



4501 NW Hwy 24 | Topeka, Kansas 66618  
785.842.6252 P | www.imikansas.com | EIN: 48-1058370

January 31, 2018

#### Introduction to IMI:

We are a full design, manufacturing and installation company in packaging handling, food production, and water/waste water industry located in Topeka KS with projects that span the nation and a current base employee count of 85.

In November of 2016 two employees of IMI were injured in an automobile accident on US Hwy 24 while returning from a job site visit. Our immediate concern upon being informed of the accident was the status of our employees and their families. We called our insurance team on the way to the hospital and they met us in the ER. This was above our expectations of our insurance agents to help support us and our team in this time of need. Our employee's conditions were established as one being stable but nonlife threatening and the other member severely injured needing immediately moved to surgery. We then turned our attention to their families with comfort, addressing any needs or concerns they faced. After initial concern, our focus turned to how we address this issue from an insurance stand point.

We were informed that the Highway Patrol would investigate the accident and would produce a full report in due time. With the fact this accident resulted in a fatality, we were told the investigation may take some time with the possibility of litigation from the injured parties. The final report was provided from the Highway Patrol and IMI held 0% responsibility for the accident.

One of the obvious questions IMI asked to our insurance provider is how this accident would affect our MOD rating.

We, at IMI take the safety of our employees very seriously. We contract with a local safety specialty company, Safety Consultants Inc, for our monthly safety trainings for our entire crew. This is a significant investment each year in training costs. The results of the partnership between Safety Consultants and IMI are clear. We have been able for a period of four years have zero recordable accidents obtaining a MOD rating of 0.72. This is a very important rating to us for continuation of current contracts and opportunities to quote additional projects.

Our MOD rating as reported by the NCCI in the 3<sup>rd</sup> quarter of 2017 was increased to 1.35. A massive increase resulting in the following:

- ..An increase of or workman's comp rates of 63% if figured as the MOD rate would indicate. An increase of this magnitude results in thousands of dollars in increases per month with an annual increase that could approach \$60,000.00 for IMI.
- !.IMI is forced to explain to each and every one of our current clients the reason for the drastic increase in our MOD rating.
- }.A limitation on our ability to obtain new opportunities as many of our prospective new clients use third party screening companies to obtain safety rates as well as other important company information before we would be allowed to participate in any future projects. A MOD rating of more than 1.0 raises major red flags and gives an initial indication of a company that has safety issues.

The accident that occurred was tragic to say the least, the way that IMI was involved could only be explained as "being at the wrong place at the wrong time" or "freak accident". Knowing what we know now, we still would have made the decisions the way we did that day to take care of our team first. But we are asking for your help, for companies such as



---

4501 NW Hwy 24 | Topeka, Kansas 66618  
785.842.6252 P | [www.imikansas.com](http://www.imikansas.com) | EIN: 48-1058370

ourselves who put safety and their people number one, in unforeseeable situations as this. Here we are again trying to protect the safety and our families within IMI but are up against the odds of a system that is set to protect companies like those we do business with from other companies that do not share the same standards as we do with safety. This MOD rating puts our company in with those groups instead of where we should be, out competing honestly, fairly and safely. With this kind of rating it puts all our families at risk of not working with clients we have had years of a great reputation with, giving the perception, our safety standards have changed. Thus, not having the jobs for our team to provide for their families. Again, at the conclusion of the investigation IMI held 0% responsibility in the accident but the results of the current calculation of the MOD rating does not indicate this. With safety as the number one priority for our current and future clients, an increase in our MOD rating is devastating to any company in our current position.

Thank you for your help and considerations in this matter.

Sincerely,

Todd Harrington