

National Network of Accountants

REIMAGINING BUSINESS INSURANCE

Newsletter December 1st, 2020
Volume 1, Issue 12

*National Network of Accountants, 6900 Jericho Turnpike, Syosset, NY 11791
www.nnaplan.com E-mail address Daniel@nnaplan.com
Offices located in New York, Long Island and Connecticut*

HAPPY HOLIDAYS

By William York, VP of Marketing



Most of our clients already know that we assisted Santa Clause Inc. in forming its first Captive Insurance Company, **SLEIGH BELL INSURANCE, INC.** years ago. This year Santa Clause Inc. will be paying their annual premiums into **SLEIGH BELL INSURANCE INC.**

The formation of **SLEIGH BELL INSURANCE, INC.** was developed when the toy delivery operation determined a need to overhaul its approach to risk management with the goal of protecting the enterprise well into the future.

Owner and CEO, Santa noted that “we use to be able to travel unhampered and make all our deliveries before the onset of Coronavirus. However, like many businesses, our operation necessitates a new approach to our risk management”.

Santa made it exceedingly clear that, “We can’t let

unexpected events shut down our operation...millions of children are counting on us!” Corona coverage is essential.

SLEIGH BELL INSURANCE, INC. insures operational and strategic risks. When discussing operational risks, Santa pointed out that, “Surgeons insure their hands, athletes have enormous disability policies, and singers insure their voices. I haven’t been able to find an insurer that will cover Rudolph’s nose... in fact; none of them will return my phone calls.”

Other operational risks that are insured include property & casualty deductibles, administrative actions, business interruption insurance, supply chain insurance, terrorism coverage, cyber insurance, and now, insurance for Coronavirus. Santa remembered when The Federal Aviation Administration and Homeland Security almost shut down Santa Claus, Inc. completely after 9/11. He pointed out that a captive would have made it easier to pay for the interventions necessary to sustain operations post 9/11. He would like to employ similar thinking with Covid.

Supply chain insurance has become particularly important with the advent of Corona. Santa lamented that, “the Elves just can’t make a lot of the toys and gadgets children wish for these days...we now have an extensive supply chain operation to source digital devices.” Moreover, we are dealing with the newly enacted tariff legislation established by President Trump which has effected the supply chain.

As previously noted, **SLEIGH BELL INSURANCE, INC.** also insures strategic risks. “Reputational damage is a big one for us,” Santa pointed out. “Every few years an imposter at some mall does something offensive or shows up drunk.” Santa Clause, Inc. has spent millions of dollars over the past centuries combatting negative press, when embarrassing incidents occur. “Ever since the invention of the printing press and wide-spread news reporting, reputational risk has been a reality for us... from now on, we are filing losses through our captive.”

In our continued conversation on strategic risks facing his operation, Santa noted, “another strategic risk that really scares me is global warming...our captive allows us to write a policy for it to cover the cost to move the entire operation to the South Pole...I’m not sure I believe in global warming, but a lot of scientists, world leaders and the National Network of Accountants do; if it’s real...it would be curtains for Santa Claus, Inc.”

Santa and Mrs. Clause chose the **National Network of Accountants** to advise them and their accountant on the formation of their captive because NNA is the premier firm in the industry serving mid-size businesses & accounting firms. He noted that, “the principles and staff at The National Network of Accountants truly are business champions. They are creative in their approach to risk management and helped us and our accounting firm apply this captive program model to improve the efficiency of our business. Mrs. Clause did her extensive research and came to the same conclusion. According to Mrs. Clause, “I did extensive research and read about the **National Network of Accountants** ... it was clear to me that they were far and away the best choice in the independent advisory business.”

Santa and Mrs. Clause were extremely excited that they chose the National Network of Accountants.

They felt comforted as they prepared to deliver the many toys around the world. Santa was also excited to learn that NNA had reconstructed the Easter Bunny’s Risk Management Program to deal with the Coronavirus.

“In fact,” Santa concluded:

“We were slow to pursue owning a captive because we encountered confusing and contradictory information on the internet. NNA publications; textbook, seminars and newsletters, helped us fully understand captives and move forward with confidence. Now, we have a far more powerful business risk management plan, more working assets and more peace of mind. When I wrote my premium checks to my captive this year, I said to myself, “HO! HO! HO!”

Call the National Network of Accountants, to learn how to get started.

Daniel Mauclair
Ph: 203.650.7357
Email: Daniel@nnaplan.com

NATIONAL NETWORK OF ACCOUNTANTS
15 North Main Street, Suite 100
West Hartford, CT 06107
WWW.NNAPLAN.COM

**REIMAGINING
BUSINESS INSURANCE**



NATIONAL NETWORK OF ACCOUNTANTS
an **ACCOUNTANTS RESOURCE**™ member company