

**NEW YORK
COLLECTIONS
PRODUCER MANUAL**

Pacific Employers Insurance Company

Updated 02/01/16

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GENERAL RULES

General Information

This manual contains the rules, rates and premiums for insuring the following classes of property under Personal Inland Marine Floater policies (including coverage in the form of an endorsement or supplemental contract for attachment to another form of policy):

Bicycles	Personal Furs
Cameras	Personal Jewelry
Collectibles	Personal Jewelry in Vault
Fine Arts	Silverware
Guns	Sports and Hobby
Equipment	Musical Instruments
Stamp and Coin Collections	

The General Rules apply to all of the classes listed above. The Class Rules of the manual contain specific rules applying to the individual classes, including any supplements and exceptions to the General Rules.

Policy Forms and Endorsements

ACE Prestige Collections Policy - Form # COLL1000 ACE 0515

Optional coverage endorsements - the following endorsements may be added to the policy with the mutual agreement between the insured and Pacific Employers Insurance Company. Segmental Rating should be used whenever these forms are attached regardless of amount of class:

- Baggage exclusion (COLL1007 ACE 0515)
- Blanket Coverage - Per Item Limit (COLL1003 ACE 0515)
- Blanket Coverage – No Per Item Limit (COLL1009 ACE 0515)
- Hotel/Motel Exclusion (COLL1008 ACE 0515)
- Location Exclusion (COLL1005 ACE 0515)
- Named Location Limitation (COLL1006 ACE 0515)
- Exhibit Exclusion (COLL1002 ACE 0515)
- Agreed Value Loss Settlement (COLL1010 ACE 0515)
- Market Value Loss Settlement (COLL1011 ACE 0515)
- Collector Vehicle Coverage Endorsement (COLL1012 ACE 0515)

Policy Eligibility Requirements

- A. Policies may be issued only to cover property of an individual or spouse who reside together, members of the insured's family of the same household, except as provided below or in the specific Class Rules.
- B. Policies may be issued in the name of unrelated persons who reside together, provided they are bona fide co-owners of the property.

Mortgage or Pledgee

A loss payable clause may be attached to the policy when a bona fide mortgagee or pledgee exists.

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Policy Term

Policies are written for 12 months.

Installments

If the policy is on an Installment Plan, an additional charge of \$10.00 shall be payable with each installment per policy. This charge is waived when the policy premium is automatically debited from a bank account. The availability of installment plans will vary by premium level.

If the Collections policy is written in conjunction with another policy, the billing is combined and the installment charge is applied to the entire account.

For any check returned by the bank unpaid, a non-sufficient funds fee of up to \$20.00 may be charged.

Automatic Debit of Policy Premium

An additional charge of \$10.00 shall be payable each time the funds are not available to cover the automatic debit of policy premium.

Minimum Premium

The minimum premium for a Collections policy is \$50.00. The minimum premium applies to the total collections premium including optional endorsements.

Policies Subject to Credits

Premium Credits for Protective Devices in the Homeowners Manual apply to Scheduled Valuable Possessions classes except Jewelry in Vault.

Changes

A. All changes requiring premium adjustments shall be computed on a pro-rata basis, including any premium which was subject to the minimum premium requirement.

B. No charge will be made and no refunds given when the net change amounts to less than \$3.00.

Exception: On direct-billed policies with any installment payments remaining for the current policy period, charges or refunds of less than \$3.00 will be included in the next regularly scheduled installment billing.

Rate Calculations

All calculated rates shall be carried out to three decimal places.

Whole Dollar Premium Rule

All premiums shown on the policy and endorsements shall be rounded to the nearest whole dollar. A premium of fifty cents (\$.50) or more shall be rounded to the next higher whole dollar. In the event of cancellation by the Company, the return premium may be carried to the next higher whole dollar.

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Schedule Requirements

All articles to be insured shall be scheduled, with the amount of insurance or agreed valuation shown for such item, except as otherwise provided in the specific Class rules.

Joint Policies

When joint policies are issued by two or more companies covering a single risk, the form may be amended to indicate such joint interest. If liability in such cases is several but not joint, appropriate provision to that effect may be incorporated in the policy.

Special Terms and Conditions

For risks with unusual circumstances or unique characteristics, special terms or conditions may be issued. These special terms and conditions may be requested by either the insured or the company and will conform to the provisions of Ins. Law s 2309, by submission of a filing to the DOI for approval.

