



AIG Programs

Admitted Program Underwriting Authority

Senior Living Program

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Program Administrator:	Glatfelter Underwriting Services, Inc. 183 Leader Heights Road York, PA 17402
Principal(s):	Mark Schmidt, President Insurance Company Operations Arthur B. Seifert, President Glatfelter Program Managers
Program Description:	Not-for-Profit and For-Profit Long Term Care Facilities
Program Manager:	Dana Obrentz: PL/GL/UMB- main contact Gary Scarborough: Property/Auto Coverages
Program Inception:	January 1, 2015
Division:	66 – AIG Programs
Related PUC Numbers:	0853,0854,0855,0856,0857,0858,0859, 0860,0861,0862
Program Territory:	Countrywide
Program Commission:	26% (Includes 3.5% provision for claims)



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NOTICE – PLEASE READ CAREFULLY

These underwriting guidelines (the “Guidelines”) set forth the terms and conditions pursuant to which the program administrator named in Section 5 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.

The Program Administrator employee listed in Section 5, as the person assigned the underwriting authority granted herein is responsible for the coordination with the Program Administrator’s staff of periodic updates to these Guidelines, including but not limited to updates to rates, rating rules, forms implementation and other underwriting bulletins as the Company may issue from time to time.

Please sign the acknowledgement and acceptance form in Section 5 and return an executed copy of these Underwriting Guidelines to your Program Manager within 30 days. If your Program Manager does not receive the executed copy within such time, these Underwriting Guidelines will automatically go into effect on the date set forth in Section 5.

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 ‘Senior Living Program’ (Hereinafter, the “Program”) that meets the following eligibility requirements:

- A. Skilled Nursing Facility** – This is a facility that provides organized and structured skilled nursing care and is licensed by the state in which it is located. The entity will employ or contract with a licensed nursing home administrator, a medical director, licensed registered nurses, licensed vocational nurses and certified nurse assistants, among other healthcare professionals. This type of facility is subject to an annual survey by the state Department of Human Services.
- B. Assisted Living Facility** – These are also referred to as personal care facilities. Residents of an assisted living facility are ambulatory and require no skilled medical care. Residents can be wheelchair-bound, but they must be able to self-evacuate. Services provided generally include dining, assistance with bathing and dressing, medication reminders and social activities. These facilities are licensed by the state in which they are located, but not all states require annual inspections. Many assisted living facilities specialize in treating residents with Alzheimer’s disease, which warrants special consideration as some Alzheimer’s residents may drink poisons, wander away from the facility (elopement), or become combative.
- C. Retirement Apartments or Independent Living** – These facilities are not licensed by the states in which they are located and are not subject to annual inspections. Residents of these facilities are ambulatory and no medical care is provided. There are usually monitored call buttons in the rooms, common dining and transportation may be provided to medical appointments, for shopping or other various excursions.
- D. Continuing Care Retirement Community (CCRC)** – This type of entity will include skilled nursing beds, assisted living beds and retirement and independent living units. Typically, a resident pays an entrance fee and then can live in the community for the rest of their life. They pay a monthly maintenance fee based on the type of services they are receiving.
- E.** The following risks are eligible for coverage under the Program when they are provided by a Named Insured and are incidental to one of the Eligible Risks in A, B, C or D above.
 - 1. Adult Day Care
 - 2. Home Health Care
 - 3. Hospice Care



4. Children's Day Care when established primarily for the convenience of employees.
5. Meals on Wheels
6. Mental health counseling except as regards the personal acts or omissions of a physician.
7. Pastoral Counseling
8. Chapels/Churches
9. Dwellings

In addition, We require the following account attributes*:

- At least three (3) years in operation. If less than 3 years, please refer to Program Manager.
- 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 five years, must be 60% or less and have no single loss greater than \$100,000 (Incurred loss) over 5 years..
- Current policy must be active and not in the process of being cancelled or non-renewed.
- D&B credit score of 1, 2 or 3 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 "Non Profit" Accounts with a D&B score of 0, 4, or 5, if account premium is over \$250,000 must be referred to your Program Manager along with a copy of their current financial statements for approval prior to quote. Financial Statement will be reviewed by Program Manager.**

For "For Profit" Accounts with a D&B score of 0, 4, or 5, must be referred to your Program Manager along with a copy of their current audited financial statements for approval prior to quote. Financial Statement will be reviewed by Program Manager.

