

SERFF Tracking Number: ARKS-125458766 State: Arkansas
Filing Company: 10690 - Allied World National Assurance State Tracking Number: #1822 \$100
Company
Company Tracking Number: AWNAC-06-003-R
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
Product Name: n/a
Project Name/Number: /

Filing at a Glance

Company: 10690 - Allied World National Assurance Company

Product Name: n/a	SERFF Tr Num: ARKS-125458766	State: Arkansas
TOI: 17.0 Other Liability - Claims Made/Occurrence	SERFF Status: Closed	State Tr Num: #1822 \$100
Sub-TOI: 17.0020 Commercial Umbrella & Excess	Co Tr Num: AWNAC-06-003-R	State Status: Fees verified and received
Filing Type: Rate/Rule	Co Status:	Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding
	Author:	Disposition Date: 02/01/2008
	Date Submitted: 01/28/2008	Disposition Status: Exempt from Review
Effective Date Requested (New):		Effective Date (New): 01/14/2008
Effective Date Requested (Renewal):		Effective Date (Renewal):
State Filing Description:		

General Information

Project Name:	Status of Filing in Domicile:
Project Number:	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 02/01/2008	
State Status Changed: 02/01/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	

Company and Contact

Filing Contact Information

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Product Name: n/a
Project Name/Number: /

NA NA, NA@NA.com
NA (123) 555-4567 [Phone]
NA, AR 00000

Filing Company Information

10690 - Allied World National Assurance CoCode: 10690 State of Domicile: New Hampshire
Company
25 Chestnut Street Group Code: Company Type: Property &
Casualty
Suite 105
Haddonfield, NJ 08033 Group Name: State ID Number:
(856) 216-0220 ext. [Phone] FEIN Number: 02-0493244

SERFF Tracking Number: ARKS-125458766 State: Arkansas
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Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:
Per Company: No

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Edith Roberts	02/01/2008	02/01/2008

SERFF Tracking Number: ARKS-125458766 State: Arkansas
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Product Name: n/a
Project Name/Number: /

Disposition

Disposition Date: 02/01/2008

Effective Date (New): 01/14/2008

Effective Date (Renewal):

Status: Exempt from Review

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: ARKS-125458766 State: Arkansas
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Item Type	Item Name	Item Status	Public Access
Supporting Document	ARKS-125458766		No

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Product Name: n/a
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Rate Information

Rate data does NOT apply to filing.

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Company
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TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
Product Name: n/a
Project Name/Number: /

Supporting Document Schedules

Review Status:

Satisfied -Name: ARKS-125458766

02/04/2008

Comments:

Attachment:

ARKS-125458766.pdf



**WESTMONT
ASSOCIATES, INC.**

CK#1822

\$100

ER

January 10, 2008

The Honorable Julie Benafield-Bowman
Commissioner of Insurance
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201-1904

ARKS-125458766

FILED

**INFORMATIONAL FILING
Pursuant to Act 458 of 1999
Commercial Lines Rate Deregulation
PROPERTY AND CASUALTY
ARKANSAS INSURANCE DEPT**

Attn: Property and Casualty Division

RE: **Allied World National Assurance Company**
NAIC #: 10690 FEIN #: 02-0493244
Excess General Liability Insurance Program
Rate Filing
Effective Date: Upon Approval
Filing Number: AWNAC-06-003-R

Jan 14 2008

RECEIVED

JAN 14 2008

PROPERTY AND CASUALTY DIVISION
ARKANSAS INSURANCE DEPARTMENT

Dear Commissioner Benafield-Bowman:

Enclosed please find attached Allied World National Assurance Company's ("AWNAC") Excess General Liability Insurance Program Rate filing for your review and approval. A letter permitting Westmont Associates, Inc. to submit this filing on AWNAC's behalf is enclosed.

