

RULES – IMPLEMENTATION

JULY 9, 2024

COMMERCIAL LINES

LI-CL-2024-056

## KENTUCKY COMMERCIAL LINES MANUAL MINE SUBSIDENCE RULES REVISION AMENDED AND TO BE IMPLEMENTED

---

### KEY MESSAGE

We are providing the amendment and announcing the implementation of the Mine Subsidence Insurance rules in various divisions of the Commercial Lines Manual in response to 2024 Ky. Acts \_\_\_\_ (Former H.B. 371).

**Applicable Lines of Business:** AG, BP, CF, FR, OP

**Filing ID:** [CL-2024-ORU1](#)

**Effective Date:** 1/1/2025

---

### BACKGROUND

In circular [LI-CL-2024-043](#), we informed you, in part, that we had:

- Revised the Mine Subsidence Insurance additional rule in various divisions of the Commercial Lines Manual (CLM) in response to 2024 Ky. Acts \_\_\_\_ (Former H.B. 371)
- Filed this revision with the Kentucky Department of Insurance under ISO Filing Designation number CL-2024-ORU1.

---

### ISO ACTION

In response to correspondence with the Kentucky Department of Insurance, we further revised the Mine Subsidence Insurance additional rule in various divisions of the CLM.

Refer to the attached explanatory material for complete details about the filing.

*For more information on the status of filings in a particular state, including filed and approved documents, associated circulars and links to Print Ready Manuals and Commercial Lines Manual, please feel free to access our [Filings](#) feature within the ISOnet Circulars product.*

---

### INSURANCE DEPARTMENT ACTION

We have received all necessary approvals or acknowledgments, as required by jurisdiction laws and regulations, from the Insurance Department.

---

### EFFECTIVE DATE

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies written on or after January 1, 2025.

---

## COMPANY ACTION

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are not required to file anything with the Insurance Department.
- To use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Insurance Department.

For guidance on submission requirements, consult the ISO State Filing Handbook.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Number CL-2024-ORU1 and SERFF Tracking Numbers ISOF-G134107007 (AG, OP), ISOF-G134107037 (BP), ISOF-G134107054 (CF) and ISOF-G134107066 (FR), NOT this circular number. communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

---

## RATING SOFTWARE IMPACT

New attributes being introduced with this revision:

- Current factors are being withdrawn.

---

## POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2024-016](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

---

## REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 1-25 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

---

## RELATED FORMS REVISION

We are announcing in a separate circular the implementation of a corresponding forms revision. Please refer to the Reference(s) block for identification of that circular.

---

## EFFECT ON ISO REVISION ON FLEX RATING

This revision does not result in any change which would increase or decrease supplementary rating information for any classification of risks within any territory more than 25%.

A company that decides to revise its supplementary rating information should determine the overall rate level impact of its revision and any other revision that it has implemented over the preceding 12 months. ISO has made the following revision(s) of supplementary rating information for Businessowners and Commercial Fire and Allied Lines over the preceding 12 months which result in percent indications different than those contained in the filing:

Filing BP-2022-RPAY: Revision of annual individual payroll amounts specific to Kentucky.

Filing CF-2023-RDEQR: Revision of state specific rules and territories as a result of a related review of Earthquake loss costs.

A company that decides to revise its supplementary rating information should determine the overall rate level impact of its revision and any other revisions that it has implemented over the preceding 12 months. ISO has not made any revision of supplementary rating information for Agricultural Capital Assets (Output Policy), Capital Assets Program (Output Policy) or Farm over the preceding 12 months which would result in percent indications different than those contained in the filing.

---

## REFERENCE(S)

- [LI-CL-2024-057](#) (07/09/2024) Kentucky Revised Commercial Lines Mine Subsidence Endorsements To Be Implemented
- [LI-CL-2024-043](#) (05/31/2024) Kentucky Commercial Lines Manual Mine Subsidence Rules Revision Filed; Implementation Pending
- [LI-CL-2024-042](#) (05/31/2024) Kentucky Revised Commercial Lines Mine Subsidence Endorsements Filed
- [LI-CL-2024-028](#) (04/12/2024) Kentucky Former H.B. 371 Regarding Mine Subsidence Under Review
- [LI-CL-2024-016](#) (03/12/2024) Commercial Lines Revised Lead Time Requirements Listing

---

## ATTACHMENT(S)

Filing CL-2024-ORU1 (Amendment)

