

**LEXINGTON Program Division 66 - 2013**

**EDITION DATE:** September, 2013

**PROGRAM NAME:** Watercraft and Marina Insurance Program

**PROGRAM ADMINISTRATOR:** Maritime General Agency, Inc.  
70 Essex Road  
Westbrook, CT 06498

**PRINCIPAL(S):** Christopher Pesce, President

**PROGRAM DESCRIPTION:** This program is designed to insure Marinas, Yacht Clubs, and Boat Dealers for property, inland marine, general liability, yacht dealer inventory, MOLL (Marina Operator's Legal Liability), P&I (Protection and Indemnity - Watercraft), Docks, Piers and Wharves, Inland Marine (Marine related) and Small Watercraft (hull on workboats and leased watercraft)

**PROGRAM INCEPTION:** September, 1993

**DIVISION:** 66 - Lexington Programs

**PRODUCER COMMISSION:** 21% on All Lines, except Commercial Auto at 16%.

**PROGRAM TERRITORY:** United States of America excluding all territories and possessions and Hawaii.

**RELATED PUC NUMBERS:** 0015, 0016, 0017, 0026, 0027

**AUTHORITY:**

**1. INSURANCE COMPANIES**

You are authorized to conduct business on behalf of the following companies, signified by an 'X' in the box next to the company name.

New Hampshire Insurance Company	<input checked="" type="checkbox"/>
Granite State Insurance Company	<input checked="" type="checkbox"/>
Illinois National Insurance Company	<input checked="" type="checkbox"/>

**2. POLICY PREMIUMS**

You may underwrite, quote and bind business on accounts with premiums up to the following amounts. These premium amounts apply only to business written in the LEXINGTON Program Division, and do not apply to any business written with any other company, branch, division or department of Chartis, Inc.

\$50,000	For Property /Inland Marine Coverages
\$50,000	For Ocean Marine
\$25,000	For Protection and Indemnity
\$50,000	For General Liability Coverages
\$50,000	For Commercial Automobile Coverages
\$25,000	For Umbrella/Marine Bumbershoot Liability Coverage
\$25,000	For Commercial Crime Coverages
\$100,000	For the sum of all policies and/or coverages written for one insured

**3. ASSIGNED PROGRAMS**

You may underwrite, quote and bind business on accounts within the following LEXINGTON Program Division programs, defined as follows by program name and/or description, plus the corresponding Profit Unit Code (PUC) assigned to the eligible lines of business.

MARINA/BOAT DLRS PKG MGA	- 0015
MARINA/BOAT DLRS XS MGA	- 0016
YACHT CLUBS PKG MGA	- 0017
BRUNSWICK BOAT DLRS PRIM - AGCY BILL	- 0026
BRUNSWICK BOAT DLRS XS - AGCY BILL	- 0027

**4. LIMITS OF LIABILITY**

You may underwrite, quote and bind business on accounts with limit(s) up to the following levels.

\$1,000,000	Per occurrence	for General Liability and
\$2,000,000	General Aggregate	Products Liability
\$1,000,000	Products Aggregate	
\$1,000,000	Per occurrence	for Liquor Liability
\$1,000,000	Annual Aggregate	
\$1,000,000	Occurrence	for Employee Benefits Liability
\$1,000,000	Annual Aggregate	
\$1,000,000	Combined single limit	for Automobile Liability
\$ ACV to \$	Per vehicle	for Automobile Physical Damage
\$50,000	Amount Subject any one location	\$1,000 Ded.
\$ 9,000,000	Per Policy	For Commercial Umbrella/Bumbershoot
\$ 5,000,000	Per Occurrence	Yacht Dealer Inventory Physical Damage
\$ 5,000,000	Amount Subject	For Docks and Floating Property
\$ 5,000,000	Amount subject (gross)	for Commercial Property, Yacht Dealer's Inventory, Docks & Floating Property and/or Inland Marine
\$ 2,000,000	Amount subject any location in Protection Class 9 or 10	
\$ 250,000	Per occurrence	for Commercial Crime Form A and Depositors Forgery

**5. PROPERTY PERILS**

You may underwrite, quote and bind business subject to the following catastrophe management limitations.

(no authority)	Earthquake – 250 year MMI Zones 7.0 through 12, and the entire state of California
\$1,000,000	Earthquake – 250 year MMI Zones 1 through 6.99
(no authority)	Earthquake Sprinkler Leakage – 250 year MMI Zones 7.0 through 12, and the entire state of California
\$1,000,000	Earthquake Sprinkler Leakage – 250 year MMI Zones 1 through 6.99
(no authority)	Flood – Federal Flood Zone(s) A, V, B, D, X (shaded), and X(500)
\$1,000,000	Flood – Federal Flood Zone(s) C, X (+10' ABFE) or better
Wind/Coastal Property	Wind/Coastal Property – There is <u>no authority</u> to quote windstorm or hail on locations within any of the windstorm control zones. All such locations must be submitted to, and approved by, your Program Manager <u>before</u> quoting. Definitions of windstorm control zones are in the Property Qwik Notes.

**6. PRICING**

You have authority for the following pricing plans if an 'x' in the box next to the plan designates them.

- a. Deviation of Increased Limits Factors, but only if all requirements of Rule 15 and Rule 34 are met
- b. ISO Rule 34 General Liability (excluding CA & TX)
- c. ISO Rule 15 Automobile (excluding CA & TX)
- d. Preferred Risk Property Rating Plan (PropertyOne)
- e. AAIS Rating Plans
- f. Composite Rating of Liability, but only if all requirements of the ISO Composite Rating Rule are met
- g. Composite Rating of Automobile, but only if all requirements of the ISO Composite Rating rule are met

**7. LIMITATIONS TO AUTHORITY - ANY SPECIFIC EXCEPTIONS ARE LISTED IN SECTION 16**

**a. Specific Operations/Exposures**

- (1) No authority exists to bind any company of Chartis, Inc., to a new program.
- (2) No authority exists to amend the parameters of an existing program, i.e., adding SIC or CGL codes, or altering the underwriting guidelines established for the program.
- (3) No authority exists to quote or bind any account filed under or operating under any chapter of the Federal Bankruptcy Law(s).
- (4) No authority exists to quote or bind any account with Commercial Auto exposures of a long-haul nature, defined as a radius of operations greater than 250 miles.
- (5) No authority exists to quote or bind any account with overhead transmission/distribution lines, either for direct damage or consequential loss, i.e., business interruption or extra expense.
- (6) No authority exists to make any exceptions to Lexington's Safe Harbor or Risk Transfer protocols.

