

**NEW YORK
UMBRELLA
PRODUCER MANUAL**

**Pacific Employers Insurance Company
Bankers Standard Insurance Company**

**Umbrella Underwriting Guidelines
(New Exposures to Inforce Business)**

**PACIFIC EMPLOYERS INSURANCE COMPANY
BANKERS STANDARD INSURANCE COMPANY**

No new business with effective dates on or after 3/1/16 is eligible.

Prior Approval Required

The following risk characteristics require underwriting approval prior to submission:

- Applicants who receive considerable publicity

- Risks with more than three rental units

- Aircraft

- Risks that have been previously declined, canceled or non-renewed

- Any risk that falls outside of the Bankers Standard Insurance Company's underwriting guidelines for underlying liability coverage

- Requests for the following coverages:

- Umbrella Liability Limit greater than \$10,000,000

- Employment Practices Liability Coverage

- Family Trust Coverage

- Increased Limits for Reputation Damage Coverage

- Not-for-Profit Directors and Officers Liability coverage

- Trust or Legal Entity Endorsement

Prior Losses

No prior liability losses

Table of Contents

RULES.....	1.1
UNDERLYING COVERAGE.....	1.1
COLLECTOR VEHICLES.....	1.1
CORPORATE CAR AND NON-OWNED AUTO.....	1.2
INSTALLMENTS.....	1.2
MASS MERCHANDISING DISCOUNT.....	1.4
PACKAGE DISCOUNT.....	1.2
UNDERLYING LIMITS CREDIT.....	1.3
SUPPLEMENTARY UNINSURED/UNDERINSURED MOTORISTS COVERAGE.....	1.3
 TERRITORIES AND RATES.....	 2.1
TERRITORIES.....	2.1
RATES FOR BASIC COVERAGE.....	2.1
MINIMUM PREMIUM AND EXCESS LIMITS FACTORS.....	2.2
OWNED AUTOMOBILES AND CORPORATE CAR RATES.....	2.2
SUPPLEMENTARY UNINSURED/UNDERINSURED MOTORISTS COVERAGE RATES.....	2.3
DISCOUNTS & SURCHARGES.....	2.3
 OPTIONAL COVERAGES.....	 3.1
ADDITIONAL INSURED.....	3.1
ADDITIONAL INSURED – EMPLOYMENT PRACTICES LIABILITY COVERAGE.....	3.1
ADDITIONAL INTERESTS – SPECIFIED PROPERTY.....	3.1
BUSINESS EXCLUSION.....	3.1
DIRECTORS AND OFFICERS LIABILITY EXCLUSION.....	3.1
EMPLOYMENT PRACTICES LIABILITY.....	3.1
EXCESS LAYER COVERAGE.....	3.1
EXCLUSION OF SPECIFIED LOCATIONS.....	3.1
EXCLUSION OF SPECIFIED MOTORIZED LAND VEHICLE.....	3.1
EXCLUSION OF SPECIFIED NOT-FOR-PROFIT ORGANIZATIONS.....	3.2
EXCLUSION OF SPECIFIED STRUCTURES.....	3.2
FAMILY TRUST COVERAGE.....	3.2
INCREASED LIMITS FOR PRIVATE CONSULTATION COVERAGE.....	3.2
INCREASED LIMITS FOR REPUTATION DAMAGE COVERAGE.....	3.2
INCREASED THRESHOLD FOR INCIDENTAL BUSINESS.....	3.2
LIBEL, SLANDER OR DEFAMATION OF CHARACTER EXCLUSION.....	3.3
MOTORIZED LAND VEHICLE EXCLUSION.....	3.2
NOT-FOR-PROFIT DIRECTORS AND OFFICERS LIABILITY COVERAGE.....	3.3
OFFENSE EXCLUSION.....	3.3
RESIDENCE PREMISES LIABILITY LIMITATION.....	3.3
TERRITORIAL LIMITATION.....	3.3
TRUST OR LEGAL ENTITY.....	3.3

Rules

Scope of Coverage

This policy is written at a limit of \$1,000,000 liability insurance for each occurrence for individuals in excess of primary insurance. Excess limits to a total of \$100,000,000 are available.

