

Insurance Company COVID-19

Response to agents/consumer

4.21.20

ACUITY

- Discounting personal auto rates, subject to regulatory approval. This reduction will benefit existing as well as new policyholders and provide nearly \$20 million to personal lines customers.
- All existing personal lines auto policyholders will receive a rate cut for the entire next 12-month policy term at their policy renewal. New customers will also see a reduction in Acuity's standard automobile insurance rates. A typical customer with two cars will see a decrease between \$50 and \$100, depending on their unique situation. This amounts to a credit of 7% for most customers. The rate decrease will apply to all new and renewal policies with effective dates on and after March 11, 2020
- Will donate \$300,000 distributed equally among three charitable organizations, including Feeding America, the Salvation Army, and the Sheboygan County Food Bank.

Allstate/Encompass Insurance

- Most customers will receive 15% of their monthly premium in April and May, totaling more than \$600 million - a credit to their bank account, credit card or Allstate account
- Allstate is making the Allstate Identity Protection product free for the rest of the year with no opt-out-requirement
- Allstate customers experiencing financial challenges can call Allstate to learn how to delay payments without penalty. The Special Payment Plan gives auto and homeowners insurance customers the choice to delay two consecutive premium payments.
- Allstate is expanding insurance coverage for customers who use their personal vehicles to deliver food, medicine and other goods for commercial purposes
- Allstate Foundation is contributing \$5 million to accelerate relief and recovery for domestic violence victims, youth in need, first responders and communities at large.

AAA Northern CA

- 20% refund for two months premium – policies in force 4/30 credited by 5/31

Auto Owners

- 15% premium refund to personal automobile policyholders for the months of April and May

Berkley One

- 20% refund on April and May auto premiums

Central Insurance

- Continue to pay 100% of commissions Day 1/upfront
- No refund to consumers at this time
 - Have committed to suspending cancellations for non-payment of insurance premiums. We are adhering to state mandates and will continue to monitor.
 - We are allowing you to modify coverage in ways to better reflect the current situation your Personal Lines and Commercial Lines clients are facing.
 - When your clients call us with questions, we are first and foremost empathetic. We are assisting them with adjusting pay plans and methods, and answering questions about their bills and our non-cancellation suspension. We are asking them to contact your team with other questions about coverage and deductibles.

Chubb

- Upon renewal, clients will receive a credit reflecting a 35% premium reduction for the months of April and May, with additional discounts for subsequent months, as the situation warrants
- U.S. small business clients whose policies renew between April 1 and August 1, 2020 will receive an automatic 25% reduction in the sales and payroll exposures used to calculate their premium as well as a 15% reduction in premiums for their commercial auto insurance

For Clients:

- Temporarily suspended policy cancellations for commercial clients who cannot pay their premiums on time due to Pandemic.
- Personal Lines instituted flexible premium payment options & a renewal credit averaging \$110 per vehicle to reflect reductions in driving habits.
- Provisions for additional living expenses have been temporarily extended for those in midst of homeowner claims where repairs have been delayed due to pandemic.
- Automatic exposure reductions to help support retail US small business clients when they need it the most.
- To assist middle market & large account clients, teams have detailed guidelines in place for how to address changes in exposures due to the event.
- Instituted virtual risk inspections to facilitate the critical insurance protection clients require while being mindful of safety and social distancing requirements.
- Several resources for managing risks available, from cyber risks while working from home to guidance on safely shutting down construction projects, managing vacant properties & vacation homes.
- Claims team remains fully staffed, and dedicated representatives available 24/7 to handle incoming calls & customer inquiries.
- Claim adjusters are doing business virtually as well and have conducted hundreds of virtual inspections.

For Agents:

- Recognize critical role independent agents & brokers play in advising clients, especially during times like these.
- One of the broadest & most flexible agency agreements, including provisions regarding credit management
- Annual agent compensation plans incorporated assumptions and economic conditions very different than what we see today. In light of the potential cash flow disruptions some agents

may experience, we are reviewing these plans along with your feedback to make appropriate adjustments as needed. We will update you as soon as this work is finalized.

- Professional development & continuing education programs spanning many product areas are now being delivered virtually & updated to specifically address the current environment.

