MONTANA

BUSINESSOWNERS

SECTION D - REVISED STATE LOSS COSTS

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| --- | --- |
| Windstorm or Hail Exclusion Credits.......................................................................................  Revised State Loss Costs .......................................................................................................... | D-2  D3-4 |

MONTANA

BUSINESSOWNERS

WINDSTORM OR HAIL EXCLUSION CREDITS

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| WINDSTORM OR HAIL EXCLUSION CREDITS | The windstorm or hail exclusion credits shown on Table 29.A.39.d.(LC) are calculated using losses for the five accident years ending December 31, 2015. The five-year losses attributable to the wind and hail causes of loss were compared to the five-year losses attributable to all causes of loss for property to determine the portion of the property base loss cost that covers wind and hail. This was done on a statewide basis, separately for building and business personal property (BPP). The resulting percentages were rounded to the nearest 5% and capped at a minimum of 10% and a maximum of 50% for buildings, and a minimum of 5% and a maximum of 50% for BPP. The calculations are shown below:     |  |  |  | | --- | --- | --- | | (1) Building losses - all perils | $ | 30,979,582 | | (2) Building losses - wind and hail | $ | 18,103,607 | | (3) Percent of losses attributable to wind and hail = (2)/(1), |  | 50% | | Capped at 10% and 50% |  |  | |  |  |  | | (4) Business Personal Property losses - all perils | $ | 5,791,532 | | (5) Business Personal Property losses - wind and hail | $ | 187,659 | | (6) Percent of losses attributable to wind and hail = (5)/(4), |  | 5% | | Capped at 5% and 50% |  |  |   The resulting percentages, in lines (3) and (6) above, were applied to the proposed base building and BPP loss costs, respectively, to determine the loss cost credits (i.e., the loss costs to be subtracted from the base loss costs when the new Windstorm or Hail Exclusion endorsement is applicable.) |

LOSS COSTS

|  | BASE LOSS COSTS | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
|  | PROPERTY | | LIABILITY | | | |
| Territory | Building Per $100 Of Limit Of Ins. | Business Personal Property Per $100 Of Limit Of Ins. | Occupant Liability Per $100 Of Limit Of Ins. | Occupant Liability Per $1,000 Of Annual Gross Sales | Occupant Liability Per $1,000 Of Annual Payroll | Lessors Liability Per $100 Of Limit Of Ins. |
| 702 | 0.159 | 0.123 | 0.078 | 1.510 | 13.564 | 0.018 |
| 703 | 0.257 | 0.212 | 0.089 | 1.787 | 13.576 | 0.020 |
| 704 | 0.330 | 0.270 | 0.053 | 1.526 | 13.731 | 0.014 |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

Table #1(LC) Base Loss Costs – Property And Liability

SECTION iii  
Rating and eligibility rules

RULE 23.  
PREMIUM DEVELOPMENT – MANDATORY COVERAGES

C. Premium Determination

6. Premium Determination

c. Additional Rating Considerations

(3) Permanent Yards – Maintenance Or Storage

|  | Loss Cost Per $100 | | |
| --- | --- | --- | --- |
|  | Public Protection (Fire) Classification | | |
| Territory | 01–04 | 05–08 | 09–10 |
| 702, 703 | 0.266 | 0.315 | 0.364 |
| 704 | 0.310 | 0.359 | 0.408 |
|  |  |  |  |

Table 23.C.6.c.(3)(LC) Permanent Yards – Maintenance Or Storage Premium Determination

RULE 29.  
ENDORSEMENTS

A. Property Endorsements

39. Windstorm Or Hail Exclusion

d. Rate Modification

|  |  |  |
| --- | --- | --- |
| Territory | Coverage (Code) | Credit |
| 702 | Buildings (1)   Business Personal Property (2) | 0.080 0.006 |
| 703 | Buildings (1)   Business Personal Property (2) | 0.129 0.011 |
| 704 | Buildings (1)   Business Personal Property (2) | 0.165 0.014 |

Table 29.A.39.d.(LC) Windstorm Or Hail Exclusion Credits

B. Liability Endorsements

7. Employment-Related Practices Liability

b. Employment-Related Practices Liability Coverage Endorsement

(5) Premium Determination

|  | Loss Cost Per Employee | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Number Of Employees | Mercantile  Restaurant | | Wholesale | | All Other | |
| 1-25 | $ | 3.120 | $ | 4.650 | $ | 3.720 |
| Each Additional Employee |  | 2.190 |  | 3.260 |  | 2.610 |

Table 29.B.7.b.(5)(LC) Employment-Related Practices Liability Premium Determination