

SERFF Tracking Number: STLR-125333292 State: Arkansas
Filing Company: Pennsylvania Manufacturers' Association State Tracking Number: #422897 \$25
Insurance Company
Company Tracking Number: 07-0814-AR1
TOI: 17.2 Other Liability - Occurrence Only Sub-TOI: 17.2020 Commercial Umbrella & Excess
Product Name: 07-0814-AR1
Project Name/Number: Independent Rules/07-0814-AR1

Filing at a Glance

Company: Pennsylvania Manufacturers' Association Insurance Company

Product Name: 07-0814-AR1	SERFF Tr Num: STLR-125333292	State: Arkansas
TOI: 17.2 Other Liability - Occurrence Only	SERFF Status: Closed	State Tr Num: #422897 \$25
Sub-TOI: 17.2020 Commercial Umbrella & Excess	Co Tr Num: 07-0814-AR1	State Status: FEES RECEIVED
Filing Type: Rule	Co Status:	Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding
	Author: Sharon Ellison	Disposition Date: 11/19/2007
	Date Submitted: 10/31/2007	Disposition Status: Accepted For Informational Purposes
Effective Date Requested (New): 01/01/2008		Effective Date (New):
Effective Date Requested (Renewal): 01/01/2008		Effective Date (Renewal):

General Information

Project Name: Independent Rules	Status of Filing in Domicile: Authorized
Project Number: 07-0814-AR1	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 11/19/2007	
State Status Changed: 11/05/2007	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
We are submitting our independent rules for your review and approval.	

Company and Contact

Filing Contact Information

Sharon Ellison, Regulatory Analyst	Sharon_Ellison@pmagroup.com
380 Sentry Parkway	(610) 397-5356 [Phone]

SERFF Tracking Number: STLR-125333292 State: Arkansas
Filing Company: Pennsylvania Manufacturers' Association State Tracking Number: #422897 \$25
Insurance Company
Company Tracking Number: 07-0814-ARI
TOI: 17.2 Other Liability - Occurrence Only Sub-TOI: 17.2020 Commercial Umbrella & Excess
Product Name: 07-0814-ARI
Project Name/Number: Independent Rules/07-0814-ARI

Blue Bell, PA 19422-0754 (610) 397-5100[FAX]

Filing Company Information

Pennsylvania Manufacturers' Association CoCode: 12262 State of Domicile: Pennsylvania
Insurance Company
380 Sentry Parkway Group Code: 767 Company Type:
P. O. Box 3031
Blue Bell, PA 19422-0754 Group Name: State ID Number:
(610) 397-5462 ext. [Phone] FEIN Number: 23-1642962

SERFF Tracking Number: STLR-125333292 State: Arkansas
Filing Company: Pennsylvania Manufacturers' Association State Tracking Number: #422897 \$25
Insurance Company
Company Tracking Number: 07-0814-ARI
TOI: 17.2 Other Liability - Occurrence Only Sub-TOI: 17.2020 Commercial Umbrella & Excess
Product Name: 07-0814-ARI
Project Name/Number: Independent Rules/07-0814-ARI

Filing Fees

Fee Required? Yes
Fee Amount: \$25.00
Retaliatory? No
Fee Explanation: \$25.00 for Independent Rule
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Pennsylvania Manufacturers' Association Insurance Company	\$0.00	10/31/2007	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
422897	\$25.00	10/26/2007

SERFF Tracking Number: STLR-125333292 State: Arkansas
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Insurance Company
Company Tracking Number: 07-0814-ARI
TOI: 17.2 Other Liability - Occurrence Only Sub-TOI: 17.2020 Commercial Umbrella & Excess
Product Name: 07-0814-ARI
Project Name/Number: Independent Rules/07-0814-ARI

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Accepted For Edith Roberts Informational Purposes		11/19/2007	11/19/2007

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Item Type	Item Name	Item Status	Public Access
Supporting Document	NAIC Transmittal Document	Accepted for Informational Purposes	Yes
Rate	Commerical Lines Manual Exception Page	Accepted for Informational Purposes	Yes

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Number:	Filing Attachments
Accepted for Informational Purposes	Commerical Lines Manual Exception Page	CU-CW-E-1 to E-5	Replacement	AR-PC-07-023876	CUCWE1007.pdf

**The PMA Insurance Group
Commercial Lines Manual
Exception Page**

Companies: All Licensed Companies

Division: Thirteen – Commercial Liability Umbrella

**SECTION I
GENERAL RULES**

8. POLICY WRITING MINIMUM PREMIUM

C. Policy writing minimum premium is \$1,000.

9. ADDITIONAL PREMIUM CHANGES

C. Waive additional premium of \$25 or less.

10. RETURN PREMIUM CHANGES

C. Waive return premium of \$25 or less. However, any return premium due must be granted if requested by the insured.

13. MINIMUM PREMIUMS

Rule B. is deleted and replaced by the following:

B. Minimum premiums apply by layer per the tables below. The minimum premiums are as follows:

a. First 5 Million Layers

Limits	General Liability and Automobile	Excess Automobile Only
1st Million	\$1000	\$750
2nd thru 5 th Million, Each Layer	\$1000	\$750

b. 6 Million through 10 Million Layers

1 st Million Layer Umbrella Premium and Vehicle Fleet Size	
< \$15,000. and <50 units	≥ \$15,000. and <50 units
\$1,075.	\$1,600.

