

SERFF Tracking Number: APST-125892691

State: Arkansas

Filing Company: AIPSO

State Tracking Number: EFT \$25

Company Tracking Number:

TOI: 20.0 Commercial Auto

Sub-TOI: 20.0001 Business Auto

Product Name: 2006 CACP and Rules

Project Name/Number: /AR 08-04

## Filing at a Glance

Company: AIPSO

Product Name: 2006 CACP and Rules

TOI: 20.0 Commercial Auto

Sub-TOI: 20.0001 Business Auto

Filing Type: Rule

Effective Date Requested (New):

Effective Date Requested (Renewal):

State Filing Description:

SERFF Tr Num: APST-125892691 State: Arkansas

SERFF Status: Closed

Co Tr Num:

Co Status:

Author: Andrea Olson

Date Submitted: 11/07/2008

State Tr Num: EFT \$25

State Status: Fees verified and received

Reviewer(s): Betty Montesi,  
Llyweyia Rawlins

Disposition Date: 11/10/2008

Disposition Status: Filed

Effective Date (New): 03/01/2009

Effective Date (Renewal):

## General Information

Project Name:

Project Number: AR 08-04

Reference Organization:

Reference Title:

Filing Status Changed: 11/10/2008

State Status Changed: 11/10/2008

Corresponding Filing Tracking Number:

Filing Description:

We propose the introduction of rating rules related to the 2006 CACP changes.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

## Company and Contact

### Filing Contact Information

(This filing was made by a third party - aipso)

Andrea Olson, Senior Product Analyst

andrea.olson@aipso.com

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Product Name: 2006 CACP and Rules

Project Name/Number: /AR 08-04

302 Central Avenue

(800) 827-6302 [Phone]

Johnston, RI 02919

(401) 528-1351[FAX]

**Filing Company Information**

AIPSO

CoCode: -99

State of Domicile: Rhode Island

302 Central Avenue

Group Code: 99

Company Type:

Johnston, RI 02919

Group Name:

State ID Number:

(401) 946-2310 ext. 1319[Phone]

FEIN Number: 13-2732270

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$0.00  
Retaliatory? No  
Fee Explanation: \$25.00 Rule Filing  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
AIPSO	\$25.00	11/07/2008	23784335

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Llyweyia Rawlins	11/10/2008	11/10/2008

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## **Disposition**

Disposition Date: 11/10/2008

Effective Date (New): 03/01/2009

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: APST-125892691

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<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	PCTD-1	Filed	Yes
<b>Supporting Document</b>	Cover Letter and Explanatory Memo	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes
<b>Rate</b>	Exhibit B	Filed	Yes

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## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Exhibit B	Section 18	Replacement	Rules.pdf
Filed	Exhibit B	Sectoin 31	Replacement	Rules.pdf
Filed	Exhibit B	Rule 3	Replacement	Rules.pdf
Filed	Exhibit B	Rule 5	Replacement	Rules.pdf
Filed	Exhibit B	Rule 54	Replacement	Rules.pdf
Filed	Exhibit B	Rule 55	Replacement	Rules.pdf
Filed	Exhibit B	Rule 58	Replacement	Rules.pdf
Filed	Exhibit B	Rule 73	Replacement	Rules.pdf
Filed	Exhibit B	Rule 124	Replacement	Rules.pdf
Filed	Exhibit B	Rule 138	Replacement	Rules.pdf
Filed	Exhibit B	Rule 139	Replacement	Rules.pdf
Filed	Exhibit B	Rule 140	Replacement	Rules.pdf

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

*Paragraph C.1.f is amended as follows:*

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

*Paragraph J.2.a(6) is amended as follows:*

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ liability exposures, regardless of location.

*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's ~~nonowned auto~~ employers  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern

Refer to Rule 2.

Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.

