

<i>SERFF Tracking Number:</i>	<i>ZURC-125316427</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>American Zurich Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026400</i>
<i>Company Tracking Number:</i>	<i>CW CA 26657</i>		
<i>TOI:</i>	<i>20.0 Commercial Auto</i>	<i>Sub-TOI:</i>	<i>20.0001 Business Auto</i>
<i>Product Name:</i>	<i>CW CA 26657 large deductible</i>		
<i>Project Name/Number:</i>	<i>/</i>		

Filing at a Glance

Companies: American Zurich Insurance Company, American Guarantee and Liability Insurance Company, Colonial American Casualty & Surety Company, Fidelity and Deposit Company of Maryland, Zurich American Insurance Company of Illinois, Zurich American Insurance Company, Empire Fire and Marine Insurance Company

Product Name: CW CA 26657 large deductible	SERFF Tr Num: ZURC-125316427	State: Arkansas
TOI: 20.0 Commercial Auto	SERFF Status: Closed	State Tr Num: AR-PC-07-026400
Sub-TOI: 20.0001 Business Auto	Co Tr Num: CW CA 26657	State Status:
Filing Type: Form	Co Status: Not Applicable	Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding
	Author: Dannielle Curry	Disposition Date: 10/15/2007
	Date Submitted: 10/11/2007	Disposition Status: Approved
Effective Date Requested (New): 12/01/2007		Effective Date (New): 12/01/2007
Effective Date Requested (Renewal): 12/01/2007		Effective Date (Renewal): 12/01/2007

General Information

Project Name:	Status of Filing in Domicile:
Project Number:	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 10/15/2007	
State Status Changed: 10/12/2007	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	

The attached Deductible coverage form and rule filing will enable Zurich to offer an alternative to a fully insured or fully self-insured plan and create a customized solution for larger and more sophisticated risks that provides a premium reduction in exchange for the insured retaining various amounts of risk. This will allow the insured to maximize its own risk financing potential while also retaining the service, experience and financial stability provided by a leading insurance company.

SERFF Tracking Number: ZURC-125316427 State: Arkansas
 First Filing Company: American Zurich Insurance Company, ... State Tracking Number: AR-PC-07-026400
 Company Tracking Number: CW CA 26657
 TOI: 20.0 Commercial Auto Sub-TOI: 20.0001 Business Auto
 Product Name: CW CA 26657 large deductible
 Project Name/Number: /

Company and Contact

Filing Contact Information

Dannielle Curry, Filing Analyst danielle.curry@zurichna.com
 1400 American Lane (847) 706-2411 [Phone]
 Schaumburg, IL 60196 (847) 605-7768[FAX]

Filing Company Information

American Zurich Insurance Company	CoCode: 40142	State of Domicile: Illinois
1400 American Lane	Group Code: 212	Company Type:
Schaumburg, IL 60196	Group Name:	State ID Number:
(847) 605-6000 ext. [Phone]	FEIN Number: 36-3141762	

American Guarantee and Liability Insurance Company	CoCode: 26247	State of Domicile: New York
1400 American Lane	Group Code: 212	Company Type:
Schaumburg, IL 60196	Group Name:	State ID Number:
(847) 605-6000 ext. [Phone]	FEIN Number: 36-6071400	

Colonial American Casualty & Surety Company	CoCode: 34347	State of Domicile: Maryland
1400 American Lane	Group Code: 212	Company Type:
Schaumburg, IL 60196	Group Name:	State ID Number:
(847) 605-6000 ext. [Phone]	FEIN Number: 52-1096670	

Fidelity and Deposit Company of Maryland	CoCode: 39306	State of Domicile: Maryland
1400 American Lane	Group Code: 212	Company Type:
Schaumburg, IL 60196	Group Name:	State ID Number:
(847) 605-6000 ext. [Phone]	FEIN Number: 13-3046577	

Zurich American Insurance Company of Illinois	CoCode: 27855	State of Domicile: Illinois
1400 American Lane	Group Code: 212	Company Type:
Schaumburg, IL 60196	Group Name:	State ID Number:
(847) 605-6000 ext. [Phone]	FEIN Number: 36-2781080	

Zurich American Insurance Company	CoCode: 16535	State of Domicile: New York
1400 American Lane	Group Code: 212	Company Type:

SERFF Tracking Number: ZURC-125316427 State: Arkansas
First Filing Company: American Zurich Insurance Company, ... State Tracking Number: AR-PC-07-026400
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Schaumburg, IL 60102
(847) 605-6000 ext. [Phone]

Group Name:
FEIN Number: 36-4233459

State ID Number:

Empire Fire and Marine Insurance Company
13810 FNB Parkway
Omaha, NE 68154-5202
(402) 963-5000 ext. [Phone]

CoCode: 21326
Group Code: 212
Group Name:
FEIN Number: 47-6022701

State of Domicile: Nebraska

Company Type:

State ID Number:

