



SURETY DIVISION

TARGET COMMERCIAL ACCOUNT PROFILE

Account Size

Primary target niche for Commercial surety account is bond lines from \$100,000 to \$150M.

1. Accounts with total bond programs under \$100,000 can be considered via our Commercial Express Service Center
2. Accounts with bond programs in excess of \$150M can be considered on a case by case basis.
3. Shared participation on larger accounts will be pursued by PHLI with strong co-surety partners and sophisticated agents.

Tokio Marine North America (TMNA)

Financial backing of Tokio Marine North America, a top-tier global insurance company.

Transactional Surety

We are working diligently on creating a best-in-class web-based point of sale application for all of our PHLI appointed agents. In the meantime we are happy to work with transactional agents to come up with efficient ways of underwriting and placing this valuable business with PHLI.

Pricing Criteria

Rate on all submissions will be commensurate with the risk and in compliance with PHLI filed rates. Accounts with a higher degree of risk or which require more work due to the complexity of the underwriting should have a higher rate than less complex Commercial Surety accounts.

Type of Business

All types of License & Permit bonds

- Contractor's license
- Finance
- Motor Vehicle
- Retail services and professional licenses
- Taxes and fee compliance

Customs bonds

- Continuous and single entry
- All activity codes and NVOCC bonds

Court/Fiduciary bonds

- Plaintiff bonds/injunction bonds
- Defendant bonds/Appeal/release of lien bonds
- Probate bonds in all 50 states

ERISA/Business Service bonds

- ERISA with inflation guard
- Business Service for most industries
- Public Official
- Federal Official

Public Official (Non Federal)

- State and local government

Miscellaneous

- Lost securities
- Non- construction contract
- Financial guarantee
- General indemnity bonds

We are targeting high quality Commercial Surety accounts that require bonds on a regular basis as it is most cost effective. We will absolutely consider one shot deals for financially strong principals.

Certain classes of business we are currently not a market for include; paid loss retro, deductible guarantee, insurance company qualifying bonds, and land reclamation. If you're not sure if we are a market for a particular bond, please call your local underwriter for clarification.

Safety National partnership

We have partnered with Safety National, a leader in Self-Insured Workers' Compensation bonds for accounts which may require those type of obligations.

Risk Characteristics

PHLI Commercial accounts should reflect the following characteristics:

- Track record of profitable operations
- Focus on their core operating business and strategies
- Good quality CPA prepared financial statements and the availability of reliable interim information, including quarterly financials (in-house or CPA prepared)
- Effective management of systems and controls
- Strong balance sheet and P&L for the parent company that is core to the surety obligation
- Good reputation and credit worthiness as evidenced by trade reports, references, and bank support
- Strong reputation amongst their industry peers
- Indemnity of owners and spouses and affiliated companies

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