



Cross Border Solution

Frequently asked questions (Broker)

1. What is the Intact Cross Border solution?

Intact's Cross Border solution supports Canadian based customers with U.S. exposure. This Cross Border coverage is offered nationally, and is handled by a local Canadian team that works closely with the Commercial Lines (CL) team, to provide customers with efficient, seamless, best-in-class service, featuring products with coverage that addresses cross border gaps and aligns limits with the Canadian policy.

Intact's Cross Border solution also supports U.S. based customers with Canadian exposure.

2. What are the highlights of the Cross Border solution?

- Broad coverage and appetite are available for both the Canadian and U.S. policies, through a master policy program with Difference in Conditions /Difference in Limits
- A Canadian based cross border team with the expertise to write U.S. risks
- A simple process where the entire account is managed with just one point of contact
- Choice of U.S. broker or access to our own U.S. based agency
- In-house claims service offered in both Canada and the U.S.

3. What are the lines of coverage offered?

- Commercial Property
- Commercial General Liability (including Umbrella)
- Equipment Breakdown
- Inland marine
- Automobile (non-owned, owned, garage)*
- Workers' Compensation**

*Automobile

- Supporting auto with low to medium hazard risk
- We will not write specialty auto classes including 'for hire' trucking
- Passenger transportation

**Workers' Compensation

- Statutory benefits as prescribed by individual States; low to medium exposures

4. Sample appetite:

- Manufacturing
- Wholesalers
- Warehouses
- Contractors
- Real estate / Property management
- Retail

5. How does the coverage address gaps and limits on both sides of the border?

Intact is pleased to provide a 'master policy approach', by offering Difference in Conditions (DIC) and Difference in Limits (DIL) for property and liability, with combined limits (not applicable to Auto).

6. What are the limits for the Cross Border solution?

Our underwriting appetite and coverage limits available for U.S. risks closely mirror what is available currently in Canada.

7. What is the benefit of a master policy with DIC/DIL for the broker and client?

Our comprehensive program provides coverage in both Canada and the U.S. through a master policy approach to offer assurance that the coverage on the U.S. exposure mirrors what is provided in Canada as closely as possible.

8. How do combined limits, DIC and DIL work?

Combined limits means the limits of the master are all of the available limits across the program. If we issue a \$1M master GL, and a local U.S. \$1M GL, there is a total limit of \$1M (the master limit), not \$2M. The master combines the limits of the local policy with the master policy.

For example:

DIL means the master will close applicable limit gaps. If the insured has an extra expense loss of \$150,000 in the U.S., and their local U.S. policy has a \$100,000 limit, but the master policy has a \$250,000 limit, the master will pay the additional \$50,000 not covered by the local U.S. policy.

DIC means the master will close applicable coverage gaps. If the insured has an extra expense loss of \$150,000 in the U.S., and their local U.S. policy does not have extra expense coverage, but the master policy has a \$250,000 extra expense limit, the master will pay the entire \$150,000 loss.

Notes:

- There may be exceptions to some of the catastrophic coverage in certain U.S. states.
- The above are examples only; coverage is based on the specific policy.

9. Are service level agreements in place?

We strive to deliver each quote within five business days.

10. Where is the cross border team located?

Specialized and experienced cross border team members are located nationally, to provide local service within each region. Bilingual service is available in Quebec.

11. Where do brokers send cross border submissions?

Qualifying cross border submissions should be sent to a central email inbox: cross.border@intact.net

12. Who is the U.S. broker?

Canadian brokers may choose to use their own U.S. broker if it is contracted with Intact Insurance U.S. and carries the required state licences, or, Intact may assist to place a U.S. broker contract with Specialty Advantage Insurance Services (SAIS), which is available as the broker of record for Canadian brokers that do not have a U.S. broker relationship.

13. Who is SAIS?

Specialty Advantage Insurance Services (SAIS) is our wholly-owned agency that is licensed in all 50 states.

14. Who issues certificates of insurance and Auto ID cards (pink cards)?

The U.S. broker/agent issues these.

15. Are there minimum premiums?

The current minimum premiums on the U.S. policy are \$500 USD per line, and \$1,000 USD per package policy.

16. Who is best suited for the Cross Border solution?

Small to medium sized Canadian-based accounts with P&C (including Equipment Breakdown, some inland marine, and Umbrella) and Auto (supporting P&C only, not trucking). We do not place U.S. only based business or U.S. sales only based business.

17. How is the U.S. premium paid?

The U.S. policy will be on an agency bill. The U.S. broker must pay as per their agency bill statement, in USD.

If the Canadian broker has chosen to use their own U.S. broker, it is up to them to arrange invoicing, and ensure their U.S. broker pays the premium on time.

If SAIS is used, the Canadian broker will receive an invoice from SAIS, with 30 days to pay the premium to SAIS.

18. Does the broker need to complete an ACORD application?

No; however, the information requested in an ACORD application is required. The format may vary, as long as complete information is provided.

Note:

In some cases, the best format may be the ACORD application, particularly for Workers' Compensation.

19. How are brokers compensated?

Commission will vary. For example, standard U.S. commission is 15% for P&C and Auto. Workers' Compensation varies, but is typically 5%. Any commission is paid only to the U.S. broker or agency.

If the Canadian broker has chosen their own U.S. broker, any compensation arrangements are between these brokers. Intact is not involved.

If SAIS is used, a reduced commission will be paid to SAIS to cover internal costs, with premium reduced accordingly.

20. What if a Canadian customer has a claim on a Cross Border account?

A Canadian claim is settled and managed as usual, within the standard claims process. A U.S. claim reported on the U.S. policy is handled by our U.S. Intact Insurance Specialty Solutions adjusters. If there is a DIC/DIL claim, our U.S. adjuster handles it with appropriate involvement by a Canadian Intact Insurance adjuster.

21. Who does a Canadian customer contact if they need to report a claim?

Canadian claims should be reported to Intact at 1-866-464-2424. U.S. claims should be reported to 1-877-248-3455, in accordance with the reporting procedures on the U.S. policy.

22. What if a U.S. client has a customer related to the cross border solution?

U.S. claims should be reported to 1-877-248-3455, in accordance with the reporting procedures on the U.S. policy.