SERFF Tracking Number: ZURC-125316427 State: Arkansas
 First Filing Company: American Zurich Insurance Company, ... State Tracking Number: AR-PC-07-026400
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 TOI: 20.0 Commercial Auto Sub-TOI: 20.0001 Business Auto
 Product Name: CW CA 26657 large deductible
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Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation: \$50 per filing
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Zurich American Insurance Company	\$50.00	10/11/2007	16070297
Empire Fire and Marine Insurance Company	\$0.00	10/11/2007	
American Guarantee and Liability Insurance Company	\$0.00	10/11/2007	
Zurich American Insurance Company of Illinois	\$0.00	10/11/2007	
Colonial American Casualty & Surety Company	\$0.00	10/11/2007	
Fidelity and Deposit Company of Maryland	\$0.00	10/11/2007	
American Zurich Insurance Company	\$0.00	10/11/2007	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	10/15/2007	10/15/2007

SERFF Tracking Number: ZURC-125316427 State: Arkansas
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TOI: 20.0 Commercial Auto Sub-TOI: 20.0001 Business Auto
Product Name: CW CA 26657 large deductible
Project Name/Number: /

Disposition

Disposition Date: 10/15/2007
Effective Date (New): 12/01/2007
Effective Date (Renewal): 12/01/2007
Status: Approved
Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

SERFF Tracking Number: *ZURC-125316427* *State:* *Arkansas*
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Company Tracking Number: *CW CA 26657*
TOI: *20.0 Commercial Auto* *Sub-TOI:* *20.0001 Business Auto*
Product Name: *CW CA 26657 large deductible*
Project Name/Number: /

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Explanatory Memorandum	Approved	Yes
Form	Deductible	Approved	Yes
Form	Combined Aggregate Deductible	Approved	Yes

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Deductible	U-CA-752-09/07 A CW		Endorsement/Amendment/Conditions		0.00	uca752.pdf
Approved	Combined Aggregate Deductible	U-CA-756-09/07 A CW		Endorsement/Amendment/Conditions		0.00	uca756.pdf

Deductible



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

- Business Auto Coverage Form**
- Garage Coverage Form**
- Motor Carrier Coverage Form**
- Truckers Coverage Form**

DEDUCTIBLE SCHEDULE

Coverage		Deductible Amount	Basis
Liability	Damages for "Bodily Injury", "Property Damage" and Covered Pollution Cost or Expense	\$	Each "Accident"
Personal Injury Protection, Added Personal Injury Protection, Property Protection Insurance, or equivalent No-fault coverage	Benefits for "Bodily Injury" or "Property Damage"	\$	Each "Accident"
Auto Medical Payments	Medical Expenses for "Bodily Injury"	\$	Each "Accident"
Uninsured Motorist	Damages for "Bodily Injury"	\$	Each "Accident"
Underinsured Motorist	Damages for "Bodily Injury"	\$	Each "Accident"
Physical Damage	Comprehensive, Including Trailer Interchange & Garagekeepers	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Collision, Including Trailer Interchange & Garagekeepers	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Specified Causes of "Loss", Including Trailer Interchange & Garagekeepers	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Towing	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Glass Breakage – Hitting a bird or animal – Falling objects or missiles	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Transportation expense – Total theft of a covered "Auto"	\$	"Loss" by theft of Each covered "Auto"
Additional Coverage	_____	\$	Each _____

Aggregate Deductible Amount	\$	<input type="checkbox"/> Adjustable at a rate of _____ per _____ of _____ <input type="checkbox"/> Flat
Initial Exposure		_____
Minimum Aggregate Deductible Amount	\$	

ALLOCATED LOSS ADJUSTMENT EXPENSE SELECTION SCHEDULE

Select One				
Option 1	<input type="checkbox"/>	As respects each Deductible Amount, you will reimburse us for all "allocated loss adjustment expense", even if there is no payment for other than "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will contribute toward your Deductible Amount and your Aggregate Deductible Amount as shown in the Deductible Schedule .		
Option 2	<input type="checkbox"/>	As respects each Deductible Amount, you will reimburse us for "allocated loss adjustment expense" as follows:		
		<table border="0" style="width: 100%;"> <tr> <td style="width: 5%; vertical-align: top;">(a)</td> <td>If the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount is equal to or less than the Deductible Amount(s) or if there is no amount payable other than "allocated loss adjustment expense", then you will reimburse us for all "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount or your Aggregate Deductible Amount as shown in the Deductible Schedule; or</td> </tr> <tr> <td style="vertical-align: top;">(b)</td> <td>If the total amount payable for other than "allocated loss adjustment expense" exceeds the Deductible Amount, you will reimburse us a pro-rata share of total "allocated loss adjustment expense" based on the ratio of the Deductible Amount divided by the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount. "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount or your Aggregate Deductible Amount as shown in the Deductible Schedule.</td> </tr> </table>	(a)	If the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount is equal to or less than the Deductible Amount(s) or if there is no amount payable other than "allocated loss adjustment expense", then you will reimburse us for all "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount or your Aggregate Deductible Amount as shown in the Deductible Schedule ; or
(a)	If the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount is equal to or less than the Deductible Amount(s) or if there is no amount payable other than "allocated loss adjustment expense", then you will reimburse us for all "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount or your Aggregate Deductible Amount as shown in the Deductible Schedule ; or			
(b)	If the total amount payable for other than "allocated loss adjustment expense" exceeds the Deductible Amount, you will reimburse us a pro-rata share of total "allocated loss adjustment expense" based on the ratio of the Deductible Amount divided by the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount. "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount or your Aggregate Deductible Amount as shown in the Deductible Schedule .			
Option 3	<input type="checkbox"/>	As respects each Deductible Amount, you will reimburse us for all "allocated loss adjustment expense", even if there is no payment for other than "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount or your Aggregate Deductible Amount as shown in the Deductible Schedule .		

If no option is selected, Option 3 will apply.

A. How the Deductible Amount Applies

You will reimburse us for the Deductible Amount(s) shown in the **Deductible Schedule** and for "allocated loss adjustment expense" incurred based on the **Allocated Loss Adjustment Expense Selection Schedule**. The Deductible Amount(s) applies as follows:

1. If an Each "Accident" Deductible Amount is shown, the Deductible Amount applies to all sums payable because of any one "accident", including continuous or repeated exposure to the same conditions, regardless of the number of persons or organizations who sustain "loss" or damage because of that "accident".
2. If an Each "Loss" Deductible Amount is shown, the Deductible Amount applies to all sums payable for each "loss" sustained by any one "auto".

B. Deductible Provisions

1. If more than one Deductible Amount applies to sums payable arising from the same "accident" or "loss" because more than one Coverage applies, you will be responsible for each and every applicable Deductible Amount(s).
2. Deductible Amount(s) apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.
3. Your obligation to pay the Deductible Amount(s) shown on this policy is not fulfilled by:
 - a. The payment of a Deductible Amount under any other policy; or
 - b. Any payment made by us or another insurance company;
 even if 3.a. or 3.b. above applies to the same "accident" or "loss" as the Deductible Amount due under this policy.

4. If more than one policy issued by us applies to sums payable because of a single continuous "accident" or "loss", the Deductible Amount(s) applies separately to each policy that we issue to which this endorsement or a similar Deductible Endorsement applies. Deductible Amounts also apply separately to each annual period and any remaining period of less than 12 months as described in **B.2.** above.
5. If a Coverage Part or Additional Coverage of this policy specifically applies a separate deductible(s):
 - a. the separate additional deductible amount applies to any "loss" separately and before the Deductible Amount(s) shown on the Schedule of this endorsement; and
 - b. the Deductible Amount(s) shown on the Schedule of this endorsement applies only if the "loss" exceeds the separate additional deductible amount described in 5.a. above, subject to the other terms and conditions of this endorsement.

C. Aggregate Deductible Amount

1. The Aggregate Deductible Amount shown in the **Deductible Schedule** is the most you must reimburse us for the sum of:
 - a. all applicable Deductible Amount(s) as shown in the **Deductible Schedule**; and
 - b. all applicable "allocated loss adjustment expense" in accordance with the **Allocated Loss Adjustment Expense Selection Schedule**, above.

This single Aggregate Deductible Amount applies to the entire policy period and to any remaining extension period.

2. If an Aggregate Deductible Amount is shown in the **Deductible Schedule** and is designated as adjustable, the final Aggregate Deductible Amount will be determined at the end of the policy period by an audit of your records, and will be based upon the Rate shown in the **Deductible Schedule** multiplied by the final audited Exposure. The amount shown in the **Deductible Schedule** as the Aggregate Deductible Amount is an estimated amount, and is based on an estimate of what the audit of your records will develop.

In no event will the final audited Aggregate Deductible Amount be less than the Aggregate Deductible Amount shown in the **Deductible Schedule**, unless a Minimum Aggregate Deductible Amount is shown in the **Deductible Schedule**. If a Minimum Aggregate Deductible Amount is shown, the final audited Aggregate Deductible Amount will not be less than the Minimum Aggregate Deductible Amount.

3. If an Aggregate Deductible Amount is shown in the **Deductible Schedule** and is designated as Flat, the Aggregate Deductible Amount will not be adjusted. In no event will the Flat Aggregate Deductible Amount be less than or more than the Aggregate Deductible Amount shown in the **Deductible Schedule**.
4. If no Aggregate Deductible Amount is stated in the **Deductible Schedule**, then your obligation to reimburse us for the sum of all applicable Deductible Amount(s) as shown in the **Deductible Schedule** and all applicable "allocated loss adjustment expense" in accordance with the **Allocated Loss Adjustment Expense Selection Schedule** above, is unlimited.

D. Allocated Loss Adjustment Expense Reimbursement

In accordance with the **Allocated Loss Adjustment Expense Selection Schedule**:

1. If Option 1 is selected, "allocated loss adjustment expense" reimbursements made by you contribute to your Deductible Amount and Aggregate Deductible Amount.
2. If Option 2 or Option 3 is selected, then you will reimburse us for all or pro-rata "allocated loss adjustment expense", as may apply, in accordance with the **Allocated Loss Adjustment Expense Selection Schedule** above, even if the Deductible Amount or the Aggregate Deductible Amount, if applicable, is exceeded.

E. Application of the Deductible Amount to Payable Amounts

1. You will reimburse us for "allocated loss adjustment expense" according to the option selected in the **Allocated Loss Adjustment Expense Selection Schedule**.
2. Upon settlement or final adjudication of a claim, we will apply the Deductible Amount against payable amounts as follows:
 - a. Sums other than those attributable to "allocated loss adjustment expense"; then
 - b. "Allocated loss adjustment expense" already reimbursed by you; then
 - c. "Allocated loss adjustment expense" yet to be reimbursed by you, if applicable.