Amendment of Territorial Limits

Policies may be endorsed to exclude coverage outside of the limits of the United States and Canada.

Additionally Acquired Property

The limitation of liability on additionally acquired property in policies containing a provision granting coverage on such property may be reduced by endorsement.

Special Safeguards

A company may negotiate with a policyholder for any form of protection, device or measure for the safeguard of the property insured which, in its judgment, is essential; and may issue an endorsement to this effect without a rate credit unless otherwise provided for in the rules and rates of a special class.

GENERAL RULES

Coverage in Conjunction with other Policies

Inland Marine coverages may be provided in conjunction with other policies, subject to the following rules:

- A. Coverage shall be made by means of supplemental policy, form or endorsement which, in effect, constitutes a separate contract containing all of the terms and conditions required by the applicable Inland Marine filings made by or on behalf of the Company.
- B. The supplemental contract shall be subject to all of the rules, including minimum premium rules, as shown in this manual applicable to the class involved.
- C. The supplemental contract may be made subject to the installment payment of premium plan, attachment provision, and cancellation provision as are applicable to the policy to which it is attached.
- D. Premiums for insurance under the supplemental contract must be classified as Inland Marine insurance and the premiums and losses coded and reported for statistical purposes in the manner prescribed in the Inland Marine Statistical Plan.

Cancellation

If a policy, coverage or exposure is cancelled or an amount of insurance is reduced by the Company, compute return premium pro rata.

Blanket Coverage

An item of blanket coverage may be included as part of the schedule for any class of property; e.g. item 1. Jewelry - blanket coverage - \$50,000. Blanket coverage is subject to a maximum loss payment of \$50,000 for any one article.

Articles valued at more than \$ 50,000 should be specifically scheduled.

Personal Property Rating Plan – For Company Use Only

1. This Rating Plan applies to scheduled personal property when the insured amount for the class is as follows:

Entire Class: Other Property

\$100,000 or more:	Jewelry*	Postage Stamps
	Furs	Rate and Current Coins
	Silverware	Collectibles

* Jewelry rated as Jewelry in Vault is not subject to this Rating Plan

\$500,000 or more for the class: Fine Arts

In addition, this plan should be used whenever an optional coverage endorsement applies to a policy regardless of the amount insured.

2. Total modifications under this Rating plan are subject to a cumulative debit of +30% and a maximum cumulative credit of -30% of the filed rate for the class.
3. Property rated under this Plan shall not be subject to other premium modification rules.
EXCEPTION: Credits for optional deductibles should be applied to the manual rate before the rating factor is applied.

GENERAL RULES

4. Credits and debits shall be recalculated whenever there is a significant change in value/exposure. At a minimum, risks to be recalculated every 3 years.
5. Credits and debits shall be determined as follows:

	Modification
OFF PREMISES/TRAVEL EXPOSURE - extent, duration, location, values exposed, etc.	
• Anticipated travel to secondary residence of 3 months or more a year.	+5%
• Anticipated travel to other than a secondary residence of 3 months or more a year.	+10%
• If more than 25% of schedule will be in transit for more than 5 days; and	
o handled through professional packers/movers	+5%
o else	+10%
SCHEDULE COMPOSITION - item values, distribution, type of property, etc.	
Jewelry, silver, furs, collectibles, misc. classes:	
• For items \$50,000 & greater, if single item is > 25% of schedule	+5%
• For items \$50,000 & greater, if single item is > 50% of schedule	+15%
Fine Arts:	
• 25% or more of schedule at a location with above average exposure to loss including coastal, unprotected, foreign, secondary, etc.	+10%
Fine Art Schedules under \$10 million	
• For items \$250,000 & greater, if single item is > 25% of schedule	+5%
• For items \$250,000 & greater, if single items is >50% of schedule	+15%
Fine Art Schedules \$10 million and greater	
• Two or more items over \$1 million	+5%
• Two or more items over \$2.5 million	+15%
ON/OFF PREMISES SECURITY – alarms, safes, vaults guards, live-in servants, patrols, etc.	
If the insured has the following alarm systems:	
• local fire alarm only	-2%
• local burglar alarm only	-2%
• fire alarm transmitted but not transmitted to Central State, Police or Fire Department	-5%
• burglar alarm transmitted but not transmitted to Central Station, Police or Fire Department	-5%
Note: Credit reduced to 3% unless location to which alarm is transmitted is monitored 24 hours a day, i.e. telephone answering service, security service, guard station, etc.	
• direct burglar alarm system only	-6%
• direct fire alarm system only	-6%
• central station fire alarm system only	-7%
• central station burglar alarm system only	-7%
• central station fire & burglar alarm system	-15%
NOTE: To qualify as a Central Station, the sole function must be the monitoring of subscriber's alarm systems and the facility must be staffed 24 hours a day.	
• The insured has a central station or direct burglar alarm system which includes specifically dedicated protection for the home safe or vault.	-3%
Items are kept principally in a condominium, cooperative or renters unit meeting all of the following criteria:	-5%
- building entrances are at all times:	
- manned; or	
- locked and secured by either:	
- a central station or direct reporting burglar alarm; or	
- closed circuit TV cameras monitored 24 hours a day:	
- visitors are announced; and	
- elevators are either manned or key controlled	
Sprinkler Systems in all living areas of the dwelling, condominium unit or apartment and either sprinklers or fire detectors in all attics, basements, utility rooms, bathrooms and attached structures.	-10%
Highly Protected Dwelling - a dwelling, apartment, condominium unit with an automatic sprinkler system meeting the requirements of Sprinkler Systems above and with both a burglary and fire alarm system that transmits alarms to a Central Station or to Police and Fire Departments. (Note: If Highly Protected Dwelling credit applies, credits for Sprinkler Systems and Central Station Fire and Burglary Alarms do not apply)	-30%

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Guarded Residence - a dwelling, apartment, condominium unit located within a Guarded Community meaning vehicle access to the community is controlled by guards or locked gates at all times, proper identification is required to enter and visitors are announced	-5%
Perimeter Security Protection - Security for the entire external perimeter of the dwelling or building entrance for a condominium or apartment consisting of any one or more of the following: <ul style="list-style-type: none"> • Closed circuit TV cameras monitored 24 hours a day; • Detection system, external to the residence, which is motion activated and monitored 24 hours a day; • 24 hour on site security guard. 	-5%
Residence Caretaker - full time caretaker who lives at the residence year round. This credit applies only if a 24 hour on site security guard is not present	-2%
Temperature Monitoring System - to protect against freezing, that transmits an alarm to a Central Station.	-2%
LOSS LIMITATIONS/ENHANCEMENTS - reduction in perils, stop loss provision, optional coverage endorsements, etc	
• Location Exclusion, COLL1005	-5%
• Named Location Limitation, COLL1006	-10%
• Baggage Exclusion, COLL1007	-3%
• Hotel/Motel Exclusion, COLL1008	-3%
• Exhibit Exclusion, COLL1002	-5%
• Blanket Coverage - Per item Limit (\$50,000 provided in the contract), COLL1003 If increased to: <ul style="list-style-type: none"> o \$75,000 o \$100,000 o \$250,000 o \$500,000 o \$750,000 o \$1,000,000 o \$2,500,000 o \$5,000,000 o \$10,000,000 	+1% +2% +3% +4% +5% +6% +7% +8% +9%
• Blanket Coverage – No Per item Limit, COLL1009	+10%

6. RATES - Annual rates per \$100

Fine Arts - The following options are available:

- ii. Fine Arts - 10% Earthquake Deductible - multiply Fine Arts rate by .95.
- iii. Fine Arts -No Earthquake Coverage - multiply Fine Arts rate by .90.

7. DEDUCTIBLE - The following optional flat deductibles and credits are available:

<u>Amount of Insurance</u>				
Minimum:	\$100,000	\$300,000	\$600,000	\$2,000,000
Maximum:	<u>\$299,999</u>	<u>\$599,999</u>	<u>\$1,999,999</u>	<u>& above</u>
<u>Deductible</u>				
\$ 1,000	5%	3%	---	---
\$ 5,000	15%	10%	5%	---
\$ 10,000	25%	15%	10%	5%
\$ 25,000	30%	25%	20%	10%
\$ 50,000	---	30%	25%	15%
\$ 100,000	---	35%	30%	20%
\$ 250,000	---	---	40%	30%
\$ 500,000	---	---	---	35%
\$ 1,000,000	---	---	---	40%

NOTES: Classes to which deductible applies will be indicated on the Policy Declarations Page.
Only one deductible may be used per policy.
Use Form #COLL1004 ACE 0515, Deductible Endorsement

CLASS RULES

Bicycles

Property to Which Rules Apply

The rules of this manual apply to all types of bicycles except motor bicycles or any other motor powered conveyances or vehicles of any kind.

