

## AIG Programs

### Program Underwriting Authority

#### CLUBS PROGRAM

EDITION DATE: JULY 2015

PROGRAM ADMINISTRATOR: RPS-BOLLINGER INSURANCE  
150 JFK PARKWAY  
SHORT HILLS, NJ 07078

PRINCIPAL(S): LORI WINDOLF CRISPO

PROGRAM DESCRIPTION: CLUBS AND GOLF COMMUNITY  
HOMEOWNER ASSOCIATIONS/PROPERTY  
OWNER ASSOCIATIONS. PRIVATE EQUITY-  
MEMBER CLUBS PRIVATE- PRIVATELY  
OWNED CLUBS PRIVATE CLUBS-NON-  
EQUITY SEMI-PRIVATE CLUB, MUNICIPAL  
COURSES WITH A MINIMUM OF A 3 YEAR  
MANAGEMENT CONTRACT. DAILY FEE GOLF  
COURSES, INSTRUCTION CENTERS, TENNIS  
CLUBS, SWIMMING CITY CLUBS.  
HOMEOWNER ASSOCIATIONS /PROPERTY-  
OWNER ASSOCIATIONS

PROGRAM MANAGER: SANDI MCCABE

PROGRAM INCEPTION: 2001

DIVISION: 66 – AIG PROGRAMS

RELATED PUC NUMBERS: PACKAGE 0264, UMBRELLA 0265

PROGRAM TERRITORY: UNITED STATES EXCLUDING ALL TERRITORIES  
AND POSSESSIONS, FLORIDA AND HAWAII  
PROPERTY

PROGRAM COMMISSION: PACKAGE-26% UNTIL 6/30/2016  
(EXCEPT TX, LA, MS, AL, GA, FL, SC, AND NC)  
24.35% AUTO – 20%  
UMBRELLA AND EXCESS 20% POLLUTION – 20%  
PESTICIDE/AST- 20%

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## **NOTICE – PLEASE READ CAREFULLY**

This Program Underwriting Authority (the “Authority”) set forth the terms and conditions pursuant to which the Program Administrator named in Section 6 hereof (referred to hereinafter as the “Program Administrator”, “You” or “Your”) may place business with the insurance companies named in Section 2.1 hereof (collectively referred to hereinafter as the “Company”, “We”, “Us” or “Our”) in accordance with the Program Administrator Agreement between the Company and the Program Administrator.

Periodically during the year you may receive a change from us that directly correlates to this Authority document. That change will be deemed to be effective as of the date of the publication of the bulletin unless otherwise specified. Such changes, which may include rates, rules or form approval changes, will be integrated in to future Authority documents. The Program Administrator employee listed in Section 6, as the person assigned the underwriting authority granted herein, is responsible for the coordination with the Program Administrator’s staff of periodic updates to this Authority.

Please access our website at <http://www.aigprograms.net> for additional information as directed in this document.

Excluding any information provided by us via Bulletins to you, if there is a conflict between the instructions contained within this Authority and any other communication, this Authority shall supersede all other instructions.

Please sign the acknowledgement and acceptance form in Section 6 and return an executed copy of the Program Underwriting Authority to your Program Manager within 30 days. If your Program Manager does not receive the executed copy within such time, this Authority will automatically go into effect on the date set forth in Section 6.

## **1. PROGRAM OVERVIEW**

### **1.1 ELIGIBLE BUSINESS – PROGRAM DESCRIPTION**

YOU MAY UNDERWRITE, QUOTE AND BIND BUSINESS ON BEHALF OF THE COMPANY ON ELIGIBLE ACCOUNTS FOR THE CLUB PROGRAM (HEREINAFTER, THE “PROGRAM”) THAT MEET THE FOLLOWING ELIGIBILITY REQUIREMENTS:

- | GOLF COURSES INCLUDING DAILY FEE, PRIVATE OR SEMI-PRIVATE CLUBS WHETHER RURAL, SUBURBAN OR URBAN
- | GOLF SCHOOLS
- | YEAR ROUND PRACTICE FACILITY
- | GOLF ASSOCIATIONS REPRESENTING LOCAL OR REGIONAL GOLF RELATED INTEREST
- | SWIMMING AND TENNIS CLUBS
- | GOLF HOMEOWNERS /PROPERTY OWNER ASSOCIATIONS AS OUTLINED THE GENERAL LIABILITY SECTION

IN ADDITION, WE REQUIRE THE FOLLOWING ACCOUNT ATTRIBUTES\*:

- AT LEAST FIVE (5) YEARS IN OPERATION (NEW BUSINESS ONLY; ONCE APPROVED, FURTHER ACCOUNT REFERRALS ARE NOT NEEDED).
- THREE-YEAR CURRENTLY VALUED (WITHIN 180 DAYS OF THE PROPOSED EFFECTIVE DATE) HARD COPY LOSS HISTORY PROVIDED BY THE INSURANCE CARRIER ON NEW BUSINESS (SEE SECTION 3.5 FOR ADDITIONAL INFORMATION).

- THE LOSS RATIO FOR THE CURRENT YEAR, AND SEPARATELY, ALL LINES COMBINED FOR THE PAST THREE YEARS, MUST BE 30% OR LESS, WITH NO SINGLE LOSS GREATER THAN \$50,000 (INCURRED LOSS).
- CURRENT POLICY MUST BE ACTIVE AND NOT IN THE PROCESS OF BEING CANCELLED OR NON-RENEWED (WITH THE EXCEPTION OF A NON-RENEWAL BY A CARRIER EXITING A SIMILAR PROGRAM).
- D&B CREDIT SCORE OF 1, 2, 3, OR 'NO ALERTS' AS OBTAINED FROM ESTART.\*\*

\* ACCOUNTS THAT DO NOT POSSESS EACH OF THE ABOVE ATTRIBUTES MAY BE DEEMED ACCEPTABLE, BUT MUST BE REFERRED TO YOUR PROGRAM MANAGER FOR REVIEW AND APPROVAL PRIOR TO QUOTE.

\*\*FOR ACCOUNTS WITH A D&B SCORE OF 0, 4, OR 5, OR WHERE ESTART INDICATES 'NOT EVALUATED' WITH AN ANNUAL PREMIUM OF LESS THAN \$100,000, THE FOLLOWING FINANCIAL REVIEW IS ACCEPTABLE WHEN DOCUMENTED IN FILE:

- IF YOU SUBSCRIBE TO EXPERIAN, THE ACCOUNT HAS A SCORE OF TWENTY FIVE (25) OR HIGHER; OR
- THEIR PAYMENT HISTORY MUST BE REVIEWED AND FOUND TO BE 'CURRENT'; AND

YOU HAVE VERIFIED THAT THE INSURED IS NOT OPERATING UNDER ANY CHAPTER OF THE UNITED STATES BANKRUPTCY CODE.

IF THE ABOVE CANNOT BE VERIFIED, OR IF THE ACCOUNT PREMIUM IS IN EXCESS OF \$100,000, YOU MUST SUBMIT THE ACCOUNT TO YOUR PROGRAM MANAGER ALONG WITH A COPY OF THEIR CURRENT FINANCIAL STATEMENTS FOR APPROVAL PRIOR TO QUOTE.

## 1.2 INELIGIBLE BUSINESS

YOU CANNOT QUOTE OR BIND BUSINESS FOR ACCOUNTS THAT ARE OUTSIDE OF THE PARAMETERS ESTABLISHED ABOVE.

**IN ADDITION, THE FOLLOWING RISK CLASSES ARE CONSIDERED INELIGIBLE FOR THIS PROGRAM.**

APARTMENTS OR HOTEL TIMESHARING  
HOTELS AND MOTELS  
DESTINATION OR VACATION RESORTS  
ANY PROPERTY RENTED/LEASED BY THE OWNERS EXCEEDING 5% OF THE COMMUNITY'S RESIDENT HOMES  
CONDOMINIUMS INCLUDING TIMESHARING  
WATER PARKS OR SKI AMENITIES  
HOTEL OR MOTEL FACILITIES  
FRATERNAL CLUBS (KNIGHTS OF COLUMBUS, AMERICAN LEGION, VFW, ELKS, EAGLES, ETC)  
ATHLETIC PARTICIPANTS, CLUBS YOUTH OR ADULT INCLUDING BUT NOT LIMITED TO SOCCER, BASEBALL, FOOTBALL, SHOOTING, ROWING, HUNTING, HORSEBACK RIDING, SKI, ETC.  
MINIATURE GOLF COURSES  
PITCH AND PUTT OPERATIONS  
PRO SHOPS OFF PREMISES  
BOAT CLUBS/ MARINAS  
FULL SCALE HEALTH / FITNESS CLUBS

BARS WHERE THE SALE OF ALCOHOLIC BEVERAGES EXCEED 50% OF TOTAL RESTAURANT REVENUE  
 HORSEBACK RIDING  
 BOATING OR OTHER WATERCRAFT ACTIVITIES SUCH AS WATER SKIING INCLUDING RENTAL OR RACING  
 RISKS WITH FULL DAY CARE CENTERS PROVIDING DAY CARE SERVICES FOR OTHER THAN MEMBERS  
 AND THEIR GUESTS  
 RESTAURANT OR LOCATIONS WITH COMMERCIAL COOKING EXPOSURE OF AN OTHERWISE INELIGIBLE  
 CLUB

**2. AUTHORITY**

**2.1 INSURANCE COMPANIES**

YOU ARE AUTHORIZED TO PLACE BUSINESS IN THE PROGRAM WITH THE COMPANIES SET FORTH BELOW

COMPANY NAME
NEW HAMPSHIRE INSURANCE COMPANY
GRANITE STATE INSURANCE COMPANY
ILLINOIS NATIONAL INSURANCE COMPANY
NATIONAL UNION INSURANCE COMPANY OF PITTSBURGH
INSURANCE COMPANY OF THE STATE OF PA (EXCESS UMBRELLA ONLY)

**2.2 LINES OF BUSINESS / PREMIUM / OPERATING SYSTEM**

YOU MAY UNDERWRITE, QUOTE AND BIND ELIGIBLE BUSINESS IN THE PROGRAM FOR ACCOUNTS WITH PREMIUMS UP TO THE FOLLOWING AMOUNTS USING THE OPERATING SYSTEM(S) SET FORTH BELOW.

THE PREMIUM AMOUNTS APPLY ONLY TO BUSINESS WRITTEN IN THE PROGRAM AND DO NOT APPLY TO ANY BUSINESS WRITTEN WITH ANY OTHER COMPANY, BRANCH, DIVISION OR DEPARTMENT OF ANY MEMBER COMPANY OF AMERICAN INTERNATIONAL GROUP, INC.

LINES OF BUSINESS	PREMIUM AUTHORITY	OPERATING SYSTEM
COMMERCIAL PROPERTY/INLAND MARINE	\$ 200,000	PROPRIETARY
COMMERCIAL PACKAGE POLICY	\$ 395,000	PROPRIETARY
COMMERCIAL GENERAL LIABILITY	\$ 150,000	PROPRIETARY
COMMERCIAL AUTOMOBILE	\$ 35,000	PROPRIETARY
COMMERCIAL CRIME COVERAGE	\$ 10,000	PROPRIETARY
UMBRELLA LIABILITY COVERAGE	\$ 35,000	PROPRIETARY
EXCESS UMBRELLA COVERAGE	\$ 20,000	PROPRIETARY
THE SUM OF ALL POLICIES AND/OR COVERAGES WRITTEN FOR ONE INSURED	\$ 450,000	

**2.3 NAMED INSURED**

YOU MUST UNDERSTAND THE OPERATIONS OF ALL CURRENT AND INACTIVE NAMED INSURED ENTITIES INCLUDED ON ANY POLICY AND VERIFY THAT EACH SUCH ENTITY MEETS THE ELIGIBILITY AS DEFINED FOR THE PROGRAM.

NOTE: INDIVIDUALS (I.E., NATURAL PERSONS) MAY NOT TO BE LISTED AS A "NAMED INSURED" ON OUR POLICIES.

PLEASE REFER ALL ACCOUNTS THAT ARE REQUESTING EITHER AN INDIVIDUAL OR A NON-QUALIFYING ENTITY TO BE LISTED AS A "NAMED INSURED" TO YOUR PROGRAM MANAGER PRIOR TO QUOTE.

## 2.4 LIMITS AUTHORITY

YOU MAY UNDERWRITE, QUOTE AND BIND ELIGIBLE BUSINESS IN THE PROGRAM FOR ACCOUNTS WITH LIMITS UP TO THE AMOUNTS SET FORTH BELOW SUBJECT TO THE FOLLOWING CATASTROPHE MANAGEMENT LIMITATIONS.

PROPERTY/CRIME COVERAGES	LIMITS	
<b>PROPERTY</b>		
COMMERCIAL PROPERTY AND/OR INLAND MARINE	\$ 35,000,000	MAXIMUM AMOUNT SUBJECT (GROSS) IN PROTECTION CLASS 1 - 8 AMOUNT SUBJECT ANY LOCATION IN PROTECTION CLASS 9 OR 10 TOTAL INSURED VALUES
	\$ 10,000,000	
	\$ 35,000,000	
EARTHQUAKE – 250 YEAR MMI ZONES OF 7.0 THROUGH 12 (DERIVED FROM RISKMETER*), AND THE ENTIRE STATE OF CALIFORNIA, ALASKA AND HAWAII	NO AUTHORITY	
EARTHQUAKE – 250 YEAR MMI ZONES 1 THROUGH 6.99 (DERIVED FROM RISKMETER*),	\$ 5,000,000	
EARTHQUAKE SPRINKLER LEAKAGE – 250 YEAR MMI ZONES 1 – 6.99 (DERIVED FROM RISKMETER*)	\$ 5,000,000	
FLOOD – RISKMETER FLOOD SCORE OVER 40	NO AUTHORITY	
FLOOD – RISKMETER FLOOD SCORE 10 - 40	\$ 5,000,000	
* SEE QWIK NOTES FOR INFORMATION ON RISKMETER		
WIND/COASTAL PROPERTY	NO AUTHORITY	REFER TO THE WINDSTORM SECTION OF PROPERTY QWIK NOTES FOR GUIDANCE PRIOR TO MAKING YOUR REFERRAL.
EQUIPMENT BREAKDOWN	PER EQUIPMENT BREAKDOWN ADDENDUM	SEE SECTION 5 FOR EQUIPMENT BREAKDOWN ADDENDUM.
<b>CRIME</b>		

COMMERCIAL CRIME (1):	\$ 500,000 *UNLESS PREVIOUSLY APPROVED FOR \$1,000,000	PER OCCURRENCE
EMPLOYEE THEFT (1) INCLUDES EMPLOYEE BENEFIT PLANS – WHEN SCHEDULED ON THE DECLARATIONS PAGE		
FORGERY OR ALTERATION		
INSIDE THE PREMISES: THEFT OF MONEY AND SECURITIES	\$ 100,000	
INSIDE THE PREMISES: ROBBERY OR SAFE BURGLARY OF OTHER PROPERTY	\$ 100,000	
OUTSIDE THE PREMISES	\$ 100,000	
COMPUTER AND FUNDS TRANSFER FRAUD	\$ 500,000	
MONEY ORDERS AND COUNTERFEIT MONEY	\$ 25,000	
ALL OTHER COMMERCIAL CRIME	\$ 25,000	PER OCCURRENCE

BUILDERS RISK : HARD AND SOFT COST TOTAL	PROTECTION CLASS 1 - 6	PROTECTION CLASS 7 - 8	PROTECTION CLASS 9 - 10
<b>BUILDING CONSTRUCTION:</b>			
FRAME AND JOISTED MASONRY	\$ 5,000,000	\$ 3,000,000	\$ 2,000,000
NON-COMBUSTIBLE (ISO CONSTRUCTION CLASS 3)	\$ 5,000,000	\$ 4,000,000	\$ 4,000,000
MASONRY NON COMBUSTIBLE, SEMI-FIRE RESISTIVE, AND FIRE RESISTIVE	\$ 5,000,000	\$ 4,500,000	\$ 4,000,000
<ul style="list-style-type: none"> <li>➤ COVERAGE IS A REFERRAL IF THE "SOFT COSTS" LIMIT EXCEEDS 20% OF THE BUILDERS RISK "HARD COSTS"</li> <li>➤ "SOFT COST" LIMITS MUST BE SCHEDULED FOR EACH TYPE OF COST TO BE COVERED WITH RESPECTIVE LIMIT</li> </ul>			

GENERAL LIABILITY, AUTOMOBILE, GARAGE, UMBRELLA	LIMITS	
COMMERCIAL GENERAL LIABILITY AND PRODUCTS LIABILITY	\$1,000,000 \$3,000,000 \$3,000,000	EACH OCCURRENCE GENERAL AGGREGATE PRODUCTS-COMPLETED OPERATIONS AGGREGATE
MEDICAL PAYMENTS	\$ 25,000	
PERSONAL/ADVERTISING INJURY	\$1,000,000	EACH OCCURRENCE
DAMAGE TO PREMISES RENTED TO YOU	\$ 300,000	
LIQUOR LIABILITY	\$1,000,000 \$1,000,000	EACH OCCURRENCE ANNUAL AGGREGATE
EMPLOYEE BENEFITS LIABILITY	\$1,000,000 \$1,000,000	CLAIMS MADE ANNUAL AGGREGATE
POLLUTION: HERBICIDE/PESTICIDE/ ABOVE GROUND TANKS	\$10,000,000 \$10,000,000	CLAIMS MADE CLAIMS MADE



ERRORS AND OMISSIONS LIABILITY	\$NO AUTHORITY	PER WRONGFUL ACT ANNUAL AGGREGATE
COMMERCIAL AUTOMOBILE LIABILITY	\$1,000,000	ANY ONE ACCIDENT
COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE	ACV TO \$60,000	PER VEHICLE REPLACEMENT COST
MINIMUM DEDUCTIBLE:		
>	\$1,000 WITH COST NEW LESS THAN \$60,000	
>	\$2,000 WITH COST NEW AT OR ABOVE \$60,000	\$1,000,000
AMOUNT SUBJECT ANY ONE LOCATION		
GARAGEKEEPERS COVERAGE:		
COMPREHENSIVE	\$1,000,000	CUSTOMER AUTOS IN OUR CCC
COLLISION	\$1,000,000	CUSTOMER AUTOS IN OUR CCC
COMMERCIAL UMBRELLA	\$10,000,000	EACH OCCURRENCE
	\$20,000,000	GENERAL AGGREGATE LIMIT
COMMERCIAL UMBRELLA EXCESS FOLLOW FORM	\$15,000,000	EACH OCCURRENCE
	\$15,000,000	GENERAL AGGREGATE LIMIT
	\$15,000,000	PRODUCTS-COMPLETED OPERATIONS AGGREGATE

## 2.5 WINDSTORM AND EARTHQUAKE CAT MANAGEMENT REFERRALS

CATASTROPHE MODELING IS ALSO REQUIRED WHEN WRITING PROPERTY COVERAGE INCLUDING WINDSTORM AND/OR EARTH MOVEMENT ON BOTH NEW AND RENEWAL BUSINESS FOR ANY LOCATIONS:

1. WITHIN WINDSTORM CONTROL ZONES (AS DEFINED IN THE WINDSTORM SECTION OF THE QWIK NOTES), AND
2. FOR ANY LOCATION(S) WITH A RISKMETER 250 YEAR MMI RATING OF 7.0 AND ABOVE FOR EARTH MOVEMENT.

ALL NEW BUSINESS FALLING INTO EITHER OF THE ABOVE PARAMETERS MUST BE SUBMITTED TO THE PROGRAM MANAGER FOR CAT MODELING PRIOR TO QUOTING

AS RESPECTS RENEWAL BUSINESS YOU SHOULD USE THE AVERAGE ANNUAL LOSS DETERMINATIONS PROVIDED TO YOU BY YOUR PROGRAM MANAGER AS PART OF THE UNDERWRITING / REFERRAL PROCESS.

NO NEW OR RENEWAL PROPERTY COVERAGE SUBJECT TO MODELING MAY BE QUOTED UNTIL REQUIRED APPROVAL IS RECEIVED FROM THE PROGRAM MANAGER.

## 2.6 ADHERENCE TO FILED RULES/LOSS COSTS/FORMS

### 2.6.1 ISO PRODUCTS / AAIS PRODUCTS / PROPRIETARY PRODUCTS

FOR THIS PROGRAM, FOR THE FOLLOWING LINES OF BUSINESS, THE COMPANY UTILIZES THE FOLLOWING PRODUCTS AS SET FORTH BELOW:

INSURANCE SERVICES ORGANIZATION	AAIS	PROPRIETARY PRODUCTS
COMMERCIAL GENERAL LIABILITY	INLAND MARINE	COUNTRY CLUB PREMIER PROPERTY FORMS
COMMERCIAL AUTO		EQUIPMENT BREAKDOWN
COMMERCIAL PROPERTY	COMMERCIAL CRIME	COMMERCIAL UMBRELLA

**UNLESS YOU ARE ADVISED OTHERWISE BY A PROGRAM ADMINISTRATOR BULLETIN, THE COMPANY WILL AUTOMATICALLY ADOPT ALL ISO/AAIS PRODUCTS USING THEIR EFFECTIVE DATES AS FILED FOR:**

- COVERAGE FORMS AND ENDORSEMENTS
- LOSS COSTS, EXPECTED LOSS POTENTIALS AND/OR RATES
- INCREASED LIMITS FACTORS
- RATING PLANS
- CLASSIFICATION PLANS
- MANUAL RULES
- PACKAGE MODIFICATION FACTORS

THE COVER-ALL OPERATING SYSTEM WILL MAINTAIN ALL CHANGES IN COMPLIANCE WITH OUR FILINGS.

IF YOU ARE USING AN APPROVED PROPRIETARY OPERATING SYSTEM, SUCH SYSTEM MUST BE COMPLIANT WITH ALL APPLICABLE COMPANY FILINGS AND YOU MUST MAINTAIN ALL RATES/LOSS COSTS, RULES, FORMS AND LOSS COST MULTIPLIERS, AND PAPER COMPANY USAGE AS DIRECTED BY THE COMPANY SO THAT YOU ARE IN COMPLIANCE WITH ALL COMPANY FILINGS.

### **2.6.2 NEW YORK FREE TRADE ZONE (NYFTZ)**

YOU ARE AUTHORIZED TO WRITE BUSINESS IN THE NYFTZ THAT QUALIFIES UNDER 'CLASS 2' BUT ONLY AS DIRECTED IN SECTION 5. WHERE THE INSURED'S HEADQUARTER STATE IS NEW YORK, ALL UMBRELLA POLICIES MUST BE ISSUED IN THE NYFTZ (SEE UMBRELLA QWIK NOTES FOR DETAILS). YOU MUST REFER ANY 'CLASS 1' RISK TO YOUR PROGRAM MANAGER PRIOR TO QUOTE. THE COMPANY DOES NOT WRITE BUSINESS THAT QUALIFIES AS 'CLASS 3' AT THIS TIME.

**REGULATION 86 IS AVAILABLE HERE:**

**[HTTP://GOVERNMENT.WESTLAW.COM/LINKEDSLICE/DEFAULT.ASP?SP=NYCRR-1000](http://government.westlaw.com/linkedslice/default.asp?sp=NYCRR-1000)**

### **2.7 POLICY TERM**

POLICY PERIODS (INCLUDING ANY COVERAGE AND RATE COMMITMENTS ASSOCIATED THEREWITH) MAY NOT EXCEED TWELVE (12) MONTHS.

NOTE: THE FOREGOING NOTWITHSTANDING, YOU MAY EXTEND THE 12 MONTH POLICY PERIOD TO ACCOMMODATE CONCURRENCY REQUESTS FOR A PERIOD OF UP TO 60 DAYS. WHEN ISSUING A POLICY GREATER THAN ONE YEAR, PLEASE NOTIFY YOUR PROGRAM MANAGER OF THE PREMIUM IN EXCESS OF THE ANNUAL TERM.

