your policy for another year. All you have to do is continue to make your premium payments based on the previous month's actual payroll. Your original security deposit will act like a rolling deposit and remain in place at the start of a new policy period without typically requiring any additional deposit from you in order to continue coverage at renewal. (This value is reviewed annually and only large differences may require a small adjustment to the security amount on file.) This means that at renewal your out-of-pocket costs for the first month of the renewal policy will be less with TBG compared to a standard program.



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With TBG there is no big, catch-up audit! You will not have the traditional audit issues that following year because you pay your premiums based on the previous month's actual payroll, thereby performing a monthly self-audit. At the end of the year there are typically no issues at audit time with over half of TBG Members having no additional premiums required at audit and only a small percentage of members that might require minor adjustments due to additional waivers, endorsements, late fees, OT calculation adjustments, etc.

TBG – the program designed with your business in mind!

The true Cash Flow Advantage in the marketplace is found in The Builders Group! When you add this value to our Aggressive Claims Management and commitment to customized Loss Control & Safety Services, TBG delivers immediate and lasting value to your business for long-term results.

Industry Built. Industry Driven!

** Members are jointly and severally liable for their proportionate share of obligations for the group, and will be assessed on an individual and proportionate share basis for any deficit created by the group. Dividends are not guaranteed.