**b. Coverages – No authority exists to quote or bind any account that requests any one or more of the following coverages.**

- (1) Claims Made coverage in a program where the CGL exposure is written on an Occurrence form
- (2) Occurrence coverage in a program where the CGL exposure is written on a Claims Made form

- (3) Employment Related Practices Liability
  - (4) Pollution or other Environmental coverages
  - (5) Captive, Pooling or other alternative risk financing arrangements
  - (6) Liquor Law Liability in states designated as High Hazard by ISO class
  - (7) Workers Compensation
  - (8) Railroad Protective Liability
  - (9) Professional Liability or Errors & Omissions liability
  - (10) Manufacturers Output policies or coverages
  - (11) Products Recall
  - (12) Assumed Reinsurance
  - (13) Foreign coverages (i.e., outside the United States or Canada)
  - (14) Hawaii Auto Coverages if not written through CoverAll
  - (15) Massachusetts Auto coverages.
  - (19) Mold/Fungus coverages
  - (20) Data Corruption coverage
- c. **Policy Terms and Conditions** – No authority exists to quote or bind any account which requests any one or more of the following terms or conditions.
- (1) Individual risks, 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) Individual risks, or programs, if Chartis Claim Services, or a LEXINGTON approved TPA is not handling all losses and loss adjustment
  - (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 Chartis , Inc., or not, that:
    - (a) have not been vetted by Lexington Legal; and/or
    - (b) have not been assigned an ISO or Lexington form number
  - (7) removal of any policy exclusion
  - (8) property loss-limit form or coverages
  - (9) property (real, personal or inland marine) on a reporting form basis
  - (10) property blanket policy limits
  - (11) payment of any loss not covered by the policy as it was written at the time of loss
  - (12) amendments to any Program Administrator Agreement or other contractual arrangement between any company of Chartis , Inc., and any duly authorized broker doing business with the LEXINGTON Programs Division
  - (13) back-dating of coverage more than five (5) working days (and if five days or less, subject to a warranty of no known or reported losses)
  - (14) requests for facultative reinsurance of any line or discussing any AIG facultative placement with any reinsurer.
- d. **Pricing Techniques** – You have no authority to quote or bind any account that requests any one or more of the following pricing techniques.
- (1) rates or rating plans other than those filed by or on behalf of the insurance company or companies underwriting the Lexington Programs Division program
  - (2) loss-sensitive rating or retrospective rating
  - (3) dividend plans, whether individual risk or entire programs
  - (4) revisions on premium audits without written consent of the Chartis Premium Audit Division
  - (5) premium deferral or cash-flow programs, or compensating balance programs
  - (6) rate guarantees beyond the annual policy term
  - (7) self-insured retentions
  - (8) aggregate stop loss on deductibles
  - (9) policy terms greater than 12 months

## 8. Eligibility Requirements

### Eligible Risks:

- (1) A risk must fall within one of the following general liability class codes: Marinas, Yacht Clubs, Boat Dealers, Boat Repair, Ship Chandlery, and other recreational marine related business.
- (2) Coastal Risks: Risks located north of Delaware through and including Maine as follows:
  - a. Renewals only;
  - b. No prior windstorm or hail losses;
  - c. Previously approved with no reduction in deductible or rate for the renewal and no increases in insured values over 15% from the prior year;
  - d. Risks located between zero and one mile from mainland coast: 1% to 2% wind and hail deductibles subject to a minimum of \$10,000 per occurrence. All other coastal must follow Qwiknotes guidelines for windstorm.
  - e. All risks (all new business and any renewal not previously wind modeled after January, 2011) under d. above with building values \$1MM or greater must be modeled for wind using current RMS modeling.

### Ineligible Risks:

- (1) Any commercial shipyard activities, including but not limited to, shipbuilding, refit, repair, service and towing on vessels other than those used for recreational purposes.
- (2) Commercially operated vessels, other than workboats employed for servicing recreational marinas.
- (3) Boat, yacht and other Marine Manufacturers.
- (4) Marinas or yacht clubs with wave pools or water parks
- (5) Marinas or yacht clubs with diving platforms, sliding boards, water slides or diving boards
- (6) Marinas or yacht clubs with zip lines.
- (7) Risks with liquor sales that exceed 50% of the total restaurant sales.
- (8) Personal Watercraft operated by anyone under the age of 18 years.
- (9) Jet Boats where passengers ride within the confines of the hull and are not otherwise defined as Personal Watercraft.
- (10) Any risk under Eligible Risks (2) e. above where the generated wind load rate exceeds the ISO Group II rate.

**Ineligible activities:** Rental, of any Personal Water Craft, Jet Skis or Wave Runners. Para-sailing or any related activity. Power boat racing. Any risk where the Marine receipts are not at least 50% of the total receipts. Any scuba diving or underwater activities and/or training. Commercial salvage operations, stevedore, and warehouseman activities.

## 9. Underwriting criteria:

At least 3 Years in operation with the same management.

Loss ratio for the current year and/or the past three years (all lines combined) 40% or less and with no single loss greater than \$50,000. *Accounts \$15,000 or total premium and under with one loss in 3 years generating a 40% or less loss ratio need not be referred, however are still subject to the single loss referral requirement as stated above. Additionally if the program has a general positive rate need and a minimum has been outlined by the Program Manager, any exception to that minimum rate need must be referred.*

Three-year currently valued hard copy loss history provided by the insurance carrier on new business

The insured must have a D&B Stress Score of 1, 2 or 3 as obtained from eStart. If the stress score is 4 or 5 a copy of their current financial statements and payment history must be reviewed. Any accounts that have a stress score of 4 or 5 must be referred to the Company for approval.