1.2 INELIGIBLE BUSINESS

You cannot quote or bind business for accounts that are outside of the parameters established above. The following are also ineligible risks for this program (see Non-admitted guidelines for Property):

Automobile:

1. Risks that transport patients in non-owned, employee vehicles, other than public livery or emergency vehicles;
2. Risks that do not verify that employee vehicles maintain minimum required statutory limits.

2. AUTHORITY

2.1 INSURANCE COMPANIES

You are authorized to place business in the Program with the Companies set forth below



COMPANY NAME

Granite State Insurance Company
Illinois National Insurance Company
New Hampshire Insurance Company

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 AIG Property Casualty, Inc.

LINES OF BUSINESS	PREMIUM AUTHORITY	OPERATING SYSTEM
Commercial Property/Inland Marine/Crime	\$150,000	Coverall
Commercial Automobile	\$ 50,000	Coverall
The sum of all policies and/or coverages written for one insured (both admitted and non admitted):	\$250,000	

2.3 NAMED INSUREDS

You must understand the operations of all current and inactive named insured entities and verify that each such entity meets the eligibility guidelines defined for the Program.

Note: Individuals (i.e., natural persons) can be scheduled by endorsement as a “Named Insureds” 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	
PROPERTY		
Commercial Property and/or Inland Marine	\$ 25,000,000	Maximum Amount Subject (gross) in Protection Class (PC) 1 - 8 Amount subject any location in Protection Class 9 or 10 Total Insured Values (gross)
	\$ 5,000,000	
	\$ 75,000,000	
	No Authority	
Earthquake – 250 Year MMI Zones of 7.0 through 12 (derived from RiskMeter*), and the entire state of California, Alaska and Hawaii		
Earthquake – 250 Year MMI Zones 1 through 6.99 (derived from RiskMeter*),	\$ 2,000,000	
Earthquake Sprinkler Leakage – 250 Year MMI Zones 1 – 6.99 (derived from RiskMeter*),	\$ 2,000,000	
Flood – RiskMeter flood score over 40	No Authority	
Flood – RiskMeter flood score 10 - 40	\$ 2,000,000	
* See Qwiknotes for Information on RiskMeter		
Wind/Coastal Property	No Authority	Refer to the Windstorm section of Property Qwik Notes for guidelines for your referral. See Non-Admitted guidelines.
Equipment Breakdown	Per Equipment Breakdown Addendum	See Section 6 for Equipment Breakdown Addendum.
Supplemental Limits:	Double the limits shown on form 67069.	Using form 110358, all limits may be increased by 100% except for Coverage Extensions-Newly Acquired or Constructed Buildings/ Business Personal Property or the Additional Coverage-Equipment Breakdown supplemental limits. Ordinance & Law: 10% of the building limit up to \$1,000,000.
CRIME		
Commercial Crime (1): Employee Theft Forgery or Alteration (1) Includes Employee Benefit Plans – when scheduled on the Declarations Page	\$ 250,000	Per Occurrence
Inside the Premises: Theft of Money and Securities	\$ 50,000	
Inside the Premises: Robbery or Safe Burglary of Other Property	\$ 50,000	
Outside the Premises	\$ 50,000	
Computer and Funds Transfer Fraud	\$ 50,000	
Money Orders and Counterfeit Money	\$ 50,000	



All other Commercial Crime	\$ 50,000	Per Occurrence
AUTOMOBILE	Limits	
Commercial Automobile Liability	\$1,000,000	Any One Accident
Commercial Automobile Physical Damage	ACV to \$75,000	Per Vehicle Replacement Cost

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.

Note: Risks that develop an AAL wind rate that is greater than 75% of the ISO Group II rate will need to be handled on a non-admitted basis.

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 Auto Commercial Crime		"Enhanced" Property Equipment Breakdown

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 these Guidelines in Section 6, or for Umbrella, as directed in Umbrella Qwiknotes. 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://www.elany.org/contentHTML/1184.htm>

This does not apply to PL/GL/ Umbrella Coverages for rating and forms.

2.7 POLICY TERM

Policy periods (including any coverage and rate commitments associated therewith) are for a twelve (12) month term only.

