



NEWSALERT

June 2018 | Volume 2 | Issue 2



Automatic Renewals of Monoline Auto Policies under \$2,500

JUST A REMINDER that all monoline Auto policies with expiring premiums under \$2,500 will automatically renew approximately 30 days prior to expiration.

This will make the renewal available to your agency much sooner.

Change Requests

Please submit any changes 45 days prior to expiration so they can be included on the renewal. E-mail change requests to Gloria Lopez: gloria@amcomins.com

The billing plan for renewing accounts will remain the same unless otherwise notified by your office.

Any changes submitted after renewal issuance are endorsed to the policy per our standard procedure. Otherwise, the policy will renew as per expiring terms.

Once issued, an electronic copy of the renewal is available for download from your AmCom online portal.

The portal makes doing business with us even easier by providing you with access to your policy documents, along with the

option to download policies, endorsements, loss history, etc.

Portal Credentials

The AmCom online portal requires using credentials exclusive to your agency.

To obtain your agency's credentials or if your agency chooses to opt out of the program, send an e-mail request to: patrick.martin@amcomins.com.

Write: 'Access Credentials' in the subject line.

Thank you for your business,

The AmCom Insurance Services Team

CONTACT US



AmCom Insurance Services, Inc.
1655 Grant Street, Suite 700
Concord, CA 94520

Reception Desk: 925-288-6780
Main Fax: 925-244-0234

Submissions (NB & Renewal):
newbusiness@amcomins.com
Endorsement Requests:
endorsements@amcomins.com
Loss Run request:
Available for download from AmCom Online Portal

If you would like to learn more about any of our services, please contact us or visit: www.amcomins.com



AmCom Returns to the General Liability Market

AMCOM IS back in the business of offering General Liability quotes for new business submissions, effective immediately. Let AmCom offer a new business General Liability quote in support of your Commercial Auto, Property and Inland Marine coverages.

The current list of approved ISO contractor class codes for risks domiciled in Arizona or California

AMCOM'S APPETITE LIST

CLASS DESCRIPTION

- 91342 Carpentry – Commercial
- 91343 Carpentry – Shop only
- 91405 Carpet, Rug, Furniture or Upholstery cleaning-on customer premises
- 91551 Communication Equipment installation-industrial or commercial
- 91560 Concrete Construction
- 91581 Contractors – Subcontract work – construction – not buildings
- 91584 Contractors – Subcontract work – construction – for industrial use
- 91585 Contractors – Subcontract work – construction – of buildings
- 91590 Contractors Permanent Yards
- 92215 Driveway, Parking Area or Sidewalk Paving
- 92478 Electrical Work – Within buildings
- 94569 Floor Covering Installation – not ceramic, tile or stone
- 95124 Furniture or Fixtures – installation in offices or stores
- 96053 House Furnishings Installation
- 96317 Inspection and Appraisal Companies
- 96611 Interior Decorators
- 97047 Landscape Gardening
- 97050 Lawn Care Services
- 97650 Metal Erection – decorative or artistic
- 98305 Painting – interior buildings or structures
- 98308 Painting – Shop only
- 98344 Paperhanging
- 98636 Refrigeration Systems or Equipment – install, service or repairs
- 98805 Septic Tank Systems – cleaning
- 98806 Septic Tank Systems – installation, servicing or repair
- 99003 Sign Painting or Lettering – inside buildings
- 99004 Sign Painting – on Buildings or Structures
- 99505 Swimming Pool Servicing
- 99746 Tile, Stone, Marble, Mosaic or Terrazzo – interior construction



Thank you for your business. We look forward to working with you to write more business in 2018.

Produced by Risk Media Solutions on behalf of AmCom Insurance Services. This newsletter is not intended to provide legal advice, but rather perspective on recent regulatory issues, trends and standards affecting insurance, workplace safety, risk management and employee benefits. Please consult your broker or legal counsel for further information on the topics covered herein. Copyright 2018 all rights reserved.

Commercial Insurance

Managing Your Corporate Vehicle Exposure

AUTOMOBILES ARE one of the most significant exposures to loss a company can face. To ensure that you effectively manage your company's vehicle liability and risk exposure, you need to have an effective risk management strategy.

Without one, the consequences to your company's bottom line can be severe. With one, you can reduce your total cost of risk and protect your finances. Remember, if someone is driving a vehicle while on the job, you are ultimately responsible for any collisions they may cause.

Besides regularly running Department of Motor Vehicle reports to check your driving employees' driving records, consider the following when devising your risk management strategy:

Company-owned autos

Your risk management strategy should include a well-written vehicle fleet safety program that addresses at least the following areas:

Policy statement – This is an overview of the company's philosophy on managing its auto exposure. It should focus on the employee's responsibilities for being a safe and responsible driver. Require that all employees who drive a company car sign a "safe driving contract."