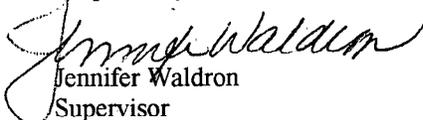
AWNAC is introducing its Excess General Liability Insurance Program in your state. This is a new program and does not replace any currently filed rates in your jurisdiction. Please find attached the following information for your review:

- Rating Plan

Please note that a corresponding form filing has been submitted under Company Filing #: AWNAC-06-003-F.

Your approval and/or acknowledgement of this submission is respectfully requested. Enclosed please find a self-addressed stamped envelope for your convenience in returning the duplicate copy of this filing, evidencing your approval and/or acknowledgment.

Respectfully submitted,


Jennifer Waldron
Supervisor
jenb@westmontlaw.com

Enclosures

cc: N. Stepanski - Westmont
J. Wilkens - AWNAC



January 1, 2008

RE: Allied World National Assurance Company
NAIC #: 10690
FEIN #: 02-0493244
Letter of Authorization
Filing of Forms, Rates and Rules

RECEIVED

JAN 14 2008

PROPERTY AND CASUALTY DIVISION
ARKANSAS INSURANCE DEPARTMENT

To Whom It May Concern:

In accordance with the applicable statutes and regulations of your state, Nancy Stepanski, Wesley Pohler, Jennifer Waldron and Westmont Associates, Inc. are hereby authorized to file form, rate and rule filings on behalf of the Company.

Sincerely,

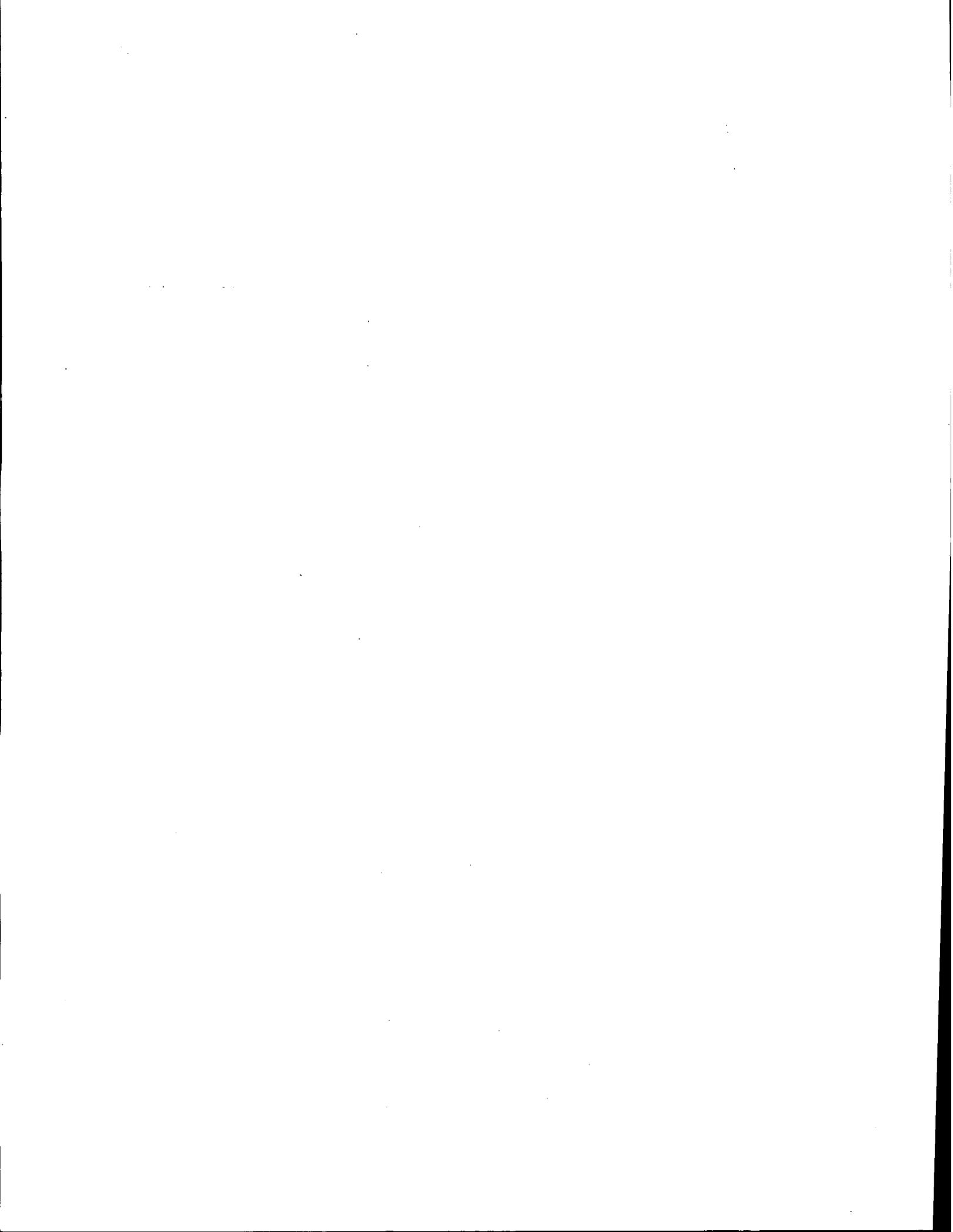
A handwritten signature in black ink that reads 'John R. Wilkens'.