---

## COPYRIGHT EXPLANATION

The material distributed by Insurance Services Office, Inc. is copyrighted. All rights reserved. Possession of these pages does not confer the right to print, reprint, publish, copy, sell, file or use same in any manner without the written permission of the copyright owner. Permission is hereby granted to members, subscribers and service purchasers to reprint, copy or otherwise use the enclosed material for purposes of their own business use relating to that territory or line or kind of insurance, or subdivision thereof, for which they participate, provided that:

- (A) Where ISO copyrighted material is reprinted, copied, or otherwise used **as a whole**, it must reflect the copyright notice actually shown on such material.
- (B) Where ISO copyrighted material is reprinted, copied, or otherwise used **in part**, the following credit legend must appear at the bottom of each page so used:  
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

---

## IMPORTANT NOTICE FOR USERS OF ISO PRODUCTS AND SERVICES

Please make sure that your company has authorized your use of this product and has complied with the requirements applicable in the jurisdiction where you plan to use it.

We distribute both state-specific and multistate products and services. We do not distribute all the multistate products and services for use in every jurisdiction due to corporate policy, regulatory preference, or variations or lack of clarity in state laws.

We provide participating insurers with information concerning the jurisdictions for which our products and services are distributed. Even in those jurisdictions, each insurer must determine what filing requirements, if any, apply and whether those requirements have been satisfied.

Now, as in the past, all of our products and services are advisory, and are made available for optional use by participating insurers as a matter of individual choice. Your company must decide for itself which, if any, ISO products or services are needed or useful to its operation and how those selected for use should be applied. We urge that you be guided by the advice of your attorneys on the legal requirements.

---

## CONTACT INFORMATION

If you have any questions concerning:

- The content of this circular, please contact:  
Brandii Mitchell  
Compliance and Product Services  
(201) 469-2298  
[Brandii.Mitchell@verisk.com](mailto:Brandii.Mitchell@verisk.com)  
[property@verisk.com](mailto:property@verisk.com)
- Other issues for this circular, please contact Customer Support:  
E-mail: [info@verisk.com](mailto:info@verisk.com)  
Phone: 800-888-4476

Callers outside the United States, Canada, and the Caribbean may contact us using our global toll-free number (International Access Code + 800 48977489). For information on all ISO products, visit us at [www.verisk.com/iso](http://www.verisk.com/iso). To keep abreast of the latest Insurance Lines Services updates, view [www.verisk.com/ils](http://www.verisk.com/ils).

# Kentucky Mine Subsidence Insurance Rules Revision Amended

## Applicable Lines of Business

---

This filing applies to the following lines of business:

- ◆ Agricultural Capital Assets (Output Policy)
- ◆ Businessowners
- ◆ Capital Assets Program (Output Policy)
- ◆ Commercial Fire and Allied Lines
- ◆ Farm

## About This Amendment

---

This amendment to Kentucky Commercial Lines filing CL-2024-ORU1 further revises the Mine Subsidence Insurance additional rule in various divisions of the Commercial Lines Manual (CLM) in response to correspondence with the Kentucky Department of Insurance (DOI).

## Revised Rules

We are revising the following rules:

- ◆ **Division Four – Farm – Kentucky Rules**
  - Rule **A3**. Mine Subsidence Insurance
- ◆ **Division Five – Fire and Allied Lines – Kentucky Rules**
  - Rule **A5**. Mine Subsidence Insurance
- ◆ **Division Ten – Businessowners – Kentucky Rules**
  - Rule **A1**. Mine Subsidence Insurance
- ◆ **Division Fourteen – Capital Assets – Agricultural Capital Assets (Output Policy) Section – Kentucky Rules**
  - Rule **A1**. Mine Subsidence Insurance
- ◆ **Division Fourteen – Capital Assets Program (Output Policy) – Kentucky Rules**
  - Rule **A2**. Mine Subsidence Insurance

We have used a format of ~~striking-through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes from the version previously submitted.

## Background

---

In Kentucky filing CL-2024-ORU1 we submitted revisions to the Mine Subsidence Insurance additional rule in various divisions of the CLM in response to 2024 Ky. Acts \_\_ (Former H.B. 371).

## Explanation of Changes

---

In response to correspondence from the Kentucky DOI, we have revised the Mine Subsidence additional rule for the lines of business listed in the Applicable Lines of Business block to replace the Mine Subsidence Premium table with Refer to company.

