

## Filing at a Glance

Company: State Auto Property and Casualty Insurance Company

Product Name: AR PX

SERFF Tr Num: STAT-125252393 State: Arkansas

TOI: 17.2 Other Liability - Occurrence Only

SERFF Status: Closed

State Tr Num: AR-PC-07-025732

Sub-TOI: 17.2021 Personal Umbrella & Excess Co Tr Num: PC-PX-2007-571

State Status:

Filing Type: Rate

Co Status:

Reviewer(s): Alexa Grissom, Betty Montesi, Brittany Yielding

Authors: Doug Griffith, Barb Wickham

Disposition Date: 08-14-2007

Date Submitted: 08-06-2007

Disposition Status: Filed

Effective Date Requested (New): 12-30-2007

Effective Date (New): 12-30-2007

Effective Date Requested (Renewal): 12-30-2007

Effective Date (Renewal):

## General Information

Project Name: AR 12-30 RR

Status of Filing in Domicile:

Project Number: PC-PX-2007-571

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 08-14-2007

State Status Changed: 08-07-2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

State Auto Property & Casualty Insurance Company submits this filing of rate and rule revisions to our Personal Umbrella program, as detailed in the Summary of Proposed Changes.

The estimated overall statewide impact of these changes is -2%.

The required Departmental Forms and a copy of the manual/rate pages are attached.

Please contact me if you have any questions.

Your consideration and acknowledgement of our filing to become effective December 30, 2007 will be very much appreciated.

## Company and Contact

### Filing Contact Information

Doug Griffith, Supervisor, State Filings  
518 E. Broad Street  
Columbus, OH 43215

doug.griffith@stateauto.com  
(614) 917-5492 [Phone]  
(614) 887-1615[FAX]

**Filing Company Information**

State Auto Property and Casualty Insurance  
Company  
1300 Woodland Ave

CoCode: 25127

State of Domicile: Iowa

Group Code: 175

Company Type: Property and  
Casualty

PO Box 66150  
West Des Moines, IA 50265-0150  
(614) 464-5000 ext. [Phone]

Group Name:  
FEIN Number: 57-6010814

State ID Number:

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## Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
State Auto Property and Casualty Insurance Company	\$100.00	08-06-2007	14970618

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	08-14-2007	08-14-2007

## Disposition

Disposition Date: 08-14-2007

Effective Date (New): 12-30-2007

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Uniform Transmittal Document-Property & Casualty	Filed	Yes
<b>Supporting Document</b>	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
<b>Supporting Document</b>	NAIC loss cost data entry document	Filed	Yes
<b>Supporting Document</b>	Cover Letter	Filed	Yes
<b>Supporting Document</b>	AR PX Manual Pages	Filed	Yes
<b>Supporting Document</b>	AR PX Summary	Filed	Yes

## **Rate Information**

Rate data does NOT apply to filing.

## Supporting Document Schedules

<b>Satisfied -Name:</b> Uniform Transmittal Document- Property & Casualty	<b>Review Status:</b> Filed	08-14-2007
<b>Comments:</b>		
<b>Attachment:</b> AR PX Transmittal Header 1.pdf		
<b>Satisfied -Name:</b> Cover Letter	<b>Review Status:</b> Filed	08-14-2007
<b>Comments:</b>		
<b>Attachment:</b> AR PX Cover letter.pdf		
<b>Satisfied -Name:</b> AR PX Manual Pages	<b>Review Status:</b> Filed	08-14-2007
<b>Comments:</b>		
<b>Attachment:</b> AR PX Revised Manual Pages.pdf		
<b>Satisfied -Name:</b> AR PX Summary	<b>Review Status:</b> Filed	08-14-2007
<b>Comments:</b>		
<b>Attachment:</b> Summary.pdf		

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> 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: 60%; 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					

<b>3. Group Name</b>	<b>Group NAIC #</b>
State Auto Insurance Companies	175

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
State Auto Property & Casualty Insurance Company	IA	25127	57-6010814	

<b>5. Company Tracking Number</b>	<b>PC-PX-2007-571</b>
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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
	Doug Griffith 518 E. Broad Street Columbus, OH 43215	Supervisor, State Filings	800.695.9436 (ext. 5492)	614.887.1615	doug.griffith@stateauto.com

