

Multi-Million Dollar Case Studies on Risk Quantification

Alex Sidorenko

Welcome

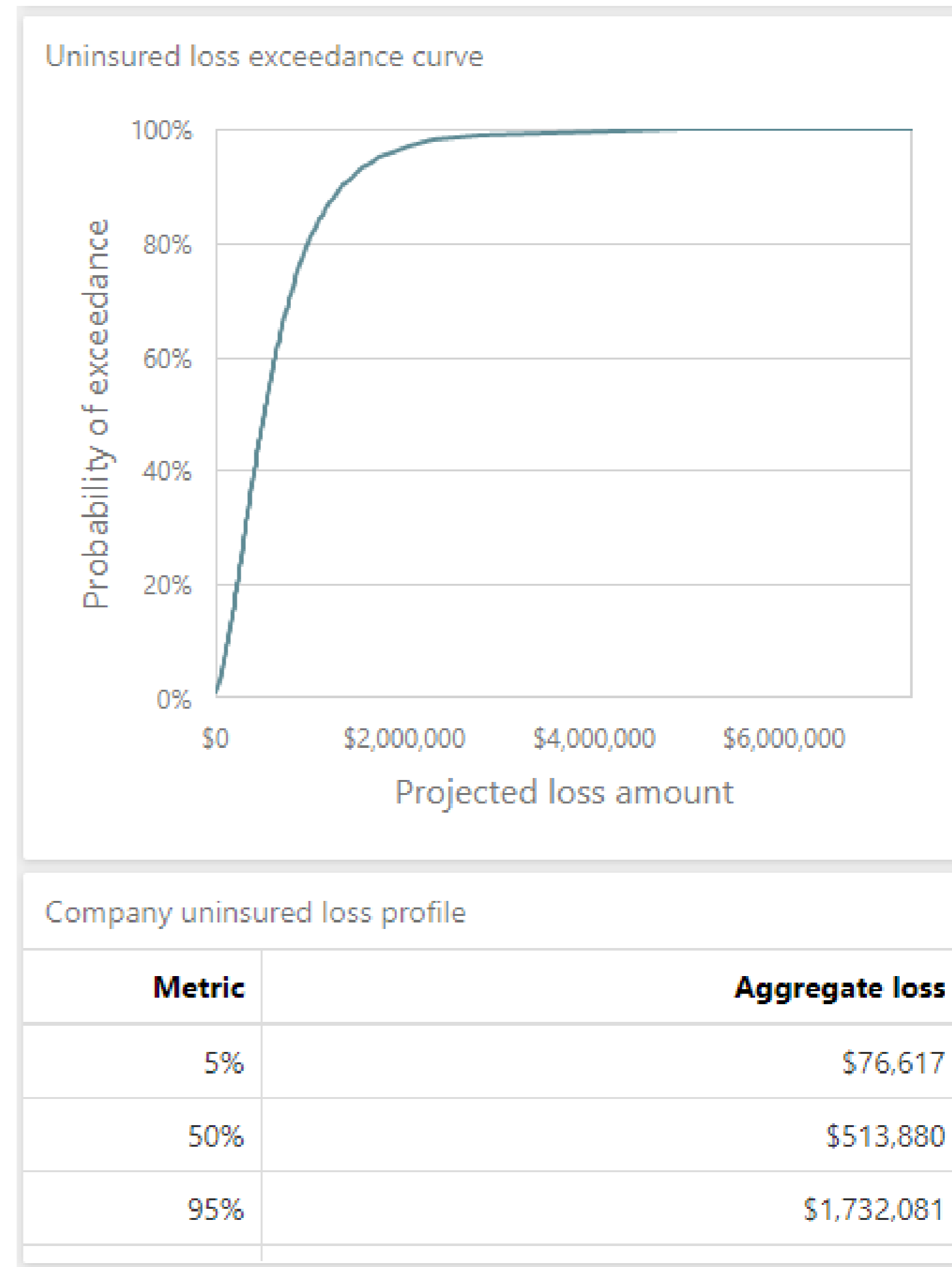


Alex Sidorenko
CRMP.RR, CT31000

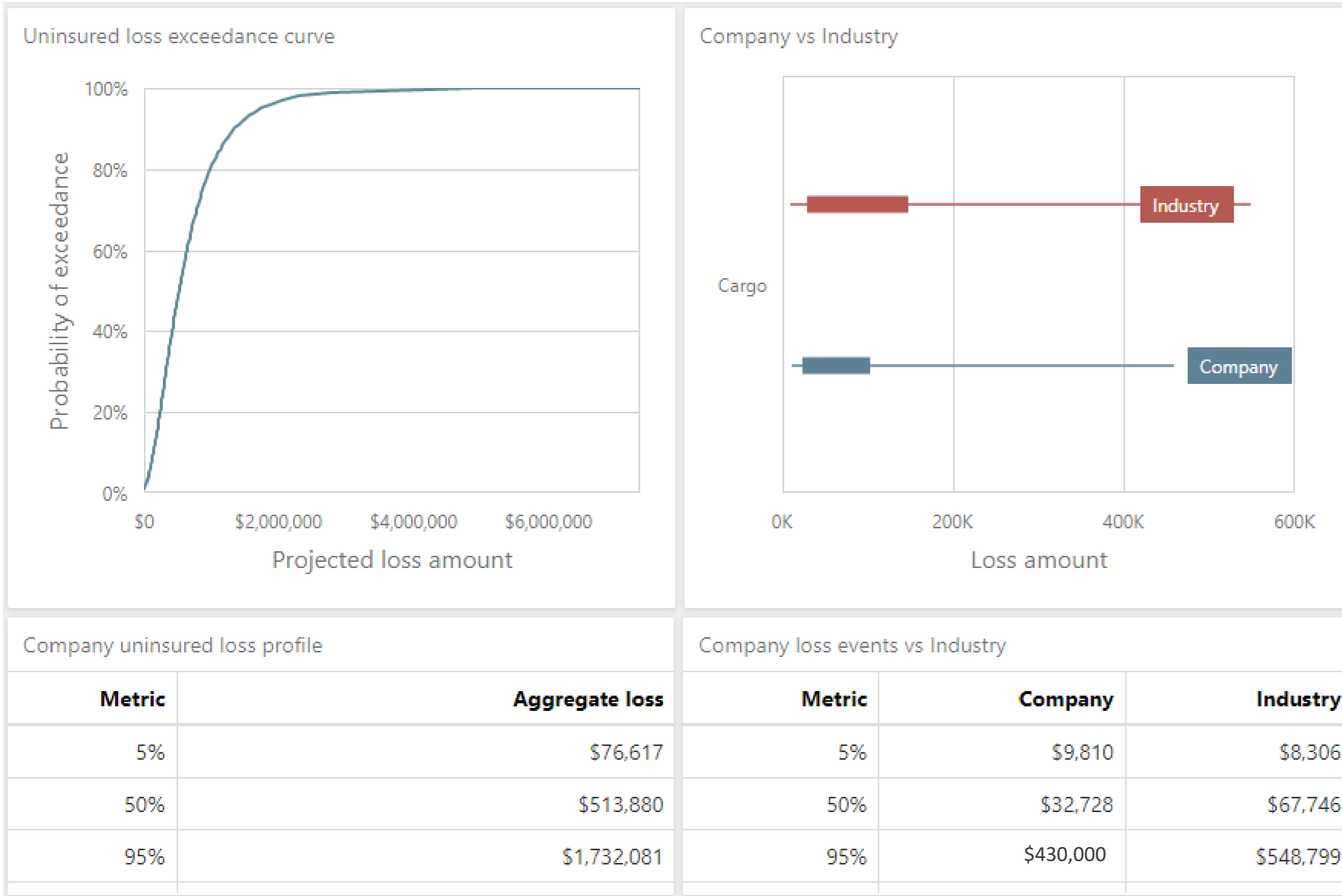
- **FERMA Risk manager of the year 2021, RIMS International Honoree**
- **16 years corporate risk management experience** in Australia, EU, Middle East and CIS, CRO of two \$10B companies and many smaller ones
- **10 years risk management training** for MBA, Executive MBA and corporate universities (best risk management training in 2013, 2014, 2015)
- **Risk management methodology expert**, developed risk management methodology for global PwC, Auditor General and Australian Stock Exchange
- **Published 2 books** on risk management, host **#RAW2022** and run **RISK-ACADEMY YouTube** channel

