

Date: September 3, 2019

Agent of Record Guidelines

Effective Immediately

The following rules will govern changes from one agent of record to another for all policies written by American Reliable Insurance Company's Agricultural Division.

Agent of record guidelines serve to be a fair and equitable process for all agents representing our company as well as providing our policyholders with the availability to choose any American Reliable agent that is in good standing with our company in accordance to the terms of the agency contract.

Agent of Record Status

Risks will be honored and considered the agent of record if they are the first submission received to American Reliable by one of the following methods:

- An email with a completed application
- Risk information is entered in i-Reli®
- Any electronic receiver with a completed application

The company will not reserve or honor first in agent of record status unless the submission is sent to American Reliable through one of the above methods.

Agent of Record Guidelines

1. An agent of record letter is acceptable if the letter is signed by the owner or company officer and a completed application is submitted by the new agency. The agent of record letter should be on the insured's letterhead, if available, with the effective date of transfer and a list of policy numbers. As an alternative, American Reliable will accept a fully completed ACORD form (Agent/Broker of Record Change) signed by the owner or company officer. A completed application must be submitted and designate all coverages requested by the insured. Coverages can be changed or upgraded at this time. American Reliable will not use the original agent's application for the new agent. If a completed application with terms and conditions are not submitted with the agent of record letter, then the agent of record letter will not be accepted and is not valid.

2. Any additional items such as supplemental questionnaires and other critical underwriting information must accompany the application for the agent of record to be accepted by American Reliable.
3. Notification of the new agent of record will be sent to the current or original agency. The original agent will be allowed 10 days to secure a rescinding agent of record letter confirming their status as the agent of record. Once this process is complete, then the original agent is the agent of record for the policy period.
4. If the current agent does not respond within 10 days, the company will proceed with issuance of a new policy through the new agency using their applications, subject to underwriting. Pricing will be in accordance to the new agent's applications and used for the basis to write coverage.
5. While American Reliable does not recommend mid-term agent of record letters, there are situations where the insured is adamant about transferring their policy to the new agent. If the agent of record letter is received and effective mid-term of the current policy period; the agent of record procedures will be executed and 10 days will be given to the original agent to secure a rescinding letter. If the original agent does not secure a rescinding letter, the account is transferred to the new agent. American Reliable will cancel and rewrite the policy with the new agent's applications to the current policy term only. American Reliable will then proceed with the renewal underwriting procedures with the new agent writing an annual policy. The original policy will be pro rata canceled with commissions paid up to the cancellation date to the original agent.
6. Any policy that is being non-renewed due to underwriting reasons or canceled for non-pay status will not be accepted as a valid agent of record letter for that risk.
7. New business submissions are honored as agent of record no more than 120 days prior to the effective date of coverage.
8. Agent of record procedures are at the discretion of American Reliable.