- c. Autos and Trailers Awaiting Assignment Or Reassignment
- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |

- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:

**Overall Length In Feet**

	More than 22
Up to 22 Feet	Feet
1.20	1.50

- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

*Paragraph C.1.f is amended as follows:*

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

*Paragraph J.2.a(6) is amended as follows:*

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

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*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ nonowned auto liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ nonowned auto liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's ~~nonowned auto~~ employers  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items **1** and **3** of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
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**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

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Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
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Refer to Rule 2.

Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.

- c. Autos and Trailers Awaiting Assignment Or Reassignment
- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
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**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

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3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

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*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

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*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ nonowned auto liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ nonowned auto liability exposures, regardless of location.

*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ nonowned auto liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ nonowned auto liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's nonowned auto ~~employers~~  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern
- Refer to Rule 2.
- Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.
- c. Autos and Trailers Awaiting Assignment Or Reassignment

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |
- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                               |              |
|-------------------------------|--------------|
| <b>Overall Length In Feet</b> |              |
|                               | More than 22 |
| Up to 22 Feet                 | Feet         |
| 1.20                          | 1.50         |
- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

*Paragraph C.1.f is amended as follows:*

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

*Paragraph J.2.a(6) is amended as follows:*

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ liability exposures, regardless of location.

*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's nonowned auto ~~employers~~  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern

Refer to Rule 2.

Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.

- c. Autos and Trailers Awaiting Assignment Or Reassignment
- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |

- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:

**Overall Length In Feet**

	More than 22
Up to 22 Feet	Feet
1.20	1.50

- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** No endorsement is necessary for mobile equipment described in paragraph B.1.f above.

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

*Paragraph C.1.f is amended as follows:*

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

*Paragraph J.2.a(6) is amended as follows:*

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ nonowned auto liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ nonowned auto liability exposures, regardless of location.

*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ nonowned auto liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ nonowned auto liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's ~~nonowned auto~~ employers  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items **1** and **3** of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items **1** and **3** of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern
- Refer to Rule 2.
- Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.
- c. Autos and Trailers Awaiting Assignment Or Reassignment

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |

- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:

**Overall Length In Feet**

	More than 22
Up to 22 Feet	Feet
1.20	1.50

- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

Paragraph **C.1.f** is amended as follows:

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

Paragraph **J.2.a(6)** is amended as follows:

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

Paragraph **A** is amended as follows:

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

The **Note** at the end of this **Rule** is amended as follows:

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

The **final** paragraph of Paragraph **A** is amended as follows:

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ nonowned auto liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ nonowned auto liability exposures, regardless of location.

Paragraph **B** is amended as follows:

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ nonowned auto liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

Paragraph **B** is amended as follows:

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ nonowned auto liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's nonowned auto ~~employers~~  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern

Refer to Rule 2.

Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.

- c. Autos and Trailers Awaiting Assignment Or Reassignment
- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |

- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:

**Overall Length In Feet**

	More than 22
Up to 22 Feet	Feet
1.20	1.50

- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

*Paragraph C.1.f is amended as follows:*

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

*Paragraph J.2.a(6) is amended as follows:*

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ nonowned auto liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ nonowned auto liability exposures, regardless of location.

*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ nonowned auto liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ nonowned auto liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's ~~nonowned auto~~ employers  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern
- Refer to Rule 2.
- Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.
- c. Autos and Trailers Awaiting Assignment Or Reassignment

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |

- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:

**Overall Length In Feet**

	More than 22
Up to 22 Feet	Feet
1.20	1.50

- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

## COMMERCIAL AUTOMOBILE PART

### Sec. 18. ELIGIBILITY

Paragraph **C.1.f** is amended as follows:

#### C. Applicant Not Eligible for Plan

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

### Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS

Paragraph **J.2.a(6)** is amended as follows:

#### J. Underwriting/Rating

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

## GENERAL RULES CHAPTER

### Rule 3. ADDITIONAL CHARGES

Paragraph **A** is amended as follows:

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

### Rule 5. WHOLE DOLLAR PREMIUM

The **Note** at the end of this **Rule** is amended as follows:

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

## COMMERCIAL GENERAL RULES CHAPTER

### Rule 54. EXPERIENCE RATING PLAN

The **final** paragraph of Paragraph **A** is amended as follows:

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ nonowned auto liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ nonowned auto liability exposures, regardless of location.