## 10. Applications

A COPY OF THE COMPLETED AND SIGNED APPLICATION MUST BE KEPT IN THE POLICY FILE. ANY SUPPLEMENTAL APPLICATIONS, QUESTIONNAIRES OR STATEMENTS OF VALUE WHICH ARE CRITICAL IN THE UNDERWRITING OF THE ACCOUNT MUST BE SIGNED ONCE EVERY 3<sup>RD</sup> RENEWAL. INTERIM FILES MUST BE DOCUMENTED SHOWING CORRESPONDENCE THAT THE INSURED HAS AGREED THAT THERE ARE NO CHANGES OR COVERAGE REMAINS AS EXPIRING.

IF A SIGNED APPLICATION CAN BE OBTAINED, THEN IT IS THE UNDERWRITERS PRIORITY TO OBTAIN SAME AT EVERY RENEWAL. IF THE PROPERTY IS WRITTEN ON AN AGREED VALUE BASIS REQUIRING A SIGNED STATEMENT OF VALUES AND THOSE VALUES CHANGE ON EXPIRATION, THEN A NEW SIGNED STATEMENT OF VALUES IS REQUIRED, REGARDLESS OF WHETHER OR NOT ANY OTHER SIGNED APPLICATION IS REQUIRED FOR RENEWAL. UMBRELLA APPLICATIONS ARE NOT REQUIRED TO BE SIGNED IF ALL OF THE UNDERLYING APPLICATIONS HAVE BEEN SIGNED.

All applications, including supplemental applications used by the producer, need the approval of the company. In some cases, supplemental information can be obtained separately from the application. Additional information that is obtained through telephone conversations or other means may be used to analyze an account, but must be documented in the account file.

STANDARD ACORD FORMS AND ANY SPECIAL SUPPLEMENTAL APPLICATIONS ARE THE ONLY APPLICATIONS APPROVED FOR THIS PROGRAM.

## 11. RECORDING SUBMISSION in eStart

All accounts must be entered into eStart.

Naming standards are the basis for entry into the company's database as well as the recommended way for listing Named Insureds. For those individual accounts that require clearance, the process of ensuring an account has not been submitted, quoted, declined or is actively covered by another producer, region and/or underwriter, use these same standards.

## 12. QUOTES

Quotes must be issued in writing for all accounts. Quotes are to be either hard copy or, if electronic, protected pdf format.

If coverage limits or effective dates are different from those requested by the insured in the application, the quote letter, binder and the policy must reflect the changed terms;

## 13. BINDERS

If a policy is issued and mailed prior to the effective date or is issued within five (5) business days after the effective date, a binder is not required to be issued. If a policy will not be issued and mailed within five business days a binder must be issued.

If telephone orders are received, a note must be placed in the file indicating who the underwriter spoke with and the date that coverage and limits were bound. This should be followed by confirmation in writing either by the insured or a confirmation letter issued by you that should be signed and dated by the insured, or a representative of the insured, and returned to you and placed in the underwriting file

All binders must be confirmed in writing utilizing the either the ACORD form 75s or a form approved by the company and cannot extend for more than thirty (30) days without written approval by the Company. No provisions changing or increasing agreed to program parameters may be bound. In the event of such occurrence, THE

PRODUCER SHOULD BE CONTACTED IMMEDIATELY AND ADVISED OF THE UNACCEPTABLE TERMS AND SUCH BINDERS SHOULD BE IMMEDIATELY RETURNED TO THE PRODUCER FOR CORRECTION WITH A WRITTEN REJECTION OF THE UNACCEPTABLE TERMS.

All binders must contain the following: THIS BINDER IS A SUMMATION OF THE LIMITS, TERM, COVERAGES AND CONDITIONS ALL OF WHICH ARE SUPERCEDED BY THE ACTUAL POLICY WHEN ISSUED.

**14. POLICY ISSUANCE**

All policies must be mailed within thirty (30) days from the effective date of the policy, except policies issued during the Program Administrator's 'Peak Season' from April 1 to August 30. Policies bound during that period must be issued AND mailed within forty-five (45) days.

**15. MINIMUM REQUIREMENTS FOR POLICY FILE CONTENTS**

The minimum requirements for contents of a policy file are:

Declarations Page (including full legal address of the insured)

Forms attached (a list of included forms)

Rating (whether on a worksheet or not) including justification for any individual risk modification factors

Signed and Dated Application(s)

Any quotes or proposals

Any binders

Any inspections, loss controls or audits

Any and all correspondence on coverage or premium, including referrals

Any Premium Audits

Copies of any mid-term endorsements, Notice of Cancellations, schedules of Additional Insureds, Certificates of Insurance, Non-Renewal notices, Conditional Renewal notices

Complete copies of the underwriting file must be retained by the program administrator unless and until specific written authorization is given by the company.

**16. SPECIFIC UNDERWRITING GUIDELINES BY LINE OF BUSINESS**

**A. COMMERCIAL PROPERTY/INLAND MARINE**

Unless specific guidelines apply refer to the Division 66 Property Qwiknotes.

Buildings should be 20 years of age or less, or evidence must be obtained and kept in the file that wiring, heating and plumbing is up to date with all current codes and that the roof condition is satisfactory. The signed application affirming updates within the past 15 years is acceptable documentation. If such affirmation is not received, then copies of inspections by a licensed contractor, municipal building inspector or loss control reports will be sufficient documentation.

Insurance to Value:

An insurance-to-value calculation using Marshall & Swift must be done for all new business with a building value of \$750,000 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.

*If the submitted building value is less than the Marshall and 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.*

Business income worksheets must be completed for all insureds desiring limits for this coverage in excess of \$500,000 any one amount subject.

Signed statements of value must be obtained on any policy affording blanket per location limits or agreed amount coverage.

Properties must comply with all National, State and Local building and safety codes, as well as NFPA guidelines for the occupancy. Evidence that this is apparent should be obtained and documentation kept available in the underwriting file. Copies of loss control reports will usually meet this requirement.