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:	Approved
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
Preferred Risk Property (PropertyOne Rating Plan)	No Authority



Consent to Rate Rules

No Authority

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 6, “Refer to Company” rules which are applicable (by product line) for the Program. 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 6, you may not place any business in contravention of these Guidelines 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

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-dating of coverage more than fifteen (15) business days for New business and more than 30 days for renewal business (and if fifteen days or less, subject to a warranty of no known or reported losses) for renewal business
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 a 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.
14. Binding of coverage prior to receipt of an application. If coverage is bound subject to receipt of an updated and signed application, then the underwriting file must contain documentation of the original application that was received and relied upon to underwrite the account. Updated and signed application must be received within 30 days of binding and must contain information consistent with information upon which the quote was based. If the information is not consistent then refer to Company.



2.9.2 LIMITATIONS: COVERAGES

No authority exists to quote or bind any of the following:

1. Employment Related Practices.
2. Pollution or other Environmental coverage.
3. Liquor Law Liability in states designated as a high hazard (8 or higher) by ISO
4. Railroad Protective Liability.
5. Professional Liability or Errors and Omissions Liability.
6. Manufacturers Output policies or coverage.
7. Ocean Marine.
8. Product Recall.
9. Foreign coverage (i.e. outside the United States or Canada).
10. Hawaii Auto Coverage if not written through Coverall.
11. Massachusetts Auto Coverage, this limitation does not apply to this program.
12. Mold/Fungus Coverage.
13. Data Corruption coverage.
14. Policies that provide for Windstorm and/or Flood and/or Earthquake only.

2.9.3 LIMITATIONS: POLICY TERMS AND CONDITIONS

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 (Auto only). A “no known loss” warranty 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, subject to referral, see Section 3.1.1 for file requirements
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 Guidelines 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 within thirty (30) days of the effective date of the change.

2.12 APPROVED COVERAGE FORMS AND ENDORSEMENT AUTHORITY

Section 6 sets forth the coverage forms and endorsements that are available for use with the Program by line of business by jurisdiction.

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 Section 6 herein, you must refer such form to your Program Manager for review and approval prior to use. If such form is approved, we will amend Section 6 accordingly.

2.13 DELEGATION OF AUTHORITY

The person designated in Section 5 (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.

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 these Guidelines. 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 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 or a letter of no known losses where applicable – 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 include 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 DOCUMENT REQUIREMENT

- a. Signed statement of values (SOV) when risk is written on an agreed amount or blanket per location or blanket policy basis.
- b. IRPM worksheet, including those written with a unity (1.00 mod) and justification for all schedule credits/debits applied.

3.1.2 AUTOMOBILE FILE DOCUMENT REQUIREMENT

- 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 these guidelines.
- c. UM/UIM offers and rejections (where required)
- d. Verification of statutory limits or better for employee vehicles used by the insured under hired and non-owned

3.2 APPLICATIONS

A copy of the completed, signed and dated application must be kept in the policy file. Any supplemental applications, questionnaires, or statements of value which are critical to the underwriting of the account must be signed. 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 Program Administrator, must be approved by the Company. In some cases, supplemental information can be obtained separately from the application. 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.



Standard ACORD forms and supplemental questionnaire or application approved by the Program Manager are the only applications approved for this Program for non professional liability/general liability

The Glatfelter Professional Liability/General Liability application is appropriate for non the non property portion.

3.3 ACCOUNT CLEARANCE/RESERVATION IN 'E START'

You must enter all accounts and Named Insureds 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 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 includes the following:

- Name and address of the First Named Insured
- Complete list of Named Insureds, a brief summary of each named insured's operations (including any discontinued operations).
- Description of all operations.
- Exposure and hazard analysis.
- Current/expiring premium.
- Loss history summary by line of business, including open claims summary and large loss summary, if applicable.
- Financial analysis or confirmation of D&B Score per guideline stated under Section 1.1
- Underwriting rationale supporting writing the account.
- Reason for referral to Company if applicable.

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. Loss runs must be from an insurer or Approved Third Party Administrator and must have been produced and currently valued within 90 days of the policy effective date for both new and renewal business.

