

**OKLAHOMA
UMBRELLA
PRODUCER MANUAL**

Bankers Standard Insurance Company

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

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

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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
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.
- B. No charge will be made and no refunds given when the net change amounts to less than \$3.00 except that refunds in any amount will be made at the request of the insured.

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

An additional charge of \$10.00 per installment, per 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.

For any check returned by the bank unpaid, a non-sufficient funds fee of up to \$25.00 may be charged.

Mass Merchandising Discount

If the named insured qualifies for a Mass Merchandising Program, a discount ranging from 3% to 10%, 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.

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 Coverage.

Policy Term

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

Rules

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.

Special Rates and Conditions

For a risk with unusual circumstances, special rates and conditions may be issued.

Special rates and conditions may be issued for any risk which meets the following minimum criteria:

Excess Liability Limits: \$5,000,000 or greater.

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.

Uninsured/Underinsured Coverage

Uninsured/Underinsured 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.

Attach UMBRELLA521 – Oklahoma Uninsured/Underinsured Coverage

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.

Territories and Rates

Territories

Territory 1	Entire State
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Rates for Basic Coverage

Residences	Territory 1
Primary Residence	\$97
Each Additional Residence	17
Each Additional Multi-Family	17

Non-Owned Autos, Recreational & Collector Vehicles	Territory 1
Non-Owned Auto Only	61
Non-Owned Auto Excess	12
Each Recreational Vehicle	42
Collector Vehicles - Any Number	24

Watercraft	Territory 1
Less than 26 feet	124
26 feet to less than 43 feet	156
43 feet to 55 feet	194
Greater than 55 feet	467

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	235	159	127	108	97
2	261	173	136	116	101
3	289	186	144	123	106
4	315	189	153	130	110
>4	349	203	161	139	117

Excess Limits Factors

Premiums for limits in excess of \$1,000,000 shall be computed in accordance with the following factors. For limits above \$10,000,000 up to \$100,000,000, an additional rate of \$550 per million is applied.

Limit	Factor
\$1,000,000	1.00
\$2,000,000	1.25
\$3,000,000	1.45
\$4,000,000	1.55
\$5,000,000	1.63
\$10,000,000	2.62

Territories and Rates

Umbrella Uninsured/Underinsured Coverage Rates

	Territory 1
Rate Per Policy	122

Premiums for limits in excess of \$1,000,000 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 Uninsured/Underinsured 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

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 **\$5** 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 UMBRELLA401 – 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 **\$5** 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

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

Optional Coverages

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

A **\$50** charge applies for all territories.

Attach UMBRELLA402 – Family Trust Coverage

Increased Limits for Private Consultation Coverage

Following are the rates for all territories:

Increased Limit of Liability	Policy Premium
\$50,000	\$50
\$100,000	\$100
\$250,000	\$200

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	\$50
\$100,000	\$100
\$250,000	\$200

Attach UMBRELLA403 – 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.

Attach UMBRELLA423 – Increased Threshold for Incidental Business

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

Optional Coverages

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 UMBRELLA406 – 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

Specified Excluded Driver

The policy may be endorsed to exclude coverage with respect to specifically excluded individuals.

There is no premium charge for this endorsement.

Attach UMBRELLA482 – Specified Excluded Driver

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 personal umbrella 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

<u>Form Number</u>	<u>Form Name</u>
ACE01	0413
ACE127	0310
ALL-20887	1006
ALL-21101	1106
CC-1K11h	0314
UMBRELLA ACE	0612
UMBRELLA400 ACE	0109
UMBRELLA401 ACE	0312
UMBRELLA402 ACE	0312
UMBRELLA403 ACE	0109
UMBRELLA404 ACE	0109
UMBRELLA405 ACE	0109
UMBRELLA406 ACE	0312
UMBRELLA407 ACE	0312
UMBRELLA409 ACE	0312
UMBRELLA410 ACE	0312
UMBRELLA412 ACE	0109
UMBRELLA413 ACE	0109
UMBRELLA414 ACE	0109
UMBRELLA416 ACE	0312
UMBRELLA417 ACE	0312
UMBRELLA418 ACE	0312
UMBRELLA419 ACE	0109
UMBRELLA420 ACE	0109
UMBRELLA423 ACE	0312
UMBRELLA482 ACE	0312
UMBRELLA490 ACE	0612
UMBRELLA498 ACE	0312
UMBRELLA512 ACE	0312
UMBRELLA521 ACE	0612

Directory

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Numbers Frequently Used: