

# Partnering with Branch

Independent Agency Owners





## Meet Branch

Branch is a full-stack insurance company designed to make home and auto insurance simpler to buy and less expensive. Using data, technology, and automation, we built the world's first instant, online-bundling capability which is helping people save thousands of dollars a month in just minutes.

# Branch is built better

## Easier to sell



Just 2 questions (name & address) to price and bind

## Built to bundle



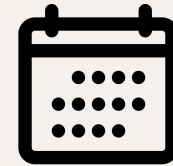
The first instant-bundle of home and auto insurance

## Bigger savings



Rich discounts for bundling, connected home, and more

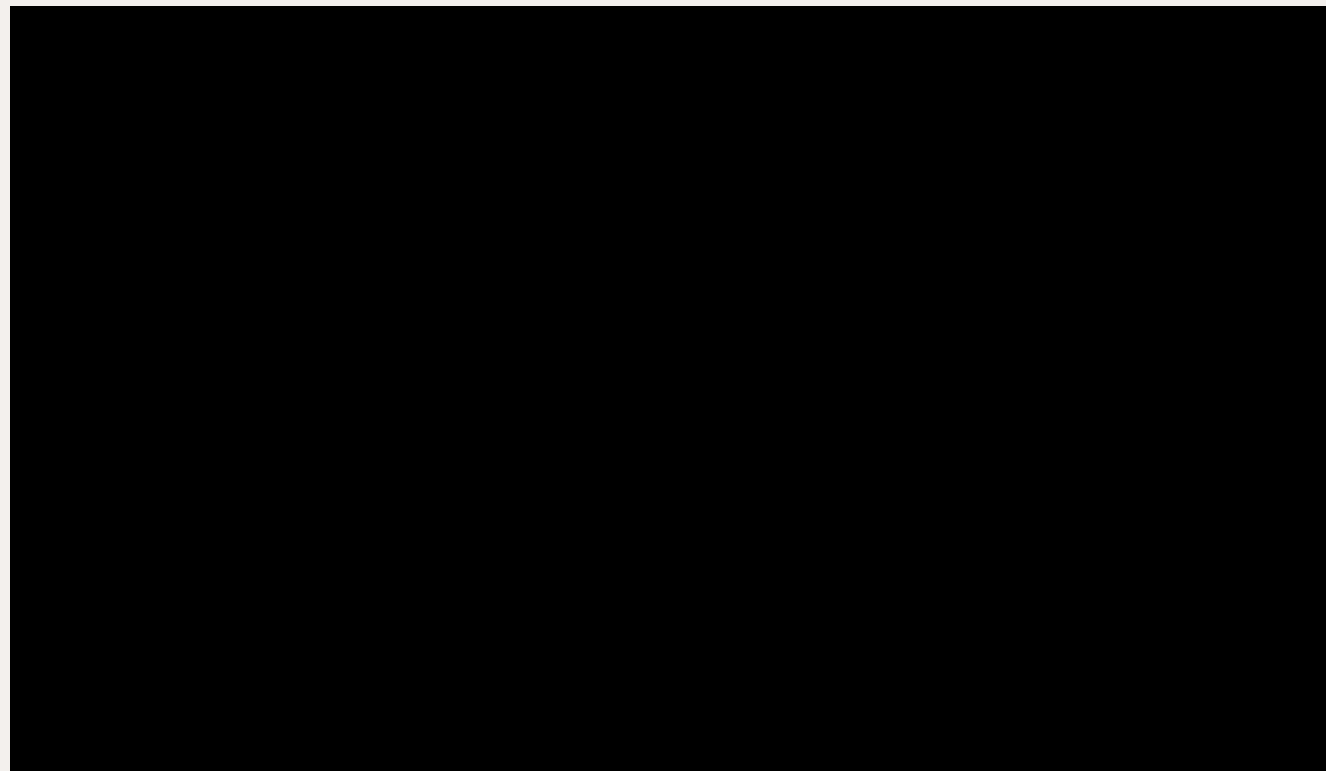
## Better retention



Bundled policies = longer lifetime

# The world's first frictionless bundle

- Bundle a policy in as little as 37 seconds
- Sell 2 products instead of 1
- Offer better savings, including industry leading Connected Home discounts
- Customize coverages to your customer's needs
- Easily compare apples to apple to help customers make decisions
- Stress Free Switch to help customers make the switch