In addition, for each line of business written, a loss summary must be maintained in file that includes for each year:

- a. Annual premium
- b. Total Number of losses
- c. Total Incurred
- d. Analysis of any claim in excess of \$50,000

3.6 REFERRAL PROCESS / REQUIRED DOCUMENTATION

You must refer any underwriting issue that falls outside of the underwriting authority granted by these Guidelines to your Program Manager prior to quoting the account. Such referral must clearly include the following:



- Reason 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 the referral is approved, the approval shall remain in effect and, with the exception of the limitations stated below (1), resubmission is not required at each renewal, but only if:

- You have established that there has been no material change to the risk and
- You have properly documented the file (2).

(1) The following exception(s) shall limit referral approval(s) to the current policy term only:

1. When limited by the Program Manager and stated in their approval email; or
2. Deterioration of previously approved three year account loss ratio; 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 are any changes to limit(s) or 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.

3.7 DEDUCTIBLES / SIR PROCEDURES

There are no mandatory deductibles other than those shown in Section 2.

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, valid for thirty (30) days, whenever a policy is not issued and mailed (USPS or electronically) within five (5) business days of the policy's effective date and 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. You cannot extend a binder 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 include at least 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 DECLINATIONS/NON RENEWALS/CANCELLATIONS

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. Declination of any submitted new business account must be done in writing and in a timely manner. 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 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.

3.10.3 STATE SPECIFIC AMENDATORY ENDORSEMENTS

You must include any/all state amendatory endorsements and policy notices as required by the “Headquarters State” of the insured.

3.10.4 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.

3.10.5 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 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 (02/08) and must clearly show the premium charge. The rate will be a flat charge of 0.1% of the premium where approved (Refer to Qwiknotes for zip codes where coverage for Terrorism requires a referral.)

Note: the current Federal Terrorism Risk Insurance Act, as amended, is schedule to ‘sunset’ on 12/31/2014. If it is not renewed, you will be advised to discontinue offering coverage, and instead attach a proprietary terrorism exclusion.

3.10.6 OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

You must attach the approved AIG Coverage Territory Endorsement on all policies (as directed in Section 6).

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.

3.10.7 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

NEW BUSINESS SURVEYS

Accounts that generate <\$10,000 in total account premium – Underwriter discretion.

Accounts that generate \$10,000 to \$174,999 in total account premium – Underwriting will refer the account to Regional Reporting for a property, premises liability survey.

Accounts that generate \$175,000 or more in annual premium – Underwriting will refer the account to Risk Control internally. Risk Control will determine the appropriate internal or Pendulum consultant to service the account. These accounts will receive consulting type services to help them evaluate and control significant loss exposures.

Any account where, in the Underwriter's judgment, the exposures or loss history suggests that a risk survey is justified.

RE-SURVEYS

Accounts that generate \$10,000 or more in total account premium are resurveyed every 3 years.

Accounts that generate \$175,000 or more in annual premium will receive ongoing consulting type services following the service plan developed by Risk Control in consultation with Underwriting.

4.1 PREMIUM INSTALLMENTS AND FINANCING

The Program Administrator may offer Premium installments subject to the following:

- A. All installments will be billed and collected by the Program Administrator
- B. Commissions will be deducted proportionally as payments are received by the Program Administrator
- C. Payment terms of either of the following may be offered to insureds:
 - 1. Monthly: 25% due at policy inception and 8 monthly installments at equal percentages , or
 - 2. Quarterly: 40% due at policy inception and 3 quarterly installments due at days 90/180/270 of 20% each.

Semi-Annual is not utilized.



5. ACKNOWLEDGEMENT AND ACCEPTANCE

ACKNOWLEDGEMENT AND ACCEPTANCE

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

Please sign below and return an executed copy of these Underwriting Guidelines to your Program Manager within 30 days.

I acknowledge and accept the terms and conditions set forth in these Underwriting Guidelines.

Acknowledged By:

Delegated By:

Glatfelter Underwriting Services Inc. AIG, Lexington
Name of Program Administrator Name of Insurers

John A. Solari Adam M. Yasan
Name of Recipient/Designee Name of Grantor

President, Glatfelter Underwriting Svc. Vice President, Product Line Manager
Chief Underwriting Officer Title of Grantor

John A. Solari [Signature]
Signature of Recipient/Designee Signature of Grantor

12-5-14 12-8-2014
Date Date



6. ADDENDA – LINE OF BUSINESS GUIDANCE: LOSS COSTS/RULES/FORMS

Included in this Section is a complete set of forms (and current edition date by jurisdiction) approved for use with this program. This information is current as of the date of these guidelines and subject to change. You must use the current, approved form edition, which may be a new version than appears in these guidelines, based upon the Insured's headquarter state. We will use the Cover-All operating system and/or Program Administrator bulletins to keep this information current.