## Copyright Explanation

---

The material distributed by Insurance Services Office, Inc. is copyrighted. All rights reserved. Possession of these pages does not confer the right to print, reprint, publish, copy, sell, file or use same in any manner without the written permission of the copyright owner.

## Important Note

---

Insurance Services Office, Inc. (ISO) makes available advisory services to property/casualty insurers. ISO has no adherence requirements. ISO rules and explanatory materials are intended solely for the information and use of ISO's participating insurers and their representatives, and insurance regulators. Neither ISO's general explanations of rules intent nor opinions expressed by members of ISO's staff necessarily reflect every insurer's view or control any insurer's application of manual rules.

## Division Four – Farm

### A3. MINE SUBSIDENCE INSURANCE

#### A. Explanation

The Kentucky Mine Subsidence Act requires Mine Subsidence Insurance be available for certain structures in Kentucky. "Structure" is defined as a dwelling, building or fixture permanently affixed to realty.

#### B. Description Of Coverage

Property damage policies may be extended to provide coverage on structures for loss caused by or resulting from mine subsidence. The form provides:

1. A maximum limit of insurance of \$500,000 per structure; and
2. Up to \$50,000 additional limit of insurance to pay for additional living expenses reasonably and necessarily incurred by the insured when the insured is temporarily displaced as the direct result of loss of or damage to a structure caused by or resulting from mine subsidence, if the structure is:
  - a. A dwelling owned by the insured;
  - b. Used as a residence; and
  - c. Covered under the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form.

A 2% deductible (minimum of \$250; maximum of \$500) applies to each loss. Refer to company if higher limits are desired.

#### C. Forms

Use:

1. Kentucky Changes – Mine Subsidence Endorsement **IL 09 25**.
2. Mine Subsidence Schedule Endorsement **IL 09 03** when coverage does not apply to all locations described in the policy.

#### D. Rules

##### 1. Eligibility

Coverage must be provided for new or renewal fire policies insuring direct loss to "structures" located in certain specific counties in Kentucky.

##### 2. Ineligibility

The following coverages are not applicable:

- a. Personal Property Coverage, except to the extent that improvements and betterments would be considered structures;
- b. Coverage for indirect or consequential loss, except as provided in Paragraph **B.2.**;
- c. Dwellings, buildings or fixtures designed to be mobile or portable from location to location whether or not then located on a temporary foundation.

##### 3. Counties

- a. The coverage must be provided unless waived in writing by the insured in the counties listed as follows:

Bell	Harlan	McLean
Boyd	Henderson	Martin
Breathitt	Hopkins	Morgan
Butler	Jackson	Muhlenberg
Carter	Johnson	Ohio
Christian	Knott	Owsley
Clay	Knox	Perry
Daviess	Laurel	Union
Edmonson	Lawrence	Webster
Elliott	Lee	Whitley
Floyd	Leslie	Wolfe
Greenup	Letcher	

Hancock	McCreary	
---------	----------	--

- b. Companies are not precluded from offering coverage in excess of \$500,000 per structure and \$50,000 for additional living expense, subject to footnote (4) of Table A3.E.

#### 4. Separate Premium

Show premium for Mine Subsidence Insurance separately.

#### E. Premiums

Refer to company. The annual premiums per structure are as follows:

First	Dwelling Structure (2), (3)	Non-dwelling Structure (1), (2)
\$ 50,000 or less	\$ 10.00	\$ 15.00
50,001 to 60,000	12.00	17.00
60,001 to 70,000	14.00	19.00
70,001 to 80,000	16.00	21.00
80,001 to 90,000	18.00	23.00
90,001 to 100,000	20.00	25.00
100,001 to 110,000	22.00	27.00
110,001 to 120,000	24.00	29.00
120,001 to 130,000	26.00	31.00
130,001 to 140,000	28.00	33.00
140,001 to 150,000	30.00	35.00
150,001 to 160,000	32.00	37.00
160,001 to 170,000	34.00	39.00
170,001 to 180,000	36.00	41.00
180,001 to 190,000	38.00	43.00
190,001 to 200,000	40.00	45.00
200,001 to 210,000	42.00	47.00
210,001 to 220,000	44.00	49.00
220,001 to 230,000	46.00	51.00
230,001 to 240,000	48.00	53.00
240,001 to 250,000	50.00	55.00
250,001 to 260,000	52.00	57.00
260,001 to 270,000	54.00	59.00
270,001 to 280,000	56.00	61.00
280,001 to 290,000	58.00	63.00
290,001 to 300,000	60.00	65.00
300,001 to 310,000	62.00	67.00
310,001 to 320,000	64.00	69.00
320,001 to 330,000	66.00	71.00
330,001 to 340,000	68.00	73.00
340,001 to 350,000	70.00	75.00
350,001 to 360,000	72.00	77.00
360,001 to 370,000	74.00	79.00
370,001 to 380,000	76.00	81.00
380,001 to 390,000	78.00	83.00
390,001 to 400,000	80.00	85.00
400,001 to 410,000	82.00	87.00
410,001 to 420,000	84.00	89.00
420,001 to 430,000	86.00	91.00
430,001 to 440,000	88.00	93.00
440,001 to 450,000	90.00	95.00



450,001 to 460,000	92.00	97.00
460,001 to 470,000	94.00	99.00
470,001 to 480,000	96.00	101.00
480,001 to 490,000	98.00	103.00
490,001 to 500,000 <del>(4)</del>	100.00	105.00
Each Additional 10,000	2.00	2.00
<del>(1) A Non-dwelling Structure is defined, for rating purposes, as a building that is not used principally for residential purposes or houses of more than four family units.</del>		
<del>(2) If:</del>		
<del>(a) Dwellings and outbuildings are insured:</del>		
<del>(i) Rate dwellings using the premiums for Dwelling Structures.</del>		
<del>(ii) Rate each insured farm outbuilding using a rate of \$1.00 for each \$5,000 increment of coverage.</del>		
<del>(b) Only outbuildings are insured (no insured dwellings):</del>		
<del>(i) Rate the highest valued outbuilding using the premiums for Dwelling Structures.</del>		
<del>(ii) Rate each remaining outbuilding using a rate of \$1.00 for each \$5,000 increment of coverage.</del>		
<del>(3) Additional living expense premium is included in the premium for the Dwelling Structure.</del>		
<del>(4) A total limit of:</del>		
<del>(a) \$500,000 per Non-dwelling Structure; or</del>		
<del>(b) \$550,000 per Dwelling Structure, which includes a maximum limit of \$500,000 for the Dwelling Structure and a maximum limit of \$50,000 for additional living expenses;</del>		
<del>is the maximum amount of insurance reinsured by the Kentucky Coal Mine Subsidence Fund.</del>		

**Table A3.E. Premiums**

**Division Five - Fire and Allied Lines**

**A5. MINE SUBSIDENCE INSURANCE**

**A. Explanation**

The Kentucky Mine Subsidence Act requires Mine Subsidence Insurance to be available for certain structures in Kentucky. "Structure" is defined as a dwelling, building or fixture permanently affixed to realty.

**B. Description Of Coverage**

Property damage policies may be extended to provide coverage on structures for loss caused by mine subsidence. The form provides for a maximum limit of insurance of \$500,000 per structure. A 2% deductible (minimum of \$250; maximum of \$500) applies to each loss. Refer to company if higher limits are desired.

**C. Forms**

Use:

1. Mine Subsidence Coverage Endorsement **IL 09 25**.
2. Mine Subsidence Schedule Endorsement **IL 09 03** when coverage does not apply to all locations described in the policy.

**D. Rules**

**1. Eligibility**

Coverage must be provided for new or renewal policies insuring direct loss to "structures" located in certain specific counties in Kentucky.

**2. Ineligibility**

The following coverages are not applicable:

- a. Personal Property Coverage, except to the extent that improvements and betterments would be considered structures;
- b. Coverage for indirect or consequential loss;
- c. Dwellings, buildings or fixtures designed to be mobile or portable from location to location whether or not then located on a temporary foundation.

**3. Coverage**

- a. The coverage must be provided unless waived in writing by the insured in the counties listed as follows:

Bell	Harlan	McCreary
Boyd	Henderson	McLean
Breathitt	Hopkins	Morgan
Butler	Jackson	Muhlenberg
Carter	Johnson	Ohio
Christian	Knott	Owsley
Clay	Knox	Perry
Daviess	Laurel	Union
Edmonson	Lawrence	Webster
Elliott	Lee	Whitley
Floyd	Leslie	Wolfe
Greenup	Letcher	
Hancock	Martin	

- b. Companies are not precluded from offering coverage in excess of \$500,000.

