



## AIG Programs

### PROGRAM UNDERWRITING AUTHORITY STATEMENT ADDENDUM

### CTC Transportation

Addendum Date: 1/1/ 2016

Program Administrator: CTC Transportation Insurance  
Services, Inc.  
701 Palomar Airport Rd, Suite 250  
Carlsbad, CA 92011

This Addendum amends your Underwriting Authority Statement, effective as of the date set forth above. Such changes will be integrated in to future Underwriting Authority Statements or superseded by future Addenda

#### AMENDMENTS TO AUTHORITY (as follows)

The following is added to section 6.2 General Liability:

Eligible Class Codes related to Trucking business only, not to be written as stand-alone exposures.

- 10145 Beverage Stores – liquor and wine
- 10146 Beverage Stores – soft drinks and beer
- 61217 Buildings or Premise – bank or office – mercantile or manufacturing – maintained by the insured (Lessor's Risk Only) (For-Profit)
- 61218 Buildings or Premise – bank or office – mercantile or manufacturing – maintained by the insured (Lessor's Risk Only) (Not-For-Profit)
- 61212 Buildings or Premise – bank or office – mercantile or manufacturing (Lessor's Risk Only) (For-Profit)
- 61216 Buildings or Premise – bank or office – mercantile or manufacturing (Lessor's Risk Only) (Not-For-Profit)
- 61223 Buildings or Premise – banks – Not Otherwise Classified
- 61226 Buildings or Premise – office – Not Otherwise Classified (For-Profit)
- 61227 Buildings or Premise – office – Not Otherwise Classified (Not-For-Profit)



CONFIDENTIAL – FOR INTERNAL AIG PROPERTY AND CASUALTY PURPOSES  
ONLY



- 61224 Buildings or Premise – office premises primarily occupied by employees of the Insured (For-Profit)
- 61225 Buildings or Premise – office premises primarily occupied by employees of the Insured (Not-For-Profit)
- 10367 Car Washes
- 10368 Car Washes – Self service
- 13453 Gasoline Stations – full service
- 13455 Gasoline Stations (excluding Supermarkets with receipts in excess of \$500,000 and area in excess of 3,000 sq. feet)
- 16819 Restaurants – operated by concessionaires (For-Profit)
- 16820 Restaurants – operated by concessionaires (Not-For-Profit)
- 16900 Restaurants – with no sale of alcoholic beverages – with table service
- 16902 Restaurants – with no sale of alcoholic beverages – without seating
- 16901 Restaurants – with no sale of alcoholic beverages – without table service with seating
- 16910 Restaurants – with sales of alcoholic beverages that are less than 30% of the total annual receipts of the restaurants – with table service
- 16911 Restaurants – with sales of alcoholic beverages that are less than 30% of the total annual receipts of the restaurants – without table service
- 18435 Stores – Not Otherwise Classified – food or drink (For-Profit)
- 18436 Stores – Not Otherwise Classified – food or drink (Not-For-Profit)
- 18437 Stores – Not Otherwise Classified – no food or drink (For-Profit)
- 18438 Stores – Not Otherwise Classified – no food or drink (Not-For-Profit)
- 99793 Truckers
- 49763 Warehouse – cold individual storage lockers
- 99917 Warehouse – cold storage – public
- 99938 Warehouse – Not Otherwise Classified
- 68702 Warehouse – occupied by multiple interests (lessor's risk only)
- 68703 Warehouse – occupied by single interest (lessor's risk only)
- 68706 Warehouse – private (For-Profit)
- 68707 Warehouse – private (Not-For-Profit)

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The following is added to Section 2.4 Limits Authority:

PROPERTY	Limit	Conditions
Commercial Property	\$2,000,000	Maximum Amount Subject (gross) in Protection Class 1 - 8
	\$1,000,000	Amount subject any location in Protection Class 9 or 10
	\$2,000,000	Total Insured Values
Inland Marine (Per Tractor/Trailer Combo)	\$200,000 (ACV)	For Automobile Physical Damage
	\$1,000,000	\$1,000 deductible minimum Per Occurrence Catastrophe Limit
Motor Truck Cargo	\$250,000	Per Vehicle
	\$1,000,000	Per Occurrence Catastrophe Limit
Motor Truck Cargo - Per Terminal	\$250,000	Per "terminal" location
	\$1,000,000	Total All Schedule Locations
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*), Earthquake Sprinkler Leakage - 250 Year MMI Zones 1 - 6.99 (derived from RiskMeter*)	\$ 500,000	
Flood - RiskMeter flood score over 40	No Authority	
Flood - RiskMeter flood score 10 - 40	\$ 500,000	
* See Qwik Notes for information on RiskMeter		
Wind/Coastal Property		See Section 6.1.1





The following is added to Section 6.1.1 Approved Rates/Loss Costs/Loss Cost Multipliers – Property/Inland Marine/Crime:

Rating Per PA approved worksheet based on the following:

Non Coastal States - composite

Fire	Flood	IM	MNC/CR
Office	0.40%	0.32%	0.29%
Warehouse	0.50%	0.42%	0.37%
Rest/Convenience /Gas	0.60%	0.52%	0.47%