7.	Signature of authorized filer	
8.	Please print name of authorized filer	Doug Griffith

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

9.	Type of Insurance (TOI)	17.2 Other Liability-Occ Only			
10.	Sub-Type of Insurance (Sub-TOI)	17.2021 Personal Umbrella and Excess			
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]				
12.	Company Program Title (Marketing title)	Personal Umbrella			
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" 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:	December 30, 2007	Renewal:	December 30, 2007
15.	Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No			
16.	Reference Organization (if applicable)				
17.	Reference Organization # & Title				
18.	Company's Date of Filing	August 1, 2007			
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved			

**Property & Casualty Transmittal Document—****20. This filing transmittal is part of Company Tracking #****PC-PX-2007-571****21. Filing Description** [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]**1. Excess Layer Factors:**

We are revising our Excess Layer Factors and minimum premiums as displayed in the tables below:

Current Rating Structure			Proposed Rating Structure		
Layer	Excess Layer Factor	Layer Min. Premium	Layer	Excess Layer Factor	Layer Min. Premium
1 <sup>st</sup> Million	--	\$125	1 <sup>st</sup> Million	--	\$125
2 <sup>nd</sup> Million	0.80	\$100	2 <sup>nd</sup> Million	.69	\$125
3 <sup>rd</sup> Million	1.00	\$100	3 <sup>rd</sup> Million	.75	\$125
4 <sup>th</sup> Million	1.00	\$100	4 <sup>th</sup> Million	.73	\$125
5 <sup>th</sup> Million	1.00	\$100	5 <sup>th</sup> Million	.76	\$125

The impact for this filing is -2%.

**2. Assisted Living Care Liability Coverage:**

We will be introducing a new optional coverage which provides excess personal liability coverage for a designated person other than the named insured or resident relative who is related to another insured by blood, marriage or adoption; not a member of the named insured's household; and regularly residing in a designed assisted living care facility.

The rate for this coverage will be \$5 per each designated person in an assisted living facility. Please see manual page 3 for further details.

**3. Manual Changes:**

All manual changes have been outlined in the Rate/Rule Filing Schedule.

**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]

**Check #: EFT**  
**Amount: \$100**

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

**\*\*\*Refer to the 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.)**

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>PC-PX-2007-571</b>
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<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	
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Rate Increase     
  Rate Decrease     
  Rate Neutral (0%)

<b>3.</b>	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	File and Use
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<b>4a.</b>	<b>Rate Change by Company (As Proposed)</b>
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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)
State Auto Property & Casualty Insurance Company		-2%	-\$3,951	956	\$197,569		

<b>4b.</b>	<b>Rate Change by Company (As Accepted) For State Use Only</b>
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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

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

<b>6.</b>	<b>Overall percentage of last rate revision</b>	13%
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<b>7.</b>	<b>Effective Date of last rate revision</b>	12-30-2006
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<b>8.</b>	<b>Filing Method of Last filing (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	File and Use
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<b>9.</b>	<b>Rule # or Page # Submitted for Review</b>	<b>Replacement or withdrawn?</b>	<b>Previous state filing number, if required by state</b>
01	The Table of Contents has been revised due to the following changes.	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	Rule I – C & D, Pages 1 & 2, Policy Period/Payment Option has been split into two separate items. This caused the following items to be re-alphabetized. Added “Customers Can Pay Online/Credit Card Payments” wording” to Payment Option.	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