6.1 PROPERTY / INLAND MARINE / CRIME

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

The company accepts ACORD Applications.

6.1.1 APPROVED RATES/LOSS COSTS/LOSS COST MULTIPLIERS – PROPERTY / INLAND MARINE / CRIME

Unless directed otherwise, you are to use ISO loss costs or class rates applicable at each location.

Premium charge for the "enhanced forms" is: 3% of property premium with minimum \$225. and maximum \$1,000. This charge, as well as the charge for the Human Services endorsement, is included in Coverall.

Earthquake Rating – CoverAll:

1. Use the earthquake spreadsheet to determine the total premium for the earthquake sublimit. Although the First Loss Scale is meant to be used on a per location basis, use the total TIV against the earthquake sublimit. This will give you a ballpark figure as to what the overall EQ premium should be
2. Enter EQ policy sub-limit and EQ deductible at building 1 of the key location. Coverall will develop a premium for EQ. Compare the coverall premium to the total premium from your spreadsheet; If the differential is minimal, then coverall is developing an appropriate charge for EQ and no other rate calculations or charges are necessary.
3. If your spreadsheet indicates that you need significantly greater premium for EQ, then we need to get an increase in the overall property premium to account for the quake exposure. Modify the IRPM to build the premium into the overall pricing. The resulting location data for modeling purposes will correctly show the sublimit and the EQ deductible. The earthquake limit will only show at bldg #1 at the key location.
4. Attach CP 1045 Earthquake and Volcanic Eruption Endorsement. In CoverAll, add the following text in the free-form text area to allow the following to print on the Dec: See Form CP 1045. The Earthquake Sublimit as shown for Location #1, Building #1 applies per occurrence and in the aggregate to all buildings, personal property and business income over all scheduled locations.

Flood Rating

Use the same approach as shown above for earthquake and apply the appropriate flood endorsement (CP 1065 for Enhanced Property).

INLAND MARINE RATES – AAIS forms

SCHEDULED PROPERTY FLOATER -- PREMIUM DETERMINATION

Scheduled Premises



If coverage is written for property at a specifically scheduled premises, the following method should be used:

Step 1.E

Basic Load

- a. Obtain the 100% coinsurance business personal property Group I (fire) rate and Group II (extended coverage) rate.
- b. Add the Group I (fire) rate to the Group II (extended coverage) rate.
- c. If coverage involves several locations, determine an average rate. Use the average rate to determine the load for all locations.

Step 2.E

Special Perils Load -- Determine a special causes of loss (perils) load. The following risk features should be considered when determining a load:

- a. Theft exposure
 - 1) covered property not considered target commodity for theft
 - 2) covered property considered potential target commodity for theft
- b. Transit exposure
 - 1) property shipped via common carrier, use of full bill of lading
 - 2) property shipped in owner's vehicle, vehicle parked overnight in unsecured lot
- c. Off-premises exposures
 - 1) property infrequently moved, property used/stored in secured building
 - 2) property frequently moved, property not used/stored in secured building

Load: .05 - .20

Step 3.E

Earthquake Load -- Determine the load for earthquake, if applicable. MMI - Refers to the Modified Mercalli Intensity scale which is a measurement of the intensity of an earthquake. The following construction features should be considered when determining a load:

- a. wood frame, steel frame, reinforced concrete, combined concrete & steel
- b. concrete, brick or block

250 Year MMI Zones 1 through 6.99:

Load: .005 - .05

Step 4.E

Flood Load -- Determine the load for flood including sewer backup, if applicable. The following risk features should be considered when determining a load:

- a. The potential for sewer backup and seepage
- b. Mix of flood zones
- c. Risk features designed to mitigate flood exposure and water damage

RiskMeter™ - Flood Scores 10 – 40 only:

Load: .01 - .15

Step 5.E

Add the loads together that were developed in Steps 1.E thru 4.E. Multiply the sum by the limit of insurance for each location.