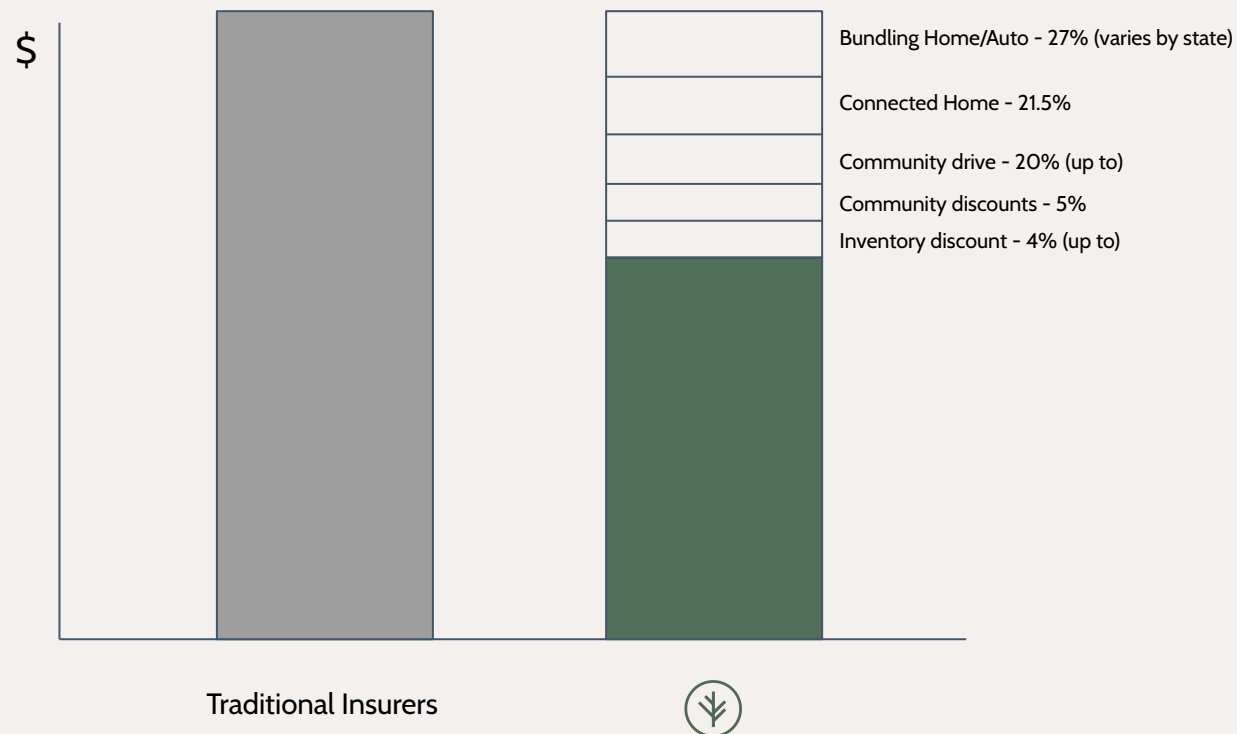
# Branch is built to lower the price of home and auto insurance

