

**OHIO
YACHT
PRODUCER MANUAL**

**Atlantic Mutual Insurance Company
Centennial Insurance Company**

New Business Yacht Underwriting Guidelines

ATLANTIC MUTUAL INSURANCE COMPANY CENTENNIAL INSURANCE COMPANY

Territory Restrictions

The program is not available in California, Michigan and Texas.

Submission Requirements

All submissions should be on a fully completed Acord Application.

All risks are to be submitted to the Company for Underwriting acceptability.

A survey conducted within the last year is required for Yachts constructed over ten (10) years ago.

Credits and Surcharges

Minimum advisory premiums and any applicable credits/debits may be applied based upon the following guidelines:

The Yacht is not capable of exceeding 45 mph.

The Yacht is a stock model of single hull design (no multi-hull - ie. catamarans or trimarans).

The Hull Value is over \$100,000, and reflects present-day market value agreed upon between the insured and company and does not exceed BUC book value.

The Yacht is navigated within a 300-mile radius of home port and not beyond 50 miles from the coastline. Complete details of foreign and/or extended navigation must be referred to Company for consideration.

The Yacht has single ownership. If the Yacht has multiple ownership, submit with explanation or relationship between owners/operators, experience and percentage of use of all operators. Subject to surcharge.

All operators are at least 21 years old and have clean driving records.

There have been no losses in the past 12 months.

The model year of the Yacht is not more than five (5) years old.

The Yacht is not a houseboat.

Table of Contents

GENERAL RULES	1.1
HULL RULES AND RATES	2.1
PROTECTION AND INDEMNITY RULES AND RATES	3.1
RATING WORKSHEET	4.1

Description of Coverage

The Yacht product is a comprehensive personal lines insurance policy affording property and liability protection for inboards, inboard/out drives, and sailboats.

Eligibility

A Yacht policy may be issued for owned Yachts valued in excess of \$100,000 and used for private pleasure purposes only.

Multiple Company Insurance

Other insurance is not permitted except insurance against causes of loss not covered by our Yacht policy.

Changes

- A. All changes requiring premium adjustments shall be computed on a pro-rata basis.
 - B. No charge will be made and no refunds given when the net change amounts to less than \$3.00, unless requested by the policyholder.
-

Policy Period

Policies are written for 12 months.

Cancellation or Reductions In Limits of Liability or Coverages

If insurance is cancelled or reduced, the earned premium shall be computed on a pro-rata basis.

General Rules

Rate Revision

A rate revision, meaning any revision of rates applicable to the Yacht policy, 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, separately for each coverage provided by the policy.

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

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

Navigational Territories

- Territory 03 = Inland Lakes/Rivers (15% Credit)
04 = Chesapeake Bay (10% Credit)
05 = Great Lakes, St. Lawrence (15% credit)
06 = Eastport, Maine to Brownsville, Texas (0 Credit)

Deductibles

Amount	Minimum Deductible Amount	Credit
1%	\$200	-
2%	400	15%
3%	600	18%
4%	800	21%
5%	1,000	24%

Yacht Age Surcharge

Determine age of Yacht from the Yacht model year to the inception year of policy.

Age of Yacht	Factor
Under 5 Years	1.00
5 - 9 Years	1.05
10 years and over	1.10

NOTE: Do not apply this surcharge to motors or trailers.

Trailers

The following rate applies to trailers:

\$6.00 per \$100 of coverage

12 Month Navigation

Policies may be written for 12 months of navigation at a premium arrived at by increasing the eight month navigation premium by 12.5% and adding: "Warranted that, if navigating, the yacht is confined to waters south of Cape Henry, VA during the period of 12/1-4/1." No lay up returns are provided on such policies. Florida docked risks are excluded from surcharge for 12 month navigation.

Port Risks

Yachts laid up and out of commission during the entire policy term may be insured on a "Port Risk" basis.

