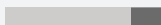


The Enhanced Broker Authority Program

for Personal Lines



Enhanced Broker Authority Program Guide

ABOUT THE PROGRAM

With increased delegated authority levels and greater flexibility, The Enhanced Broker Authority Program (EBA) empowers eligible personal lines brokers to process, accept and release more policies without the need of underwriting approvals.

PROGRAM HIGHLIGHTS

The program will increase underwriting message authority levels, with junior brokers gaining access to level 290, and senior brokers to level 299 in Contact PL. The program will also increase point of sale transactions, including new business, endorsements, and cancellations.

We offer comprehensive training that aligns with the program's authority objectives and is designed to support your success. Training will provide access to the resources and skills required to make informed decisions and how to process new level actions.

QUALIFICATIONS

Intact Insurance and Group Business brokers are eligible to participate. Prestige and JEVCO brokers are not eligible to participate in the program currently.

HOW DOES IT WORK?

- » Broker binding limits will now be included in underwriting messages. If authority level is:
- » 270 - messages with a level of 290 can be referred to a junior (290) broker or senior (299) broker.
- » Between 270 and 290 - messages with 299 level will be redirected to a senior (299) broker.
- » Messages with a level greater than 299 will be redirected to Intact underwriting.

- » Before referring to the next level, toggle and document all underwriting messages within your authority in BMS and Contact PL.
- » Pending broker transactions will be addressed by Intact underwriting once the service level agreement has expired.

RESPONSIBILITIES

All participating brokers must:

- » Complete The Enhanced Broker Authority Program eLearning training. This mandatory module should take approximately half an hour to complete and requires a score of 80% or higher.
- » Maintain current workload and responsibilities while managing additional tasks and workflows required by the program.
- » Understand all underwriting messages and the necessary actions required to process and release transaction.
- » Track and monitor KPI's to measure success.
- » Review and correct audits to identify errors and trends to improve future transactions.
- » Some additional processes and structures may be determined independently by your brokerage.
- » A signed broker contract from the principal of the brokerage is required. By signing this contract, the brokerage agrees to abide by the requirements set forth by the program.
- » Must be in good standing with the local Broker Licensing Council within jurisdiction.

(*see Intact Broker Workflow in Appendix)

*Each broker ID is unique to an individual and should never be shared. If a broker shares their broker ID with another user, they will be removed from the program immediately.

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REQUIREMENTS

Junior Broker (290 underwriting authority level):

- » Minimum one year processing experience in Contact PL.
- » Follow guidance provided by senior mentors and in the underwriting message job aid to improve proficiency and skill set in handling similar files in the future.
- » Proficiency in adding policy notes to document the actions taken on the policy.
- » Review underwriting messages and action descriptions. If there are multiple underwriting messages, they must all be reviewed and toggled to 'Yes' to accept.
- » If the risk needs to be referred to a higher underwriting authority level, the policy must remain in pending broker status.
- » Refer to prior binding messages. Required when entire risk must be reviewed with the MVR/AutoPlus.

Senior broker/manager (299 underwriting authority level):

- » Minimum two years of experience processing transactions in Contact PL required.
- » Strong understanding of Intact's underwriting guidelines, manuals, bulletins, products, news and updates.
- » Three to five years of experience as a personal lines broker or underwriter with:
 - Ability to process, evaluate and underwrite moderately complex files.
 - Involving personal automobile, property and/or casualty policies.
 - Ability to interpret and process support claims reports.
- » Contribute to a profitable portfolio of business through new business, new business rewrites, renewal rewrites, cancellations and endorsements.

- » Act as a mentor for junior staff, providing guidance and support to help develop their skills and improve performance.
- » Approved transactions are consistent and adhere to all binding limits, company guidelines, applicable laws and regulations.
- » Follow service level agreements:
 - New business/cancellations: five business days
 - Endorsements/rewrites: ten business days
- » Senior authority should be restricted to 20% of brokerage staff to support the professional growth and development of junior staff.

REVIEW

- » [Toggle Job Aid](#)
- » [Policy Note Guidelines](#)
- » [Underwriting Messages for Contact PL](#)

Post Deployment Sanction Requests

- » Follow standard procedures for access requests that do not involve EBA
- » Request access to PLM and submit email with:
 - Broker name, email, Portal ID, completed eLearning confirmation and required profile (290 or 299).

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AUDITS

Audits will be performed throughout the program to review the performance and compliance of participating brokers.

The following will be evaluated

- » Strong understanding of Intact's broker bulletins, products, underwriting rules and guidelines.
- » Proper management of new authority levels and UW message toggles.
- » Detailed notes in Contact PL for each processed transaction.
- » Leveraging the UW Message Job Aid and corresponding actions.
- » Referral and workflow process followed.

Workflow

Audits begin seven business days after authority level is granted and increased. The audit sample size will include seven files from 290 and 299 participating brokers.

The scoring system will have three types of deductions:

- » Low = 10%
- » High = 15%
- » Severe = 50%

Corrections need to be completed within seven business days of delivery and brokers may file an appeal within seven business days of receiving their audit score.

If additional documentation is required, brokers must return it to the auditor within three business days. If the requested documentation is not received, the file will fail at 50%.



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AUDIT PARAMETERS

| Category | Examples (Examples include but are not limited to:) | Weight |
|---|--|---------------------------------------|
| System, user and underwriting binding authority | As outlined in Intact UW manual, specific limits of authority exceeded and/or do not adhere to (i.e., vehicle value and property rebuilding cost values). | Severe Impact – 50 points |
| UW guidelines | <p>Incomplete underwriting guidelines by broker when signed documents, photos and questionnaires are not obtained to validate action prior to transaction.</p> <p>Example UM A4005 – Physical damage coverage eligibility : Vehicle is over 15 years old. Broker has flagged acceptable photos are obtained and noted in Contact PL. Unable to produce photos upon audit request.</p> | Severe Impact – 50 points |
| UW message action | <p>Broker action is incomplete when subsequent transaction is released without addressing message that has impact to premium, rating or coverage on the policy.</p> <p>Example ITV required for updated replacement cost value, report date has not been updated in Contact PL and the report itself has not been provided by the broker when requested.</p> | Severe Impact – 50 points - Fail file |
| Policy notes | Items identified in fired UW message confirmed and actioned during auditor review. No notes recorded by broker in Contact PL relating to transaction or UW message action(s). This includes no premium, rating or coverage impact to the policy. | High Impact – 15 points |
| Policy notes - UW | <p>Items identified in fired UW message confirmed and actioned during auditor review. Notes recorded by broker in Contact PL relating to transaction but missing UW message action(s). This includes no premium, rating or coverage impact to the policy.</p> <p>Example UM A2089 – minimum deductible applies. Value is identified in UW message, but action not recorded.</p> | High Impact – 15 points |
| Workflow | <p>Incorrect referral workflow guidelines</p> <p>Example 290-level broker - refers 299 underwriting message transaction to Intact UW (correct: senior broker or branch manager).</p> <p>299-level broker – refers 299 underwriting message transaction to Intact UW (correct: broker had proper authority).</p> | High Impact – 15 points |
| Policy notes - missing | <p>Item(s) identified in the action for fired UW message missing.</p> <p>Example UM A2003 – confirm commercial exposure: vehicle use is missing but required in notes.</p> | Low Impact – 10 points |

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THRESHOLDS

Score: 90% - 100%

Status: Acceptable

Next steps:

- » Remain in program and apply provided feedback.
- » Brokers receive results from auditors (CC:PLM and Brokerage contact).
- » Regions to share audit reports.
- » Seven days to complete corrections and confirm by email to audit team.
- » Conduct second audit within three to six months.

Score: 85% - 89.9%

Status: Review Required

Next steps:

- » Brokers receive results from auditors (CC:PLM and Brokerage contact).
- » Regions to share audit reports.
- » Seven days to complete corrections and confirm by email to audit team
- » Conduct second audit within 30 days.

Score: less than 85%

Status: Remediation Required

Next steps:

- » Brokers receive results from auditors (CC:PLM and Brokerage contact).
- » Regions to share audit reports.
- » Seven days to complete corrections and confirm by email to audit team.
- » Broker removed from the program (CC: Intact & broker management).
- » Program re-enrollment required. PLM to provide guidelines based on audit report.

CORRECTION PROCESS

Complete corrections within seven business days of receiving audit score. If not completed, brokers will receive three additional business days before program removal.

APPEAL PROCESS

Brokers may file an appeal within seven business days of receiving their audit score.

- » Broker to email their PLM or Underwriter with reasons for appeal.

OUTCOME

- » Appeal discussion with broker and Intact underwriter and/or PLM.
- » Decision to accept or decline appeal based on Intact underwriter review, if appeal is approved, broker must submit all required supporting documents.
- » UW to use ServiceNow ticket to submit approved appeals and request to audit team.
- » Auditor to review and response required within two business days of receiving ticket.
- » Auditor to notify underwriter (CC: PLM) with approved ticket appeal. Revised report/score will be generated. Intact underwriter or PLM to review and discuss approved appeal with broker.
- » Auditor will notify underwriter (CC: PLM) with declined ticket appeal and reason(s). Intact underwriter or PLM to review and discuss with broker.
- » Audit corrections are required to be completed within seven business days.

Further internal workflows may occur or be escalated. Appeal escalation can be filed by emailing PL_Auditors_Intact_WOA@intact.net with the subject line "Appeal Escalation" and will be reviewed by management.

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PROGRAM RE-ENROLLMENT

Brokers who do not meet qualifications and eligibility requirements will be removed from the program. Re-enrollment can be submitted to the PLM after a minimum of three months.

Intact PLM approval with completed control form and eligibility are required.

