

Lexington Program Division 66

ADDENDUM L

ADDENDUM DATE: 03/20/2013

Match original guidelines November, 2011/ Signed February/2012

PROGRAM ADMINISTRATOR: K&K Insurance Services

This Addendum outlines updates and / or changes to your Underwriting Guidelines, effective at the ADDENDUM DATE, and continuing until otherwise superseded by revised guidelines or a future addendum.

AMENDMENTS TO GUIDELINES (as follows):

The following changes are made as respects the Property/Inland Marine sections or references within the guidelines:

INLAND MARINE:

Additional Optional form added for use: 110317 (07-12) Scheduled Watercraft Coverage.

EQUIPMENT BREAKDOWN:

Any risk which has had an equipment breakdown loss greater than \$25,000 and/or has had two or more equipment breakdown losses in a 24 month period is a referral to the Carrier.

General Liability –

Any reference to CGL Broadened endorsement (97008) in all sections of guidelines should be amended to show \$500 Flat charge.

Any reference to CGL Enhancement endorsement (97018) in all sections of guidelines should be amended to show no charge.

Bowling and Fun Center Changes – Specific to this program only:

- All new business and renewals risks which are domiciled in Manhattan, Brooklyn, Queens, Bronx, Staten Island, Nassau and Suffolk Counties and Westchester, New York are excluded.
- Any risk using the below “Low” rates must be referred to carrier. CGL
- The following rate considerations will be utilized going forward on this program only.
- Any account with loss ratio less than 25%/+10% all lines
- Any account with loss ratio of 25%-34%/+15% all lines
- Any account with loss ratio over 35%/+25% depending on account individual characteristics all lines, or non renewal.
- CAT AAL loads would be in addition to the rates defined above.
- New York State domiciled risks excluding NYC and its 5 boroughs AND Long Island will be increased 25%
- Continuation of implementing non-renewals on New York City and 5 Boroughs.

Endorsements have been deleted, updated and added. Previous forms remain unchanged except as noted below:

MANDATORY ENDORSEMENTS – additions/changes

CG 32 10 (4/05) – Fungus exclusion – LA only
CG 21 67 (12/04) – Fungus exclusion – GA, KS, NH, VT, VA only
109754 (9/11) – OFAC PHN – Virginia Only
CG 01 97 (12/07) – Washington Employment Related Practices exclusion – WA only
CG 32 67 (09/08) – Alaska Total Pollution exclusion
IL 00 21(09/08)- Nuclear Energy Liability exclusion (except NY, WA)
IL 0 198 (09/08)- Nuclear Energy Liability exclusion – WA only
IL 00 23 (07/02) - Nuclear Energy Liability exclusion – NY only

No changes made to previous optional GL forms on guidelines dated 11/2011.

Excess – endorsements have been deleted, updated and added.

COVERAGE FORM: No change to existing guidelines

Renewals up to \$10,000,000 in limits which have not had material change do not need to be referred on annual renewal; however the risk should be referred every three years.

Previous reference to GAC is changed to Scottsdale Insurance Company regarding Limits of Liability on the Follow Form Excess program.

MANDATORY EXCLUSIONS: If excluded in the primary policies, there is no need to put on relating exclusion on the Excess policy.

80478 (07/02) – Abuse or Molestation exclusion
66687 (12/96) – Silica exclusion
61718 (12/94) – Lead exclusion (not MA, RI, VT)
89057 (04/05) – Violation of Statutes exclusion – Excess Liability Form
84307 (04/04) – Liquor Legal Liability exclusion
60441 (05/94) – Cross Suits endorsement
62221 (03/95) – Total Pollution exclusion (not LA)
79346 (03/02) – LA Total Pollution exclusion
60436 (05/94) – Directors & Officers Liability exclusion
60458 (05/94) – Professional Liability exclusion
78691 (08/01) – Fungus exclusion (except AK, NY, KS, NH, WA)
79279 (03/02) – Fungus Washington Only
63374 (09/95) – Urea/Formaldehyde exclusion
60438 (05/94) – Follow form Personal Injury
57720 (06/93) – Employee Benefits Liability exclusion
89644 (07/05) – OFAC – excluding Virginia
109754 (9/11) – OFAC PHN – Virginia Only

OPTIONAL FORMS:

57826 (06/93) – Employee Benefits Follow Form Claims Made
57827 (06/93) – Employee Benefits Follow Form Occurrence
100549 (10/08) – Automobile Liability Limitation Endorsement – Follow form – To be used when something other than Symbol 1 is on primary auto policy

ACKNOWLEDGEMENT AND ACCEPTANCE

This Underwriting Guideline 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.

I acknowledge and accept the terms and conditions set forth in this Statement.

Acknowledged By:

Name of Recipient/Designee

[Handwritten Signature]

Signature of Recipient/Designee

4-5-2013

Date

Delegated By:

Name of Grantor

[Handwritten Signature] VP

Signature and Title

4/11/13

Date