Camera

1. Property to which Rules apply

These Rules Apply to

- A. Cameras, projection machines and articles of equipment pertaining thereto.
- B. Movable sound equipment pertaining to the recording, projection, reproduction and operation of motion pictures.
- C. Miscellaneous property such as films, binoculars, telescopes, microscopes and the like which may be used in conjunction with cameras or photographic equipment when insured with such equipment.
- D. Home video cameras, playback records and articles of equipment pertaining thereto.

2. Property Exempt from these Rules

These Rules do not Apply to

- A. Television cameras and equipment;
- B. Coin or token operated devices;
- C. Camera or other camera property for account of dealers or manufacturers thereof;
- D. Aerial cameras or radar cameras.

Fine Arts and Collectibles

1. Property to Which Rules Apply

- A. Fine Arts meaning private collections of paintings, etchings, pictures, tapestries, art glass windows, and other bona fide works of art (such as valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass and bric-a-brac) of rarity, historical value or artistic merit.
- B. Collectibles meaning wine, sports cards, dolls, model trains, and other private collections of rare, unique or novel items of personal interest, including memorabilia.

CLASS RULES

2. Definition of Private Collections

- A. Private Collections shall be deemed property owned by any individuals, firms, corporations or associations that are not dealers, auction rooms, museums, art galleries or art institutions ordinarily open to the public.
- B. The term "private collection" shall not be deemed to include property in custody of dealers, auction rooms, museums, art galleries or art institutions ordinarily open to the public when insured in the name of such dealers, auction rooms, museums, art galleries or art institutions.

3. Exempted Risks

These Rules do not Apply to:

- A. Dealers, Commercial Risks, Museums, Art Galleries or Art Institutions;
- B. Property owned by and insured for account of Federal, State, County or Municipal Authorities
- C. Temporary exhibits of property not owned by the insured.

4. Definitions

- A. Primary Location - The permanent premises for the Fine Arts private collections to which, whenever it is removed, it will be returned.
- B. Additional or Secondary Locations - The temporary premises for the Fine Arts private collection which was removed from primary location.
- C. Other Locations - A separate premises for Fine Arts private collections not falling under Primary and Additional Secondary Locations definition.

5. Breakage Coverage

The policy is extended to provide breakage coverage for fragile articles without additional premium.

Musical Instruments

1. Property to Which Rules Apply

These rules apply to non-professional musical instruments, sheet music and equipment pertaining to musical instruments when written in connection with musical instruments.

2. Definitions

- A. Professional - A professional under the rules and rates for this coverage is construed to be a person who teaches or receives any remuneration for playing a musical instrument insured during the term of the policy.

CLASS RULES

Personal Jewelry and Furs

1. Property to Which Rules Apply

- A. Individually owned personal jewelry, defined as articles of personal adornment composed in whole or in part of silver, gold, platinum or other precious metals and alloys, whether or not containing pearls, jewels, precious or semi-precious stones.
- B. Furs including imitation furs and fur rugs, and garments trimmed with fur or consisting principally of fur.

2. Other Articles

- A. Silver, silverware, plateware, pewterware, bullion, gold and other precious metals and unmounted gems are not subject to these personal jewelry rules or rates.
- B. All other items such as pens, pencils, flasks, smoking equipment, cigarette cases, trophies and the like, if insured under the Personal Articles Floater, shall be subject to the personal jewelry rules and rates.

3. Schedule Option – Furs

An ensemble, such as a coat, muff and hat, may be scheduled as a single item. With the exception of property of this nature, no miscellaneous items shall be blanketed.

4. Broad Pair and Set

Rates shown on State Rate Pages include Broad Pair and Set Coverage.

5. Gemprint Jewelry

Gemprint laserscan system used for registering and identifying gemstones and serialized watches. Insured must provide registration certificate from authorized jeweler in order to be eligible for Gemprint Jewelry rate.

