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Agent Instructions

The AMC/Edgewater EPLI program is designed to provide a superior facility for all EPLI accounts regardless of size, loss history or classification. We especially have designed a program to write applicants who have never bought the insurance.

Acrobat Standard or Adobe Reader

These instructions are the same for either software. Adobe Reader is free downloadable software that allows you to read and use documents that have the PDF extension. Please make sure you have the latest version of either software. For Acrobat Reader users (the free one) you will need Version 8.0. This is the latest version. If you have an older version of Acrobat Standard or Acrobat Professional you will probably need to upgrade or you can download the latest version of the free Adobe Reader.

First Time Buyer Digital Form

AMC and Beazley are pleased to offer you an opportunity to present EPLI coverage to your insured in a quick and easy process.

Step One: Pre-qualify your insured:

If the applicant:

Currently has insurance.

Is a health care provider (doctor, hospital, nursing home, clinic or dentist), Lawyer, Auto dealer, or a Bar and Tavern (over 25% alcohol)

Has more than 50 employees or locations in more than one state

Has losses, incidents or claims

We will need a standard application.

If the applicant is loss free, has never had EPLI insurance and has less than 50 employees it is eligible for the First Time Buyer Program

Agents may obtain the automated application two ways:

- Down load from AMC / Edgewater website
- The AMC Network will Email it to you.

Forms are pre-loaded with rates.



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Step Two: Fill in the form Digitally

- Right click the appropriate form. Save it on your hard drive. You can then save it as **(The name of your applicant)FTB** to the hard drive on your lap top or desk top in accordance with your agency's protocols..
- Open the file. Fill in the table with appropriate information. The spaces will automatically expand. If you strike the tab key it will take you to the next field.
- Enter the number of Full time and Part time employees. **This will automatically calculate your premium at both limit options.**
- Remember the premium may be subject to Surplus Lines Tax and Stamping Fee. The Calculations are shown. If no taxes are shown we can write this on an admitted basis.
- Assign an EPRMA number. Please use the first letter of the applicant, the first letter of the city and the date.
- Save the form. Print Page one and two to get the applicant's signature.

Step Three: Prepare the application for signature.

- Give the Insured his EPRMA Certificate. This is the second page of the document or you can generate it separately by clicking on the link. This will be an opportunity to highlight the benefits and requirements of the program.
- Go over the only 2 underwriting questions with the insured. Explain the definition of a claim, charge or incident. If the answer to either of the first two questions is yes, you will need a long form application (Standard underwriting Protocol.)
- **Two Underwriting Questions:**
 - Have they had an EPLI policy in the past? Y/N
 - Have they had any employment incidents in the last 5 years? Y/N

Step Four: Bind Coverage

If the insured wishes to bind coverage please complete the 3rd page. It requires information needed to issue the policy. Once completed, save it and email it to your AMC underwriter. This will email the data to AMC. We also need a hardcopy of the signature. You can scan and attach to the email that you will use to send the digital file or you can scan the signed application and email with the file you digitally filled out and saved. If you need to you can fax it the network desk. The Company does not need the original.



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Upon receipt, AMC Network personnel will review and process the request. You will receive the formal quote, binder and a policy digitally.

First Time Buyer Coverage Guide

Deductible: LA County \$5,000 – Deductible includes defense and indemnity
California \$2,500 - Deductible includes defense and indemnity
All Other \$1,000 – Deductible includes defense and indemnity

Limits:

- **Option 1** \$500,000 LIMIT EACH CLAIM INCLUDING CLAIM EXPENSES subject to a \$500,000 Policy Aggregate.
- **Option 2** 1,000,000 LIMIT EACH CLAIM INCLUDING CLAIM EXPENSES subject to a \$1,000,000 Policy Aggregate.

Different limit and deductible options are available within the Standard Underwriting Protocol..

Coverage and Policy Terms

The policy form is the same form used for standard business. It is a highly regarded form in use for over 10 years.

Full Prior Acts: This will cover claims that arise from past occurrences or incidents that the insured is unaware of. Known claims charges or incidents will not be covered. It is important that the applicant knows what constitutes an incident. Retro Date Inception is available at a higher premium.

Broad coverage grant. The definition of wrongful employment practices uses inclusive terms such as “all” and “any.” It is not a “named peril” policy.