Charge 50% of the 8 month navigation premium providing the location is acceptable. If the exposure is considered abnormal, the percentage charge may be increased.

Hull Rules and Rates

Hull Credits

	<u>Credit %</u>
Maximum allowable credit	30%
Navigation Warranty:	
Inland Lakes and Rivers	15%
Chesapeake Bay only	10%
Great Lakes & tributaries, St. Lawrence & tributaries, not below Quebec City	15%
Power Vessels:	
Diesel Power	10%
Sailing Vessels:	
Pure Sail or with Diesel Auxiliary	30%
Sail with Gas Auxiliary	20%
Supplemental Credits:	
Automatic fire fighting system - Halon	5%
Completion by the insured of at least one of the following courses of the United States Coast Guard or Coast Guard Auxiliary	5%
- Basic Piloting Course	
- Advanced Piloting Course	
- Basic Seamanship Course	
Insured is an active member of the United States Power Squadron or Coast Guard Auxiliary	5%
Ship-to-shore radio-telephone (VHF only; not citizen band radio)	5%
Boat is equipped with operable vapor detection system	2.5%
Boat is equipped with operable depth finder	2.5%
Boat is equipped with two or more of the following: radar, Loran, Satnav, EPIRB....	5%

Bahamas Coverage

The policy may be endorsed to extend the navigation territory to include the waters of the Bahama Islands, including trips to and from US coastal waters. Charge the following rates:

\$0.35 per \$100 of the Hull value of Yacht.

\$0.60 per \$100 of the P & I Limit.

NOTE: This coverage is only available for Yachts that are docked in Florida on a year-round basis.

The policy deductible is automatically doubled when the Bahamas Endorsement is on the policy and the Yacht is outside of US coastal waters.

Attach Watercraft 6 - Bahamas Coverage

Advisory Eight Month Navigation Premiums

Insured Value	Premium
\$100,000	\$2,394
110,000	2,688
120,000	2,881
130,000	3,074
140,000	3,268
150,000	3,462
160,000	3,654
170,000	3,850
180,000	4,043
190,000	4,235
200,000	4,431
210,000	4,623
220,000	4,830
230,000	5,009
240,000	5,204
250,000	5,397

Hull Rules and Rates

Rates for Conversion Policies Only

Eight Month Navigation Premiums:

Insured Value	Premium	Insured Value	Premium
\$1,000	\$132	43,000	1,226
2,000	166	44,000	1,233
3,000	202	45,000	1,244
4,000	240	46,000	1,251
5,000	278	47,000	1,260
6,000	297	48,000	1,268
7,000	314	49,000	1,278
8,000	331	50,000	1,281
9,000	347	51,000	1,290
10,000	365	52,000	1,310
11,000	385	53,000	1,333
12,000	406	54,000	1,355
13,000	426	55,000	1,373
14,000	449	56,000	1,394
15,000	469	57,000	1,413
16,000	592	58,000	1,438
17,000	619	59,000	1,457
18,000	643	60,000	1,479
19,000	668	61,000	1,498
20,000	693	62,000	1,518
21,000	718	63,000	1,542
22,000	742	64,000	1,562
23,000	769	65,000	1,584
24,000	795	66,000	1,603
25,000	819	67,000	1,625
26,000	844	68,000	1,647
27,000	869	69,000	1,666
28,000	896	70,000	1,689
29,000	920	71,000	1,708
30,000	945	72,000	1,728
31,000	969	73,000	1,748
32,000	990	74,000	1,771
33,000	1,014	75,000	1,792
34,000	1,038	76,000	1,812
35,000	1,060	77,000	1,831
36,000	1,086	78,000	1,849
37,000	1,107	79,000	1,868
38,000	1,132	80,000	1,887
39,000	1,155	85,000	1,983
40,000	1,179	90,000	2,115
41,000	1,201	95,000	2,252
42,000	1,211		

Outboard Motors

The following rate applies to outboard motors:

\$7.00 per \$100 of coverage

Protection and Indemnity Rules and Rates

P & I Coverage

P & I coverage is available only when written with Hull Insurance.

