

Lexington Program Division 66

ADDENDUM #2

ADDENDUM DATE: 11/01/2013

PROGRAM NAME: Forest Program  
(Changed from Forest Products Program)

PROGRAM ADMINISTRATOR: Victor O. Schinnerer Co., Inc.

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and / or changes to your Underwriting Guidelines, effective at the ADDENDUM DATE, and continuing until otherwise superseded by revised guidelines or a future addendum.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):**

**B. GENERAL LIABILITY**

General Liability – Coverage part and endorsements have been deleted, updated and added. Absence of an effective date means use the current form as approved by the state. As forms are approved by states the newly approved form should be used.

**COVERAGE PART**

CG 0001 - Commercial General Liability coverage

**MANDATORY ENDORSEMENTS**

58332 (08/07) – Total Lead Exclusion (except RI, MA, VT)

78689 (07/03) – Fungus exclusion (Except AK, MA, NY, WA, LA, GA, KS, NH, VT, VA)

79277 (02/04) – Fungus exclusion – WA only

79379 (04/02) – Fungus exclusion – MA only

CG 3210 (4/05) – Fungus exclusion – LA only

CG 2167 (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 – AK, CA, MA, NY (use till the 6/13 Edition is approved)

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

89644 (06/13) – OFAC - All Other States

CG 2146 (07 98) – Abuse or Molestation exclusion (except TX)

CG 2646 (4/99) – TX Abuse or Molestation exclusion – TX only

CG 2147 (12/07) – Employment Related Practices exclusion (except TX & WA)

CG 26 39 (12/07) – TX Employment Related Practices exclusion – TX only

CG 0197 (12/07) – WA Employment Related Practices exclusion – WA only

IL 0021(09/08)- Nuclear Energy Liability exclusion (except NY, WA)  
IL 0198 (09/08)- Nuclear Energy Liability exclusion – WA only  
IL 0023 (07/02) - Nuclear Energy Liability exclusion – NY only

#### **OPTIONAL ENDORSEMENTS**

108102 (08/11- Deductible Liability Endorsement – excluding NH  
109379 (12/11) - Deductible Liability Endorsement – NH only  
111466 (01/13) - Coverage D Logging and Lumbering Operations Liability  
Coverage (All states except FL and MD until approved)  
65138 04/96) – Loggers Broad Form Property Damage (FL and MD until  
Form 111468 is approved)  
CG 2264 (07/98) -Pesticide/Herbicide Applicators Endorsement (ISO)  
No charge per ISO Filing  
CG 2010 (04/13) - Additional Insured Endorsement (See fill-in wording)  
No charge per ISO Filing (Use 07/04 in CA, FL, HI, NY until 04/13  
approved)  
CG 2037 (04/13) - Additional Insured Endorsement- Completed Operations.  
No charge per ISO Filing(Use 07/04 in CA, FL, HI, NY until 04/13  
approved)  
  
CG 2404 (05/09) - Waiver of Transfer of Rights of Recovery – Blanket  
(as required by written contract and with no prior action over  
claims. (See fill in wording) No charge per ISO Filing.

#### **AVAILABLE WITH REFERRAL**

CG 2415 (10/01) - Limited Pollution Extension Endorsement  
\$1,000,000 Aggregate Limit

#### **D. COMMERCIAL AUTOMOBILE**

All rating will be done utilizing currently adopted ISO rating plans.

#### **E. EXCESS AND UMBRELLA**

**Umbrella/Excess – endorsements have been deleted, updated and added.**

**COVERAGE FORM:** 57697 (10/04)

#### **MANDATORY EXCLUSIONS:**

80478 (07/02) – Abuse or Molestation exclusion  
66687 (12/96) – Silica exclusion  
61718 (12/94) – Lead exclusion (not MA, RI, VT)  
87260 (12/04) – Violation of Statutes exclusion – Commercial Umbrella Form  
89057 (04/05) – Violation of Statutes exclusion – Excess Liability Form  
80394 (07/02) – Anti-Stacking Endorsement  
57725 (06/93) – Subsidence exclusion  
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 AK, CA, MA, NY  
109754 (9/11) – OFAC PHN – Virginia Only  
89644 (06/13) – OFAC - All Other States

#### **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  
66123 (06/06) – Retained Limit Amendment Endorsement

#### **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 Lexington Programs 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.

Underwriters are encouraged to contact Lexington Programs Home Office Loss Control for assistance with interpreting or implementing these guidelines or to discuss a particular account's needs.

##### *Specific Program Requirements:*

1. A loss control service request is to be made within 7 calendar days of the policy effective date through the iAE (internet Audit Expert) system.
2. Loss control service is to be requested on new business and every three years thereafter based on the following criteria:
  - a. Telephonic Surveys on accounts with premium between \$10,000 - \$25,000,
  - b. Physical Surveys on accounts with premium over \$25,000
  - c. Annual Consultative Surveys on accounts in California with premiums over \$25,000

- d. At the discretion of the underwriter, telephone, physical or consultative requests can be ordered for accounts not meeting the criteria above however we prefer that telephone consultative services be provided for account with premiums less than \$15,000.
3. Service is provided by--
  - a. Don Milani of Tijerina Investigations in California.
  - b. Mutually agreed upon subcontractor in the Pacific Northwest: Phone, Physical and Consultative surveys
  - c. Tony Tijerina of Tijerina Investigations: Phone, Physical and Consultative surveys in all other states.
4. The Program Administrator should review the survey report and recommendations (if any) within seven (7) calendar days of receipt. The underwriting file should reflect the review and the date it was done and any underwriting actions that may be necessary as a result of such review.
5. Programs Home Office Loss Control is responsible for mailing the insured and agent the survey letter and recommendations requesting a response to *essential* recommendations (if any) within 14 days.
6. Programs Home Office Loss Control and their approved subcontractors are responsible for following up on essential recommendations, making compliance determination, and notifying underwriting on compliance status and/or when assistance is needed.
7. The Program Administrator is responsible for responding to requests for assistance in gaining compliance with essential recommendations.

**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

*12-18-13*

Date

**Delegated By:**

**Name of Grantor**

*Ruby Simmons PLM*  
Signature and Title

*12/18/13*

Date