## 2.8 PRICING AUTHORITY

YOU HAVE AUTHORITY TO USE THE PRICING PLANS DESIGNATED BELOW. YOU HAVE NO AUTHORITY TO USE ANY RATES, LOSS COSTS, OR RATING PLANS OTHER THAN THOSE FILED BY OR ON BEHALF OF THE COMPANY. WHEN PRICING ALL LINES, YOU MUST PROPERLY DOCUMENT THE UNDERWRITING FILE RELATIVE TO QUALIFICATION AND/OR THE KNOWN RISK ATTRIBUTES AS REQUIRED BY STATE REGULATORY REQUIREMENTS:

PRICING / RATING PLAN	
AAIS RATING PLANS FOR THE FOLLOWING LINES OF BUSINESS:	NO AUTHORITY
PREFERRED RISK PROPERTY (PROPERTYONE RATING PLAN)	NO AUTHORITY
USE OF ISO EXPERIENCE AND SCHEDULE RATING AND IRPM	APPROVED
ISO 'A' RATING	NO AUTHORITY
DEVIATION FROM ISO 'INCREASE LIMITS FACTORS'	NO AUTHORITY
ISO RULE 15 – COMMERCIAL AUTOMOBILE	NO AUTHORITY
ISO RULE 34 – COMMERCIAL GENERAL LIABILITY	NO AUTHORITY
ISO COMPOSITE RATING	NO AUTHORITY
LOSS SENSITIVE RATING OR RETROSPECTIVE RATING	NO AUTHORITY
LARGE OR SPECIAL RISK RATING	NO AUTHORITY
USE OF ANY OTHER STATE APPROVED "DEREGULATION" RELATIVE TO RATE OR FORM USE	NO AUTHORITY
DIVIDEND PLANS: INDIVIDUAL RISK OR ENTIRE PROGRAM	NO AUTHORITY
PREMIUM DEFERRAL OR CASH-FLOW PROGRAMS, OR COMPENSATING BALANCE PROGRAMS	NO AUTHORITY
RATE GUARANTEES BEYOND THE ANNUAL POLICY TERM	NO AUTHORITY
SELF INSURED RETENTIONS	NO AUTHORITY
CONSENT TO RATE RULES	NO AUTHORITY
AIG UMBRELLA RATING PLAN	APPROVED
PROPRIETARY INLAND MARINE RATE FILING	APPROVED

### 2.8.1 ISO "REFER TO COMPANY" RULES

ANYTIME ISO HAS INSUFFICIENT DATA TO PROMULGATE A RATE OR LOSS COST, THEY DEFER TO THE COMPANY TO CREATE ITS OWN RATE. PLEASE REFER TO SECTION 5, "REFER TO COMPANY" RULES WHICH ARE APPLICABLE (BY PRODUCT LINE) FOR THE PROGRAM, OR QWIK NOTES FOR GUIDANCE. IF WE DO NOT ADDRESS A SPECIFIC "REFER TO COMPANY" ISSUE PERTAINING TO RATING AN ACCOUNT, PLEASE REFER THE MATTER TO YOUR PROGRAM MANAGER FOR GUIDANCE PRIOR TO QUOTE.

## 2.9 LIMITATIONS TO AUTHORITY

UNLESS A SPECIFIC EXCEPTION IS LISTED IN SECTION 5, YOU MAY NOT PLACE ANY BUSINESS IN CONTRAVENTION OF THIS AUTHORITY WITH RESPECT TO ANY ASPECT OF THE INSURANCE PLACED PURSUANT TO THE PROGRAM, INCLUDING WITHOUT LIMITATION, TYPES OF RISK, COVERAGES PROVIDED, POLICY TERMS AND CONDITIONS, AND PRICING TECHNIQUES.

### 2.9.1 LIMITATIONS: GENERAL LIMITATIONS

UNLESS AUTHORITY IS GRANTED ELSEWHERE IN THIS DOCUMENT, NO AUTHORITY EXISTS TO:

1. QUOTE OR BIND AN ACCOUNT OPERATING PURSUANT TO ANY CHAPTER OF THE UNITED STATES BANKRUPTCY CODE.
2. QUOTE OR BIND ANY ACCOUNT WITH COMMERCIAL AUTO EXPOSURES OF A LONG-HAUL NATURE, DEFINED AS A RADIUS OF OPERATIONS GREATER THAN 250 MILES.
3. QUOTE OR BIND ANY ACCOUNT WITH OVERHEAD TRANSMISSION/DISTRIBUTION LINES EITHER FOR DIRECT DAMAGE OR CONSEQUENTIAL LOSS, I.E. BUSINESS INTERRUPTION OR EXTRA EXPENSE.
4. BIND ANY ACCOUNT WHERE RISK TRANSFER IS NOT SELF-EVIDENT, OR WHERE THE PREMIUM FOR SUCH ACCOUNTS MUST BE RECORDED AS A DEPOSIT.
5. USE ANY ENDORSEMENT RELATED TO ANY RATING AGENCY DOWNGRADE OF AIG (CREDIT DOWNGRADE ENDORSEMENT).
6. CAPTIVE, POOLING, OR OTHER RISK FINANCING ARRANGEMENTS.
7. ASSUMED REINSURANCE.
8. AMENDMENTS TO ANY PROGRAM ADMINISTRATOR AGREEMENT OR OTHER CONTRACTUAL AGREEMENT BETWEEN ANY COMPANY OF AIG, INC., AND ANY DULY AUTHORIZED BROKER DOING BUSINESS WITH THE AIG PROGRAMS DIVISION.
9. BACK-DATE COVERAGE MORE THAN TEN (10) BUSINESS DAYS (AND IF TEN DAYS OR LESS, SUBJECT TO A WARRANTY OF NO KNOWN OR REPORTED LOSSES FROM THE INSURED).
10. REQUESTS FOR FACULTATIVE REINSURANCE OF ANY LINE.
11. AGREEMENT TO PAY OR ACTUAL PAYMENT OF ANY LOSS NOT COVERED BY THE POLICY AS IT WAS WRITTEN AT THE TIME OF LOSS.
12. INDIVIDUAL RISKS, OR PROGRAMS, IF AIG CLAIMS SERVICES, OR AN AIG APPROVED TPA IS NOT HANDLING ALL LOSSES AND LOSS ADJUSTMENT.
13. REVISE ANY PREMIUM AUDIT WITHOUT THE EXPRESS WRITTEN CONSENT OF THE COMPANY PREMIUM AUDIT DIVISION.

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#### 2.9.2 LIMITATIONS: COVERAGES

UNLESS AUTHORITY IS GRANTED ELSEWHERE IN THIS DOCUMENT, NO AUTHORITY EXISTS TO QUOTE OR BIND ANY OF THE FOLLOWING:

1. CLAIMS MADE COVERAGE IN A PROGRAM WHERE THE CGL IS WRITTEN ON AN OCCURRENCE FORM (EXCLUDING EMPLOYEE BENEFITS LIABILITY).
2. OCCURRENCE COVERAGE IN A PROGRAM WHERE THE CGL IS WRITTEN ON A CLAIMS MADE FORM.
3. EMPLOYMENT RELATED PRACTICES.
4. POLLUTION OR OTHER ENVIRONMENTAL COVERAGE.
5. LIQUOR LAW LIABILITY IN STATES DESIGNATED AS A HIGH HAZARD (8 OR HIGHER) BY ISO
6. RAILROAD PROTECTIVE LIABILITY.
7. PROFESSIONAL LIABILITY OR ERRORS AND OMISSIONS LIABILITY.
8. MANUFACTURERS OUTPUT POLICIES OR COVERAGE.
9. OCEAN MARINE.
10. PRODUCT RECALL.
11. FOREIGN COVERAGE (I.E. OUTSIDE THE UNITED STATES OR CANADA).
12. HAWAII AUTO COVERAGE IF NOT WRITTEN THROUGH COVERALL.
13. MASSACHUSETTS AUTO COVERAGE.

14. MOLD/FUNGUS COVERAGE.
15. DATA CORRUPTION COVERAGE.
16. POLICIES THAT PROVIDE FOR WINDSTORM AND/OR FLOOD AND/OR EARTHQUAKE ONLY.

### 2.9.3 LIMITATIONS: POLICY TERMS AND CONDITIONS

UNLESS AUTHORITY IS GRANTED ELSEWHERE IN THIS DOCUMENT, NO AUTHORITY EXISTS TO QUOTE OR BIND ANY OF THE FOLLOWING TERMS OR CONDITIONS:

1. INDIVIDUAL RISK, OR PROGRAMS REQUESTING FINANCIAL GUARANTEES, E.G. ANY SITUATION WHERE WE WOULD BE ASKED TO INCLUDE LANGUAGE IN OUR POLICY, OR ASSUME OBLIGATIONS IN THE REPAYMENT OF INDEBTEDNESS.
2. AGGREGATE LIMIT REINSTATEMENT.
3. REQUESTS FOR MID-TERM INCREASE IN LIMITS OF LIABILITY (GL ONLY). A "NO KNOWN LOSS" WARRANTY STATEMENT FROM THE INSURED MAY ALSO BE REQUIRED.
4. EXTENSION OF CANCELLATION OR NON-RENEWAL PROVISIONS BEYOND THE STATUTORY MINIMUM OR 90 DAYS, WHICHEVER IS GREATER.
5. MASTER POLICIES WITH CERTIFICATES.
6. MANUSCRIPT POLICIES, FORMS OR ENDORSEMENTS, DEFINED AS INSURANCE COVERAGE DOCUMENTS, WHETHER WRITTEN BY MEMBER COMPANIES OF AIG OR NOT, THAT AMEND POLICY COVERAGE TERMS BUT ARE NOT FILED.
7. REMOVAL OF ANY POLICY EXCLUSION.
8. PROPERTY LOSS – LIMIT FORMS OR COVERAGE.
9. PROPERTY (REAL, PERSONAL OR INLAND MARINE) ON A REPORTING FORM BASIS.
10. PROPERTY BLANKET POLICY LIMITS.
11. AGGREGATE STOP LOSS ON DEDUCTIBLES OR APPROVED SIR'S

### 2.10 STATE SURCHARGES AND FEES

YOU ARE RESPONSIBLE FOR THE PROPER BILLING AND COLLECTION OF ALL STATE SURCHARGES AND FEES. PLEASE REFER TO OUR UNDERWRITING BULLETINS OR CONTACT YOUR PROGRAM MANAGER FOR CURRENT INFORMATION REGARDING ALL APPLICABLE STATE SURCHARGES AND FEES.

### 2.11 POLICY ISSUANCE AUTHORITY AND SERVICE STANDARDS

YOU ARE AUTHORIZED TO ISSUE POLICIES AND ON BEHALF OF THE COMPANY IN ACCORDANCE WITH THE AUTHORITY SET FORTH HEREIN. YOU MUST ISSUE AND MAIL ALL POLICIES (EITHER BY USPS OR ELECTRONICALLY) WITHIN THIRTY (30) DAYS FROM THE EFFECTIVE DATE OF THE POLICY.

ENDORSEMENTS MUST BE ISSUED AND MAILED (EITHER BY USPS OR ELECTRONICALLY) WITHIN THIRTY (30) DAYS OF RECEIPT OF THE REQUEST.

NOTE: IN ANY INSTANCE WHERE THE ENDORSEMENT MUST BE BACK-DATED (SEE SECTION 2.9.1.9) AND SUCH ENDORSEMENT EXPANDS OR BROADENS THE TERMS, CONDITIONS OR LIMITS OF THE

POLICY, THE INSURED MUST PROVIDE WRITTEN CONFIRMATION THAT THERE ARE NO KNOWN LOSSES DURING THE PERIOD BETWEEN THE DATE OF RECEIPT AND THE ENDORSEMENT EFFECTIVE DATE. FOR CHANGES TO AN AUTOMOBILE POLICY, A NO KNOWN LOSS LETTER WILL NOT BE REQUIRED IF: (A) THERE IS AN EXCHANGE IN VEHICLES, OR (B) THE NUMBER OF UNITS IS REDUCED FOR ANY REASON.

#### 2.12 APPROVED COVERAGE FORMS AND ENDORSEMENT AUTHORITY

THE ATTACHED DOCUMENT SETS FORTH THE COVERAGE FORMS AND ENDORSEMENTS THAT ARE AVAILABLE FOR USE WITH THE PROGRAM BY LINE OF BUSINESS BY JURISDICTION. SEE FORMS ADDENDUM

THIS INFORMATION IS CURRENT AS OF THE DATE OF THIS DOCUMENT. HOWEVER, THE ACTUAL EDITION DATES ARE SUBJECT TO CHANGE BASED UPON NEW FORMS BEING FILED AND APPROVED. YOU MAY NOT USE ANY FORM OR ENDORSEMENT OTHER THAN THE MOST CURRENT VERSION APPROVED FOR USE BY THE COMPANY, BY LINE OF BUSINESS, AND BY JURISDICTION.

ANYTIME YOU NEED TO USE A COVERAGE FORM OR ENDORSEMENT NOT SET FORTH IN THE ATTACHED DOCUMENT, YOU MUST REFER SUCH FORM TO YOUR PROGRAM MANAGER FOR REVIEW AND APPROVAL PRIOR TO USE.

#### 2.13 DELEGATION OF AUTHORITY

THE PERSON DESIGNATED IN SECTION 6 (THE "DESIGNEE") MAY DELEGATE THE UNDERWRITING AUTHORITY SET FORTH HEREIN TO EMPLOYEES OF THE PROGRAM ADMINISTRATOR, PROVIDED SUCH EMPLOYEES ARE UNDER THE EMPLOY AND DIRECT SUPERVISION OF SUCH DESIGNEE. ANY SUCH DELEGATION OF AUTHORITY MUST BE DONE IN WRITING, MAINTAINED ON FILE AT THE PROGRAM ADMINISTRATORS OFFICE AND MADE AVAILABLE TO THE COMPANY UPON REQUEST. NO PERSON OTHER THAN THE DESIGNEE MAY DELEGATE ANY UNDERWRITING AUTHORITY NOR MAY THE DESIGNEE DELEGATE ANY AUTHORITY TO ANYONE OUTSIDE OF THE EMPLOY OF THE PROGRAM ADMINISTRATOR. ANY EXCEPTIONS TO ANY OF THE FOREGOING MUST BE EXPRESSLY APPROVED IN WRITING BY YOUR PROGRAM MANAGER PRIOR TO INITIATING THE QUOTE PROCESS.

DELEGATION OF AUTHORITY TO EMPLOYEES MUST BE DONE IN WRITING AND SHALL BE MAINTAINED ON FILE AT THE PROGRAM ADMINISTRATORS OFFICE.

#### 2.14 UNDERWRITING GUIDELINES - QWIK NOTES

THROUGHOUT THIS DOCUMENT YOU WILL SEE REFERENCES TO QWIK NOTES. THESE ARE OUR UNDERWRITING GUIDELINES THAT SUMMARIZE SPECIFIC LINE OF BUSINESS RULES THAT YOU ARE EXPECTED TO FOLLOW UNLESS OTHERWISE DIRECTED IN THIS DOCUMENT. YOU AND YOUR STAFF SHOULD CAREFULLY READ THEM AND REFER ANY QUESTIONS TO YOUR PROGRAM MANAGER. WE WILL NOTIFY YOU OF ANY CHANGES DURING THE COURSE OF THE YEAR VIA UNDERWRITING BULLETIN. YOU CAN ACCESS THE MOST CURRENT EDITION OF QWIK NOTES VIA THE AIG PROGRAM WEBSITE.

### 3. PROGRAM UNDERWRITING RULES

#### 3.1 UNDERWRITING FILE/DOCUMENTATION REQUIREMENT

YOU MUST DOCUMENT THE UNDERWRITING FILE TO REFLECT THAT ALL ISSUES WARRANTING SPECIAL CONSIDERATION HAVE BEEN RECOGNIZED, EVALUATED, AND FOUND TO BE IN ACCORDANCE WITH THE AUTHORITY DELEGATED TO YOU. LIKEWISE, IF ANY EXPOSURES ARE EXCLUDED FROM COVERAGE, YOU MUST DOCUMENT THE FILE ACCORDINGLY. THE UNDERWRITING FILE MUST CONTAIN SUFFICIENT INFORMATION AND ORGANIZED IN A MANNER THAT WILL ALLOW ANYONE TO UNDERSTAND THE PROGRAM ADMINISTRATOR'S UNDERWRITING INTENT BY READING THE FILE.

THE MINIMUM GENERAL REQUIREMENTS FOR CONTENTS OF AN UNDERWRITING FILE (PAPER OR ELECTRONIC) ARE:

- SIGNED AND DATED APPLICATION(S) – SEE SECTION 3.2.
- ACCOUNT RESERVATION (ESTART) CONFIRMATION PAGE, INCLUDING THE D&B CREDIT SCORE AND ANY CREDIT OR UNDERWRITING ALERTS CONTAINED THEREIN – SEE SECTION 3.3.
- ACCOUNT SUMMARY WORKSHEET - SEE SECTION 3.4.
- LOSS RUNS – SEE SECTION 3.5.
- FINAL RATING WORKSHEETS.
- WHERE A POLICY IS ISO 'A' OR 'RANGE' RATED, DOCUMENTATION SUPPORTING THE RATE SELECTED AND WHERE NEEDED, APPROVED BY THE PROGRAM MANAGER.
- DECLARATIONS PAGE (INCLUDING FULL LEGAL ADDRESS OF THE INSURED).
- ALL CORRESPONDENCE PERTAINING TO COVERAGE OR PREMIUM, INCLUDING REFERRALS.
- REFERRAL APPROVALS, DECLINATIONS, IF ANY.
- ALL QUOTES RETAINED IN A .PDF FORMAT ALONG WITH THE EMAIL COVER LETTER.
- ALL BINDERS, RETAINED IN A .PDF FORMAT ALONG WITH THE EMAIL COVER LETTER.
- COMPLETE COPY OF THE POLICY, WHICH MUST INCLUDES A SCHEDULE OF FORMS (EITHER PAPER OR ELECTRONIC COPY)
- COPIES OF ANY:
  - a. MID-TERM ENDORSEMENTS;
  - b. NOTICES OF CANCELLATION;
  - c. ADDITIONAL INSURED ENDORSEMENTS;
  - d. NON-RENEWAL NOTICES;
  - e. RENEWAL NOTICES;
  - f. PREMIUM AUDITS;
  - g. LOSS CONTROL REPORTS.

THE MINIMUM ADDITIONAL DOCUMENT REQUIREMENTS BY PRODUCT LINE ARE:

##### 3.1.1 PROPERTY FILE DOCUMENTATION REQUIREMENTS

IRPM WORKSHEET, (INCLUDING THOSE WRITTEN WITH A UNITY (1.00 MOD) AND JUSTIFICATION FOR ALL SCHEDULE CREDITS/DEBITS APPLIED)  
AAL CALCULATION WHERE REQUIRED  
MSB OR SIMILAR  
SIGNED STATEMENT OF VALUES  
BI WORKSHEET WHERE REQUIRED

ISO RATE CARD IF APPLICABLE  
AQI WORKSHEET  
RISK METER WHERE REQUIRED

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### 3.1.2 GENERAL LIABILITY FILE DOCUMENTATION REQUIREMENTS

- a. EXPERIENCE AND SCHEDULE RATING WORKSHEETS (INCLUDING THOSE WRITTEN WITH A UNITY (1.00 MOD) AND JUSTIFICATION FOR ALL SCHEDULE CREDITS/DEBITS APPLIED.

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### 3.1.3 AUTOMOBILE FILE DOCUMENTATION REQUIREMENTS

- a. EXPERIENCE AND SCHEDULE RATING WORKSHEETS (INCLUDING THOSE WRITTEN WITH A UNITY (1.00 MOD) AND JUSTIFICATION FOR ALL SCHEDULE CREDITS/DEBITS APPLIED.
- b. DRIVER LIST AND COPIES OF MVR'S AS REQUIRED BY OUR UNDERWRITING GUIDELINES.
- c. UM/UIM OFFERS AND REJECTIONS (WHERE REQUIRED)

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### 3.1.4 UMBRELLA / EXCESS CASUALTY FILE DOCUMENTATION REQUIREMENTS

- a. UMBRELLA PRICING WORKSHEET INCLUDING REASON FOR PRICING DEVIATIONS.
- b. UM/UIM OFFER, ACCEPTANCE & REJECTION FORMS WHERE REQUIRED (FL, LA, NH, VT, AND WV)
- c. FOR SCHEDULED UNDERLYING COVERAGE(S) NOT WRITTEN BY AIG PROGRAMS, WE REQUIRE THE FOLLOWING:
  - a. LOSS RUNS OR A LETTER OF "NO KNOWN LOSSES" WHERE APPLICABLE – SEE SECTION 3.5
  - b. DECLARATIONS PAGE SHOWING THE WRITING COMPANY, POLICY PERIOD AND LIMITS.  
NOTE: FOR EMPLOYERS LIABILITY, AN EMAIL FROM THE RETAIL PRODUCER INDICATING THE WRITING COMPANY IS ACCEPTABLE.
  - c. PREMIUMS (EXCEPT AUTO AND EMPLOYERS LIABILITY)
  - d. VEHICLE SCHEDULE (AUTOMOBILE)
  - e. FORMS SCHEDULE (EXCEPT FOR EMPLOYERS LIABILITY).
- d. UMBRELLA POLICY WHEN ISSUED.

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## 3.2 APPLICATIONS

A COPY OF THE COMPLETED, SIGNED AND DATED APPLICATION IS REQUIRED ON ALL NEW BUSINESS AND KEPT IN THE POLICY FILE, ALONG WITH ANY SUPPLEMENTAL APPLICATIONS, QUESTIONNAIRES, OR STATEMENTS OF VALUE WHICH ARE CRITICAL TO THE UNDERWRITING OF THE ACCOUNT.

UMBRELLA APPLICATIONS ARE NOT REQUIRED TO BE SIGNED IF ALL OF THE UNDERLYING APPLICATIONS HAVE BEEN SIGNED. WHERE THE APPLICATION BECOMES PART OF THE INSURANCE POLICY (AS IS THE CASE WITH PROFESSIONAL LIABILITY, FOR EXAMPLE) SUBSEQUENT APPLICATIONS MUST BE SIGNED. WHERE THE APPLICATION DOES NOT BECOME PART OF THE INSURANCE POLICY, SUBSEQUENT RENEWAL APPLICATIONS DO NOT NEED TO BE SIGNED, ALTHOUGH IT IS CONSIDERED PREFERABLE TO OBTAIN SUCH SIGNATURES WHERE POSSIBLE. HOWEVER, A COMPLETED, SIGNED APPLICATION IS REQUIRED EVERY THREE YEARS.



ADDITIONAL INFORMATION THAT IS OBTAINED THROUGH TELEPHONE CONVERSATIONS, EMAIL EXCHANGES, OR OTHER MEANS MAY BE USED TO ANALYZE AN ACCOUNT, BUT MUST BE DOCUMENTED IN THE ACCOUNT FILE.

ALL APPLICATIONS, INCLUDING SUPPLEMENTAL APPLICATIONS USED BY THE PROGRAM ADMINISTRATOR, MUST BE APPROVED BY THE COMPANY.

STANDARD ACORD FORMS AND/OR SUPPLEMENTAL QUESTIONNAIRES OR APPLICATIONS APPROVED BY YOUR PROGRAM MANAGER ARE THE ONLY APPLICATIONS APPROVED FOR THIS PROGRAM.

### 3.3 ACCOUNT CLEARANCE/RESERVATION IN 'E START'

YOU MUST ENTER ALL ACCOUNTS AND NAMED INSURED INTO THE AIG RESERVATION SYSTEM (ESTART) PRIOR TO THE RELEASE OF A QUOTE. YOU MUST INCLUDE EVIDENCE OF THE RESERVATION CLEARANCE IN THE UNDERWRITING FILE. YOU MUST RESOLVE ALL UNDERWRITING ALERTS, CREDIT ALERTS AND HARD BLOCKS IN ACCORDANCE WITH THE AIG'S PROGRAMS REQUIREMENTS (SEE WEBSITE FOR DETAILS) OR AS DIRECTED BY YOUR PROGRAM MANAGER PRIOR TO QUOTE AND RETAINED IN THE FILE.

IN ADDITION, WHEN AN ACCOUNT IS BOUND, IT MUST BE UPDATED IN ESTART TO REFLECT A BOUND STATUS.

### 3.4 ACCOUNT SUMMARY WORKSHEET

EACH UNDERWRITING FILE MUST CONTAIN A COMPLETED "ACCOUNT SUMMARY WORKSHEET" (ONE DOCUMENT) THAT AT INCLUDES THE FOLLOWING:

- NAME AND ADDRESS OF THE FIRST NAMED INSURED
- COMPLETE LIST OF NAMED INSURED, A BRIEF SUMMARY OF EACH NAMED INSURED'S OPERATIONS (INCLUDING ANY DISCONTINUED OPERATIONS).
- DESCRIPTION OF ALL OPERATIONS (CONFIRMING ELIGIBILITY).
- EXPOSURE AND HAZARD ANALYSIS.
- CURRENT/EXPIRING PREMIUM (FOR NEW BUSINESS, WHERE AVAILABLE).
- LOSS HISTORY SUMMARY BY LINE OF BUSINESS SUPPORTING ELIGIBILITY, INCLUDING THE FOLLOWING:
  - TOTAL NUMBER OF LOSSES AND TOTAL LOSS DOLLARS INCURRED BY POLICY YEAR
  - ANALYSIS OF ANY CLAIM IN EXCESS OF \$50,000
- D&B SCORE OF 1, 2, OR 3 (FROM ESTART), OR IF THE SCORE IS 0, 4, OR 5 FINANCIAL ANALYSIS AS DIRECTED IN SECTION 1.1, ELIGIBILITY, OR REFERRED TO THE PROGRAM MANAGER WITH SUPPORTING FINANCIALS AND APPROVED PRIOR TO QUOTE.
- UNDERWRITING RATIONALE SUPPORTING WRITING THE ACCOUNT.

### 3.5 LOSS RUNS/LOSS ANALYSIS

YOU MUST ANALYZE LOSS INFORMATION PRIOR TO QUOTING ANY ACCOUNT IN ACCORDANCE WITH THE ELIGIBILITY REQUIREMENTS SET FORTH IN SECTION 1.1 AND DOCUMENTED IN THE UNDERWRITING FILE. THREE YEAR CURRENTLY VALUED (HARD OR ELECTRONIC COPY) LOSS RUNS

PROVIDED BY THE INSURER ARE REQUIRED ON NEW BUSINESS. SEE SECTION 3.4 FOR DOCUMENTATION EXPECTATIONS.

### 3.6 REFERRAL PROCESS / REQUIRED DOCUMENTATION

YOU MUST REFER ANY UNDERWRITING ISSUE THAT FALLS OUTSIDE OF THE UNDERWRITING AUTHORITY HEREIN TO YOUR PROGRAM MANAGER PRIOR TO QUOTING THE ACCOUNT. SUCH REFERRAL MUST CLEARLY INCLUDE THE FOLLOWING:

- REASON(S) FOR THE REFERRAL (INCLUDING DIRECT REFERENCE TO YOUR AUTHORITY TRIGGERING SAME).
- SUPPORTING DOCUMENTATION, INCLUDING A COMPLETED, CURRENT 'ACCOUNT SUMMARY WORKSHEET' (SEE SECTION 3.4).
- YOUR REASONS SUPPORTING WHY AN EXCEPTION SHOULD BE MADE.
- DUE DATE FOR A RESPONSE.

IT IS INCUMBENT UPON YOU TO ALLOW SUFFICIENT TIME FOR THE PROGRAM MANAGER TO REVIEW ALL REFERRALS.

YOUR PROGRAM MANAGER WILL RESPOND TO YOU WITH A DECISION VIA EMAIL, WHICH YOU MUST RETAIN IN THE UNDERWRITING FILE. YOU MAY NOT QUOTE OR BIND COVERAGE PRIOR TO RECEIVING WRITTEN APPROVAL FROM YOUR PROGRAM MANAGER.

ONCE APPROVED, WHERE YOU HAVE ESTABLISHED THAT THERE HAS BEEN NO MATERIAL CHANGE TO THE RISK AND PROPERLY DOCUMENTED THE FILE, THE APPROVAL REMAINS IN EFFECT AND RESUBMISSION IS NOT REQUIRED AT EACH RENEWAL\*. HOWEVER, THE FOLLOWING EXCEPTIONS LIMIT REFERRAL APPROVAL TO THE CURRENT POLICY YEAR ONLY:

1. WHEN LIMITED BY YOUR PROGRAM MANAGER AND STATED IN THEIR APPROVAL EMAIL; OR
2. DETERIORATION OF PREVIOUSLY APPROVED THREE YEAR ACCOUNT LOSS RATIO OF MORE THAN 10%; OR
3. ANY REFERRAL FOR RATE EXCEPTIONS; OR
4. THE PREMIUM EXCEEDS YOUR AUTHORITY AS STATED IN SECTION 2.2, PREMIUM AUTHORITY; OR
5. ANY APPROVAL FOR PROPERTY AND/OR INLAND MARINE COVERAGES:
  - FOR FLOOD AND/OR EARTH MOVEMENT IF THERE IS AN INCREASE IN LIMIT(S) OR DECREASE IN DEDUCTIBLE(S); OR
  - WINDSTORM IN A "WIND CONTROL ZONE" (UNLESS OTHERWISE PROVIDED IN THE WRITTEN APPROVAL); OR
  - IF THE KEY AMOUNT SUBJECT INCREASES BY MORE THAN 10% ABOVE THE APPROVED AMOUNT SUBJECT LIMIT; OR
  - ANY AMOUNT SUBJECT VALUE OVER \$40,000,000.

\*NOTE: ALL REFERRAL APPROVALS PERTAINING TO THE IN FORCE POLICY MUST BE KEPT IN THE CURRENT YEAR POLICY FILE.

IN ADDITION TO THE ABOVE, PLEASE NOTE THAT ANY PREVIOUSLY APPROVED MANUSCRIPT ENDORSEMENTS THAT DO NOT HAVE A SPECIFIC FORM NUMBER AND EDITION DATE MUST BE

RESUBMITTED AT EXPIRATION. ONCE APPROVED, THE ABOVE WILL APPLY IF SO DESIGNATED BY YOUR PROGRAM MANAGER.

### 3.7 DEDUCTIBLES / SIR PROCEDURES

GENERAL LIABILITY: THERE ARE NO MANDATORY DEDUCTIBLES OR SIR'S FOR THIS PROGRAM. ACCORDINGLY, THE USE OF ANY DEDUCTIBLES ON A GENERAL LIABILITY MUST BE REFERRED TO YOUR PROGRAM MANAGER PRIOR TO USE.

### 3.8 QUOTATION

YOU MUST ISSUE QUOTE LETTERS FOR ALL ACCOUNTS USING A PROTECTED PDF FORMAT. THE SAVED PDF FILE NAME MUST INCLUDE THE INSURED'S NAME AND THE DATE THE QUOTE WAS CREATED. THE QUOTE LETTER MUST BE RETAINED IN THE UNDERWRITING FILE ALONG WITH THE DATED COVER LETTER (EMAIL) THAT ACCOMPANIED THE QUOTE. IF A REQUEST IS MADE TO REVISE THE QUOTE PRIOR TO BINDING, YOU MUST ISSUE A NEW QUOTE LETTER.

AT A MINIMUM THE QUOTE LETTER MUST INCLUDE THE FOLLOWING: DATE OF PROPOSAL, NAME OF PRODUCER, NAME OF INSURED, PROPOSED EFFECTIVE DATE AND EXPIRATION DATE, CONDITIONS, LIMITS OF LIABILITY, DEDUCTIBLE/SELF INSURED RETENTION IF APPLICABLE, PREMIUM, APPLICABLE COVERAGE, DESCRIPTION OF FORMS AND ENDORSEMENTS, SERVICES IF APPLICABLE, PAYMENT OPTIONS.

### 3.9 BINDERS

ALL REQUESTS FROM A RETAIL BROKER OR APPLICANT TO BIND COVERAGE MUST BE IN WRITING AND RECEIVED PRIOR TO THE COVERAGE INCEPTION DATE. IF MULTIPLE QUOTES WERE PROVIDED, THE BIND ORDER MUST CLEARLY STATE THE QUOTE OPTION SELECTED.

YOU MUST ISSUE A BINDER WHENEVER A POLICY IS NOT ISSUED AND MAILED (USPS OR ELECTRONICALLY) WITHIN FIVE (5) BUSINESS DAYS OF THE POLICY'S EFFECTIVE DATE. SUCH BINDER MUST OUTLINE THE FINAL AGREED-UPON TERMS AND CONDITIONS (WHICH MAY DIFFER FROM THE QUOTE LETTER ASSUMING THE CHANGES ARE NON-MONETARY). ALL BINDERS MUST BE CONVERTED TO A .PDF FORMAT, SENT VIA EMAIL, AND RETAINED IN THE UNDERWRITING FILE, ALONG WITH THE DATED COVER LETTER THAT ACCOMPANIED THE BINDER. A BINDER CANNOT BE ISSUED FOR A PERIOD OF MORE THAN 30 DAYS WITHOUT WRITTEN APPROVAL BY THE COMPANY.

BINDERS MAY CONSIST OF AN ACORD FORM 75 OR A BINDER LETTER, PROVIDED HOWEVER, THAT ALL BINDER LETTERS MUST REFERENCE THE QUOTE BEING BOUND AND INCLUDE THE FOLLOWING INFORMATION:

- DATE OF ISSUE
- QUOTE BEING BOUND (WHERE MULTIPLE QUOTES EXIST, YOU MUST IDENTIFY THE ONE BEING ACCEPTED BY THE INSURED)
- EFFECTIVE DATE
- TYPE OF INSURANCE
- COVERAGE/FORMS
- LIMITS

- DEDUCTIBLES/SIR'S/COINSURANCE
- FEES AND ASSESSMENTS
- PREMIUM
- WRITING COMPANY(S)
- SPECIAL CONDITIONS (WARRANTIES, SUBJECT TO CONDITIONS, DISCLAIMER WORDING IN THE EVENT OF A MATERIAL CHANGE IN EXPOSURE OR CONDITIONS)
- ALL NON-MONETARY CHANGES AGREED TO AT TIME OF BINDING

ALL BINDER LETTERS MUST CONTAIN THE FOLLOWING LANGUAGE:

“THIS BINDER CONTAINS A SUMMARY OF THE COVERAGE PROVIDED UNDER THE POLICIES LISTED HEREIN AND DOES NOT INCLUDE ALL THE TERMS, CONDITIONS, AND EXCLUSIONS OF THE POLICY(IES). THE POLICY(IES) CONTAIN THE FULL AND COMPLETE AGREEMENT WITH REGARD TO THE COVERAGE PROVIDED THEREIN. PLEASE REVIEW THE POLICY(IES) THOROUGHLY WITH YOUR BROKER UPON RECEIPT AND NOTIFY US PROMPTLY IN WRITING IF YOU HAVE ANY QUESTIONS. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE BINDER AND THE POLICY, THE POLICY LANGUAGE SHALL CONTROL.”

### 3.10 OTHER UNDERWRITING CONSIDERATIONS

#### 3.10.1 CANCELLATIONS/NON RENEWALS

YOU MUST PROVIDE PROPER AND TIMELY CANCELLATION AND/OR NON-RENEWAL NOTICES TO POLICYHOLDERS, AND SUCH OTHER ENTITIES AS REQUIRED BY THE POLICY, ANY APPLICATION LAW, RULE, REGULATION OR ORDER, OR THE COMPANY. FOR ALL CANCELLATIONS, CONDITIONAL RENEWALS AND NON-RENEWALS, USE OF ODEN POLICY TERMINATOR IS REQUIRED TO ENSURE THAT NOTICES PROVIDED COMPLY WITH EACH STATE'S REQUIREMENTS.

#### 3.10.2 DECLINATIONS

DECLINATION OF ANY SUBMITTED NEW BUSINESS ACCOUNT MUST BE DONE IN WRITING AND IN A TIMELY MANNER.

#### 3.10.3 MATERIAL CHANGE IN COVERAGE/RATE INCREASES

MANY STATES REQUIRE NOTIFICATION OF ANY CHANGE IN PREMIUM (INCLUDING NOT ONLY BASE RATE CHANGES, BUT THE PREMIUMS CHARGED TO THE INDIVIDUAL ACCOUNT) OR RESTRICTIONS IN COVERAGE. SOME STATES WILL REQUIRE NOTIFICATION TO THE POLICYHOLDER PRIOR TO RENEWAL, WHILE OTHER STATES MAY REQUIRE A CONDITIONAL NON-RENEWAL. YOU MUST ISSUE SUCH NOTICES AS REQUIRED BY APPLICABLE LAW, AND FORWARD ANY QUESTIONS TO YOUR PROGRAM MANAGER.

#### 3.10.4 STATE SPECIFIC AMENDATORY ENDORSEMENTS

YOU MUST ISSUE ALL STATE REGULATORY NOTICES AND AMENDATORY ENDORSEMENTS AS REQUIRED BY APPLICABLE LAW. IF YOU ARE ISSUING POLICIES THROUGH COVERALL, SUCH NOTICES

AND STATE AMENDATORY ENDORSEMENTS ARE AUTOMATICALLY ATTACHED. NON-COVERALL PROGRAMS SHOULD CONSULT THE PA WEBSITE FOR THESE NOTICES AND AMENDATORY ENDORSEMENTS. AS UPDATED VERSIONS OF THESE NOTICES AND AMENDATORY ENDORSEMENTS BECOME AVAILABLE, WE WILL PROVIDE THESE TO YOU VIA PA BULLETIN AND UPDATE COVERALL AND THE PA WEBSITE ACCORDINGLY.

YOUR PROGRAM MANAGER IS AVAILABLE SHOULD YOU HAVE ANY RELATED QUESTIONS.

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### 3.10.5 HEADQUARTERS STATE RULE

YOU MUST VERIFY THAT THE PROGRAM IS IN COMPLIANCE AND USING APPROVED LOSS COSTS/RATES, RULES AND FORMS BASED UPON THE 'HEADQUARTERS STATE' OF THE FIRST NAMED INSURED. AS USED IN THIS DOCUMENT, "HEADQUARTERS STATE" IS DEFINED AS THE STATE SHOWN IN THE MAILING ADDRESS OF THE FIRST NAMED INSURED ON THE DECLARATIONS PAGE – THE STATE IN WHICH THE FIRST NAMED INSURED MAINTAINS ITS HEADQUARTERS OR PRINCIPLE PLACE OF BUSINESS.

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### 3.10.6 TERRORISM RISK INSURANCE ACT (TRIA)

YOU MUST COMPLY WITH PROVISIONS OF THE FEDERAL TERRORISM RISK INSURANCE ACT OF 2002, AS AMENDED.

YOU MUST PROVIDE A QUOTE FOR TERRORISM WHEN PROVIDING COVERAGE FOR PROPERTY, GENERAL LIABILITY, AND/OR EXCESS CASUALTY LINES OF BUSINESS. THE COMPANY HAS TAKEN THE POSITION THAT COVERAGE FOR TERRORISM FOR THESE LINES MUST BE OFFERED WITH NO OPTION TO REJECT COVERAGE, USING FORM 96556 (01/15) AND MUST CLEARLY SHOW THE PREMIUM CHARGE. THE RATE WILL BE A FLAT CHARGE OF 1% WHERE APPROVED. (REFER TO QWIK NOTES FOR ZIP CODES WHERE COVERAGE FOR TERRORISM REQUIRES A REFERRAL.)

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### 3.10.7 OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

YOU MUST ATTACH THE APPROVED AIG ECONOMIC SANCTIONS ENDORSEMENT ON ALL POLICIES.

YOU MUST COMPLY WITH ALL LAWS, RULES AND REGULATIONS PROMULGATED BY THE OFFICE OF FOREIGN ASSETS CONTROL (OFAC). BY CLEARING THE ACCOUNT AND ANY ALERTS AND/OR BLOCKS THAT ARISE IN ESTART (SEE SECTION 3.3), YOU ARE SATISFYING THIS REQUIREMENT.

HOWEVER, YOU MUST REFER ALL MATTERS INVOLVING CONFLICTS OF THIS TYPE TO YOUR PROGRAM MANAGER IMMEDIATELY TO ADDRESS ANY POTENTIAL LEGAL RISKS UNDER ALL APPLICABLE LAWS PRIOR TO QUOTING. YOU ARE NOT AUTHORIZED TO BIND COVERAGE FOR ANY INSURED INCLUDED ON ANY LIST OF SPECIFICALLY DESIGNATED NATIONALS AND BLOCKED PERSONS PROMULGATED BY OFAC.

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### 3.10.8 COMMISSION – POLICYHOLDER NOTICE

YOU MUST ATTACH THE APPROVED AIG POLICYHOLDER NOTICE (FORM 91222 04/13) REGARDING PRODUCER COMMISSION TO ALL POLICIES ISSUED PURSUANT TO THE PROGRAM.

#### 4. ADMINISTRATION AND SERVICE

##### 4.1 LOSS CONTROL

LOSS CONTROL SURVEYS ARE PROVIDED BY AIG PROGRAMS APPROVED SUBCONTRACTORS. THE PURPOSE OF THE SURVEYS IS TO VERIFY INFORMATION OBTAINED ON THE APPLICATION, IMPROVE/ENHANCE THE INSURED'S RISK MANAGEMENT PROGRAM AND TO IDENTIFY "EXCEPTIONS" OR CRITICAL INFORMATION REQUIRING THE UNDERWRITER'S REVIEW.

REFER TO QWIK NOTES LOSS CONTROL SECTION FOR SPECIFIC REQUIREMENTS.

LOSS CONTROL REQUIRED EVERY FOUR YEARS.

REFER TO QWIK NOTES LOSS CONTROL SECTION FOR SPECIFIC REQUIREMENTS.

THE FOLLOWING PROGRAM SPECIFIC GUIDELINES HAVE BEEN DEVELOPED TO ENSURE CONSISTENCY IN THE UTILIZATION OF LOSS CONTROL THROUGHOUT THE UNDERWRITING OF AIG PROGRAMS ACCOUNTS:

INSURED'S ARE PROVIDED A MEANS TO OBTAIN CRIMINAL BACKGROUND CHECKS ON EMPLOYEES AT A LOW COST THROUGH \*INTELLICORP. ALTHOUGH THERE IS NO REQUIREMENT AT THIS TIME THAT INSURED'S OBTAIN CRIMINAL BACKGROUND CHECKS ON EMPLOYEES, IT IS RECOMMENDED AS PART OF THE PRE-EMPLOYMENT SCREENING PROCESS. THE BACKGROUND CHECK SHOULD INCLUDE A NATIONWIDE (50 STATE) CRIMINAL SEARCH, 50 STATE SEXUAL OFFENDER REGISTRY, A SSN ADDRESS CHECK.

\*NOTE: INSURED'S OF LEXINGTON PROGRAMS ARE OFFERED THE SERVICES OF INTELLICORP COMPREHENSIVE BACKGROUND CHECK AT A DISCOUNTED RATE. FOR MORE INFORMATION PLEASE CONTACT MATT GARBINCUS OF \*INTELLICORP. [MGARNINCUS@INTELLICOM.NET](mailto:MGARNINCUS@INTELLICOM.NET) 216-450-5249 OR 800-539-3717 X 145

##### 4.2 PREMIUM INSTALLMENTS AND FINANCING

THE COMPANY DOES NOT OFFER PREMIUM INSTALLMENTS. PREMIUM FINANCING IS ALLOWED BUT IS NOT OFFERED BY THE COMPANY.

#### 5. LINE OF BUSINESS GUIDANCE: RATES AND RULES

INCLUDED IN THIS SECTION ARE THE RATES AND RULES BY PRODUCT LINE APPROVED FOR USE WITH THIS PROGRAM AND IS SUBJECT TO PERIODIC CHANGE. WE WILL USE THE COVER-ALL OPERATING SYSTEM AND/OR PROGRAM ADMINISTRATOR BULLETINS TO KEEP THIS INFORMATION CURRENT.

PROPERTY COVERAGE WILL NOT BE WRITTEN ON AN ADMITTED BASIS IN THE STATE OF FLORIDA

RENEWAL BUSINESS WILL BE SUBJECT TO THE ACCOUNT QUALITY INDEX (AQI) AND RENEWAL PLAN BASED ON AQI. EXCEPTIONS TO THE RENEWAL PLAN MUST BE REFERRED TO THE PROGRAM MANAGER UNLESS THE JOSS RATIO ON THE ACCOUNT IS LESS THAN 40% AND IF IT IS

IN A WIND CONTROLLED ZONE THE AAL PROPERTY PRICING FOR THE ACCOUNT IS AT LEAST A 1.50 THE AAL

RISKS MUST COMPLY WITH ANY LOSS CONTROL RECOMMENDATIONS WITHIN 60 DAYS FROM TIME REPORT IS ISSUED. RISK MUST MEET NFPA STANDARDS AS IDENTIFIED THROUGH LOSS CONTROL.

RISKS IN PUBLIC PROTECTION CLASS 9 OR 10 MUST HAVE FIRE AND/OR SPRINKLER ALARMS, CONNECTED TO A U.L. APPROVED CENTRAL STATION, PROTECTING THE CLUBHOUSE.

**COOKING EXPOSURES:**

- COOKING SURFACES MUST BE PROTECTED BY AN APPROVED AUTOMATIC EXTINGUISHING SYSTEM
- SERVICE CONTRACT WITH A QUALIFIED GREASE-CLEANING CONTRACTOR IS REQUIRED FOR CLEANING HOODS, EXHAUST FANS, DUCT SYSTEMS AND OTHER APPURTENANT DEVICES AT LEAST EVERY SIX MONTHS. ALL EQUIPMENT MUST BE UL LISTED AND MEET ALL NFPA CODES.
- A QUALIFIED CONTRACTOR SHOULD INSPECT AND SERVICE AUTOMATIC FIRE EXTINGUISHING SYSTEMS EVERY SIX MONTHS UNDER A FORMAL MAINTENANCE CONTRACT.
- PORTABLE CLASS B TYPE HAND FIRE EXTINGUISHERS MUST BE AVAILABLE IN THE COOKING AREA.

**INSURANCE TO VALUE**

AN INSURANCE-TO-VALUE CALCULATION USING MARSHALL & SWIFT MUST BE DONE FOR ALL NEW BUSINESS FOR CLUB HOUSES WITH A BUILDING VALUE OVER \$1,000,000 OR BUILDING AREA OF 10,000 SQUARE FEET OR GREATER, AND OTHER BUILDINGS WITH VALUES OF \$500,000 OR GREATER OR A BUILDING AREA OF 5,000 SQUARE FEET OR GREATER.. ACCESS TO MARSHALL& SWIFT, AN ITV ANALYSIS SYSTEM, IS PROVIDED BY LEXINGTON. ALL NEW MARSHALL& SWIFT CALCULATIONS, AND REQUIRED RENEWAL MARSHALL& SWIFT CALCULATIONS, MUST BE SAVED IN THE MSB SYSTEM FOR ANNUAL UPDATES. SUCH ITV CALCULATIONS WILL BE PERFORMED FOR ALL NEW AND RENEWAL BUSINESS AS THE QUOTATIONS ARE PROCESSED; THEREFORE, PROVIDING UPDATED VALUATION ANALYSIS EACH YEAR. AN MSB WITH A QUALITY FACTOR OF 3.0 WILL BE UTILIZED ON CLUB HOUSES.

IF THE SUBMITTED BUILDING VALUE IS LESS THAN THE MARSHALL& SWIFT ESTIMATE BY 15% OR MORE, ACTION SHOULD BE TAKEN TO ADDRESS THE DEFICIENCY. COINSURANCE, AMENDED LIMIT, DOCUMENTATION OF ADEQUACY FOR THE SUBMITTED BUILDING VALUE VIA APPRAISAL OR SIMILAR DOCUMENT, MUST BE FINALIZED PRIOR TO BINDING.

SIGNED STATEMENTS OF VALUE MUST BE OBTAINED ON ANY POLICY AFFORDING BLANKET PER LOCATION LIMITS. THE AVAILABILITY OF OUTSIDE APPRAISALS TO DETERMINE CURRENT REPLACEMENT COST IS ENCOURAGED TOR LARGE OR UNUSUAL FACILITIES. (ALSO REFER TO QWIK NOTES FOR PROPERTY FOR ADDITIONAL INFORMATION ON THIS TOPIC).

**BLANKET LIMIT OPTION:**

THE BLANKET PROPERTY / INLAND MARINE OPTION MAY BE CONSIDERED FOR ACCOUNTS:

- A. WITH AMOUNT SUBJECT EXPOSURES OF \$35,000,000 OR LESS; AND
- B. EACH BUILDING HAS AN ITV CALCULATION PERFORMED; AND
- C. THERE IS A:
  - (1) CURRENT SIGNED STATEMENT OF VALUES; AND

- (2) SIGNED BUSINESS INCOME WORKSHEET FOR EACH LOCATION WITH A BUSINESS INCOME AND EXTRA EXPENSE LIMIT IN EXCESS OF \$1,000,000; AND
- (3) A CURRENT SIGNED APPLICATION;

ALL TO BE IN THE UNDERWRITING FILE.