**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.)**

<b>1. This filing transmittal is part of Company Tracking #</b>	<b>PC-PX-2007-571</b>
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<b>9.</b>	<b>Rule # or Page # Submitted for Review</b>	<b>Replacement or withdrawn?</b>	<b>Previous state filing number, if required by state</b>
03	Rule II A, Pages 2-10, Added violations to this rule. This caused wording to be moved onto the following pages.	[ ] New [X] Replacement [ ] Withdrawn	
04	Rule II, Page 3, Added 3, Assisted Living Care Liability Coverage.	[ ] New [X] Replacement [ ] Withdrawn	
05	Rule II C, Page 4, Watercraft Liability – this wording has been revised.	[ ] New [X] Replacement [ ] Withdrawn	
06	Rule III, Page 4, Added Passenger Hazard Liability wording.	[ ] New [X] Replacement [ ] Withdrawn	
07	Rule IV, Pages 5 & 6, The forms and endorsements listing has been updated.	[ ] New [X] Replacement [ ] Withdrawn	
08	Rule V, Page 7, Added Assisted Living Care Liability Rates.	[ ] New [X] Replacement [ ] Withdrawn	
09	Rule V, Page 9, The Excess Layer Factors and Layer Minimum Premiums have been revised.	[ ] New [X] Replacement [ ] Withdrawn	
10	Rule VI, Page 9, Assisted Living Care Premium has been added.	[ ] New [X] Replacement [ ] Withdrawn	
11	Rule VI, Page 10, Rating steps have been revised to reflect the revised excess layer factors.	[ ] New [X] Replacement [ ] Withdrawn	
12		[ ] New [ ] Replacement [ ] Withdrawn	
13		[ ] New [ ] Replacement [ ] Withdrawn	
14		[ ] New [ ] Replacement [ ] Withdrawn	
15		[ ] New [ ] Replacement [ ] Withdrawn	
16		[ ] New [ ] Replacement [ ] Withdrawn	
17		[ ] New [ ] Replacement [ ] Withdrawn	
18		[ ] New [ ] Replacement [ ] Withdrawn	

August 6, 2007

**Arkansas Insurance Department**

Re: State Auto Property & Casualty Insurance Company  
NAIC #25127, FEIN 57-6010814  
Our Filing ID #PC-PX-2007-571  
**Personal Umbrella Program: Rate and Rule Revisions**

State Auto Property & Casualty Insurance Company submits this filing of rate and rule revisions to our Personal Umbrella program, as detailed in the Summary of Proposed Changes.

The estimated overall statewide impact of these changes is -2%.

The required Departmental Forms and a copy of the manual/rate pages are attached.

Please contact me if you have any questions.

Your consideration and acknowledgement of our filing to become effective December 30, 2007 will be very much appreciated.

Yours truly,

Doug Griffith  
Supervisor, State Filings  
Tele #: 800.695.9436 (ext. 5492)  
Fax #: 614.887.1615  
Email: [doug.griffith@stateauto.com](mailto:doug.griffith@stateauto.com)  
Attachments  
/bw

**ARKANSAS  
PERSONAL UMBRELLA  
PROGRAM**

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

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# ARKANSAS PERSONAL UMBRELLA LIABILITY MANUAL

## I. GENERAL RULES

### A. POLICY

Personal Umbrella coverage may only be written on a separate Personal Umbrella policy.

### B. APPLICATION

A current ACORD application must be completed and submitted to the company for each new business submission.

### C. POLICY PERIOD

The policy period for all Personal Umbrella policies is a one - year renewable term.

### D. PAYMENT OPTION

#### 1. Full Pay

#### 2. Electronic Funds Transfer ("E-Pay")

An option available to insureds is to have their payment automatically transferred, on a monthly basis, from their checking account to State Auto electronically. The insured has the option of choosing the date they would like the deduction to take place. The insured will be notified by the company of the initial monthly amount of premium to be transferred, as well as any changes to that amount of one dollar (\$1.00) or more.

This option is available for new and existing business. Once State Auto receives the enrollment form, the insured's policy will be set up for the electronic funds transfer. This option is not available on premium financed policies.

3. **Customers Can Pay Online / Credit Card Payments.** Direct bill customers can now make premium payments online at [www.stateauto.com](http://www.stateauto.com). After selecting the option to "Pay Your Policy" customers can make a one-time payment without enrolling in the system or they can enroll in our "Pay Now" program where personal and payment type information is stored to facilitate and expedite future payments. Whether direct bill customers are making a one-time online payment or are enrolled in our "Pay Now" program, they can opt to pay through use of an automated check (ACH payment) or can make payment using a VISA™ or MasterCard™ credit or "pin-less" debit card. Credit card and "pin-less" debit card payments are accepted for all transactions with the exception of the initial downpayment on a policy.

#### 4. NSF Charge: A \$20 non-sufficient fund fee will be charged on all returned checks

### E. LIMITS OF LIABILITY

Personal Umbrella coverage may be provided with the following limits of liability:

\$1,000,000  
\$2,000,000  
\$3,000,000  
\$4,000,000  
\$5,000,000

### F. POLICY CHANGES

Additional and return premium for policy changes occurring during the current policy term will be computed on a pro-rata basis. When a change is submitted for underlying policies, a change request should also be submitted for the Personal Umbrella policy.

### G. POLICY CANCELLATION

If insurance is canceled or reduced at the request of either the insured or the insurer, the earned premium will be computed on a pro-rata basis.

### H. MINIMUM RETAINED PREMIUM

In the event of cancellation, return premium amounts under \$1.00 will be retained by the company unless specifically requested by the insured.

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

**I. GENERAL RULES (continued)**

**I. BINDING AUTHORITY**

1. A policy may be bound by the agent at the \$1,000,000 limit subject to the following:
  - a. The signed application is received at State Auto within five days of the requested effective date.
  - b. No losses have occurred.
2. Do **not** bind without prior company approval:
  - a. Any risk with an excluded driver or excluded liability exposure on any underlying policy.
  - b. Risks with no licensed drivers and/or no vehicles.
  - c. Risks with more than six rental units.
  - d. Policy in the name of a trust.
  - e. Risk with underlying insurance currently with another company.
  - f. Risks with youthful exposures operating sports or high performance vehicles or recreational vehicles.
  - g. Occupation of any insured is a professional politician; public lecturer; newspaper reporter, editor or publisher; labor leader; professional entertainer including athlete and radio or TV announcer; law enforcement official.
  - h. Any person sued for libel or slander.
  - i. Risk with watercraft with a maximum speed exceeding 45 mph and all personal watercraft.
  - j. Any risk covering Uninsured/Underinsured Motorists Coverage at a limit above \$1,000,000.
  - k. Driving record does not meet the eligibility requirements below.
  - l. All personal watercraft.
  - m. Bass boats with a maximum speed exceeding 70 MPH and all other watercraft with a maximum speed exceeding 55 MPH.
3. Limits above the \$1,000,000 limit may not be bound by the agent.

**II. ELIGIBILITY**

**A. AUTOMOBILE LIABILITY**

State Auto will consider writing Personal Umbrella Liability coverage when the State Auto Companies provide the primary liability insurance on all underlying policies. Risks eligible for our standard personal lines programs will normally be acceptable for Personal Umbrella liability coverage, but must meet the following driving record requirements:

1. **Major Violations (past 5 years) –**  
None Allowed.
2. **Minor Violations (past 3 years) –**  
Adults: Two Allowed  
Drivers Age 21-24: One Allowed  
Drivers Age 16-20: None Allowed
3. **At-Fault Accidents (past 3 years) –**  
Adults: One Allowed  
Drivers Age 21-24: One Allowed  
Drivers Age 16-20: None Allowed

**Underlying Coverages**

1. Underlying liability insurance must be written with the State Auto Companies at the minimum required limits for all automobiles and self-propelled recreational vehicles owned by, leased to, or furnished for the regular use of the named insured and all operators in the insured's household.
2. An Extended Non-Owned Coverage endorsement must be attached to the personal auto policy to cover each operator in the household who may operate a furnished vehicle in addition to one or more owned vehicles.

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

**II. ELIGIBILITY (continued)**

3. A Named Non-Owner policy must be written if the insureds do not own a car but have a car furnished for their regular use. Coverage must be provided for all operators in the household.
4. If the underlying insurance is subject to any restriction, limitation or exclusion for any operator in the household, such a restrictive endorsement must also be attached to the Personal Umbrella policy.
5. Excess Uninsured/Underinsured Motorists Coverage is only valid on existing policies currently containing UM/UIM coverage and with an original inception date of October 1, 1995 or before.

**B. PERSONAL LIABILITY COVERAGE**

Personal Liability coverage must be written with the State Auto Companies at the minimum required limits for all residences and locations owned by, leased to, or rented by the insured.

**1. a. Business Exposures**

Coverage under the Personal Umbrella for additional liability exposures such as incidental offices, home day care, business pursuits, and rental or farm property may be written if the underlying liability is considered acceptable based on Personal Lines Guidelines.

**b. Home-Based Business**

Extends coverage to Home-Based Business if provided under the primary policy. This is basically a following form coverage but provides drop - down for auto exposure.

**2. Loss Assessment Coverage**

Loss Assessment is excluded under the basic umbrella contract. However, optional loss assessment for liability coverage can be secured by adding endorsement PX-55. This form provides excess loss assessment coverage above the required underlying limit of \$50,000.

Note: This endorsement provides excess loss assessment coverage to liability losses.

**3. Assisted Living Care Liability Coverage**

**a. Description of Coverage**

1. This endorsement provides excess personal liability coverage to a designated person other than the named insured or a resident relative who is:
  - a. Related to another insured by blood, marriage or adoption;
  - b. Not a member of the named insured's household; and
  - c. Regularly residing in a designated assisted living care facility
2. An assisted living care facility that provides living services such as dining, therapy, medical supervision, housekeeping and social activities.

**b. Ineligible Facilities**

The following facilities are ineligible:

- a. Hospices
- b. Prisons; and
- c. Rehabilitation Facilities

Use Personal Umbrella Liability Policy Assisted Care Liability Coverage Endorsement **DL 98 07**

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

**II. ELIGIBILITY (continued)**

**C. WATERCRAFT LIABILITY**

- Coverage for all owned watercraft must be written on a State Auto pleasure boat or yacht policy, or endorsed on a State Auto homeowners policy. Minimum required underlying limits and rates depend on the horsepower, length and type of watercraft. Bass boats with a maximum speed exceeding 70 mph and all other watercraft with a maximum speed exceeding 55 mph require prior approval before binding. All personal watercraft (jet skis, wet bikes and waverunners, mini-jet boats, etc) require prior approval before binding. The premium on watercraft with a speed exceeding 45 mph will be double the standard rate.

**III. MINIMUM REQUIRED UNDERLYING LIABILITY LIMITS**

AUTOMOBILE LIABILITY	\$300,000 Combined Single Limit or \$250,000/500,000 Bodily Injury and \$100,000 Property Damage
AUTOMOBILE LIABILITY – Inexperienced Operators New business or added drivers effective July, 2003	\$500,000 Combined Single Limit or \$500,000/500,000 Bodily Injury and \$100,000 Property Damage
UNINSURED/UNDERINSURED MOTORISTS (valid on existing business currently with UM coverage.)	Must be equal to the minimum underlying auto liability limits if excess UM/UIM coverage is requested.
PERSONAL LIABILITY	\$300,000 Combined Single Limit
LOSS ASSESSMENT COVERAGE	\$50,000 Combined Single Limit
BUSINESS PURSUITS	\$300,000 Combined Single Limit
HOME DAY CARE LIABILITY	\$500,000 Combined Single Limit
OFFICE OR BUSINESS PROPERTY LIABILITY	\$300,000 Combined Single Limit
EMPLOYERS LIABILITY	\$100,000 Bodily Injury each accident \$100,000 Bodily Injury by disease -- each employee \$500,000 Bodily Injury by disease -- policy aggregate
FARMOWNERS LIABILITY	\$300,000 Combined Single Limit
WATERCRAFT -	
• less than or equal to 350 horsepower	\$300,000 Combined Single Limit
• over 350 horsepower	\$500,000 Combined Single Limit
• personal watercraft	\$500,000 Combined Single Limit
• PASSENGER HAZARD LIABILITY underlying (MOTOR VEHICLE)	Must be equal to the minimum auto liability limits if excess Passenger Hazard Liability coverage is provided

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

**IV. FORMS AND ENDORSEMENTS**

The following have been approved for use with the Umbrella Policy:

