



RLI TRANSPORTATION

LARGE FLEET TRUCKING PROGRAM GUIDELINES (50+ POWER UNITS)

The following guidelines will assist you in qualifying, submitting and binding Large Fleet Trucking business with RLI Transportation. These guidelines are subject to change without notice.

AGENTS:

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

ELIGIBLE FOR-HIRE TRUCKING OPERATIONS — TL & LTL CARRIERS:

- Flat Bed
- Auto Haulers
- Dry Van
- Intermodal
- Specialized Carriers/Heavy Haul
- Refrigerated
- Liquid Tanker
- Dry Bulk Tanker
- Bulk Hopper
- Private Passenger & Service Vehicles — business use only
- Incidental Brokerage Operations

INELIGIBLE TRUCKING OPERATIONS:

- Brokerage Operations (over 20% of trucking revenue)
- Dump Truck Operations
- Wrecker Operations
- Garbage Haulers
- Hazardous Waste Haulers of any type
- Logging Operations of any kind
- Mobile Home/House Movers
- In-Transit Ready Mix
- Drive Away Operations of any kind
- Livestock
- Hanging/Non-Boxed Meat

RLI TRANSPORTATION WRITES LARGE FLEET IN ALL STATES EXCEPT WHEN THEY ARE DOMICILED IN:

- Massachusetts
- Hawaii
- Alaska
- Louisiana (will write accounts that accept a \$25,000 or higher retention)

2970 Clairmont Rd., Suite 1000
 Atlanta, GA 30329
T: 404.315.9515
F: 404.315.6558

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SAFETY:

- Account must have a DOT SAFER. Rating of Conditional or Unsatisfactory are ineligible
- Good Driver Hiring Program
- Proactive Safety Culture

EXPECTED ANNUAL MILEAGE:

- Preferred utilization of less than 100K miles per unit
- Accounts with utilization greater than 130K miles per unit are ineligible

MINIMUM DEDUCTIBLES:

- Auto Liability deductibles **start** at \$2,500 and can go to \$750,000
- SIR deductibles **start** at \$25,000 and can go to \$1,000,000
- Basket deductibles **start** at \$10,000 (AL, GL, Phy-Dam, Cargo)
- RETRO Plans to further share the risk as well as the premium savings opportunities
- All AL Liability Retentions require collateralization — combination of cash and letter of credit

FINANCIAL REQUIREMENTS:

- RLI evaluates the financial solvency of every truck submission — all risks must be financially solvent (cash flow, equity, debt load, etc.)
- Income statement and balance sheet required for last two complete fiscal periods and current year to date
- Audited financials are not required
- Financials must follow **Generally Accepted Accounting Principles**

YEARS IN BUSINESS:

- 3 full years; currently in their 4th year of business

LINES OF COVERAGES OFFERED:

- Truckers Auto Liability
- Business Auto Liability (with primary only)
- Non-Trucking Auto Liability (with primary only and prior established program with 80% participation)
- Brokerage Contingent Auto Liability (Incidental Only)

- General Liability (CGL)
- Garage Liability & GKLL
- Trailer Interchange
- Motor Truck Cargo — Legal Liability Form
- Physical Damage
- Hired & Non-Owned

APPLICATION REQUIREMENTS:

- RLI Large Fleet Application is **required**. Information needed is listed on first page of the application
- RLI Transportation Applications may be printed off our website: **www.rlitransportation.com**
- Submission applications may be emailed to: **Truck.Submissions@rlicorp.com**, faxed to (309) 683-1621, or mailed to RLI Transportation, 2970 Clairmont Rd NE, Ste. 1000, Atlanta, GA 30329

LOSS HISTORY:

- Currently valued loss runs (no older than 60 days) are required: four prior years and current year to date

ADDITIONAL INFORMATION NEEDED:

- RLI requires eight quarters of IFTA Reports (Interstate Fuel Tax Authority)
- If hauling exempt commodities, an RLI Supplemental Mileage Form must be filled out
- Expiring Policy Information and Dec. Page
- Equipment schedule (with stated values if physical damage desired)
- Driver schedules with dates of birth, dates of hire and years of expertise

MOTOR VEHICLE REPORTS:

- MVR's must be no older than 60 days
- MVR Guidelines:
 1. Minimum age of 23
 2. Minimum of 2 years CDL-A driving experience
 3. Maximum of 3 moving violations in last three years or 2 moving violations and one minor accident
 4. No DUIs or felony driving convictions within last 10 years

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PRICING:

- Premiums are developed based upon **mileage, by state and account risk loss experience** — this information must be provided in each submission
- Most Policies are written on an exposure auditable basis: **Mileage** or **Gross Receipts**
- 90% Minimum Premium

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 within 30 days

PREMIUM PAYMENT OPTIONS:

- Monthly Reporting — Revenue or Mileage basis - 20% escrow deposit required
- RLI Installment Financing — 20% down payment and nine installments — interest free
- Paid in full
- Premiums may be financed through Premium Finance Companies; however, the finance agreement must be approved by RLI Transportation prior to binding. 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**

FILINGS:

- RLI will make all filings (state & federal)
- Agent / Broker is responsible for requesting filings

COMMISSIONS:

- 10% commission on all lines
- Net quotes provided upon request

ENDORSEMENTS:

- All change requests, including driver and vehicle additions, deletions and changes must be emailed to **truck.endorsements@rlicorp.com** but must be confirmed in writing via mail, fax or email
- Endorsements can only be bound by an RLI Transportation employee
- Changes will not be made retroactively

RLI MARKET/CUSTOMER RESERVATION:

- RLI will set aside a specific Prospect for an Agency in advance with just a phone call. A **complete** submission needs to be sent in soon after the reservation in order to hold the account

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 claim reporting to RLI Supervisor Hot Line
- Open, two-way communication on all claims — no surprises

RLI VALUES MESSAGE:

Accounts and agents understand and appreciate RLI's value added services and capabilities:

- Knowledgeable people
- Stability
- Peace of mind
- Great value
- Easy to do business with
- Loss Control

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