Defense and indemnity included: This is not a defense only policy the definition of damages includes monetary damages paid to claimants.

Defense Inside the Limits: Payment of defense costs erode the aggregate.

No restrictive definition of “Employee”: Claims from leased employees, temporary workers, independent contractors included.



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Third Party Coverage included: This covers discrimination and harassment claims from claimants who are not employees. Usually these are customers.

Important Restrictions of Coverage to tell the Applicant

Wage and Hour Claims are Excluded: We do not cover claims that result from violation of the Fair Labor Standards Act or the local equivalent. The predominant perils involved are mis-classifying exempt workers and failing to pay them overtime or minimum wage. Properly paying their workers is their responsibility and they should obtain the professional advice of an accountant , payroll service or attorney to advise them.

Definition of Damages does not include Injunctive Relief: If the ADA orders you to build a ramp the policy will not cover the cost of building the ramp. If the courts orders you to re-hire a person the ongoing salary and benefits are not paid by the policy (but back pay awarded as damages would be.) This is true of every policy.

Misrepresentation may cause denial of coverage: We don't ask for much information but we expect it to be true. There are exclusions for prior knowledge and intentionality that have been drafted carefully enough to be enforceable.

Important Requirements to be Eligible for the Program

The ComplyAmerica Management Training Course is required. Only those who hire, fire, evaluate or promote employees are required to take it.

ComplyAmerica will contact the insured: The person contacted is the individual listed on the application usually by email.

The EPRMA Certificate is the key to unlocking the benefits of the program: If the insured calls the hotline we will ask for the certificate number. By agreement with NASE and with AMC all of your clients are members of EPRMA. This makes them eligible to place coverage through the RPG that will reduce the friction cost of the program.



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Background information and Sales Intelligence

For clients who are Eligible for First time Buyer the competition is “going bare”:
Even though the product you offer stands up to any other company’s product your main competition is the insured self insuring. Your challenge is pointing out the obvious exposure and offering a very cost effective way

The parameters for FTB are broad but the result of serious underwriting thought:
The number of employees is a big factor. The lack of claims activity is another. Larger employers often have the coverage and also have significantly greater exposures to third party claims and other claims.

Over the years, we have tracked the elements that affect underwriting results. We have found that some things that we thought were important are not. Good manuals are not good indicators of a good risk. Some of our worst claims come from employers with great manuals they don’t follow in practice. Company profitability doesn’t track. **The most important variable in underwriting EPLI is the willingness of an employer to train their managers.**

Whether it is a causal relationship- and there are solid legal benefits including the approval by the courts and the EEOC of Comply America – or whether it is a simple correlation companies that train their managers have fewer claims and more manageable ones. If an applicant seriously doesn’t want to train their managers we need to underwrite those accounts more carefully. We may offer a retro date as the inception date and probably charge a higher rate.

Comply America works. We have statistical evidence to prove it. Our clients like it. American Express uses it. The California Medical Association endorses it. The Practicing Law Institute that provides Continuing Education to 60% of Attorneys in the US not only endorse it but sell it.

Use the Tools. Direct the decision maker to EPRMA www.EPRMA.org . We have supporting brochures on our Website www.edgewater.net/AMC.html Or theme is Protect your business. Protect your managers.

We want all of your EPLI business: We can underwrite any account – any size – any loss history. We specialize in distressed business. It is in underwriting businesses with claim problems that we proved up the effectiveness of Comply America. We can tailor coverage and meet whatever challenges the market offers.



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AGENT TIPS FOR SUBMISSION

1. Terrorism is included at no additional cost. No TRIA form is required.
2. Document the number of full time workers and part time workers.
3. **All supervisors and managers are required to complete the Comply America course within 30 days of binding.**
4. The Applicant is the individual filling out the application. **This person must have the authority to make representations to bind coverage and pay for the policy.**
5. Enter company name exactly as it will appear on the policy. Remember to include full legal name including Inc., LLC, JV or whatever is appropriate.
6. Enter DBA, if any
7. Enter street address of main location. Do not use Post Office Box.
8. Enter e-mail address of the applicant or of the person who will coordinate the Comply America training.
9. Policy period is annual. **We will not back date coverage.**
10. RDI is available on request 25% credit