John R. Wilkens
AVP - Senior Regulatory & Compliance Specialist

199 Water Street
16th Floor
New York NY 10038
U.S.A.

T. 212 635 5300
F. 212 635 5532

E. info@awac.com
www.awac.com



Property & Casualty Transmittal Document (Revised 1/1/06)

AR _____

1. Reserved for Insurance Dept. Use Only

2. Insurance Department Use Only

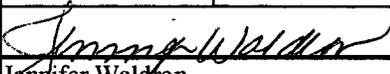
a. Date the filing is received:	
b. Analyst:	
c. Disposition:	
d. Date of disposition of the filing: RECEIVED	
e. Effective date of filing:	
New Business	1 JAN 1 2008
Renewal Business	
f. State Filing #:	PROPERTY AND CASUALTY DIVISION
g. SERFF Filing #:	ARKANSAS INSURANCE DEPARTMENT
h. Subject Codes	

3. Group Name	Group NAIC #

4. Company Name(s)	Domicile	NAIC #	FEIN #
Allied World National Assurance Company	NH	10690	02-0493244

5. Company Tracking Number	AWNAC-06-003-R
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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
Jennifer Waldron Westmont Associates, Inc. 25 Chestnut Street, Suite 105, Haddonfield, NJ 08003	Supervisor	(856) 216-0220	(856) 216-0303	jenb@westmontlaw.com
7. Signature of authorized filer				
8. Please print name of authorized filer		Jennifer Waldron		

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

9. Type of Insurance (TOI),	Please select from the drop down list. 17.0000 - Other Liability
10. Sub-Type of Insurance (Sub-TOI)	17.0020 - Commercial Umbrella/Excess
11. State Specific Product code(s) (if applicable) [See State Specific Requirements]	n/a
12. Company Program Title (marketing title)	Excess General Liability
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other: _____
14. Effective Date(s) Requested	New/Upon Approval Renewal: Upon Approval
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	n/a
17. Reference Organization # & Title	n/a
18. Company's Date of Filing	1/10/08
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document ---