F. Effect of Deductible Amount on Limits of Insurance

The applicable limits of insurance for the coverage part to which a Deductible Amount applies will be reduced only by that portion of the Deductible Amount that is not attributable to "allocated loss adjustment expense".

G. Conditions

1. Voluntary Payments

If you voluntarily make any payment, assume any obligation or incur any expense, without our consent, then you do so at your own cost. Any such voluntary payment, assumed obligation or incurred expense does not contribute towards any applicable Deductible Amount(s) or Aggregate Deductible Amount under this policy.

2. Application of Recovered Amounts

We have your rights and the rights of persons entitled to the benefits of this insurance to recover sums that are reimbursable under this endorsement and any Deductible Amount from anyone liable for the injury or damages. You will do everything necessary to protect those rights for us and to help us enforce them.

If we recover any payment made under this policy from anyone liable for injury or damages, the recovered amount will first be applied to any payments made by us in excess of the Deductible Amount. The remainder of the recovery, if any, will then be applied to reduce the Deductible Amount reimbursed or reimbursable by you as respects that injury.

3. Payment of Amounts Owed Under This Endorsement

- a. We may pay any part or all of any Deductible Amount(s) or "allocated loss adjustment expense" to effect settlement of any claim and, upon notification of the action taken you will reimburse us for such part of any Deductible Amount(s) or "allocated loss adjustment expense" as shown on the billing from us. You must pay us for all amounts for which you are responsible under this endorsement and reimburse us for any such amounts that we pay by the due date shown on the billing from us.
- b. The first Named Insured shown in the Declarations is authorized to and will reimburse us for all amounts due to us under this endorsement with respect to all reimbursable amounts paid by us on behalf of all "insureds".
- c. Each Named Insured is jointly and severally liable for all reimbursements due to us under this endorsement, whether or not that Named Insured is involved in the claim, proceeding or "suit" causing any such amount to be due to us.

H. Definitions

"Allocated loss adjustment expense" is an expense directly allocable to a specific claim including but not limited to: all supplementary payments as set forth in this policy; all court costs, fees and expenses; all costs, fees and expenses for or incurred in connection with all attorneys, witnesses, experts, depositions, reported or recorded statements, summonses, service of process, legal transcripts or testimony, copies of any public records; alternative dispute resolution proceedings; interest; investigative services, non-employee adjusters, medical examinations, autopsies, medical cost containment; declaratory judgment, subrogation claims and proceedings, and any other fees, costs or expenses reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or a "loss" under this policy.

I. Other Terms

1. The terms of this insurance apply irrespective of the application of any Deductible Amount(s), including those with respect to:
 - a. Our right and duty to investigate or defend any "accident", claim, "suit" or "loss" against you; and
 - b. Your duties if "accident", claim, "suit" or "loss" occurs.
2. You understand that your duties under this endorsement may continue after this policy expires or is cancelled.

Combined Aggregate Deductible



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

- Business Auto Coverage Form**
- Garage Coverage Form**
- Motor Carrier Coverage Form**
- Truckers Coverage Form**

DEDUCTIBLE SCHEDULE

Coverage		Deductible Amount	Basis
Liability	Damages for "Bodily Injury", "Property Damage" and Covered Pollution Cost or Expense	\$	Each "Accident"
Personal Injury Protection, Added Personal Injury Protection, Property Protection Insurance, or equivalent No-fault coverage	Benefits for "Bodily Injury" or "Property Damage"	\$	Each "Accident"
Auto Medical Payments	Medical Expenses for "Bodily Injury"	\$	Each "Accident"
Uninsured Motorist	Damages for "Bodily Injury"	\$	Each "Accident"
Underinsured Motorist	Damages for "Bodily Injury"	\$	Each "Accident"
Physical Damage	Comprehensive, Including Trailer Interchange & Garagekeepers	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Collision, Including Trailer Interchange & Garagekeepers	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Specified Causes of "Loss", Including Trailer Interchange & Garagekeepers	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Towing	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Glass Breakage – Hitting a bird or animal – Falling objects or missiles	\$	Each "Loss" to Each covered "Auto"
Physical Damage	Transportation expense – Total theft of a covered "Auto"	\$	"Loss" by theft of Each covered "Auto"
Additional Coverage	_____	\$	Each _____