Paragraph **B** is amended as follows:

#### B. Rating Procedure

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ nonowned auto liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

### Rule 55. GROSS RECEIPTS

Paragraph **B** is amended as follows:

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ nonowned auto liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's nonowned auto ~~employers~~  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern

Refer to Rule 2.

Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.

- c. Autos and Trailers Awaiting Assignment Or Reassignment
- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |

- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:

**Overall Length In Feet**

	More than 22
Up to 22 Feet	Feet
1.20	1.50

- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

*Paragraph C.1.f is amended as follows:*

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

*Paragraph J.2.a(6) is amended as follows:*

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ nonowned auto liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ nonowned auto liability exposures, regardless of location.

*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ nonowned auto liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ nonowned auto liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's nonowned auto ~~employers~~  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern
- Refer to Rule 2.
- Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.
- c. Autos and Trailers Awaiting Assignment Or Reassignment

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |
- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                               |              |
|-------------------------------|--------------|
| <b>Overall Length In Feet</b> |              |
|                               | More than 22 |
| Up to 22 Feet                 | Feet         |
| 1.20                          | 1.50         |
- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

*Paragraph C.1.f is amended as follows:*

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

*Paragraph J.2.a(6) is amended as follows:*

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ liability exposures, regardless of location.

*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's nonowned auto ~~employers~~  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern

Refer to Rule 2.

Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.

- c. Autos and Trailers Awaiting Assignment Or Reassignment
- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |

- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:

**Overall Length In Feet**

	More than 22
Up to 22 Feet	Feet
1.20	1.50

- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

*Paragraph C.1.f is amended as follows:*

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

*Paragraph J.2.a(6) is amended as follows:*

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ nonowned auto liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ nonowned auto liability exposures, regardless of location.

*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ nonowned auto liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ nonowned auto liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's ~~nonowned auto~~ employers  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b.** and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
  - a. Rate autos and trailers as though owned by the lessee.
  - b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern

Refer to Rule 2.

Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.

- c. Autos and Trailers Awaiting Assignment Or Reassignment
  - (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
  - (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
 

(a) Trucks or Tractors	3.00
(b) Trailers	.25
(c) Semitrailers	.25
(d) Service Trailers	.25
  - (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
  - (4) Trailers Designed for Use with Private Passenger Autos
    - (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
    - (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
  - (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee
  - a. Rate each auto as follows:
    - (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
    - (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
 

(a) Trucks	3.50
(b) Tractors	4.35
(c) Trailers	.20
(d) Semi-trailers	.20
(e) Service Trailers	.20
    - (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
 

<b>Overall Length In Feet</b>	
Up to 22 Feet	More than 22 Feet
1.20	1.50
    - (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

- B. **Premium Development—Bodily Injury and Property Damage Liability Coverage**
  1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
  2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
  3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

**COMMERCIAL AUTOMOBILE PART**

**Sec. 18. ELIGIBILITY**

*Paragraph C.1.f is amended as follows:*

**C. Applicant Not Eligible for Plan**

1. An applicant shall not be entitled to automobile insurance nor shall any servicing carrier be required to afford or continue insurance under the following circumstances:
  - f. if an applicant is not a municipality and is requesting supplementary excess or contingent coverage only, e.g., hired or ~~employers nonownership~~ nonowned auto liability, or

**Sec. 31. PERFORMANCE STANDARDS FOR SERVICING CARRIERS WRITING ARKANSAS AUTOMOBILE INSURANCE PLAN COMMERCIAL RISKS**

*Paragraph J.2.a(6) is amended as follows:*

**J. Underwriting/Rating**

2. provide appropriate engineering and loss control service equivalent to voluntary market practices including follow-up for compliance with all reasonable safety requirements, and the Commercial Automobile Safety Program as follows:

