

NEW YORK UMBRELLA PRODUCER MANUAL

**Atlantic Mutual Insurance Company
Centennial Insurance Company**

New Business Umbrella Underwriting Guidelines

ATLANTIC MUTUAL INSURANCE COMPANY CENTENNIAL INSURANCE COMPANY

Underlying Limits

Primary insurance must be written with Atlantic Mutual Companies (with the exception of corporately owned vehicles)

Minimum required on all vehicles:

Auto and Recreational Vehicles	\$500,000 CSL or 500/500 split limit
CPL	\$500,000
Watercraft	\$500,000

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
- Any risk that falls outside of the guidelines for primary liability coverages

Prior Losses

No prior liability losses

Drivers

- No accidents or violations in the past three years
- No major violations in the past five years

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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 \$10,000,000 are available.

Underlying Coverage

Minimum amounts of underlying primary insurance are required as follows:

Homeowner Liability	\$300,000 Single Limit
Automobile Liability	\$500,000/500,000 BI and \$50,000 PD or \$500,000 Single Limit
Employer's Liability	\$300,000
Watercraft under 50 hp.....	\$300,000
Watercraft 50 hp and over	\$500,000
General Liability, Office Premises and Business Property.....	\$300,000 BI

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 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 to existing exposures shall be issued using the same rates in effect at the time of policy issuance or renewal issuance. If the existing exposure was added mid-term the endorsement will be issued using the rates in effect at the time the exposure was added.
- D. All endorsements adding new exposures or coverages shall be issued using the rates in effect at the time of endorsement.

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

Installments

An additional charge of \$10.00 for a mono-line policy shall be payable with each installment. This charge is waived when the policy premium is automatically debited from a bank account.

The following Installment Options are available: Pre-Paid, One Pay, Two Pay, Four Pay and Ten Pay.

If an Umbrella policy is written in conjunction with any other policy, the billing is combined and the installment charge is applied to the entire account.

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.

Package Discount

An Atlantic Master Plan or Centennial Master Plan policy is eligible for a package discount. A Master Plan 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 Corporate Cars, Non-Owned Autos, Business Pursuits and Uninsured Motorists Coverage.

Refer to the rate pages for the discount percentage.

Policy Term

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

Surcharge for Underlying Limits Less than \$500,000

For any exposure where the underlying limits are less than \$500,000 single limit or \$500,000/500,000 split limits, a surcharge will be added to the premium for that exposure.

Refer to the rate pages for the surcharge factor.

Supplementary Uninsured/Underinsured Motorists Coverage

Supplementary Uninsured/Underinsured Motorists Coverage of \$1 million is available as an optional coverage for an additional premium. In order to be eligible, the underlying auto and homeowners coverage must be written by Atlantic Mutual, and the underlying limits for supplementary uninsured/underinsured motorists coverage must be at least \$500,000 single limit or \$500,000/500,000 split limits.

Attach UMB15 - Supplementary Uninsured/Underinsured Motorists Coverage

High Speed Watercraft Surcharge

A surcharge will be applied to the base rates for any watercraft that has a maximum speed of 40 miles per hour or higher.

Refer to the rate pages for the surcharge factor.

Corporate Car and Non-Owned Auto

A. Corporate Owned Vehicles

The Corporate Car endorsement provides umbrella coverage when the named insured or family members:

1. Do not own a vehicle and are furnished a corporate owned vehicle for his or her regular use; or
2. Own a vehicle or vehicles and are furnished a corporate owned car for his or her regular use.

Rate as follows:

1. When there are no owned vehicles on the policy and the insured is requesting umbrella coverage for one or more corporate owned vehicles, charge the Corporate Car Only rate. This rate is to be applied only once, regardless of the number of corporate owned vehicles on the policy, and is not subject to any increased limits factor.
2. For each corporate owned vehicle on the policy, charge the Each Additional Auto rate. If applicable, apply the increased limits factor to this rate.
3. If there is one or more corporate owned vehicles in addition to owned vehicles, do not apply the Corporate Car Only rate; rate as if all cars on the policy are owned.

Attach UMB7 – Corporate Cars

B. Non-Owned Auto Coverage

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

Rate as follows:

1. Charge the non-owned auto only rate with no modification for increased limits.
2. Charge the non-owned auto excess rate. Apply the increased limits factor to this charge.

Attach UMB8 - Non-Owned Auto

Youthful Operator Surcharge

A surcharge will be applied for each driver in the household under the age of 21. This charge is subject to any increased limits factors that are applied to the policy.

Refer to the rate pages for the surcharge amount.

Reserved For Future Use

Territories and Rates

Territories

Territory I – Brooklyn, Bronx, Manhattan and Queens Counties

Territory II – All other Counties

RATES FOR BASIC COVERAGES

Basic Coverage	TERRITORY I	TERRITORY II
Primary Residence	\$63	\$54
Each Additional Residence	\$ 7	\$ 7
Each Additional Multi Family	\$ 9	\$ 8

Automobile		
Initial Auto	\$94	\$81
Each Additional Auto	\$38	\$34
Corporate Car Only	\$56	\$56
Non-Owned Auto Only	\$56	\$56
Non-Owned Auto Excess	\$ 9	\$ 6
Each Recreational Vehicle	\$13	\$ 9

Watercraft		
Sail 26' and over	\$46	\$46
Inboard/outboard over 50 HP	\$46	\$46
Outboard over 25 HP	\$46	\$46

Business Pursuits		
Office	\$ 6	\$ 6

Minimum Premiums and Excess Limits Factors

Premiums for limits in excess of \$1,000,000 shall be computed in accordance with the following factors:

LIMIT	TERRITORIES I & II	MINIMUM PREMIUM
\$1,000,000	1.00	\$140
\$2,000,000	1.70	\$240
\$3,000,000	2.25	\$315
\$4,000,000	2.75	\$385
\$5,000,000	3.25	\$450
\$10,000,000	6.25	\$1,250

Supplementary Uninsured/Underinsured Motorists Coverage Rates

Following are the rates for a \$1 million limit (higher limits are not available):

	TERRITORY I	TERRITORY II
Rate per Vehicle	\$75	\$60
Rate per Youthful Operator (<21)	\$70	\$56
Minimum Premium for SUM Coverage	\$100	\$100

Territories and Rates

Discounts & Surcharges –Territory I & II

Package Discount

The Package Discount applies to the base rate for all Umbrella exposures except Non-owned Autos, Business Pursuits and Uninsured Motorists Coverage. The discount is **5%**.

Youthful Operator Surcharge

A Youthful Operator Surcharge of **\$35** is added to the base rates for each driver in the household under 21 years old. The charge is subject to any increased limits factors that apply to the policy.

Underlying Limits Surcharge

If the underlying limits are less than \$500,000 single limit or \$500,000/\$500,000 split limits, apply a surcharge equal to **.25** times the \$1,000,000 base rate. This surcharge is not subject to any increased limits factor.

High Speed Watercraft Surcharge

For any watercraft that has a maximum speed of 40 miles per hour or higher, apply a surcharge equal to **.50** times the watercraft base rate. This surcharge is subject to any increased limits factors that apply to the policy.

Form Number**Form Name**

ATL - 1	(01/01)	Mutual Policy Conditions
ATL - 12	(04/01)	Notice of Insurance Information Practices
UMB	(08/01)	Umbrella Contract
UMB 7	(12/98)	Corporate Cars
UMB 8	(12/98)	Non-Owned Auto Coverage
UMB 14	(12/02)	New York Umbrella Endorsement
UMB 15	(12/02)	New York SUM Coverage

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