20. This filing transmittal is part of Company Tracking # AWNAC-06-003-R

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

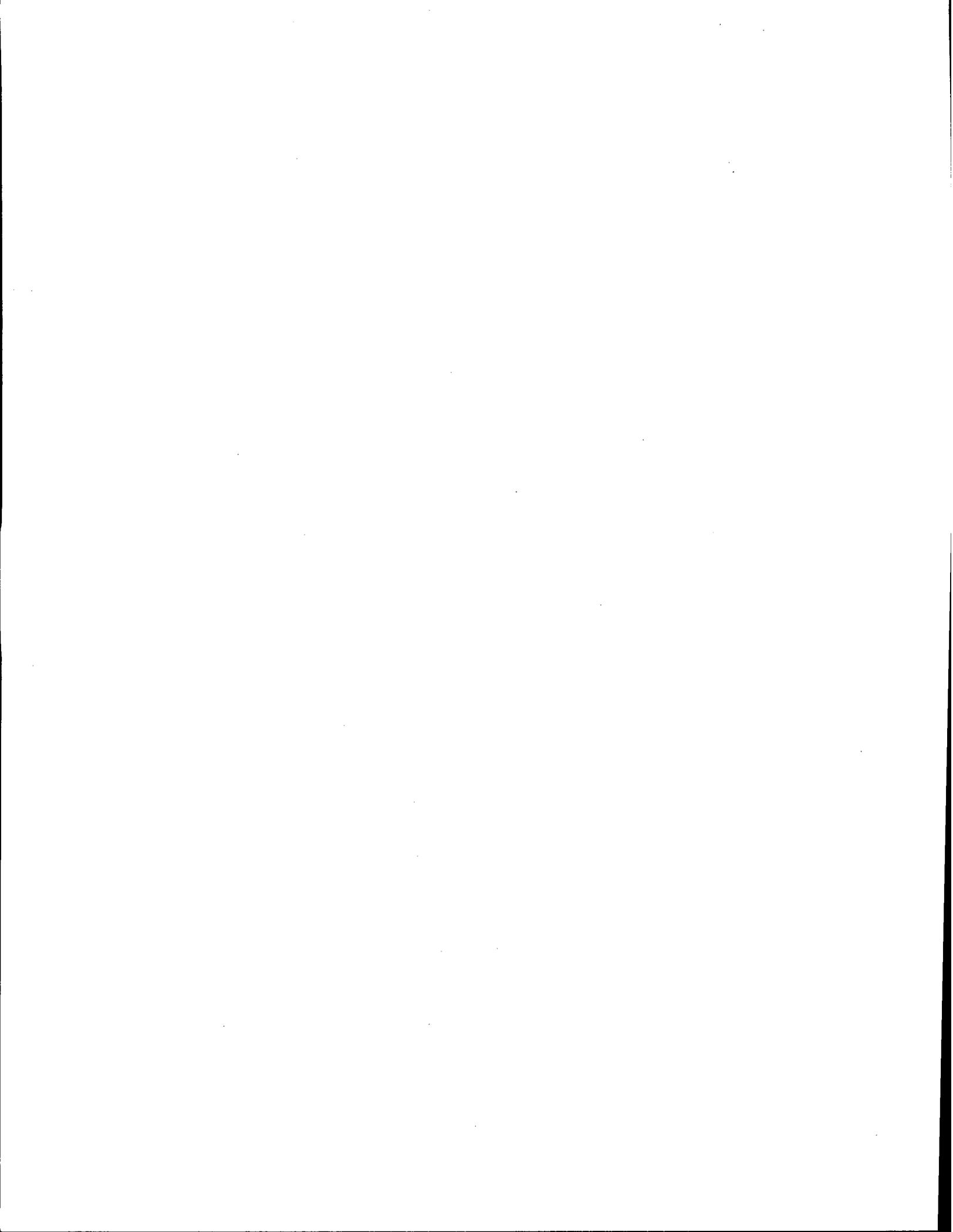
Submission of Excess General Liability Rate and Rule Filing

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

Check #: 1822
Amount: \$100.00

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.)