THERE SHALL BE SEPARATE BLANKET LIMITS FOR PROPERTY DAMAGE AND BUSINESS INCOME/EXTRA EXPENSE.

**CLUB PROGRAM BUSINESS INCOME PARAMETERS**

WHERE BUSINESS INCOME IS PROVIDED ON AN ACTUAL LOSS SUSTAINED BASIS:

REQUESTED LIMIT	TOTAL REVENUE	CALCULATE BI LIMIT USING
</\$1,000,000	</\$4,000,000	25% TOTAL REVENUE
		OR 10% MEMBERSHIP DUES PLUS 30% ALL OTHER REVENUES
>\$1,000,000	>\$4,000,000	10% MEMBERSHIP DUES PLUS 30% ALL OTHER
	>\$10,000,000	OBTAIN BI WORKSHEET
		USE 10% MEMBERSHIP DUES PLUS 30% ALL OTHER, UNTIL W/S RECEIVED
REQUESTED LIMIT HIGHER THAN CALCULATED VALUE USE REQUESTED LIMIT. IF 60% HIGHER OBTAIN BI WORKSHEET		
IF REQUESTED LIMIT LOWER THAN CALCULATION OBTAIN BI WORKSHEET		

PREFERABLE TO OBTAIN BI WORKSHEET ON ALL ACCOUNTS AND ADJUST LIMITS ACCORDINGLY.

**DEDUCTIBLE:**

THE MINIMUM "ALL OTHER PERIL" DEDUCTIBLE IS \$1,000 FOR THE COUNTRY CLUB PREMIER PROPERTY COVERAGE FORM. SEE BELOW FOR MINIMUM REQUIREMENTS FOR CATASTROPHE CAUSES OF LOSS DEDUCTIBLE REQUIREMENTS. ALL OTHER MINIMUM DEDUCTIBLES AS PER QWIK NOTES FOR PROPERTY.

**BUILDERS RISK:**

BUILDERS RISKS INCLUDE NEW CONSTRUCTION (ADDITIONS OR STAND ALONE BUILDINGS) AND RENOVATIONS TO EXISTING BUILDINGS/STRUCTURES.

REFERRALS

- ANY CONSTRUCTION INVOLVING STRUCTURES OTHER THAN BUILDINGS.
- ANY PROJECTS ALREADY UNDER CONSTRUCTION.
- RENOVATION TO EXISTING BUILDING IF BUILDING IS UNOCCUPIED DURING RENOVATION
- ANY EXPOSURE OR RISK CHARACTERISTIC THAT WOULD REQUIRE REFERRAL, AS PROVIDED ELSEWHERE IN THESE GUIDELINES

IF BUILDING IS ALREADY INSURED AND OCCUPIED DURING RENOVATION INCREASE THE BUILDING LIMIT TO COVER THE ADDITIONAL VALUE. USE THE CONTRACT VALUE OF THE PROJECT IN DETERMINING THE APPROPRIATE INCREASE IN VALUE.

**ENDORSEMENT WORDING**

"BUILDING VALUES ARE INCREASED BY \$XXX FOR ALTERATIONS, REPAIRS AND INSTALLATIONS, INCLUDING MATERIALS AND SUPPLIES AND LABOR"

UNDERWRITING CONSIDERATION - RENOVATIONS:



- COPY OF STATEMENT OF VALUES SHOULD BE OBTAINED.
- ESTIMATED START AND COMPLETION DATES
- CONSTRUCTION COST SHOULD BE BROKEN DOWN BY HARD AND SOFT COSTS.
- SCOPE OF PROJECT NEEDS TO BE OUTLINED WITH THE FOLLOWING DETAILS:
  - DETAILS OF THE RENOVATIONS TO BE MADE TO THE FACILITY. INCLUDE DETAILS ON ANY STRUCTURAL CHANGES BEING MADE.
  - WILL PROTECTIVE SAFEGUARDS (I.E. BURGLAR/FIRE ALARMS, SPRINKLERS) BE INOPERABLE DURING THE RENOVATIONS AND, IF SO, WHAT MEASURES WILL BE TAKEN TO PROVIDE ADEQUATE PROTECTION WHILE SYSTEMS ARE INOPERABLE.

#### **BUILDERS RISK UNDERWRITING CONSIDERATIONS**

- ESTIMATED START AND COMPLETION DATES
- NO MONTHLY REPORTING
- MAXIMUM DURATION OF JOB - 12 MONTHS
- MAXIMUM #OF STORIES-3 STORIES NOT INCLUDING THE BASEMENT
- CONSTRUCTION SITE SHOULD BE FENCED AND LIGHTED
- COMPLETED BUILDERS RISK QUESTIONNAIRE IS REQUIRED.
- NEED CERTIFICATE OF INSURANCE FROM GENERAL CONTRACTOR AND CLUB MUST BE NAMED AS ADDITIONAL INSURED.
  - VERIFY THAT THE CONTRACTOR HAS EXPERIENCE IN THIS TYPE OF WORK
  - SECURE WRITTEN STATEMENT OF CONTRACTORS BUILDERS RISK PROPERTY LOSSES FOR 3 YEARS
  - SECURE COI VERIFYING CONTRACTORS INSURANCE WITH MINIMUM LIMITS OF \$1,000,000 WITH AN ADMITTED CARRIER
  - CONFIRM THAT CONTRACTOR OBTAINS CERTIFICATES FROM SUBCONTRACTORS WITH MINIMUM LIMITS OF \$1,000,000 WITH AN ADMITTED CARRIER.

THE CONTRACTOR MAY NOT BE ADDED AS A NAMED INSURED ON THE COUNTRY CLUB POLICY

#### **DEFINITION OF SOFT COST EXPENSES**

SOFT COST MEANS THE NECESSARY AND REASONABLE ADDITIONAL EXPENSES THE INSURED INCURRED FOR ANY OF THE FOLLOWING THAT ARE OVER AND ABOVE THE EXPENSES THE INSURED WOULD HAVE INCURRED HAD THERE BEEN NO DIRECT PHYSICAL LOSS OR DAMAGE:

- REAL ESTATE AND PROPERTY TAXES
- INTEREST ON MONEY BORROWED TO FINANCE CONSTRUCTION OR REPAIR
- LEGAL AND FEES
- EQUIPMENT RENTAL
- INSURANCE
- REFINANCE CHARGES
- ARCHITECTURAL, ENGINEERING AND CONSULTING FEES
- LEASING FEES/RENEGOTIATIONS
- REFINANCE CHARGES
- LETTER OF CREDIT REMARKETING
- ADVERTISING AND PROMOTIONAL EXPENSES

#### **TENNIS/SPORTS BUBBLES**

THE TENNIS BUBBLE QUESTIONNAIRE SHOULD PROVIDE THE FOLLOWING INFORMATION:

- AGE OF BUBBLE

- HOW IS THE BUBBLE IS SUPPORTED,
- IF EMPLOYEES ERECT THE BUBBLE THEY MUST BE SUPERVISED BY SOMEONE WITH EXPERIENCE IN ERECTING BUBBLE.
- IF VENDOR ERECTS THE BUBBLE INSURED SHOULD OBTAIN COL WITH CLUB ADDED AS AI TO THE VENDOR'S COVERAGE.
- HOW LONG WILL THE BUBBLE BE ERECTED; I.E. DURING WINTER SEASON IN THE NORTHERN US OR HURRICANE SEASON IN THE SOUTHEAST WOULD BE A CONCERN.
- HOW IS IT PROTECTED DURING ADVERSE WEATHER (SNOW/ICE STORMS).
- DO THEY HAVE WRITTEN EMERGENCY PLAN.
- A COPY OF THE MANUFACTURER SPECS SHOWING WARRANTY INFORMATION AND HOW IT IS RESISTANT TO THE ELEMENTS IS REQUIRED.

#### **UNDERWRITING CONSIDERATIONS TENNIS BUBBLES**

- COVERAGE SHOULD BE WRITTEN ON A REPLACEMENT COST BASIS WITH NO AGREED AMOUNT IF NOT OLDER THAN 10 YEARS.
- IF BETWEEN 10-15 YEARS OLD WRITE ACTUAL COST VALUE BASIS, BUT LIMITS MUST BE ACCURATE AS POSSIBLE.
- LIMITS SHOULD BE UPDATED ANNUALLY.
- EXPOSURE SHOULD BE ISO RATED.
- LOSS CONTROL SHOULD BE USED TO EVALUATE THE INFORMATION PROVIDED IN THE QUESTIONNAIRE

#### **DOCKS AND WHARVES**

SUPPLEMENTAL APPLICATION MUST CONFIRM EXISTENCE OF DOCKS, WHARVES OR PIERS ON PREMISES.

- PROVIDE BRIEF DESCRIPTION - AGE, CONSTRUCTION, MAINTENANCE AND USE.
- COVERED DOCK (NORTHEAST) THESE CAN BE DAMAGED BY THE WEIGHT OF SNOW, ICE OR WIND.

FLOATING DOCK, WHAT IS MAINTENANCE SCHEDULE? BY WHOM?

- REPLACEMENT COST VALUE? THE INSURED SHOULD PROPERLY EVALUATE THIS EXPOSURE ANNUALLY AND UPDATE..
- IF ACCEPTABLE, COVERAGE CAN BE WRITTEN ON A REPLACEMENT COST BASIS- AGREED AMOUNT AS PART OF THE BLANKET LIMIT.

**WIND GUIDELINES SHOULD BE FOLLOWED WITH HIGHER DEDUCTIBLE CONSIDERED FOR DOCKS 20 YEARS OR OLDER.**

- LOSS CONTROL SHOULD BE USED TO EVALUATE AND CONFIRM EXPOSURE. TEE-TO- GREEN THE FOLLOWING ARE RECOMMENDED CONTROLS FOR UNDERWRITING THE VANDALISM EXPOSURES. EACH CLUB SHOULD BE EVALUATED TO DETERMINE WHICH COMBINATION OF THE FOLLOWING CONTROLS SHOULD BE UTILIZED TO MINIMIZE THIS EXPOSURE:

#### **PHYSICAL PROTECTION**

- PROVIDE PADLOCKS AND/OR DOOR LOCKS WHERE POSSIBLE.
- SECURELY LOCK ALL AREAS WHERE HERBICIDES ARE STORED.
- USE NON-DUPLICABLE KEYS.
- STORE ALL HOLDING TANKS OR MIXING TANKS BEHIND CLOSED AND LOCKED DOORS OR GATES.
- ADD LOCKS TO TANK ACCESS COVERS IF POSSIBLE.

#### **CHEMICAL STORAGE**

MINIMIZE THE AMOUNT OF HERBICIDES OR OTHER POTENTIALLY HARMFUL CHEMICALS KEPT ON SITE BY:

- ARRANGING TO RECEIVE OR PURCHASE HERBICIDES THE SAME DAY USE OF THEM IS PLANNED.
- ONLY PURCHASE THE QUANTITY NEEDED FOR A SINGLE USE.
- RETURN ANY UNOPENED CONTAINERS TO THE SUPPLIER OR ARRANGE FOR STORAGE IN A SAFE AND SECURE LOCATION.
- KEEP RECORDS OF QUANTITIES KEPT ON HAND AND COMPARE WITH ACTUAL INVENTORIES PERIODICALLY. RECORDS SHOULD BE MAINTAINED IN A SEPARATE LOCATION FROM THE CHEMICAL STORAGE.

### **MIXING/HOLDING TANKS**

- DO NOT PREMIX ANY LIQUID FERTILIZER IN TANKS UNTIL READY TO APPLY TO GREENS THE SAME DAY. OVERNIGHT STORAGE OF PRE-MIXED SOLUTIONS COULD BE TAMPERED WITH WHILE UNATTENDED.
- INSPECT MIXING/HOLDING TANKS & FLUSH-PRIOR TO MIXING FERTILIZER SOLUTIONS REQUIRE EMPLOYEES TO INSPECT EMPTY TANKS TO INSURE THEY ARE COMPLETELY EMPTY. THIS SHOULD BE DONE BY VISUALLY INSPECTING AND FLUSHING A SMALL QUANTITY OF WATER THRU THE TANKS, PIPES AND VALVES.

#### **AUTHORIZED EMPLOYEES**

- ALLOW ONLY LICENSED OR CERTIFIED EMPLOYEES TO APPLY HERBICIDES
- PROVIDE TRAINING ON PROPER USE, STORAGE AND APPLICATION OF HERBICIDES

### **EMPLOYEE SELECTION**

- CLUBS SHOULD SEEK TO HIRE ONLY HIGHLY QUALIFIED INDIVIDUALS THAT WILL BE HANDLING, APPLYING OR WORKING AROUND CHEMICALS USED ON THE GOLF COURSE.
- REFERENCES SHOULD ALWAYS BE CHECKED, CRIMINAL RECORD CHECKS\* CONDUCTED & PRIOR EMPLOYMENT VERIFIED.

\*CRIMINAL RECORDS CHECKS ARE AVAILABLE FROM INTELICORP

ELECTRONIC SURVEILLANCE - CLUBS MAY WANT TO CONSIDER THE USE OF ELECTRONIC SURVEILLANCE MEASURES ON CRITICAL AREAS.

- HERBICIDE STORAGE AREAS MAY NEED BURGLAR ALARMS SYSTEMS.
- MAINTENANCE SHEDS COULD BE PROTECTED WITH VIDEO SURVEILLANCE SYSTEMS CONNECTED TO RECORDING DEVICES.
- REMOTE AREAS COULD BE MONITORED BY STEALTH CAMERAS WITH MOVEMENT SENSORS.

### **CATASTROPHE CAUSES OF LOSS AND COVERAGES**

FOR ACCOUNTS WITH PRIOR LOSSES FROM CATASTROPHIC EVENTS, THE UNDERWRITING FILE MUST REFLECT WHAT PREVENTATIVE MEASURES THE INSURED HAS TAKEN TO PREVENT A REOCCURRENCE OR MINIMIZE THE CAT LOSSES IN FUTURE. FOR EXAMPLE, SPRINKLER/FROZEN PIPE LOSSES -THE ATTIC HAS MORE INSULATION, IN ADDITION, THE BUSINESS SHOULD BE WRITTEN IN A STANDARD OR SUBSTANDARD COMPANY ( APPROVAL TO USE A DEVIATED COMPANY NEEDS TO BE REFERRED TO THE PROGRAM MANAGER).

### **WINDSTORM/HAIL AND NAMED STORM**

THE FOLLOWING WIND UNDERWRITING GUIDELINES SHOULD BE EVALUATED CLOSELY WHEN AN ACCOUNT HAS ANY OF THE CHARACTERISTICS (SEE EXHIBIT 2) AND IS LOCATED IN A COASTAL AREA. PROPERTY LOCATED IN WIND PRONE AREAS HAS A GREATER PROBABILITY OF ROOF AND/OR WATER INTRUSION DAMAGE FROM HURRICANES.

HIGHER DEDUCTIBLES AND/OR PRICING SHOULD BE USED IF THE CURRENT WINDSTORM GUIDELINES DO NOT ADEQUATELY ADDRESS THE EXPOSURE(S). THE UNDERWRITER SHOULD ASSURE SUPERIOR MAINTENANCE OF COVERED PROPERTIES. APPROPRIATE AGE, OCCUPANCY,

BUILDING AREA, NUMBER OF STORIES AND CONSTRUCTION MUST BE OBTAINED TO ASSURE ACCURATE MODELING RESULTS. NO ACCOUNT MAY BE QUOTED WITHOUT THE MODELED AAL, WHICH WILL BE UTILIZED TO ASSURE PRICING ADEQUACY.

BUILDINGS MUST BE OF SUPERIOR CONSTRUCTION AND MEET APPROPRIATE LOCAL CODES REGARDING CONSTRUCTION. THIS INFORMATION MUST BE CONFIRMED WITH A LOSS CONTROL REPORT AND NOTED IN THE UNDERWRITING FILE.

**WINDSTORM OR HAIL COVERAGE / DEDUCTIBLES:**

**DELAWARE, WASHINGTON DC, VIRGINIA:**

0-5 MILES	5% OF EACH BUILDING/CONTENTS VALUE, MINIMUM OF \$50,000. PER OCCURRENCE EACH LOCATION. GOLF HOLES WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION. TREE DEBRIS WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION. BUSINESS INCOME DEDUCTIBLE: 72 HOURS
5-25 MILES	2% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$25,000. PER OCCURRENCE/EACH LOCATION. GOLF HOLES WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION. TREE DEBRIS WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION. BUSINESS INCOME: 72 HOURS

**ALABAMA, MISSISSIPPI, TEXAS**

0-5 MILES	5% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$200,000. PER OCCURRENCE EACH LOCATION. GOLF HOLES WIND & HAIL DEDUCTIBLE \$200,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$200,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME: 72 HOURS
5-10 MILES	5% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$100,000. PER OCCURRENCE EACH LOCATION. GOLF HOLES WIND & HAIL DEDUCTIBLE \$100,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$100,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME: 72 HOURS
10-25 MILE	2% OF EACH BUILDING/CONTENTS, MINIMUM \$50,000. PER OCCURRENCE EACH LOCATION. NAMED STORM AVAILABLE OVER 25MILES GOLF HOLES WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME: 72 HOURS
25-50 MILES	2% OF EACH BUILDING/CONTENTS, MINIMUM \$50,000. PER OCCURRENCE EACH LOCATION. NAMED STORM AVAILABLE OVER 25MILES GOLF HOLES WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME: 72 HOURS
WIND POOL:	EXCLUDE WIND COMPLETELY FROM POLICY FOR BD/CT/BI/IM EXCLUDE WIND & HAIL ON GOLF HOLES EXCLUDE TREE DEBRIS REMOVAL COVERAGE EXCLUDE TREES, SHRUBS & PLANT COVERAGE CONTRACTORS EQUIPMENT W&H COV AVAILABLE SUBJECT TO \$10,000/15,000. W&H DED. (MUST HAVE INFORMATION IN FILE AS TO HOW EQUIPMENT IS PROTECTED FROM WIND).

**LOUISIANA:**

0-30 MILES	NO WINDSTORM OR NAMED STORM OR FLOOD AVAILABLE
31-40 MILES	5% OF EACH BUILDING/CONTENTS, MINIMUM \$200,000. PER OCCURRENCE EACH LOCATION. NO NAMED STORM OR FLOOD AVAILABLE GOLF HOLES WIND & HAIL DEDUCTIBLE \$200,000. PER OCCURRENCE EACH LOCATION

	TREE DEBRIS WIND & HAIL DEDUCTIBLE \$200,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME 72 HOURS
41-45 MILES	5% OF EACH BUILDING/CONTENTS, MINIMUM \$100,000. PER OCCURRENCE EACH LOCATION. NO NAMED STORM OR FLOOD AVAILABLE GOLF HOLES WIND & HAIL DEDUCTIBLE \$100,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$100,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME 72 HOURS.
OVER- 45 MILES	2% OF EACH BUILDING/CONTENTS, MINIMUM \$50,000. PER OCCURRENCE EACH LOCATION. NAMED STORM AVAILABLE OVER 45 MILES GOLF HOLES WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME 72 HOURS.
WIND POOL	EXCLUDE WIND COMPLETELY FROM POLICY FOR BD/CT/BI/IM EXCLUDE WIND & HAIL ON GOLF HOLES EXCLUDE TREE DEBRIS REMOVAL COVERAGE EXCLUDE TREES, SHRUBS & PLANT COVERAGE NO WIND ON CONTRACTORS EQUIPMENT IN LOUISIANA

**GEORGIA:**

0-10 MILES	3% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$50,000. PER OCCURRENCE EACH LOCATION. GOLF HOLES WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME: 72 HOURS
0-10 MILES	3% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$50,000. PER OCCURRENCE EACH LOCATION. GOLF HOLES WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME: 72 HOURS
10-25 MILES	2% OF EACH BUILDING/CONTENTS, MINIMUM \$25,000. PER OCCURRENCE EACH LOCATION. NAMED STORM AVAILABLE OVER 10 MILES GOLF HOLES WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME: 72 HOURS
WIND POOL:	\$2,500,000. MILLION DEDUCTIBLE TO APPLY (OR WHATEVER CURRENT WIND POOL LIMIT IS FOR THE STATE) – AGREED TO GRANDFATHER IF CHANGED BY RISK METER WHEN IT WAS NOT IN THE WIND POOL THE PREVIOUS YEAR. GOLF HOLES WIND & HAIL DEDUCTIBLE \$250,000 PER OCCURRENCE EACH LOCATION TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$250,000 PER OCCURRENCE EACH LOCATION CONTRACTORS EQUIPMENT – WIND AVAILABLE -\$10-\$15,000 DED – MUST KNOW HOW EQUIPMENT IS PROTECTED FROM WIND. EXCLUDE TREES, SHRUBS & PLANT COVERAGE WINDPOOL 168 HOURS

**NORTH CAROLINA:**

0-5 MILES	5% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$100,000. PER OCCURRENCE EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$100,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$100,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME 72 HOURS
5-10 MILES	5% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$50,000. PER OCCURRENCE EACH LOCATION. GOLF HOLES WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION

	<b>BUSINESS INCOME 72 HOURS</b>
10-25 MILES	2% OF EACH BUILDING/CONTENTS, MINIMUM \$25,000. PER OCCURRENCE EACH LOCATION. NAMED STORM AVAILABLE OVER 10 MILES GOLF HOLES WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME 72 HOURS
WIND POOL:	\$3,000,000. DEDUCTIBLE TO APPLY (OR WHATEVER THE CURRENT WIND POOL LIMIT IS FOR THE STATE) GOLF HOLES WIND & HAIL DEDUCTIBLE \$250,000 PER OCCURRENCE EACH LOCATION TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$250,000 PER OCCURRENCE EACH LOCATION BUSINESS INCOME 168 HOURS CONTRACTORS EQUIPMENT W&H COV AVAILABLE SUBJECT TO \$10,000/15,000. W&H DED. (MUST HAVE INFORMATION IN FILE AS TO HOW EQUIPMENT IS PROTECTED FROM WIND).