Data + Technology + Automation

Eliminating complexity and friction

Structuring as a reciprocal with an industry-low 5% fee

How Branch Lowers the Price of Insurance



## Example savings

**Customers who switched from the  
below insurance companies report big savings**



**\$373**



**\$550**



**\$600**



**\$503**

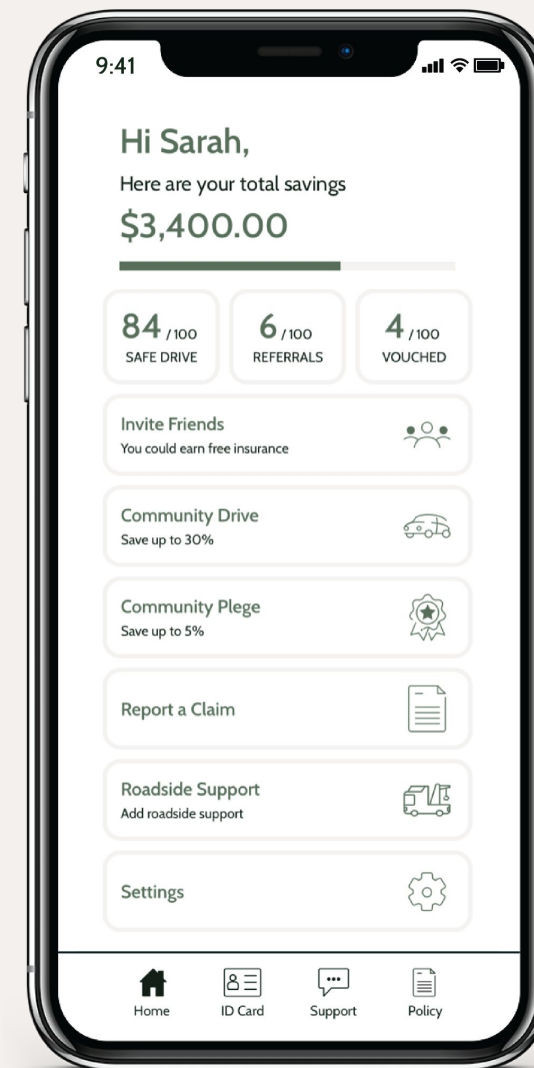


**\$421**

Source: based on customer survey conducted in November 2021

# With the Branch mobile app, members can:

- File a claim
- Get roadside assistance
- Access their ID cards
- Build their community and earn discounts
- Update their payment information
- Get support through live chat, phone, or email
- Manage their account
- Complete their inventory



# Let us underwrite the risk for you

## Home

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### RSCE

no age restrictions



### Pets

No dog breed restrictions



### Claims process

app based, web based - partnerships with Safekeep and Screenshot

## Auto

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### MVR

3 year lookback



### Advanced telematics

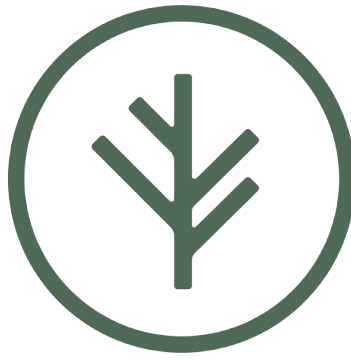
Drivers can enable tracking to save



### Post-date

59 days out on auto/home effective date





# Branch Sales Guide

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# Getting Started!

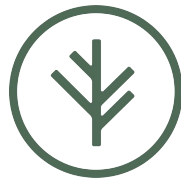
Value Proposition	A value Branch can bring to customers
Knockouts	UW guideline that will eliminate a customer from being eligible for a policy
Important	Baseline underwriting guidelines

## IMPORTANT

- States we write in: AL, AZ, CO, IL, IN, MO, NE, OH, OK, PA, TX, UT, WI, WV
- Products we write: auto, renters (endorsement on the auto), homeowners, and umbrella (endorsement on the home). Renters is currently unavailable in: AZ, TX, CO, MD, OK
- System will guide you on from a limits or coverage perspective.
- No auto with lapse more than 30 days
- Prior Branch customers cancelled for any reason except non-payment are Ineligible
  - Outstanding prior balances owed to Branch Insurance must be reconciled prior to starting a new policy.
  - New policy must be paid in full. (Our system will force that.)

