

IDAHO EXEMPT COMMERCIAL PURCHASER 41-1213

"Exempt commercial purchaser" means any person purchasing commercial insurance who, at the time of placement, meets the following requirements:

- The person (individual, company, municipality, non-profit organization) employs or retains a qualified risk manager to negotiate insurance coverage.
- The person has paid aggregate nationwide commercial property and casualty insurance premiums in excess of one hundred thousand dollars (\$100,000) in the immediately preceding twelve months.
- In addition to all of the above, the person meets **at least one (1) of the following criteria:**

1. The person possesses a net worth in excess of twenty million dollars (\$20,000,000) as such amount is adjusted pursuant to the provisions of paragraph (b) of this subsection.
2. The person generates annual revenues in excess of fifty million dollars (\$50,000,000) as such amount is adjusted pursuant to the provisions of paragraph (b) of this subsection.
3. The person employs more than five hundred (500) full-time or full-time equivalent employees per individual insured or is a member of an affiliated group employing more than one thousand (1,000) employees in the aggregate.
4. The person is a nonprofit organization or public entity generating annual budgeted expenditures of at least thirty million dollars (\$30,000,000) as such amount is adjusted pursuant to the provisions of paragraph (b) of this subsection.
5. The person is a municipality with a population in excess of fifty thousand (50,000) persons.

The amounts provided in 1, 2, and 4. (above) must be adjusted to reflect the percentage change for the five (5) year period in the consumer price index for all urban consumers published by the bureau of labor statistics of the United States department of labor.

"Qualified risk manager" means, with respect to a policyholder of commercial insurance, a person who meets all the following requirements:

- The person is an employee of, or a third-party consultant retained by, the commercial policyholder;
- The person provides skilled services in loss prevention, loss reduction or risk and insurance coverage analysis, and purchase of insurance; *and*
- Has at least ten (10) years of experience in risk financing, claim administration, loss prevention, risk and insurance coverage analysis or purchasing commercial lines of insurance; *or*
- Has a graduate degree from an accredited college or university in risk management, business administration, finance, economics or any other field determined by a state insurance director or other state regulatory official or entity to demonstrate minimum competence in risk management; *or*
- Has at least seven (7) years of experience in risk financing, claims administration, loss prevention, risk and insurance coverage analysis or purchasing commercial lines of insurance *and* has one (1) of the designations specified below; *or* has a bachelor's degree or higher education from an accredited college or university in risk management, business administration, finance, economics or any other field determined by a state insurance director or other state regulatory official or entity to demonstrate minimum competency in risk management *and* either has three (3) years of experience in risk financing, claims administration, loss prevention, risk and insurance analysis or purchasing commercial lines of insurance, *or* has one (1) of the following designations:

1. A designation as a chartered property and casualty underwriter (CPCU) issued by the American institute for CPCU and insurance institute of America;
2. A designation as an associate in risk management (ARM) issued by the American institute for CPCU and insurance institute of America;
3. A designation as a certified risk manager (CRM) issued by the national alliance for insurance education and research;
4. A designation as a RIMS fellow (RF) issued by the global risk management institute; or
5. Any other designation, certification or license determined by a state insurance director or other state insurance regulatory official or entity to demonstrate minimum competency in risk management.

I acknowledge that I (company) qualifies as an ECP (Exempt Commercial Purchaser) as defined by Idaho law.

By: _____ Date: _____

I acknowledge that my insured qualifies as an ECP (Exempt Commercial Purchaser) as outlined by Idaho law and will maintain this form with my insured's file for a minimum of five years.

Broker: _____ Date: _____