<u>FORM/ENDORSEMENT</u>	<u>EDITION</u>	<u>TITLE</u>
AU303	01/06	Notice of Policies and Practices of the Disclosure of Nonpublic Personal Information
AU370	11/05	Special Information
ACORD 35	01/97	Cancellation Request/Policy Release
ACORD 70	2004/05	Change Request
☛ ACORD 83	2007/01	Umbrella Application
☛ DL C 001	12/06	Certificate of Personal Umbrella Liability Insurance - Trust
☛ DL9807	10/06	Personal Umbrella Liability Policy Assisted Living Care Liability Coverage Endorsement
☛ DL9808	10/06	Personal Umbrella Liability Policy Trust Endorsement
☛ DL9801	10/06	Personal Umbrella Policy Provisions
☛ DL9811	10/06	Personal Umbrella Liability Policy Auto Liability Exclusion Endorsement
☛ DL9812	10/06	Personal Umbrella Liability Policy Auto Liability Following Form
☛ DL9816	10/06	Personal Umbrella Liability Policy Exclusion – All Hazards in Connection with a Designated Premises Endorsement
☛ DL9824	10/06	Personal Umbrella Liability Policy Exclusion – Motorcycle or Moped Endorsement
☛ DL9825	10/06	Personal Umbrella Policy Exclusion – Watercraft Endorsement
☛ DL9826	10/06	Personal Umbrella Liability Policy Exclusion – Recreational Motor Vehicle Endorsement
☛ DL9830	10/06	Personal Umbrella Liability Policy Exclusion – Motor Home Endorsement
DL9886	06/98	Amendment of Policy Provisions – Arkansas
☛ FI1015	03/07	Amendatory Endorsement
MS122AR	10/06	Important Information For Policyholders Supplemental Application - Arkansas
☛ PX-1	10/07	Policy Jacket and Index
PX-1A	12/04	Declarations Page
PX-7	01/88	Employer's Liability Exclusion Endorsement
☛ PX-10	10/06	Excluding Coverage for Certain Person or Persons
PX-14	06/98	Uninsured/Underinsured Motorists (Bodily Injury and Property Damage) [Valid on Existing Business Only – currently have the coverage]
☛ PX-37	10/06	Watercraft Exclusion Designated Operator
PX-40	8/92	Congratulations (Renewal Questionnaire)
☛ PX-42	10/06	Endorsement - Pollution Exclusion
PX-52	08/06	Required Underlying Insurance
PX-55	10/00	Loss Assessment Coverage (Buy Back)

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

**IV. FORMS AND ENDORSEMENTS (continued)**

☛.. PX2002	09/07	Umbrella Policy Exclusion (Excluding Certain Person's From Certain Vehicles or Watercraft)
PX2032	06/04	Excluding Non-Owned Autos Used in Business
☛.. PX2036	10/06	Exclusion - Specified Business Exclusion
PX2073	02/06	Amendment of Cancellation Provision
☛.. PX2082	09/07	Personal Umbrella Liability Policy Excess Business Personal Liability Coverage Endorsement
☛.. PX9813	10/06	Personal Umbrella Liability Policy Exclusion of Designated Auto or Recreational Motor Vehicle Endorsement
☛.. PX9815	10/06	Personal Umbrella Liability Policy Designated

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

**V. PERSONAL UMBRELLA LIABILITY RATES**

**TERRITORY 1:** All Counties

**VEHICLES**

	<u>TERRITORY 1</u>	
	\$250/500 \$300 CSL	\$500/500 \$500 CSL
• Vehicles owned by, leased, to or furnished for the regular use of applicant, spouse and household relatives, including automobiles and self-propelled recreational vehicles, except antique and classic cars -- each vehicle.	\$58	\$35
• Antique and classic cars – each vehicle	\$25	25

**OPERATORS**

• Inexperienced principal operators -- each operator	\$55	\$50
• Inexperienced part-time operators -- each operator (Inexperienced operators are operators with less than 9 years licensed driving experience within the United States.)	\$45	\$40

<b>PERSONAL LIABILITY</b>	<b>\$63</b>	<b>\$63</b>
---------------------------	-------------	-------------

**BASIC CHARGE INCLUDES:**

- All owner-occupied residences
- One incidental, owner-occupied office
- Sailboats and outboard watercraft under 26 feet **and** 75 horsepower or less
- Golf carts
- Recreational vehicles on premises only
- Up to four (4) family rental units

**ADDITIONAL CHARGES:**

-- If applicant is engaged in farming	\$14	\$14
-- Insured-owned farm or farm acreage operated by others	\$ 8	\$ 8
-- Each additional family rental unit -- not more than six (6) additional units	\$ 8	\$ 8
-- Home Day Care coverage	\$35	\$35
-- Each additional incidental office	\$ 8	\$ 8
-- Business Pursuits / Teachers' liability – corporal punishment - each	\$10	\$10
-- Home Based Business Exposure	\$81	\$81
-- Loss Assessment	\$11	\$11
-- Assisted Living Care Liability – Each designated person in assisted living facility	\$5	\$5

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

**V. PERSONAL UMBRELLA LIABILITY RATES (CON'T.)**

**WATERCRAFT LIABILITY**

<b>TERRITORY 1</b>	
\$250/500 \$300 CSL	\$500/500 \$300 CSL

- WATERCRAFT 0-350 HORSEPOWER – Sailboats and Outboard watercraft 26 feet and over in length or over 75 horsepower.

