



PROFESSIONAL
LIABILITY.

AGENCY ALLIANCE E&O PROGRAM

Experience
Stability
Flexibility

WHY THE BIG “I” AGENCY ALLIANCE E&O PROGRAM?

1

Uniformity of coverage. The master agency and each member agency are covered by identical broad coverage form, underwritten by a long-standing, industry leading E&O carrier with unmatched credentials.

2

Membership is required in your Big “I” State Association.

3

Each member agency retains the ability to purchase an **Extended Reporting Endorsement** (ERP/tail coverage) without disturbing the master policy.

4

Single policy construction allows for group pricing and underwriting, yet provides each member agency the ability to choose individual limits and deductibles (no sharing of limits).

5

All parties are represented by **claim counsel with long-standing experience** in handling E&O claims. Avoids finger-pointing at claim time or arguments among carriers about circumstances or which policy should pay.

6

Retro dates older than 5 years may convert to **Full Prior Acts**.

7

You have an advocate. The policy is administered and serviced by Big “I” State Associations - Dedicated to providing support and resources to Independent Insurance Agents.

CONTACT US TO LEARN MORE.

BIG "I" AGENCY ALLIANCE E&O FEATURES



50 years experience protecting the businesses, reputation, and assets of IIABA members. Big "I" membership is required.



Represented by IIABA and all Big "I" State Associations nationwide



The Big "I" Agency Alliance E&O Program is specifically designed for groups of agencies that have aligned to offer services to their members. This unique E&O program offers two policy forms, one for the master and one for the member agencies, with NO sharing of limits among members.

Broad definition of "Professional Services," including but not limited to, insurance agent and broker, MGA, insurance consultant, loss control, risk management

Defense Costs outside the Limit of Liability

Expansive definition of Insured includes current and former employees, independent contractors, leased or temporary employees

Aggregate and Each Occurrence deductible options

No hammer clause for current insureds; 80/20 for non current

Deductible Reduction Feature – Deductible reduced or waived by the largest of 3 options up to a maximum of \$50,000

Claims made policy form with broad claim reporting provision

In-house claims staff, primarily licensed attorneys, who partner with seasoned panel counsel, well versed in agency law

Catastrophe Extra Expense coverage limit of \$25,000/\$50,000

Subpoena expenses paid in addition to policy limit of liability – no deductible, until a claim is made

Regulatory Defense Coverage of \$100,000 per policy period - no deductible

Crisis Management Coverage of \$20,000 per policy period - no deductible

Insolvency coverage for all carriers with B or better A.M. Best rating, or for business placed with an insurance carrier admitted in the state or states of domicile of the subject risk and rated A or higher by Demotech.

Loss of Earnings – reimbursement for loss of earnings or temporary staff due to attending depositions or trials \$1,500 per insured per day/maximum of \$75,000 per certificate period.

Generous ERP provisions

True Worldwide Coverage

Complimentary access to "E&O Guardian" risk management website, www.independentagent.com/EOGuardian and E&O

Claims Advisor Newsletter



ALLIANCE PROGRAM RISK MANAGEMENT REFERENCE GUIDE

The Big "I" Professional Liability program believes that risk management is key in not only preventing errors, but also in providing agencies with tools to more efficiently service their customers. All policyholders of the Swiss Re Corporate Solutions/IIABA professional liability program have exclusive access to the risk management information developed from our more than 30 years of experience insuring agencies. Swiss Re Corporate Solutions Americas Insurance Company is a member of Swiss Re Corporate Solutions.

BIG "I" RISK MANAGEMENT WEBSITE – E&O GUARDIAN

The website contains comprehensive information and tools such as: the common mistakes that cause E&O claims; real-life case studies for learning; best practice tips; sample disclaimers, procedures and client letters; operational self-assessments; E&O-related articles; and more. Visit independentagent.com/EOGuardian to log in. (Free)



E&O CLAIMS ADVISOR NEWSLETTER

Published monthly and emailed to agency staff, this newsletter provides valuable information on agency E&O trends and hot topics. (Free)

RISK MANAGEMENT WEBINARS



Several times per year, timely webinar sessions are featured to address emerging E&O risk management topics. Less than an hour in length and perfect for all agency staff, the webinars include detailed discussion from industry leaders on reducing exposure to E&O claims.

When Alliance members are faced with a new challenge, we conduct a "hot issues" webinar to help you navigate the new situation. (Free)

BIG "I" VIRTUAL UNIVERSITY

VU is a website with hundreds of insurance related business and technology articles, white papers and information affecting today's insurance marketplace. It also provides a forum to answer questions that can't otherwise be found in the research library through "Ask an Expert." Visit independentagent.com/vu. (Free)

BIG "I" AGENTS COUNCIL FOR TECHNOLOGY ("ACT")

ACT brings agents, carriers, vendors, user groups and industry associations together in an effort to employ the best workflows and technologies available within the independent agency system in order to improve our competitive edge. Visit independentagent.com/ACT and watch the short video briefing on the site to get a good overview. (Free)



Questions? Contact your state association, or reach out to the Big "I" Professional Liability team at eo@iiaba.net. We appreciate your continued support of the Big "I" Professional Liability program/Swiss Re and hope you find these risk management resources useful in helping your agency avoid E&O claims.