Step 6.E



Multiply the Miscellaneous Floaters rating information shown in Loss Cost Rating Information by the applicable company loss cost multiplier, and then multiply the result by the result of Step 5.E.

Step 7.E

Deductible -- Modify the premium by any applicable deductible modification.

Deductible Amount	Factor
\$250	1.00
\$500	.95
\$1,000	.90

Step 8.E

IRPM -- Modify the premium by any applicable Individual Risk Premium Modification.

Refer to Qwik Notes for specific guidance on approved Marshall & Swift valuations.

When writing Crime Coverage on a Discovery form, you must attach the Retroactive Date endorsement. The date utilized on the endorsements 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 change the retro date to be no more than one year prior to the *new* effective date.

6.1.2 APPROVED RULES – PROPERTY / INLAND MARINE / CRIME

Refer to Qwik Notes for specific guidance on approved Marshall & Swift valuations.

6.1.3 APPROVED FORMS - PROPERTY / INLAND MARINE / CRIME

AIG Program Division “enhanced” property forms are to be used on most accounts. In the States of AK, FL, LA these forms may only be used on a non-admitted basis.

See attached Equipment Breakdown Addendum for complete equipment breakdown guidelines.

FORM #	PROPERTY FORM TITLE	LIMITATIONS
MANDATORY ATTACHMENTS – ALL POLICIES		
91222 (04/13)	Policyholder Notice - Commission	None
IL 0017 (11/98)	Common Policy Conditions – ISO CPP (only)	All states except WA
IL 0146 (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
96556 (02/08)	Policyholder Disclosure Notice of Terrorism Insurance Coverage	
102214 (06/10)	Georgia Diminution of Value Exclusion	Mandatory if GA Locations
PLUS ALL REQUIRED STATE AMENDATORY ENDORSEMENTS		
"ENHANCED" PROPERTY BASE FORMS:		NOT APPROVED IN AK, LA, FL*



97100 (05/08)	Commercial Property Conditions	
97101 (05/08)	Common Policy Conditions (Use IL 0017 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	Except NY, MA
OPTIONAL ENDORSEMENTS (ISO and ENHANCED UNLESS OTHERWISE NOTED)		
97070 (05/10)	Business Income (and Extra Expense) Coverage Form	
CP1505 (10/12)	<i>Food Contamination (Business Income and Extra Expense)</i> <i>Note: we are in the process of filing replacement endorsements for the above; we will notify you when they are approved for use:</i>	
115262 (04/14)	Food Contamination and Communicable Disease	Not approved at this time
115263 (04/14)	NY - Food Contamination and Communicable Disease	Not approved at this time
70630 (04/08)	Additional Coverages - Human Services	
CP 1065 (10/12)	Flood Coverage Endorsement	Except CA, HI, TX
CP 1065 (06/07)	Flood Coverage Endorsement	CA, HI, TX
CP 1045 (10/12)	Earthquake and Volcanic Eruption (Sub Limit Form)	Except CA, HI, OR, TX
CP 1045 (08/99)	Earthquake and Volcanic Eruption (Sub Limit Form)	CA, HI, TX
CP 1045 (02/00)	Earthquake and Volcanic Eruption (Sub Limit Form)	OR
97065 (04/08)	Equipment Breakdown Exclusion (mandatory when not providing Equipment breakdown coverage)	
97081 (04/08)	Equipment Breakdown-Other Conditions Endt	
99127 (06/08)	Mortgagee Clause - Washington	WA
97091 (03/10)	Blanket Limits Per Premises Endorsement	
97092 (05/08)	Margin Clause	
90610 (11/08)	Windstorm or Hail Deductible Endorsement	Limited to AL, CT, DC, DE, GA, HI, MA, MD, ME, MO, NC, NH, NJ, RI, SC, TX, VA
CP 0320 (10/92)	Multiple Deduct (Fixed Dollar Deduct) OR:	All other states
CP0321 (10/12)	Windstorm or Hail (Percentage) Deductible Endorsement	All other states
100382 (12/08)	Windstorm or Hail Deductible Endorsement with Named Storm Definition	Limited to AL, CT, DC, DE, GA, HI, MA, MD, ME, MO, NC, NH, NJ, RI, SC, TX, VA
101139 (04/09)	Windstorm or Hail Deductible Endorsement with Named Storm Definition - SC	SC
CP 1054 (06/07)	Windstorm or Hail Exclusion NY - you cannot exclude Windstorm or Hail on an	Except NC, NY, SC, TX, WA