## VALUE PROPOSITIONS – Start with a solid value drop!

- Policy Effective Dates can be extended up to 59 days from date of issue
- “We ask less questions than other companies, but save you time and often, money!”
- “We can save you money two ways: Our rates aren’t impacted by lots of advertising expense and the more people you refer the more money you save!”



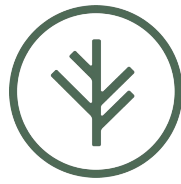
# Home Guidelines

## IMPORTANT

- Fences must be around pools and trampolines!
- Must be a physical address (no PO box)
- Home Sales Ratios: Owner must occupy primary residence, and up to 1 additional property can be insured.
  - Additional property can't be rented or leased for more than 60 days a year.
- Structure must contain 4 units or less and the owner must occupy one of those units. (Duplex situations)
- Utilize Google Earth & Streets to gain insight on the property
- No dog breed restrictions
- Texas- No seepage and leakage coverage
- \$5,000 in foundation coverage built into the policy, no increases available

## KNOCKOUTS

- Homes built prior to 1900
- Wood or T-Lock composition roof
- Ask questions and use Google Earth/Streets to make sure:
  - Home and Foundation are in good shape – peeling paint, dry rot, broken window, falling gutters, vegetation and overhanging limbs will make property ineligible
  - Additional knockouts: Within 10 feet of a propane tank, firewood stacked within 30 ft., underground storage tanks, main access road is less than 16 feet (two lanes) wide.
- We cannot accept property in foreclosure with existing owner
- Protection class 10, 10c, or 10w, Wildfire Score above a 14 are ineligible.
- Properties greater than 6000 square feet
- Homes over \$950k RCE, \$850k in TEXAS. Can approve up to 1.2M
- Asbestos siding.
- Mobile/Manufactured homes
- Homes with open foundation
- Dwellings with galvanized and polybutylene plumbing.
- Dwellings with the following electrical systems are ineligible:
  - Stab-lok panels, Zinsco panels, Sylvania panels, Challenger panels, knob and tube wiring, aluminum wiring, glass fuses.
- Dwellings listed on the National Registry of Historic Homes or the National Register of Historic Places



## VALUE PROPOSITIONS

- “Branch App makes an Inventory Discount easy to complete and saves money!”
- We look at insured’s prior loss history, NOT loss that occurred at the property, so the prior occupant’s claims don’t impact your rate
- If you have a dog, we don’t have any breed restrictions! (We just can’t write for any dog that has known bite history.)

# Loss History

- We go back 5 years.
  - If the dwelling is less than or equal to 50 years old and has greater than or equal to 3 total paid losses in prior 5 years, or two or more paid losses from the same loss type:
    - fire, theft/vandalism, liability or water, as named insured or at the property, the risk is ineligible.
  - If the dwelling is greater than 50 years old and has greater than or equal to 2 loss in prior 5 years, as named insured or at the property, the risk is ineligible.
  - More than 1 prior water loss.
  - One water loss makes policy ineligible for Water Back Up Endorsement



## Roofs

Roof must NOT be damaged or poorly maintained

## Home Occupancy

### IMPORTANT

- Must be owner occupied or plan to be occupied by insured
- 1 primary residence per named insured
- Insured must live in one unit of multi-unit dwellings!
- Secondary residences must be occupied for more than 30 days per calendar year and not rented, leased, or tenant occupied for more than 60 days per calendar year.
- Host Protection Endorsement is available for homes that are rented out less than 60 days per calendar year

### KNOCKOUTS

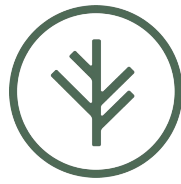
- Greater than 1 secondary residence
- Greater than 4 family units in structure
- Dwellings that are not occupied (abandoned or vacant) for more than 15 days are ineligible.
- Residences that include operation of a commercial business (other than work from home) will be ineligible. If a sign for the business is anywhere on the premises the risk will be ineligible.