Underlying Coverage

Minimum amounts of underlying primary insurance are required as follows:

Homeowner Liability	\$300,000 Single Limit
Automobile Liability	\$250,000/\$500,000 BI and \$25,000 PD or \$300,000/\$300,000 BI and \$25,000 PD or \$300,000 Single Limit
Supplementary Uninsured/Underinsured Motorists	\$250,000/\$500,000 BI and \$25,000 PD or \$300,000/\$300,000 BI and \$25,000 PD or \$300,000 Single Limit
Recreational Motor Vehicles	\$250,000/\$500,000 BI and \$25,000 PD or \$300,000/\$300,000 BI and \$25,000 PD or \$300,000 Single Limit
Watercraft:	
Less than 26 feet and 50 HP or less	\$300,000 Single Limit
Less than 26 feet and greater than 50 HP	\$500,000 Single Limit
26 feet to 50 feet	\$500,000 Single Limit
Greater than 50 feet	\$1,000,000 Single Limit
Employers Liability	\$300,000 Single Limit

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.

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.

Collector Vehicles

A Collector Vehicle is any private passenger vehicle that is:

- 10 or more years old; and
- Is maintained primarily for use in exhibitions, club activities, parades and other functions of public interest.

Charge one rate regardless of the number of Collector Vehicles covered.

Rules

Corporate Car and Non-Owned Auto

A. Corporate Owned Vehicles

The Corporate Car endorsement provides umbrella coverage when there is a corporately-owned vehicle on the policy.

Rates are determined based on the total number of drivers and vehicles on the policy.

Attach UMBRELLA400 – Corporate Auto Coverage

B. Non-Owned Auto Coverage

The Non-Owned Auto endorsement provides umbrella coverage when there are no insured owned or corporately-owned vehicles on the policy.

Rate as follows:

If underlying Non-Owned Auto coverage is required, charge the Non-Owned Auto Only rate with no modification for increased limits. Add the Non-Owned Auto Excess rate to this premium. Apply the increased limits factor to the Non-Owned Auto Excess rate.

If underlying Non-Owned Auto coverage is not required because the insured has non-owned auto coverage elsewhere, only the Non-Owned Auto Excess rate is charged. Apply the increased limits factor to this charge.

Attach UMBRELLA405 – Non-Owned Auto Coverage

Installments

If the policy is on an Installment Payment 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 Umbrella policy is written in conjunction with any other 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 \$25.00 may be charged.

Package Discount

A package policy is eligible for a discount. A package policy consists of an Auto, Home and Umbrella under the same policy number.

The package discount will be applied to the base rate for all Umbrella exposures except Non-Owned Autos and Uninsured/Underinsured Motorists Coverage.

Policy Term

The policy term will be for a period of one year.

Rate Revision

A rate revision, meaning any revision of rates applicable to the Umbrella, shall be made in accordance with the following procedures:

- A. The effective date of such revision shall be as announced.
- B. The revision shall apply to any new or renewal policy, or binder having an effective date on or after the effective date of any such revision.
- C. All endorsements, regardless when issued, shall be issued using the same rates in effect at the time of policy issuance or renewal issuance.

Rules

Underlying Limits Credit

For exposures where the underlying limits are greater than the required minimum amounts of underlying primary insurance, a credit will be subtracted from the premium for that exposure. This credit does not apply to recreational vehicles, non-owned autos, collector vehicles, or watercrafts.

Supplementary Uninsured/Underinsured Motorists Coverage

Supplementary Uninsured/Underinsured Motorists Coverage is available as an optional coverage for an additional premium.

In order to be eligible, the minimum amounts of underlying primary insurance are required if there are owned autos on the policy.

Attach UMBRELLA 427 - Supplementary Uninsured/Underinsured Motorists Coverage

Attach UMBRELLA 428 - Supplementary Uninsured/Underinsured Motorists Coverage (if no owned autos)

Whole Dollar Premium

The premium for each exposure shall be rounded to the nearest whole dollar. A premium involving \$.50 or more shall be rounded to the next higher whole dollar. This rule applies to all transactions.

Rules

Mass Merchandising Discount

If the named insured qualifies for a Mass Merchandising Program, a discount, depending on the organization, will be applied to the base rate for all Umbrella exposures except Non- Owned Autos and Uninsured/Underinsured Coverage.

To qualify for the Mass Merchandising Program, the insured must be:

- An employee of a sponsoring employer; or
- A member of a particular association or organization.

The following groups participate in this program and receive a **5%** discount.

Note: ACE Executive Group receives a 10% discount if payroll deduction applies.