Commercial Automobile Safety Program (CASP)

- a. The inspection performed by the servicing carrier is to provide evidence of compliance with fundamental safety procedures for the following classes of commercial automobiles:
  - (6) Any policy with hired car and/or ~~employers nonownership~~ nonowned auto liability coverages

**GENERAL RULES CHAPTER**

**Rule 3. ADDITIONAL CHARGES**

*Paragraph A is amended as follows:*

- A. Additional charges are applicable to all risks except those written under Rule 124. ~~Employers Nonownership~~ Nonowned Auto Liability Coverage.

**Rule 5. WHOLE DOLLAR PREMIUM**

*The Note at the end of this Rule is amended as follows:*

**Note:** The phrase “each exposure” as used herein shall mean each premium developed (after the application of all appropriate adjustments) for ~~(1) each auto, if written on a per auto basis, (2) each location, if written on a payroll basis, and (3) for all other auto business.~~

**COMMERCIAL GENERAL RULES CHAPTER**

**Rule 54. EXPERIENCE RATING PLAN**

*The final paragraph of Paragraph A is amended as follows:*

If there is no owned or hired auto exposure or if the owned and hired auto exposure is not sufficient to qualify for the application of this Plan, any risk that develops an annual Manual premium of \$2,500 or more for bodily injury and property damage ~~nonowned auto employers nonownership~~ liability exposures shall be eligible for the application of this Plan. The headquarters location of the risk shall govern the application of this Plan for all ~~nonowned auto employers nonownership~~ liability exposures, regardless of location.

*Paragraph B is amended as follows:*

**B. Rating Procedure**

If the owned and hired autos of a risk are subject to a modification developed in accordance with this Plan, such modification may also be applied to the ~~nonowned auto employers nonownership~~ liability exposures provided the premiums and losses for such exposures are included in the development of the modification.

**Rule 55. GROSS RECEIPTS**

*Paragraph B is amended as follows:*

- B. The policy must cover the insured for all owned and nonowned trucks, tractors, and trailers used in the insured’s trucking operations; and for intercity and urban bus risks, the policy must cover the insured for all owned and nonowned public autos, private passenger autos, and trucks, tractors, or trailers used in the insured’s public transportation operations. For trucking risks, the policy may also cover either private passenger autos or ~~nonowned auto employers nonownership~~ liability or both; and for intercity and urban bus risks, the policy must also cover

the insured's nonowned auto ~~employers~~  
~~nonownership~~ liability.

Paragraph **D.2** is amended as follows:

**D. Rates and Premium Development**

1. Using the current rates, develop the estimated premium by averaging the specified auto premium for all equipment owned and term-leased as of 12 months and as of three months prior to the effective date of the policy. Also include the total premium for other coverages, such as nonowned auto ~~nonownership~~ liability and hired auto, if the policy provides such coverages.

Items 1 and 3 of the **GROSS RECEIPTS RATING EXAMPLE** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$228,360
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$249,120

Items 1 and 3 of the **GROSS RECEIPTS RATING WORKSHEET** are amended as follows:

- (1) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 12 Months Prior to Effective Date: \$
- (3) Total Bodily Injury and Property Damage Liability Manual Premium for Equipment Owned and Term-Leased (Including Nonowned Auto Liability ~~Nonownership~~ and Hired Auto) 3 Months Prior to Effective Date: \$

**TRUCKS, TRACTORS AND TRAILERS CHAPTER**

**Rule 73. TRUCKS, TRACTORS, AND TRAILERS CLASSIFICATIONS**

Paragraphs **B.2.b**, and **D.6** are revised as follows:

**B. Primary Classifications**

2. Size Class
  - b. Medium Trucks
    - (1) ~~Trucks that have a GVW of 10,001–20,000 pounds.~~
    - (2) ~~Include crawler type trucks in this class.~~

**D. Special Provisions for Certain Risks**

6. Trailers or Semitrailers Used as Showrooms—~~To provide bodily injury and property damage liability coverage for trailers or semitrailers used as showrooms or salesrooms, m~~ Multiply the trailer or semitrailer primary rating factor by 2.00. The policy must exclude product liability. Attach the applicable Rolling Stores endorsement.