**4. Separate Premium**

Show premium for Mine Subsidence Insurance separately.

**E. Premiums**

Refer to company. The annual premiums per structure are as follows:

First	Dwelling Structure	Non- Dwelling Structure (1)
\$ 50,000 or less	\$ 10.00	\$ 15.00

50,001 to 60,000	12.00	17.00
60,001 to 70,000	14.00	19.00
70,001 to 80,000	16.00	21.00
80,001 to 90,000	18.00	23.00
90,001 to 100,000	20.00	25.00
100,001 to 110,000	22.00	27.00
110,001 to 120,000	24.00	29.00
120,001 to 130,000	26.00	31.00
130,001 to 140,000	28.00	33.00
140,001 to 150,000	30.00	35.00
150,001 to 160,000	32.00	37.00
160,001 to 170,000	34.00	39.00
170,001 to 180,000	36.00	41.00
180,001 to 190,000	38.00	43.00
190,001 to 200,000	40.00	45.00
200,001 to 210,000	42.00	47.00
210,001 to 220,000	44.00	49.00
220,001 to 230,000	46.00	51.00
230,001 to 240,000	48.00	53.00
240,001 to 250,000	50.00	55.00
250,001 to 260,000	52.00	57.00
260,001 to 270,000	54.00	59.00
270,001 to 280,000	56.00	61.00
280,001 to 290,000	58.00	63.00
290,001 to 300,000	60.00	65.00
300,001 to 310,000	62.00	67.00
310,001 to 320,000	64.00	69.00
320,001 to 330,000	66.00	71.00
330,001 to 340,000	68.00	73.00
340,001 to 350,000	70.00	75.00
350,001 to 360,000	72.00	77.00
360,001 to 370,000	74.00	79.00
370,001 to 380,000	76.00	81.00
380,001 to 390,000	78.00	83.00
390,001 to 400,000	80.00	85.00
400,001 to 410,000	82.00	87.00
410,001 to 420,000	84.00	89.00
420,001 to 430,000	86.00	91.00
430,001 to 440,000	88.00	93.00
440,001 to 450,000	90.00	95.00
450,001 to 460,000	92.00	97.00
460,001 to 470,000	94.00	99.00
470,001 to 480,000	96.00	101.00
480,001 to 490,000	98.00	103.00
490,001 to 500,000 (2)	100.00	105.00
Each Additional \$10,000	2.00	2.00
(1) A non-dwelling structure is defined, for rating purposes, as a building that is not used principally for residential purposes or houses more than four family units.		
(2) \$500,000 per structure is the maximum amount of insurance reinsured by the Kentucky Coal Mine Subsidence Fund.		

**Table A5.E. Premiums**

## Division Ten – Businessowners

### A1. MINE SUBSIDENCE INSURANCE

#### A. Explanation

The Kentucky Mine Subsidence Act requires Mine Subsidence Insurance be available for certain structures in Kentucky. "Structure" is defined as a dwelling, building or fixture permanently affixed to realty.

#### B. Description Of Coverage

Property damage policies may be extended to provide coverage on structures for loss caused by or resulting from mine subsidence. The form provides for a maximum limit of insurance of \$500,000 per structure. A 2% deductible (minimum of \$250; maximum of \$500) applies to each loss. Refer to company if higher limits are desired.

#### C. Endorsements

Use:

1. Kentucky Changes – Mine Subsidence Endorsement **BP 10 25**.
2. Kentucky Mine Subsidence Schedule Endorsement **BP 10 56** when coverage does not apply to all locations described in the policy.

#### D. Rules

##### 1. Eligibility

Coverage must be provided for new or renewal policies insuring direct loss to "structures" located in certain specific counties in Kentucky.

##### 2. Ineligibility

The following coverages are not applicable:

- a. Personal Property Coverage, except to the extent that improvements and betterments would be considered structures;
- b. Coverage for indirect or consequential loss;
- c. Dwellings, buildings or fixtures designed to be mobile or portable from location to location whether or not then located on a temporary foundation.

