

Q: If I have homeowner's insurance and am running a home-based business, why do I need "Business Insurance"?

A: The Liability Section of the Standard Homeowner's Policy specifically EXCLUDES coverage for "business operations" other than "incidental" business operations (such as paper routes and baby sitting). It also has a Property coverage LIMITATION (generally no more than \$ 500/claim) for "Any Property Used in Business". Thus, a NASMM member operating from home has NO Liability coverage and little Property coverage unless they purchase "Business Insurance".

Q: Does membership in NASMM guarantee insurance protection under the program?

A: No. Each member must apply and will be subject to individual underwriting which will include:

1. Location of Operation
2. Experience
3. Type(s) of Services Offered
4. Claim Experience
5. Statutory Worker's Compensation Classification*

* Some classifications are considered "undesirable" by the insurance company.

Q: Are there other "requirements" to be met to secure the insurance?

A: Yes. Each member MUST be willing to enter into uniform contracts with clients and independent contractors as a regular course of business.

This document is provided for promotional and informational purposes only. For an actual description of coverages, terms and conditions, refer to the insurance policy as coverage terms, conditions, and carriers may change. Coverage may not be available in all states. Issuance of coverage is subject to underwriting.

MRSC Insurance Partners
6190 Cochran Road, Suite E
Solon, OH 44139
phone 440.248.8000
fax 440.248.2122

**Worldwide Capabilities...
Delivered with Personal Service**

Please contact Chuck Snyder at 800-860-7660 ext 215., or via email csnyder@inspartners.com at Insurance Partners for a no-cost consultation of your insurance needs. It's the right choice to protect yourself and your valued business.

Insurance Partners NASMM Program Q/A

Frequently Asked Questions

These contracts MUST include a Hold Harmless Agreement, A requirement that ALL parties carry insurance, and that all parties provide evidence that they carry insurance.

Q: Why are the contracts so important?

A: You as a NASMM member use a client contract to protect yourself by spelling out what services you will provide for an agreed fee. Your client contract lists the responsibilities and obligations of both parties to the contract. If anything occurs your client contract is what defines who is liable. Your client contract only is between you and the client. It does not cover any of the independent contractors that you refer or that the client may use on their own. An independent contractor should not be allowed on the clients locations without proper liability insurance and workers compensation insurance.

Problems can be avoided when the NASMM member has a written contract with the client in place that required the client to carry (and show evidence of) homeowner's insurance AND a Hold Harmless agreement making the client responsible for their negligence as well as any INDEPENDENT CONTRACTORS hired by the client.

Q: Why are there coverages in the policy that I may not need nor want?

A: There are two reasons. First, some of them are "built-in" and cannot be removed. The coverages are offered by the company as incentives to purchase the product. Secondly, because of the Minimum Annual Premium charge, some coverages were increased (i.e. Personal Property coverage) so that the ACTUAL annual premium was equal to the minimum charge. This way each member receives some benefit from paying the minimum charge.

Q: Why aren't all coverages available in every state?

A: Individual state's requirements sometimes restrict an insurance company's ability to offer certain products. In addition, specific geographical areas present hazards that many insurance companies do not want to entertain. An example of this is Property Insurance coverage in coastal areas (due to the hurricane exposure).

Q: How long will it take for me to get a quote?

A: That depends on what type of insurance you are requesting and where you are located. The timeframe is between one to two weeks. The Worker's Compensation will normally take about 30 days to process.

Q: What is the process for getting a quote?

A: See the contact information below for MRSC Insurance Partners. We will ask for information regarding the NASMM Insurance application and supplemental application. You will need to supply the following documentation:

- Completed NASMM Insurance application and supplemental application
- Copy of client letter/agreement. This is mandatory; you are not eligible for the program without a client agreement
- Copy of your existing coverage (if any)
- Copy of your Damage Liability Policy (if any)
- Copies of any other marketing materials/ brochures
- Website address

Once we receive your documentation we will review and forward the information on to the insurance company to review and approve. Once we receive the quote, we will forward (fax/e-mail) a proposal to you.

Q: If I decide to purchase the coverage, how is this handled?

A: We will have included the premium for the NASMM package and the option for the Blanket Crime (Fidelity) Bond in the proposal sent to you. When you return all the required information you can tell us your requested effective date. We will send you an email confirming the coverage you requested, the effective date and a copy of the Certificate of Insurance we have forwarded to NASMM on your behalf.

You will receive your policy and annual billing within 2 to 4 weeks. For your convenience, on the bill you will see a toll free phone number to the insurance company billing department that you can call to make your payment by credit card. Otherwise, mail your payment which is due 21 days from the binder or effective date.