My team saved \$3M per year by improving cargo insurance cover

- 2X limit
- 3X volume
- 2X deductible
- Policy wording improvements
- Better risk ownership within the firm
- Better relationship with underwriters
- **7X \$\$ SAVINGS**



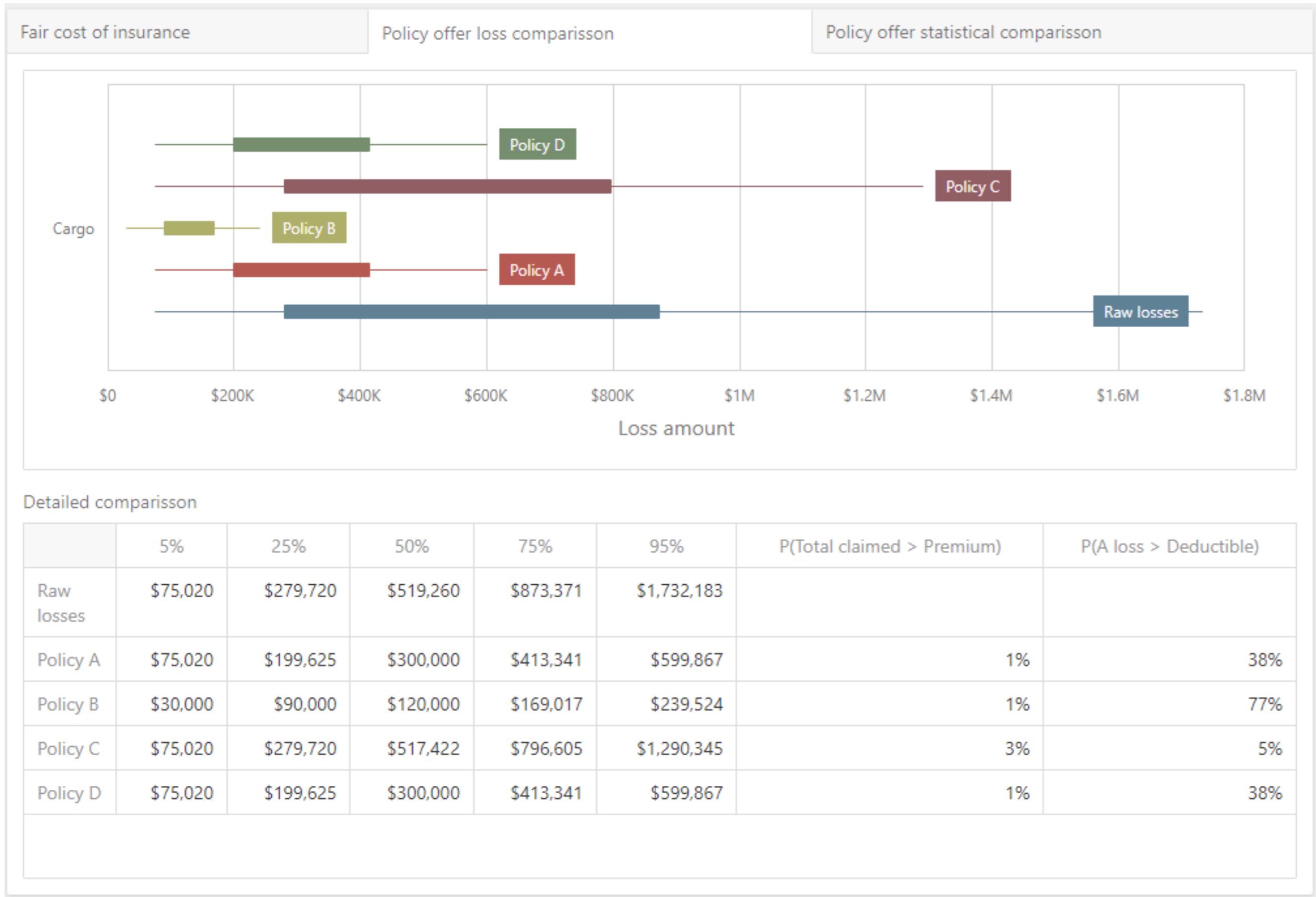
Step 1. Understand your risk profile



Step 2. Determine fair price, shortlist brokers, prepare submission



Step 3. Compare policies