Admitted basis		
CP 1061 (06/07)	Windstorm or Hail Exclusion	NC
CP 1059 (06/07)	Windstorm or Hail Exclusion	SC
CP 1057 (06/07)	Windstorm or Hail Exclusion	TX
CP 1063 (06/07)	Windstorm or Hail Exclusion	WA
97036 (02/08)	Upgrade to Green	Except CT
99712 (08/08)	Upgrade to Green - CT	CT
110286 (06/12)	Ordinary Payroll Exclusion	
110358 (05/12)	Supplemental Dec – Limit/Deductible Changes	
106379 (10/10)	Evacuation Response	
106360 (09/10)	Surface Water Amendatory	
106361 (09/10)	Limited Coverage for Virus and Bacteria	Except NY
108012 (04/11)	Limited Coverage for Virus and Bacteria	NY
CP 1036 (10/12)	Limitations on Coverage for Roof Surfacing	Except CA, CT, CO, HI, IL, IN, MA, MO, NH, TX, WY
115114 (10/13)	Limitations on Coverage for Roof Surfacing	CA, CO, IL, TX,
CP 1048 (10/12)	Limitations on Coverage for Roof Surfacing - MO	MO
CP 1022 (10/12)	ACV for Roof Surfacing - CT	CT
CP 1023 (10/12)	ACV for Roof Surfacing - MA	MA
CP 1025 (11/13)	ACV for Roof Surfacing - IN	IN
CP 1049 (01/12)	ACV for Roof Surfacing - WY	WY

NOTE: no "Roof Surfacing" endorsements are available in HI, NH.

FORM #	INLAND MARINE	LIMITATIONS
	INLAND MARINE OPTIONAL FORMS	
IM 7500 (10/09)	Scheduled Property Floater	
IM 7088 (01/12)	Windstorm Deductible	All states ex. MN
IM 7088 (02/12)	Windstorm Deductible	MN
IM 7977 (08/12)	Theft Deductible Endorsement	
IM 7978 (08/12)	Theft Exclusion	
IM 108087 (05/12)	Bridge Endorsement	
IM CL0100	Conditions	

FORM #	CRIME	LIMITATIONS
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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 there is a desire 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 our policy. However, use of this form is strongly discouraged.

Renewals of existing business currently written on the 'Discovery' form (CR 0020) may continue as long as form CR 2005, Retroactive Date Endorsement, is attached and properly completed (no earlier than the original date AIG assumed coverage on consecutive renewals.)

CRIME BASE FORM POLICIES

CRDS 01 (08/13)	Crime & Fidelity Part Declarations	Except CA, CO, FL, LA, MD, NY
CRDS 01 (08/07)	Crime & Fidelity Part Declarations	MD
CRDS 01 (07/02)	Crime & Fidelity Part Declarations	CA, CO, FL, LA, NY
CR 0021 (08/13)	Commercial Crime Coverage Form – Loss Sustained Form	Except CA, CO, FL, LA, MD, NY
CR 0021 (05/06)	Commercial Crime Coverage Form – Loss Sustained Form	CA, CO, FL, LA, MD, NY
CR 0020 (08/13)	Commercial Crime Coverage Form - Discovery	Except CA, CO, FL, LA, MD, NY
CR 0020 (05/06)	Commercial Crime Coverage Form - Discovery	CA, CO, FL, LA, MD, NY
CR 2005 (10/10)	Retroactive Date Endorsement	Except CA, CO, FL, LA, MD, NY
CR 2005 (05/06)	Retroactive Date Endorsement	CA, CO, FL, LA, MD, NY

MANDATORY ENDORSEMENTS

CR 2028 (08/07)	Add Protective Devices or Services	Except CA, CO, DE, FL, HI, LA, IL, MA, MN, NY, TX
CR 0147 (08/07)	Add Protective Devices or Services - MN	MN

OPTIONAL ENDORSEMENTS

CR 0413 (08/13)	Destruction of Electronic Data or Computer Programs	Except CA, CO, FL, LA, MD, NY
CR 0413 (05/06)	Destruction of Electronic Date or Computer Programs	CA, CO, FL, LA, MD, NY

PLUS ALL REQUIRED STATE AMENDATORY ENDORSEMENTS

6.2 AUTOMOBILE

Unless specific guidelines apply, refer to the Division 66 Automobile Qwiknotes

The company accepts ACORD Applications.