## DEPRECIATION

- Roofs not endorsed with the Roof Surface Extended Coverage (replacement cost coverage) are covered at ACV on the below Schedule:

Age of Roof	Roof Surface Material Type					
	Composition	Slate	Tile	Wood	Metal	All Other Roof Surface Material Types
0	100%	100%	100%	100%	100%	100%
1	97%	99%	98%	98%	99%	97%
2	94%	98%	96%	96%	98%	94%
3	91%	97%	94%	94%	97%	91%
4	88%	96%	92%	92%	96%	88%
5	85%	95%	90%	90%	95%	85%
6	82%	94%	88%	88%	94%	82%
7	79%	93%	86%	86%	93%	79%
8	76%	92%	84%	84%	92%	76%
9	73%	91%	82%	82%	91%	73%
10	70%	90%	80%	80%	90%	70%
11	67%	89%	78%	78%	89%	67%
12	64%	88%	76%	76%	88%	64%
13	61%	87%	74%	74%	87%	61%
14	58%	86%	72%	72%	86%	58%
15	55%	85%	70%	70%	85%	55%
16	52%	84%	68%	68%	84%	52%
17	49%	83%	66%	66%	83%	49%
18	46%	82%	64%	64%	82%	46%
19	43%	81%	62%	62%	81%	43%
20	40%	80%	60%	60%	80%	40%
21	37%	79%	58%	58%	79%	37%
22	34%	78%	56%	56%	78%	34%
23	31%	77%	54%	54%	77%	31%
24	28%	76%	52%	52%	76%	28%
25	25%	75%	50%	50%	75%	25%
26	25%	74%	48%	48%	74%	25%
27	25%	73%	46%	46%	73%	25%
28	25%	72%	44%	44%	72%	25%
29	25%	71%	42%	42%	71%	25%
30 or Over	25%	70%	40%	40%	70%	25%



## Heating and Electrical

- Must have a centrally controlled thermostat with minimum 100-amp service
- Supplemental heating must be professionally installed (no wood/pellet non-standard fuel source)

## Animals

### **KNOCKOUTS**

- Any pet with a bite history or vicious/dangerous behavior
- Wild, exotic, non-domesticated and dangerous (tiger, monkey, python, etc.)
- 15 or more livestock (pigs, cows, horses, chickens, etc.)

## Endorsements

### **Water Backup**

### **KNOCKOUTS**

- Any water losses in past 5 years make policy ineligible

### **Scheduled Personal Property**

- Individual SPP items cannot be greater than or equal to 10% of Contents Coverage C.
- Maximum single item limit cannot be greater than 10% of Coverage A.
- Aggregate of coverage limits for SPP cannot be greater than or equal to 50% of Contents Coverage C.
- Firearms banned by government, automatic, semi-auto, sawed off, zip or explosive
- Customer must provide a picture of each item along with picture of appraisal





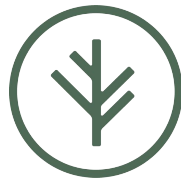
# Umbrella

## IMPORTANT

- A Branch Home and Branch Auto policy are required to add the Umbrella endorsement
- Underlying automobile policy driving history requirements must be met (see Auto)
- Underlying auto policy must be 250/500 or \$300,000 CSL or higher
- To add UIM on the Umbrella, the UIM on the Auto needs to be 250/500 or higher
- Agent Authority for Umbrella is \$1M, Can approve up to \$2M
- If the underlying auto policy has a named driver exclusion, it will not be eligible for Excess endorsement.
- Policies with greater than or equal to 2.5-to-1 ratio of automobiles to drivers will be ineligible for the Excess endorsement.

