



# SIGNIFICANT CHANGES IN NEW RPG POLICY FORM

Swiss Re Corporate Solutions is pleased to share these important changes in the RPG policy form with policyholders, effective February 1, 2022.\* Big "I" Professional Liability is designed by independent agents, for independent agents. A committee of your fellow agents and state Big "I" association staff meet regularly to discuss and guide the policy. Improvements and enhancements to the form are often the direct result of input from independent agents. This is one of the aspects of our program that make our nationwide program truly unique.

*\*Please note that the effective date may vary by state, check with your state program manager.*

COVERAGE OR ISSUE	NEW POLICY LANGUAGE/COVERAGES	LOCATION IN NEW POLICY
<b>Simplified and consistent policy language</b>	Revised the language in some sections for ease of reading with no change in coverage intent	Various
<b>Catastrophe Extra Expense</b>	Increased the time frame in which expenses must be incurred from 30 to 90 days. Limits are now in addition to the policy limits.	Section I. D1.
<b>Subpoena</b>	Removed \$10,000 maximum to provide unlimited coverage. Limits are now in addition to the policy limits. This was previously covered by endorsement SP 16 106(now retired).	Section I. Coverage, D2.
<b>Personal Data Protection</b>	Limits are now in addition to the policy limits.	Section I. Coverage, D3.
<b>Regulatory Defense</b>	Increased limit to \$100,000. Limits are now in addition to the policy limits. Both previously covered by endorsement SP 16 106 (now retired). Also, modified so no deductible applies to this coverage.	Section I. Coverage, D4.
<b>Pre Claim Assistance</b>	New additional coverage. We may incur costs or expenses as a result of investigating a potential claim.	Section I. Coverage, D5.
<b>Crisis Management</b>	Limits are now in addition to the policy limits.	Section I. Coverage, D6.
<b>Loss of Earnings</b>	Moved from Definition of Claim Expenses, Section IV. to Additional Coverages. Amount for reimbursement for loss of earnings or temporary staff for attending depositions or trials increased from \$750 per insured per day/maximum of \$30,000 per policy period to \$1,500 per insured per day/maximum of \$75,000 per policy period. Increased reimbursement amounts were previously covered by endorsement SP 16 106 (now retired).	Section I. Coverage, D7.
<b>Key Employee Assistance</b>	New additional coverage. Provides reimbursement coverage for the services of an insurance professional in the event of the death or unexpected medical incapacitation of a key employee. Sublimited at \$5,000.	Section I. Coverage, D8.

<b>Consent to Settle/Hammer Clause</b>	1)Revised consent to settle verbiage to account for situations where the Named Insured cannot be located. 2)For current insureds we removed our hammer clause. Hammer clause is 80/20 once a former insured's policy is no longer in force.	Section II. Defense, Investigation and Settlement of Claims, B.
<b>Definition of Claim</b>	Removed subpoena from definition of a Claim. Previously covered by endorsement SP 16 106 (now retired).	Section IV. Definitions and Explanation of Terms C 1.
<b>Fraudulent Entity Definition</b>	This definition was removed because we removed our exclusion for fraudulent entities. These issues were previously addressed with the Fraudulent Entity Exclusion, SP 6 268 (now retired).	Section IV. Definitions and Explanations of Terms
<b>Newly Acquired Entities</b>	Amended definition of Insured, Newly Acquired. Added coverage for newly acquired organizations if annual sales revenues do not exceed 15% of Named Insured's total annual sales revenue and outlined conditions met.	Section IV. Definitions and Explanation of Terms L. 6.
<b>Health Benefit Plans</b>	Amended Other Related Services Definition. Added coverage for the solicitation, sales and servicing of health benefit plans to members of nonprofit agricultural organizations as authorized by the applicable state law in which the health benefit plan is sold. Previously covered by mandatory endorsement SP 16 748(now retired).	Section IV. Definitions and Explanation of Terms N. 6.
<b>Pre Paid Legal Plans</b>	Amended Other Related Services Definition. Extended coverage for named activities in the marketing of Pre-paid legal plans. Coverage previously provided by optional endorsement SP 000 259(now retired)	Section IV. Definitions and Explanation of Terms N. 7.
<b>Marketing of PEOs</b>	The Other Related Services Definition was amended to extend coverage for specified activities in the marketing of PEOs. Coverage previously provided by optional endorsement SP 242B.	Section IV. Definitions and Explanation of Terms N. 8.
<b>PEO Broker Referrals</b>	The Other Related Services Definition was amended to extend coverage for specified activities in the referral of clients to PEO Brokers. Coverage previously provided by optional endorsement SP 11 366(now retired).	Section IV. Definitions and Explanation of Terms N. 9.
<b>Negligent Referrals</b>	Language added to clarify that coverage is provided for negligent referrals.	Section IV. Definitions and Explanation of Terms U.1.c.