6. Highly Protected Jewelry, Stamps, Coins - Applicable to items normally kept in a: UL rated home safe, permanently attached to the dwelling; or UL rated home safe weighing over 750 lbs; or a bank vault, when not in use. Insured must provide proof of the safe or location of the bank vault.

Silverware

1. Property to Which Rules Apply

These rules apply to individually owned silverware, silver-platedware, goldware, gold-platedware and pewterware.

2. Property Exempt From These Rules

These rules do not apply to pens, pencils, flasks, smoking implements or accessories or articles of personal adornment.

Stamp and Coin Collection

1. Property to Which Rules Apply

These rules apply to individually owned stamp and coin collections and do not apply to dealers or auctioneers.

RATES

RATES - Annual rates per \$100

- A. Bicycles \$ 7.00
- B. Cameras \$ 1.65
- C. Fine Arts – (all types of construction – all protection classes) \$.09

The following options are available. To rate:

- i. Fine Arts - With Earthquake Coverage - Included in above rate
- ii. Fine Arts - 10% Earthquake Deductible - Refer to Personal Property Rating Plan
- iii. Fine Arts - No Earthquake Coverage - Refer to Personal Property Rating Plan

- D. Sports and Hobby Equipment (\$25 deductible applies) \$.65

- E. Musical Instruments

1. Personal Use \$.35
2. Professional Use \$ 2.00

- F. Jewelry and Furs

1. Personal Furs

2. Personal Jewelry

<u>Territory</u>	<u>Rates</u>	<u>Territory</u>	<u>Jewelry Rates</u>	<u>Gemprinted Jewelry Rates</u>	<u>Highly Protected Jewelry Rates</u>
01 – Bronx	\$1.00	01 – Bronx	\$2.00	\$1.80	\$1.60
02 – Kings	\$1.20	02 – Kings	\$3.50	\$3.15	\$2.80
03 – Nassau	\$1.00	03 – Nassau	\$2.20	\$2.00	\$1.75
04 – New York	\$.75	04 – New York	\$2.00	\$1.80	\$1.60
05 – Queens	\$1.10	05 – Queens	\$2.00	\$1.80	\$1.60
06 – Richmond	\$1.10	06 – Richmond	\$3.50	\$3.15	\$2.80
07 – Suffolk	\$.75	07 – Suffolk	\$2.20	\$2.00	\$1.75
08 – Westchester	\$.70	08 – Westchester	\$1.65	\$1.50	\$1.30
09 – Remainder of State	\$.85	09 – Dutchess, Orange Putnam & Rockland	\$1.65	\$1.50	\$1.30
		99 – Remainder of State	\$1.65	\$1.50	\$1.30
		Entire state			
		Jewelry in Vaults	\$.35		

- G. Silverware \$.40

- H. Stamp and Coin Collections

1. Stamps \$.45
- Highly Protected Stamps \$.36
2. Coins \$ 1.70
- Highly Protected Coins \$ 1.36

- I. Guns \$ 2.50

- J. Collectibles \$.45

- K. Other Property (Miscellaneous) \$ 3.00

New York Collections Forms

Form Number**Form Name**

ACE01	0413	ACE Group of Companies U.S. Privacy Notice
ACE250	0515	New York Policyholder Message (Third Party Designee)
ALL-20887	1006	ACE Producer Compensation Practices and Policies
ALL-21101	1106	Trade or Economic Sanctions Endorsement
CC-24180c	0314	Signature Endorsement
COLL1000 ACE	0515	ACE Prestige Collections Policy
COLL1002 ACE	0515	Exhibit Exclusion
COLL1003 ACE	0515	Blanket Coverage – Per Item Limit
COLL1004 ACE	0515	Deductible Endorsement
COLL1005 ACE	0515	Location Exclusion
COLL1006 ACE	0515	Named Location Limitation
COLL1007 ACE	0515	Baggage Exclusion
COLL1008 ACE	0515	Hotel/Motel Exclusion
COLL1009 ACE	0515	Blanket Coverage – No Per Item Limit
COLL1010 ACE	0515	Agreed Value Loss Settlement
COLL1011 ACE	0515	Market Value Loss Settlement
COLL1012 ACE	0515	Collector Vehicle Coverage Endorsement