## KNOCKOUTS

- Named Insured a corporation, estate, LLC, LP, LLP
- Pending litigation
- Underlying auto has named driver exclusion



# Auto Guidelines

## IMPORTANT

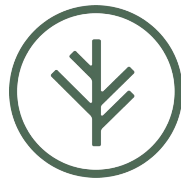
- Must have prior insurance (no more than 30-day lapse)
- Policy effective dates can go out to 59 days.
- Must have same BI/PD, UM/UIM and Med Pay on all policy vehicles/Drivers

## KNOCKOUTS

- BIX (AZ, IN, NE, OH, OK, PA, TX, WI)
  - Any operator with 2+ at fault accident in the past 3 years.
  - If the auto policy has 3+ at fault accidents in total in the past 3 years.
  - If the auto policy has 5+ accidents (at fault, not at fault, violations) in total in the past 3 years.
- GSNIC (CO, IL, MO)
  - Any operator with 2+ incidents (at fault, not at fault accidents, moving violations
  - If the auto policy has 3+ incidents in total in the past 3 years
- Vehicles with a salvage title are ineligible. Only exceptions are vehicles with rebuilt/reconstructed titles and are eligible for liability coverage only.
- Pickups, vans or utility vehicles with a gross vehicle weight rating greater than 12,000 lbs.

## VALUE PROPOSITIONS

- “Most companies go back five years to look at driving history, but at Branch we only go back three!” (suspended licenses go back five years)

**Driving Record KO's:**

Driving Under the Influence	Sobriety Test Refusal	Illegal Possession Alcohol/Drugs	Drinking While Driving
Reckless/Careless Driving	Inattentive Driving	Speeding >21mph over the Speed Limit	Failure to Report Accident
Failure to Stop for School Bus	*Suspended/Revoked in Past 60 Months	Attempt to Elude Police Officer	Automobile Theft
False DL Application Statements	Driving with Suspended DL	**Counterfeit License, Title, Reg or Plates	Racing

\*Does not include administrative suspension/revoking

\*\*Also includes lending of DL to an unlicensed person

## Vehicle Use

- We have a rideshare endorsement – ask and use it when appropriate!
- Vehicle can't be leased or owned by people not on the policy
- Vehicles can't be regularly used by non-listed drivers

**No Commercial Use!**

- No Commercial coverage allowed
- Used to carry persons or property for a fee – limousine, taxi, livery services (does not apply to carpools), pickup/delivery (some exceptions with rideshare endorsement)
- Equipped with cooking equipment or bathrooms
- Snow plowing or landscaping for a fee
- Transporting more than 500 pounds of equipment/supplies or explosives and flammable materials

**Acceptable Business Use:**

Sales/Service rep doing direct home sales	Professional visiting multiple locations (ex. Real Estate)	Owned by, insured, and used by domestic employees	Used by business for occasional errands	Transporting tools/materials for business
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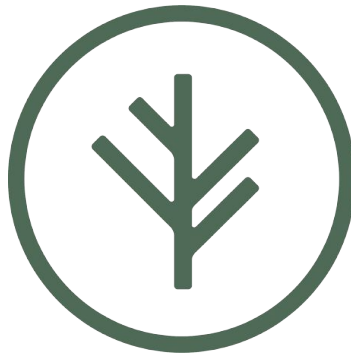
**Vehicle Types****KNOCKOUTS**

- Very expensive automobiles. e.g.: Ferrari, Bentley, Maserati, Rolls Royce
- We do not accept altered suspension (greater than 4 inches or not street legal) , however low riders, dune buggies, kit cars are acceptable if street legal
- Grey market, racing vehicle, equipped with cooking/bathroom, step/panel van
- Pre—1981, limited production, exotic, classic, or collectible

## Renters Endorsement

**IMPORTANT**

- Only One Renters Policy can be added to an Auto Policy
- No commercial business on property
- Must be primary residence of policy holder



# Branch Billing Guide

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# Payment Methods

If you've sold products for other insurance companies, you are likely used to the way they handle billing. Branch may do things a little differently, and that is why we are offering you this resource. In this section, you will find:

- The payment methods and schedules available and how each works
- How monthly payments payments work, including the initial down payment

## Available Payment Methods

Our members have a few payment methods available to them:

- **Credit or Debit Card:** This payment method is available on all products.
- **Checking or Savings Account:** This payment method is available on all products and is referred to as Bank Withdrawal.
- **Mortgagee (Escrow):** This payment method is available for the home product only.