**SOUTH CAROLINA: APPLIES TO COUNTIES: HORRY, MARION, GEORGETOWN**

0-5 MILES	5% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$100,000. PER OCCURRENCE EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$100,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$100,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME 72 HOURS
5-10 MILES	5% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$50,000. PER OCCURRENCE EACH LOCATION. GOLF HOLES WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME 72 HOURS
>10-50 MILES	NEW BUSINESS \$10,000 PER OCCURRENCE EACH LOCATION. RENEWALS CURRENTLY WITH NO WIND DEDUCTIBLE MAY CONTINUE PER EXPIRING. GOLF HOLES WIND & HAIL DEDUCTIBLE \$10,000 PER OCCURRENCE EACH LOCATION TREE AND TREE DEBRIS WIND & HAIL DEDUCTIBLE \$10,000 PER OCCURRENCE EACH LOCATION BUSINESS INCOME DEDUCTIBLE 72 HOURS
WIND POOL	SEE BELOW

**SOUTH CAROLINA-REMAINDER OF SC COUNTIES:**

0-10 MILES	3% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$50,000. PER OCCURRENCE EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$50,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME 72 HOURS
10-25 MILES	2% OF EACH BUILDING/CONTENTS, MINIMUM \$25,000. PER OCCURRENCE EACH LOCATION. (NAMED STORM AVAILABLE OVER 10 MILES). GOLF HOLES WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION TREE DEBRIS WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME 72 HOURS
WINDPOOL – ALL OF SOUTH CAROLINA:	\$2,500,000. DEDUCTIBLE TO APPLY (OR WHATEVER CURRENT WINDPOOL LIMIT IS FOR THE STATE) GOLF HOLES WIND & HAIL DEDUCTIBLE \$250,000 PER OCCURRENCE EACH LOCATION TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$250,000 PER OCCURRENCE EACH LOCATION BUSINESS INCOME 168 HOURS

	CONTRACTORS EQUIPMENT W&H COV AVAILABLE SUBJECT TO \$10,000/15,000. W&H DED. (MUST HAVE INFORMATION IN FILE AS TO HOW EQUIPMENT IS PROTECTED FROM WIND).
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**CONNECTICUT, MARYLAND, MAINE, MASSACHUSETTS, NEW HAMPSHIRE, NEW JERSEY, NEW YORK, RHODE ISLAND ( NAMED STORM AVAILABLE OVER 5 MILES).**

0-1 MILES	2% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$10,000. PER OCCURRENCE, EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$10,000. PER OCCURRENCE EACH LOCATION TREE/TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$10,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME DEDUCTIBLE: 72 HOURS
>1-5 MILES	\$10,000. PER OCCURRENCE, EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$10,000, PER OCCURRENCE EACH LOCATION TREE/TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$10,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME DEDUCTIBLE: 72 HOURS

**EXCEPT**

<u>All Islands Exposures</u>	3% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$25,000. PER OCCURRENCE, EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION TREE/TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME DEDUCTIBLE: 72 HOURS
<u>CAPE CODE INCLUDING BARNSTABLE COUNTY</u> 0-1 miles	2% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$25,000. PER OCCURRENCE, EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION TREE/TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME DEDUCTIBLE: 72 HOURS
<u>CAPE CODE INCLUDING BARNSTABLE COUNTY</u> >1 mile	1% OF EACH BUILDING/CONTENTS VALUE, MINIMUM \$10,000. PER OCCURRENCE, EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$10,000. PER OCCURRENCE EACH LOCATION TREE/TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$10,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME DEDUCTIBLE: 72 HOURS
Long Island Suffolk County WITHIN COUNTY	2% OF EACH BUILDING/CONTENTS VALUE, MINIMUM OF \$25,000. PER OCCURRENCE, EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION TREE/TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$25,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME DEDUCTIBLE: 72 HOURS
LONG ISLAND NASSAU WITHIN COUNTY	1% OF EACH BUILDING/CONTENTS VALUE, MINIMUM OF \$10,000. PER OCCURRENCE, EACH LOCATION GOLF HOLES WIND & HAIL DEDUCTIBLE \$10,000. PER OCCURRENCE EACH LOCATION TREE/TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$10,000. PER OCCURRENCE EACH LOCATION BUSINESS INCOME DEDUCTIBLE: 72 HOURS

***WINDPOOL STATES INCLUDE: AL, GA, LA, MS, NC SC, TX, FL***

NAMED STORM ENDORSEMENT NOT AVAILABLE FOR CLUBS SUBJECT TO THE WINDPOOL.  
EXCEPTION: GRANDFATHER ANY ACCOUNT THAT WAS NOT IN WINDPOOL THE PREVIOUS YEAR BUT RISK METER MOVED IT TO WINDPOOL AT RENEWAL. ALSO, GRANDFATHER IN RENEWAL DEDUCTIBLES AT EXPIRING TERMS IF DIFFERENT THAN ABOVE

**ALL OTHER RISKS LOCATED IN ALABAMA, LOUISIANA, MISSISSIPPI AND TEXAS MUST FOLLOW THE REQUIREMENTS**

- EXCLUDE WIND COMPLETELY FROM POLICY FOR BUILDING, CONTENTS, BUSINESS INCOME AND INLAND MARINE
- EXCLUDE WIND & HAIL ON GOLF HOLES
- EXCLUDE WIND & HAIL ON TREE/TREE DEBRIS REMOVAL COVERAGE
  
- CONTRACTORS EQUIPMENT WIND/HAIL COVERAGE IS AVAILABLE SUBJECT TO \$10,000/\$15,000 W&H DEDUCTIBLE. DOCUMENT HOW EQUIPMENT IS PROTECTED FROM WIND.
- NO CONTRACTOR EQUIPMENT WIND/HAIL COVERAGE AVAILABLE IN LA.



**ALL OTHER RISKS LOCATED IN GEORGIA, NORTH CAROLINA AND SOUTH CAROLINA MUST FOLLOW THE REQUIREMENTS LISTED BELOW**

--WIND DEDUCTIBLE

\$2,000,000 IN GA, \$2,500,000 IN SC, \$3,000,000 IN NC FOR BUILDING, CONTENTS AND INLAND MARINE

(NOTE: IF WIND POOL COVERAGE IS APPLIED BY BUILDING, WIND DEDUCTIBLE APPLIES BY BUILDING, WIND DEDUCTIBLE APPLIES BY BUILDING AND THE DEDUCTIBLE FOR EACH OF THESE STATES MUST BE NO LESS THAN THE CURRENT WIND POOL LIMIT FOR THAT STATE.)

--GOLF HOLES WIND & HAIL DEDUCTIBLE \$250,000 PER OCCURRENCE, EACH LOCATION

--TREE/TREE DEBRIS REMOVAL WIND & HAIL DEDUCTIBLE \$250,000 PER OCCURRENCE, EACH LOCATION

--BUSINESS INCOME 168 HOURS

--CONTRACTORS EQUIPMENT WIND/HAIL COVERAGE IS AVAILABLE SUBJECT TO \$10,000/\$15,000 W&H DEDUCTIBLE. DOCUMENT HOW EQUIPMENT IS PROTECTED FROM WIND.

**OPTIONAL TREE/TREE DEBRIS SUBLIMITS PLAN**

ANY RISK IN A WIND CONTROL ZONE (EXCEPT FL), AS DEFINED BELOW IN THE WIND CAT MANAGEMENT REFERRAL SECTION – \$150,000 LIMIT; FOR MINIMUM DEDUCTIBLES USE:

- NORTH OF DE TO ME: 0 TO 15 MILES \$10,000
- DE THROUGH VA: 0 TO 15 MILES - \$25,000; OVER 15 TO 25 MILES - \$5,000
- NC, SC, GA, AL, MS, TX: 0 TO 25 MILES - \$25,000; OVER 25 TO 50 MILES - \$5,000
- LA NO COVERAGE WITHIN 50 MILES

ANY LOCATION / **RISK METER** TORNADO SCORE OF 4 OR 5: \$150,000 LIMIT, MINIMUM \$5,000 DEDUCTIBLE;

ANY LOCATION / **RISK METER** TORNADO SCORE OF 3 OR LESS: \$250,000 LIMIT IS AVAILABLE AT AOP DEDUCTIBLE\* (REFERRAL TO AIG)

STATES OF MONTANA, WYOMING, COLORADO, NEW MEXICO AND ALL STATES WEST OF THESE STATES: WE CAN OFFER UP TO \$250,000 LIMITS \*(REFERRAL TO AIG)

\*REFER TO PROGRAM MANAGER FOR HIGHER LIMIT - UP TO \$500,000 MAY BE AVAILABLE

**IMMINENT THREAT:**  
NO BINDER, POLICY OR ENDORSEMENT PROVIDING THE PERILS OF WINDSTORM/HAIL/FLOOD OR INCREASING LIMIT OF LIABILITY MAY BE ISSUED TO COVER ANY PROPERTY WITHIN 100 MILES OF THE SEACOAST WHENEVER A HURRICANE HAS BEEN REPORTED BY THE NATIONAL WEATHER SERVICE TO BE WITHIN 600 STATUTE MILES AND MOVING TOWARD PARALLEL TO OR IN THE GENERAL DIRECTION OF SUCH

**TORNADO – REFER TO QWIK NOTES**

**WIND CAT MANAGEMENT REFERRALS:**

AAL MODELING IS REQUIRED ON BOTH NEW AND RENEWAL COASTAL BUSINESS LOCATED IN WIND CONTROL ZONES.

WIND CONTROL ZONES AS DEFINED IN QWIK NOTES SHALL APPLY.

ALL RENEWALS MUST UTILIZE THE BLENDED AAL SPREADSHEET NUMBER SUPPLIED TO BOLLINGER BY THE COMPANY.

ALL NEW BUSINESS MUST BE SUBMITTED TO THE COMPANY FOR MODELING.

FOR ALL ACCOUNTS IN A WIND CONTROL ZONE, YOU ARE GRANTED AUTHORITY TO QUOTE SUBJECT TO:

THE WIND LOAD (WIND PREMIUM AS PART OF THE GROUP IIPREMIUM) IS GREATER THAN OR EQUAL TO THE TECHNICAL PRICING FROM THE MODELED AAL.SPREADSHEET, OR FOR RENEWAL BUSINESS IS GREATER THAN OR EQUAL TO THE BLENDED AVERAGE AAL TIMES A FACTOR OF 1.75.. (EXCEPT AS INDICATED BELOW). FOR RENEWALS THAT HAVE AN INCREASE IN VALUES < 15%, THE AAL USED TO CALCULATE THE WIND PREMIUM LOAD MUST BE INCREASED BY THE SAME PROPORTION.

IN ADDITION, THE FOLLOWING RISKS MUST BE SUBMITTED FOR APPROVAL TO THE PROGRAM MANAGER.

ANY RENEWAL WHERE THE RATE CHANGE BASED ON THE AQI IS LESS THAN THE TARGET INCREASE

ANY RENEWAL IN A WIND CONTROL ZONE THAT HAS IN INCREASE IN VALUES OF 15% OR GREATER, AND THE WIND LOAD (WIND PREMIUM AS PART OF THE GROUP IIPREMIUM) IS LESS THAN THE TECHNICAL PRICING FROM THE REMODELED AAL.SPREADSHEET (THESE ACCOUNTS MUST BE SENT TO THE COMPANY FOR RE-MODELING, YOU CANNOT USE THE AAL SPREADSHEET PROVIDED TO YOU FOR PRICING THESE ACCOUNTS).

ANY NEW BUSINESS IF THE WIND LOAD (WIND PREMIUM AS PART OF THE GROUP II PREMIUM) IS LESS THAN THE TECHNICAL PRICING FROM THE MODELED AAL.SPREADSHEET.

**FLOOD REFER TO QWIK NOTES**

**EARTHQUAKE - REFER TO QWIK NOTES**

**EARTHQUAKE SPRINKLER LEAKAGE REFER TO QWIK NOTES**

**TORNADO AND HAIL REFER TO QWIK NOTES**

OFF PREMISES UTILITY SERVICE (DIRECT DAMAGE AND TIME ELEMENT) COVERAGE MAY NOT BE PROVIDED INCLUDING OVERHEAD TRANSMISSION AND DISTRIBUTION LINES EXCEPT AS INCLUDED UNDER THE COUNTRY CLUB PREMIER PROPERTY COVERAGE FORM AND THE PREMIER PROPERTY ENHANCEMENT ENDORSEMENT. EXISTING ACCOUNTS WITH LIMITS UP TO \$125,000 MAY BE "GRANDFATHERED" AND COVERAGE CONTINUED. NEW BUSINESS OR RENEWALS CURRENTLY WITHOUT THE COVERAGE MAY NOT BE OFFERED ANY COVERAGE FOR OVERHEAD TRANSMISSION AND DISTRIBUTION LINES.

**TREE AND TREE DEBRIS REMOVAL UNDERWRITING / SUBLIMITS / DEDUCTIBLES**

STATES OF MONTANA, WYOMING, COLORADO, NEW MEXICO AND ALL STATES WEST OF THESE STATES: UP TO \$250,000 LIMITS (HIGHER LIMITS ARE A REFERRAL);

- ANY RISK IN A WIND CONTROL ZONE (EXCEPT FL), AS DEFINED BY QWIKNOTES - \$150,000 LIMIT; FOR MINIMUM DEDUCTIBLES USE:
  - NORTH OF DE TO ME:
    1. 0 TO 15 MILES \$10,000;
    2. OVER 15 TO 25 MILES - \$5,000
  - DE THROUGH VA:
    1. 0 TO 15 MILES - \$25,000;
    2. OVER 15 TO 25 MILES - \$10,000

- NC, SC, GA, AL, MS, TX:
  1. TO 25 MILES - \$25,000;
  2. OVER 25 TO 50 MILES - \$10,000
- LA NO COVERAGE WITHIN 50 MILES
- ANY LOCATION / RISK WITH A RISKMETER TORNADO SCORE OF 4 OR 5: \$150,000 LIMIT WITH A MINIMUM \$10,000 DEDUCTIBLE
- ANY LOCATION / RISK WITH A RISKMETER TORNADO SCORE OF 3 OR LESS: \$250,000 LIMIT IS AVAILABLE AT AOP DEDUCTIBLE.

#### 5.1 PROPERTY / INLAND MARINE / CRIME: APPROVED RATES AND RULES

UNLESS OTHERWISE DIRECTED IN THIS SECTION:

1. PLEASE REFER TO THE DIVISION 66 PROPERTY QWIK NOTES.
2. YOU ARE TO USE ISO LOSS COSTS OR CLASS RATES APPLICABLE AT EACH LOCATION.

ISO FORMS MAY BE USED ON ANY ACCOUNT.

YOU ARE EXPECTED TO REVIEW PROPERTY VALUES AT EACH RENEWAL, AND ADJUST WHERE NECESSARY, TO ASSURE PROPER INSURANCE TO VALUE.

REFER TO QWIK NOTES FOR SPECIFIC GUIDANCE ON APPROVED MARSHALL & SWIFT VALUATIONS.

INDEPENDENTLY FILED CLUB RATING DEVIATION:

CREDIT FILING DOES NOT APPLY TO COASTAL COUNTIES (UP TO 25 MILES INLAND) IN THE FOLLOWING STATES:  
AL, GA, LA, MS, NC, SC TX, AND HI

INDEPENDENTLY FILED CLUB COVERAGE FORMS AND ENDORSEMENTS RATES AND RULES:

NO CHANGES TO APPLICABLE PREPRINTED LIMIT, COVERAGE OR EXCLUSIONARY LANGUAGE IS PERMITTED ON ANY RISK WITHOUT THE SPECIFIC APPROVAL OF THE PROGRAM MANAGER.

#### COUNTRY CLUB PREMIER PROPERTY COVERAGE FORM 109387

THE APPLICABLE 90% VALUES SUBMITTED MUST BE INCREASED TO \$2,000,000 FOR RATING PURPOSES TO REFLECT THE VALUE OF THE GOLF HOLES AS COVERED BY THE FORM. THE VALUES ATTRIBUTABLE TO GOLF HOLES MUST BE RATED USING "PROPERTY IN THE OPEN" LOSS COSTS WITH APPROPRIATE LOSS COST MULTIPLIER AND SHOWN SEPARATELY ON THE STATEMENT OF VALUES. THE INCLUDED LIMIT FOR TREE DEBRIS REMOVAL IS RATED USING SPECIAL CLASS, "NURSERY STOCK IN THE OPEN" LOSS COSTS WITH APPROPRIATE LOSS COST MULTIPLIER WITH THE LIMIT INCLUDED IN THE ENDORSEMENT. THE FORM IS SUBJECT TO PREVIOUSLY FILED AND APPROVED ISO LOSS COSTS FOR THE BUILDING AND PERSONAL PROPERTY AND SPECIAL CAUSES OF LOSS COVERAGE FORMS.

THE CHARGE FOR THIS FORM IS \$250.

#### WATER DAMAGE, FLOOD AND EARTH MOVEMENT CHANGES 79411

AVAILABLE FOR USE ON ACCOUNTS WHOLLY LOCATED WITHIN MERCALLI ZONES 1 THROUGH 6.99 AND FLOOD RISK SCORES OF 40 OR LESS. C AND X. RISKS NOT MEETING THESE REQUIREMENTS SHOULD BE REFERRED TO THE PROGRAM MANAGER. NO COVERAGE FOR GOLF HOLES (COURSE).

THIS ENDORSEMENT IS NOT AVAILABLE FOR PROPERTY LOCATED:

- IN AREAS OF FLOOD RISK SCORE OVER 40, NOR

- IN AREAS WITH MMI SCORES OF 7.00 AND ABOVE; NOR
- IN ALASKA, CALIFORNIA OR HAWAII.

THE CHARGE FOR THIS FORM IS \$600.

**WATER DAMAGE AND FLOOD CHANGES 109389**

ENDORSEMENT IS NOT AVAILABLE TO PROPERTY LOCATED IN AREAS OF FLOOD RISK SCORE OVER 40.

THE CHARGE FOR THIS FORM IS \$300.

**EARTH MOVEMENT CHANGES 109388**

ENDORSEMENT IS NOT AVAILABLE FOR LOCATIONS WITH MMI SCORES OF 7.00 OR ABOVE.

THE CHARGE FOR THIS FORM IS \$300.

**SURFACE WATER ENDORSEMENT 109390**

AVAILABLE FOR USE IN AREA OF FLOOD RISK SCORE 40 AND BELOW.

THE PREMIUM CHARGES ARE:

- \$1,000 FOR A \$25,000 LIMIT; OR
- \$1,750 FOR A \$50,000 LIMIT.

**COMMERCIAL INLAND MARINE**

**BUILDERS RISK:**

AAIS RATE GUIDELINES WILL APPLY TO BUILDERS RISK AUTHORITY GRANTED. COPIES OF THESE GUIDELINES ARE PROVIDED UPON DELIVERY OF THIS AUTHORITY DOCUMENT,

FINE ARTS: (IF COVERED SEPARATELY FROM PREMIER PROPERTY COVERAGE FORM VIA FORM 79414)

RATE FOR 1ST \$10,000	\$.360 PER \$100
RATE FOR NEXT \$15,000	\$.0243 PER \$100
RATE FOR NEXT \$75,000	\$.0117 PER \$100
RATE FOR NEXT \$200,000	\$.0045 PER \$100
RATE FOR NEXT \$200,000	\$.0027 PER \$100
RATE FOR NEXT \$300,000	\$.0018 PER \$100

**CONTRACTORS EQUIPMENT:**

RATE PER \$100 (BASED UPON DEDUCTIBLE)

DEDUCTIBLE	RATE
\$ 250	0.52
\$ 500	0.45
\$1,000	0.40

**COUNTRY CLUB BAGS AND CLUBS**

FLAT CHARGE PER \$100,000 AGGREGATE LIMIT MAXIMUM \$500,000 AGGREGATE LIMIT:  
\$300 PER \$100,000

USE AAIS BUILDERS RISK LOSS COSTS. BUILDERS RISK RATING GUIDELINES PROVIDED IN CONJUNCTION WITH THIS AUTHORITY DOCUMENT.

CRIME:

IT IS OUR INTENT TO MIGRATE OUR CRIME POLICIES TO THE ACTUAL LOSS SUSTAINED FORM AS FOLLOWS:

- EFFECTIVE IMMEDIATELY, ALL NEW CRIME BUSINESS SHOULD BE WRITTEN USING ISO'S ACTUAL LOSS SUSTAINED COVERAGE FORM (CR 0021)
- IN THE EVENT YOU WOULD LIKE TO WRITE A NEW CRIME POLICY ON THE 'DISCOVERY' FORM, IT REQUIRES A REFERRAL AND PRIOR APPROVAL BY THE PROGRAM MANAGER UTILIZING A RETROACTIVE DATE THAT IS CONCURRENT WITH THE INCEPTION DATE OF POLICY. HOWEVER, THE USE OF THIS FORM IS STRONGLY DISCOURAGED.

RENEWALS OF EXISTING BUSINESS CURRENTLY WRITTEN ON THE 'DISCOVERY' FORM (CR 0020) MAY CONTINUE AS LONG AS CR 2005, RETROACTIVE DATE ENDORSEMENT, IS ATTACHED AND PROPERLY COMPLETED (NO EARLIER THAN THE ORIGINAL DATE AIG ASSUMED COVERAGE ON CONSECUTIVE RENEWALS).

**5.2 GENERAL LIABILITY – APPROVED RATES AND RULES**

UNLESS OTHERWISE DIRECTED IN THIS SECTION:

1. PLEASE REFER TO THE DIVISION 66 GENERAL LIABILITY QWIK NOTES
2. WE WILL USE ISO LOSS COSTS, RULES AND FORMS WHEN WRITING COMMERCIAL GENERAL LIABILITY.

REFER TO COMPANY RULES EXIST FOR OUR PROGRAMS AND ARE SUMMARIZED IN QWIK NOTES. PROGRAM SPECIFIC 'REFER TO COMPANY RULES', IF ANY, CAN BE FOUND BELOW: SHOULD YOU ENCOUNTER A 'REFER TO COMPANY' ISSUE NOT ADDRESSED ABOVE, PLEASE REFER TO YOUR PROGRAM MANAGER FOR GUIDANCE.

THE CLUB PROGRAM ELIGIBILITY IS DETERMINED BY THE FOLLOWING OWNERSHIP CRITERIA AND CLUB STATUS NOTED IN THE PROGRAM DESCRIPTION OF THIS PROGRAM UNDERWRITING GUIDE. THE FOLLOWING ISO GL CLASSIFICATIONS AND RATING BASIS SHOULD BE USED IN THE RATING OF RISKS THAT ARE ELIGIBLE FOR THE CLUB PROGRAM. REFER TO THE NAIC CODES PROVIDED IN THE ELIGIBLE RISKS SECTION.

CLASS CODE	DESCRIPTION
11138	CLUBS- COUNTRY OR GOLF (PRIVATE)
44070	GOLF COURSES – MUNICIPAL OR PRIVATE – NOT GOLF OR COUNTRY CLUB
11138	CLUBS – RACKET SPORTS AND HANDBALL
41668	CLUBS – CIVIC, SERVICE OR SOCIAL- HAVING BUILDINGS OR PREMISES
40061	ATHLETIC GAMES SPONSORED BY THE INSURED – NON-PROFIT ONLY (GOLF

63010 /63011	DWELLINGS
40111 /40115	BOATS
48727	ROADS
70412 /70413	LIQUOR LIABILITY
47052	REAL ESTATE DEVELOPMENT PROPERTY MANAGEMENT (ONLY AVAILABLE IF CLUB IS THE REAL ESTATE AGENT/PROPERTY MANAGER) FORMS CG2116 AND CG2153 APPLY'
47051	REAL ESTATE DEVELOPMENT OF LAND (ONLY AVAILABLE IF CLUB IS THE REAL ESTATE AGENT/PROPERTY MANAGER) FORMS CG2116 AND CG2153 APPLY' EXCLUDE E&O
49452	VACANT LAND (HELD FOR FUTURE DEVELOPMENT ) FORMS CG2116 AND CG2153 APPLY'

IN RATING THE EXPOSURE SALES SHOULD INCLUDE THE GREEN FEES, GOLF CART RENTAL, RESTAURANT RECEIPTS, PRO SHOP SALES RECEIPTS AND MEMBERSHIP DUES. EXCLUDED ARE INITIATION FEES, TRANSFER FEES, INTEREST AND ASSESSMENTS MADE FOR CAPITAL IMPROVEMENT. THE DIVISION HEAD AT BOLLINGER HAS AUTHORITY TO AMEND THE REVENUE BASE ON AN ACCOUNT SPECIFIC BASIS AND IN COMPLIANCE WITH THE PROGRAM FILED RULES. THE DOCUMENTATION MUST BE CONTAINED IN THE UNDERWRITING FILE WITH THE DIVISION HEAD'S SIGNATURE AND MUST INCLUDE THE GL RATING WORKSHEET. IF THE REVENUE BASE USED FOR RATING PURPOSES IS LESS THAN 50% OF THE REPORTED REVENUES LISTED ON THE NEW OR RENEWAL QUESTIONNAIRE THE ACCOUNT MUST BE REFERRED TO THE PROGRAM MANAGER FOR APPROVAL.

**COUNTRY CLUB GENERAL LIABILITY EXTENSION ENDORSEMENT (GLEE):**

THIS FORM IS ATTACHED TO THE CGL COVERAGE FORM CG 00 01 FOR A FLAT CHARGE OF \$500. POLICY LIMITS ARE THE SAME AS THOSE AFFORDED UNDER THE CGL COVERAGE FORM UNLESS SUB-LIMITS ARE NOTED. (NOTE- NOT ALL COVERAGE EXTENSIONS FROM THE GLEE ENDORSEMENT ARE NOTED BELOW.)

•WHO IS AN INSURED -ADDITIONAL INSURED COVERAGE-THE FOLLOWING ADDITIONAL INSURED'S ARE INCLUDED UNDER THE **GLEE ENDORSEMENT.**

-EXCEPT FOR USERS OF GOLF MOBILES, ALL ADDITIONAL INSURED'S COVERED UNDER THIS ENDORSEMENT ARE EXCESS OVER ANY OTHER INSURANCE.

- EMPLOYED NURSES OR OTHER EMPLOYEES WHO PROVIDE INCIDENTAL HEALTH CARE SERVICE
- NEWLY ACQUIRED ORGANIZATIONS
- USERS OF GOLF MOBILES
- CLUB MEMBERS
- ADDITIONAL INSURED BY WRITTEN CONTRACT STATE OR POLITICAL SUBDIVISIONS- PERMITS GOLF OR TENNIS PROFESSIONAL AND TRUSTEES
- VOLUNTEER WORKERS.