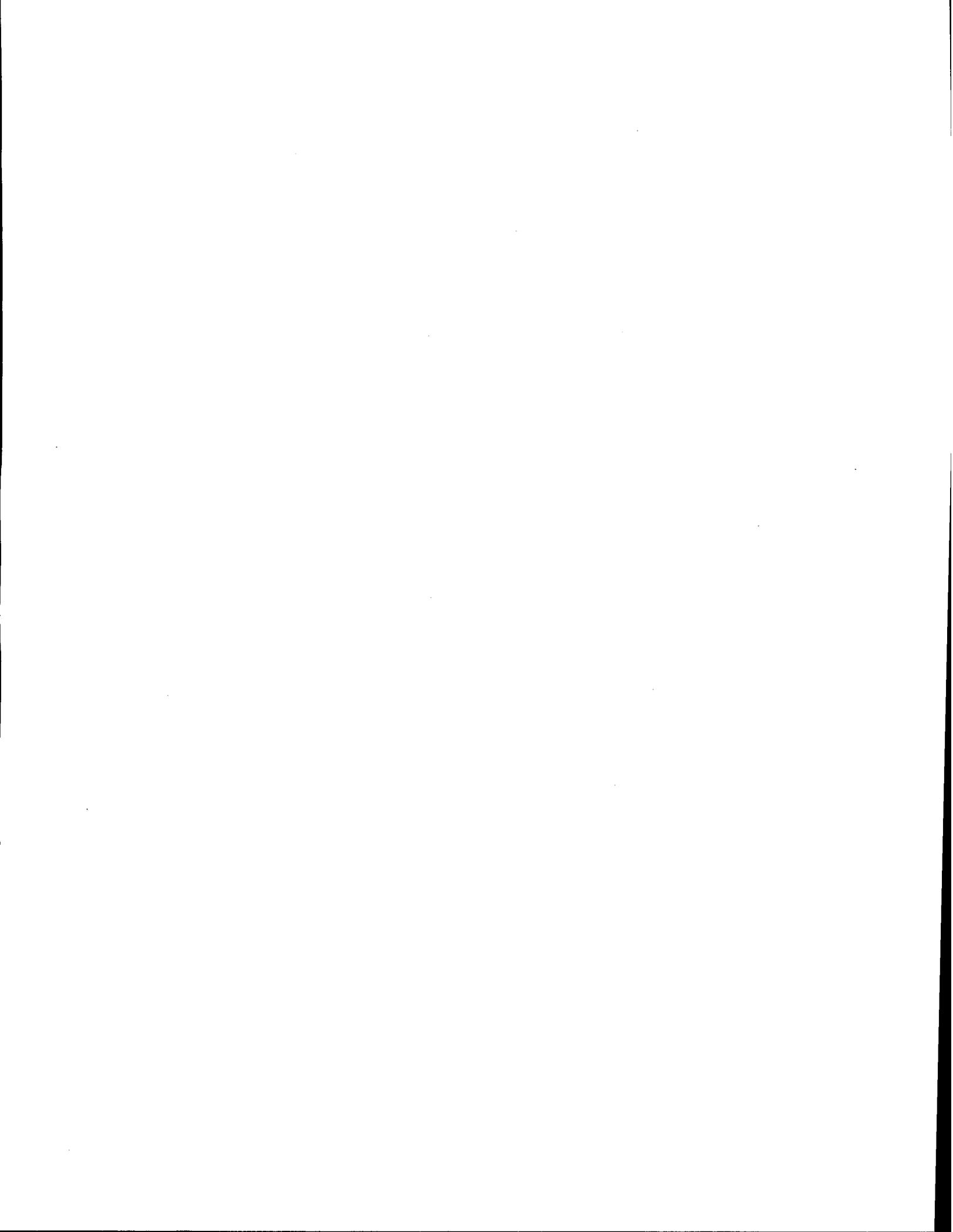


RATE/RULE FILING SCHEDULE

(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.)

