

SERFF Tracking Number: ACEH-125262177 State: Arkansas
Filing Company: ACE American Insurance Company State Tracking Number: AR-PC-07-025802
Company Tracking Number: 07-GL-267(R)
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1000 Other Liability Sub-TOI Combinations
Product Name: 07-GL-267(R)
Project Name/Number: Contractors Pollution Liability Policy/07-GL-267(R)

Filing at a Glance

Company: ACE American Insurance Company

Product Name: 07-GL-267(R)

SERFF Tr Num: ACEH-125262177 State: Arkansas

TOI: 17.1 Other Liability - Claims Made Only

SERFF Status: Closed

State Tr Num: AR-PC-07-025802

Sub-TOI: 17.1000 Other Liability Sub-TOI

Co Tr Num: 07-GL-267(R)

State Status:

Combinations

Filing Type: Rule

Co Status:

Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding

Authors: Barb Niles, CPCU, ARP, Bob Wolfrom, Viola McBride

Disposition Date: 08/17/2007

Date Submitted: 08/15/2007

Disposition Status: Filed

Effective Date Requested (New): On Approval

Effective Date (New):

Effective Date Requested (Renewal): On Approval

Effective Date (Renewal):

General Information

Project Name: Contractors Pollution Liability Policy

Status of Filing in Domicile: Pending

Project Number: 07-GL-267(R)

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 08/17/2007

State Status Changed: 08/16/2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

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Company and Contact

Filing Contact Information

Robert Wolfrom, CPCU, Regulatory Specialist robert.wolfrom@ace-ina.com
 436 Walnut Street (215) 640-5123 [Phone]
 Philadelphia, PA 19106 (215) 640-4986[FAX]

Filing Company Information

ACE American Insurance Company	CoCode: 22667	State of Domicile: Pennsylvania
PO Box 1000	Group Code: 626	Company Type:
436 Walnut Street		
Philadelphia, PA 19106	Group Name:	State ID Number:
(215) 640-5123 ext. [Phone]	FEIN Number: 95-2371728	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	
Per Company:	No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
PS 00304205	\$100.00	08/09/2007

State Specific

Check_No: PS 00304205
 Check_Amt: \$100.00
 Check_Rec: NA

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Edith Roberts	08/17/2007	08/17/2007

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Disposition

Disposition Date: 08/17/2007

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: ACEH-125262177 *State:* Arkansas
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Item Type	Item Name	Item Status	Public Access
Supporting Document	Filing Memo	Filed	Yes
Supporting Document	PDF Pipeline	Filed	Yes
Rate	Contractors Pollution Liability Rule Page	Filed	Yes

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Rate Information

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
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Filed	Contractors Pollution Liability Rule Page	CPLC-1 pages 1-6	New	Rate Rule Page- CPLC.pdf
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Contractors Pollution Liability Rating Plan:

- 1.) Pricing of this pollution policy will begin with a base rate which is assigned per the established revenue ranges below:

Revenue	Base Premium
\$0 to \$999,999	\$2,800
\$1M to \$1,999,999	\$3,625
\$2M to \$2,999,999	\$4,450
\$3M to \$3,999,999	\$5,275
\$4M to \$4,999,999	\$6,100
\$5M to \$5,999,999	\$6,725
\$6M to \$6,999,999	\$7,350
\$7M to \$7,999,999	\$7,975
\$8M to \$8,999,999	\$8,600
\$9M to \$9,999,999	\$9,225
\$10M to \$10,999,999	\$9,650
\$11M to \$11,999,999	\$10,075
\$12M to \$12,999,999	\$10,500
\$13M to \$13,999,999	\$10,925
\$14M to \$14,999,999	\$11,350
\$15M to \$15,999,999	\$11,575
\$16M to \$16,999,999	\$11,800
\$17M to \$17,999,999	\$12,025
\$18M to \$18,999,999	\$12,250
\$19M to \$19,999,999	\$12,475
\$20M to \$20,999,999	\$12,700
\$21M to \$21,999,999	\$12,925
\$22M to \$22,999,999	\$13,150
\$23M to \$23,999,999	\$13,375
\$24M to \$24,999,999	\$13,600
\$25M to \$29,999,999	\$14,600
\$30M to \$34,999,999	\$15,600
\$35M to \$39,999,999	\$16,600
\$40M to \$44,999,999	\$17,600
\$45M to \$49,999,999	\$18,600
\$50M to \$54,999,999	\$19,800
\$55M to \$59,999,999	\$21,000
\$60M to \$64,999,999	\$22,200
\$65M to \$69,999,999	\$23,400
\$70M to \$74,999,999	\$24,600
\$75M to \$79,999,999	\$26,000

\$80M to \$84,999,999	\$27,400
\$85M to \$89,999,999	\$28,800
\$90M to \$94,999,999	\$30,200
\$95M to \$99,999,999	\$31,600
\$100M to \$124,999,999	\$33,812
\$125M to \$149,999,999	\$36,179
\$150M to \$174,999,999	\$38,711
\$175M to \$199,999,999	\$41,121
\$200M to \$224,999,999	\$44,321
\$225M to \$249,999,999	\$47,423
\$250M to \$274,999,999	\$50,743
\$275M to \$299,999,999	\$54,294
\$300M to \$324,999,999	\$58,095
\$325M to \$349,999,999	\$62,162
\$350M to \$374,999,999	\$66,514
\$375M to \$399,999,999	\$71,170
\$400M to \$424,999,999	\$76,152
\$425M to \$449,999,999	\$81,483
\$450M to \$474,999,999	\$87,186
\$475M to \$499,999,999	\$93,289
\$500M to \$549,999,999	\$95,621
\$550M to \$599,999,999	\$98,012
\$600M to \$649,999,999	\$100,462
\$650M to \$699,999,999	\$102,974
\$700M to \$749,999,999	\$105,548
\$750M to \$799,999,999	\$107,659
\$800M to \$849,999,999	\$109,812
\$850M to \$899,999,999	\$112,008
\$900M to \$949,999,999	\$114,249
\$950M to \$1B	\$116,534

2.) Next, the underwriter selects the predominate class of business for the risk from the Primary Service Segment list. Each segment has a pre-determined hazard class assigned to it based on the associated environmental exposures. The hazard ratings have an assigned multiplier as follows:

- 1. Low 0.90 (10% credit)
- 2. Medium 1.0 (no credit)
- 3. High 1.15 (15% debit)

CPL

Primary Service Segments	Hazard Assignment
Acoustical	1
Bridge Work	2
Civil Construction	3
Communications	1
Concrete Work	2
Carpentry	2
Construction Management	3
Demolition	3
Drilling	3
Drywall Installation	3
Environmental Services	3
Electrical	1
Excavation	2
Flooring / Tile / Marble	2
General Building Construction	3
HVAC	3
Industrial Construction	3
Insulation	3
Masonry	2
Mechanical Construction	3
Painting	1
Paving	2
Pipeline Construction	2
Plumbing	3
Process Piping	3
Roofing	3
Site Development / Grading	2
Structural Steel Erection	1
Water / Sewer	2
UST Services	3
Utility	2

(The risk will be placed in the risk category where a majority of the insured's services are performed.)

- 3.) The desired Limit of Liability and Self Insured Retention levels are then selected. Based on the selection, a designated Increased Limit Factor (ILF) will be applied per the table below:

Limits	ILF	SIR					
		\$10K	\$25K	\$50K	\$100K	\$250K	
\$250K/\$250K	0.6	1	0.87	0.8	0.7	0.59	
\$250K/\$500K	0.65	1	0.87	0.8	0.7	0.59	
\$500K/\$500K	0.75	1	0.87	0.8	0.7	0.59	

\$500K/\$1M	0.85		1	0.87	0.8	0.7	0.59
\$1M/\$1M	1		1	0.87	0.8	0.7	0.59
\$1M/\$2M	1.15		1	0.88	0.82	0.73	0.62
\$2M/\$2M	1.35		1	0.9	0.84	0.76	0.65
\$2M/\$4M	1.5		1	0.91	0.86	0.79	0.7
\$3M/\$3M	1.55		1	0.91	0.86	0.79	0.7
\$4M/\$4M	1.73		1	0.92	0.87	0.81	0.73
\$5M/\$5M	1.91		1	0.93	0.89	0.83	0.75
\$5M /\$10M	2.2		1	0.94	0.9	0.85	0.78
\$10M/\$10M	2.72		1	0.95	0.92	0.88	0.82
\$10M/\$20M	3.13		1	0.96	0.93	0.89	0.85
\$15M/\$15M	3.49		1	0.96	0.94	0.9	0.86
\$20M/\$20M	4.23		1	0.97	0.95	0.92	0.89
\$25M/\$25M	4.93		1	0.97	0.96	0.93	0.9

- 4.) If a retro active date is desired and applicable, the pre-determined multiplier is then applied based on the below table:

RETRO DATE FACTORS	
	Multiplier
Retro Inception	1
1yr	1.025
2yr	1.0313
3yr	1.0375
4yr	1.0438
5yr	1.05
6yr	1.06
7yr	1.07
8yr	1.08
9yr	1.09
10yr	1.1
11yr	1.105
12yr	1.11
13yr	1.115
14yr	1.12
15yr	1.125
16yr	1.13
17yr	1.135
18yr	1.14
19yr	1.145
20yr+	1.15

5.) Three alternative coverage enhancements are available for addition by endorsement as follows:

a) Mold liability

- Limit options are to match and be included within the general policy aggregate or are included as a sublimit of liability.
- Minimum SIR for coverage add-on will be \$25K.
- ILF's to be applied for Mold are as follows:

▪ \$250K	1.05
▪ \$500K	1.10
▪ \$1M	1.15
▪ \$2M	1.16
▪ \$3M	1.17
▪ \$4M	1.18
▪ \$5M	1.19
▪ \$10M	1.20
▪ \$15M	1.23
▪ \$20M	1.25
▪ \$25M	1.30

b) Transportation Liability

- Auto Debit of 1.025
- Watercraft Debit of 1.030
- Combined Auto / Watercraft Debit of 1.050

c) Non-Owned Disposal Site Coverage

- \$250K L.O.L. to \$5M L.O.L. Debit of 1.03
- \$10M L.O.L. to \$15M L.O.L. Debit of 1.04
- \$20M L.O.L. to \$25M L.O.L. Debit of 1.05

- 6.) The underwriter will have the ability to apply rating modifications to the otherwise chargeable premium in accordance with the following table, subject to a maximum credit or debit of 25%:

Rating Modifications

Risk Characteristic	Description	Range of Modifications Credit / Debit
<i>Prior Pollution Losses</i>	No Prior Losses over \$100K	10% to 10%
<i>Corporate Controls</i>	Experience of management Casualty loss experience	10% to 10%
<i>Area of Operations</i>	Regional Exposure	5% to 5%
<i>Employee</i>	Selection, training, Supervision, health & safety	5% to 5%
<i>Classification</i>	Peculiarities of class	10% to 10%

- 7.) If the insured prefers a multi year policy term, a credit will apply based on the below table:

Multi-Year Option	Debit
1 year term	1.0
2 year term	1.7
3 year term	2.25

- 8.) TRIA coverage will be included in the policy for no additional premium.

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Supporting Document Schedules

Satisfied -Name: Filing Memo **Review Status:** Filed 08/17/2007
Comments:
Attachment:
Filing Memo - Rate Rule.pdf

Satisfied -Name: PDF Pipeline **Review Status:** Filed 08/17/2007
Comments:
Attachment:
AR PDF Pipeline (R).pdf

CONTRACTORS POLLUTION LIABILITY
FILING MEMO
RATE PLAN

Purpose of Filing:

To file the rating methodology used by ACE Environmental Risk when providing an admitted contractors pollution liability policy written on ACE American Insurance Company. This filing, corresponding rating methodologies and policy will be utilized specifically in underwriting contractor pollution exposures for Environmental Risk's general classes of business.

Methodology for Deriving the Contractors Pollution Coverage Premium:

The rating methodology outlined in the filing is based on data developed via company experience and acquired institutional knowledge. The underwriter identifies the client's total annual revenue and is assigned a base rate via the ACE developed outline and selects the appropriate business class of the risk.

This pollution rate is then modified by the Increased Limit Factors and the chosen self-insured retention. Finally, consideration is given to the account's retroactive coverage, and optional enhancements including mold coverage, transportation coverage and Non Owned Disposal Sites coverage.

A final underwriting judgment factor is also available for the underwriter to credit or debit the base rate.

TRIA will be included in policy coverage for no additional premium.

Eligibility:

Clients that meet the Underwriting Guidelines of the company will be eligible for this filed rate and form, depending on individual risk characteristics.

Filing at a Glance

Company: ACE American Insurance Company

Product Name: 07-GL-267(R)

SERFF Tr Num: ACEH-125262177 State: Arkansas

TOI: 17.1 Other Liability - Claims Made Only

SERFF Status: Draft

State Tr Num:

Sub-TOI: 17.1000 Other Liability Sub-TOI

Co Tr Num: 07-GL-267(R)

State Status:

Combinations

Filing Type: Rule

Co Status:

Reviewer(s):

Authors: Barb Niles, CPCU, ARP,

Disposition Date:

Bob Wolfrom, Viola McBride

Date Submitted:

Disposition Status:

Effective Date Requested (New): On Approval

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Philadelphia, PA 19106

(215) 640-4986[FAX]

Filing Company Information

ACE American Insurance Company

CoCode: 22667

State of Domicile: Pennsylvania

PO Box 1000

Group Code: 626

Company Type:

Created by SERFF on 08-15-2007 03:41 PM

436 Walnut Street
Philadelphia, PA 19106
(215) 640-5123 ext. [Phone]

Group Name:
FEIN Number: 95-2371728

State ID Number:

Filing Fees

Fee Required? Yes
Fee Amount: \$100.00
Retaliatory? No
Fee Explanation:
Per Company: No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
PS 00304205	\$100.00	08-09-2007

State Specific

Check_No: PS 00304205
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