ANY OTHER ADDITIONAL INSURED'S MUST BE ADDED TO THE POLICY BASED ON THE APPROPRIATE ISO FORM AND RATING.

### **PROFESSIONAL LIABILITY-**

THERE IS NO AUTHORITY FOR PROFESSIONAL LIABILITY EXCEPT EMPLOYEES OF THE INSURED WHO PERFORM THE FOLLOWING TYPES OF ACTIVITIES WHICH ARE INCLUDED IN THE GLEE ENDORSEMENT AT NO ADDITIONAL CHARGE. BEAUTICIANS, BARBERS, MASSEUSES/MASSEUR, TENNIS, GOLF OR TOURING GOLF OR TENNIS PROFESSIONAL, OR OTHER CLUB PROFESSIONALS SUCH AS; ATHLETIC INSTRUCTORS, FITNESS TRAINERS CERTIFIED AND LICENSED. ALL OTHER REQUESTS MUST BE REFERRED TO PROGRAM MANAGER PRIOR TO BINDING.

### **MOBILE EQUIPMENT-**

GOLF CARTS- GOLF CARTS ARE COVERED AS MOBILE EQUIPMENT AS SELF-PROPELLED VEHICLES LESS THAN 3,000 LBS GVW (UNLESS REQUIRED BY STATE FINANCIAL RESPONSIBILITY LAWS TO BE A REGISTERED VEHICLE). THE FOLLOWING UNDERWRITING CRITERIA MUST BE MET:

- THE NUMBER OF GOLF CARTS OWNED OR LEASED MUST BE DETERMINED AND WHO IS RESPONSIBLE FOR INSURING THE CARTS SUCH AS THE CLUB, THE PRO OR A LESSOR.
- IF LEASED THROUGH AN INDEPENDENT CONTRACTOR, CERTIFICATES OF INSURANCE MUST BE OBTAINED NAMING THE CLUB AS AN ADDITIONAL INSURED.
- INFORMATION MUST BE OBTAINED TO DOCUMENT AN EFFECTIVE MAINTENANCE PROGRAM FOR CARTS, ALONG WITH A COPY OF THE CLUB'S RULES FOR THE USAGE OF CARTS AND PROPER SECURITY FOR STORAGE OF THE CARTS.

### **ADDITIONAL GENERAL LIABILITY OPTIONAL COVERAGE CHARGES**

#### **PER LOCATION AGGREGATE COVERAGE:**

COVERAGE IS AVAILABLE ON THE PRIMARY GL ONLY BY USING THE DESIGNATED LOCATION (S) GENERAL AGGREGATE LIMIT (CG 25 04). THE CHARGE FOR THIS ENDORSEMENT IS 1% OF THE PREMISES-OPERATION PREMIUM. THIS ENDORSEMENT CANNOT BE USED ON THE LIMITED POLLUTION LIABILITY POLICY OR THE UMBRELLA POLICY.

#### **STOP GAP-EMPLOYERS LIABILITY COVERAGE:** OHIO, WYOMING, NORTH DAKOTA, AND WASHINGTON

THIS IS AN OPTIONAL COVERAGE TO BE PROVIDED IN A MONOPOLISTIC STATE WHEN A RISK PURCHASES THE REQUIRED WORKERS COMPENSATION COVERAGE FROM THE STATE FUND. PREMIUM IS DETERMINED BASED ON \$100 PAYROLL MULTIPLIED BY THE SELECTED LIMITS OF INSURANCE OR MINIMUM PREMIUM IF LESS THAN THE RESULTING PREMIUM. RATES ARE ALSO SUBJECT TO HAZARD GROUP ASSIGNMENTS.

#### **EMPLOYEE BENEFITS:**

- EMPLOYEE BENEFITS WRITTEN ON A CLAIMS-MADE BASIS CARRIES A RETROACTIVE DATE. THE RETROACTIVE DATE SHOULD FOLLOW THE FIRST YEAR THAT COVERAGE IS WRITTEN BY AIG. WHEN A POLICY IS WRITTEN AS NEW BUSINESS AND THE INSURED HAS HAD COVERAGE ON THE PRIOR CARRIER'S POLICY, THE RETROACTIVE DATE MAY GO BACK FIVE (5) YEARS WITH THE FOLLOWING CRITERIA:
  1. MAXIMUM 5 YEAR PRIOR ACTS
  2. MOST RECENT EXPIRING CARRIER DECLARATIONS PAGE (SHOWING RETRO DATE) AND SCHEDULE OF ENDORSEMENTS [UNDERWRITER MUST LOOK FOR ENDORSEMENTS THAT MATERIALLY ALTER COVERAGE, REQUESTING FORMS OR MORE SPECIFICS WHERE REQUIRED]
  3. NKLL INCLUDING "KNOWN INCIDENTS THAT MAY LEAD TO LOSS" AND CONFIRMATION OF CONTINUOUS COVERAGE FOR THE PRIOR ACTS PERIOD AT REQUESTED LIMITS WAS GRANTED BACK TO THE RETRO DATE.

4. PRIOR CARRIER MUST BEST'S RATING OF "A-" OR BETTER
  5. CONFIRMATION OF NO LOSSES
  6. PROOF THERE IS NO GAP IN COVERAGE OR CHANGE IN LIMITS – CONFIRMATION IN THE FORM OF THE DECLARATION PAGES (WITH LIMITS) FOR EACH POLICY IN FORCE GOING BACK TO THE REQUESTED RETRO DATE
- CONFIRMATION THE PRIOR CARRIER IS MINIMUM BEST'S RATING OF "A-" AND FINANCIAL SIZE VII OR ABOVE



**RESTAURANTS LIABILITY GUIDELINES:**

RESTAURANT RECEIPTS ARE INCLUDED IN THE CLUB CLASSIFICATIONS AND ARE NOT RATED SEPARATELY; HOWEVER, RISK MUST MEET THE FOLLOWING MINIMUM UNDERWRITING CRITERIA WHEN EVALUATING EXPOSURES IN THE PROGRAM:

- IF THE RESTAURANT IS SUBCONTRACTED OUT, CERTIFICATES OF INSURANCE MUST BE OBTAINED FROM THE SUBCONTRACTOR AND THE CLUB SHOULD BE NAMED AS AN ADDITIONAL INSURED ON THE SUBS' POLICY.
- THE MANAGEMENT OF THE RESTAURANT MUST HAVE A MINIMUM OF 3 YEARS' EXPERIENCE IN OPERATING A RESTAURANT BUSINESS.
- RISKS MUST COMPLY WITH NFPA STANDARD #101 -LIFE SAFETY CODE TO MEET GUIDELINES FOR TYPE AND CAPACITY OF EXITS, SEATING CAPACITY AND SPACING, LIGHTING AND HANDRAILS. ALL EXIT DOORS AND WAYS OF EGRESS MUST BE FREE OF OBSTRUCTIONS.
- SERVICE CONTRACT WITH A QUALIFIED GREASE-CLEANING CONTRACTOR IS REQUIRED FOR CLEANING HOODS, EXHAUST FANS, DUCT SYSTEMS AND OTHER APPURTENANT DEVICES AT LEAST EVERY SIX MONTHS. ALL EQUIPMENT MUST BE UL LISTED AND MEET ALL NFPA CODES.
- A QUALIFIED CONTRACTOR SHOULD INSPECT AND SERVICE AUTOMATIC FIRE EXTINGUISHING SYSTEMS EVERY SIX MONTHS UNDER A FORMAL MAINTENANCE CONTRACT. PORTABLE CLASS B TYPE HAND FIRE EXTINGUISHERS MUST BE AVAILABLE IN THE COOKING AREA.
- IF ALCOHOL IS SERVED, THE RISK SHOULD MEET THE MINIMUM UNDERWRITING GUIDELINES NOTED IN THE LIQUOR LIABILITY SECTION OF THIS CLUB PROGRAM UNDERWRITING GUIDELINES.

**LIQUOR LIABILITY GUIDELINES:**

IF LIQUOR LIABILITY COVERAGE IS TO BE PROVIDED UNDER THE CLUB PROGRAM, WE MUST WRITE THE GENERAL LIABILITY POLICY AS PART OF THE PROGRAM. NO UNSUPPORTED LIQUOR LIABILITY POLICY CAN BE WRITTEN.

- COUNTRY CLUB LIQUOR LIABILITY ENDORSEMENT (79260) IS TO BE ATTACHED TO EVERY COUNTRY CLUB POLICY THAT PURCHASES LIQUOR LIABILITY COVERAGE. IT PROVIDES COVERAGE FOR COUNTRY CLUB EMPLOYEES WITH RESPECT TO THEIR LIABILITY FOR SELLING OR SERVING ALCOHOLIC BEVERAGES ON BEHALF OF THE CLUB WHILE ON THE CLUB PREMISES. THERE IS NO CHARGE FOR THE ENDORSEMENT. THE ENDORSEMENT IS ATTACHED TO THE ISO LIQUOR LIABILITY COVERAGE FORM.

ISO LIQUOR LIABILITY COVERAGE FORM CG 00 33 IS RATED BASED ON THE CHARTIS STATE SPECIFIC RATE PER \$1,000 RECEIPTS BASED ON THE NUMERIC CODE NOTED BELOW. CLASS CODE IS CLUBS - 70412 AND 70413 FOR THE STATE OF MICHIGAN.



POLICY LIMITS ARE \$1,000,000/\$1,000,000.

- THE RATES OUTLINED BELOW ARE AT LIMITS AND ARE SUBJECT TO STATE SCHEDULE CREDITS AND DEBITS AVAILABLE. ADDITIONALLY, IN THE STATES WHERE WE FILED A DEVIATION, THE DEVIATION SHOULD NOT BE APPLIED TO THESE RATES.
- RISKS MUST HAVE ALCOHOLIC BEVERAGE RECEIPTS THAT ARE 40% OR LESS OF THEIR FOOD AND BEVERAGE RECEIPTS.
- RISKS MUST HAVE SPECIFIC GUIDELINES FOR SELLING/SERVICING ALCOHOLIC BEVERAGES INCLUDING THE FOLLOWING:
- ALL MEMBERS WHO SERVE ALCOHOL MUST BE PROPERLY TRAINED IN THE TIPS (TRAINING IN INTERVENTION PROCEDURES FOR SERVERS) OR ITS EQUIVALENT AND ADEQUATELY SUPERVISED. A FORMAL WRITTEN PROGRAM IS REQUIRED WHICH ADDRESSES THE SALE OF ALCOHOLIC BEVERAGES. IT MUST INCLUDE HOW TO ADDRESS PERSONS WHO APPEAR TO BE INTOXICATED OR UNDER AGE PATRONS. IF NO FORMAL PROGRAM EXISTS OR THEIR LIQUOR LICENSE HAD BEEN REVOKED; THEN THE RISK IS INELIGIBLE FOR COVERAGE.

ALL STATES except:	\$6.80
AK, NH, NY	\$10.85
AL, DC, VT	\$19.60

NOTE: GENERAL LIABILITY DEVIATIONS DO NOT APPLY TO LIQUOR LIABILITY

#### SWIMMING POOLS, LAKES OR BEACHES

SWIMMING POOLS, LAKES OR BEACHES MUST BE RATED SEPARATELY USING THE ISO CLASSIFICATION CODES BASED ON "EACH". SWIMMING POOLS SHOULD USE CLASS CODE 48925, LAKE NOT FOR PROFIT-45524 AND BEACHES – 40072.

SWIMMING POOLS: ALL POOLS MUST BE INSPECTED BY LOSS CONTROL IN ORDER TO VERIFY THE FOLLOWING MINIMUM UNDERWRITING CRITERIA FOR SWIMMING POOLS AND DIVING BOARD EXPOSURES.

- CLUBS WITH WAVE POOLS, WATER PARKS OR DIVING BOARDS GREATER THAN 3 METERS MUST BE REFERRED TO THE PROGRAM MANAGER.
- OUTDOOR POOLS MUST BE TOTALLY ENCLOSED BY A SUBSTANTIALLY CONSTRUCTED FENCE NOT LESS THAN 4 FEET HIGH. SELF-CLOSING AND SELF-LATCHING GATES OR DOORS MUST BE USED WITH MECHANISMS OUT OF THE REACH OF CHILDREN. ALL WALKWAYS SURROUNDING THE POOL MUST BE OF ROUGH CONCRETE CONSTRUCTION OR COVERED WITH NON-SLIP MATERIAL.
- THE DEPTH OF THE WATER MUST BE CLEARLY MARKED WITH NUMBERS AND LETTERS AT LEAST 4 INCHES HIGH. A BUOYANT ROPE SHOULD BE PLACED AT THE 5 FOOT DEPTH TO DISTINGUISH THE DEEP END FROM THE SHALLOW END OF THE POOL.
- RULES MUST BE POSTED CONTAINING AT MINIMUM ITEMS DESIGNATING THE HOURS THE POOL IS AVAILABLE FOR USE;
- ADULTS MUST ACCOMPANY CHILDREN UNDER 12; ALCOHOLIC BEVERAGES AND GLASS

- CONTAINERS ARE PROHIBITED WITHIN 20 FEET OF THE POOL AREA;
- RUNNING, HORSEPLAY ARE PROHIBITED WITHIN THE POOL AREA;
- THE USE OF ANY ELECTRICAL APPLIANCES IS RESTRICTED WITHIN 10 FEET OF THE POOL EDGES AND MUST MEET NFPA CODES.
- THE POOL SHOULD BE RESTRICTED TO MEMBERS AND INVITED GUESTS.
- CERTIFIED LIFEGUARDS MUST BE ON DUTY WHILE THE POOL IS OPEN FOR USE
- RESCUE EQUIPMENT MUST BE LOCATED AT THE POOL, CLEARLY IDENTIFIED, DISPLAYED, AND PROPERLY MAINTAINED AND STATE SPECIFIC LIFEGUARD REQUIREMENTS I.E. FLORIDA.

○ TESTING OF WATER FOR PH AND CHLORINE LEVELS MUST BE DONE ON A REGULAR AND FREQUENT BASIS. ALL CHEMICAL TREATMENT (EQUIPMENT AND SUPPLIES) AND CIRCULATION/FILTRATION EQUIPMENT SHOULD BE ENCLOSED AND SECURED FROM PUBLIC ACCESS.

### **LAKES & OCEAN BEACH**

- CONTROLLED ACCESS AND USAGE-OWNERS AND OWNERS GUESTS.
- DESIGNATED SWIMMING AREAS.
- BEACH AREAS ON A NIGHTLY MAINTENANCE PROGRAM.
- PROPER SIGNAGE AND LIGHTING THAT MEETS ANSI STANDARDS.
- WRITTEN POLICIES IN PLACE REGARDING SUPERVISION AND MAINTENANCE PROGRAM.
- RISK MANAGEMENT SERVICES SHOULD BE IN PLACE ON RISK WITH MAJOR WATER EXPOSURES. A MAJOR WATER EXPOSURE IS ANY RISK WITH OPEN OCEAN OR LAKESIDE BEACHES AREAS IN EXCESS OF 100' FRONTAGE OR SWIMMING AREAS WHERE YOU CANNOT SEE THE BOTTOM TO THE DEPTH OF 10'.

### **DIVING BOARDS/PLATFORMS, SLIDING BOARDS, AND WATER SLIDES**

ALL DIVING PLATFORMS, SLIDING BOARDS, WATER SLIDES OR DIVING BOARDS OVER 3 METERS ARE A REFERRAL TO THE PROGRAM MANAGER.

ALL OTHER DIVING BOARDS MUST MEET THE FOLLOWING STANDARDS IN ORDER TO BE WRITTEN IN THE PROGRAM:

- IF THE DIVING BOARD IS 26" (2/3 METER), THE MINIMUM WATER DEPTH MUST BE 8 FEET 6 INCHES.
- IF THE DIVING BOARD IS 30" (3/4 METER), THE MINIMUM WATER DEPTH MUST BE 9 FEET.
- IF THE DIVING BOARD IS 39" (1 METER), THE MINIMUM WATER DEPTH MUST BE 10 FEET.
- IF THE DIVING BOARD IS 78" (2 METERS), THE MINIMUM WATER DEPTH MUST BE 11 FEET.
- IF THE DIVING BOARD IS 117" (3 METERS), THE MINIMUM WATER DEPTH MUST BE 12 FEET.
- ALL DIVING BOARDS MUST BE PROPERLY MAINTAINED AND BE COVERED WITH A NON-SLIP MATERIAL.

### **INCIDENTAL CHILD CARE, BABYSITTING AND JUNIOR GOLF, TENNIS CAMP**

THE MAJORITY OF GOLF COURSE FACILITIES HAVE AN "INCIDENTAL" CHILD CARE, BABYSITTING SERVICES AND TRAINING CAMP EXPOSURES. THE FOLLOWING IS REQUIRED IN ORDER FOR THIS EXPOSURE WHEN DEEMED ACCEPTABLE AND ELIGIBLE FOR THE PROGRAM.

THE ABUSE AND MOLESTATION EXCLUSION IS NOT REQUIRED IF THE UNDERWRITING CRITERIA IS MET BASED ON THE DAY CARE / BABYSITTING SUPPLEMENTAL APPLICATION. AN ALTERNATIVE APPROACH IS TO MAINTAIN THE EXCLUSION AND PROVIDE ABUSE AND SEXUAL MOLESTATION WITHIN THE SUB-LIMIT.

AN ACCEPTABLE LOSS CONTROL REPORT MUST ALSO BE OBTAINED TO VERIFY EXPOSURE IS IN ACCORDANCE WITH THE APPLICATION AND ACCEPTABLE. IF THE EXPOSURE IS NOT ACCEPTABLE, THE ABUSE AND MOLESTATION EXCLUSION CG 21 46 MUST BE ATTACHED TO THE POLICY.

THE FOLLOWING MINIMUM UNDERWRITING GUIDELINES MUST BE MET.

- DAY CARE SERVICE MUST BE LIMITED TO CLUB MEMBERS ONLY AND THEIR GUEST.
- PARENTS MUST REMAIN ON THE GOLF COURSE/CLUB PREMISES AT ALL TIMES FOR INCIDENTAL DAYCARE/BABYSITTING SERVICES. TENNIS OR GOLF CAMPS DO NOT REQUIRE THAT PARENTS REMAIN ON PREMISES; HOWEVER, THEY MUST PROVIDE CONTACT INFORMATION TO THE CLUBS.
- THE INSTRUCTIONAL PERIOD FOR TENNIS OR GOLF CAMPS IS LIMITED TO WEEKLY SESSIONS DURING THE SUMMER MONTHS.
- THEY SHOULD LAST NO LONGER THAN 6 HOURS DURING THE DAY.
- CHILDREN CANNOT BE TRANSPORTED FROM THE GOLF COURSE/CLUB PREMISES UNDER ANY CIRCUMSTANCES UNLESS IT IS PRE- APPROVED BY THE PROGRAM MANAGER. REFERRALS WILL ONLY BE CONSIDERED IF IT IS AN INCIDENTAL EXPOSURE WITH PROPER CONTROLS IN PLACE

COMPLETED DAYCARE QUESTIONNAIRE

- THERE MUST BE AN ACCEPTABLE RATIO OF CHILDREN TO ADULTS DURING THE TRIP.
- NO CHILDREN UNDER THE AGE OF 5 SHOULD BE ALLOWED OFF PREMISES.
- COL AND AI STATUS MUST BE OBTAINED FROM THE TRANSPORTATION COMPANY (BUSES). TRIPS SHOULD BE DURING THE DAYLIGHT HOURS ONLY AND GENERALLY WITHIN A 25 MILE RADIUS FROM THE CLUB.
- LOSS CONTROL MUST BE ORDERED ON ALL ACCOUNTS WITH THIS EXPOSURE WITH RECS. COMPLIED WITHIN 60 DAYS.

AT A MINIMUM THE FOLLOWING MUST BE IN PLACE:

- ALTHOUGH THEY MAY NOT BE REQUIRED BY LAW, THE DAYCARE FACILITY SHOULD FOLLOW THE FEDERAL INTERAGENCY DAY CARE REGULATION (FIDCR) AND NAEYC GUIDELINES FOR SAFETY AND SECURITY.
  - STAFF TO CHILD RATIO MUST MEET THE MINIMUM REQUIREMENT AS FOLLOWS:
    - LESS THAN 2 YEARS OLD REQUIRES ONE ADULT FOR UP TO 6 CHILDREN
    - TO 3 YEARS OLD REQUIRES ONE ADULT FOR EVERY 8 CHILDREN
    - TO 6 YEARS OLD REQUIRES ONE ADULT FOR EVERY 10 CHILDREN
  - WRITTEN PROCEDURE MANUAL
  - FORMAL INCIDENT REPORTING AND INVESTIGATION PROCEDURES
  - A CONSISTENT EMPLOYEE HIRING SELECTION PROCESS COMPLETED BEFORE DATE OF HIRE
  - COMPLETED APPLICATIONS
  - PRE-EMPLOYMENT PHYSICALS
- 
- PERSONAL REFERENCES "MUST BE CONTACTED AND POLICE BACKGROUND CHECKS PERFORMED FOR PREVIOUS RECORDS OF CHILD ABUSE, MOLESTATION OR NEGLECT. THE FOLLOWING RESOURCES CAN BE USED TO PERFORM BACKGROUND CHECKS:
    - CRIMINAL BACKGROUND RECORD AND SEXUAL OFFENDER REGISTRY CHECKS FROM 50 STATES FOR AT LEAST THE PAST TEN YEARS (INTELLICORP SERVICE AVAILABLE AT DISCOUNT TO AIG INSURED)
    - CHILD/DEPENDENT ADULT ABUSE REGISTRY CHECK FOR EACH STATE (AS ALLOWED BY LAW)
    - INDIVIDUAL HAS RESIDED IN STATE WITHIN THE PAST TEN YEARS.
    - PERSONAL REFERENCES; TO INCLUDE AT LEAST ONE, OVER THE TELEPHONE, FOR A CLOSE FAMILY MEMBER

### **"TRUE" DAY CARE COVERAGE**

A "TRUE" DAY CARE EXPOSURE IS ANY ACTIVITY INVOLVING CHILDREN/MINORS WITHIN THE SCOPE OF THE CLUB'S OPERATION OR ALLOWED ON CLUB PROPERTY OR SPONSORED BY OR ASSOCIATED WITH THE CLUB THAT DOES NOT MEET THE ELIGIBLE INCIDENTAL EXPOSURE DESCRIBED ABOVE. IF THERE IS A TRUE DAY CARE EXPOSURE THE FOLLOWING IS REQUIRED:

#### **FORMS AND EXCLUSIONS**

ALL RISKS MUST ATTACH THE SEXUAL ABUSE AND MOLESTATION ISO EXCLUSION CG 21 46 FOR GL AND 60423 (5/94) FOR THE UMBRELLA POLICY IF THERE IS A TRUE DAY CARE EXPOSURE.

NOTE: VT, IL AND NJ HAVE NOT APPROVED THE ISO CG 2146 FORM, IT SHOULD NOT BE ATTACHED; HOWEVER, THE UMBRELLA EXCLUSION SHOULD STILL BE ATTACHED.

IF THE RISK IS ACCEPTABLE FOR COVERAGE BASED ON THE UNDERWRITING CRITERIA BELOW, ATTACH ABUSE AND MOLESTATION ENDORSEMENT-CLAIMS-MADE FORM 65124 (4/96) TO THE GL.

THE SEXUAL ABUSE & MOLESTATION LIABILITY SUPPLEMENTAL APPLICATION MUST BE COMPLETED AND SIGNED BY AN AUTHORIZED REPRESENTATIVE PRIOR TO BINDING COVERAGE. IT MUST BE COMPLETE AND SPECIFIC EXPLANATIONS OFFERED WHERE REQUIRED.

#### **SUB-LIMITS AVAILABLE:**

- SEXUAL ABUSE AND MOLESTATION COVERAGE CAN BE PROVIDED, ON A CLAIMS-MADE BASIS, TO ACCEPTABLE RISK.
- AVAILABLE SUB-LIMIT OF \$250,000 EACH INCIDENT AND \$250,000 AGGREGATE LIMIT.
- MAXIMUM SUB-LIMIT OF \$1 MILLION EACH INCIDENT AND \$1 MILLION AGGREGATE LIMIT IS AVAILABLE, BUT IT MUST BE REFERRED TO THE PROGRAM MANAGER PRIOR TO QUOTING OR BINDING.