10 10 Data	Insperty, Inc.
ACE Executive Group	Long & Foster Insurance Companies
Bsquare	Metropolitan Medical Society of Kansas City
Central Bancorp, Inc.	New Jersey Technology Council
Coastal Securities, Inc.	Partners & Executives of Litman Gregory
Delaware Trial Lawyers Association	Passport Unlimited
Desert Mountain Club of Scottsdale, AZ	REBNY (Real Estate Board of New York)
Fordune Association, Inc.	Resources Management Group
Forest Landowners Association	Rose & Womble Realty Company
Fort Hill Association	Stark & Stark
Hahn & Hessen LLP	The Residences Condominium on the Magnificent Mile
Halloran & Sage LLP	United Shoe Retailers Association
Inlet Fitness	

Special Rates and Conditions

For a risk with unusual circumstances or other special factors, special rates or conditions may be issued. These special rates and conditions may be requested by either the insured or the company, and must conform to New York Insurance Law §2309 and §161.12 (Regulation 129).

Territories and Rates

Territories

Territory I – Bronx,

Territory II – Kings, Manhattan, Nassau, Queens, Richmond and Suffolk

Territory III – Remainder of State

RATES FOR BASIC COVERAGES

Residences	TERRITORY I	TERRITORY II	TERRITORY III
Primary Residence	189	170	140
Each Additional Residence	24	24	24
Each Additional Multi Family	24	24	24
Non-Owned Autos, Recreational & Collector Vehicles			
Non-Owned Auto Only	74	74	74
Non-Owned Auto Excess	11	8	8
Each Recreational Vehicle	40	40	40
Collector Vehicles – Any Number	14	14	14
Watercraft			
Less than 26 feet	164	164	164
26 feet to less than 43 feet	203	203	203
43 feet to 55 feet	255	255	255
Greater than 55 feet	611	611	611

Territories and Rates

Owned Automobiles & Corporate Cars

Rates are determined based on the total number of drivers and vehicles that are covered on the policy. The rates below apply per vehicle.

Territory 1					
Number of Drivers	Number of Vehicles				
	1	2	3	4	>4
1	571	369	284	237	202
2	609	388	296	247	207
3	646	407	309	258	214
4	684	412	319	268	222
>4	733	432	333	282	231

Territory 2					
Number of Drivers	Number of Vehicles				
	1	2	3	4	>4
1	376	320	251	209	180
2	474	341	262	220	187
3	523	361	276	230	195
4	526	365	288	243	204
>4	658	386	303	254	212

Territory 3					
Number of Drivers	Number of Vehicles				
	1	2	3	4	>4
1	352	238	192	162	144
2	392	259	204	173	152
3	432	278	217	184	160
4	472	283	229	195	165
>4	523	304	244	207	174

Minimum Premiums and Excess Limits Factors

Premiums for limits in excess of \$1,000,000 shall be computed in accordance with the following factors. For limits above \$25,000,000 up to \$100,000,000, charge \$516 per million.

LIMIT	ALL TERRITORIES	MINIMUM PREMIUM
\$1,000,000	1.00	90
\$2,000,000	1.23	115
\$3,000,000	1.30	140
\$4,000,000	1.32	150
\$5,000,000	1.34	160
\$10,000,000	2.12	265
\$15,000,000	\$516 per million	N/A
\$20,000,000	\$516 per million	N/A
\$25,000,000	\$516 per million	N/A

Territories and Rates

Excess Supplementary Uninsured/Underinsured Motorists Coverage Rates

	WITH OWNED AUTOS
Rate Per Policy	\$225

Attach UMBRELLA427 – Excess Supplementary Uninsured/Underinsured Motorists Coverage

Supplementary Uninsured/Underinsured Motorists Coverage Rates

	WITHOUT OWNED AUTOS
Rate Per Policy	\$32

Attach UMBRELLA428 - Supplementary Uninsured/Underinsured Motorists Coverage

Premiums for limits in excess of \$1,000,000 for both the above coverages shall be computed in accordance with the following factors.

Limits in excess of \$10,000,000 are not available.