For Communities:

- Commitment to Fighting COVID-19 spans the globe & began at the earliest days of the outbreak
- In January, Chubb committed pro-bono clinical trial insurance coverage to support Chinese firms developing a vaccine.
- Pledged \$10M to pandemic relief efforts around the world.
- In North America, donated nearly 100,000 masks to support healthcare workers in New York City & Toronto.
- Announced Chubb's commitment to purchase \$1M in gift cards from small business clients, which will be donated to healthcare workers and other first responders on the front lines of the pandemic in the communities they serve.

Cincinnati Insurance

- auto clients will receive a 15% credit per policy on their April and May premiums
- pausing cancellations due to nonpayment of premium and waiving late fees until at least April 30; and waiving restrictions on policyholders now performing delivery services in efforts to protect the wellbeing of their communities.

CSAA

- 20% premium refunds or credits– totaling approximately \$100 million – to auto policyholders. Members with an active policy as of April 30 will receive a 20% refund for two months of auto premiums.
- Pausing cancellations for home & auto policies due to non-payment through May 31 and it is extending auto insurance coverage – at no additional cost – for drivers who are using their personal vehicles to deliver food and medicine

Encova Insurance

- 15% policy credit to more than 80,000 personal auto policyholders for the months of April and May

Erie Insurance

- Will file to reduce rates by \$200 million total for personal and commercial auto insurance customers in 12 states and the District of Columbia
- No refunds to consumers

Frankenmuth Insurance

- Premium refund of 15% to Frankenmuth Insurance personal auto policyholders for April and May

Grange Insurance

- personal auto policyholders will receive a 25% credit for the months of April and May. The issued credit will not impact agent commissions. Estimated total credit impact to be up to \$25 million throughout the 13 states in which our enterprise operates.

The Hanover Insurance Group

- 15% Credit for policyholders for April and May Premiums

The Hartford

- 15% Payback: We will be issuing a 15 percent refund on two months' worth of premium for all customers with an in force personal auto policy as of 4/1/2020 - Agent commissions WILL NOT be affected by this 15% customer credit.
- Billing grace period: For customers having financial difficulty, we will waive late-payment fees and cancellations for non-payment. This applies to personal auto and home policies until May 31
 - *Premium billing:* We will continue to help your personal and commercial lines customers who are having financial difficulty because of COVID-19. The Hartford will now be suspending cancellations for non-payment until *May 31, 2020*, and we will not be assessing late fees for premiums due on or before that date. You can contact the applicable service area
 - *Agency billing:* We understand that the COVID-19 crisis may result in premium payment lapses by policyholders to producers. The Hartford expects our agents to continue their normal collection responsibility and follow the requirements of our process. When needed, The Hartford is working to address specific customer nonpayment issues by providing relief for our agents/brokers during the moratorium period.
 - *Vacant property coverage:* The Hartford's commercial property insurance policies generally include provisions, which limit coverage for loss occurring to a property that has been vacant for more than 60 consecutive days prior to the loss. We will not consider property vacant if the property became unoccupied after a closure order was issued in the applicable state
 - *COVID-19 Personal Auto Payback Plan:* We will be issuing a 15 percent refund on two months' worth of premium for all customers with an in force personal auto policy as of April 1, 2020. We plan to issue payments to customers either by check or direct deposit into the billing account on record. Customers do not need to take any action to receive this credit

Kemper Insurance

- 15% Credit for policyholders for April and May Premiums

Liberty Mutual / Safeco Insurance

- Personal auto insurance customers will receive a 15% refund on two months of their auto premium, based on your premium amount as of April 7, 2020
- Waive late fee for any customer unable to make a payment due to COVID-19
- Business Owners Policy (BOP) Refund:
 - Small commercial customers will receive a 15% refund of two months of their annual BOP premium for policies in-force as April 1, 2020 pending regulatory approval
 - The refunds will begin in the upcoming weeks and issued by check
 - Payments will be automatic – customers do not need to call
 - LMI agent commissions will not be affected by this 15% customer refund

The Main Street America Group

- Special relief program to return \$16.5 million in premium to personal auto insureds
- extended private passenger automobile coverage to food delivery drivers hired by restaurants as well as offering temporary coverage for restaurant insureds performing first-party food delivery service.
- 20% premium credit for all Business Owner's and Contractors insureds for the months of April and May for policies in force as of March 31, 2020

Mercury Insurance

- Private Passenger Automobile Giveback Program - give 15% of monthly premiums back to our customers in April and May 2020 in the 11 states in which they operate

MetLife

- 15% Credit for auto policyholders for April and May Premiums
- will not cancel policies due to non-payment through July 1, 2020

Nationwide

- Nationwide Foundation made \$5 million in contributions to local and national charities to support pandemic response efforts.
- offering a one-time premium refund of \$50 per policy for personal auto policies active as of March 31, 2020
- Can suspend the cancellation of some policies, defer payment deadlines and waive some late fees
- Provide coverage for most existing restaurant and retailer exposures who now engage in delivery service

Progressive

- *Apron Relief Program* - Progressive provides \$1 billion to customers, employees, agents and communities

- Progressive personal auto customers who have a policy in force as of April 30th will be credited 20% of their April premiums in May and personal auto customers with a policy in force as of May 31st will be credited 20% of their May premiums in June

For agents:

- Partnering with agent associations to provide direct relief through grants to help agents address the new challenges presented by the virus
- Enhancing programs for Platinum and Priority agents to provide more opportunities to earn in this changing market
- Offering producers in its partner programs unlimited access to continuing education courses and increasing opportunities for all producers to earn through its Agent Rewards program
- Continuing to support agents with 24x7 servicing for their customers and virtual visits from its sales team

For customers:

- Suspending cancellations and non-renewals on personal and commercial lines policies for non-payment through May 15th
- Providing commercial lines customers with a business owner or general liability policy underwritten by Progressive a 20% credit on April and May monthly premiums
- Providing a full-service claims experience for first responders and health care workers who experience a car accident by providing enhanced roadside service (including transportation to work or home from the accident if needed), expedited tow service and vehicle repairs, pick up and delivery of the repaired vehicle, all while deferring deductibles and providing a rental vehicle if needed
- Expanding coverage for personal auto customers temporarily delivering food or medicine and allowing commercial customers additional coverage options for delivery
- Extending payment leniency, waiving late fees and pausing collections
- Deferring deductibles to help customers who cannot pay out of pocket to get their car repaired
- Providing delivered meals for its for-hire trucking customers, first responders and health care providers

For communities:

- Helping in the towns where its employees, agents and customers live by funding a donation of \$8 million by the Progressive Foundation to charities focused on hunger, health and homelessness, including Feeding America, the American Red Cross and the National Alliance to End Homelessness

Pure Insurance

- 15% credit on all regular auto premiums for the period of time from the introduction of state stay-at-home orders, until they are lifted
- PURE Insurance Foundation made an additional grant of \$500,000 to their charitable organizations they give to annually.

Selective Insurance

- 15% credit to both personal and business auto policyholders for April and May
- Created program to advance a portion of an agency's expected 2020 Profit Sharing payout, to assist in managing cash flow through these uncertain times. An agency is eligible to participate in this Advance Profit Sharing Payment if the following criteria have been satisfied:
 - Direct written premium volume with Selective of at least \$1.25M at year end 2019;
 - Received Profit Sharing at the end of 2019; and
 - Current growth and profitability trends indicate a projected profit-sharing payout for 2020.
 - Agents who satisfy these conditions are eligible to receive an Advance Profit Sharing Payment calculated as the greater of \$5,000 or 20% of the average of the agency's prior two years of Profit Sharing earned, subject to a maximum advancement of \$100,000.
- This one-time Advance Profit Sharing Payment will net out against the agency's final calculated 2020 Profit Sharing payout amount and any difference must be repaid to Selective.

