



## About the ChamberChoice Business Insurance Program

### **What is the ChamberChoice Business Insurance Program?**

The program is an agreement between Chamber Choice Service Corporation (CCSC) and Penn National Insurance to offer a business insurance program to the 56,000 members of 70 Chambers affiliated with CCSC.

Since its inception in 2011, the program continues to grow with over \$30 million in premiums and has returned over \$13.1 million in dividends to participating member businesses.

### **What are the benefits of the Program?**

The member has the opportunity to have most of their commercial property and casualty lines of insurance, subject to eligibility requirements, included in a group program that has the potential to earn dividends.

### **Is the dividend, if any, based on the individual account experience?**

No. Any potential dividend is based on the group's collective results for all member businesses during the program year. The group of member businesses must meet certain premium goals and profitability thresholds to become dividend eligible.

### **Are the dividends guaranteed?**

No. The program has group premium and group profitability qualifiers. In addition, any and all dividends must be approved by the Penn National Insurance Board of Directors. As the group program grows, so does the dividend potential.

### **If earned and declared, when will dividends be paid?**

The program year runs from May 1 to April 30 of the following year, and includes a one-year loss development period. The loss development period means that when a program year ends, the written premiums and losses for that program year are put aside for one year to allow for the development of the losses and accrual of premium. This gives us a truer indication on the program year's performance. At the end of the loss development period, premium and losses are reviewed to determine if a dividend has been earned.

If a dividend is earned, the amount must be approved by the Board of Directors. If approved, a dividend is then declared. Dividends are usually distributed in June.





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### **Must the Chamber member remain a member in good standing to receive a dividend?**

Yes. The Chamber member must meet the following criteria:

- Must be a member of a CCSC affiliated Chamber to enter the program at their normal policy effective dates
- Must be a chamber member as of the end of the program year (April 30).
- Must have an in-force policy with Penn National Insurance at the time the dividend is declared (after the 12-month loss development period).
- Must be current on all earned and audit premium at the time a dividend is declared unless there is a valid audit dispute.

*Example: ABC Mini-Market is a member of the Capital Area Chamber of Commerce for which Penn National has a Group Insurance Program. The program year runs from May 1-April 30. ABC Mini-Market is an active member in good standing as of April 30<sup>th</sup>, 2024. Following the 12-month development period (April 30, 2025), the policies for ABC Mini-Market are in force with Penn National and current with all premiums due. Assuming that the overall group results meet the minimum premium and loss ratio objectives, a dividend would be declared following board approval.*

*Using this same scenario, if ABC Mini-Market cancelled their policies with Penn National Insurance prior to the end of the 12-month development period, for example on January 1, 2025, ABC would not be eligible for a dividend.*

### **Why Penn National Insurance?**

Penn National Insurance has a successful track record of 12 active group dividend programs. The Company has paid dividends totaling \$23.9 million in the last five years among their various programs. They have a financial strength rating of A (Excellent), with stable outlook, from the A. M. Best Company. Headquartered in Harrisburg, the Company was founded in 1919 and has since grown to operating six offices in 12 states with more than \$1 billion in assets. True to their roots, they are still a mutual insurance company, which means they operate to the benefit of their policyholders.

### **Will Penn National Insurance accept all accounts?**

Penn National Insurance will accept business insurance accounts that meet their underwriting standards and are properly priced for the risk being assumed. Eligible lines include Workers' Compensation, Business Auto, Commercial Property, General Liability and Inland Marine coverages.

### **How do I locate a Penn National Insurance agent in my area?**

The Chamber website will highlight member agents that also represent Penn National Insurance. In addition, you can find an agent through the "agent finder" section of the Company's website ([www.pennnationalinsurance.com](http://www.pennnationalinsurance.com)).