6.2.1 APPROVED RATES/LOSS COSTS/LOSS COST MULTIPLIERS – AUTOMOBILE

We will use ISO loss costs, rules and forms when writing Commercial Automobile.

6.2.2 APPROVED RULES – AUTOMOBILE

Unless specific guidelines apply, refer to the Division 66 Automobile Underwriting Guidelines (Qwiknotes).

UM/UM – All accounts part of the initial rollover of this program to AIG will be 'grandfathered' at limits no greater than \$1,000,000. All other accounts and new business will follow the Qwiknotes guidelines for UM/UM.

6.2.3 APPROVED FORMS - AUTOMOBILE

FORM # AUTOMOBILE FORM TITLE LIMITATIONS

MANDATORY ATTACHMENTS – ALL AUTO POLICIES

FORM #	AUTOMOBILE FORM TITLE	LIMITATIONS
91222 (04/13)	Policyholder Notice - Commission	None
CA 0001 (03/10)	Business Auto Coverage Form	Except CA, FL, MA, NY, VA
CA 0001 (03/06)	Business Auto Coverage Form	CA, FL, MA, NY, VA
IL 0017 (11/98)	Common Policy Conditions	All states except WA
IL 0146 (08/10)	Common Policy Conditions - WA	WA
89644 (06/13)	Economic Sanctions Endorsement (OFAC)	All states except AK
118019 (07/14)	Economic Sanctions Endorsement (OFAC)	AK
	PLUS ALL REQUIRED STATE AMENDATORY ENDORSEMENTS	
	ISO ENDORSEMENTS/CURRENT EDITION	WHERE APPROVE D FOR USE

6.3 MISCELLANEOUS COVERAGES – EQUIPMENT BREAKDOWN

General Statements Regarding Eligibility

- Eligible Occupancy: Assisting Living Facilities, Continued Care Residences, Nursing Homes, Independent Living and other Home Health Services

If a risk meets any one of the following criteria, it must be referred to the Program Manager for an equipment breakdown quotation. If one "Location" is a referral then the entire policy becomes a referral policy.

- Any policy that has a "Location" with a "TIV" greater than \$25,000,000
- Any policy that has Total Insured Values greater than \$75,000,000
- Any policy with an Equipment Breakdown limit or submit that exceeds \$100,000 as respects the following coverages:
 - Perishable Goods/Spoilage



- Data Restoration
- Expediting Expense
- Hazardous Substances
- Off Premises Property Damage
- Dependent Properties
- Computer Equipment
- Service Interruption
- Any policy with an Equipment Breakdown limit or sublimit that exceeds the following as respects Newly Acquired Premises coverages:
 - \$1,000,000 Building
 - \$1,000,000 Business Personal Property
 - 180 days
- Any policy that includes any one of the following coverage forms, but only if equipment breakdown coverage under said form is to be insured:
 - Any Inland Marine Form
 - Any Equipment Floater or Contractors Installation Floater
- Any policy with two or more covered equipment breakdown losses within the last 24 months
- Any policy with a covered equipment breakdown loss greater than \$25,000
- Any policy that has a "Location" with a total power generating capacity greater than 250 kilowatts based on the nameplate rating of the equipment. This includes solar, wind, and any other method of generating power. This does not include equipment intended to generate electricity solely on an "emergency basis".
- Any policy that has a "Location" outside the United States

Deductibles:

The Equipment Breakdown deductibles for Property Damage and Business Income follow the Property Policy Property Damage Deductible and Business Income Deductible, subject to a \$1,000 minimum.

Rates:

.007 Per \$100 of TIV

The rates herein are annual rates and may be pro-rated for in-term transactions or odd-term policies.

Definitions:

- "TIV" is Total Insured Value and is defined as 100% Building Value, 100% Business Personal Property (excluding stock) Value and 100% Business Income Value.
- "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.