Travelers

- Accelerate commission payments to eligible agents and brokers to help them address the liquidity impacts of the COVID-19 crisis. In total, Travelers is accelerating more than \$100 million

Plan eligibility and guidelines

- *Agents and brokers must have a fully executed additional compensation agreement (FVB and/or PPA) in place for 2019 and 2020.*
- *Agents and brokers without FVB or PPA agreements in place are not eligible for this plan.*
- *The accelerated payment will be calculated as 25% of the average of the 2018 and 2019 additional compensation payments as calculated under these agreements, per segment (Business Insurance, Personal Insurance and Bond & Specialty Insurance).*
- *For an agent or broker to be eligible, the calculation must generate a minimum accelerated payment of \$1,000 by the particular segment (Business Insurance, Personal Insurance or Bond & Specialty Insurance) that would be accelerating the payment.*
- *Any amounts accelerated under this plan will be deducted from the agency's 2020 full year earned payment under its FVB and/or PPA agreements.*
- *This will be a one-time payment, and we will use the payment method that we have on record for you.*

Changes to Travelers' 2020 FVB and PPA agreements

As part of this plan, the Records and Payments section of your 2020 FVB and/or PPA compensation agreements is amended to add the following:

- *Travelers will deduct any accelerated payment we make to you for the 2020 calendar year from the compensation payments we make to you in 2021.*
- *If any payment due to you in 2021 for the 2020 calendar year is less than the amount of the 2020 accelerated payment, upon notice from Travelers, you will promptly pay to us the difference between the amount of the accelerated payment and the payment due hereunder or, at our option, we will deduct such amount from any future contract payments.*

- *Upon a change in your control, including the sale or transfer of all or a substantial portion of your assets, such difference as calculated by us as of the date of sale will be promptly payable by you.*
- Stay-at-Home Auto Premium Credit Program - U.S. personal auto insurance customers receive a 15% credit on their April and May premiums
- Pledged \$5 million to assist families and communities affected by the COVID-19 pandemic across North America, the United Kingdom and the Republic of Ireland
- Effective immediately (March 27), we are suspending cancellation and nonrenewal of coverage due to nonpayment through May 15, 2020. We will not charge interest, late fees or penalties during this period, providing policyholders extra time to pay their premiums without risking cancellation.
- Continues to provide auto coverage for customers across the country whose job responsibilities now include using their personal vehicles to make food, grocery, pharmacy and medical supply deliveries

Union Mutual of Vermont

- 15% credit on all personal auto policies in New England and New York

Utica National

- Personal Auto Rate Relief Payment Benefit – A one-time payment benefit of 15% of the policyholders' monthly auto policy premium for April and May 2020.
- Open to making mid-term endorsements where appropriate for policyholders
- Offering expanded availability of a layup credit to all Commercial Lines Auto policyholders.
- Premium Audit changes include changes to virtual inspections, waiving non-productive ANC charges, and providing grace periods for audits.
- A 60-day grace period is being offered on payments that are due.
- Accepting photo inspections in lieu of on-site inspections
- Accepting financial information for audits from policyholders through a new secure virtual "DropBox"
- Expanding our photo estimating capabilities, ensuring claims are handled fast and efficiently

West Bend Insurance

- \$50 to bundled home & auto policyholders

Direct Writers/Exclusive Insurance Companies

American Family

- American Family Mutual Insurance Co. returning \$200 million to its policyholders
- Providing customers, a one-time \$50 payment per vehicle under a personal auto insurance policy.

Amica Mutual

- 20% Credit to policyholders for April and May

Esurance

- 15 % cash refund for April and May coverage

Farmers Insurance

- Reducing April premiums by 25 % and pausing cancellation due to non-payment through May 1
- provide relief to more than 115,000 of its business insurance customers in the restaurant, office, retail and service sectors across the country through a 20 % monthly credit on their Business Owners Policy for the next two months

GEICO

- Giving customers a 15% credit for the next full policy terms

Next Insurance

- cutting April premiums by 25% for its customers with general liability, professional liability and commercial auto policies

Plymouth Rock

- 25% premium credit on liability and personal injury protection coverages on all existing and new auto insurance policies
- Waive comprehensive and collision deductibles for any health care worker involved in an accident while driving to and from work, or in the line of duty

Shelter Insurance

- Covering 30% customers premium April & May

State Farm

- Giving a 25 % credit on insurance premium for the period between March 20 and May 31

USAA

- USAA members with auto insurance policies will get a 20 % credit for two months of coverage. The company will also halt late fees and non-payment cancellations.