#### **CLASSIFICATION AND PRICING:**

- THE GL CODE 41716 DAY CARE CENTERS NOT-FOR-PROFIT MUST BE ADDED TO THE POLICY WITH THE APPROPRIATE CHARGE.
- CHARGE 15% OF THE GL PREMISES PREMIUM SUBJECT TO A \$1,000 MINIMUM PREMIUM
- MINIMUM PREMIUMS ARE NOT SUBJECT TO ANY MODIFICATION.

#### **INDEPENDENTLY OWNED DAY CARE CENTERS ON PREMISES**

IF THERE IS AN INDEPENDENTLY OWNED DAYCARE CENTER (NOT OPERATED BY THE CLUB) ON PREMISES, THE FOLLOWING IS REQUIRED:

- INDEPENDENTLY OWNED DAY CARE CENTERS MUST HAVE THEIR OWN INSURANCE POLICY.
- THE SEXUAL ABUSE AND MOLESTATION COVERAGE FORM 65124 (4/96) SHOULD NOT BE OFFERED
- EXCLUSIONS, (GL) CG 21 46 AND (UMBRELLA) 60423 MUST BE ADDED TO THE POLICY(IES).
- THE OWNERS OF THE DAY CARE ARE REQUIRED TO PROVIDE CERTIFICATES OF INSURANCE WITH MINIMUM LIMITS OF \$1 MILLION CSL AND INCLUDE OUR INSURED AS AN ADDITIONAL INSURED UNDER THEIR GL POLICY.
- CENTERS ARE SUBJECT TO THE SAME UNDERWRITING GUIDELINES AS OUR INSURED'S INCLUDING BEING A LICENSED AND QUALIFIED/CERTIFIED DAY CARE STAFF TO RUN THE FACILITY AND BACKGROUND CHECKS.

**PLAYGROUND REQUIREMENTS:**

THE FOLLOWING MINIMUM SAFETY STANDARDS SHOULD IN PLACE AND VERIFIED BY LOSS CONTROL. PLAYGROUND EXPOSURE SHOULD BE VIEWED WITH DISCRETION AND THE UNDERWRITING FILE MUST INCLUDE THE UNDERWRITER'S REASON AND INTENT FOR ACCEPTING THE RISK WHEN THE MINIMUM SAFETY STANDARDS ARE NOT MET.

- A PERIMETER 4' FENCE AND GATES IN GOOD CONDITION IF PLAYGROUND IS LOCATED CLOSE TO A ROAD.
- PROTECTIVE, SHOCK-ABSORBENT SURFACE OR AT LEAST 12 INCHES OF WOOD CHIPS, MULCH OR FINE SAND
- REGULAR AND ON-GOING PLAYGROUND MAINTENANCE AND INSPECTIONS SHOULD BE DONE. FITNESS/EXERCISE FACILITY

**FITNESS/EXERCISE FACILITY, THE FOLLOWING MINIMUM SAFETY STANDARDS SHOULD BE IN PLACE:**

- MEANS TO SUMMON HELP IN CASE OF EMERGENCY
- REGULAR EQUIPMENT MAINTENANCE & INSPECTIONS WITH DOCUMENTATION

**SKEET TRAP**

- FOR SKEET/TRAP ACTIVITIES, THE FOLLOWING MINIMUM SAFETY STANDARDS SHOULD BE IN PLACE:
- THE RANGE IS LOCATED IN AN AREA NOT ACCESSIBLE BY THE GENERAL PUBLIC AND DOES NOT IMPACT OTHER ACTIVITIES TAKING PLACE AT THE CLUB AT THE SAME TIME.
- WRITTEN PROCEDURES AND RULES ARE IN PLACE AND TRAINING, SUPERVISION AND MONITORING THE RANGE IS CONSISTENTLY MAINTAINED.
- PARTICIPANTS ARE REQUIRED TO SIGN OFF THAT THEY HAVE READ AND WILL FOLLOW THE PROCEDURES AND RULES.
- ALL FIREARMS MUST BE UNLOADED UNTIL THE INDIVIDUAL IS AT THE RANGE.
- THE FIRING LINE IS CLEARLY DESIGNATED.
- ANY FIREARMS OR AMMUNITION ON CLUB PREMISES IS PROPERLY SECURED AND STORED.

**DORMS AND HOUSING FACILITIES (WITHIN THE INSURED'S RESPONSIBILITY OR OPERATION)**

- EMPLOYEES ONLY AND NOT RENTED TO THE PUBLIC.
- HAVE LOSS CONTROL INSPECT THE PREMISE FOR LIFE SAFETY ISSUES.

**WATERCRAFT-MAINTENANCE/SERVICE BOATS**

- COVERAGE FOR WATERCRAFT COVERAGE LIMITED TO A MAXIMUM OF 7 (SEVEN) MAINTENANCE/SERVICE BOATS ONLY.
- ANY OTHER USE OF OWNED WATERCRAFT MUST BE INSURED (PLACED) ELSEWHERE.
- COVERAGE FORM CG 21 12 MUST BE USED WITH ALL OWNED BOATS SCHEDULED ON THE FORM.
- COVERAGE IS FOR LIABILITY ONLY AND NOT PHYSICAL DAMAGE.

**THE FOLLOWING CRITERIA MUST BE MET IF THIS ENDORSEMENT IS USED:**

- POWERBOATS WITH LESS THAN 50 HP OR SAILBOATS LESS THAN 26 FEET MAY BE WRITTEN.
- ALL PERSONS MUST BE PROVIDED WITH LIFE JACKETS AND REQUIRED TO WEAR THEM IN THE BOAT.
- ALL BOATING EQUIPMENT MUST BE US COAST GUARD APPROVED.
- CONSUMPTION OF ALCOHOL IN THE BOATS AND RENTAL TO INTOXICATED PERSONS IS PROHIBITED.
- CLUB RULES MUST BE POSTED AND REVIEWED BY EACH PERSON.

- BOAT RENTAL IS NOT COVERED UNDER THIS PROGRAM AND IF THE EXPOSURE EXISTS, A SEPARATE
- WATERCRAFT LIABILITY POLICY MUST BE PURCHASED.
- WATER SKIING OR OTHER MOTOR PROPELLED WATER SPORTS ARE PROHIBITED AND MUST BE EXCLUDED USING CG 21 53 EXCLUSION – DESIGNATED ONGOING OPERATIONS.

#### **WATERCRAFT - NON-MAINTENANCE/SERVICE BOATS**

COVERAGE SHOULD BE WRITTEN ELSEWHERE WHEN AN ACCOUNT HAS A NON-MAINTENANCE BOAT EXPOSURE. SOME EXCEPTIONS HAVE BEEN MADE FOR CANOES, ROWBOATS, KAYAKS AND SAILBOATS USED BY MEMBERS AND GUESTS. THIS SHOULD BE KEPT TO A VERY LIMITED BASIS. IF AN EXCEPTION IS MADE FOR A KEY ACCOUNT, THE RISK MUST HAVE THE FOLLOWING CONDITIONS IN PLACE OR AGREE TO INSTITUTE THEM IMMEDIATELY.

- **ALL EXCEPTION REQUESTS FOR NON-MAINTENANCE BOATS MUST BE REFERRED TO THE PROGRAM MANAGER.**

ANY RISKS REFERRED MUST MEET THE FOLLOWING CRITERIA IN ADDITION TO BEING A KEY ACCOUNT:

- RISKS MUST NOT PROVIDE GROUP TOURS OR RIDES ON BOATS.
- ONLY RISKS WITH CANOES, PADDLEBOATS, TWO PERSON SAILBOATS OR KAYAKS WILL BE CONSIDERED FOR AN EXCEPTION - NO POWERBOATS.
- THE BOAT RENTALS MUST BE CENTRALIZED SO CLUB PERSONNEL HAVE A WRITTEN RECORD OF WHO HAS A BOAT AND WHEN IT IS TO BE RETURNED.
- ACCESS TO RENTING OR LOANING BOATS SHOULD ONLY BE AVAILABLE DURING THE CLUB OFFICE HOURS AND WHEN LIFE GUARDS ARE ON DUTY.
- ALL MEMBERS AND GUEST MUST SIGN A HOLD HARMLESS AGREEMENT.
- THE CLUB MUST PROVIDE ORIENTATION TO THE MEMBERS AND GUEST PRIOR TO RENTING OR LOANING OUT BOATS. IT SHOULD INCLUDE INSTRUCTIONS ON PERSONAL WEIGHT DISTRIBUTION, STABILITY ISSUES WITH CANOES AND KAYAKS, STEERING, ENTERING AND EXITING THE BOATS AND THE WATER.
- THE ACTUAL USE OF A CANOE AND KAYAK MUST BE OBSERVED AND DEEMED ACCEPTABLE.
- LIFE JACKETS MUST BE REQUIRED FOR ALL OCCUPANTS REGARDLESS OF AGE.
- MEMBERS AND GUEST MUST BE GIVEN CLEAR INSTRUCTIONS ON WHERE THEY CAN GO WITHIN THE AREA AND THE TIME FRAME ALLOWED.
- THE MINIMUM AGE LIMIT TO RENT (14) YEARS OLD FOR MEMBERS AND GUEST.
- A SWIM TEST MUST BE COMPLETED ON ANY MEMBER AND GUEST WHO ARE 12 YEARS OLD AND YOUNGER TO OCCUPY A BOAT WITH AN ADULT.
- CLUB RULES MUST BE POSTED AND REVIEWED WITH EACH PERSON. RULES MUST PROHIBIT HORSEPLAY, INTENTIONAL TIPPING OR STRIKING OTHER BOATS, THROWING OBJECTS AND OTHER HAZARDS
- ALCOHOL MUST BE PROHIBITED AND RENTAL TO AN INTOXICATED PERSON MUST BE PROHIBITED.

#### **TENNIS BUBBLE:**

THE TENNIS BUBBLE QUESTIONNAIRE SHOULD PROVIDE THE FOLLOWING INFORMATION:

- AGE AND HOW THE BUBBLE IS SUPPORTED,
- WHO ERECTS THE BUBBLE (EMPLOYEES OR VENDOR) IF VENDOR,
  - INSURED SHOULD OBTAIN COI
  - AND THE CLUB SHOULD BE ADDED AS AI TO THE VENDOR'S COVERAGE.

- HOW LONG WILL THE BUBBLE BE ERECTED; I.E. DURING WINTER SEASON IN THE NORTHERN US OR HURRICANE SEASON IN THE SOUTHEAST WOULD BE A CONCERN.
- HOW IS IT PROTECTED DURING ADVERSE WEATHER (SNOW/ICE STORMS).
  - SHOULD HAVE WRITTEN EMERGENCY PLAN.
- A COPY OF THE MANUFACTURER SPECS SHOWING WARRANTY INFORMATION AND HOW IT IS RESISTANT TO THE ELEMENTS IS REQUIRED.
  - COVERAGE MAY BE WRITTEN ON A REPLACEMENT COST BASIS, AGREED AMOUNT IF LESS THAN 10 YEARS OLD
  - COVERAGE SHOULD BE WRITTEN ON AN ACV BASIS IF 10 YEARS OR OLDER
  - LIMITS SHOULD BE UPDATED ANNUALLY.
  - EXPOSURE SHOULD BE ISO RATED.
  - LOSS CONTROL SHOULD BE USED TO EVALUATE THE INFORMATION PROVIDED IN THE QUESTIONNAIRE.

**HERBICIDE, PESTICIDE, POOL CHEMICALS, AND/OR ABOVE GROUND STORAGE TANKS**

- THE SUPPLEMENTAL PESTICIDE APPLICATORS AND ABOVE GROUND STORAGE TANK APPLICATIONS MUST BE COMPLETED AND THE FILE MUST BE DOCUMENTED WITH THE EXPOSURE EVALUATION AND DECISION AS TO WHY COVERAGE WAS WRITTEN.
- LIMITATION OF COVERAGE TO PESTICIDES, HERBICIDES, FUNGICIDES, FERTILIZERS OR POOL CHEMICALS APPLICATOR COVERAGE FORM IS ALLOWABLE
- COUNTRY CLUB POLLUTION COVERAGES-POLLUTION LIABILITY LIMITED COVERAGE FORM B

BOTH POLLUTION FORMS NOTED ABOVE CAN BE USED ON THE SAME RISK TO OBTAIN A COMBINATION OF PESTICIDE, POLLUTION AND ABOVE GROUND TANK COVERAGE.

THE PREMIUM CHARGES ARE SELECTED AND BASED ON THE ALLOCATED PREMIUM THAT WAS FILED AND APPROVED UNDER THE ORIGINAL BOLLINGER CLUB FILING DUE TO SIMILARITY IN COVERAGE.

REFER TO THE FOLLOWING EXAMPLES FOR THE ALLOCATION. FOR \$1,000,000 LIMIT:

- \$2,750 PREMIUM CHARGED FOR CLUB POLLUTION
- \$750 FOR THE LIMITATION OF COVERAGE TO PESTICIDES, HERBICIDES, FUNGICIDES, FERTILIZERS OR POOL CHEMICALS

APPLICATION ENDORSEMENT, WHICH PROVIDES COVERAGE FOR PESTICIDE COVERAGE ON AN OCCURRENCE BASIS.

- \$2,000 FOR THE COUNTRY CLUB POLLUTION COVERAGE- POLLUTION LIABILITY LIMITED COVERAGE FORM B, WHICH PROVIDES COVERAGE FOR LIMITED POLLUTION LIABILITY ON A CLAIMS-MADE BASIS IN CONJUNCTION WITH ISO POLLUTION LIABILITY LIMITED COVERAGE DESIGNATED SITES CG 00 39, WHICH INCLUDES MORE COVERAGE SUCH AS THE MANDATED OFFSITE CLEAN-UP COST COVERAGE.

FOR HIGHER LIMITS (UP TO \$10,000,000 LIMIT):

DEDUCT THE \$750 CHARGE FOR THE LIMITATION OF COVERAGE TO PESTICIDES, HERBICIDES, FUNGICIDES, FERTILIZERS OR POOL CHEMICALS APPLICATION ENDORSEMENT FROM EACH OF THE POLLUTION PREMIUM CHARGES BASED ON THE LIMITS SELECTED. THE REMAINING PORTION OF PREMIUM WILL BE ALLOCATED TO THE COUNTRY CLUB POLLUTION COVERAGE- POLLUTION LIABILITY LIMITED COVERAGE FORM-B ACCORDING TO THE CHART BELOW.

\$1,000,000	\$2,000	\$1,000,000	\$450
\$2,000,000	\$2,150	\$2,000,000	\$550
\$3,000,000	\$2,450	\$3,000,000	\$650
\$4,000,000	\$2,600	\$4,000,000	\$750
\$5,000,000	\$2,750	\$5,000,000	\$850
\$6,000,000	\$2,900	\$6,000,000	\$950
\$7,000,000	\$3,050	\$7,000,000	\$1,050
\$8,000,000	\$3,200	\$8,000,000	\$1,150
\$9,000,000	\$3,350	\$9,000,000	\$1,250

COUNTRY CLUB (CC) POLLUTION COVERAGE-POLLUTION LIABILITY LIMITED COVERAGE FORM ENDORSEMENT- FORM A:

COVERAGE IS PROVIDED FOR PESTICIDE/HERBICIDE, LIMITED POLLUTION LIABILITY AND TANK POLLUTION COVERAGE ON A CLAIMS- MADE BASIS.

THE LIMITS OF INSURANCE AVAILABLE UP TO \$10,000,000.

PESTICIDE/HERBICIDE (INCLUDING LIMITED POLLUTION):

AN ADDITIONAL \$150 PREMIUM CHARGE FOR EACH ADDITIONAL \$1,000,000 LIMIT OF INSURANCE.

TANKS: AN ADDITIONAL \$100 PREMIUM CHARGE FOR EACH ADDITIONAL \$1,000,000 LIMIT OF INSURANCE

FOR TANK COVERAGE AND APPLIES PER TANK.

TANKS: AN ADDITIONAL \$100 PREMIUM CHARGE WILL APPLY FOR EACH ADDITIONAL \$1,000,000 LIMIT OF INSURANCE FOR TANK COVERAGE AND APPLIES PER TANK.

CLUB POLLUTION PREMIUM CHARGES- FILED AND APPROVED \$10,000,000

THE FLAT PREMIUM CHARGE APPLY ARE NOT SUBJECT TO ANY DISCRETIONARY PRICING

PESTICIDE/HERBICIDE		TANK	
LIMITS	PREMIUM		
\$1,000,000	\$2,750	\$1,000,000	\$450
\$2,000,000	\$2,900	\$2,000,000	\$550
\$3,000,000	\$3,200	\$3,000,000	\$650
\$4,000,000	\$3,350	\$4,000,000	\$750
\$5,000,000	\$3,500	\$5,000,000	\$850
\$6,000,000	\$3,650	\$6,000,000	\$950
\$7,000,000	\$3,800	\$7,000,000	\$1,050
\$8,000,000		\$8,000,000	\$1,150
\$9,000,000		\$9,000,000	\$1,250
\$10,000,000	\$4,250	\$10,000,000	\$1,350

LIMITATION OF COVERAGE TO PESTICIDES, HERBICIDES, FUNGICIDES, FERTILIZERS OR POOL CHEMICALS APPLICATOR COVERAGE FORM. FORM NO. 99766 TO BE ATTACHED TO THE CG 00 01-CGL COVERAGE FORM. IT IS WRITTEN ON AN OCCURRENCE BASIS VERSUS CLAIMS-MADE. COVERAGE FOR FUNGICIDES AND FERTILIZERS INCLUDED IN THE COVERAGE.



-ITEM B WAS ADDED TO CLARIFY THAT UNDER SECTION II – WHO IS AN INSURED, COVERAGE ONLY APPLIES TO INSURED(S) NAMED IN THE DECLARATION PAGE.  
WORK PERFORMED BY INDEPENDENT CONTRACTORS WILL CONTINUE TO BE EXCLUDED.  
POLICY LIMITS OFFERED ARE \$1,000,000 PER OCCURRENCE AND \$3,000,000 AGGREGATE LIMITS.

COUNTRY CLUB (CC) POLLUTION COVERAGE-POLLUTION LIABILITY LIMITED COVERAGE FORM- B. FORM NO. 99767 (9/08). THIS FORM PROVIDES LIMITED POLLUTION LIABILITY AND ABOVE GROUND STORAGE TANK POLLUTION COVERAGE.

THE LIMITED POLLUTION LIABILITY COVERAGE INCLUDES THE FOLLOWING COVERAGE ENHANCEMENTS:

- A. IT WILL BE ATTACHED TO THE ISO CG 00 39-POLLUTION LIABILITY COVERAGE FORM DESIGNATED SITES
- B. IT WILL CONTINUE TO BE A STAND-ALONE POLLUTION POLICY C. CG 00 39 INCLUDES COVERAGE FOR "CLEAN-UP COST"
  - I) SECTION I -POLLUTION LIABILITY COVERAGE • INSURING AGREEMENT – REIMBURSEMENT OF MANDATED OFF-SITE CLEAN-UP COSTS.
  - II) ITEM E –PARAGRAPH 3. OF SECTION VI- DEFINITIONS INCLUDES THE DEFINITION OF "CLEAN-UP COSTS" AS PROVIDED UNDER MANDATED OFF-SITE CLEAN-UP COSTS.
- D. PESTICIDE, HERBICIDE, AND POOL CHEMICAL COVERAGE IS NOT INCLUDED IN THE FORM.
- E. RISK CAN PURCHASE SIMILAR PESTICIDE COVERAGE SEPARATELY UNDER THE LIMITATION OF COVERAGE TO PESTICIDES, HERBICIDES, FUNGICIDES, FERTILIZERS OR POOL CHEMICALS APPLICATOR COVERAGE FORM-99766 (9/08) NOTED ABOVE AND THERE IS NO REDUCTION IN COVERAGE. NOTE THE COVERAGE UNDER FORM 99766 IS ONAN OCCURRENCE BASIS VS. CLAIMS-MADE.
- F. POLICY LIMITS ARE AVAILABLE UP TO \$10,000,000 PER CLAIM/PER AGGREGATE LIMIT.
- G. THE MAXIMUM LIMITS AVAILABLE FOR THE MANDATORY OFF-SITE CLEAN-UP COSTS WILL BE \$1,000,000 PER INCIDENT AND \$1,000,000 AGGREGATE LIMIT.
- H. ITEM B. 3. F.' CLARIFIES HOW THE \$5,000 DEDUCTIBLE APPLIES TO "CORRECTIVE ACTION COSTS" LOSSES FROM THE DISCHARGE OF ABOVE GROUND STORAGE TANKS.
- I. ITEM D. SECTION III-LIMITS OF LNSURANCE CLARIFIES HOW THE VARIOUS LIMITS OF INSURANCE APPLY TO "BI AND PD", "CLEAN UP COSTS" DUE TO "ENVIRONMENTAL DAMAGE" AND "CORRECTIVE ACTION COSTS' FOR ABOVE GROUND STORAGE TANK DISCHARGE.
- J. COVERAGE IS ON A CLAIMS-MADE BASIS.

3. COUNTRY CLUB (CC) POLLUTION COVERAGE- POLLUTION LIABILITY LIMITED COVERAGE FORM- A. FORM NO. 79357. THIS FORM PROVIDES PESTICIDE/HERBICIDE, LIMITED POLLUTION LIABILITY AND ABOVE GROUND STORAGE TANK POLLUTION COVERAGE.

THE FORM ALSO INCLUDES COVERAGE SIMILAR TO THE COUNTRY CLUB POLLUTION COVERAGE-POLLUTION LIABILITY LIMITED COVERAGE FORM- B-99767 (9/08) NOTED ABOVE.

- A. IT WILL BE ATTACHED TO THE ISO CG 00 39-POLLUTION LIABILITY COVERAGE FORM DESIGNATED SITES B. IT WILL CONTINUE TO BE A STAND-ALONE POLLUTION POLICY
- C. CG 00 39 INCLUDES COVERAGE FOR "CLEAN-UP COST"
  - I. SECTION I –POLLUTION LIABILITY COVERAGE - INSURING AGREEMENT- REIMBURSEMENT OF MANDATED OFF-SITE CLEAN-UP COSTS.
  - II. ITEM E –PARAGRAPH 3. OF SECTION VI – DEFMTIONS INCLUDES THE DEFINITION OF "CLEAN-UP COSTS" AS PROVIDED UNDER MANDATED OFF-SITE  
CLEAN-UP COSTS.

- D. POLICY LIMITS ARE AVAILABLE UP TO \$10,000,000 PER INCIDENT/PER AGGREGATE LIMIT.
- E. THE MAXIMUM LIMITS AVAILABLE FOR THE MANDATORY OFF-SITE CLEAN-UP COSTS WILL BE \$1,000,000 PER INCIDENT AND \$1,000,000 AGGREGATE.
- F. COVERAGE FOR FUNGICIDE AND FERTILIZER IS INCLUDED IN THE COVERAGE FORM.
- G. ITEM B.3. F. CLARIFIES HOW THE \$5,000 DEDUCTIBLE THAT APPLIES TO "CORRECTIVE ACTION COSTS" FROM DISCHARGE OF ABOVE GROUND STORAGE TANKS.
- H. ITEM E. CLARIFIES THAT SECTION II – WHO IS AN INSURED ONLY APPLIES TO THOSE INSURED(S) NAMED IN THE DECLARATION AND WORK PERFORMED BY INDEPENDENT CONTRACTORS IS NOT COVERED.
- I. ITEM F. SECTION L 1 L – LIMITS OF INSURANCE CLARIFIES HOW THE VARIOUS LIMITS OF INSURANCE APPLY FOR "BI AND PD", "CLEAN-UP COSTS" DUE TO "ENVIRONMENTAL DAMAGE" AND "CORRECTIVE ACTION COSTS" FOR ABOVE GROUND STORAGE TANK DISCHARGE.
- J. COVERAGE IS ON A CLAIMS-MADE BASIS.