Limit	Factor
\$1,000,000	1.00
\$2,000,000	1.80
\$3,000,000	2.70
\$4,000,000	3.60
\$5,000,000	4.50
\$10,000,000	8.78

Discounts & Surcharges

	Rating Rule	Amount
Package Discount	Applies to base rate for all Umbrella exposures except Non-owned Autos and Supplementary Uninsured Motorists Coverage	-15%
Underlying Limits Credit	Apply the applicable credit to the \$1,000,000 base rate if the underlying limit of the exposure is greater than the required underlying primary insurance. To receive the applicable credit, the underlying limit must be equal to or greater than the following limits:	
	\$500,000 Single Limit \$500,000/500,000/25,000 Split Limits	-15%
	\$1,000,000 Single Limit \$500,000/1,000,000/25,000 Split Limits \$1,000,000/1,000,000/25,000 Split Limits	-20%

Optional Coverages

Additional Insured

This endorsement amends coverage to include an additional insured person or organization for liability arising out of specific property. There is no premium charge for this endorsement.

Attach UMBRELLA490 – Additional Insured

Additional Insured – Employment Practices Liability Coverage

The policy may be endorsed to add an Additional Insured with respects to Employment Practices Liability Coverage. There is no premium charge for this endorsement

Attach UMBRELLA538 Additional Insured – Employment Practices Liability Coverage

Additional Interests – Specified Property

This endorsement provides coverage for a person or organization that has an insurable interest in the property described on the Declarations. There is no premium charge for this endorsement.

Attach UMBRELLA537 – Additional Interests – Specified Property

Business Exclusion

The policy may be endorsed to exclude all Business.

The credit is **\$5** per policy.

Attach UMBRELLA409 – Business Exclusion

Directors and Officers Liability Exclusion

The policy may be endorsed to exclude all Directors and Officers Liability.

The credit is **\$7** per policy.

Attach UMBRELLA410 – Directors and Officers Liability Exclusion

Employment Practices Liability

Following are the rates for all territories:

Limits of Liability		Policy Charge	
Per Occurrence	Annual Aggregate	Five or Less Employees	Rate per Additional Employee > 5
\$250,000	\$500,000	\$650	\$200
\$500,000	\$500,000	\$975	\$350

Attach UMBRELLA449 – New York Employment Practices Liability Coverage

Excess Layer Coverage

This endorsement amends coverage to include liability coverage provided in excess of another carrier's umbrella or excess liability limits. There is no premium charge for this endorsement.

Attach UMBRELLA512 – Excess Layer Coverage – Follow Form

Exclusion of Specified Locations

The policy may be endorsed to exclude all Specified Locations. The credit is **\$7** per policy.

Attach UMBRELLA412 – Exclusion of Specified Locations

Exclusion of Specified Motorized Land Vehicle

The policy may be endorsed to exclude all Specified Motorized Land Vehicles. The credit is **\$5** per policy.

Attach UMBRELLA413 – Exclusion of Specified Motorized Land Vehicles

Optional Coverages

Exclusion of Specified Not-For-Profit Organizations

The policy may be endorsed to exclude all Specified Not-For-Profit Organizations.

The credit is **\$5** per policy.

Attach UMBRELLA414 – Exclusion of Specified Not-For-Profit Organizations

Exclusion of Specified Structures

The policy may be endorsed to exclude specified structures.

The credit is \$5 per policy.

Attach UMBRELLA498 – Exclusion of Specified Structures

Family Trust Coverage

Limit	Under 50 million in assets	50 million or greater in assets
\$1,000,000	\$50	\$100

Attach UMBRELLA470 – New York Family Trust Coverage

Increased Limits for Private Consultation Coverage

Following are the rates for all territories:

Increased Limit of Liability	Policy Premium
\$50,000	\$25
\$100,000	\$50
\$250,000	\$100

Attach UMBRELLA404 – Increased Limits for Private Consultation Coverage

Increased Limits for Reputation Damage Coverage

Following are the rates for all territories:

Increased Limit of Liability	Policy Premium
\$50,000	\$25
\$100,000	\$50
\$250,000	\$100

Attach UMBRELLA469 – New York Increased Limits for Reputation Damage Coverage

Increased Threshold For Incidental Business

The policy may be endorsed to increase the policy's \$15,000 gross revenue threshold for Incidental Business.

The charges are:

Gross Revenue Threshold	
\$25,000	\$50,000
\$50	\$100

For higher limits of liability in excess of \$1,000,000, apply the appropriate excess limit factor from the table on page 2.2.

Attach UMBRELLA423 – Increased Threshold For Incidental Business

Optional Coverages

Libel, Slander or Defamation of Character Exclusion

The policy may be endorsed to exclude coverage for Libel, Slander or Defamation of Character.

The credit is **\$5** per policy.

Attach UMBRELLA416 – Libel, Slander or Defamation of Character Exclusion

Motorized Land Vehicle Exclusion

The policy may be endorsed to exclude all Motorized Land Vehicles.

The credit is **\$5** per policy.

Attach UMBRELLA417 – Motorized Land Vehicle Exclusion

Not-For-Profit Directors and Officers Liability Coverage

The following rate applies to all territories for up to five organizations.

For higher limits of \$2,000,000 to \$5,000,000, refer to the Company.

Limit	Rate
\$1,000,000	\$500

Attach UMBRELLA450 – New York Not-For-Profit Directors and Officers Liability Coverage

Offense Exclusion

The policy may be endorsed to exclude all offenses, as defined in the umbrella policy.

The credit is **\$5** per policy.

Attach UMBRELLA418 – Offense Exclusion

Residence Premises Liability Limitation

The policy may be endorsed to limit all Residence Premise Liability.

The credit is **\$5** per policy.

Attach UMBRELLA419 – Residence Premises Liability Limitation

Territorial Limitation

The policy may be endorsed to limit the policy territory.

The credit is **\$5** per policy.

Attach UMBRELLA420 – Territorial Limitation

Trust or Legal Entity

This endorsement extends excess liability coverage to a trust or trustee(s) or to a legal entity when legal title to a dwelling or condominium unit or to vehicles is held solely by a trust or legal entity to the extent that coverage is provided to the trust or trustee(s) or to a legal entity by underlying insurance.

There is no premium charge for this endorsement.

Attach UMBRELLA407 – Trust or Legal Entity Endorsement

New York Umbrella Forms

<u>Form Number</u>	<u>Form Name</u>
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
UMBRELLA ACE	0612 Umbrella Contract
UMBRELLA400ACE	0109 Corporate Auto Coverage
UMBRELLA404 ACE	0109 Increased Limits for Private Consultation Coverage
UMBRELLA405 ACE	0109 Non-Owned Auto Coverage
UMBRELLA407 ACE	0312 Trust Or Legal Entity Endorsement
UMBRELLA409 ACE	0312 Business Exclusion
UMBRELLA410 ACE	0312 Directors and Officers Liability Exclusion
UMBRELLA412 ACE	0109 Exclusion of Specified Locations
UMBRELLA413 ACE	0109 Exclusion of Specified Motorized Land Vehicles
UMBRELLA414 ACE	0109 Exclusion of Specified Not-For-Profit Organizations
UMBRELLA416 ACE	0312 Libel, Slander Or Defamation Of Character Exclusion
UMBRELLA417 ACE	0312 Motorized Land Vehicle Exclusion
UMBRELLA418 ACE	0312 Offense Exclusion
UMBRELLA419 ACE	0109 Residence Premises Liability Limitation
UMBRELLA420 ACE	0109 Territorial Limitation
UMBRELLA423 ACE	0312 Increased Threshold for Incidental Business
UMBRELLA425 ACE	0612 New York Personal Umbrella Endorsement
UMBRELLA427 ACE	1113 New York Excess SUM Coverage
UMBRELLA428 ACE	0109 New York SUM Coverage
UMBRELLA449 ACE	0612 New York Employment Practices Liability Coverage
UMBRELLA450 ACE	0612 New York Not-For-Profit Directors And Officers Liability Insurance
UMBRELLA469 ACE	0109 New York Increased Limits for Reputation Damage Coverage
UMBRELLA470 ACE	0612 New York Family Trust Coverage
UMBRELLA490 ACE	0612 Additional Insured
UMBRELLA498 ACE	0312 Exclusion of Specified Structures
UMBRELLA512 ACE	0312 Excess Layer Coverage – Follow Form
UMBRELLA537 ACE	1015 Additional Interests – Specified Property

Directory

Main Number	(540) 375-7500
Customer Service and Billing Inquiries	(800) 444-6161
Claims: Central Reporting Unit	(800) 945-7461
 Central Reporting Unit Fax	(800) 678-9847
Underwriting Services	(800) 444-6161
New Business and Endorsement Fax	(866) 812-1440
Quote Request Fax	(866) 491-7140
Supply Request Fax	(800) 685-7885
Website:	www.aceprivateriskservices.com

Numbers Frequently Used: