



VERMONT MUTUAL INSURANCE GROUP®

89 STATE STREET - PO BOX 188
MONTPELIER, VERMONT 05601-0188
800-451-5000

September 23, 2013

Bulletin #PC-00-2013-23

To: All Vermont Mutual Insurance Group Agency Partners

Re: Account Reservation and Broker of Record Procedure

We have updated our Account Reservation and Broker of Record procedure to reflect web based submission activity using Agent Connection. We ask that you circulate these guidelines to all personnel involved in your Agency's account submission process.

There are two areas of caution we would like to point out, and they are:

- **Casual Telephone Submissions and Declinations**

We have alerted the underwriters to record declinations made as a result of a general telephone inquiry as to acceptability. We would ask that you assist in the process by providing a named insured, effective date, and address with any general inquiry.

- **Accounts Quoted on Agent Connection**

Conflicts are occasionally created by an Agency quoting on Agent Connection without notifying us that they are working on a particular account. It may very well be that we are already working on the account with another Agency.

We do not become aware that you are working on a quote in Agent Connection until one of the following buttons is pressed: *Account Reservation*, *Bind Policy*, or *Refer To Underwriter*.

Our ultimate goal is to provide a fair and equitable method of determining which of our agency partners has truly established its right to deliver a quote on our behalf. The enclosed guidelines should help in that process. We are aware that there will be unusual circumstances that are not adequately addressed by this document, and in those instances we will do our utmost to arrive at a fair and equitable solution.

If you should have any questions concerning the above or enclosed, please do not hesitate to contact your Underwriter or Marketing Representative. As always, your comments and suggestions are welcome.

Sincerely,

Mary J. Gray
Vice President – Underwriting

Shaun P.T. Farley
Vice President - Marketing

Click on one of these buttons to notify the Vermont Mutual that you are working on an account.

 Vermont Mutual Insurance Group®
Since 1828

Other Credits Advance to Application
Exit Add/Change IRPM View Proposal Print Back

Businessowners Policy - Premium Indication

Agent: 00000 - Vermont Mutual Group

[Account Reservation](#)

Named Insured: Sample Quote

[Account Reservation Procedure](#)

Effective Date: Oct 1, 2013

Expiration Date: Oct 1, 2014

Company:

Predominant Rating State: MA

IRPM Applied: 0%

MLPDC Applied: 0%

Size of Prem. Applied: 0%

 Vermont Mutual Insurance Group®
Since 1828

Exit View Application Back
Contact Vermont View Proposal Signature Page Edit Quote or App

Businessowners Policy - Application Entry Complete

Policy entry has been completed successfully.

Reminders:

- 3-5 years currently valued hard copy loss runs required.
- If building coverage is provided, please forward current photo(s).
- Proof that oil heating system complies with the law is a condition for Massachusetts Residential Fuel Tank Coverage.

[Bind Policy](#)

[Refer To Underwriter](#)

Vermont Mutual Insurance Group
Account Reservation Procedure and Broker of Record Procedure

Purpose:

The goal of Vermont Mutual's Account Reservation Procedure is to provide a fair and equitable method of determining which of our agency partners should represent us in the presentation of a Vermont Mutual proposal to an insured. Since a negotiated insurance program is proprietary in nature, we will not provide proposals to more than one agent on the same account. Therefore, a method of determining who will represent us is required.

Account Reservation Procedure:

It is the intent of Vermont Mutual to reserve the right to represent us in a proposal situation to the first agent to provide us with sufficient information to properly reserve an account. This information can take three forms:

1. Online Account Reservation
2. Completed application received by us
3. Telephone or email conversation with specific details about the account provided

No reservation will be logged until accepted by an employee of Vermont Mutual. We reserve the right to accept or reject any reservation in any form. Reference to accounts in correspondence with our company or in casual conversation with our employees will not be considered as account reservations.

Accounts cannot be reserved more than 120 days prior to the proposed effective date unless special circumstances exist which necessitate a longer lead-time. Reservations made more than 120 days in advance will require the approval of the Vermont Mutual management. Completed applications must be received within 10 days of the account reservation. If they are not received by this date then the account reservation is rescinded and open to the first agent who submits completed applications. Account reservations are only good for three months after the expiration date.

If multiple requests to reserve an account are received at approximately the same time, we will strictly adhere to a "first-in" basis meaning that submission with the earliest date and time stamp shall prevail.

Once the Agent of Record is established, that agent reserves all lines of coverage with Vermont Mutual. If a special situation arises where the insured would like two or more agents handling their account, then a letter from the insured assigning agents and their respective lines of coverage will be required.

Broker of Record Procedure:

Broker of Record Letters will be accepted by Vermont Mutual. A Broker of Record letter should clearly define the responsibilities of the agents involved. Due to the controversial and sometimes ambiguous nature of Broker of Record situations, we ask that you use our Broker of Record letter reproduced on the insured's letterhead and signed by the owner. Any Broker of Record letter received requesting transfer of an account to another agent will require a new set of completed applications from the new agent of record. The new agent of record does not have access to the prior agents file and information. **Please note: We do not want to accept Broker of Record Letters mid-term, except under highly unusual circumstances, and we reserve the right to make the final decision.** If the Broker of Record letter is to be effective at the next renewal date, then the account will be negotiated like any other renewal or new business submission using appropriate rates and credit structure to write the account. If the renewal quote has been released prior to the Broker of Record letter, then the acquiring agency's quote is subject to the same credit structure.

Once a Broker of Record letter is received, we will immediately contact the agent and give them a ten-business day waiting period to obtain a countermanding Broker of Record letter. A countermanding Broker of Record letter should be signed by the same authorized individual who signed the original Broker of Record letter. Once this waiting period has elapsed without another Broker of Record letter, we will then pursue this account with the new agent of record. (Note: If the expiration date is within the ten-business day waiting period, the Company reserves the right to make a decision in that time frame that is equitable to all parties).

All service pertaining to the cancelled policy including audits, cancellation premiums and any outstanding issues will be concluded with the agent writing the expiring policy. The new policy will be issued and written based on the information furnished by the agency acquiring the account.

Conclusion:

It is Vermont Mutual's intent to do what is in the best interest of our agents and our insureds. In no case will we allow a reservation or Broker of Record letter dispute to jeopardize the ability of a customer to obtain coverage from Vermont Mutual. The controlling factor in disputed situations will always be the decision of the insured as expressed directly with us or with an acceptable Broker of Record letter.

Vermont Mutual Insurance Group Broker of Record Letter

(Client's Letterhead)

(Date)

Vermont Mutual Insurance Group
PO Box 188, 89 State Street
Montpelier, VT 05601-0188

Re: Selection of Vermont Mutual Insurance Group Agent
(Policyholder Name)
(Policy Number)

To Whom It May Concern:

Effective (date) , I have appointed (exact name of agency) as our exclusive agent for purposes of negotiating a program of insurance with Vermont Mutual Insurance Group.

It has been explained to me that Vermont Mutual Insurance Group will only offer a quotation through one selected agency due to the proprietary nature of each agent's approach. By executing this letter, I am selecting (exact name of agency) as the agency to negotiate directly with Vermont Mutual Insurance Group for the purpose of presenting us a proposal and, if successful, providing an insurance program. I fully understand that no other agency will be able to access Vermont Mutual Insurance Group regarding my insurance program unless and until I specifically rescind this authorization in writing.

Sincerely,

(Name of Client)

(Authorized Signature and Title)