Allstate Agent
Personal Liability Training
Agenda

- About GUS
- The Players in GUS Umbrella Program
- USLI and the Underwriting
- Products
  - PUP, Excess PUP,
  - CPL Excess CPL,
  - Excess Auto
- The Online Process
- Agent On-boarding Processing
- Next Steps
- Questions & Answers
About “GUS”

- Founded in 1928, Griffin Underwriting Services is recognized as a powerful market resource for brokers and agents, we are also a partner for carriers reaching out to the insurance buyer in innovative, cost-effective ways.

- GUS was one of the first Surplus Line Brokers in the region to be granted binding authority by Lloyd's of London.

- Griffin has been working with Ivantage for over 5 years.
## The Players in GUS Umbrella Program

<table>
<thead>
<tr>
<th>EA</th>
<th>GUS</th>
<th>USLI</th>
<th>ISA</th>
</tr>
</thead>
</table>
| - Sub-producer of ISA  
- Has relationship with customer  
- Brokers business to GUS  
- Completes online quote on behalf of customers  
- Obtains customer signature  
- Receives commissions | - Serves the broker  
- Contracts Agents  
- Submits premium to carrier  
- Accountable for state-specific compliance issues  
- Pays commissions/recv’s policy fees  
- Found the Market! | - Carrier  
- Provides coverage  
- Pays claims  
- Maintains policy forms & rates | - ISA = Ivantage Select Agency, Inc.  
- Agent of record with GUS  
- Performs contracted services for GUS  
- Grants authority for EAs to participate in program |
## Admitted vs. Surplus Lines

<table>
<thead>
<tr>
<th>Membership in state guarantee funds</th>
<th>Admitted</th>
<th>Surplus Lines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy forms and rate plans must have state approval</td>
<td>✔️</td>
<td>✗</td>
</tr>
<tr>
<td>Carrier can retain a minimum premium amount whether earned or not</td>
<td>✗</td>
<td>✔️</td>
</tr>
<tr>
<td>Diligent attempt to place policy in admitted market</td>
<td>✗</td>
<td>✔️</td>
</tr>
<tr>
<td>No continuous coverage – policies will expire unless renewal package completed</td>
<td>✗</td>
<td>✔️</td>
</tr>
<tr>
<td>State premium tax shown as line item on dec page</td>
<td>✗</td>
<td>✔️</td>
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</tbody>
</table>
Working in Non-Admitted Markets

**Admitted Markets**
(Typical Characteristics)
- Highly regulated by states (rates, forms, etc.)
- Carriers accountable for paying premium taxes & reporting to state
- State guarantee funds available if needed
- Carriers can provide direct support to customers
- Agents are directly appointed to company through which business is placed
- Licensing requirements for agent are minimal
  - Typically P&C license sufficient for most transactions
- Agents can accept business from, and split commissions with, brokers

**Non-Admitted Markets**
(Typical Characteristics)
- Rates and Form not regulated by states
- Indemnity agreements are not backed by state guarantee funds
- Surplus Lines Agent/Broker accountable for paying premium taxes & reporting to state
- Additional duties for originating agent (EA) &/or Surplus Lines Agent/Broker
  - Documented due diligence of attempt to place policy in admitted market
  - Customer disclosure re: non-admitted policy
- Renewal are not guaranteed – new documentation may be required.
- Some states require additional licensing for the originating agent

Non-Admitted Markets aka: Excess & Surplus (E&S) or Surplus Lines Markets
United States Liability Overview

- United States Liability Insurance Group specializes in underwriting low premium, low hazard insurance products. They focus on well designed products that are delivered with great speed, service and support.

- U.S. Liability Insurance Group is a wholly owned Subsidiary of Berkshire Hathaway, Inc.