ALLOCATED LOSS ADJUSTMENT EXPENSE SELECTION SCHEDULE

Select One				
Option 1 <input type="checkbox"/>	As respects each Deductible Amount, you will reimburse us for all "allocated loss adjustment expense", even if there is no payment for other than "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will contribute toward your Deductible Amount as shown in the Deductible Schedule and your Combined Aggregate Deductible Amount as shown in the Combined Aggregate Deductible Schedule .			
Option 2 <input type="checkbox"/>	As respects each Deductible Amount, you will reimburse us for "allocated loss adjustment expense" as follows:			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">(a)</td> <td>If the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount is equal to or less than the Deductible Amount(s) or if there is no amount payable other than "allocated loss adjustment expense", then you will reimburse us for all "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount as shown in the Deductible Schedule or your Combined Aggregate Deductible Amount as shown in the Combined Aggregate Deductible Schedule; or</td> </tr> <tr> <td style="text-align: center;">(b)</td> <td>If the total amount payable for other than "allocated loss adjustment expense" exceeds the Deductible Amount, you will reimburse us a pro-rata share of total "allocated loss adjustment expense" based on the ratio of the Deductible Amount divided by the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount. "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount as shown in the Deductible Schedule or your Combined Aggregate Deductible Amount as shown in the Combined Aggregate Deductible Schedule.</td> </tr> </table>	(a)	If the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount is equal to or less than the Deductible Amount(s) or if there is no amount payable other than "allocated loss adjustment expense", then you will reimburse us for all "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount as shown in the Deductible Schedule or your Combined Aggregate Deductible Amount as shown in the Combined Aggregate Deductible Schedule ; or	(b)
(a)	If the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount is equal to or less than the Deductible Amount(s) or if there is no amount payable other than "allocated loss adjustment expense", then you will reimburse us for all "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount as shown in the Deductible Schedule or your Combined Aggregate Deductible Amount as shown in the Combined Aggregate Deductible Schedule ; or			
(b)	If the total amount payable for other than "allocated loss adjustment expense" exceeds the Deductible Amount, you will reimburse us a pro-rata share of total "allocated loss adjustment expense" based on the ratio of the Deductible Amount divided by the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount. "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount as shown in the Deductible Schedule or your Combined Aggregate Deductible Amount as shown in the Combined Aggregate Deductible Schedule .			
Option 3 <input type="checkbox"/>	As respects each Deductible Amount, you will reimburse us for all "allocated loss adjustment expense", even if there is no payment for other than "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount as shown in the Deductible Schedule or your Combined Aggregate Deductible Amount as shown in the Combined Aggregate Deductible Schedule .			

If no option is selected, Option 3 will apply.

A. How the Deductible Amount Applies

You will reimburse us for the Deductible Amount(s) shown in the **Deductible Schedule** and for "allocated loss adjustment expense" incurred based on the **Allocated Loss Adjustment Expense Selection Schedule**. The Deductible Amount(s) applies as follows:

1. If an Each "Accident" Deductible Amount is shown, the Deductible Amount applies to all sums payable because of any one "accident", including continuous or repeated exposure to the same conditions, regardless of the number of persons or organizations who sustain "loss" or damage because of that "accident".
2. If an Each "Loss" Deductible Amount is shown, the Deductible Amount applies to all sums payable for each "loss" sustained by any one "auto".

B. Deductible Provisions

1. If more than one Deductible Amount applies to sums payable arising from the same "accident" or "loss" because more than one Coverage applies, you will be responsible for each and every applicable Deductible Amount(s).
2. Deductible Amount(s) apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.
3. Your obligation to pay the Deductible Amount(s) shown on this policy is not fulfilled by:
 - a. The payment of a Deductible Amount under any other policy; or
 - b. Any payment made by us or another insurance company;even if 3.a. or 3.b. above applies to the same "accident" or "loss" as the Deductible Amount due under this policy.
4. If more than one policy issued by us applies to sums payable because of a single continuous "accident" or "loss", the Deductible Amount(s) applies separately to each policy that we issue to which this endorsement or a similar Deductible Endorsement applies. Deductible Amounts also apply separately to each annual period and any remaining period of less than 12 months as described in B.2. above.
5. If a Coverage Part or Additional Coverage of this policy specifically applies a separate deductible(s):
 - a. the separate additional deductible amount applies to any "loss" separately and before the Deductible Amount(s) shown on the Schedule of this endorsement; and
 - b. the Deductible Amount(s) shown on the Schedule of this endorsement applies only if the "loss" exceeds the separate additional deductible amount described in 5.a. above, subject to the other terms and conditions of this endorsement.

C. Combined Aggregate Deductible Amount

1. The Combined Aggregate Deductible Amount shown in the **Combined Aggregate Deductible Schedule** for all policies listed in the **Combined Aggregate Deductible Schedule** is the most you must reimburse us for the sum of:
 - a. all applicable Deductible Amount(s) as shown in each policy's **Deductible Schedule** that are included in each policy's Combined Aggregate Deductible Endorsement(s); and
 - b. all applicable "allocated loss adjustment expense" in accordance with each policy's **Allocated Loss Adjustment Expense Selection Schedule(s)** that are included in each policy's Combined Aggregate Deductible Endorsement(s).

This single Combined Aggregate Deductible Amount applies to the entire policy period and to any remaining extension period of any policies.

2. The Combined Aggregate Deductible Amount is adjustable. The final Combined Aggregate Deductible Amount will be determined at the end of the policy period by an audit of your records, and will be based upon the combined total of the Initial Rate(s) multiplied by the final audited Exposure(s), for each of the policies included in the **Combined Aggregate Deductible Schedule**. The amount shown in the **Combined Aggregate Deductible Schedule** as the Combined Aggregate Deductible Amount is an estimated amount, and is based on an estimate of what the audit of your records will develop.