##### 3. Counties

- a. The coverage must be provided unless waived in writing by the insured in the following counties:

Bell	Harlan	McLean
Boyd	Henderson	Martin
Breathitt	Hopkins	Morgan
Butler	Jackson	Muhlenberg
Carter	Johnson	Ohio
Christian	Knott	Owsley
Clay	Knox	Perry
Daviess	Laurel	Union
Edmonson	Lawrence	Webster
Elliott	Lee	Whitley
Floyd	Leslie	Wolfe
Greenup	Letcher	
Hancock	McCreary	

**Table A1.D.3.a. Counties Subject To Mandatory Offer**

- b. Companies are not precluded from offering coverage in excess of \$500,000.

#### E. Premiums

1. \_\_\_\_\_ The annual premiums per structure are as follows: Refer to company.

First	Dwelling Structure	Non-dwelling Structure
\$ 50,000 or less	\$ 10.00	\$ 15.00
50,001 to 60,000	12.00	17.00
60,001 to 70,000	14.00	19.00
70,001 to 80,000	16.00	21.00
80,001 to 90,000	18.00	23.00
90,001 to 100,000	20.00	25.00
100,001 to 110,000	22.00	27.00
110,001 to 120,000	24.00	29.00
120,001 to 130,000	26.00	31.00
130,001 to 140,000	28.00	33.00
140,001 to 150,000	30.00	35.00
150,001 to 160,000	32.00	37.00
160,001 to 170,000	34.00	39.00
170,001 to 180,000	36.00	41.00
180,001 to 190,000	38.00	43.00
190,001 to 200,000	40.00	45.00
200,001 to 210,000	42.00	47.00
210,001 to 220,000	44.00	49.00
220,001 to 230,000	46.00	51.00
230,001 to 240,000	48.00	53.00
240,001 to 250,000	50.00	55.00
250,001 to 260,000	52.00	57.00
260,001 to 270,000	54.00	59.00
270,001 to 280,000	56.00	61.00
280,001 to 290,000	58.00	63.00
290,001 to 300,000	60.00	65.00
300,001 to 310,000	62.00	67.00
310,001 to 320,000	64.00	69.00
320,001 to 330,000	66.00	71.00
330,001 to 340,000	68.00	73.00
340,001 to 350,000	70.00	75.00
350,001 to 360,000	72.00	77.00
360,001 to 370,000	74.00	79.00
370,001 to 380,000	76.00	81.00
380,001 to 390,000	78.00	83.00
390,001 to 400,000	80.00	85.00
400,001 to 410,000	82.00	87.00
410,001 to 420,000	84.00	89.00
420,001 to 430,000	86.00	91.00
430,001 to 440,000	88.00	93.00
440,001 to 450,000	90.00	95.00
450,001 to 460,000	92.00	97.00
460,001 to 470,000	94.00	99.00
470,001 to 480,000	96.00	101.00
480,001 to 490,000	98.00	103.00
490,001 to 500,000	100.00	105.00
Each Additional \$10,000	2.00	2.00

Table A1.E.1. Mine Subsidence Premiums

~~2. A Non-dwelling Structure is defined, for rating purposes, as a building that is not used principally for residential purposes or houses more than four family units.~~

\_\_\_\_\_ ~~3.~~ \$500,000 per structure is the maximum amount of insurance reinsured by the Kentucky Coal Mine Subsidence Fund.

**Division Fourteen – Agricultural Capital Assets (Output Policy)**

**A1. MINE SUBSIDENCE INSURANCE**

**A. Explanation**

The Kentucky Mine Subsidence Act requires Mine Subsidence Insurance to be available for certain structures in Kentucky. "Structure" is defined as a dwelling, building or fixture permanently affixed to realty.

**B. Description Of Coverage**

Property damage policies may be extended to provide coverage on structures for loss caused by or resulting from mine subsidence. The form provides for a maximum limit of insurance of \$500,000 per structure and up to \$50,000 additional limit of insurance to pay for additional living expenses reasonably and necessarily incurred by the insured when temporarily displaced as the direct result of loss of or damage to the insured's residence caused by or resulting from mine subsidence. A 2% deductible (minimum of \$250; maximum of \$500) applies to each loss. Refer to company if higher limits are desired.

**C. Forms**

Use Kentucky Changes – Mine Subsidence Endorsement **AG 08 04**.

**D. Rules**

**1. Eligibility**

Coverage must be provided for new or renewal policies insuring direct loss to "structures" located in certain specific counties in Kentucky.

