

SERFF Tracking Number: GRTA-125852515 State: Arkansas
First Filing Company: Great American Assurance Company, ... State Tracking Number: EFT \$25
Company Tracking Number: SA AR 0810 BAIL
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0000 CMP Sub-TOI Combinations
Liability
Product Name: Safepak Businessowners Policy Program
Project Name/Number: Safepak Additional Coverages Dry Cleaner Bailees Coverage 09/08 rule filing/SA AR 0810 BAIL

Filing at a Glance

Companies: Great American Assurance Company, Great American Insurance Company of New York

Product Name: Safepak Businessowners Policy SERFF Tr Num: GRTA-125852515 State: Arkansas
Program

TOI: 05.0 Commercial Multi-Peril - Liability & Non-Liability SERFF Status: Closed State Tr Num: EFT \$25

Sub-TOI: 05.0000 CMP Sub-TOI Combinations Co Tr Num: SA AR 0810 BAIL State Status: Fees verified and received

Filing Type: Rule Co Status: Reviewer(s): Betty Montesi, Llyweyia Rawlins
Author: Rose Redman Disposition Date: 10/13/2008
Date Submitted: 10/13/2008 Disposition Status: Exempt from Review

Effective Date Requested (New): 11/15/2008

Effective Date Requested (Renewal): 11/15/2008

Effective Date (New): 11/15/2008

Effective Date (Renewal):
11/15/2008

State Filing Description:

General Information

Project Name: Safepak Additional Coverages Dry Cleaner Bailees
Coverage 09/08 rule filing

Project Number: SA AR 0810 BAIL

Reference Organization:

Reference Title:

Filing Status Changed: 10/13/2008

State Status Changed: 10/13/2008

Corresponding Filing Tracking Number:

Filing Description:

The purpose of our rule filing is to inform of editorial changes made to the Safepak Businessowners Policy Program rule pages:

Status of Filing in Domicile: Pending

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

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- The page numbers have been removed because the Safepak manual is now electronically published.
- The dates have been changed to 09/08 and 09/01/08 in lieu of 06/02 and 11/01/06.
- Under section III. Forms, A., the title and form number have been changed to Bailees' Customer Declarations Page (CM 76 88) in lieu of Dry Cleaners Coverage Part Declarations Page (CM 76 88).
- Under section III. Forms, F. the years of eligibility have changed and title have changed to five (5) years old, attach Goodwill Replacement Valuation Endorsement (CM76 93) in lieu 2 years old, attach Dry Cleaners Goodwill Replacement Valuation Endorsement (CM7693).

Company and Contact

Filing Contact Information

Rose Redman, Product Analyst rredman@gaic.com
 49 East 4th street (513) 763-7904 [Phone]
 Cincinnati, OH 45202 (513) 333-6996[FAX]

Filing Company Information

Great American Assurance Company	CoCode: 26344	State of Domicile: Ohio
580 Walnut Street	Group Code: 84	Company Type: P&C
Cincinnati, OH 45202	Group Name:	State ID Number:
(513) 369-5000 ext. [Phone]	FEIN Number: 15-6020948	

Great American Insurance Company of New York	CoCode: 22136	State of Domicile: New York
580 Walnut Street	Group Code: 84	Company Type: P&C
Cincinnati, OH 45202	Group Name:	State ID Number:
(513) 369-5000 ext. [Phone]	FEIN Number: 13-5539046	

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Great American Assurance Company	\$25.00	10/13/2008	23142576
Great American Insurance Company of New York	\$0.00	10/13/2008	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Llyweyia Rawlins	10/13/2008	10/13/2008

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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	Safepak / Additional Coverages / Dry Cleaners Bailees Coverage / 09/08	electronically published - no page numbers	Replacement	SA-AR-0705-SAF2	Bailee mockup.pdf Pages from Multistate Bailee rule pgs-2.pdf

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Deleted: 06/02
Deleted: 11/01/06

This exception page to the Retail/Service Program allows for writing Dry Cleaners Bailees Coverage on SAFEPAK®.

I. ELIGIBILITY

- A. Risks eligible for the Dry Cleaners classifications under the Retail/Service Program are also eligible for this coverage.
- B. Ineligible
 - 1. Risks that clean furs, high value/Oriental rugs.