In no event will the final audited Combined Aggregate Deductible Amount be less than the Combined Aggregate Deductible Amount shown in the **Combined Aggregate Deductible Schedule**, unless a Minimum Combined Aggregate Deductible Amount is shown in the **Combined Aggregate Deductible Schedule**. If a Minimum Combined Aggregate Deductible Amount is shown, the final audited Combined Aggregate Deductible Amount will not be less than the Minimum Combined Aggregate Deductible Amount.

D. Allocated Loss Adjustment Expense Reimbursement

In accordance with the **Allocated Loss Adjustment Expense Selection Schedule**:

1. If Option 1 is selected, "allocated loss adjustment expense" reimbursements made by you contribute to your Deductible Amount and Combined Aggregate Deductible Amount.
2. If Option 2 or Option 3 is selected, then you will reimburse us for all or pro-rata "allocated loss adjustment expense", as may apply, in accordance with the **Allocated Loss Adjustment Expense Selection Schedule** above, even if the Deductible Amount or the Combined Aggregate Deductible Amount, is exceeded.

E. Application of the Deductible Amount to Payable Amounts

1. You will reimburse us for "allocated loss adjustment expense" according to the option selected in the **Allocated Loss Adjustment Expense Selection Schedule**.
2. Upon settlement or final adjudication of a claim, we will apply the Deductible Amount against payable amounts as follows:
 - a. Sums other than those attributable to "allocated loss adjustment expense"; then
 - b. "Allocated loss adjustment expense" already reimbursed by you; then
 - c. "Allocated loss adjustment expense" yet to be reimbursed by you, if applicable.

F. Effect of Deductible Amount on Limits of Insurance

The applicable limits of insurance for the coverage part to which a Deductible Amount applies will be reduced only by that portion of the Deductible Amount that is not attributable to "allocated loss adjustment expense".

G. Conditions

1. Voluntary Payments

If you voluntarily make any payment, assume any obligation or incur any expense, without our consent, then you do so at your own cost. Any such voluntary payment, assumed obligation or incurred expense does not contribute towards any applicable Deductible Amount(s) or Combined Aggregate Deductible Amount under this policy.

2. Application of Recovered Amounts

We have your rights and the rights of persons entitled to the benefits of this insurance to recover sums that are reimbursable under this endorsement and any Deductible Amount from anyone liable for the injury or damages. You will do everything necessary to protect those rights for us and to help us enforce them.

If we recover any payment made under this policy from anyone liable for injury or damages, the recovered amount will first be applied to any payments made by us in excess of the Deductible Amount. The remainder of the recovery, if any, will then be applied to reduce the Deductible Amount reimbursed or reimbursable by you as respects that injury or damages.

3. Payment of Amounts Owed Under This Endorsement

- a. We may pay any part or all of any Deductible Amount(s) or "allocated loss adjustment expense" to effect settlement of any claim and, upon notification of the action taken you will reimburse us for such part of any Deductible Amount(s) or "allocated loss adjustment expense" as shown on the billing from us. You must pay us for all amounts for which you are responsible under this endorsement and reimburse us for any such amounts that we pay by the due date shown on the billing from us.
- b. The first Named Insured shown in the Declarations is authorized to and will reimburse us for all amounts due to us under this endorsement with respect to all reimbursable amounts paid by us on behalf of all "insureds".

- c. Each Named Insured is jointly and severally liable for all reimbursements due to us under this endorsement, whether or not that Named Insured is involved in the claim, proceeding or "suit" causing any such amount to be due to us.

H. Definitions

"Allocated loss adjustment expense" is an expense directly allocable to a specific claim including but not limited to: all supplementary payments as set forth in this policy; all court costs, fees and expenses; all costs, fees and expenses for or incurred in connection with all attorneys, witnesses, experts, depositions, reported or recorded statements, summonses, service of process, legal transcripts or testimony, copies of any public records; alternative dispute resolution proceedings; interest; investigative services, non-employee adjusters, medical examinations, autopsies, medical cost containment; declaratory judgment, subrogation claims and proceedings, and any other fees, costs or expenses reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or a "loss" under this policy.

I. Other Terms

1. The terms of this insurance apply irrespective of the application of any Deductible Amount(s), including those with respect to:
 - a. Our right and duty to investigate or defend any "accident", claim, "suit" or "loss" against you; and
 - b. Your duties if "accident", claim, "suit" or "loss" occurs.
2. You understand that your duties under this endorsement may continue after this policy expires or is cancelled.

SERFF Tracking Number: *ZURC-125316427* *State:* *Arkansas*
First Filing Company: *American Zurich Insurance Company, ...* *State Tracking Number:* *AR-PC-07-026400*
Company Tracking Number: *CW CA 26657*
TOI: *20.0 Commercial Auto* *Sub-TOI:* *20.0001 Business Auto*
Product Name: *CW CA 26657 large deductible*
Project Name/Number: */*

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: ZURC-125316427 State: Arkansas
First Filing Company: American Zurich Insurance Company, ... State Tracking Number: AR-PC-07-026400
Company Tracking Number: CW CA 26657
TOI: 20.0 Commercial Auto Sub-TOI: 20.0001 Business Auto
Product Name: CW CA 26657 large deductible
Project Name/Number: /

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty **Review Status:** Approved 10/15/2007

Comments:

Attachment:

PCTD.pdf

Satisfied -Name: Explanatory Memorandum **Review Status:** Approved 10/15/2007

Comments:

Attachment:

auto explanatory.pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">New Business</td> <td></td> </tr> <tr> <td>Renewal Business</td> <td></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

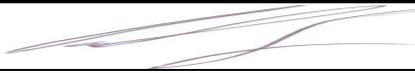
3. Group Name Zurich North America	Group NAIC # 212-
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4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
American Guarantee and Liability Insurance	NY	212-26247	36-6071400	
American Zurich Insurance Company	IL	212-40142	36-3141762	
Colonial American Casualty and Surety Co.	MD	212-34347	52-1096670	
Empire Fire and Marine	NE	212-21326	47-6022701	
Empire Indemnity Insurance Company	NE	212-21334	73-6091717	
Fidelity and Deposit Company of Maryland	MD	212-39306	13-3046577	
Zurich American Insurance Company	NY	212-16535	36-4233459	
Zurich American Insurance Co. of Illinois	IL	212-27855	36-2781080	

5. Company Tracking Number	CW CA 26657
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Dannielle Curry	Filing Analyst	847-706-2411	847-605-7768	dannielle.curry@zurichna.com

7.	Signature of authorized filer	
8.	Please print name of authorized filer	Dannielle Curry

Filing information (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	Commercial Auto
10.	Sub-Type of Insurance (Sub-TOI)	Commercial Auto
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	20.0
12.	Company Program Title (Marketing title)	
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14.	Effective Date(s) Requested	New: 12/01/07 Renewal: 12/01/07

These pages are informational only and do not need to be submitted with your filings!

Notes for Uniform Property & Casualty Transmittal Document

DESCRIPTION OF ITEMS IN THE PROPERTY AND CASUALTY TRANSMITTAL DOCUMENT

- 1. Reserved for Insurance Dept. Use Only**—this section is for anything the Dept. wishes to capture—such as date stamps, approval stamps, check routing numbers, accounting codes, etc.
- 2. Insurance Department Use Only Box:** Includes the following information: (It is up to the state to determine which, if any, of this info they wish to record—or it may be recorded in #1 box with stamps (for example))
 - a. Date the filing is received by the Insurance Dept.**
 - b. Analyst**—lead analyst who reviewed the filing and assigns final disposition
 - c. Disposition**—this is the disposition that the Dept. assigns—authorized, approved, filed, withdrawn, disapproved, informational only, etc.
 - d. Date of Disposition of the filing**—date filing is finished
 - e. Effective Date of the Filing**—date the filing goes into effect. This date may vary by state—it might be the “approval” date in some states. It might be the implementation date in some states. It might be the received date in some states. The Dept. should use the date that is applicable in their state.
 - f. State Filing #:** The number the state assigns to the filing (if applicable).
 - g. SERFF Filing #:** Some states may use SERFF to track paper filings and will use that SERFF assigned number.
 - h. Subject Codes** – This field is intended to capture one or more Subject Codes for states to track particular attributes of a filing, such as mold exclusions. The codes or terms used would be variable by state.
- 3. Group Name and Group NAIC #** as assigned by NAIC.
- 4. Company Name(s), State of Domicile, NAIC #, FEIN#, State #:** Every company to which this filing applies must be listed and the company information must be supplied, with the exception of the State # (the company specific code) if not available or not required by the filing jurisdiction. A filing that lists a group without supplying company info will not be accepted in most states.
- 5. Company Tracking Number:** The filing number assigned by the insurance company, if any.
- 6. Contact Info of Filer or Corporate Officer:** The company should supply the information on the person the state should contact if there is a question/problem with the filing. If there is more than one person (perhaps, one for rates, one for forms) then both should be listed.
- 7. Signature of authorized filer:** Some states require a signature of the authorized filer. If the filer is third party, a letter of authorization from the insurer must be submitted according to state requirements.
- 8. Please print name of authorized filer:** So we can decipher #7 above!
- 9. Type of Insurance (TOI):** Refer to Uniform Property & Casualty Product Coding Matrix. This corresponds to the column entitled “SERFF Type of Insurance” and roughly corresponds to the annual statement line of business.
- 10. Sub-type of Insurance (Sub-TOI):** Refer to Uniform Property & Casualty Product Coding Matrix). This corresponds to the column entitled “SERFF Sub-Type of Insurance”.
- 11. State Specific Product code(s):** See State Specific Requirements for these codes
- 12. Company Program Title:** Marketing title, if applicable.
- 13. Filing Type:** Choices are Rate/Loss Cost; Rules; Rates/Rules; Forms; Withdrawal; Other.

14. Effective Date Requested: This is the effective date the company requested when they made the filing. It is not necessarily the date the filing officially becomes effective. This is also where the company can indicate the different effective dates for new or renewal business.

15. Reference Filing: Yes/No

16. Reference Organization (if applicable): The name of the advisory organization—i.e. ISO, NCCI, AAIS, etc. or an Insurance Company name if “me too filing” is permitted. Some states allow companies to reference another company’s filing. A “me too” filing is when one company adopts another company’s filing. Usually they are not part of the same group. You should check with each state to determine their rules on these filings. If permitted, use this area to indicate either an advisory organization name or “me too” company name.