The Amount Subject is to be determined as follows:

If any covered property is of Frame, Joisted Masonry or Non-combustible construction and located within Protection Class 1 to 8 and two stories or less in height all buildings within 100 feet are considered subject; if over two stories in height within 150 feet is considered subject. Protection Class 9 or 10 all buildings within 200 feet are considered subject.

If all covered property is Masonry Non-combustible or Fire Resistive construction and located within Protection Class 1 to 8 and two stories or less in height 50 feet is considered subject; if over two stories in height 75 feet is considered subject. Protection Class 9 or 10 all buildings within 100 feet are considered subject.

Clear space between buildings are parking lots, maintained lawns, gravel etc. Anything combustible (brush, stock in the open) between buildings would negate the benefit of separation. All values within the enclosed walls of the structure are always considered subject irrespective of interior cutoffs.

Refer to the Property Qwiknotes for:

- earthquake, flood and wind definitions of amount subject. You have no authority to issue single peril coverage or flood and earthquake only policies; and
- it is mandatory to use RiskMeter for all determination of geocoded data including but not limited to- distance to coast, wind pool eligibility, MMI zone for earthquake, NFIP flood zones, wildfire hazard, hail and tornado reports – all to be utilized throughout the underwriting process, with printed copies of these RiskMeter results maintained in the underwriting file.

**POLICY FORMS MUST BE EITHER ISO OR LEXINGTON FILED AND APPROVED FORMS UNLESS SPECIFICALLY LISTED.**

Form Description (Except in AK, FL & LA) (Enhanced Property)	Form Number	Edition Date
Common Policy Conditions	97101	5/08
Building and Personal Property Form	97064	3/08
Causes of Loss -- Special Form	97072	3/08
Supplemental Declarations	97069	3/08
Additional Coverages -- Human Services	70630	4/08
Business Income (And Extra Expense) Coverage Form	97070	3/08
Blanket Limits Per Premises Endorsement	97091	5/08
Windstorm or Hail Deductible Endorsement	90610	11/08
Windstorm or Hail Deductible Endorsement -- with Named Storm Definition	100382	12/08
Ordinance Or Law Amendatory Endorsement	100380	12/08



Coverage for Loss to the Undamaged Portion of a Building	100381	12/08
OFAC excluding Virginia	8944	07/05
OFAC PHN Virginia Only	109754	09/11

Form Description (AK, FL & LA) (Property One)*	Form Number	Edition Date
Common Policy Conditions	97101	5/08
Property Coverage Form (Property One)	64543	12/04
Supplemental Declarations	63948	12/04
Extension of Supplemental Declarations	63940	12/04
Flood Endorsement	64545	12/04
Earth Movement Endorsement	64546	12/04
Business Income and Extra Expense Coverage Part	64872	12/04
Sprinkler Leakage Earthquake Exclusion	67281	12/04
Sprinkler Leakage – Earthquake Limitation	67282	12/04
Schedule of Premises	63958	6/04
Windstorm Or Hail Deductible Endorsement	90610	3/06
Windstorm Or Hail Exclusion	90611	3/06
PRRP Property One Rating Worksheet		

\*Property One forms can be used in any state when needed. Property One has it's own rate filing that must followed using the PRRP worksheet. The PRRP worksheet should become part of the underwriting file.

**B. EQUIPMENT BREAKDOWN:**

Guidelines for Equipment Breakdown Coverage, if authority is provided, as per attached Equipment Breakdown Addendum.

**C. GENERAL LIABILITY**

Applications and accompanying statements must identify all entities insured as they are currently and entities, products and operations as they were in the past if the insured remains legally responsible for them. If any past entities, products or operations would not be eligible for consideration within this program, the prospect must be submitted to the company prior to any commitment.

**POLICY FORMS MUST BE EITHER ISO OR CHARTIS FILED AND APPROVED FORMS UNLESS SPECIFICALLY LISTED.**

Commercial Marine Liability forms (when ISO CGL is not used);

Form Title	Form No.	Edition Date
Commercial Marine Liability	86799	10-09
Abuse or Molestation Exclusion	102160	05-10
Additional Assured - Designated Person or Organization	102164	05-10
Amendment - Aggregate Limits per Location	102163	05-10
Amendment of Other Insurance Condition	102162	05-10
Abestos and Silica Exclusion	102171	05-10
Blanket Additional Assured Provision	102167	05-10
Employee Benefits Liability Endorsment	102166	05-10
Fungus Exclusion	102165	05-10
Fungus Exclusion (MA)	102170	05-10
Fungus Exclusion (WA)	102169	05-10
Total Pollution Exclusion with a Hostile Fire Exception	102168	05-10
Violation of Statutes Exclusion	102161	05-10
Employment Related Practices Exclusion	102172	05-10

**Restaurants Liability Guidelines:**

Restaurant receipts are not included in the Marina classifications and must be rated separately. Risks 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 Marina should be named as an Additional insured on the subs' policy.
- ❑ The management of the restaurant must have a minimum of 5 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 Marina program underwriting guidelines.

**Liquor Liability Guidelines:**

If liquor liability coverage is to be provided under the Marina program, we must write the general liability policy as part of the program. No unsupported liquor liability policy can be written.

- ❑ The **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 codes are as follows:
  - 70412 - Clubs
  - 59211 - Package Stores
  - 58161 - Restaurants
- ❑ Policy limits are \$1,000,000/\$1,000,000
- ❑ The following rates are at limits and are not subject to company loss cost multipliers or discretionary rating.

State Code	Rate per \$1,000
0 - States -- all states except those noted	\$13.60
1-7 - States -- AK, NH, NY, NC, PA, RI, WV, MI, MO, NM, ND, OK, WA, WY	\$21.69
8 - 10 States -- AL, DC, VT	\$39.30

- ❑ 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.

**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, lakes and beaches – 40072.

All pools must be inspected by loss control in order to verify the following minimum underwriting criteria for swimming pools and diving board exposures.

- ❑ Outdoor pools must be totally enclosed by a substantially constructed fence not less than 5 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. The pool must follow local code and it is preferred that diving boards be removed, if not required to be removed by local code.
- ❑ Rules must be posted containing at a 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 are 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 and rescue equipment must be located at the pool, clearly identified, displayed, and properly maintained.