#### 4. MANDATORY FORMS

MANDATORY FORMS TO BE USED WITH THE FORMS

- POLLUTION LIABILITY LIMITED DECLARATION. FORM NO. 79371 (9/08)
- THE DECLARATION PAGE MATCHES THE COVERAGE AND LIMITS OF INSURANCE PROVIDED BY THE COUNTRY CLUB POLLUTION COVERAGES- POLLUTION LIABILITY LIMITED COVERAGE FORMS A AND B. A. OVERALL AGGREGATE LIMIT

"CLEAN-UP COST" AGGREGATE LIMIT

EACH "POLLUTION INCIDENT" LIMIT (CLEAN-UP COST AND OTHER THAN CLEAN-UP COST)

"CORRECTIVE ACTION COST" LIMIT AND AGGREGATE FOR TANKS

ITEM B. 3. F. CLARIFIES HOW THE \$5,000 DEDUCTIBLE APPLIES TO "CORRECTIVE ACTION COSTS" LOSSES FROM THE DISCHARGE OF ABOVE GROUND STORAGE TANKS.

ITEM D. SECTION III – LIMITS OF INSURANCE CLARIFIES HOW THE VARIOUS LIMITS OF INSURANCE APPLY TO "BI AND PD", "CLEAN UP COSTS" DUE TO "ENVIRONMENTAL DAMAGE" AND "CORRECTIVE ACTION COSTS" FOR ABOVE GROUND STORAGE TANK DISCHARGE.

COVERAGE IS ON A CLAIMS-MADE BASIS.

### 3. COUNTRY CLUB (CC) POLLUTION COVERAGE- POLLUTION LIABILITY LIMITED COVERAGE FORM- A. FORM NO.79357. THIS FORM PROVIDES PESTICIDE/HERBICIDE, LIMITED POLLUTION LIABILITY AND ABOVE GROUND STORAGE TANK POLLUTION COVERAGE.

THE FORM ALSO INCLUDES COVERAGE SIMILAR TO THE COUNTRY CLUB POLLUTION COVERAGE- POLLUTION LIABILITY LIMITED COVERAGE FORM- B-99767 (9/08) NOTED ABOVE.

A. IT WILL BE ATTACHED TO THE ISO CG 00 39- POLLUTION LIABILITY COVERAGE FORM DESIGNATED SITES B. IT WILL CONTINUE TO BE A STAND-ALONE POLLUTION POLICY

C.CG 00 39 INCLUDES COVERAGE FOR "CLEAN-UP COST"

I. SECTION I – POLLUTION LIABILITY COVERAGE - INSURING AGREEMENT- REIMBURSEMENT OF MANDATED OFF-SITE CLEAN-UP COSTS.

II. ITEM E – PARAGRAPH 3. OF SECTION VI – DEFINITIONS INCLUDES THE DEFINITION OF "CLEAN-UP COSTS" AS PROVIDED UNDER MANDATED OFF-SITE CLEAN-UP COSTS.

D. POLICY LIMITS ARE AVAILABLE UP TO \$10,000,000 PER INCIDENT/PER AGGREGATE LIMIT.

E. THE MAXIMUM LIMITS AVAILABLE FOR THE MANDATORY OFF-SITE CLEAN-UP COSTS WILL BE \$1,000,000 PER INCIDENT AND \$1,000,000 AGGREGATE.

F. COVERAGE FOR FUNGICIDE AND FERTILIZER IS INCLUDED IN THE COVERAGE FORM.

G. ITEM B.3. F. CLARIFIES HOW THE \$5,000 DEDUCTIBLE THAT APPLIES TO "CORRECTIVE ACTION COSTS" FROM DISCHARGE OF ABOVE GROUND STORAGE TANKS.

H. ITEM E. CLARIFIES THAT SECTION II – WHO IS AN INSURED ONLY APPLIES TO THOSE INSURED(S)

NAMED IN THE DECLARATION AND WORK PERFORMED BY INDEPENDENT CONTRACTORS IS NOT COVERED.

I. ITEM F. SECTION L.1 L—LIMITS OF INSURANCE CLARIFIES HOW THE VARIOUS LIMITS OF INSURANCE APPLY FOR "BI AND PD", "CLEAN-UP COSTS" DUE TO "ENVIRONMENTAL DAMAGE" AND "CORRECTIVE ACTION COSTS" FOR ABOVE GROUND STORAGE TANK DISCHARGE.

J. COVERAGE IS ON A CLAIMS-MADE BASIS.

#### 4. MANDATORY FORMS

MANDATORY FORMS TO BE USED WITH THE FORMS

- POLLUTION LIABILITY LIMITED DECLARATION. FORM NO. 79371 (9/08)
- THE DECLARATION PAGE MATCHES THE COVERAGE AND LIMITS OF INSURANCE PROVIDED BY THE COUNTRY CLUB POLLUTION COVERAGES- POLLUTION LIABILITY LIMITED COVERAGE FORMS A AND B. A. OVERALL AGGREGATE LIMIT
- B. "CLEAN-UP COST" AGGREGATE LIMIT
- C. EACH "POLLUTION INCIDENT" LIMIT (CLEAN-UP COST AND OTHER THAN CLEAN-UP COST)
- D. "CORRECTIVE ACTION COST" LIMIT AND AGGREGATE FOR TANKS

#### UNDERWRITING

THE FOLLOWING MINIMUM GUIDELINES MUST BE FOLLOWED BEFORE COVERAGE CAN BE PROVIDED. LOSS CONTROL INSPECTIONS MUST VALIDATE PROPER CONTROLS OF EXPOSURE PRIOR TO THE FIRST RENEWAL.

PESTICIDE, HERBICIDE AND POOL CHEMICAL MINIMUM REQUIREMENTS:

- THE PESTICIDE QUESTIONNAIRE MUST BE COMPLETED.
- THE USE OF ANY BANNED CHEMICALS (RUP- RESTRICTED USE PESTICIDES) IN THE PAST 5 YEARS MAKES A RISK INELIGIBLE. RISKS THAT HAVE USED ORGANOCHLORINE PESTICIDES REGULARLY (MONTHLY) OR USE AND/OR STORE THESE PESTICIDES ARE PROHIBITED FROM OBTAINING COVERAGE.
- RISK MUST MEET ALL LOCAL, STATE OR FEDERAL (EPA) GUIDELINES FOR THE STORAGE, USE OR DISPOSAL OF PESTICIDES OR HERBICIDES.
- ALL EMPLOYEES APPLYING HERBICIDES/PESTICIDES MUST BE LICENSED TO DO SO.
- RISKS WHICH USE INDEPENDENT CONTRACTORS TO APPLY PESTICIDE OR HERBICIDE, THE INDEPENDENT CONTRACTORS ARE NOT ELIGIBLE FOR PESTICIDE COVERAGE WITHIN THE PROGRAM.
- INVENTORY RECORD KEEPING SHOULD COMPLY WITH FEDERAL OR STATE REQUIREMENTS BOTH IN COMPLETENESS AND LENGTH OF TIME THEY ARE KEPT. THEY MUST BECOME PART OF THE CLUB'S PERMANENT RECORDS AND BE AVAILABLE FOR LEGAL REVIEW. (MSDS) MATERIAL SAFETY DATA SHEETS SHOULD BE KEPT ON ALL CHEMICALS.
- THE BUILDING OR ROOM WHERE CHEMICALS ARE STORED SHOULD HAVE ADEQUATE WARNING SIGNS POSTED AND THE FLOOR SHOULD BE POURED CONCRETE WITH A MINIMUM 4 " HIGH CONCRETE SILL AROUND THE PERIMETER TO CONTAIN SPILLS WHEN WET CHEMICALS ARE USE
- FLOOR DRAINS ARE NOT ACCEPTABLE UNLESS CHEMICALS FLOW INTO A SELF CONTAINED RECEPTACLE.

#### ABOVE GROUND TANK MINIMUM REQUIREMENTS:

THE ABOVE GROUND STORAGE TANK QUESTIONNAIRE MUST BE COMPLETED. ABOVE GROUND TANKS STORAGE TANKS INCLUDE THE FOLLOWING:

- ALL TANKS LOCATED ON OR ABOVE GROUND
- TANKS LOCATED WITHIN UNDERGROUND STRUCTURES AND
- TANKS THAT CONTAIN LESS THAN 10% OF THEIR VOLUME (INCLUDING PIPING) BELOW GROUND.
- AST MUST MEET THE U.S. EPA'S "SPILL PREVENTION CONTROL AND COUNTERMEASURE (SPCC) REQUIREMENTS (40 CFR, PART 112).
- AST LARGER THAN 4,000 GALLONS MUST BE REFERRED TO THE CHARTIS PROGRAM MANAGER FOR APPROVAL.
- TANKS UNDER 660 GALLONS, THOUGH NOT COVERED BY THE FEDERAL STANDARDS, MUST STILL MEET THE CRITERIA ESTABLISHED IN THESE GUIDELINES.
- ANY NEW TANK DESIGNED AND INSTALLED PRIOR TO 1990 SHOULD NOT BE WRITTEN IN THE PROGRAM BECAUSE THEY PROBABLY DO NOT COMPLY WITH CURRENT REGULATIONS. INSTALLATION WITHIN A 15 TO 20 YEAR PERIOD SHOULD BE USED WHEN PROPERLY MAINTAINED.
- TANK CONSTRUCTION MUST MEET THE FOLLOWING REQUIREMENTS:
- MUST HAVE A DOUBLE CONTAINMENT SYSTEM WITH A MONITORABLE INTERSTITIAL SPACE BETWEEN THE PRIMARY AND SECONDARY CONTAINMENT WALLS.
- THE MANUFACTURER'S WARRANTY SHOULD IDENTIFY LIFE EXPECTANCY OF THEIR TANK AND/OR THEIR WARRANTY. FOR EXAMPLE CONVAULT TANKS GIVE WARRANTY FOR 20 YEARS FOR TANKS WITH 1/8 (10 GAUGE) STEEL TANKS THICKNESS AND
- 30 YEARS WITH A 3/16 (OR GREATER) STEEL TANK THICKNESS IF IT IS PROPERLY INSTALLED.
- TANKS SHOULD BE INCASED IN 6 INCHES OF POURED CONCRETE OR CEMENT GUTTERS.
- MUST MEET UBC EXTERIOR COATING RESISTANT TO FUELS AND THE EXTERNAL ENVIRONMENT AND ALLOW VISUAL MONITORING CAPABILITIES.
- MUST HAVE ANCILLARY EQUIPMENT DESIGNED, BUILT AND INSTALLED ACCORDING TO ACCEPTABLE STANDARDS INCLUDING UNDERGROUND PIPING.
- TANKS SHOULD BE ISOLATED FROM WATER SOURCES SUCH AS LAKES AND STREAMS BY AT LEAST 50 YARDS. THEY SHOULD NOT BE LOCATED IN HIGH WATER TABLE OR FLOOD PRONE AREAS.
- TANKS THAT ARE NOT UL LISTED, EPA APPROVED, PRE-ENGINEERED AND PRE-MANUFACTURED ASSEMBLIES SHOULD NOT BE WRITTEN IN THE PROGRAM AND MUST BE REFERRED TO THE PROGRAM MANAGER
- RISKS MUST ROUTINELY PERFORM VISUAL INSPECTIONS OF TANKS AND HOSES TO DETECT CORROSION, LEAKS OR OVERFILLS

#### RETROACTIVE DATE

POLLUTION LIMITED LIABILITY COVERAGE WRITTEN ON A CLAIMS-MADE BASIS CARRIES A RETROACTIVE DATE. RETROACTIVE DATE SHOULD FOLLOW THE FIRST YEAR THE COVERAGE IS WRITTEN BY AIG. WHEN A POLICY IS WRITTEN AS NEW BUSINESS AND THE INSURED HAS HAD COVERAGE ON THE PRIOR CARRIER'S POLICY, THE RETROACTIVE DATE MAY GO BACK FIVE (5) YEARS WITH THE FOLLOWING CRITERIA:

MAXIMUM 5 YEAR PRIOR ACTS -MOST RECENT EXPIRING CARRIER DECLARATIONS PAGE (SHOWING RETRO DATE) AND SCHEDULE OF ENDORSEMENTS [UNDERWRITER MUST LOOK FOR ENDORSEMENTS THAT MATERIALLY ALTER COVERAGE, LIMITS, INSURED SITES OR INSURED TANKS]. IF COVERAGE IS NON-ISO A POLICY FORM MUST BE PROVIDED AS WELL. IT IS UP TO THE UNDERWRITER TO PERFORM A HIGH LEVEL EVALUATION TO MAKE SURE WE ARE ESSENTIALLY COVERING THE SAME EXPOSURE WITH SIMILAR COVERAGE.

NKLL INCLUDING "KNOWN INCIDENTS THAT MAY LEAD TO LOSS" AND CONFIRMATION OF

CONTINUOUS COVERAGE FOR THE PRIOR ACTS PERIOD AT REQUESTED LIMITS WAS GRANTED BACK TO THE RETRO DATE.

PRIOR CARRIER MUST BEST'S RATING OF "A-" OR BETTER

PROVIDE PROFESSIONAL LIABILITY INSURANCE TO DAY SALONS OR SPAS.

COVERAGE D - SALON OR SPA PROFESSIONAL LIABILITY COVERAGE 110256 ALL STATES EXCEPT LA

The following coverage may be added to the CGL policy CG 00 01. The coverage should comply with the SPECIFIC GUIDELINES AND PRICING NOTED BELOW:

THE COUNTRY CLUB GARAGE KEEPER COVERAGE FORM IS AN OPTIONAL FORM AND MAY BE ATTACHED TO THE CGL FORM CG 00 01. THIS COVERAGE IS AVAILABLE ON A DIRECT AND LEGAL LIABILITY BASIS. THE COVERAGE IS EXCESS BASIS OVER ANY OTHER INSURANCE WHETHER THAT INSURANCE IS COLLECTABLE OR NOT.

#### LIMITS AND PRICING

LIMITS OF \$1,000,000 COMPREHENSIVE AND \$1,000,000 COLLISION ARE PROVIDED BASED ON THE FOLLOWING CHARGES. IF HIGHER LIMITS ARE REQUIRED THEY MUST BE REFERRED TO THE PROGRAM MANAGER AND THE COVERAGE MUST BE WRITTEN ON A BUSINESS AUTO POLICY.

Coverage	Limit	Direct Legal	Price
Comprehensive	\$1 000,000	Direct	\$1,348
Collision	\$1,000 000	Direct	\$692
Comprehensive	\$1 000,000	Legal	\$901
Collision	\$1,000,000	Legal	\$491

### 6.3 AUTOMOBILE

UNLESS OTHERWISE DIRECTED IN THIS SECTION, PLEASE REFER TO THE DIVISION 66 AUTOMOBILE QWIKNOTES

THE COMPANY ACCEPTS ACORD APPLICATIONS.

#### 6.3.1 APPROVED RATES AND RULES – AUTOMOBILE

WE WILL USE ISO LOSS COSTS, RULES AND FORMS WHEN WRITING COMMERCIAL AUTOMOBILE.

ON ALL ACCOUNTS WITH MORE THAN 6 POWER UNITS MVR'S ARE TO BE ORDERED WITHIN 10 DAYS OF BINDING COVERAGE AND REVIEWED FOR ACCEPTABILITY,

- THE PROGRAM ADMINISTRATOR IS RESPONSIBLE FOR MAINTAINING CURRENT DRIVER AND MVR INFORMATION IN POLICY FILE– REFER TO QWIK NOTES

PRIVATE PASSENGER/PERSONAL USE:

FLEETS OF PRIVATE PASSENGER VEHICLES ARE NOT ACCEPTABLE. VEHICLES PRIMARILY USED FOR PERSONAL USE SHOULD be avoided

#### 12 and 15 Passenger Vans:

REFER TO THE AUTOMOBILE QWIK NOTES.

FORMS:

COUNTRY CLUB AUTOMOBILE EXTENSION END (79353) THE COUNTRY CLUB AUTOMOBILE EXTENSION ENDORSEMENT IS AN OPTIONAL FORM WHICH PROVIDES COVERAGE EXTENSIONS. THIS IS AN ENDORSEMENT TO THE BUSINESS AUTOMOBILE COVERAGE FORM.

Premium	
Countrywide Excent NY	\$100
NY	\$250

MICHIGAN AND OHIO UM/UIM MAYBE WRITTEN UP TO \$1,000,000 IF SOECIFICALLY REQUESTED BY THE INSURED. COVERAGE CAN ONLY BE OFFERED USING THE AIG APPROVED ENDORSEMENT. MIGHIGAN AND OHIO NO LONGER REQUIRE A SELECTION/REJECTION FORM.

COMMERCIAL AUTOMOBILE FORMS USED MUST BE THE ISO FORMS APPROVED FOR USE BY THE COMPANY IN THE STATE WHERE COVERAGE IS AFFORDED. AUTOMOBILE COVERAGE CANNOT BE ISSUED ON A STANDALONE BASIS

#### 6.3.2 APPROVED FORMS - AUTOMOBILE

SEE FORMS ADDENDUM

## 6.4 EXCESS / UMBRELLA

**UNLESS OTHERWISE DIRECTED IN THIS SECTION, PLEASE REFER TO THE DIVISION 66 UMBRELLA QWIKNOTES.**

SEE THE QWIK NOTES FOR OUR UMBRELLA UNDERWRITING GUIDELINES.

### 6.4.1 APPROVED RATES AND RULES – EXCESS UMBRELLA

USE AIG RATING PLAN FOR STANDARD UMBRELLA FOUND IN UMBRELLA

QWIKNOTES. EXCESS AND UMBRELLA

- THE PRIMARY GENERAL LIABILITY POLICY MUST BE WRITTEN BY AN AIG MEMBER COMPANY BASED ON APPROVED STATE FILINGS FOR THIS PROGRAM.
- OPERATIONS OUTSIDE THE SCOPE OF THE PRIMARY LIABILITY PROGRAM MAY BE SCHEDULED AND COVERED SUBJECT TO COMPANY APPROVAL.
- UNDERLYING SCHEDULE MUST INCLUDE AUTOMOBILE LIABILITY COVERAGE AND/OR MISCELLANEOUS LIABILITY COVERAGE. (SEE UNDERLYING REQUIREMENTS).
- ALL OTHER PRIMARY COVERAGE MUST BE WRITTEN BY AN AIG MEMBER COMPANY AS PART OF OR IN SUPPORT OF THE CLUB
- PROGRAM OR WITH A CARRIER OTHER THAN AIG THAT MEET THE FOLLOWING REQUIREMENTS:
- MINIMUM BEST'S RATING OF "A-" AND FINANCIAL SIZE VII OR ABOVE, OR STATE APPROVED WORKERS COMPENSATION RISK POOLS ARE ALSO ACCEPTABLE.

#### PRICING:

THE PREMIUM AND MINIMUM PREMIUMS FOR EACH POLICY SHALL BE AS APPROVED FOR USE BY THE COMPANY IN THE STATE WHERE COVERAGE IS AFFORDED.

THE MANDATORY SELF-INSURED RETENTION IS \$10,000 FOR NEW YORK AND \$25,000 FOR TEXAS. ALL OTHER STATES THE SELF - INSURED RETENTION MAY BE WAIVED.

#### UNDERLYING COVERAGE:

THE UMBRELLA COVERAGE MAY NOT BE WRITTEN OVER ANY OF THE FOLLOWING:

- D&O WITH THE EXCEPTION OF EXCESS FOLLOW-FORM NON-PROFIT AND FOR PROFIT, D&O/EPLI LIABILITY OR HOA/POA D&O,
- POLLUTION LIABILITY WITH THE EXCEPTION OF COVERAGE FOR PESTICIDES, HERBICIDES, FUNGICIDES, FERTILIZERS OR POOL CHEMICALS APPLICATOR, ENDORSEMENT 99766 IF ADDED TO PRIMARY GL POLICY,
- TENANTS LEGAL LIABILITY, OR
- PROFESSIONAL LIABILITY FOR ALL OPERATIONS WITH THE EXCEPTION OF EMPLOYEE AS TENNIS, GOLF OR TOURING GOLF PROFESSIONALS, CERTIFIED AND LICENSED FITNESS TRAINERS, OR ANY OTHER ATHLETIC INSTRUCTORS THE RENDERING OR FAILURE TO RENDER ANY TREATMENT OR SERVICES TO THE BODY BY A BARBER, BEAUTICIAN, OR MANICURIST; OR BODY MASSAGING AS NOTED IN THESE GUIDELINES OR APPROVED BY THE PROGRAM MANAGER.
- ANY REQUEST TO WRITE UMBRELLA COVERAGE OVER LIQUOR LIABILITY IN THE STATES OF ALABAMA (AL), VERMONT (VT) AND THE DISTRICT OF COLUMBIA (DC) MUST BE REFERRED TO THE PROGRAM MANAGER PRIOR TO BINDING.

MINIMUM UNDERLYING LIMITS ARE REQUIRED. (ALSO REFER TO THE UMBRELLA QWIKNOTES):

NOTE: THE COUNTRY CLUB POLLUTION LIABILITY LIMITED POLICY-DESIGNATED SITES SHOULD NOT BE LISTED ON THE UMBRELLA SCHEDULE AS AN UNDERLYING POLICY.

COMMERCIAL GENERAL LIABILITY POLICY

PREMISES/OPERATIONS, CONTRACTUAL, PERSONAL INJURY AND ADVERTISING LIABILITIES	\$1,000,000 EACH OCCURRENCE \$3,000,000 GENERAL AGGREGATE
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PRODUCTS/COMPLETED OPERATIONS LIABILITY	\$1,000,000 EACH OCCURRENCE \$3,000,000 AGGREGATE
---	--

BUSINESS AUTOMOBILE POLICY

AUTOMOBILE LIABILITY (MAY INCLUDE HIRED AND NON-OWNED	\$1,000,000 EACH OCCURRENCE
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WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY POLICY

EMPLOYERS' LIABILITY: \$ 500,000 EACH OCCURRENCE  
\$ 500,000 EACH EMPLOYEE FOR DISEASE  
\$ 500,000 AGGREGATE FOR DISEASE OR AS LIMITS  
ARE PERMITTED BY STATE REGULATIONS

MISCELLANEOUS LIABILITY POLICIES

EMPLOYEE BENEFIT LIABILITY (CLAIMS MADE) \$1,000,000 EACH WRONGFUL ACT  
\$1,000,000 AGGREGATE

LIQUOR LIABILITY: \$1,000,000 EACH OCCURRENCE  
\$1,000,000 AGGREGATE

DC, AL & VT MUST BE REFERRED TO PROGRAM MANAGER FOR EXCEPTIONS TO INCLUDE LIQUOR LIABILITY COVERAGE UNDER THE UMBRELLA

FOR PROFIT OR NON-PROFIT EXCESS D&O FORM \$2,000,000 AGGREGATE  
EPLI LIABILITY FOLLOW-FORM

\*COVERAGE IS EXCESS OF PHILADELPHIA INS. OR NATIONAL UNION'S PRIMARY D&O. ANY OTHER UNDERLYING CARRIER IS A REFERRAL TO THE PROGRAM MANAGER FOR APPROVAL.

STOP GAP LIABILITY: (SEE UNDERLYING LIMITS BELOW PER STATE):

OHIO, WYOMING, NO. DAKOTA, WASHINGTON \$1,000,000

Forms and Rates: REFER TO UMBRELLA PRIME ADDENDUM

**5.5 MISCELLANEOUS COVERAGES: EQUIPMENT BREAKDOWN**

See Equipment Breakdown addendum



**6. ACKNOWLEDGEMENT AND ACCEPTANCE**

**ACKNOWLEDGEMENT AND ACCEPTANCE**

The Program Underwriting Authority and the underwriting authority granted herein, supersede any previous document outlining any and all underwriting requirements and authority. Only the terms of this Authority apply to the conduct of your underwriting responsibility pursuant to the Program. Verbal expressions of underwriting authority do not alter the terms of Your Authority.

Please sign below and return an executed copy of this Underwriting Authority Statement to your Program Manager within 30 days of the date set forth below. If AIG Programs does not receive the executed copy within such time, this Underwriting Authority Statement will automatically go into effect 30 days from the date set forth below.

I acknowledge and accept the terms and conditions set forth in this Program Underwriting Authority.

**Acknowledged By:**

**Delegated By :**

RPS Bollinger  
Name of Program Administrator

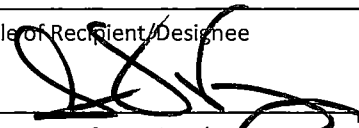
JACQUELINE FELLRATH  
Name and Title of Grantor

Felicia V. Vega  
Name of Recipient/Designee

Signature of Grantor

Area Vice President  
Title of Recipient/Designee

Date

  
Signature of Recipient/Designee

7/31/15  
Date