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CHANGES

Revises the Louisiana state exception to Rule 85. Basic Group I Class Rates to reflect that class codes are being introduced.

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 Louisiana Department of Insurance.
- 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 Louisiana Department of Insurance.

In all correspondence with the Louisiana Department of Insurance regarding this revision, include the PIAL and/or State Filing Designation Number.

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Louisiana State Exception Revised

About This Filing

This filing revises the Louisiana state exception to Rule 85. Basic Group I Class Rates to reflect that class codes are being introduced for Condominiums.

Revised Rules

We are revising Rule **85**. Basic Group I Class Rates.

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

Related Filing(s)

The following companion filings are being filed with a concurrent effective date:

- ♦ CF-2019-RLA1

Background

The Louisiana state exception to Rule **85**. Basic Group I Class Rates, Paragraph **B.1.c.** provides CSP class codes for habitational buildings. Currently, the rule does not reflect Habitational CSP Class Codes for Condominiums - 0331, 0332, 0333, 0341, 0342, and 0343. In companion filing CF-2019-RLA1, we are introducing habitational class codes and corresponding rates for condominiums.

Explanation of Changes

We are revising the state exception to Rule **85**. Basic Group I Class Rates, Paragraph **B.1.c.** to provide Habitational CSP Class Codes for Condominiums - 0331, 0332, 0333, 0341, 0342, and 0343.



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COMMERCIAL LINES MANUAL
DIVISION FIVE
FIRE AND ALLIED LINES

85. BASIC GROUP I CLASS RATES

Paragraph **B.1.c.** is replaced by the following:

B. Eligibility

1. Habitational

c. CSP Class Codes

0074	0196*	0321	<u>0341</u>
0075	0197*	0322	<u>0342</u>
0076	0198*	0323	<u>0343</u>
0077	0311	<u>0331</u>	
0078	0312	<u>0332</u>	
0079	0313	<u>0333</u>	

* These building classifications refer to dwellings (and appurtenant structures such as garages) written in conjunction with a commercial risk and include dwellings or apartments owned by corporations and similar insureds who allow employees or others to occupy the dwellings without leasing or renting. The classifications also include time-sharing apartment units owned by corporations for use exclusively by their executives or other employees.

For Lessor's Contents, when the Causes of Loss – Special Form applies, use the Apartments and Condominiums Special Form contents rate shown in Rule **72.E.2.c.**



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**COMMERCIAL LINES MANUAL
DIVISION FIVE
FIRE AND ALLIED LINES
EXCEPTION PAGES**

**RULE 82.
WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLES**

Paragraph D. is replaced by the following:

D. Rate Modification

Multiply the Group II rate by the appropriate factor from Table 82.D. Windstorm Or Hail Rate Modification Factors.

Windstorm Or Hail Rate Modification Factors

Windstorm Or Hail Deductible	Amount Of Insurance At Each Location	Factor
1%	\$2,500,001 and Over	.65
	1,000,001 – 2,500,000	.75
	250,001 – 1,000,000	.80
	100,001 – 250,000	.85
	100,000	.90
2%	\$2,500,001 and Over	.55
	1,000,001 – 2,500,000	.65
	250,001 – 1,000,000	.70
	100,001 – 250,000	.75
	50,000 – 100,000	.85
5%	\$2,500,001 and Over	.45
	1,000,001 – 2,500,000	.50
	250,001 – 1,000,000	.55
	100,001 – 250,000	.60
	20,000 – 100,000	.70

Table 82.D. Windstorm Or Hail Rate Modification Factors

No further modification should be made to the Group II rate for deductible purposes, regardless of any deductible applicable to Group II causes of loss other than Windstorm or Hail.

**RULE 83.
MULTIPLE RESIDENTIAL PROPERTIES – SPECIAL CREDITS (Class Code 0300)**

Rule 83. does not apply.

**RULE 84.
OIL DISTRIBUTING STATIONS CLASS RATES (Class Codes 1751 and 1752)**

Rule 84. does not apply.

**SECTION VIII
BASIC GROUP I CLASS RATES**

**RULE 85.
BASIC GROUP I CLASS RATES**

Paragraph A.2. is replaced by the following:

A. General

2. PIAL will inspect properties eligible for Fire Class Rating and appropriate information pertaining to applicability of Group I Class rates, construction and area will be indicated on rate publication.

Paragraph B.1.c. is replaced by the following:

B. Eligibility**1. Habitational****c. CSP Class Codes**

0074	0079	0312	0331	0343
0075	0196*	0313	0332	
0076	0197*	0321	0333	
0077	0198*	0322	0341	
0078	0311	0323	0342	

* These building classifications refer to dwellings (and appurtenant structures such as garages) written in conjunction with a commercial risk and include dwellings or apartments owned by corporations and similar insureds who allow employees or others to occupy the dwellings without leasing or renting. The classifications also include time-sharing apartment units owned by corporations for use exclusively by their executives or other employees.

For Lessor's Contents, when the Causes of Loss – Special Form applies, use the Apartments and Condominiums Special Form contents rate shown in Rule 72.E2.c.

Paragraphs B.2., B.3. and B.4. are replaced by the following:

2. Hotels And Motels Without Restaurants**a. Construction**

All construction types.

b. Total Floor Area

15,000 square feet or less.

c. CSP Class Codes

0745
0746
0747