Coastal States and Oklahoma - Composite

Fire	Flood	IM	MNC/CR
Office	1.00%	0.66%	0.57%
Warehouse	1.10%	0.92%	0.68%
Rest/Convenience	1.20%	1.00%	0.75%

Coastal States and Oklahoma – excluding wind/hail

Fire	Flood	IM	MNC/CR
Office	0.30%	0.27%	0.24%

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Warehouse	0.40%	0.37%	0.32%
Rest/Convenience	0.50%	0.47%	0.42%

a. Deductibles

>\$1,000 AOP

>Windstorm Minimums as follows:

1. Locations north of Delaware through and including Maine:
  - a. 0 to 1 miles from the mainland coast, 2% of value minimum \$10,000 per occurrence
  - b. Any Island exposures 3% of value, minimum \$10,000 per occurrence
  - c. Cape Cod (Barnstable County) 2% of value, \$10,000 per occurrence
  - d. Long Island (Suffolk County & Nassau County) 2% of value, minimum \$10,000
2. Locations Delaware southward through Virginia:
  - a. 0 to 50 miles from mainland coast 2% of value, minimum \$10,000 per occurrence
3. Locations North Carolina, South Carolina and Georgia:
  - a. 0-25 miles from mainland coast, 5% of value, \$10,000 minimum
  - b. Over 25 miles to 50 miles from mainland coast, 2% of value
4. Alabama through Texas:
  - a. 0 to 25 miles from mainland coast, 5% of value, minimum \$10,000
  - b. Over 25 miles to 50 miles from mainland coast, 2% of value, minimum \$10,000 per occurrence
5. Florida:
  - a. 5% of value, minimum \$10,000



b. Underwriting Rules

➤ 5% Credit loss free three years

➤ Underwriting Debits – Prior 3 year losses:

1. 10% each loss under \$2500, over 2 losses Ineligible (20% max debit)
2. 20% each loss over \$2500, over 2 losses Ineligible (40% max debit)

c. Coverage Extensions

➤ Refer to form 97069 – Supplemental Declarations

d. Premium

➤ Minimum premium \$500

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The following is added to Section 6.1.3 Approved Forms – Property/Inland Marine/Crime

FORM #	PROPERTY FORM TITLE	LIMITATIONS
<b>MANDATORY ATTACHMENTS – ALL POLICIES</b>		
91222 (04/13)	Policyholder Notice - Commission	None
78711 (05/13)	ADDENDUM TO THE DECLARATIONS (SIGNATURE PAGE)	
IL0017 (11/98)	Common Policy Conditions – ISO CPP (only)	All states except WA
IL0146 (08/10)	Common Policy Conditions – (ISO CPP (only) - WA)	WA
89644 (06/13)	Economic Sanctions Endorsement (OFAC)	All states except AK
118019 (07/14)	Economic Sanctions Endorsement (OFAC) - AK	AK
118477 (03/15)	Notice on Taxes Assessments Surcharges	
96556 (01/15)	Policyholder Disclosure/Notice of Terrorism Insurance Coverage	
102214 (06/10)	Georgia Diminution of Value Exclusion	Mandatory if GA Locations
PRG 2023 (07/05)	Service of Suit Condition	SURPLUS LINES ONLY
<b>PLUS ALL REQUIRED STATE AMENDATORY ENDORSEMENTS</b>		
<b>"ENHANCED" PROPERTY BASE FORMS:</b>		
97100 (05/08)	Commercial Property Conditions	
97101 (05/08)	Common Policy Conditions (Use IL0017 for Package Policies)	
97069 (03/08)	Supplemental Declarations	
97064 (03/08)	Business and Personal Property Cov Form	
97072 (05/08)	Cause of Loss – Special Form	
100381 (12/08)	Cov for Loss to the Undamaged Portion of Bldg	
100380 (12/08)	Ordinance or Law Amendatory Endorsement	
99079 (05/08)	Exclusion of Loss Due to Virus or Bacteria	
CP 1032 (08/08)	Water Exclusion Endorsement	

All other terms and conditions remain unchanged.

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**ACKNOWLEDGEMENT AND ACCEPTANCE**

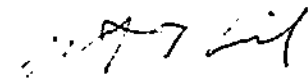
**ACKNOWLEDGEMENT AND ACCEPTANCE**

*This Underwriting Authority Statement Addendum and the authority granted within attaches to the most current document outlining underwriting requirements and authority. Only the terms of this written statement apply to the conduct of your underwriting responsibility. Verbal expressions of underwriting authority do not alter the terms of this Statement. Please sign below and return an executed copy of this Underwriting Authority Statement to your Program Manager within 30 days. If AIG Programs does not receive the executed copy within such time, this Underwriting Authority Statement will automatically go into effect on 1/19/16*

Acknowledged By:

Delegated By:

  
\_\_\_\_\_  
Name of Recipient/Designee  
Thomas Spitzley, CEO  
1-4-16  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Name and Title of Grantor  
Robert J. O'Neil Product Line Manager  
1/19/16  
\_\_\_\_\_  
Date

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