- All inboard and inboard/outdrive watercraft

0 - 50 horsepower*	\$27	\$27
51 - 100 horsepower	\$34	\$34
101 - 150 horsepower	\$40	\$40
151 - 200 horsepower	\$52	\$52
201 - 250 horsepower	\$56	\$56
251 - 300 horsepower	\$64	\$64
301 - 350 horsepower	\$75	\$75

\* Does not apply to Outboards

- **Personal Watercraft – each watercraft**

\$74

- WATERCRAFT GREATER THAN 350 HORSEPOWER - All watercraft (excluding personal watercraft) – each watercraft

(Total Horsepower ÷ Total Length) x (Base Price) x Watercraft Territory Factors

**Base Price**

Sailboat	Underlying Liability Limits of <b>\$500,000</b>	\$4.00
	Underlying Liability Limits of <b>\$1,000,000</b>	\$2.75
Other than Sailboat	Underlying Liability Limits of <b>\$500,000</b>	\$6.75
	Underlying Liability Limits of <b>\$1,000,000</b>	\$5.50

<u>Territory</u>	<u>Description</u>	<u>Factors</u>
I	Waters of the Great Lakes	1.25
II	Inland Waters of the U.S. (excluding the Great Lakes, Ohio and Mississippi Rivers)	1.00
III	Atlantic and Gulf Coastal Waters (including the inland water tributaries) – within 12 statute miles of the coastline	1.50
IV	Ohio and Mississippi Rivers	1.25
V	Chesapeake Bay and its inland tributaries	1.50

**Note:** Please include all territories in which the watercraft is navigated. The declarations page must reflect the territory or territories in which the craft is operated. Also, when two or more navigational territories apply, the highest rated territory will be used for rating.

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

**V. PERSONAL UMBRELLA LIABILITY RATES (CON'T.)**

**Note:**

- The total horsepower equals the horsepower of all engines combined.
- The total length is the length of the watercraft in feet.

**•..EXCESS LAYER FACTORS and LAYER MINIMUM PREMIUMS**

For Personal Umbrella policies with a limit greater than \$1 million, the premium is multiplied by the appropriate Excess Layer Factor subject to the corresponding layer minimum premium. These results are added together to obtain the total policy premium.

<u>Layer</u>	<u>Excess Layer Factor</u>	<u>Layer Minimum Premium</u>
	<u>Terr. 1</u>	<u>Terr. 1</u>
First Million	----	\$125
Second Million	0.69	\$125
Third Million	0.75	\$125
Fourth Million	0.73	\$125
Fifth Million	0.76	\$125

**UNINSURED/UNDERINSURED MOTORISTS COVERAGE**

**This is only valid on existing business currently have the coverage only.**

- |  |      |
|--|------|
| • \$1,000,000 -- each vehicle                      | \$45 |
| • \$500,000 -- each vehicle                        | \$40 |
| • \$300,000 -- each vehicle                        | \$35 |
| • Over \$1,000,000 -- each million -- each vehicle | \$45 |

**VI. RATING STEPS**

**Rating Example – Territory I**

**1 Million**

		<b>Rating Steps</b>		
<b>A.</b>	Standard Vehicle Premium based on \$500,000 Underlying BI Limits	=	\$35 x 1	= \$35
<b>B.</b>	Antique/Classic Premium	=	\$25 x 1	= \$60
<b>C.</b>	Youthful Principal Operator Premium	=	\$50 x 1	= \$110
<b>D.</b>	Youthful Part-time Operator Premium	=	\$40 x 1	= \$150
<b>E.</b>	Personal Liability Premium	=	\$63	= \$213
<b>F.</b>	Number of Farms Premium	=	\$14 x 1	= \$227
<b>G.</b>	Additional Rental Premium	=	\$8 x 1	= \$235
<b>H.</b>	Home Day Care Premium	=	\$35	= \$270
<b>I.</b>	Incidental Office Premium	=	\$8 x 1	= \$278
<b>J.</b>	Business Pursuits/Teacher's Liability – Corporal Punishment Premium	=	\$10 x 1	= \$288
<b>K.</b>	Home Based Premium	=	\$81	= \$369
<b>L.</b>	Loss Assessment Premium	=	\$11	= \$380
<b>M.</b>	Watercraft Liability Total Premium	=	\$74	= \$454
<b>•...N.</b>	Assisted Living Care Premium	=	\$5	= \$459
	<b>= 1st Million Premium (\$125)</b>			<b>= \$459</b>