- ☐ 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.

**DMO Guidelines:**

All property coverage provided under the DMO forms are subject to the Division 66 Property QwikNotes.

You have the authority to deviate from the following DMO rates as follows: Debit to 100% / Credit to 25%

All debits and credits must be justified and documented in your rating accordingly. All files must contain a scheduled rating worksheet.

Rates outside of these guidelines must be approved by the Program Manager.

**Yacht Dealers:**

Yacht Dealers insurance covers, on an all risk basis, physical loss or damage to property owned by the insured or held by him for sale.

Base Rates: Based on Average Monthly Inventory

Average Monthly Inventory	Monthly Rates (per \$100) as % (04/02)	Deviations/Options
< \$100,000	.085 - .110	Deductible: \$2,500 = 5% Credit
\$100,001 - \$300,000	.075 - .085	\$5,000 = 10% Credit
\$300,001 - \$500,000	.065 - .075	
\$500,001 - \$750,000	.055 - .075	
\$750,001 - \$1,000,000	.045 - .055	
\$1,000,001 +	.040 - .045	

\*Yacht Dealers Extension endorsement: Minimum \$250.

Minimum Premium: \$500. Minimum Deductible: \$1,000.

Rating Example: Average Monthly Value x (Rate x Deviation) x 12 = Annual Premium

**Marina Operators Legal Liability:**

Marina Operators Legal Liability covers the insured's legal liability for loss or damage to watercraft of others in the insured's care, custody or control for: Repair, alteration, maintenance, storage, mooring at slips or buoys, hauling and launching, fueling and transient servicing.

Marine Receipts	Rates per \$100	Deviations/Options
< \$100,000	1.0	Deductible: \$2,500 = 5% Credit
\$100,001 - \$300,000	.75 - 1.0	\$5,000 = 10% Credit
\$300,001 - \$500,000	.65 - .75	
\$500,001 - \$750,000	.60 - .75	Limit \$500,000 = 5% Credit
\$750,001 - \$1,000,000	.50 - .60	\$300,000 = 10% Credit
\$1,000,001 +	.45 - .50	Dry Rack Storage: 25% Surcharge Repair Ops: 15% Surcharge

Minimum Premium: \$500. Minimum Deductible: \$1,000.

Rating Example: Marine Receipts\* x (Rate x Deviation) = Annual Premium

\$300,000 Receipts x .75% = \$2,250.

\*Marine receipts include receipts generated for the following operations:

1. Storage & Moorage- Wet or Dry
2. Fueling
3. Hauling and Launching
4. Repairs

**Protection and Indemnity:**

P & I covers the legal liability for ownership or use of a vessel, while it is afloat. It protects the owner with respect to their liability in the following instances:

- Liability with respect to loss of life and/or bodily injury.

LEXINGTON Program Division 66

- Liability with respect to property of others
- Liability for fines and penalties incurred due to violation of the law, as well as ant expenses necessary for removal of wreck, where compulsory by law.

Total Hull Values	YD's	Moll	Per Rental	Work Boat	Jones Act/crew	Per Student
\$300,000.	\$ 150	\$ 100	\$ 150 - 200	\$125	\$200	\$25
\$500,000.	\$ 250	\$ 150	\$ 200- 250	\$150	\$300	\$30
\$1,000,000.	\$ 450	\$ 250	\$ 250 -300	\$200	\$500	\$40
Minimum Premium -	\$500.	S&A Pollution: \$750 - \$300,000 Limit Max Towers Liability: \$750 Personal Use End: \$300.				

**Piers, Wharves and Docks:**

This section provides loss or damage coverage for owned property comprised of piers, wharves, floats, platforms, gangplanks, pilings, wiring, pipes, ground tackle, moorings and buoys. Business income insurance and extra expense insurance may be included. Dock rates should be commensurate with company actuarial results once completed. An addendum will be placed in this document at that time. In the interim, current rate retention rules apply.

**Owned Watercraft**

This section provides physical loss or damage coverage for owned watercraft for rental purposes, private use or workboats. All vessels should be scheduled. There should be a scheduled maintenance plan in effect for the entire fleet and scheduled vessels should not be more that 20 years old.

Total Hull Values	Rates per \$100	Deviations/Options
< \$50,000	3.00 - 3.50	Minimum Deductible: \$500.
< \$100,000	2.75 - 3.25	Work Boat Credit: 20%
< \$500,000	2.25 - 2.75	Non-Coastal Credit: 10%
< \$1,000,000	1.50 - 2.25	West Coast Credit: 25%
< \$2,000,000 +	1.00 - 1.50	

**Commercial Tools and Equipment**

This section provides physical loss or damage coverage for owned equipment. Coverage is to be written on an ACV basis only. It should also be confirmed that equipment is solely used for insured's activities ie. hauling, launching and moving boats around the marina.

Misc. Items	Rate Per \$100		
Scheduled Equipment	.85 - 3.00	Minimum Premium	\$250
Unscheduled Equipment	1.50 - 3.00	Minimum Deductible	\$500

**COMMERCIAL (NON-YACHT) FORMS:**

Yacht Dealers	Form Number	Edition Date	Type
Yacht Dealer/Marina Operators Coverage Part Declarations	IMD 668	03 91	NHIC
Commercial Marine Liability	86799	10 04	NHIC
Commercial Property and Marine Department Misc. Floater	IMD 41	10 80	NHIC
Yacht Dealers Coverage Form	IMD 658	03 91	NHIC
Marina Operators Legal Liability			
Marina Operators Legal Liability - Section B	IMD 660	03 91	NHIC
Protection and Indemnity (P&I)			
Protection and Indemnity - Section C	IMD 661	03 91	NHIC
Pier, Wharves and Docks			
Pier, Wharves and Docks Coverage Part - Section D	IMD 662	03 91	NHIC

Commercial Tools			
Commercial Tools & Equipment Coverage Part- Section E	IMD 665	03 91	NHIC
Small Watercraft			
Small Watercraft - Section F	IMD 666	03 91	NHIC