- Located in Wayne, PA

- A++ A. M. Best Group Rating (Confirmed 5/29/12)
Preferred and Standard Characteristics

- Limits up to $10,000,000 in most states
- Limits up to $5,000,000 if operator under 23 or over 75
- Excess Uninsured Motorists/Underinsured Motorist offered in all states
- Any Preferred or Standard account can be written admitted in 43 states
- Discounts for no accidents or operators under 23 and up to 2 violations
USLI Coverage Differentiators

- Broad definition of bodily injury
- No annual aggregate or self insured retention
- No schedule of underlying insurance
- Excess UM/UIM coverage available in most states
- Coverage for pre and post judgment interest
- Coverage for incidental business activities
- Worldwide coverage
- Coverage for policies written in the name of LLCs, Trusts, and Estates
- Coverage for rental dwellings up to 60 units (15 Locations)
- First dollar coverage for non-owned boats
- Personal injury coverage offered at no charge (must be present on underlying policy)
Personal Umbrella Products Overview

• Primary Personal Umbrella
  — Preferred and Standard Applicants
  — High Risk Applicants
Within these classifications there is coverage available for
  — High Profile Individuals
  — Farm and Ranch Owners

• Excess Personal Umbrella
  — (we can write in excess of the Allstate PUP)
Preferred and Standard Characteristics

- Unlimited number of autos, recreational vehicles, watercraft up to 75ft. and operators
- Youthful operators and any operator up to age 90
- Up to fifteen 1-4 family residences
- Up to 6 convictions in the household
- No more than 3 at fault accidents
- No more than one DUI for a non-youthful operator
“Real” Rainy Days - Automobiles

- An 18 year old high school student was temporarily blinded by the sun driving to school. Ahead of him a 6 year old girl was crossing the street on her scooter. Her mom and younger sister were close behind and witnessed the accident that killed her. Due to two components, wrongful death and mental anguish $3,600,000 was paid.
“Real” Rainy Days continued - Excess UM/UIM

- Insured was 61 year old lawyer riding on bicycle on the shoulder of a road in a cross country event. He was struck by a side view mirror. Resulting in multiple and permanent injuries.

- The person causing the injury had total coverage of $2,000,000. Claim settled for $2,135,000 with the $135,000 being paid from our Excess Underinsured Motorist coverage.
High Risk Umbrella (E&S)

- Households with up to 10 convictions
- Households with any conviction of a major violation
- Households with up to 5 accidents
- Households with up to 2 Drug/Alcohol offenses
- Applicants with any Open liability claims or claims with payment exceeding $50,000
- Non-admitted in all states except CA and MO
Celebrity/Target Umbrella business

- Individuals in the public eye
- Professional Athletes
- Entertainers
- CEO’s Fortune 100 and publicly traded companies
- Priced appropriately
- Personal Injury underwritten and priced separately
- Limits available up to $10,000,000 for Preferred Accounts
- Written admitted in 43 states when the risk meets the Preferred/Standard criteria
**Personal Umbrella for Farm and Ranch Owners**

- Product is designed for Family and Gentleman Farms
- Revenues up to $1,000,000
- Grazing animals/livestock of 250 or less
- Farm operations may be conducted by the insured or leased to a tenant farmer
- Underlying Farm liability must be provided by a Personal Lines policy
- Limits up to $10,000,000 available for preferred risks
- Written non-admitted in all states (other than CA/MO)
Excess Personal Umbrella

This product is designed for those applicants who have a primary personal umbrella policy with another company and desire higher limits. Eligibility for this product is the same as our primary personal umbrella.

PRODUCT FEATURES:

- Limits available up to $10,000,000; $5,000,000 in FL and $1,000,000 in IN, VT, NH, MS & AL
- Available at a primary personal umbrella attachment point of $1,000,000
Excess Personal Auto (Telephone Quote Only)

• Excess Auto Coverage when insured cannot obtain additional limits from primary auto carrier
• Can be used as a buffer quote for Personal Umbrella policies
  • Example – Youthful driver needs 500/500/100 and primary carrier will only provide 250/500/100
• Minimum Underlying Requirements – 250/500/100 or 300CSL
• Will write applicants with violations, at-fault accidents and DUls.
Comprehensive Personal Liability (CPL)

- Provides Personal Liability – protects insureds against the financial consequences of their liability to others for property damage and bodily injury.
- Medical Payments to Others – pays for, regardless of whether an insured is liable, certain medical expenses incurred by persons other than insureds because of injury stemming from insured exposures.
- Personal Injury – excluded under most forms, the USLI policy includes this valuable coverage which includes coverage for, slander, wrongful eviction, or invasion of privacy.
Eligible Risks

- 1-4 Family Dwellings – Owner or Tenant Occupied
- Trusts, Estates, Limited Partnerships, Limited Liability Corporations (LLCs) and Family Partnerships as Named Insured
- Dwellings under construction, renovation or for sale
- Seasonal/Secondary Dwellings (stand alone)
- Vacant Land (up to 250 acres)
Top Reasons USLI CPL Policy is Purchased

• Many carriers will not offer limits higher than $500,000 – some do not offer more than $100,000.

• Locations in the name of an LLC or Corporation that homeowners carriers will not extend liability to – we can write up to 15 locations

• States where it is tough to get homeowners or any dwelling property coverage (CA, FL, NC & SC)

• Ability to write short-term rentals
  – Daily, weekly, monthly, or seasonal rentals
Product Advantages

- Personal Injury is Included in the base rate
- Host Liquor Liability is included
- Additional locations are not subject to the minimum premium – many times can be added at no additional cost.
- Admitted Paper in CA – available for Direct Bill
Excess CPL

- Excess Liability coverage over a homeowners, dwelling, renters, or condo policy
- Can be used as stand alone or as a buffer
- Non-US citizens who cannot obtain a Personal Umbrella policy
- Companies limiting liability limits to $500,000 or less
- Umbrella will not extend to that location
Scenarios for Excess Comprehensive Personal Liability

- An insured and some friends own a residence in the name of an LLC. The insured’s Personal Umbrella policy does not extend coverage to this residence because the named insured is not an individual.

- The underlying Dwelling Package policy has a limit of $300,000 and the insured would like a total liability limit of $5,000,000.
  - The Excess CPL can provide an additional $4,7000,000 in liability coverage.
Excess CPL

- Follow Form Coverage
- Personal Injury Included in Excess of Primary Policy
- Coverage for 1-4 Family Dwellings, Condos, Apartment Renters, and Mobile Homes
- Named Insured can be an Individual, Trust, Estate, LLC, or a Corporation
- Vacant Land up to 250 acres
Mixing and Matching

- 250/500 Auto 
  - GAP $100K Home 
  - $500K CSL Boat
- $1M Rental Property 
- $1,000,000,000,000
Personal Umbrella Policy

$1,000,000

- 250/500 Auto
- $300K Home
- $500K CSL Boat
- $300K Rental Property
Excess Liability Policy

$1M

250/500
Auto

$300K
Home

$300K
Boat

$300K
Rental Property

$1M
**USLI Service Differentiators**

- “In by 2, Out by 5” Service
- Online and Telephone quoting
- Real-time underwriting resolution with Web chat
- No MVR requirements
- Prefilled applications
- Policies issued within 24 hours
- Direct bill with multiple payment options up to 3 pay
- Installments with no fees
- Automatic renewals with no material information forms or renewal applications
- 87% renewal retention
Instant Quote Demonstration
Personal Umbrella
Comprehensive Personal Liability:
Excess Personal Auto Liability
Agent On-boarding Processing

- Complete the Producer Registration Form
- Receive welcome email from GUS with registration link and Agency Code
- Complete the registration process

START WRITING BUSINESS!
Questions??
Where to Get More Information

- **USLI**
  Instant Phone Quote
  (888) 875-5219

- **Password & Technology Questions**
  Bruce Spong bspong@gogus.com
  425.974.7702

- **Accounting Questions**
  Kevin Grimm kgrimm@gogus.com
  425.974.7707

- **For More Questions**
  - Underwriting & Policy Issuance
    Marci Sherk msherk@gogus.com
    425.974.7704
    Jessica Rodriguez jrodriguez@gogus.com
    425.974-7744