



Bloomsbury provides leading professional services at a market-competitive cost. With a focus on creative solutions, and best-in-class professional support, Bloomsbury has extensive consulting experience in the private and public sector, including some of the World's most reputable companies, private equity firms, and state & local governments. Since 2015, Bloomsbury has specialized in Regulatory & Banking Support, Risk Management & Transaction Advisory, Actuarial Project Management, and Insurance Broker Process Improvement.

where knowledge meets creativity



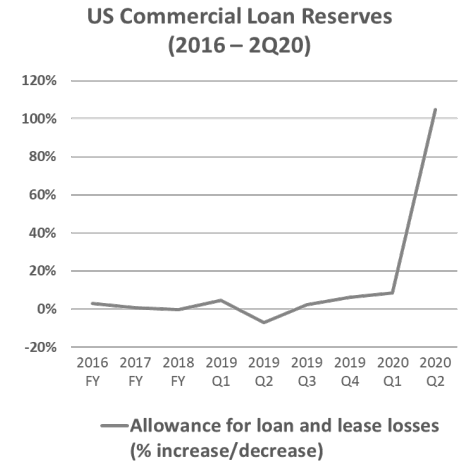
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A potential crisis is brewing in the commercial loan market

- Loan loss reserves are increasing dramatically as current economic conditions have drastically impacted small to medium sized businesses.
- Businesses looking to cut costs often unknowingly retain a greater degree of insurable risk by focusing their insurance procurement on premium dollars vs. breadth of coverage.
- Historically, commercial lenders have had fairly generic insurance requirements, making the expansion of borrower risk-profiles go largely unnoticed.
- In the absence of adequate insurance, these businesses are more susceptible to catastrophic losses which can lead to increased loan defaults.
- To minimize the risk of accelerated loan defaults, commercial lenders need to ensure optimized risk profiling of small to medium sized businesses.

Allowance for loan and lease losses increased by 104.9% from 1Q20 to 2Q20 amongst commercial banks in the United States



Bloomsbury is uniquely qualified to assist commercial lenders in managing this risk

Bloomsbury is equipped to conduct an analysis and provide a deliverable report of current bank insurance underwriting requirements for industry specific commercial lending. Our process is detailed below:

- **Commercial Lending Insurance Guidelines** – Assess insurance standards to identify if guidelines match industry driven risk profiles.
- **Commercial Lending Process Management** – Review operational process management and enforcement of insurance standards and guidelines.
- **Recommendations** – Suggest changes to ensure the guidelines are consistent, accurate, conform to insurance standards, and efficiently insure the Lender's exposure to the Debtor's operational risk.