**Note:** 1st Million Premium subject to dollar minimum

**ARKANSAS  
PERSONAL UMBRELLA LIABILITY MANUAL**

**VI. RATING STEPS (continued)**

**Rating Example – Territory I**

**Additional Excess Layers**

**= 1st Million Premium**

**Note:** 1st Million Premium subject to dollar minimum \$459

**2nd Million Premium**

1st Million Premium x 2nd Million Excess Layer Factor (Round to whole dollar) **= 2nd Million Premium**

<b>Example:</b>	2nd Million Premium	=	\$459	x	0.69	=	\$317
	1st Million Premium					+	\$459
	<b>Total Premium</b>					=	<b>\$776</b>

**Note:** 2nd Million Premium subject to dollar minimum

**3rd Million Premium**

2nd Million Premium x 3rd Million Excess Layer Factor (Round to whole dollar) **= 3rd Million Premium**

<b>Example:</b>	3rd Million Premium	=	\$317	x	0.75	=	\$238
	2nd Million Premium					+	\$317
	1st Million Premium					+	\$459
	<b>Total Premium</b>					=	<b>\$1,014</b>

**Note:** 3rd Million Premium subject to dollar minimum

**4th Million Premium**

3rd Million Premium x 4th Million Excess Layer Factor (Round to whole dollar) **= 4th Million Premium**

<b>Example:</b>	4th Million Premium	=	\$238	x	0.73	=	\$174
	3rd Million Premium					+	\$238
	2nd Million Premium					+	\$317
	1st Million Premium					+	\$459
	<b>Total Premium</b>					=	<b>\$1,188</b>

**Note:** 4th Million Premium subject to dollar minimum

**5th Million Premium**

4th Million Premium x 5th Million Excess Layer Factor (Round to whole dollar) **= 5th Million Premium**

<b>Example:</b>	5th Million Premium	=	\$174	x	0.76	=	\$132
	4th Million Premium					+	\$174
	3rd Million Premium					+	\$238
	2nd Million Premium					+	\$317
	1st Million Premium					+	\$459
	<b>Total Premium</b>					=	<b>\$1,320</b>

**Note:** 5th Million Premium subject to dollar minimum

**Rating Example for Watercraft greater than 350 horsepower – Territory I, underlying limits of \$500,000, other than sailboat.**

(Total Horsepower ÷ by Total Length) x (Base Price) x Watercraft Territory Factors

**Example:** (400 horsepower ÷ 30 feet) x \$6.75 x 1.25 = Premium  
 13.333 x \$6.75 (round to the near whole dollar) x 1.25 =  
 (round to the near whole dollar) **Premium = \$113**

STATE AUTO INSURANCE COMPANIES

**Summary of Proposed Changes**  
**State Auto Property & Casualty Insurance Company**  
**Arkansas – Personal Umbrella**

**1. Excess Layer Factors:**

We are revising our Excess Layer Factors and minimum premiums as displayed in the tables below:

Current Rating Structure			Proposed Rating Structure		
Layer	Excess Layer Factor	Layer Min. Premium	Layer	Excess Layer Factor	Layer Min. Premium
1 <sup>st</sup> Million	--	\$125	1 <sup>st</sup> Million	--	\$125
2 <sup>nd</sup> Million	0.80	\$100	2 <sup>nd</sup> Million	.69	\$125
3 <sup>rd</sup> Million	1.00	\$100	3 <sup>rd</sup> Million	.75	\$125
4 <sup>th</sup> Million	1.00	\$100	4 <sup>th</sup> Million	.73	\$125
5 <sup>th</sup> Million	1.00	\$100	5 <sup>th</sup> Million	.76	\$125

The impact for this filing is -2%.

**2. Assisted Living Care Liability Coverage:**

We will be introducing a new optional coverage which provides excess personal liability coverage for a designated person other than the named insured or resident relative who is related to another insured by blood, marriage or adoption; not a member of the named insured's household; and regularly residing in a designed assisted living care facility.

The rate for this coverage will be \$5 per each designated person in an assisted living facility. Please see manual page 3 for further details.

**3. Manual Changes:**

All manual changes have been outlined in the Rate/Rule Filing Schedule.