**The PMA Insurance Group
Commercial Lines Manual
Exception Page**

Companies: All Licensed Companies

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**SECTION II
COVERAGE RULES**

22. DESCRIPTION OF COMMERCIAL LIABILITY UMBRELLA COVERAGE

The following coverage details are added to Rule 22.C.

4. Refer to PMA Mandatory Multistate Exclusion Endorsement:
 - Exclusion – Asbestos Endorsement **PCU 22 18**.
5. Refer to PMA Mandatory state endorsements in the state exceptions.

24. MINIMUM RETAINED LIMIT / MINIMUM UNDERLYING LIMIT

The following list of minimum retained limits is added:

General Liability

- \$1,000,000 Each Occurrence
- \$1,000,000 Personal Injury and Advertising Injury
- \$2,000,000 General Aggregate
- \$1,000,000 Products/Completed Operations Aggregate

Automobile Liability

- \$1,000,000 Combined Single Limit

Employers' Liability

- | | |
|----------------|-------------------------|
| BI by Accident | \$100,000 Each Accident |
| BI by Disease | \$100,000 Each Employee |
| BI by Disease | \$500,000 Policy Limit |

25. DESCRIPTION OF ADDITIONAL OPTIONAL ENDORSEMENTS

The following Special Provisions For Certain Types of Risks Endorsements are added to Rule 25.D.

51. **Exclusion - Liquor Liability Endorsement, PCU 22 28**, is used to exclude liquor law coverage where coverage is provided under the primary insurance and limits higher than the primary limits are not offered.
52. Liability arising out of lead is excluded by attaching **Exclusion – Lead Exposure or Contamination Endorsement, PCU 22 30**. This endorsement must be used for lead paint manufacturers, habitational risks, day care or school risks, and any other risk in which there is an exposure from lead paint.

**The PMA Insurance Group
Commercial Lines Manual
Exception Page**

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53. **The Unimpaired Aggregate Limits Endorsement Non-Concurrency, PCU 22 94**, is used in situations in which the effective date of the underlying policies is not in agreement with the effective date of the umbrella policy.
54. Liability arising from the Avian Flu, exposure to Avian Flu or use of any Avian Flu contaminated products may be excluded by attaching the **Exclusion–Avian Influenza A (Avian Flu), PCU 40 26**.
55. Liability arising from the sale, manufacturing, handling, distribution, marketing, consumption, ingestion or use of, or exposure to any tobacco or tobacco product may be excluded by attaching the **Exclusion – Tobacco, PCU 40 42**.
56. Liability arising from the direct or indirect physical contact with vapors, gases, fumes or any particulate matter from welding may be excluded by attaching the **Exclusion–Welding, PCU 40 12**.
57. Liability arising from the exposure to or inhalation or respiration of chromated copper arsenate (CCA) or products or substances containing CCA or by-products produced from CCA may be excluded by attaching the **Exclusion – Chromated Copper Arsenate (CCA) – PCU 40 18**.

28. SPECIAL RULE FOR INDIVIDUAL RISK SITUATIONS

Paragraph A.3 is replaced with the following:

A. Refer To Company

3. Where liability increased limits are provided and the risk is reinsured on a facultative or treaty basis.

The following rating procedure is available for the determination of the applicable premium:

- a. Manual rules and rates shall apply to the portion of the limits of liability retained by the company.
- b. For limits of liability obtained by means of facultative reinsurance or treaty special acceptance, the premium shall be the facultative or treaty special acceptance cost for such insurance increased by a charge up to but not exceeding 50%.

50. DESCRIPTION OF MANDATORY ENDORSEMENTS

1. The **Amendment – Non Cumulation of Each Occurrence Limit of Liability and Non Cumulation of Personal and Advertising Injury Limit, PCU 40 16**, provides clarification regarding the exhaustion of the Each Occurrence Limit.

**The PMA Insurance Group
Commercial Lines Manual
Exception Page**

Companies: All Licensed Companies

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**SECTION III
RATING PROCEDURES**

39. PREMIUM DETERMINATION

Rule 39. is deleted in its entirety and replaced with the following:

For each of the line segments and for each layer, the premium is calculated as follows:
Underlying Premium x Factor = Premium

Underlying Premium is the underlying full limits premium without any experience or schedule modification. Use the appropriate factor from the tables below, for each limit layer provided on the policy.

A modification reflecting the propensity for catastrophic loss may be applied. Such modification must be reflective of individual risk characteristics and may not be discriminatory in nature.