17. Reference Organization Number & Title (if applicable): This is the unique number that the reference organization gives to the filing. It is generally not the same number as the circular number.

18. Company’s Date of filing: The date the company sends the filing.

19. Status of filing in domicile: Place for the company to show if filing has been filed in domicile and its status.

20. This filing transmittal is part of Company Tracking #: This ties all of the pages of the transmittal to the same filing. It is helpful for the state.

21. Filing Description: This area can be used in lieu of a cover letter or filing memorandum and is free-form text.

22. Filing Fees: Please refer to each state’s checklist for additional state specific requirements or instructions on calculating fees.

Zurich North America Deductible Filing Explanatory Memorandum

Deductible Overview:

Zurich has a tradition of providing insurance protection and risk management services to markets where our expertise and experience are a good match.

As part of providing that insurance protection, we have had some challenges marketing to larger risks that otherwise fit our expertise of these selected markets. These large accounts seek to have their insurance program match their financial ability to handle some of the risk by selecting deductibles typically ranging in amounts from \$100,000 to \$1,000,000. Deductibles may be below \$100,000 if the premium is \$75,000 or more. They also seek to have their pricing closely reflect their individual experience instead of a heavy reliance on market loss experience. In addition, these risks will seek customized approaches to risk management. For some of these accounts the choice is independent risk management services while others will choose to use the services of the insurer.

The attached Deductible coverage form and rule filing will enable Zurich to offer an alternative to a fully insured or fully self-insured plan and create a customized solution for larger and more sophisticated risks that provides a premium reduction in exchange for the insured retaining various amounts of risk. This will allow the insured to maximize its own risk financing potential while also retaining the service, experience and financial stability provided by a leading insurance company.

The insured will pay all losses subject to our new Deductible endorsement up to the deductible amount selected. In addition, an Aggregate Deductible may also be available. This Aggregate Deductible serves as a “stop loss” from an unexpected accumulation of claims. In addition to rewarding customers that do a superior job of controlling losses, this new Deductible endorsement also offers substantial cash flow benefits. Because the insurance premium does not include a charge for losses within the deductible, the initial cost is much less than a comparable guaranteed cost policy.

Because this is an introduction of new forms and pricing for Zurich, the impact of this filing on premium is zero.

Deductible Form Usage:

Currently only ISO forms CA 03 01 and CA 03 02 - Deductible Liability Coverage are available for use. These forms allow for deductible liability coverage only excess of liability and property damage coverage. For larger and more sophisticated risks, an alternate deductible endorsement is needed that will allow the deductible to be applied to additional coverages and not limited to only liability and property damage coverages.

The following alternate deductible endorsements will be used to offer single-line or multi-line and single-state or multi-state deductibles:

- Form U-CA-752 – Deductible is an optional endorsement available when elected by the insured and accepted by Zurich. The endorsement is used when deductible coverage is selected by the insured on an each accident, each loss or other loss basis as scheduled on the endorsement and for risks that are priced for application of defense costs (ALAE) either wholly or partially to apply against the satisfaction of applicable deductible amounts. These features are not available with the ISO forms CA 03 01 and CA 03 02.
- Form U-CA-756 – Combined Aggregate Deductible is an optional endorsement used in conjunction with our interline form U-GU-D-639 - Combined Aggregate Deductible Schedule submitted under a separate filing. It is used under the same criteria from the above form and the additional requirements that the risk desires deductible coverage on a combined line of business basis:
 - (1) with deductibles applicable to two or more lines of business; and
 - (2) subject to an overall Combined Aggregate Deductible Amount.

The individual policies for which the insured desires a combined aggregate deductible can consist of policies from the following commercial lines of business:

- Auto Liability
- Auto Physical Damage
- Employee Benefits Liability
- Employers Liability
- Garage Liability
- General Liability
- Liquor Liability
- Motor Carrier Liability
- Motor Carrier Physical Damage
- Stop Gap Employers Liability
- Truckers Liability
- Truckers Physical Damage
- Workers' Compensation

Deductible Pricing Process:

While pricing and deductible factors are available in Rule 98 for use with the ISO Deductible endorsements, pricing for use with form U-CA-752 or U-CA-756 is on a Refer to Company basis due to the unique combinations of coverage for which Deductible Amount(s) can apply, and where one or more of the following criteria apply to the deductible coverage to be provided:

- a. Use of an Aggregate Deductible Amount, either on single line of business basis, or combined line of business basis.
- b. Differences in handling of ALAE and possibility that ALAE may apply against Deductible Amount(s).
- c. Deductible Amount(s) apply against policy limits.

The agreed upon Deductible Amount(s) and calculated premium components are adjusted based upon negotiations between us and the Named Insured, considering unique, mutually exclusive and nondiscriminatory individual risk criteria of the Named Insured, including but not limited to: loss experience, frequency and severity; loss development and trends; unique coverages; exposures; financial condition; or service requirements of the individual risk.

The reasonable cost of insurance is established by using expected losses in excess of the deductible anticipated to be incurred during the term of insurance plus our company expenses and taxes and which are reflective of the pricing components negotiated between the Named Insured and the Company.

Rates developed under this rule will not be filed with the insurance department for approval. The Underwriting file will contain all details of the factors used in determining the rate for a particular risk and will be available to state regulators on request.