LEARN MORE AT WWW.EOGUARDIAN.COM.



RISK MANAGEMENT PREMIUM CREDIT

A **RISK MANAGEMENT CREDIT** is available for the Big “I” Alliance Program! This allows your agency to earn credits up to 15% on your E&O premium for two policy terms.

► **STEP 1: EARN YOUR FIRST 10%**

Take a Swiss Re approved **three-hour** risk management seminar prior to your coverage effective date; the credit cannot be applied retroactively after coverage has been inception. The number of agency staff required to attend is based on agency size below. For a listing of available online courses, please contact your [local Big “I” State Association](#).

Agency Staff Size

*Part time equals one staff count

1–4

5–11

12+

Total Required Attendees

*At least one active owner, officer, or partner must attend

1

3

25% of staff=Max of 15

► **STEP 2: EARN AN ADDITIONAL 5%**

This additional 5% credit is only available in conjunction with the attendance at a risk management seminar as outlined in the previous step.

50% or more of staff attendance at a Swiss Re approved three-hour Risk Management Seminar (see step 1). Please note that the number of required attendees is rounded up. For example if you have 5 employees, a total of 3 employees must take an approved course for the additional 5% credit.

Additional agency risk management information is available 24/7 via the EO Guardian web site:

www.independentagent.com/EOGUARDIAN

SWISS RE'S DEDUCTIBLE FEATURES ARE SECOND TO NONE



Swiss Re's E&O deductible clause has been enhanced to provide the most competitive features in the industry. **While others may have one deductible reduction option that is similar, we have three ways to significantly reduce or eliminate your deductible.**



#1 DOCUMENTATION

Firstly, we believe in rewarding agencies who practice good documentation. We will waive the deductible if we successfully defend a claim using the agency's documentation of the rejection of coverage or limits in an allegation or error specific to that limit or coverage. The maximum we will waive is \$25,000.

EXAMPLE

Our policyholder had a deductible of \$10,000. In a claim stemming from an underlying auto accident, the customer alleged that the agency failed to offer adequate UM/UIM limits, but the agency produced written documentation that their customer had rejected an offer of higher UM/UIM limits. Instead of contributing \$10,000 toward the claim, the agency paid zero dollars.

[INDEPENDENTAGENT.COM/EO](https://www.independentagent.com/eo)

#2 "CLAIM FREE"

The second deductible reduction scenario requires no effort on the agency's part; only that the agency has been "claim free" for the past 3 consecutive policy periods. If we paid \$5,000 or less on any claim in excess of the deductible amount and it was over the course of three policy periods and then a claim is made, we will reduce the deductible by 50% regardless of the size of claim. Furthermore, we do not take the Additional Coverages payments into account when calculating the reduction. (Subpoena, CAT Extra Expense, Regulatory Defense, etc.) The maximum we will reduce a deductible by is \$25,000.

EXAMPLE

An insured had 3 subpoena expense payments in a three- year period, totaling \$7500+. During the fourth policy term, the agency had a claim for failing to add a vehicle to the customer's auto schedule. The agency had been carrying a \$25,000 deductible. The Swiss Re claims adjuster applied this clause, resulting in a \$12,500 reduction in the agency's deductible.

#3 CONSENT TO SETTLE

The third potential scenario for having your Swiss Re deductible reduced is a piggyback onto the second method described above. Using the example in number two above, the agency consented to the settlement of the claim and the settlement was completed before a lawsuit was filed. Using the third clause of our deductible reduction language, this resulted in a 75% reduction of their deductible. Instead of paying \$25,000, the agency paid only \$6,250. Had the claim gone into suit, the agency could still have reaped a 50% deductible reduction if we were able to settle the claim at the first mediation.

While only one of these deductible reduction methods will be applied for any given claim, Swiss Re will choose the biggest deductible savings for you during the claim process.

Please consult your Swiss Re policy and endorsements for the full deductible language. This explanation and the examples given are simplified to illustrate how much money our policyholders have been saving by having their E&O coverage with Swiss Re Corporate Solutions Capacity Insurance Corporation. If you are not yet a Swiss Re policyholder, ask your state program manager for a sample of our policy and for all the additional ways we make E&O claims as painless as possible.

Whether or not any claim or potential claim is covered under our policy is dependent on the individual facts, circumstances and allegations made by a claimant in each claim situation.

**Questions? Contact your
state E&O Program
Manager.**

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