Medical Payments

Medical Payments in the amount of \$5,000 is included with P & I and includes the named insured.

Twelve Month Navigation

Policies may be written for 12 months of navigation at a premium arrived at by increasing the eight month navigation premium by 50% and adding:

"Warranted that, if navigating, the Yacht is confined to waters south of Cape Henry, VA during the period of 12/1 - 4/1."

No lay up returns are provided on such policies. Florida docked risks are excluded from surcharge for 12 month navigation.

Open Cockpit

On open cockpit type sailboats with no inboard auxiliary power and having an overall length not exceeding 22 feet, the premiums may be reduced by 20%.

Port Risk P & I

Yachts laid up and out of commission during the entire policy term may be insured on a "Port Risk" basis.

Charge 50% of the 8 month navigation premium providing the location is acceptable. If the exposure is considered abnormal, the percentage charge may be increased.

Eight Month Navigation Premiums

Limits	\$100,000*	\$300,000	\$500,000	\$1,000,000
Up to 30'11"	\$113	\$124	\$169	\$276
31' to 36'11"	127	140	191	288
37' to 42'11"	174	192	262	429
43' to 50'11"	222	244	325	519
51' to 70'11"	317	350	476	777
71 feet & over	Submit to Company			

*\$100,000 limit not available for new business

Reserved For Future Use

Rating Worksheet

Hull Premium:

Base Premium 8 Months Navigation - Hull Value \$ _____ \$ _____
12 Months Navigation(add 12.5%) \$ _____
Yacht Age Surcharge..... (add 5% or 10%) \$ _____
Deductible (less ____%) \$ _____
Port Risk (less 50%) \$ _____

Net Base Premium:

\$ _____

Hull Credits:

Navigation Area (less ____%)
Powerboat Diesel..... (less 10%)
Pure Sail or Diesel Auxiliary..... (less 30%)
Sail with Gas Auxiliary (less 20%)
Automatic Fire Fighting System..... (less 5%)
Pilot Course Completion - US Power Squadron,
US Coast Guard, or Coast Guard Auxiliary (less 5%)
Active member of US Power Squadron
or Coast Guard Auxiliary..... (less 5%)
Ship to Shore Radio - Telephone (VHF only) (less 5%)
Vapor Detection System (less 2.5%)
Depth Finder (less 2.5%)
Radar, Loran, Satnav, EPIRB(two or more less 5%)

Total % of Credit Applied (Maximum 30%): %

\$ _____
(credit should be totaled)

Net Hull Premium:

\$ _____

P & I Premium:

Base 8 Months Navigation Limit \$ _____ \$ _____
12 Month Navigation(add 50%) \$ _____
Sailboat - open cockpit - no inboard auxiliary
power and 22 feet or less in length..... (less 20%) \$ _____
Port Risk (less 50%) \$ _____

Net P & I Premium:

\$ _____

Total Premium:

\$ _____

Reserved For Future Use

Form Number**Form Name**

ATL - 1	(01/01)	Mutual Policy Conditions
ATL - 12	(04/01)	Notice of Insurance Information Practices
Watercraft	(12/98)	Watercraft Contract
Watercraft 6	(12/98)	Bahamas Coverage Endorsement
Watercraft 16	(09/03)	Ohio Watercraft Endorsement

[illegible]



OHIO

EFFECTIVE: **06/15/04 New Lines**
 08/01/04 Renewals

MODULE AND PAGE

REASON

ALL MODULES

All pages

Delete references to Atlantic Specialty Insurance Company

HOME

Table of Contents

3.1

5.1

6.1-6.7, 6.9, 7.1

Update

Include reference to Centennial Loss Differential

Introduce Centennial Loss Differential rule

Withdraw separate Centennial rates

Please place this bulletin in your OHIO PLS manual.