## Credit or Debit Cards

This payment method is available on all products. Using the customer's name on the card, full credit card number, expiration date and CVV code, we can bill directly to a debit or credit card. The card must have a Visa, Mastercard, Discover, or Amex logo on it.

## Bank Withdrawal

This payment method is available on all products. Through ACH (Automated Clearing House), an electronic network enables us to directly debit the customer's checking or savings account, using their:

Name on the account

Bank routing number

Bank account number

Type of account (checking or savings)

If the customer elects Bank Withdrawal as their payment method for a monthly payment, there are verification requirements involved. If a member elects Bank Withdrawal as their payment method for a monthly payment, we require a 10-day Future Effective Date and "micro-deposit" verification. This gives us an opportunity to verify their bank account information.

Step 1: We make 2 micro-deposits (under \$1) to the bank account provided, typically within 24-48 hours of the sale.

Step 2: The member must verify the deposit amounts, which we then enter in Staff in the account validation box under "Account Details".

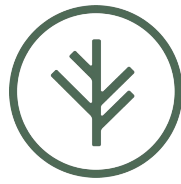
! This customer's bank account has not been validated.

Please enter the customer's received microdeposit amounts.

AMOUNT ONE  
\$

AMOUNT TWO  
\$

Verify Bank Account



# Payment Methods

## Mortgagee (Escrow)

For home insurance, we can bill the lender who financed the purchase of the customer's home. This enables the customer to pay their home premium via escrow directly through the lender. This payment method is available for the home product only.

*Sales Tip: Typically, paying through escrow will offer the most cost savings.*

## Why do some payment methods result in higher premiums?

Credit or debit card payments are generally higher because there are higher fees associated with processing credit card transactions.

For home insurance, escrow payments offer the greatest cost savings since the mortgage company guarantees on-time payments through the escrow account.

## How to add a Credit or Debit Card payment

- On the Settings tab, select **Credit Card** from the **Payment Method** drop-down
- Click **Continue to Checkout**
- In the **Billing Information** section:
  - Enter billing name, address, email, and phone
  - Enter the bank name, credit card number, expiration date and CVC code
- Click the **Purchase** button

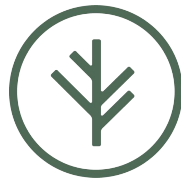
## How to add a Bank Withdrawal (ACH) payment

- On the Settings tab, select **Bank Withdrawal** from the **Payment Method** drop-down
- Make sure the **Effective Date** is set 10 days in the future
- Click **Continue to Checkout**
- In the **Billing Information** section:
  - Enter billing name, address, email, and phone
  - Enter the bank name, account number, and routing number
- Click the **Purchase** button

## How to add a Mortgagee payment for escrow (Home product only)

- On the Settings tab, select **Mortgage** from the **Payment Method** drop-down
- Enter the lender name, loan number, and lender address
- Click **Update Offer Price**
- Click the **Purchase** button





# Payment Schedules

## Available Payment Schedules

When members buy insurance from Branch, they have the option to control whether they pay monthly or upfront (paid-in-full).

**Note:** If the member is purchasing through **escrow**, they will **not** have the ability to select the payment frequency since the payment will get routed through their mortgage.

- **Paid-in-Full:** Set it and forget it! Paying upfront (paid-in-full) will help members lower their overall insurance costs and relax until their next premium is due.
- **Monthly:** Monthly payments are great for members who do not have the ability or desire to pay their premium upfront. The monthly schedule comes with a set of specific guidelines, which are detailed in this lesson below.

**Sales Tip:** While the Paid-in-Full option may be a challenge for some members to pay, you may want to toggle between frequency options at checkout and share the cost savings in doing so. The overall premium for the monthly schedule will be higher.

## How we handle billing

- Payments for new policies are not taken until the Effective Date after 2 PM ET.
- Before we process future payments, a notice is **emailed 2 days prior to the Bill Date**.
- After a successful payment, a **receipt is emailed** to the customer.
- If a payment is not successful, an email is sent asking the member to contact us.

