

**AMERICAN ASSOCIATION OF INSURANCE SERVICES  
INLAND MARINE GUIDE  
RIGGERS' COVERAGE**

**RATING**

**REV 08 08**

**RIG RTG**

**AAIS**

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**PREMIUM BASE**

The insured's gross receipts for rigging operations.

Unless otherwise indicated, all loads are expressed as annual loads per \$100 of gross receipts.

**PREMIUM DETERMINATION**

Step 1.

- a. **Basic Load** – Determine the basic load based on the selected limit of insurance and the following risk features:
  - 1) Operator training and experience
    - a) most operators with less than 10 years of experience and no records on training or certification
    - b) some operators with less than 10 years of experience and incomplete records on training or certification
    - c) most operators with 10 years or more of experience and complete records on training or certification
  - 2) Height of lifts
    - a) most lifts are 5 stories or higher
    - b) most lifts are less than 5 stories
    - c) most lifts are 1-2 stories high
  - 3) Average and maximum values of lifts
    - a) average over \$100,000 and maximum over \$250,000
    - b) average \$100,000 and maximum \$250,000
    - c) average \$50,000 and maximum \$100,000
  - 4) Use of specialized equipment for lifts
    - a) use of specialized equipment that requires specialized training and set-up
    - b) some use of specialized equipment, use of commonly available cranes
    - c) no use of specialized equipment, use of commonly available cranes

<u>Limit</u>	<u>Load</u>
\$250,000 and under	.40 - .59
\$250,001 - \$500,000	.60 - .79
\$500,001 and over	.80 - 2.00

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b. **Modification** – When coverage is written under IM 7151, apply the modification to the basic load based on the following risk features:

- 1) Rigging Contract
  - a) strict or absolute liability for load
  - b) negligence standard of liability
- 2) Limitation Of Liability
  - a) no limitation on the amount the insured is liable for
  - b) limitation on value of load, limitation on value based on weight of load

Modification: .90 - .60

**Step 2.**

Determine additional load for expediting expenses and contractual penalties (if applicable) based on the following risk characteristics:

- a. Limits
  - 1) requested limits over \$5,000
  - 2) requested limits \$5,000 or less
- b. Potential for delay
  - 1) most projects completed over several days, replacement equipment not readily available
  - 2) most projects completed in one day, replacement equipment readily available

Load: .05 - .50

**Step 3.**

Add the additional load to the basic or modified basic load and multiply the total by the insured's gross receipts (per \$100).

**Step 4.**

Multiply the Riggers' Coverage rating information shown in the Loss Cost Rating Information by the applicable company loss cost multiplier, and then multiply the result by the result of Step 3.

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Step 5.

**Deductible** -- Modify the premium by any applicable deductible modification.

<u>Deductible Amount</u>	<u>Factor</u>
\$500	1.05
\$1,000	1.00
\$2,500	.95
\$5,000	.85

Step 6.

**IRPM** -- Modify the premium by any applicable Individual Risk Premium Modification.

**REPORTING FORM** (if applicable)

When reporting conditions are part of the riggers' coverage form:

- a. The reporting period can be on a monthly, quarterly, or annual basis.
- b. The premium adjustment period can be on a monthly, quarterly, or annual basis.

Use the following steps to determine the gross receipts reporting premium:

1. Determine the premium per the Premium Determination section.
2. Divide the premium by the insured's annual gross receipts (per \$100) to determine the gross receipts reporting rate.
3. The reporting rate should be applied per \$100 to the reported rigging receipts.