

## Fleet Trucking Underwriting Guidelines

### **The Carolina Casualty Difference**

For over 75 years, Carolina Casualty has been a premier name in the commercial transportation industry. We specialize in insurance products and coverage designed exclusively for preferred trucking and public transportation risks. Carolina Casualty offers responsive service, innovative solutions, and financial strength for our agents and customers. Carolina Casualty Insurance Company is rated A+ by A.M. Best Company.

### **Agents and Brokers**

Carolina Casualty will accept new submissions from approved retail agents and brokers. Agents and brokers must be appointed and licensed with Carolina Casualty in the insured's state prior to binding. These guidelines will assist you in qualifying, submitting and binding Public Transportation business with Carolina Casualty. Our guidelines are subject to change periodically without notice.

### **Program Availability**

Programs are available in all states except Alaska, Hawaii and Massachusetts. Accounts written in Louisiana require a \$25,000 liability deductible.

### **Target Risk Attributes**

- 50+ Power Units
- 3+ Years In Business
- Satisfactory Carrier Safety Rating
- Financially Strong Balance Sheet
- Superior Driver Hiring and Safety Programs
- Values Risk Management Services
- Values Best in Class Claims Service
- Relationship Buyer
- ≥ \$25,000 Retention or Deductible
- LTL Mileage < 70,000 Annually
- TL Mileage < 120,000 Annually

### **Target Operations**

- Dry Van
- Flat Bed
- Intermodal
- Oversized/Heavy Equipment Hauler
- Refrigerated
- Liquid/Dry Bulk Tankers
- Bulk Hopper
- Auto Hauler

## Risk Eligibility Requirements

### Financial Requirements

Carolina Casualty evaluates the financial solvency of every prospect. All risks must be financially solvent and provide an income statement and balance sheet for the last two complete fiscal periods, as well as current year to date. Audited financials are not required. Financials must follow Generally Accepted Accounting Principles.

### Years in Business

Applicants must be in business at least three years under their own name and operating authority.

### Safety Requirements

- Satisfactory DOT Rating
- Strong Safety Program
- Strong Hiring Program
- Passing Score from the Carolina Risk Management Team (Post Bind)

### Ineligible Operations

- Dump Truck/Dump Operations
- Wreckers/Towing
- Waste and Garbage Haulers
- Logging
- Mobile Home Movers
- Drive-Away
- In Transit Ready Mix
- Moving and Storage
- Fracking
- Livestock
- Animal Waste or By-Products
- Hazmat Requiring 5m Federal Filing
- Total Revenue from Brokerage >25%
- Wood Chip/Mulch Haulers

## Driver Eligibility Requirements

### Driver Eligibility

- Must hold a valid CDL (Commercial Driver's License) as is appropriate for vehicles operated
- Must be compliant with state and federal laws applicable to the vehicles operated
- Minimum of two consecutive years of verifiable U.S. professional driving experience operating similar equipment
- Minimum driving age of 23
- Must be in good physical condition with evidence of insurability provided for any drivers of age 65 or older
- No DUIs or felony driving convictions in the last 5 years
- No major violations in the last 5 years, including but not limited to:
  - DUI/DWI
  - Possession of controlled substance
  - Driving while license suspended, revoked, cancelled or disqualified
  - Felony driving convictions or committing felony by use of motor vehicle
  - Hit and run accident or leaving the scene
  - Eluding police
  - Reckless operation including racing convictions
- Maximum of 3 moving violations in last 3 years
- Maximum of 2 moving violations and 1 preventable accident in last 3 years
- Maximum of 2 preventable accidents in last 3 years

***Please ask about our Veteran Hiring Program.***

## Underwriting Information

### Coverages Offered

- Auto Liability
- General Liability
- Motor Truck Cargo-Legal Liability form
- Non Trucking Legal Liability
- Trailer Interchange
- Brokerage Contingent Auto Liability
- Garagekeepers' Legal Liability
- Physical Damage (\$2,500 minimum deductible)
- Leasing Contingent Auto Liability
- Owner Operator–Non Trucking and Physical Damage
- Hired and Non-owned
- UM/UIM
- PIP/No-fault
- Excess Liability (following form)

### Limits

- \$1,000,000-\$10,000,000 CSL
- Mileage, Revenue, and Scheduled

### Deductible and Retention options

- Auto Liability deductible \$2,500-\$500,000
- Self-Insured retention \$25,000-\$1,000,000
- Retro plans are available to further share the risk as well as provide premium savings opportunities

### Payment Options

- Monthly reporting: Revenue or Mileage basis; 20 percent premium escrow deposit is required
- Carolina Casualty installment financing: 20 percent down with nine installments or quarterly, both are interest free
- Paid in full
- Premiums may be financed through premium finance companies; however, the finance agreement must be approved by Carolina Casualty prior to binding. A down payment as stipulated on the proposal is still required prior to inception with the balance due within 12 days
- Down payments, premium escrow or cash collateral are due upon binding. No filings will be made until these funds have been received by Carolina Casualty
- A security agreement, various forms and letter of credit must be received within 30 days of binding date

### 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 a reporting form policy using either gross receipts or mileage. The policies will be auditable
- Minimum premium will apply

## Underwriting Information

### Commission

We offer 10 percent commission on all lines. Net quotes are provided upon request.

### Pre-submission opinion

Not every company is a good fit for Carolina Casualty. You can pre-qualify your prospect with a phone call or an email. The information you will need for your pre-qualification discussion is current price, current insurance company, current financials (i.e., P&L and balance sheet), loss history summary and nature of operation. Make sure your prospect meets our appetite before you send in a completed submission.

### Binding Business

- Coverage will not be bound until Carolina Casualty receives the required down payment, signed application, signed UM/UIM/PIP form (if applicable), and any other quote subjective to
- Only an employee of Carolina Casualty can bind coverage. Upon receipt of the required down payment and signed forms, all Binders, Loss Payee and Additional Insured Certificates, Identification Cards and Accident Kits will be issued.
- Within the first 30 days of the policy term, Carolina Casualty will conduct a loss control inspection of the account by phone or in person. A qualified independent company will be used. The Insured should have personnel files, vehicle maintenance files, and safety records available for this audit.
- Some quotes released are subject to additional documentation. Please note that failure to provide required items could result in cancellation.

### Endorsements

- All change requests, including driver and vehicle additions, deletions and changes must be made in writing via email, mail or fax. Endorsements can only be bound by a Carolina Casualty employee. Changes will not be made retroactively. All endorsements are effective at 12:01 am.

### Quotes

- Quotes will be processed once a complete submission is received. We will make every effort to quote by your need-by date. Our average quote time is 30 days.

### Filings

- Carolina Casualty will make all filings (state and federal). The agent or broker is responsible for requesting filings.

### Cancellations

- Insured request for cancellation will be honored provided the policy is returned or a Lost Policy Release Form is received prior to the requested cancellation date.
- The earliest date a cancellation will be effective is the date Carolina Casualty is notified in writing.
- We will earn premium for as long as we are on the coverage including time necessary to cancel filings.
- Flat cancellations are not permitted.

## Underwriting Information

### Submission Requirements

We will accept applications from other carriers for quoting purposes. However, we require a completed and signed Carolina Casualty Large Fleet Transportation Application upon binding. Applications are available on our website: [www.carolinacas.com](http://www.carolinacas.com). Submission applications and all attachments may be emailed to: [submissions@carolinacas.com](mailto:submissions@carolinacas.com), faxed to (904) 363-8098 or mailed to our mailing address: P.O. Box 2575, Jacksonville, FL 32203.

### Submission Timeline

Submissions can be accepted up to 90 days before the effective date. The preferred window is 60 days. Carolina Casualty understands that some opportunities require a small turnaround time. We are very willing to accommodate those requests for preferred opportunities.

### Loss History

Currently valued loss runs (within 90 days of the proposed inception date) are required: four prior years and current year to date.

### Submission Packets Should Include

- Completed transportation application including projected and historical exposures over the last five years
- Carolina Casualty requires the last four quarters of Interstate Fuel Tax Authority (IFTA) reports.
- Current year to date interim financials and full prior year's financials, including Balance Sheet and Income Statement.
- MVRs on all drivers can be no older than 60 days. For fleets larger than 100 drivers, 25 percent sampling is acceptable. MVRs are required for company drivers and owner- operators.
- Equipment schedule (with stated values if physical damage is desired)
- Driver schedules with dates of birth, dates of hire, license numbers and state

## Claims and Loss Prevention

### Our Claims Philosophy

- Open two way communication on all claims and claims payments – no surprises.
- We understand transportation claims and recognize that an integral part of superior customer service is fast and efficient claims handling. Our goal is to get our clients' vehicles repaired and back on the road as quickly as possible.
- Our seasoned claims professionals have an average of 20+ years of experience in transportation and insurance.
- Our nationwide catastrophic loss teams are comprised of attorneys, independent adjusters and accident reconstruction experts who can respond immediately to the most serious claims and losses. Our experienced environmental claims specialist handles environmental exposures such as fuel spills and fires.
- Every claim is aggressively investigated and evaluated and meritorious claims are paid promptly and fairly. When the facts dictate, we will defend or deny all or part of a claim. Our claims staff, along with a carefully vetted panel of defense attorneys, is adept at managing litigated cases to achieve the best possible outcome on a case-by-case basis.
- Our Special Investigation Unit protects the interests of policyholders and consumers through proactive efforts to deter, detect and investigate potential insurance fraud.
- The Subrogation Unit works diligently to collect claims payments from responsible third parties and, when appropriate, return policyholder deductibles back to our insured customers.

### Claims Department

Telephone # ..... 800-874-8053 or 904-363-0900  
Fax Number ..... 866-655-9316  
Email New Losses to ..... [claimdocs@carolinacas.com](mailto:claimdocs@carolinacas.com)  
Email all Other Claim Documents to ..... [claimdocs@carolinacas.com](mailto:claimdocs@carolinacas.com)  
V.P. Claims ..... Bryan Fortay, 904-363-7282

### Risk Management and Safety Services

- A loss prevention survey on all bound accounts will be done within 30 days after the effective date and will be performed by a Safety Specialist.
- We offer risk management services to help your insured run a safer operation including DOT compliance consulting, identifying and analyzing risk exposure, safety training, loss run trending/analysis and more.

## Contacts

**V.P. of Underwriting**

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