

**AMERICAN ASSOCIATION OF INSURANCE SERVICES
INLAND MARINE GUIDE
RADIO AND TELEVISION TOWERS AND EQUIPMENT
RATING**

PREMIUM BASE

The limit for covered property at each described location.

Unless otherwise indicated, all loads are expressed as annual loads per \$100 of the limit of insurance.

TOWERS -- PREMIUM DETERMINATION

Step 1.A

Basic Load – Determine the basic load based on the following risk characteristics:

- a. age of tower (towers over 15 years of age are more susceptible to wind damage)
- b. maintenance program (contract with a maintenance company)
- c. installation of de-icing equipment on antennas

Refer to Electronic Industries Association (EIA) Wind Zones for the applicable wind loading zones. The following tower charges should not be used for towers over 300 feet in height that do not meet EIA tower structure standards for wind and ice loads.

<u>Wind Loading Zone</u>	<u>Load</u>
A:	.50 - .60
B:	.65 - .85
B-1:	1.00 - 1.80
C:	Refer To Company*

* Refer to Company for the wind load filed with the Department of Insurance.

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Step 2.A

Modifications -- If applicable, multiply the basic load by the following factors:

a. **Height Of Tower**

<u>Height of Tower</u>	<u>Factor</u>
300' or less	.90
301' to 1,100'	--
1,101' to 1,300'	1.05
1,301' to 1,500'	1.10
Over 1,500'	Refer to Company*

* Refer to Company for Height Of Tower factor filed with the Department of Insurance.

b. **Height Of Terrain**

<u>Height Above Average Terrain</u>	<u>Factor</u>
301' to 500'	1.05
501' to 1,000'	1.10
1,001' to 1,500'	1.15

c. **Ice Accumulation** -- Refer to EIA Glaze Table for the applicable ice zone:

<u>Ice Accumulation</u>	<u>Factor</u>
1/2" ice accumulation zone	1.10
3/4" ice accumulation zone	1.15

d. **Tornado Potential** -- Refer to EIA Tornado Table:

<u>Tornado Potential</u>	<u>Factor</u>
5 tornadoes per year	1.05
10 tornadoes per year	1.10

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Step 3.A

Earthquake and Flood Coverage Load -- Determine the coverage load for earthquake and flood, if applicable:

a.	<u>Earthquake Zone</u> 1 or 2 3, 4, or 5	<u>Load</u> Refer to Company* .005 -.05
b.	<u>Flood Zone</u> A or V B, C, or X	<u>Load</u> Refer to Company* .005 - .05

* Refer to Company for the earthquake and flood loads filed with the Department of Insurance.

Step 4.A

Add the load that was developed in Step 3.A to the basic load determined in Step 1.A or the modified basic load in Step 2.A. Multiply the result by the limit of insurance.

Step 5.A

Multiply the result of Step 4.A by the Radio and Television Towers and Equipment rating information shown in Loss Cost Rating Information.

Step 6.A

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

<u>Deductible Amount</u>	<u>Factor</u>
\$1,000	.95
\$2,500	.90
\$5,000	.80

Step 7.A

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

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EQUIPMENT AND SOFTWARE -- PREMIUM DETERMINATION

Each location should be rated separately.

Step 1.B

Basic Load

- a. Obtain the 100% coinsurance business personal property Group I (fire) rate and Group II (extended coverage) rate.
- b. Add the Group I (fire) rate to the Group II (extended coverage) rate.

Step 2.B

Special Perils Load -- Determine a special causes of loss (perils) load. The following risk features should be considered when determining a load:

- a. theft potential and protection
- b. off-premises exposures
- c. vandalism potential

Load: .05 - .20.

Step 3.B

Earthquake and Flood Coverage Load -- Determine the coverage load for earthquake and flood, if applicable:

- | | | |
|----|------------------------|-------------------|
| a. | <u>Earthquake Zone</u> | <u>Load</u> |
| | 1 or 2 | Refer to Company* |
| | 3, 4, or 5 | .01 - .05 |
| b. | <u>Flood Zone</u> | <u>Load</u> |
| | A or V | Refer to Company* |
| | B, C, or X | .01 - .05 |

* Refer to Company for the earthquake and flood loads filed with the Department of Insurance.