## The Impact of the Effective Date and Billing Day

The monthly payment schedule requires a down payment. The amount of the down payment and monthly payments varies, depending on the time between the Effective Date and Billing Day.

### If the Effective Date and Billing Day are:

- **The same:**
  - Larger down payment than if the dates were different.
  - 4 monthly payments remain
- **Different:**
  - Smaller down payment than if the dates were the same
  - 5 monthly payments remain



# Let's put your insurance commission on autopilot.

At Branch, we don't just simplify insurance for our members. We're here to make selling insurance easier for you, our agency partners, too. That's why we offer PartnerLink – a 100% digital quote-to-bind bundling experience. We'll customize a landing page with your agency's branding where your customers can get an instant low price, customize their policies, and check out online.

All while you still get the full commission and completely own the policy relationship.

## See how PartnerLink can help you:

### A custom-branded page for your agency

PartnerLink serves as a Branch landing page for your customers, co-branded with your agency's logo.

### 100% digital quote-to-bind bundling

We offer instant prices and instant coverage on home, auto, and umbrella – plus, the only instant bundles.

### Earn full commission on every new policy

Get paid the same as if you'd sold a policy in person, plus you still own the complete policy relationship.

### Easy for your customers

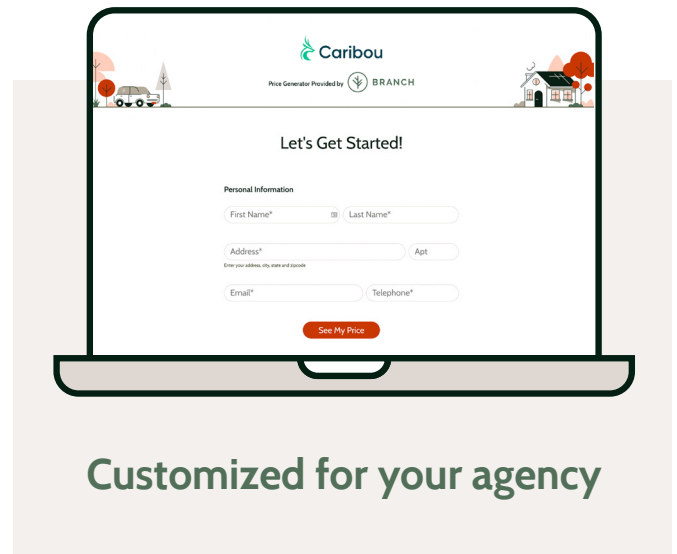
Customers can get an instant price with just a name and address, then customize coverage in real time.

### Sell more policies, no extra effort

PartnerLink makes buying insurance self-service for your customers, all the way through online checkout.

### All your online leads in one place

From website traffic, to social media leads, to mortgage or dealership referrals, PartnerLink can work for you.



Customized for your agency





# CURRENT INCENTIVES

<i><b>Fast Start</b></i>	<i><b>Bundle Bonus</b></i>
<b>NEW APPOINTMENTS</b>	<b>CURRENT APPOINTMENTS</b>
One full month from appointment date  <b>BUNDLE:</b> \$200 Auto/Home <b>MONOLINE:</b> \$50 per Auto or Home	Runs February – December 2022 <i>begins after Fast Start</i>  <b>2-4 BOUND BUNDLES / MONTH:</b> \$100 per bundle (retroactively paid to first bundle)  <b>5+ BOUND BUNDLES / MONTH:</b> \$150 per bundle (retroactively paid to first bundle)

- Based on written date but not paid until effective date. (Ex. Written 1/15, effective 2/1 would count for January bundle, but would be paid in March commissions)
- Bundles are considered an Auto and a Home. Auto/Renters would not qualify as bundle, instead would count for mono-line auto
- Renters and/or Umbrella endorsements do not qualify for Incentive Promotion