**Rule 58. UNINSURED MOTORISTS INSURANCE**

Paragraph **B.3** is introduced as follows:

**B. Rates**

**3. Underinsured Motorists Coverage—Private Passenger Type Autos Only**

Refer to the Uninsured/Underinsured Motorists Insurance Rule (Rule 28) in the Private Passenger Chapter of the Manual for rates.

**NONOWNED AUTO CHAPTER**

Rule **124** is retitled as follows:

**Rule 124. EMPLOYERS NONOWNERSHIP NONOWNED AUTO LIABILITY COVERAGE**

**SPECIAL TYPES AND OPERATIONS CHAPTER**

**Rule 138. LEASING OR RENTAL CONCERNS**

This Rule is replaced in its entirety as follows:

**A. Eligibility**

1. Autos Leased or Rented to Others with Drivers

Classify and rate trucks, tractors, and trailers under the Truckers Rule (Rule 74). Classify and rate all other autos according to the Public Auto Chapter.

2. Autos Leased or Rented to Others Without Drivers

Classify autos leased by the insured that are to be rented to others as owned and rate under the provisions of this Rule.

3. For public autos leased or rented to bus or other public transportation operations, refer to Rule 2.

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory based on the street address of principal garaging.
2. Autos Leased for Six Months or More—Coverage for Owner and Lessee
- a. Rate autos and trailers as though owned by the lessee.
- b. Autos and Trailers For Which Lessees Are Required To Provide Primary Insurance For The Leasing or Rental Concern

Refer to Rule 2.

Attach the applicable Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement if any lessees or rentees are required to provide primary insurance for the leasing or rental concern.

- c. Autos and Trailers Awaiting Assignment Or Reassignment
- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate shown on the rate schedules by 1.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                        |      |
|------------------------|------|
| (a) Trucks or Tractors | 3.00 |
| (b) Trailers           | .25  |
| (c) Semitrailers       | .25  |
| (d) Service Trailers   | .25  |
- (3) Motor Homes—Multiply the premium developed by the Motor Home Rule (Rule 36) in the Private Passenger Chapter by 1.60.
- (4) Trailers Designed for Use with Private Passenger Autos
- (a) Mobile Home Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by .35.
- (b) All Others—Charge \$10 for bodily injury and property damage \$75,000 limit.
- (5) All Others—Refer to Rule 2

3. Autos Rented by the Hour, Day, or Week—Coverage for Owner and Rentee

a. Rate each auto as follows:

- (1) Private Passenger—Multiply the Class 3 Private Passenger base rate on the rate schedules by 4.00.
- (2) Trucks, Tractors, and Trailers—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:
- |                      |      |
|----------------------|------|
| (a) Trucks           | 3.50 |
| (b) Tractors         | 4.35 |
| (c) Trailers         | .20  |
| (d) Semi-trailers    | .20  |
| (e) Service Trailers | .20  |

- (3) Motor Homes—Multiply the Trucks, Tractors, and Trailers base rate on the rate schedules by the following factors:

**Overall Length In Feet**

	More than 22
Up to 22 Feet	Feet
1.20	1.50

- (4) Motorcycles—Multiply the rate developed in the Motorcycle Rule (Rule 141) by 3.00.

**Rule 139. REGISTRATION PLATES NOT ISSUED FOR A SPECIFIC AUTO**

*Paragraph B is revised as follows:*

**B. Premium Development—Bodily Injury and Property Damage Liability Coverage**

1. Determine the territory from the territory definitions (Rule 19) based on the street address of the named insured.
2. Multiply the Class 3 Private Passenger base rate ~~shown~~ on the rate schedules by 2.00 for each set of plates.
3. Rate each set of plates assigned by the insured for exclusive use with a specific auto according to the regular use of the auto.