UMBRELLA FACTORS

Commercial Automobile

Limits	Light, Medium & Private Passenger	Heavy & Extra Heavy	Zone-Rated & Special Classes
1st Million	0.11	0.20	0.22
2nd thru 5 th Million, Each Layer	50% of Prior Layer	50% of Prior Layer	50% of Prior Layer
6 th thru 10 th Million Each Layer	75% of the 5 th Million Layer	75% of the 5 th Million Layer	75% of the 5 th Million Layer

General Liability – Premises/Operations

Limits	Table 1	Table 2	Table 3
1st Million	0.08	0.13	0.20
2nd thru 5 th Million, Each Layer	50% of Prior Layer	50% of Prior Layer	50% of Prior Layer
6 th thru 10 th Million Each Layer	75% of the 5 th Million Layer	75% of the 5 th Million Layer	75% of the 5 th Million Layer

**The PMA Insurance Group
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General Liability – Products/Completed Operations

Limits	Table A	Table B	Table C
1st Million	0.10	0.15	0.22
2nd thru 5 th Million, Each Layer	50% of Prior Layer	50% of Prior Layer	50% of Prior Layer
6 th thru 10 th Million Each Layer	75% of the 5 th Million Layer	75% of the 5 th Million Layer	75% of the 5 th Million Layer

The following automobile unit rating applies to the automobile portion only of the umbrella rating when the total General Liability and Automobile First \$1MM layer umbrella premium at manual rates is **\$30,000 or greater**.

Commercial Automobile Unit Rating

Multiply the number of units by the rates in the following table. These rates contemplate service use. Apply an additional factor of 1.20 to the unit rates for commercial or retail use.

1st Million Layer Rating			
Vehicle Type	Territory 1 (Urban)	Territory 2 (Suburban)	Territory 3 (Rural)
Private Passenger Type	\$180	\$120	\$80
Light Truck (service)	\$170	\$110	\$75
Medium Truck (service)	\$230	\$180	\$115
Heavy Truck (service)	\$525	\$425	\$340
Extra-Heavy Truck (service)	\$625	\$525	\$425

Limits above 1st Million Rating	
Limits	Auto Unit Rating
2 nd Million	.50 of 1 st Million Layer Premium
3 rd Million	.55 of 2 nd Million Layer Premium
4 th Million	.60 of 3 rd Million Layer Premium
5 th Million	.65 of 4 th Million Layer Premium
6 th – 10 th Million Each Layer	.75 of the 5 th Million Layer Premium

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Supporting Document Schedules

Satisfied -Name: NAIC Transmittal Document **Review Status:** Accepted for Informational 11/19/2007
Purposes

Comments:

Attachment:

NAIC Transmittal.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 style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;">New Business</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

3. Group Name	Group NAIC #
The PMA Insurance Group	767

4. Company Name(s)	Domicile	NAIC #	FEIN #
Pennsylvania Manufacturers' Association Insurance Company	PA	12262	23-1642962

5. Company Tracking Number	07-0814-AR1
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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
	Sharon E. Ellison 380 Sentry Parkway P.O. Box 3031 Blue Bell, PA 19422	Regulatory Analyst	800.222.2749 x 5356	610.397.5100	sharon_ellison@pmagroup.com

7. Signature of authorized filer	
8. Please print name of authorized filer	Sharon E. Ellison

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

9. Type of Insurance (TOI)	Commercial Liability Umbrella
10. Sub-Type of Insurance (Sub-TOI)	
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input checked="" type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input 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: 01/01/2008 Renewal: 01/01/2008

Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	n/a
17.	Reference Organization # & Title	n/a
18.	Company's Date of Filing	10/31/2007
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	07-0812-AR1
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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We are filing a revision to our Commercial Liability Umbrella Rating Plan. The first million layer rate continues to be based on the degree of exposure as it varies with the Increased Limits Table assignments of the underlying exposures.

There are three major points to highlight in this filing:

- The minimum premiums for the 1st through 5th layers remain the same. However, the 6th through 10th million layer minimum premiums have been revised and are now based on the 1st layer Umbrella premium and number of vehicles.
- The 2nd through 5th layer rating approach, using 50% of the prior layer for each successive layer remains the same. However, the 6th million through 10th million layer pricing has been amended to 75% of the 5th layer premium.
- The eligibility for auto unit rating has been amended from "General Liability and Automobile underlying written premium in excess of \$750,000" to "General Liability and Automobile First \$1MM layer umbrella premium at manual rates is \$30,000 or greater".

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
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Check #: 422897
Amount: \$25.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	07-0814-AR1
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	n/a
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Rate Increase Rate Decrease Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
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4a.	Rate Change by Company (As Proposed)						
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
Pennsylvania Manufacturers' Association Insurance Co.	n/a	n/a	n/a	n/a	n/a	n/a	n/a

4b.	Rate Change by Company (As Accepted) For State Use Only						
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)			
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		COMPANY USE	STATE USE
5a.	Overall percentage rate indication (when applicable)	0.0%	
5b.	Overall percentage rate impact for this filing	0	
5c.	Effect of Rate Filing – Written premium change for this program	0	
5d.	Effect of Rate Filing – Number of policyholders affected	0	

6.	Overall percentage of last rate revision	n/a
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7.	Effective Date of last rate revision	n/a
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	n/a
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9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	CU-CW-E-1 through 5	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	