

# To Conform to the Form or Not?

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# Reasons the Form is not Used

- Our Company has unique questions
- There is no form for the coverage we are selling
- Our legal department does not like the ACORD verbiage
- We do everything electronically

# No Form, Unique Questions

- ACORD will help create a new form
- ACORD has a procedure to add questions to existing Forms
  - Maintenance Request

# The ACORD application

- Can be modified using the Maintenance Request Process
- A form can be added if the value is seen by the membership

# Communication

- Does ACORD have a Form that is usable for the companies situation

# Example of ACORD Legal Ease

BINDER/SIGNATURE			
INSURANCE BINDER		IF COVERAGE IS NOT BOUND, COVERAGE WILL COMMENCE UPON ACCEPTANCE OF THE COMPANY.	
EFFECTIVE DATE	EXPIRATION DATE	IF COVERAGE IS BOUND, THIS COMPANY BINDS THE KIND(S) OF INSURANCE STIPULATED ON THIS APPLICATION. THIS INS IS SUBJECT TO THE TERMS, CONDITIONS AND LIMITATIONS OF THE POLICY(IES) IN CURRENT USE BY THE COMPANY.	
TIME	12:01 AM	THIS BINDER MAY BE CANCELLED BY THE INSURED BY SURRENDER OF THIS BINDER OR BY WRITTEN NOTICE TO THE COMPANY STATING WHEN CANCELLATION WILL BE EFFECTIVE. THIS BINDER MAY BE CANCELLED BY THE COMPANY BY NOTICE TO THE INSURED IN ACCORDANCE WITH THE POLICY CONDITIONS. THIS BINDER IS CANCELLED WHEN REPLACED BY A POLICY. IF THIS BINDER IS NOT REPLACED BY A POLICY, THE COMPANY IS ENTITLED TO CHARGE A PREMIUM FOR THE BINDER ACCORDING TO THE RULES AND RATES IN USE BY THE COMPANY.	
	NOON		
COVERAGE IS NOT BOUND			
PERSONAL INFORMATION ABOUT YOU, INCLUDING INFORMATION FROM A CREDIT REPORT, MAY BE COLLECTED FROM PERSONS OTHER THAN YOU, IN CONNECTION WITH THIS APPLICATION FOR INSURANCE AND SUBSEQUENT RENEWALS. SUCH INFORMATION AS WELL AS OTHER PERSONAL AND PRIVILEGED INFORMATION COLLECTED BY US OR OUR AGENTS MAY IN CERTAIN CIRCUMSTANCES BE DISCLOSED TO THIRD PARTIES WITHOUT YOUR AUTHORIZATION. YOU HAVE THE RIGHT TO REVIEW YOUR PERSONAL INFORMATION IN OUR FILES AND CAN REQUEST CORRECTION OF ANY INACCURACIES. A MORE DETAILED DESCRIPTION OF YOUR RIGHTS AND OUR PRACTICES REGARDING SUCH INFORMATION IS AVAILABLE UPON REQUEST. CONTACT YOUR AGENT OR BROKER FOR INSTRUCTIONS ON HOW TO SUBMIT A REQUEST TO US.			
COPY OF ACORD 38 NY, NOTICE OF INSURANCE INFORMATION PRACTICES HAS BEEN GIVEN TO THE APPLICANT.			
APPLICANT'S STATEMENT: I HAVE READ THE ABOVE APPLICATION AND ANY ATTACHMENTS. I DECLARE THAT THE INFORMATION PROVIDED IN THEM IS TRUE, COMPLETE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. THIS INFORMATION IS BEING OFFERED TO THE COMPANY AS AN INDUCEMENT TO ISSUE THE POLICY FOR WHICH I AM APPLYING. IN ADDITION, IF THE AUTO PLAN OR COMPANY DESIGNATED IN THIS APPLICATION IS NON-STANDARD, I CERTIFY THAT I UNDERSTAND THE RATES FOR THIS COVERAGE ARE HIGHER THAN NORMAL, AND THAT THEY ARE ACCEPTABLE TO ME AS I HAVE BEEN UNABLE TO OBTAIN COVERAGE DESIRED THROUGH THE NORMAL INSURANCE MARKET.			
PRODUCER'S STATEMENT: I CERTIFY TO THE BEST OF MY KNOWLEDGE AND BELIEF THAT THE SIGNATURE OF THE APPLICANT IS THE PERSONAL SIGNATURE OF THE APPLICANT.		HOW LONG HAVE YOU KNOWN THE APPLICANT?	
I HAVE HAD STATUTORY UNINSURED MOTORISTS AND SUPPLEMENTARY UNINSURED/UNDERINSURED MOTORISTS (SUM) COVERAGE INCLUDING THE AVAILABLE OPTIONS AND LIMITS EXPLAINED TO ME. I UNDERSTAND THAT THE COVERAGE SELECTION AND LIMIT CHOICES INDICATED HERE WILL APPLY TO ALL FUTURE RENEWALS, CONTINUATIONS AND CHANGES IN MY POLICY UNLESS I NOTIFY YOU OTHERWISE IN WRITING.			
ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR COMMERCIAL INSURANCE OR A STATEMENT OF CLAIM FOR ANY COMMERCIAL OR PERSONAL INSURANCE BENEFITS CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, AND ANY PERSON WHO IN CONNECTION WITH SUCH APPLICATION OR CLAIM, KNOWINGLY MAKES OR KNOWINGLY ASSISTS, ABETS, SOLICITS OR CONSPIRES WITH ANOTHER TO MAKE A FALSE REPORT OF THE THEFT, DESTRUCTION, DAMAGE OR CONVERSION OF ANY MOTOR VEHICLE TO A LAW ENFORCEMENT AGENCY, THE DEPARTMENT OF MOTOR VEHICLES OR AN INSURANCE COMPANY, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE VALUE OF THE SUBJECT MOTOR VEHICLE OR STATED CLAIM FOR EACH VIOLATION.			
APPLICANT'S SIGNATURE	DATE	PRODUCER'S SIGNATURE	NATIONAL PRODUCER NUMBER