**MANDATORY ENDORSEMENTS**

- 58332 (08/07) – Total Lead Exclusion (except RI, MA, VT)
- 62898 (09/01) – Radioactive Matter Exclusion (except LA)
- 62898 (06-95) – Radioactive Matter Exclusion-LA only
- 78689 (07/03) – Fungus exclusion ( except AK, MA, NY, WA, LA, GA, KS, NH, VT, VA, not required if 86563 – excludes NY (10/09) CGL Enhancement endt. is used)
- 79277 (02/04) – Fungus exclusion – WA only
- 79379 (04/02) – Fungus exclusion – MA only
- CG 32 10 (4/05) – Fungus exclusion – LA only
- CG 21 67 (12/04) – Fungus exclusion – GA, KS, NH, VT, VA only
- 82540 (08/07) – Asbestos and Silica exclusion
- 87295 (01/08) – Violation of Statutes exclusion (except AK, (NH - there is no endorsement))
- 89035 (10/08) – Violation of Statutes exclusion –AK only
- 89644 (07/05) – OFAC – excluding Virginia
- 109754 (9/11) – OFAC PHN – Virginia Only
- CG 2146 (07 98) – Abuse or Molestation exclusion (except TX)
- CG 26 46 (4/99) – Texas Abuse or Molestation exclusion – TX only
- CG 2147 (12/07) – Employment Related Practices exclusion (except TX) (do not attach if using 86563 (10/09) CGL Enhancement end.)
- CG 26 39 (12/07) – Texas Employment Related Practices exclusion – TX only
- CG 01 97 (12/07) – Washington Employment Related Practices exclusion – WA only
- CG2149 (9/99) – Total Pollution exclusion (except AK, IL, ME, TX, VT, VA)
- CG 32 67 (09/08) – Alaska Total Pollution exclusion
- CG 2155 (09 99) – Total Pollution exclusion with exception for hostile fire (except AK, ME, TX)
- CG 32 68 (09/08) – Alaska Total Pollution Exclusion with a Hostile Fire Exception
- CG 21 65 (12/04) – Total Pollution Exclusion with a Building Heating Equipment and Hostile Fire Exception (except AK, ME, TX)
- 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

**D. CRIME**

The following must be in place for Employee Dishonesty coverage:

1. Audits - Cash accounts and inventories must, at a minimum, have an annual audit by Certified Internal Auditors or Certified Public Accountants.
2. Check Signing:
  - a) Any checks issued over \$1000 must be countersigned by at least 2 persons. If countersignature can not be instituted an owner or corporate officer must be the authorized signer.
  - b) The duties of handling in-coming checks and issuance of out-going checks must be handled by separate individuals.
  - c) Mechanically Affixed Signatures involve computer or non-computer equipment.
    - o If computer operated, control over the input and outflow must be restricted to specifically authorized personnel
    - o Non-computer equipment (e.g. facsimile signature plate or check writing machine) must be properly secured when not in use. Operational access must be limited to as few designated persons as possible and supervised by an owner/officer
    - o Reconciliation-Any employee authorized to reconcile bank account statements should not be permitted to handle deposits or sign checks without countersignature.
    - o Stamping Incoming Checks-All incoming check must be stamped "For Deposit Only" as soon as they are received.

3. Control over Flow and Possession of Merchandise-There must always be close managerial supervision over the movement of property from one location to another.
4. Any risk that requires referral must have background checks on all individuals handling cash or check issuance and annual audits of the insured's cash management is mandatory.

**FORMS USED ARE TO BE THE FILED AND APPROVED ISO CRIME FORMS.**

Use of either version of the form (Loss Sustained Form or Discovery Form) can be used:

**Loss Sustained Form:**

CR DS 01 07 02 Commercial Crime Coverage Part Declarations  
CR 00 21 05 06 Commercial Crime Coverage Form (Loss Sustained Form)

**Discovery Form**

CR DS 01 07 02 Commercial Crime Coverage Part Declarations  
CR 00 20 05 06 Commercial Crime Coverage Form (Discovery Form)  
CR 20 05 08 07 Retroactive Date Endorsement

Any other filed and approved ISO Crime Forms

Employee Benefit Plans may be included as Insureds. Coverage is provided within the Commercial Crime Coverage Form when the "employee benefit plan" is shown in the Declarations.

When using the Discovery Form, we must attach the Retroactive Date endorsement. The date utilized on the endorsement should not be more than one year prior to the effective date for which we issue our original policy to an insured. For subsequent renewals, we can use the same date. If there is a break in coverage, at any point, we must then change the retro date to be not more than one year prior to the effective date.

**E. COMMERCIAL AUTOMOBILE**

Driving records for all drivers should be checked as part of the hiring process and on an annual basis thereafter to a written non discriminating company policy.

On all new business with 20 or less drivers MVR's are to be reviewed PRIOR to quotation.

On all new business with more then 20 drivers MVR's are to be ORDERED with in 48 hours of binding and reviewed for acceptability within ten days of binding.

The program administrator is responsible for maintaining current driver and MVR information in the policy file.

Age and driving records are the key factors to analyze. MVR violations are to be categorized into the following types:

**TYPE A** – are major violations. These are DWI, DUI, OUI, OWI, refusing a substance test, driving with an open container of alcohol, reckless driving, hit and run, fleeing a police officer, racing, driving while license is revoked or suspended, manslaughter or any felony. **Fleets with ANY driver with a TYPE A violation within the prior three years is not acceptable.**

**TYPE B** – include most driving violations such as speeding, improper lane change, failure to yield or obey a traffic signal or sign, license suspension, at fault accidents.

**TYPE C** – include parking tickets, financial responsibility violations, seat belt violations, improper equipment or excessive loads.

Use a LEXINGTON approved MVR GRID worksheet to evaluate acceptability. Any new business which has an overall rating of POOR must be declined. Any renewal which has an overall rating of POOR must be referred to your Program Manager.

Driver exclusions should be avoided and are NOT condoned by LEXINGTON.