**Rule 140. MOBILE OR FARM EQUIPMENT**

*Paragraph D is deleted in its entirety as follows:*

**D.—Endorsements**

~~If the policy covers mobile equipment or farm equipment subject to compulsory insurance, financial responsibility, or other motor vehicle insurance laws, attach the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement.~~

**Exception:** ~~No endorsement is necessary for mobile equipment described in paragraph B.1.f above.~~

SERFF Tracking Number: APST-125892691

State: Arkansas

Filing Company: AIPSO

State Tracking Number: EFT \$25

Company Tracking Number:

TOI: 20.0 Commercial Auto

Sub-TOI: 20.0001 Business Auto

Product Name: 2006 CACP and Rules

Project Name/Number: /AR 08-04

## Supporting Document Schedules

**Satisfied -Name:** PCTD-1

**Comments:**

**Attachment:**

PCTD-1.pdf

**Review Status:**

Filed

11/10/2008

**Satisfied -Name:** Cover Letter and Explanatory  
Memo

**Comments:**

**Attachment:**

cover.pdf

**Review Status:**

Filed

11/10/2008

## 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>

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #

<b>5. Company Tracking Number</b>	AR 08-04
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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
	Andrea Olson AIPSO 302 Central Avenue Johnston, RI 02919	Senior Product Analyst	401-946-2310, ext. 3410	401-429-1529	Andrea.olson@aipso.com

7. Signature of authorized filer	
8. Please print name of authorized filer	Andrea C. Olson

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

9. Type of Insurance (TOI)	Commercial Automobile
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:   1 <sup>st</sup> day of 3 <sup>rd</sup> month   Renewal:
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	
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—**

<b>20.</b>	<b>This filing transmittal is part of Company Tracking #</b>	AR 08-04
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<b>21.</b>	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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We propose the introduction of the attached rules to accompany the 2006 CACP.

<b>22.</b>	<b>Filing Fees</b> (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 #:**  
**Amount:**  
EFT \$25.00

**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>AR 08-04</b>
-----------	--------------------------------------------------------------	-----------------

<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	<b>AR 08-03</b>
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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>	
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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)

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

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.</b>	<b>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>	NA	
<b>5b</b>	<b>Overall percentage rate impact for this filing</b>	NA	
<b>5c</b>	<b>Effect of Rate Filing – Written premium change for this program</b>	NA	
<b>5d</b>	<b>Effect of Rate Filing – Number of policyholders affected</b>	NA	

<b>6.</b>	Overall percentage of last rate revision	NA
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<b>7.</b>	Effective Date of last rate revision	NA
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<b>8.</b>	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	NA
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9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01	Sec 18. Eligibility	[ ] New [X] Replacement [ ] Withdrawn	
02	Sec. 31. Performance Standards For Servicing Carriers Writing Arkansas Automobile Insurance Plan Commercial Risks	[ ] New [X] Replacement [ ] Withdrawn	
03	Rule 3. Additional Charges	[ ] New [X] Replacement [ ] Withdrawn	

04	Rule 5. Whole Dollar Premium	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
05	Rule 54. Experience Rating Plan	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
06	Rule 55. Gross Receipts	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
07	Rule 58. Uninsured Motorists Insurance	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
08	Rule 73. Trucks, Tractors, and Trailers Classifications	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
09	Rule 124. Nonowned Auto Liability Coverage	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
10	Rule 138. Leasing or Rental Concerns	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
11	Rule 139. Registration Plates Not Issued For A Specific Auto	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
123	Rule 140. Mobile or Farm Equipment	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	



November 7, 2008

Honorable Julie Benafield Bowman, Commissioner of Insurance  
Department of Insurance  
State of Arkansas  
1200 W. Third Street  
Little Rock, AR 72201-1904

**Arkansas Automobile Insurance Plan  
Commercial Auto  
2006 Commercial Auto Coverage Parts Program (Rules)  
AIPSO Filing No. AR 08-04**

Dear Commissioner Bowman:

On behalf of the subscribers to AIPSO, i.e., all subscribers to the Arkansas Automobile Insurance Plan, we are filing the attached amendments at the request of the Governing Committee.