ACORD 90 NY (2005/04)

# Are we really paperless...

- Not really, information is sent real-time
  - Signatures still needed
  - Proprietary applications are on the average 9 pages
  - ACORD applications 2 to 3 pages

# Can you Conform to the Form

Without using the Form?

# XML, AL3...

- Why are companies using data standards and not the forms

# How about Agricultural?

- Agricultural working group was formed
- Designed Agricultural Applications
- Current Version 4/99
- Carriers still using proprietary after six years....why?

# Farm & Ranch

- Many carriers using proprietary forms
- May be a simple fix-residential section?
- Working Group is being formed to fix the application and communicate what's changed

# Farm & Ranch

- Working Group pending approval
- The final vote comes up on May 25th.
- Volunteers are needed all who have experience in these lines of business.
- After the vote they will receive notification, and we can begin to work the plan.
- If interested contact Donna Barr:  
[donna.j.barr@marsh.com](mailto:donna.j.barr@marsh.com)

# Farm & Ranch

- What benefits to the Farm & Ranch group?
  - Consistency
  - Download
  - Real Time
  - Save time and money

# What about Excess & Surplus Lines?

- Many lines can at a minimum use an ACORD form with a supplemental form.
- If supplemental info needed, possibly request to add onto form.
- If there is no ACORD form, why not make one?

# What about Excess & Surplus Lines?

- What benefits to E&S Carriers and Agents?
  - Consistency
  - Download
  - Real Time
  - Save time and money

# What about Excess & Surplus Lines?

- Professional Liability & Specialty Lines ACORD Working Group is being formed
- Similar goals as to why a form is needed:
  - Consistency
  - Real Time
  - Enter information once
  - Save time and money

# Professional Liability & Specialty Lines

- New Form / Electronic Standards (XML) for Specialty Lines Information Section (e.g. like the 125)
- D&O
  - Public
  - Private
  - Not For Profit
- Professional Liability / Errors and Omissions (partial list)
  - Miscellaneous
  - Technology
  - Media
  - Attorneys
  - Accountants
  - Others as deemed necessary by the group
- Review Crime Forms / Standards MR's as needed
- Review EPLI Forms / Standards MR's as needed.
- Other forms / standards as designated by the group

# Professional Liability & Specialty Lines

- Group is pending approval
- The final vote comes up on May 25th.
- Volunteers are needed, carriers, agents, wholesalers, MGA's all who have experience in these lines of business.
- After the vote they will receive notification, and we can begin to work the plan.
- If interested contact Keith Savino:  
[keiths@warwickresource.com](mailto:keiths@warwickresource.com)

# Do Proprietary Forms or Standards increase your Business?

# Everyday we use Standards

- Breakfast Lunch and Dinner
- Work 9-5
- Golf Score Card

# Standards Create

- One workflow
- Ease of doing Business
- Goodwill between trading partners

# RETURN ON INVESTMENT

Benefits for adhering to the Standards

Time Savings

Equals MONEY