Eligible drivers must:

- Be at least 21 years old
- Have a minimum of four years driving experience
- Have an acceptable driving record
- Have a valid license
- Be familiar with the vehicles to be used or given instruction prior to driving insured vehicles.

On accounts with NO owned autos but requesting non-owned coverage MVRs must be ordered on ALL drivers using their own vehicles for company business.

Fleets of more than 10 vehicles must be referred to the company.

Fleets of private passenger vehicles are not acceptable.

Vehicles primarily used for personal use should be avoided.

Accounts with 15 passenger vans must show proof that the vans have been modified with either dual rear wheels or the rear seat removed, removed roof racks and/or trailer hitches and must have a written plan to dispose of all such vehicles by a specified date. Refer to the Automobile Qwiknotes.

A signed certification by the employee must be obtained for all employees driving their own vehicles on the business of the insured. Limits equal to policy limits or at least \$300,000 per accident should be verified.

HAWAII AUTOMOBILE -- coverage maybe written in Hawaii only if the rating and policy issuance is done on the LEXINGTON CoverAll system.

OHIO UM/UIM -- coverage maybe written up to \$1,000,000 if specifically requested by the insured. Coverage can only be offered using the LEXINGTON approved endorsement. Ohio no longer requires 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.

89644 (7/05) -- OFAC -- excluding Virginia

109754 (9/11) -- OFAC PHN -- Virginia Only

If policy is multistate and VA is on the policy then BOTH forms need to be added.

**AUTOMOBILE COVERAGE CANNOT BE ISSUED ON A STANDALONE BASIS.**

**F. EXCESS AND UMBRELLA (MARINE BUMBERSHOOT)**

The Primary General Liability policy must be written by a Chartis member company for this program.

Operations outside the scope of the Primary Liability Program may be scheduled and covered subject to company approval.

Any exposures excluded under the primary GL must be excluded with the same verbiage under the umbrella contract

Underlying schedule must include automobile liability coverage and/or miscellaneous liability coverage.(see underlying requirements)

Liquor Liability may be covered if primary coverage is shown in the schedule of underlying.

Employers Liability is included (see underlying requirements)

Employee Benefit Liability may be included on a following form basis

Professional Liability or E&O coverage must be on a following form basis and only if provided on the primary.

**COVERAGE FORM:** Bumbershoot Policy Standard "Bumbershoot" Wording 70949 (05/05)

**BUMBERSHOOT FORMS AND ENDORSEMENTS**

Form Title	Form No.	Edition Date	Mandatory / Optional
Alcoholic Beverage Health Effects exclusion	84338	04/04	Mandatory
Aircraft Products and Grounding exclusion	57728	6/93	Mandatory
Anti-Stacking Endorsement	80394	07/02	Mandatory
Auto Liability Limitation Endorsement – Follow form	100549	10/08	Optional
Cross Suits exclusion	60441	05/94	Mandatory
Employee Benefits Liability exclusion	57720	06/93	Mandatory
Employee Benefits Follow Form Occurrence	57827	06/93	Optional
Fungus Exclusion (except AK, KS, NH, NY, and WA)	78691	08/01	Mandatory
Fungus Exclusion WA only	79279	03/02	Mandatory
LA Total Pollution exclusion	62221	03/95	Mandatory
Lead Paint Exclusion	61717	12/94	Mandatory
Lead Paint Exclusion (not MA, RI, VT)	61718	12/94	Mandatory
Liquor Legal Liability exclusion	84307	04/04	Mandatory
OFAC – excluding VA	89644	07/05	Mandatory
OFAC PHN – Virginia Only	109754	09/11	Mandatory
Retained Limit Amendment Endorsement	66123	06/06	Optional
Sexual Abuse or Molestation exclusion	60423	05/94	Mandatory
Subsidence exclusion	57725	06/93	Mandatory
Total Pollution exclusion (not LA)	62221	03/95	Mandatory
Urea/Formaldehyde exclusion	63374	09/95	Mandatory
Violation of Statutes exclusion – Commercial Umbrella Form	87260	12/04	Mandatory
Violation of Statutes exclusion – Excess Liability Form	89057	04/05	Mandatory

**MANDATORY EXCLUSIONS:**

60438 (05/94) – Follow form Personal Injury

**TERM:**

Term shall be concurrent with the primary GL coverage and issued with a term no greater than one year.

Odd time extension of up to ninety (90) days can be granted subject to premium adjustment.

If the policy term is non-concurrent with effective date of the primary GL or any underlying policy containing a policy aggregate limit the non-concurrent endorsement must be attached. Form 66123 (06/06) – Retained Limit Endorsement

**UNDERLYING REQUIREMENTS FOR UMBRELLA COVERAGE:**

- o General Liability-\$1,000,000 occ./\$2,000,000 ann. Agg. Combined Single Limit BI/PD. All provisions outlined in the Comprehensive General Liability Section of these guidelines shall apply.
- o Automobile Liability- (includes hired and non-owned) \$1,000,000 CSL
- o Employers Liability-\$500,000/\$500,000 or as permitted by state regulation
- o Miscellaneous Liability-\$1,000,000 CSL (i.e. D&O, E&O)
- o Liquor Liability-\$1,000,000 each common cause/aggregate
- o Employee Benefit Liability-\$1,000,000 each wrongful act /aggregate (Claims Made Form)

**UNDERLYING CARRIERS FOR COVERAGES NOT PROVIDED IN THE PROGRAM MUST BE BEST RATED AT LEAST A- VII OR ABOVE.**

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



FORMS USED MUST BE THOSE APPROVED FOR USE BY THE COMPANY IN THE STATE WHERE COVERAGE IS AFFORDED. **COVERAGE CANNOT TO BE ISSUED ON A STANDALONE BASIS.**

**17. LOSS CONTROL**

LEXINGTON Programs is committed to quality and cost effective loss control. The most cost effective way to accomplish this is through the combination of telephone and on-site risk management surveys. 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.

Loss control services are provided by Global Loss Prevention and its approved subcontractors. Services include telephone and on-site surveys, quarterly loss and claims analysis, and monitoring of services for appropriateness and expenses. Telephone training seminars are available at no cost to the insured. Also, insureds are provided a means to easily obtain criminal background records on employees at a low cost.

