

BOLI Vendor Selection Checklist

| Vendor Criteria as Outlined in OCC Bulletin 24-56 (along with related considerations) | Vendor A Clark Consulting | Vendor B | Vendor C |
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| Ability to honor long-term commitments Considerations: Number of employees, years in business, in-house administration versus outsourcing | Nearly 350 employees including accountants, attorneys, actuaries and benefit specialists, regulatory tax experts and communications specialists. In business since 1967, pioneered BOLI industry in 1982. Has in-house administrative support and makes significant investment in personnel and continual systems enhancement. | | |
| Adequacy of vendor's services Considerations: Number of products, expertise of consultants, level of service provided | Offers a variety of general, separate account and hybrid separate account products from nearly 20 top-rated carriers. Experienced consultants with expertise in plan design, regulatory compliance and related documentation. Provides full-spectrum BOLI support, from design and implementation to ongoing administration and assistance with BOLI annual reviews. Services a variety of products from nearly 60 insurance companies. | | |
| Adequacy of vendor's reputation Considerations: Market share, endorsements, client satisfaction | Provides BOLI for 88 of the nation's top 100 BOLI-holding banks and more than half of all BOLI-holding banks. Endorsed by the American Bankers Association through its subsidiary the Corporation for American Banking as well as 24 state banking trade organizations. In an independent survey by Stinsights, 95 percent of banking clients who responded said they were "somewhat satisfied" or "very satisfied" overall with Clark Consulting. | | |
| Adequacy of vendor's experience Considerations: Number of policies placed, experience working with different product types | Nearly 280,000 BOLI policies currently in force. First implemented a general account program in 1982 (the industry's first) and separate account program in 1989. Experience with new money and portfolio rate products, MEC vs. non-MECs, etc. Annual Banking Forums educate clients and prospects on issues surrounding BOLI. | | |
| Adequacy of vendor's financial soundness Considerations: Public or private company, size of client base, financial audits available | Clark Consulting is a subsidiary of AEGON, one of the world's largest life insurance and pension organizations. More than 2,400 banking clients. Audited financial statements demonstrating compliance with Sarbanes-Oxley Section 404 requirements available. | | |
| Commitment to the BOLI product Considerations: Number of years in the business, resources dedicated to supporting BOLI function | Clark Consulting has been focused on BOLI business for over 25 years with nearly 350 employees and 30 consulting offices nationwide supporting banks of all sizes. Specialized teams focus on needs of different market segments. Strong relationships with leading BOLI insurance carriers allow Clark Consulting to influence product design. | | |
| Commitment to investing in operational infrastructure necessary to support BOLI Considerations: Financial investment, proprietary systems, in-house administration | Approximately 100 employees focusing on client service. Technology department for Clark Consulting has 11 employees and proprietary systems for data management and BOLI reporting. Annual investment in AT infrastructure of approximately \$4 million for equipment, software and systems developers. Carrier illustration software is integrated with our proprietary systems for faster response time and improved accuracy. Exclusive Clients Only section of website provides clients with online access to program information 24/7. | | |
| Ability to adequately identify and explain risks as well as benefits related to the BOLI purchase Considerations: Independent consultants represent multiple carrier products | Maintain close ties with federal and state regulatory agencies. Consultants have experience with various product types, rather than representing one product design or carrier. Comprehensive prepurchase assessment helps bank conduct thorough due diligence of BOLI decision. Consultants recommend BOLI solutions that are in the long-term best interests of the client. | | |