**Proposed Effective Date**

The first day of the third month following the date of your approval or coincident with the approval of AIPSO Filing No. AR 08-03

**Defining the Issue**

ISO has introduced several revisions to the Commercial Auto Coverage Parts Program (CACP) and related endorsements to replace the October 2001 Edition.

**Action Needed**

We respectfully request your prompt consideration and approval of this filing. Please provide us with acknowledgement that you have reviewed and approve of the filed changes for the Arkansas Automobile Insurance Plan.

**Proposal**

We recommend adopting the revisions to the related CACP rating rules.. Proposed amendments to the policies and forms have been submitted under AIPSO Filing No. AR 08-03.

**Impact**

The revisions provide a combination of broadenings and restrictions of coverage, as outlined in the attached Explanatory Memorandum.

**Attachments**

- PCTD-1
- \$25 filing fee

EXHIBIT A— Explanatory Memorandum for proposed section and rule revisions

EXHIBIT B— Proposed section and rule revisions

Please contact the undersigned at 1-800-827-6302 ext. 3410 if you have any questions.

Sincerely,

Christopher A. Young, CPCU, CCP

A handwritten signature in cursive script that reads "Andrea C. Olson".

Andrea C. Olson, CPCU, Senior Product Analyst  
Manuals and Policy Forms

Attach.

pc: Ms. Suzy Sheriff, Manager—Arkansas Automobile Insurance Plan

Explanatory Memorandum for Proposed Section and Rule Revisions

**Sec 18. Eligibility**

**Sec. 31. Performance Standards For Servicing Carriers Writing Arkansas Automobile Insurance Plan Commercial Risks**

These Sections are revised editorially to reference nonowned auto liability in lieu of employers nonownership liability.

**Rule 3. Additional Charges**

This Rule is revised editorially to reference nonowned auto liability in lieu of employers nonownership liability.

**Rule 5. Whole Dollar Premium**

This Rule is revised editorially to delete reference to payroll basis since there aren't any policies written on a payroll basis.

**Rule 54. Experience Rating Plan**

**Rule 55. Gross Receipts**

***GROSS RECEIPTS RATING EXAMPLE and GROSS RECEIPTS RATING WORKSHEET***

These Rules, rating example, and rating worksheet are revised editorially to reference nonowned auto liability in lieu of employers nonownership liability.

**Rule 58. Uninsured Motorists Insurance**

Paragraph B.3 is introduced to clarify that the rater should refer to the Uninsured/Underinsured Motorists Insurance Rule in the Private Passenger Chapter of the Manual for rates

**Rule 73. Trucks, Tractors, and Trailers Classifications**

Paragraph B.2.b is revised to delete reference to crawler type trucks in the medium trucks size class since these vehicles should be rated according to appropriate size and use.

Paragraph D.6 is revised to clarify which rating factor is modified by the showroom factor.

**Rule 124. Nonowned Auto Liability Coverage**

This Rule is retitled.

**Rule 138. Leasing or Rental Concerns**

This Rule is replaced in its entirety to track the ISO factors/rates for private passenger autos, trucks, tractors and trailers, motor homes and motorcycles and to clarify application of the Leasing or Rental Concerns—Exclusion of Certain Leased Autos endorsement.

**Rule 139. Registration Plates Not Issued For A Specific Auto**

Paragraph B is revised to specify that the street address of the named insured is used in determining the territory and to clarify the premium is developed for each set of plates.

**Rule 140. Mobile or Farm Equipment**

Paragraph D is deleted in its entirety since the Changes in Coverage Forms—Mobile Equipment Subject to Motor Vehicle Insurance Laws endorsement has been incorporated into the Business Auto and Truckers Coverage Forms.