Refer to QWIK Notes loss control section for specific requirements

(Please contact Global Loss Prevention for Program-specific Loss Control requirements)

**18. NON-RENEWAL**

Many states have non-renewal laws in existence to provide the framework under which the non-renewal must be processed. In absence of such laws, there are often terms in the policy or in nationwide or state-specific amendatory endorsements which provide the requirements. Non-renewals must be processed in compliance with applicable state laws.

**19. MATERIAL CHANGE IN COVERAGE/RATE INCREASES**

Many states require notification of any change in premium (includes not only base rate changes, but the premiums charged to an 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.

The underwriting authority within these guidelines is granted exclusively to Christopher Pesce and may not be transferred to anyone without the prior consent of the issuing company. Any authority previously extended is hereby rescinded. Authority is to be used with discretion, as individual risks falling within the scope of the authority granted herein may vary. Whenever a questionable situation is confronted, it should immediately be referred for consideration. All authority granted herein is further subject to limitations and guidelines as outlined in the Company underwriting manuals and bulletins, and, as amended from time to time.

**ACKNOWLEDGEMENT AND ACCEPTANCE**

*This Underwriting Guideline and the authority grant within supercedes any previous 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: Christopher Pesce

  
Signature of Recipient/Designee

10/8/13  
Date

*Delegated By:*

Name of Grantor: Robert O'Neil

  
Signature and Title

Product Line Manager 10/8/13  
Date

**ADDENDUM #1**

**Maritime General -- EQUIPMENT BREAKDOWN GUIDELINES**

Covering operations for accounts quoted by Maritime General Insurance, in conjunction with the Lexington Programs Division.

**Eligibility:**

- Marinas
- Yacht Clubs
- Boat Dealers with a location TIV less than \$100,000,000

**Referral Risks:**

- Any risk that has a location with a Total Insured Value (Building, Personal Property and BI) greater than \$100,000,000.
- Any risk with locations outside the United States
- Any Excess or Quota Share accounts.

Excess accounts are defined as accounts where Lexington/New Hampshire Companies do not participate in the primary insurance layer.

Quota share accounts are defined as policies where Lexington/New Hampshire Companies do not underwrite 100% of the primary layer.

- Any Additional coverage request in excess of the following limits:
  - \$100,000 as respects the following coverages:
    - Expediting Expense
    - Hazardous Substances
    - Spillage
    - Data Restoration
    - Dependent Property
    - Computer Equipment
    - Service Interruption
- Any risk with Inland Marine Coverage, Builders Risk, Equipment Floater or Contractor Installation Floater that requires Equipment Breakdown coverage
- Any risk, regardless of class or value, which is engaged in the generation of power, other than emergency back-up power
- Any risk that has had an equipment breakdown loss greater than \$100,000..

**PROPERTY FORMS:**

SUPPLEMENTAL DECLARATIONS 97069 (3/08)  
BUILDING AND PERSONAL PROPERTY COVERAGE FORM 97064 (3/08)  
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM 97070 (3/08)  
CAUSES OF LOSS – SPECIAL FORM 97072 (3/08)  
EQUIPMENT BREAKDOWN – OTHER CONDITIONS ENDORSEMENT 97081 (4/08)

OR

SUPPLEMENTAL DECLARATIONS 63948 (12/04)  
PROPERTY COVERAGE FORM 64543 (12/04)  
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE PART 64872 (12/04)  
SCHEDULE OF PREMISES 63958 (06/04)  
EQUIPMENT BREAKDOWN – EXCLUSION 64550 (01/05)  
FLOOD ENDORSEMENT 64545 (12/04)  
EARTH MOVEMENT ENDORSEMENT 64546 (12/04)  
EXTENSION OF SUPPLEMENTAL DECLARATIONS 63940 (12/04)

Equipment Breakdown wording:

- ADDITIONAL COVERAGE – EQUIPMENT BREAKDOWN SCHEDULE 90629 (2/07)
- ADDITIONAL COVERAGE – EQUIPMENT BREAKDOWN SCHEDULE (North Carolina) 94345 (4/07)
- ADDITIONAL COVERAGE – EQUIPMENT BREAKDOWN 90630 (2/07)
- ADDITIONAL COVERAGE – EQUIPMENT BREAKDOWN (Alaska) 94343 (4/07)
- ADDITIONAL COVERAGE – EQUIPMENT BREAKDOWN (New York) 94344 (4/07)
- ADDITIONAL COVERAGE – EQUIPMENT BREAKDOWN (Washington) 94190 (3/07)

<u>Equipment Breakdown Insurance Profile</u>		
<b>Coverage:</b>	Comprehensive Equipment Breakdown Coverage - Property One 64543 (12/04) or Enhanced Form 97064	
	Equipment Breakdown Limit	Up To \$100,000,000 TIV, to follow property authority as provided per these guidelines
	Property Damage	Included
	Off Premises Property Damage	Follows property up to \$50,000 Sublimit
	Business Income	Follows Property
	Extra Expense	Follows Property
	Expediting Expenses	\$25,000 Sublimit
	Hazardous Substances	\$25,000 Sublimit
	Perishable Goods	\$25,000 Sublimit
	Dependent Property	\$25,000 Sublimit
	Computer Equipment	\$25,000 Sublimit
	Data Restoration	\$25,000 Sublimit
	Ordinance or Law	Follows Property
	Service Interruption	\$25,000 Sublimit (24 Hr Waiting Period)
	Newly Acquired Premises: per Property form, subject to a maximum:	\$1,000,000 - Building \$1,000,000 - Business Personal Property \$500,000 - Business Income
<b>Other Conditions:</b>	Newly Acquired Locations per Property form, subject to a maximum:	As per policy forms up to 180 days
<b>Deductible:</b>	Follows property, \$200 minimum.	
<b>Rate:</b>	Gross rate of .027/\$100 TIV. Minimum premium of \$250 per policy	
<b>Definition of TIV:</b>	100% Building Value and Contents Value (excluding Stock) and Business Interruption	