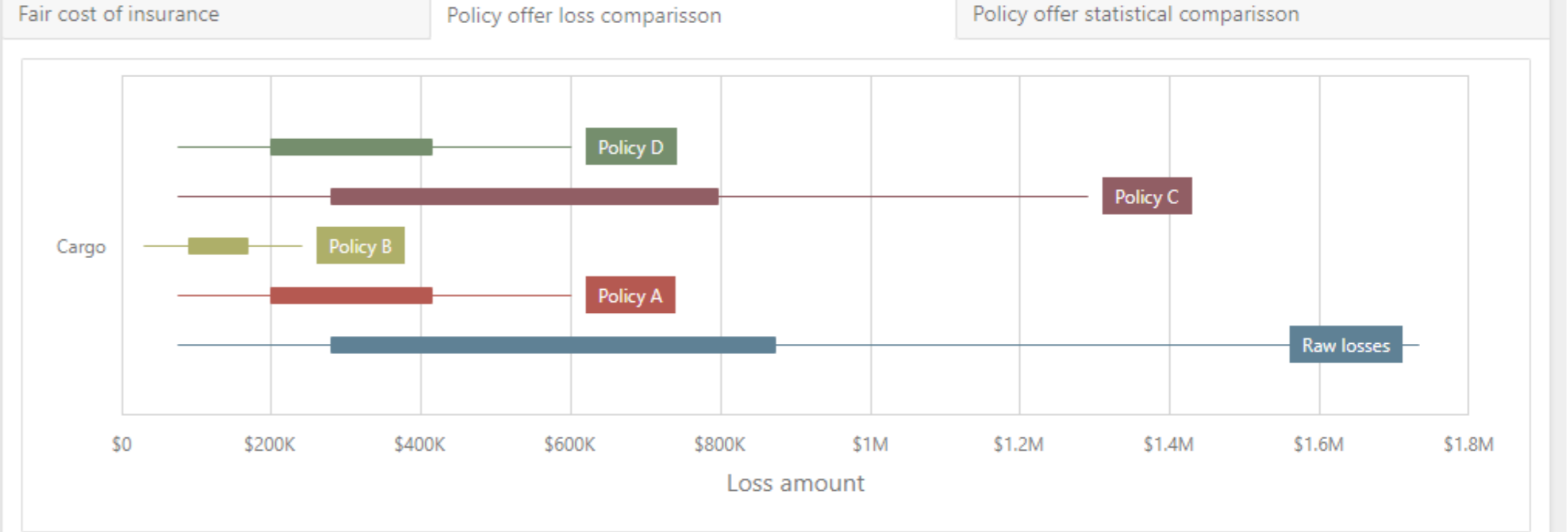
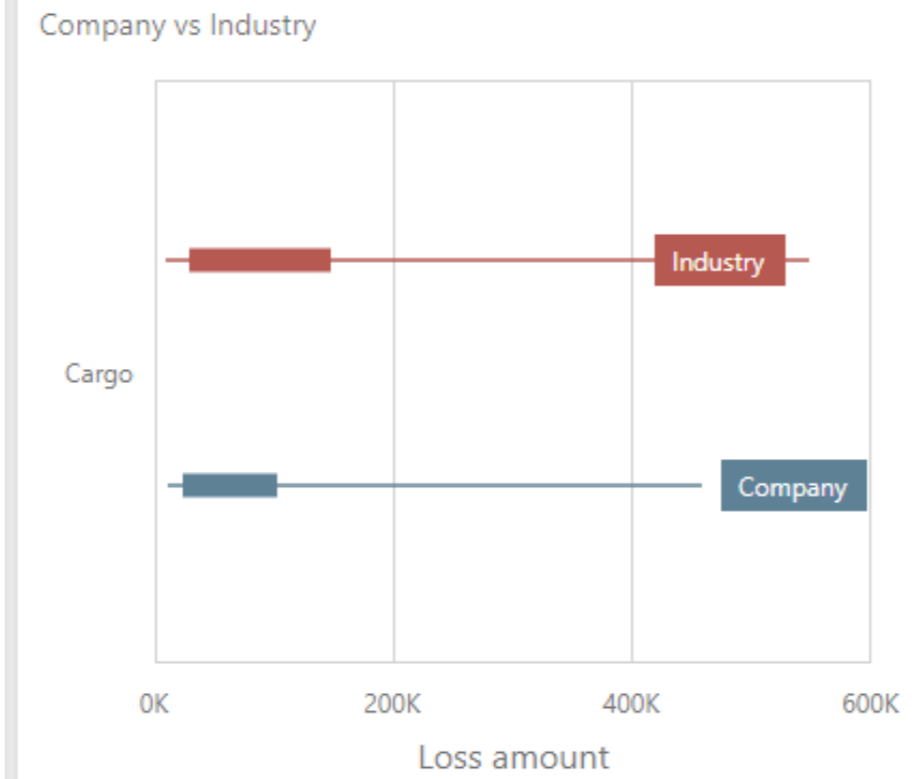
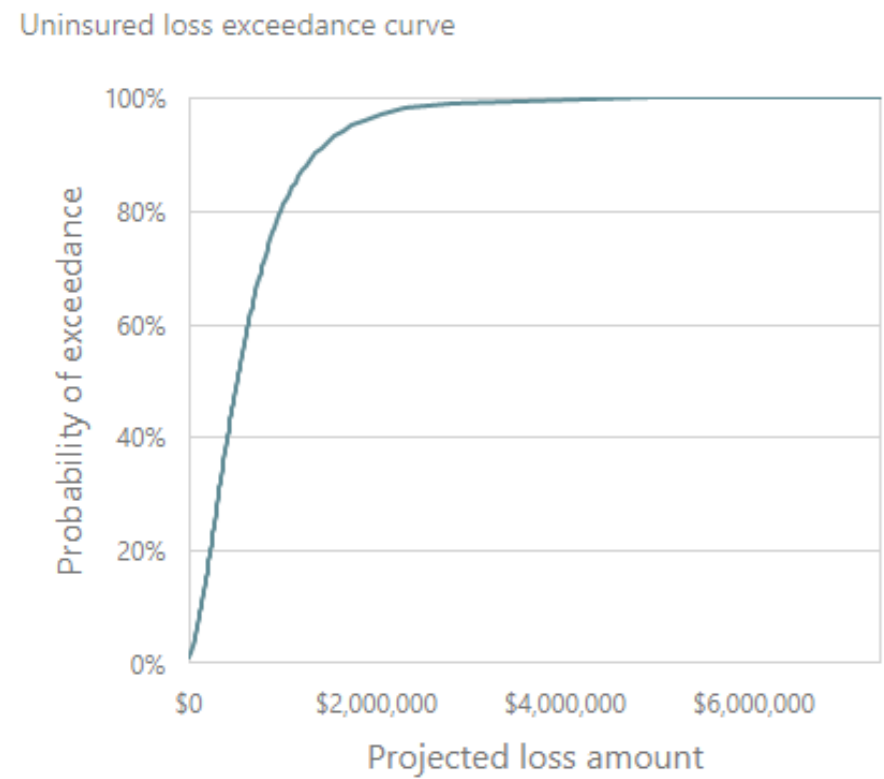


Entity: Bradford Industries Cargo



Loss category ✕

Cargo



Company uninsured loss profile

Metric	Aggregate loss
5%	\$76,617
50%	\$513,880
95%	\$1,732,081

Company loss events vs Industry

Metric	Company	Industry
5%	\$9,810	\$8,306
50%	\$32,728	\$67,746
95%	\$817,421	\$548,799

Detailed comparisson

	5%	25%	50%	75%	95%	P(Total claimed > Premium)	P(A loss > Deductible)
Raw losses	\$75,020	\$279,720	\$519,260	\$873,371	\$1,732,183		
Policy A	\$75,020	\$199,625	\$300,000	\$413,341	\$599,867	1%	38%
Policy B	\$30,000	\$90,000	\$120,000	\$169,017	\$239,524	1%	77%
Policy C	\$75,020	\$279,720	\$517,422	\$796,605	\$1,290,345	3%	5%
Policy D	\$75,020	\$199,625	\$300,000	\$413,341	\$599,867	1%	38%