The loads for zones B, C, or X can be used if a risk is located above the second story of a building.

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Step 4.B

Add the loads together that were developed in Steps 1.B - 3.B and multiply the result by the limit of insurance.

Step 5.B

Multiply the result of Step 4.B by the Radio and Television Towers and Equipment rating information shown in Loss Cost Rating Information.

Step 6.B

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

<u>Deductible Amount</u>	<u>Factor</u>
\$1,000	.95
\$2,500	.90
\$5,000	.80

Step 7.B

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

MOBILE EQUIPMENT -- PREMIUM DETERMINATION

Step 1.C

Basic Load – Determine the basic load based on the following risk characteristics:

- a. alarm protection
- b. radius of operation
- c. fire extinguishers
- d. exposure to disaster areas

Load: .75 - 2.00

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Step 2.C

Multiply the load determined in Step 1.C by the Radio and Television Towers and Equipment rating information shown in Loss Cost Rating Information.

Step 3.C

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

<u>Deductible Amount</u>	<u>Factor</u>
\$1,000	.95
\$2,500	.90
\$5,000	.80

Step 4.C

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

ADDITIONAL PREMIUM DETERMINATION PROCEDURES

(if applicable)

Loss of Income

Step 1.D

Add together the premiums developed for towers, equipment and software, and mobile equipment. Divide the sum by the total of the applicable limits of insurance (per \$100).

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Step 2.D

Loss of Income Adjustment -- Determine the factor that corresponds to the number of days of coverage for loss of income coverage. Multiply the factor by the result in Step 1.D Loss of Income.

<u>Days of Coverage</u>	<u>Factor</u>
365	1.00
240	1.25
210	1.30
180	1.40
150	1.60
120	1.80
90	2.10
60	2.50
30	2.75

If the actual number of days falls between the days listed above, interpolation may be applied.

Step 3.D

Multiply the result of Step 2.D by the loss of income limit of insurance (per \$100).

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Step 4.D

Loss of Income Modifications -- If applicable, multiply the loss of income premium by the following modifications:

- | | | |
|----|---|-----|
| a. | Substitute transmitting tower for mounting of spare antennas. | .90 |
| b. | Emergency transmitter with 100% of normal power. | .85 |
| c. | Emergency transmitter with 50% to 75% of normal power. | .90 |
| d. | Mobile equipment capable of broadcasting directly to the transmitter. | .90 |
| e. | Network hookup at transmitter site. | .95 |
| f. | Studio facility at transmitter site. | .95 |
| g. | Secondary power source for continued transmission. | .90 |

REPORTING FORM (if applicable)

When reporting conditions are part of the radio and television and equipment 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.

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Use the following steps to determine the premium for a quarterly reporting period and annual adjustment risk. Adjust accordingly for monthly or annual reporting or monthly or quarterly adjustment periods:

1. Determine the reporting rate by adding together the premiums developed for towers, equipment and software, and mobile equipment. Divide the sum by the total of the applicable limits of insurance.
2. At the inception of the coverage obtain the initial schedule of covered property (report of values).
3. Apply the reporting rate to the initial report of values (per \$100) to develop a deposit premium.
4. After the quarterly reports have been received, add together the total values from all four reports then divide the sum by 4 to obtain the average quarterly values.
5. Apply the reporting rate to the average quarterly values (per \$100) to determine the earned premium.
6. Determine any additional or return premium based on the difference between the deposit premium (3.) and the earned premium (5.).

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DEFINITIONS OF ZONES

<u>Location Basic Wind Speed (mph)</u>	<u>Equivalent Wind Loading Zone</u>
Any location with a basic wind load of 90 mph or less	A
Any location with a basic wind load between 90 and 100 mph (except as in equivalent wind loading Zones B-1 or C below)	B
Any area with wind speeds of 100 mph or less, up to 25 miles inland from (and including) New Jersey through the Texas Gulf Coast, exclusive of Zone C	B-1
Any location with basic wind speeds between 100 and 110 mph or greater	C