Scoring thresholds and re-enrollment eligibility

- » Audit score 65%-84.99% - eligibility: three months
- » Audit score 64.99% or below - eligibility: six months
- » Audit score 85%-100% required corrections not completed - eligibility: three months.
 - Standard full audit to be performed and a score of 90% or higher is required to be achieved along with validation of audit corrections.
 - Intact Personal Lines Manager to email Intact Corporate PL Audit Team to advise that audit is required for Enhanced Broker Authority Program.
 - The Intact Corporate PL Audit Team will ensure the broker is added back onto the schedule to perform an audit within three months of requesting re-enrollment.
 - Approved re-enrollment brokers scheduled to receive audit must provide all supporting documents for audit.
 - Within 30 days of receiving results, broker required to submit and complete full audit corrections.
 - Intact PLM/underwriter review and approval is required for acceptance back into the program along with any re-enrollment actions.

Program re-enrollment includes control form and all identified requirements completed.

- » Re-complete eLearning training (score of 80% or higher required).
- » Additional training based on identified errors/topics and region/UW.
- » Completion of agreed re-enrollment actions within required review, approval, and timelines.
- » Broker audit and performance score of 90% or higher (eligibility threshold) is required.
- » Intact PLM/UW and broker will consult re-enrollment action requirements based on review and findings from the audit team.

VALUE ADD:

- » Enhance program performance and re-enrollment rates: Implementation of agreed re-enrollment actions within the required review and approval timeline
- » Timely corrections: Intact PLM/underwriter will conduct reviews to ensure correction or errors are completed within the required seven business days timeline.
- » Compliance with regulations: If corrections cannot be made mid-term, broker to ensure a policy action is set and implemented for the next renewal date.
- » Ensures accuracy: Intact PLM/underwriter will track remedial actions and will record completed corrections by broker within agreed timelines

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BROKER AND BROKERAGE ACTION RATING

| Action Rating | Issue identified directly or indirectly from audit | Threshold examples: | Deadline for action/completion from final audit report: |
|---------------|---|---|--|
| HIGH | <ul style="list-style-type: none">Negative impact to the IFC brand.Risk and expose business to significant loss. | <ul style="list-style-type: none">Underwriting authority exceeded and/or guidelines not followed.Process potential business risks.Misrepresentation of underwriting risk and acceptance.Broker breaches or Misconduct. | <ul style="list-style-type: none">Regional Underwriting Director confirmation required.Further notifications and workflows may occur if required (legal and compliance).Seven business days to complete correction.Program re-enrollment requirements provided by PLMEligible to re-enroll after six months. |
| MEDIUM | <ul style="list-style-type: none">Review audit results, identify error trends, gaps and training opportunities. | <ul style="list-style-type: none">Underwriting messages not addressed, or actions not documented.Policy notes not entered or incorrect workflow used. | <ul style="list-style-type: none">Seven business days to complete corrections.Immediate or compliance with regulations for renewal review of the policy or equivalent contract. |
| LOW | <ul style="list-style-type: none">Individual policy corrections/actions | <ul style="list-style-type: none">Incomplete or missing policy notes. | <ul style="list-style-type: none">Seven business days to complete corrections.Immediate or compliance with regulations for renewal review of the policy or equivalent contract. |

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APPENDIX

Property Binding Authorities

| ITEM | COVERAGE | TABLE | Standard Broker Profile Level 270 or 290 | Senior Broker Profile Level 299 |
|--------------------|--------------|-------|---|------------------------------------|
| Home | A | 1 | \$1,000,000 | \$1,500,000 |
| | | 2 | \$750,000 | \$1,500,000 |
| | | 3 | \$650,000 | \$1,000,000 |
| Condominium | C | 1 | \$300,000 | \$500,000 |
| | | 2 | \$300,000 | \$500,000 |
| | | 3 | \$200,000 | \$250,000 |
| Tenant | C | 1 | \$300,000 | \$500,000 |
| | | 2 | \$300,000 | \$500,000 |
| | | 3 | \$200,000 | \$250,000 |
| Broad Seasonal HO | A | 1 | \$500,000 | \$750,000 |
| | | 2 | \$500,000 | \$750,000 |
| | | 3 | \$350,000 | \$500,000 |
| Seasonal Fire & EC | A | 1 | \$500,000 | \$750,000 |
| | | 2 | \$500,000 | \$750,000 |
| | | 3 | \$350,000 | \$500,000 |
| Rented Dwelling | A | 1 | \$500,000 | \$750,000 |
| | | 2 | \$500,000 | \$750,000 |
| | | 3 | \$500,000 | \$500,000 |
| Scheduled Item | Any one item | | \$25,000 | \$50,000 |
| Scheduled Item | Aggregate | | \$50,000 | \$200,000 |
| Watercraft | | | \$75,000 | \$80,000 |
| Vacation Trailers | | | \$75,000 | \$100,000 |
| Personal Liability | | | \$2,000,000 | \$2,000,000 |
| Personal Umbrella | | | \$2,000,000 | Total combined \$7,000,000 |

Table 1 – Hydrant Protected

Table 2 – Firehall Protected

Table 3 – Unprotected

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APPENDIX

INTACT BROKER REFERRAL WORKFLOW

Ensure you have toggled and addressed any underwriting messages within your authority prior to referral.