<b>Fraudulent Entity Exclusion</b>	Removed Fraudulent Entity Exclusion. Previously addressed with the Fraudulent Entity Exclusion, SP 6 268 (now retired).	Removed
<b>Insolvency Exclusion</b>	Modified exclusion so does not apply if coverage was placed with a carrier rated B or higher by AM Best. Previously read B+. Added reference to Demotech which was previously covered by endorsement SP 16 106 (now retired).	Section V. Exclusions E.
<b>Intentional Acts Exclusion</b>	Removed Intentional Acts Exclusion and included in definition of Wrongful Act.	Section IV. Definitions and Explanation of Terms Y. 2.
<b>Licensure Exclusion</b>	Removed Licensure Exclusion and modified Wrongful Act Definition to not include any Claim for willful violation of a statute or regulation. Previously covered by SP 16 769, Deletion of Licensure Exclusion and Amended Intentional Acts (now retired).	Section IV. Definitions and Explanation of Terms Y. 2. and Section V. Exclusions
<b>Unsolicited Electronic Advertising Exclusion</b>	Removed Unsolicited Electronic Advertising Exclusion and incorporated language into Professional Services Definition.	Section IV. Definitions and Explanation of Terms U.2.
<b>Deductible Reduction</b>	Added 2 new deductible reduction options. Deductible will be reduced or waived on a Claim by the largest of the 3 options up to a maximum of \$25,000.	Section VIII. Deductible
<b>Extended Reporting Period</b>	Revised pricing. Reduced each option by 15 points. Added Unlimited option in the event of a sale, merger, death, or retirement.	Section XIV. Extended Reporting Period C.1 and C.4.
<b>Extended Reporting Period</b>	Modified Optional ERP for sole owners and producers from 10 years to unlimited.	Section XIV. Extended Reporting Period C. 3

Swiss Re Corporate Solutions is streamlining the legal entity structure of its North American business. This will be accomplished in two steps. First, the legal entity will change from Westport Insurance Corporation to North American Specialty Insurance Company (NAS). Sometime thereafter, the legal entity will change to Swiss Re Corporate Solutions America Insurance Corporation (SRCSAIC), as Swiss Re Corporate Solution's North American flagship insurance carrier. These legal entity changes will reduce complexity, enable Corporate Solutions' strategic growth, and improve financial efficiency.

**Questions?** Contact your state Big "I" Professional Liability Program Manager. Visit [www.independentagent.com/EO](http://www.independentagent.com/EO).

NOTE: The Liberalization Clause in the current policy confirms that the broader terms and conditions of the new policy that are offered to all Insureds will apply to all policies in force as of the date the new policy is approved in your state. No additional premium charge will apply.

*This SIGNIFICANT CHANGES IN NEW RPG POLICY FORM document is meant to be a high-level explanation of policy changes in the RPG policy and is not part of any policy of insurance. This document is not meant to substitute for a Program Administrator's or insured's review and comparison of the new RPG policy to prior policies. The actual wording, terms and conditions of the new RPG policy control each party's rights and responsibilities.*