

Commercial Output Program

The *Right* Approach
for the *Right* Risks

■ **THE *Right* PROGRAM**

How can your company compete for prime commercial accounts without sacrificing the underwriting discipline that has been so vital to profitability over the past few years?

Do what nearly 100 national and regional carriers do:

Use the AAIS Commercial Output Program (COP).

Output coverage is characterized by two features:

- Property and inland marine coverage combined into a single coverage part; and
- A risk rated as a single, unique entity rather than as the sum of disparate exposures

The AAIS COP is the industry successor to the former manufacturer's output policy, or "MOP." Filed countrywide, the COP provides a systematic, flexible rating procedure for addressing the unique characteristics of a risk.

The AAIS COP is filed as a distinct line of insurance and can be written as a monoline policy or included with other forms in a package policy.

■ **ELIGIBILITY**

Since AAIS expanded eligibility to include commercial and institutional as well as industrial risks, the COP is used by companies to cover risks from metalworking operations to school districts to golf courses.

The COP is ideally suited to middle-market, multi-location risks with transit exposures.

■ **PRODUCT SUPPORT**

The AAIS COP support options include:

- Its own Windows-based rating system, which helps standardize and document rating
- Online access to forms, manual pages, and program bulletins through the *AAISdirect* Internet service
- Educational materials
- Periodic Web-based training seminars
- Access to AAIS staff specialists for product customization

■ **PRE-PACKAGED COVERAGE**

Using the COP is like having an entire property program in one policy.

Its key features include, among other things:

- Open perils building and personal property coverage
- Coverage for foundations, newly-acquired buildings, and buildings under construction (if not covered by other insurance)
- A choice between blanket or scheduled coverage, or a combination of the two
- Personal property coverage up to 1,000 feet from insured locations
- Coverage for mobile equipment throughout the coverage territory (if not covered by other insurance)
- Built-in supplemental coverages for arson reward, brands/labels, consequential loss, foundations, and inventory/appraisals

- Built-in inland marine coverages for accounts receivable, property in transit, property on exhibit, sales rep samples, fine arts, and valuable papers/records
- Built-in inland marine computer coverages for virus and hacking and for software storage
- Business income options
- Equipment breakdown coverage option
- “Discovery” and “loss sustained” crime coverage options

■ FLEXIBLE RATING PROCEDURE

The AAIS COP provides a systematic but flexible procedure for rating each risk according to its unique characteristics. In place of a variety of rating procedures for individual exposures, the COP rating procedure consists of a few simple steps.

“The COP provides us with a consistent method for rating our accounts, and the flexibility to get to an appropriate rate.”

—Steve Ramseyer
SAFECO Insurance Companies

■ COP-XL: A JUMBO POLICY FOR HIGHLY-PROTECTED RISKS

This offshoot of the COP provides built-in equipment breakdown coverage, higher sublimits on supplemental coverages, and other features suited for your largest national accounts, with the same flexible rating procedure.

■ THE *Right* CHOICE

A sampling of who’s using the AAIS COP:

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| • Acadia Insurance Company | • General Star Indemnity | • Liberty Northwest Group |
| • Acuity Mutual | • Gerling America | • Mitsui Sumitomo Group |
| • Amerisure Group | • Global Excess Partners | • National Farmers Union |
| • Continental Western Group | • Hanover/Citizens Insurance Group | • Nationwide/Allied Group |
| • Employers Mutual Casualty | • Harleysville Group | • Penn National Group |
| • Erie Group | • Hawkeye Security | • RLI Group |
| • Factory Mutual Group | • Indiana Lumbermens | • General Insurance Company (Safeco) |
| • FCCI Group | • Ins. Corp of Hannover | • Secura Group |
| • Fireman’s Fund Group | • Liberty Insurance Holdings Group | • Sompo Japan |
| • GE Solutions Group | • Liberty Mutual Group | • The Cincinnati Insurance Companies |

“The AAIS COP is a state of the art product, and AAIS works with us to customize the program to create proprietary products. AAIS staff members listen to our needs, research our questions, and suggest how coverage issues can be addressed. AAIS turns things around in a time frame most companies cannot, allowing us to enter markets quickly and capitalize on opportunities.”

—Sophia Phillips, vice president, marine
Hanover/Citizens Insurance Group

To learn more about adding the Commercial Output Program, contact Rick Maka, director of marketing, at 800/564-AAIS, or send an e-mail to rickm@AAISonline.com.



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