Vehicle use – Spell out when and how the vehicle can be used. Is it available exclusively for business use, or will the employee be allowed to use it personally as well? Will other people be authorized or prohibited from using the car? What about family members?

Eligibility and the safe driving contract – All drivers should meet certain requirements. For example, is there a minimum age the driver should be and are defensive driving classes necessary?

Draw up a safe driving contract that all employees who drive as part of the job must sign. The contract should:

- Spell out what constitutes an acceptable driving record
- Make clear that driving privileges will be withdrawn if an employee fails to meet your requirements.
- State that they are responsible for operating the vehicle safely and complying with all traffic laws.
- Require that they report all traffic violations and accidents.
- Require that they maintain the vehicle according to the manufacturer's maintenance schedule.

Defensive driving – Regular training on the basics of safe driving has proven to substantially reduce the frequency of vehicle accidents. The type of vehicles your company uses will dictate just how detailed your defensive driving training program should be.

Post-accident instructions – Train your staff on what to do after an accident. Also, every vehicle should have a claims kit that provides step-by-step instructions on what to do in the event of an accident. You should also appoint someone in your company as a claims officer – the first person to call in the event of an accident.

Personal vehicles

You still have exposure to loss if employees, volunteers or other people use their own cars on company business. Despite the fact that "insurance follows the vehicle," if there is an accident and the damages exceed the available insurance of the vehicle operator, the employer is next in line.

This risk can be transferred to your insurer for a relatively modest cost using a non-owned auto coverage rider. This coverage protects the insured (employer) for its vicarious liability arising out of the use of another's auto (usually an employee) on company business. It does not cover the vehicle operator unless the policy is specifically endorsed to do this. It also does not provide coverage for damage to the employee's car.

Require individuals who use their own cars for work to carry a certain minimum amount of liability insurance. The actual amount is up to you, but we suggest nothing less than bodily injury of \$250,000 each person, \$500,000 each accident and property damage of \$100,000.

Identifying exposure

After implementing your risk control strategies, you will be in a good position to identify your risk exposure. That in turn will help you determine how much risk you want to retain (the size of your deductible) and how much you want to transfer to the insurance company.

By understanding your risk and being able to convey to the insurance company the steps your company has taken to manage those exposures, you are in a good position to negotiate favorable insurance coverage terms and rates. ❖



Risk Management

Anatomy of the General Liability Policy

UNDER A GENERAL liability insurance policy, the insurer is obligated to pay the legal costs of a covered business in a covered liability claim or lawsuit. Covered liability claims most of the time include bodily injury, property damage, personal injury and advertising injury (damage from slander or false advertising).

The insurance company also covers compensatory and general damages resulting from a lawsuit.

Punitive damages aren't covered under general liability insurance policies because they are considered punishment for intentional acts.

The personal and advertising injury limit and products and completed operations limit may be excluded in general liability policies in professions such as environmental consulting, engineering, legal professions, and dental professions among others.

In these professions those limits would be covered in a professional liability policy, which is advised in combination with a premises liability policy for property damage or the slip-and-fall type injury.

With regard to general liability policies, taking precautions to prevent accidents can help keep your liability and your insurance rates down.

on a particular field of work, its premiums will likely be higher than another company whose loss ratio is lower.

Other factors include:

Perceived risk. You should first consider the amount of risk associated with the business.

For example, a home builder is at a greater risk of being sued for a defect on their completed operation than a company engaged in interior painting and wallpapering, and would therefore pay a higher rate for liability insurance.

State and zip code. Businesses that operate in states like California, which has a history of litigation and awarding high damage amounts to plaintiffs, typically need to carry liability insurance with higher coverage limits.

We will gladly answer any questions you have in this regard to make sure that your company is appropriately covered. ❖

Policy review tips

Review the following in the liability insurance policy:

- Is the dollar amount of the coverage sufficient?
- Is the deductible too large?
- Does the policy cover bodily injury to customers and guests on the company's premises?
- Does the policy cover property damage caused by employees and third parties?
- Does the policy cover personal injuries?
- Does the policy cover advertising injury?
- Does the policy cover problems stemming from the company's products, or is a special policy needed?
- Does the insurer have a solid history of paying claims on time?
- When does a claim have to be made?
- Are the exclusions from coverage too broad?
- Are there special endorsements that may be appropriate?

Tips for reducing chances of claims

- Set a high standard for product or completed operations quality control.
- Make sure all company records are complete and up to date.
- Be sure employees are properly trained and hold regular safety meetings.
- Get safety tips for your type of business from your insurance company.

Determining premium levels

While insurance companies try to be competitive, each insurer makes decisions based on its own data and experience insuring businesses of similar risk, statistical information on the field of business and business objectives.

So, if one particular company has experienced a higher rate of loss