1.	This filing transmittal is part of Company Tracking #	AWNAC-06-003-R	
2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	AWNAC-06-003-F	
<input type="checkbox"/> Rate Increase <input type="checkbox"/> Rate Decrease <input checked="" type="checkbox"/> Rate Neutral (0%)			
3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	File & Use	
4a.	Rate Change by Company (As Proposed)		
	Company Name	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)		
	AWNAC	0 - new program	0 - new program
		0 - new program	0 - new program
4b.	Rate Change by Company (As Accepted) For State Use Only		
	Company Name	Overall % Rate Impact	Written premium change for this program
	S of policyholders affected for this program	Written premium for this program	Maximum % Change
	Minimum % Change		
Overall Rate Information (Complete for Multiple Company Filings only)			
		COMPANY USE	STATE USE
5a.	Overall percentage rate impact for this filing	0 - new program	
5b.	Effect of Rate Filing - Written premium change for this program	0 - new program	
5c.	Effect of Rate Filing - Number of policyholders affected	0 - new program	
6.	Overall percentage of last rate revision	n/a	
7.	Effective Date of last rate revision	n/a	
8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	n/a	
9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	2005 Umbrella/Excess Standard Rating Plan	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
04		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
05		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	



Allied World National Assurance Company
2005 UMBRELLA/EXCESS STANDARD RATING PLAN

Umbrella/Excess policies are purchased to provide Limits of Liability over an existing liability program and are traditionally written on an occurrence basis. Pricing is driven by the potential for severity losses, the long tail nature of the coverage and the inherent volatility of results.

This Rating Plan is a guide and is intended to address the most commonly written coverages and classes of business.

Due to the catastrophic nature of Umbrella/Excess coverage, the lack of actuarially credible data for the industry as a whole, much less any single carrier, and the variability of coverage, the underwriter is called upon to exercise judgment pricing where appropriate. With proper factual documentation and reasoning, individual risk hazards may be changed to reflect the actual risk hazards on a particular risk that is different from the usual exposures contemplated in this Rating Plan. It is expected that good judgment will be exercised in identifying the risk hazards peculiar to applicable risks with full and clear file documentation for the underwriting reasoning used.

This Rating Plan does not contemplate any substantial shift in trends involving legal environment, loss severity or newly emerging exposures not previously contemplated in the pricing of the risk or in the pricing of the underlying layers. In the event that the Company either experiences or witnesses such a shift in trends, the file shall be clearly documented to reflect the increased exposure detailing the trend observations and judgment pricing shall be utilized.

These guidelines are to be used for All Risks which are NOT eligible for individual risk rating. The following Umbrella/Excess Rating Guide is predicated upon the Risk carrying Minimum Underlying Limits (or Retained Amounts) as indicated below.