II. DESCRIPTION OF COVERAGE

- A. Bailees Coverage Form (CM 76 92) provides coverage for customers' goods while in the care, custody or control of the insured for cleaning, laundering, repairing, renovating or processing and while in due course of transit.
- B. Dry Cleaners – Storage of Customers' Goods (CM 78 75) provides coverage for customers' goods while in the care, custody or control of the insured for storage. Furs are excluded. \$20,000 limit.
- C. A Dry Cleaners Goodwill Replacement Cost Endorsement (CM 76 93) is available as an optional coverage. This endorsement provides Replacement Cost Coverage for customers' goods less than 2 years old.

III. FORMS

- A. Attach Bailees' Customer Declarations Page (CM 76 88).
- B. Attach Bailees Coverage Form (CM 76 92).
- C. Attach Commercial Inland Marine Conditions (CM 00 01).
- D. Attach applicable Inland Marine State Amendatory Endorsements.
- E. To provide coverage for storage of customers' goods, attach Storage of Customer's Goods Endorsement (CM 78 75).
- F. To provide replacement cost for customers' goods under five (5) years old, attach Goodwill Replacement Valuation Endorsement (CM 76 93).

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Deleted: Cost

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 Deleted: 11/01/06

IV. RATES

- A. Inland Marine Class Code #911.
- B. Bailees Coverage Form.

Multiply the base rate by .50, add the increment (AOP load), multiply by the edge factor for this class code, multiply by the appropriate bailee customer factor and then multiply the resulting rate by \$100 of sales.

$$\left(\frac{\text{Personal Property Base Rate}}{\text{Personal Property Base Rate}} \times .50(1) \right) + \left(\frac{\text{Increment to Personal Property Base Rate}}{\text{Increment to Personal Property Base Rate}} \times \frac{\text{Edge Factor This State}}{\text{Edge Factor This State}} \times \frac{\text{Bailee Customer Factor*}}{\text{Bailee Customer Factor*}} \times \frac{\text{\$100 Sales}}{\text{\$100 Sales}} \right) = \frac{\text{Annual Premium}}{\text{Annual Premium}}$$

***Bailee Customer Factors**

Annual Sales	Percentage Factors
Up to \$100,000	.27
\$101,000 to \$300,000	.21
\$301,000 to \$1,000,000	.14
\$1,000,000+	Refer to I.M. Underwriting Guide

This rating procedure contemplates the following:

1. 2-4 day average turnover period.
2. Receipt that are 70-80% dry cleaning and 20-30% laundry.
3. Average value garments.
4. No storage.

C. Bailees Coverage for Storage of Customer's Goods

1. Multiply the personal property base rate by .50 and then by \$100 of storage limits of insurance.

$$\left(\frac{\text{P.P. Base Rate}}{\text{P.P. Base Rate}} \times \frac{\text{\$100 of Storage Limit of Insurance}}{\text{\$100 of Storage Limit of Insurance}} \right) \times .50(1) = \frac{\text{Annual Premium}}{\text{Annual Premium}}$$

2. Storage of Furs Not Permitted.
3. \$20,000 Limit Maximum.

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Deleted: Dry Cleaners
Deleted: Cost

D. Optional Goodwill Replacement Valuation Endorsement.

Multiply the premium generated in B and C by a factor of .27 to obtain the Goodwill Replacement Cost premium.

E. Add the premium generated in B, C and D to obtain the Total Bailees Coverage premium.

F. \$250 Deductible – Use the SAFEPAK® Deductible Credits if higher than a \$250 deductible is selected.

G. Total Bailees Coverage \$250 Minimum.

(1) .50 = .65 (To Take out Liability Charge) X .77 (To Take out Perils Charged for Under BPP Rating)

V. APPLICATION

Use the standard SAFEPAK® Application for the Retail/Service Program and complete the "Dry Cleaners" section. Note that Bailees Coverage is requested in the "Other" section of the Schedule and also include the percent receipts from dry cleaning and the percent receipts from laundry.

NOTE: **Do not** include limit for Property of Others in Business Personal Property limit.

Deleted: 2007

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Supporting Document Schedules

Satisfied -Name: Explanatory Memo **Review Status:** Accepted for Informational 10/13/2008
Purposes

Comments:

Attachment:

EXPLANATORY MEMORANDUM.pdf

EXPLANATORY MEMORANDUM

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