**2. Ineligibility**

The following coverages are not applicable:

- a. Business Personal Property Coverage, except to the extent that improvements and betterments would be considered structures;
- b. Coverage for indirect or consequential loss, except for additional living expense coverage provided in Paragraph **B.** of this rule;
- c. Dwellings, buildings or fixtures designed to be mobile or portable from location to location whether or not then located on a temporary foundation.

**3. Coverage**

- a. The coverage must be provided unless waived in writing by the insured in the counties listed as follows:

Bell	Floyd	Knox	Morgan
Boyd	Greenup	Lawrence	Muhlenberg
Breathitt	Hancock	Laurel	Ohio
Butler	Harlan	Lee	Owsley
Carter	Henderson	Leslie	Perry
Christian	Hopkins	Letcher	Union
Clay	Jackson	Martin	Webster
Daviess	Johnson	McCreary	Whitley
Edmonson	Knott	McLean	Wolfe
Elliott			

**Table A1.D.3.a. Counties**

- b. Companies are not precluded from offering coverage in excess of \$500,000 per structure and \$50,000 for additional living expense subject to footnote (2) of Table **A1.E**.

**4. Separate Premium**

Show premium for Mine Subsidence Insurance separately.

**E. Premiums**

Refer to company. The annual premiums per structure are as follows:

First	Dwelling Structure (3)	Non- dwelling Structure (1)
\$ 50,000 or less	\$ 10.00	\$ 15.00
50,001 to 60,000	12.00	17.00
60,001 to 70,000	14.00	19.00
70,001 to 80,000	16.00	21.00
80,001 to 90,000	18.00	23.00
90,001 to 100,000	20.00	25.00
100,001 to 110,000	22.00	27.00
110,001 to 120,000	24.00	29.00
120,001 to 130,000	26.00	31.00
130,001 to 140,000	28.00	33.00
140,001 to 150,000	30.00	35.00
150,001 to 160,000	32.00	37.00
160,001 to 170,000	34.00	39.00
170,001 to 180,000	36.00	41.00
180,001 to 190,000	38.00	43.00
190,001 to 200,000	40.00	45.00
200,001 to 210,000	42.00	47.00
210,001 to 220,000	44.00	49.00
220,001 to 230,000	46.00	51.00
230,001 to 240,000	48.00	53.00
240,001 to 250,000	50.00	55.00
250,001 to 260,000	52.00	57.00
260,001 to 270,000	54.00	59.00
270,001 to 280,000	56.00	61.00
280,001 to 290,000	58.00	63.00
290,001 to 300,000	60.00	65.00
300,001 to 310,000	62.00	67.00
310,001 to 320,000	64.00	69.00
320,001 to 330,000	66.00	71.00
330,001 to 340,000	68.00	73.00
340,001 to 350,000	70.00	75.00
350,001 to 360,000	72.00	77.00
360,001 to 370,000	74.00	79.00
370,001 to 380,000	76.00	81.00
380,001 to 390,000	78.00	83.00
390,001 to 400,000	80.00	85.00
400,001 to 410,000	82.00	87.00
410,001 to 420,000	84.00	89.00
420,001 to 430,000	86.00	91.00
430,001 to 440,000	88.00	93.00
440,001 to 450,000	90.00	95.00
450,001 to 460,000	92.00	97.00
460,001 to 470,000	94.00	99.00
470,001 to 480,000	96.00	101.00
480,001 to 490,000	98.00	103.00
490,001 to 500,000 (2)	100.00	105.00
Each Additional \$10,000	2.00	2.00
(1) A Non-dwelling Structure is defined, for rating purposes, as a building that is not used principally for residential purposes or houses more than four family units.		



<p>(2) A total limit of:</p> <p>(a) \$500,000 per Non-dwelling Structure; or</p> <p>(b) \$550,000 per Dwelling Structure, which includes a maximum limit of \$500,000 for the Dwelling Structure and a maximum limit of \$50,000 for additional living expenses;</p> <p>is the maximum amount of insurance reinsured by the Kentucky Coal Mine Subsidence Fund.</p>	<p>(3) Additional living expense premium is included in the premium for structures.</p>
---	---

**Table A1.E. Premiums**

**Division Fourteen – Capital Assets Program (Output Policy)**

**A2. MINE SUBSIDENCE INSURANCE**

**A. Explanation**

The Kentucky Mine Subsidence Act requires Mine Subsidence Insurance to be available for certain structures in Kentucky. "Structure" is defined as a dwelling, building or fixture permanently affixed to realty.

