
Commercial Specialty Auto Guidelines

These guidelines are to assist you in qualifying, submitting, and binding Commercial Specialty Auto business with RLI Transportation. They are subject to change without notice.

Agents / Brokers:

- RLI Transportation will accept new submissions for consideration, from approved retail Agents / Brokers
- Agents / Brokers must be appointed and licensed with RLI, in their respective state, prior to binding their first submission

Specialists in writing:

- Hospitals
- Ambulances
- Couriers
- Driving Schools
- Public Entities
- Hired / Non-Owned (Stand Alone & Bundled)
- Symbol 10

Eligible Commercial Auto Classes:

- Healthcare – hospitals, ambulance, couriers, mental health facilities
- Construction
- Manufacturing
- Communications
- Wholesalers and Distributors
- Retail Trades
- Financial Institutions
- Real Estate Companies (i.e. REITS)
- Miscellaneous Services
- Public Administration
- Overseas Parents Corp. with US-based operations

Non-Eligible Commercial Auto Classes:

- Explosives
- Hazardous Material Haulers of Any Kind
- Residential or Commercial Waste Haulers
- Carnival Circus Operations
- Livestock Haulers
- Ready Mix Concrete
- Towing Operations
- Drive Away Contractors
- Flat Bed Operations (incidental OK)
- Container Haulers / Intermodal
- Dump Operations (incidental OK) < 50 power units
- Cherry Pickers (incidental OK)
- Cranes (incidental OK)

RLI Transportation writes Commercial Vehicles in all states, except when domiciled in:

- Massachusetts
- Hawaii
- Alaska
- Louisiana
- Texas (We write on Home State County Mutual Insurance Company paper, reinsured 100% by RLI)

Minimum Years in Business:

- 2 Years

Minimum Policy Premium:

- \$10,000

Policy Limits and Deductibles

- \$100,000 to \$1,000,000 on Primary Auto
- \$4 million additional coverage limits are available (\$5 million total)
- First dollar and deductible programs are available on AL policy
- Minimum Auto Liability Deductibles start at \$2,500
- Physical Damage Coverage must have at least a \$1,000 deductible

Lines of Coverage Offered:

- Business Auto Liability
- Garage Keeper Legal Liability
- Physical Damage
- Hired and Non-Owned
- Following Form Higher Limits of Liability

Safety:

- Good Internal Fleet Safety Program
- Good Driver Hiring Program

Areas of Uniqueness:

HNOA	Hired & Non-Owned Exposures (Stand Alone & Bundled) - i.e. Hospitals with visiting nurses, couriers with independent contractor exposure. (No food delivery)
Extra Heavy Units	Owned units, carrying owned goods, portion of the fleet or entire fleet – many “standard markets” avoid this exposure.
Other Lines in a Specialty Market	Other lines are in captive or in a specialty market. (i.e. engineering firms, aircraft parts)
Long haul exposure	Owned fleets with a long haul exposure, portion of the fleet or entire fleet – many “standard markets” avoid this exposure.
Symbol 10 or manuscript	Symbol 10 or manuscript wording needed to tailor the coverage to a unique situation.
Large sales fleets	In many cases, the WC and auto are the only coverages that need to be purchased in the US.
Public livery	Fleets with “incidental” public transport - i.e. Colleges, hospital with nonemergency transport. (No assisted living)
Flexible driver guidelines	Driver(s) do not meet ““standard market” driver guidelines. Our guidelines are more flexible than many “standard markets”.
Large loss	Incumbent carrier took a large loss and does not want to renew, but otherwise the experience and controls are good.
Unique Equipment	Fleet where a portion of the units have unique equipment attached to the power unit. (i.e. industrial vacuum trucks, welding units)

Underwriting Criteria:

- The minimum driver age is twenty-one years old. However, we are somewhat flexible and will discuss exceptions
- Every driver must have a minimum of two years experience in the type of vehicle being driven
- All drivers must have a valid Commercial Drivers License where required
- No single driver can have more than a combined total of two moving violations and one accident within the last 36 months or three moving violations and no accidents (again, we are somewhat flexible and will discuss exceptions)

- ICC filings are “normally” not required
- The prospect will have good financials and make the information readily available to the underwriter
- Submission applications may be mailed, faxed, or emailed to: specialtyautosubmissions@rlicorp.com

Submission Requirements:

- To prepare a Commercial Specialty Auto quote for you we will need the following information.
 1. Acord Cover Application or similar specifications
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 3. Drivers list ; in excel if possible
 4. Vehicle list ; in excel if possible
 5. Vehicle specific use (i.e. security, maintenance, executive , employee shuttle, client shuttle, emergency ambulance, non-emergency ambulance, patient transport)
 6. Loss Runs...Current year plus 3 prior years...all currently valued
 7. Costs new if physical damage is needed
 8. List of all Garaging locations
 9. Should the account be quoted with or without commission?
 10. Current carrier renewal position and expiring pricing
 11. MVRs on all currently assigned drivers, if available
 12. Copy of the insured's last two years financials (P&L Balance Sheet) or tax returns
 13. Named insured details - insured list showing operations
 14. Copy of fleet safety program, if any
 15. Complete the appropriate attached Supplemental Fleet Questionnaire
 16. Previous historical vehicle count-4 year history

Quotes:

- Quotes will be processed once a complete submission is received
- We will make every effort to quote by your need by date
- Average quote time 48 hours

Premium Payment Options:

- RLI Installment Financing – various plans are available - interest free (20% down + 9 installment payments)
- Paid in full
- Premiums may be financed through Premium Finance Companies. Down payment as stipulated on the proposal is still required prior to inception with the balance due within 12 days.
- RLI will Direct or Agent Bill
- Down Payments, Escrow and Cash Collateral are due upon binding – no filings will be made until these funds have been received by RLI

Commission:

- 10% commission on all lines, commission plan is flexible based on risk

RLI Claims Philosophy:

- RLI looks for prospects who share the same approach to handling and settling claims
- Minimize exposure on “at fault” losses through aggressive settlement action
- Minimize exposure on “not at fault” losses through aggressive claim handling
- Immediate 24/7 serious Claim reporting to RLI Supervisor Hot Line
- Open two way communication on all claims – no surprises

RLI Value Message:

Accounts and Agents understand and appreciate RLI’s value added services and capabilities in the areas of:

- Knowledgeable People
- Stability
- Peace of Mind
- A Great Value
- Easy To Do Business With