**B. Description Of Coverage**

Property damage policies may be extended to provide coverage on structures for loss caused by or resulting from mine subsidence. The form provides for a maximum limit of insurance of \$500,000 per structure. A 2% deductible (minimum of \$250; maximum of \$500) applies to each loss. Refer to company if higher limits are desired.

**C. Forms**

Use:

1. Kentucky Changes – Mine Subsidence Endorsement **IL 09 25**.
2. Mine Subsidence Schedule Endorsement **IL 09 03** when coverage does not apply to all locations.

**D. Rules**

**1. Eligibility**

Coverage must be provided for new or renewal policies insuring direct loss to "structures" located in certain specific counties in Kentucky.

**2. Ineligibility**

The following coverages are not applicable:

- a. Business Personal Property Coverage, except to the extent that improvements and betterments would be considered structures;
- b. Coverage for indirect or consequential loss;
- c. Dwellings, buildings or fixtures designed to be mobile or portable from location to location whether or not then located on a temporary foundation.

**3. Coverage**

- a. The coverage must be provided unless waived in writing by the insured in the counties listed as follows:

Bell	Hancock	Letcher	Wolfe
Boyd	Harlan	Martin	
Breathitt	Henderson	McCreary	
Butler	Hopkins	McLean	
Carter	Jackson	Morgan	
Christian	Johnson	Muhlenberg	
Clay	Knott	Ohio	
Daviess	Knox	Owsley	
Edmonson	Laurel	Perry	
Elliott	Lawrence	Union	
Floyd	Lee	Webster	
Greenup	Leslie	Whitley	

**Table A2.D.3.a. Counties**

- b. Companies are not precluded from offering coverage in excess of \$500,000.

**4. Separate Premium**

Show premium for Mine Subsidence Insurance separately.

**E. Premiums**

Refer to company. The annual premiums per structure are as follows:

First	Dwelling Structure	Non- dwelling Structure (1)
\$ 50,000 or less	\$ 10.00	\$ 15.00
50,001 to 60,000	12.00	17.00
60,001 to 70,000	14.00	19.00
70,001 to 80,000	16.00	21.00
80,001 to 90,000	18.00	23.00
90,001 to 100,000	20.00	25.00
100,001 to 110,000	22.00	27.00
110,001 to 120,000	24.00	29.00
120,001 to 130,000	26.00	31.00
130,001 to 140,000	28.00	33.00
140,001 to 150,000	30.00	35.00
150,001 to 160,000	32.00	37.00
160,001 to 170,000	34.00	39.00
170,001 to 180,000	36.00	41.00
180,001 to 190,000	38.00	43.00
190,001 to 200,000	40.00	45.00
200,001 to 210,000	42.00	47.00
210,001 to 220,000	44.00	49.00
220,001 to 230,000	46.00	51.00
230,001 to 240,000	48.00	53.00
240,001 to 250,000	50.00	55.00
250,001 to 260,000	52.00	57.00
260,001 to 270,000	54.00	59.00
270,001 to 280,000	56.00	61.00
280,001 to 290,000	58.00	63.00
290,001 to 300,000	60.00	65.00
300,001 to 310,000	62.00	67.00
310,001 to 320,000	64.00	69.00
320,001 to 330,000	66.00	71.00
330,001 to 340,000	68.00	73.00
340,001 to 350,000	70.00	75.00
350,001 to 360,000	72.00	77.00
360,001 to 370,000	74.00	79.00
370,001 to 380,000	76.00	81.00
380,001 to 390,000	78.00	83.00
390,001 to 400,000	80.00	85.00
400,001 to 410,000	82.00	87.00
410,001 to 420,000	84.00	89.00
420,001 to 430,000	86.00	91.00
430,001 to 440,000	88.00	93.00
440,001 to 450,000	90.00	95.00
450,001 to 460,000	92.00	97.00
460,001 to 470,000	94.00	99.00
470,001 to 480,000	96.00	101.00
480,001 to 490,000	98.00	103.00
490,001 to 500,000 (2)	100.00	105.00
Each Additional \$10,000	2.00	2.00
(1) A Non-dwelling Structure is defined, for rating purposes, as a building that is not used principally for residential purposes or houses more than four family units.		

(2) \$500,000 per structure is the maximum amount of insurance reinsured by the Kentucky Coal Mine Subsidence Fund.

**Table A2.E. Premiums**