COMMERCIAL GENERAL LIABILITY POLICY

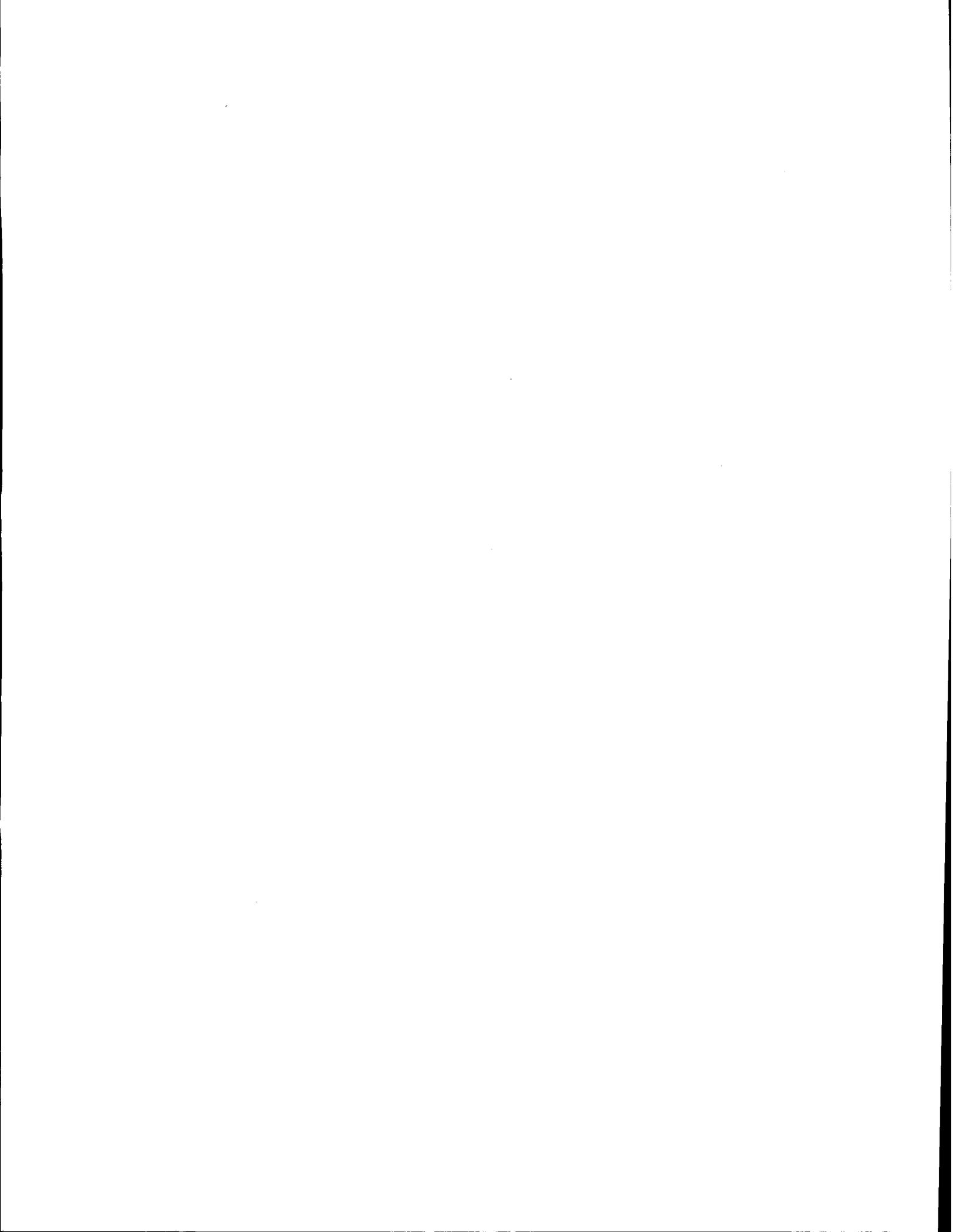
- | | | |
|----|--|--|
| A) | Premises/Operations,
Contractual, Personal Injury
and Advertising Liabilities: | - \$1,000,000 Each Occurrence
- \$1,000,000 General Aggregate |
| B) | Products/Completed
Operations Liability: | - \$1,000,000 Each Occurrence
- \$1,000,000 Aggregate |

BUSINESS AUTOMOBILE POLICY

- | | | |
|----|-----------------------|-------------------------------|
| A) | Automobile Liability: | - \$1,000,000 Each Occurrence |
|----|-----------------------|-------------------------------|

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY POLICY

- | | | |
|----|-----------------------|---|
| A) | Employers' Liability: | - \$100,000 Each Accident
- \$100,000 Each Employee For Disease
- \$500,000 Aggregate For Disease |
|----|-----------------------|---|



MISCELLANEOUS LIABILITY POLICIES

- A) Watercraft Liability: - \$1,000,000 Each Occurrence
- B) Aircraft Liability: - \$1,000,000 Each Occurrence
(Owned/Non-Owned) per seat.
- C) Liquor Liability: - \$1,000,000 Each Occurrence
- \$1,000,000 Aggregate
- D) Druggist Liability: - \$1,000,000 Each Occurrence
- \$1,000,000 Aggregate
- E) Foreign Liability:
 - 1) All Other CGL: - \$1,000,000 Each Occurrence
- \$1,000,000 General Aggregate
 - 2) Products/Completed Operations: - \$1,000,000 Each Occurrence
- \$1,000,000 Aggregate
 - 3) Automobile: - \$1,000,000 Each Occurrence

**CALCULATION OF FIRST \$1 MILLION OF UMBRELLA/EXCESS LIABILITY LIMITS
IN EXCESS OF \$1 MILLION UNDERLYING LIMIT**

Risk Classification/Severity Guide

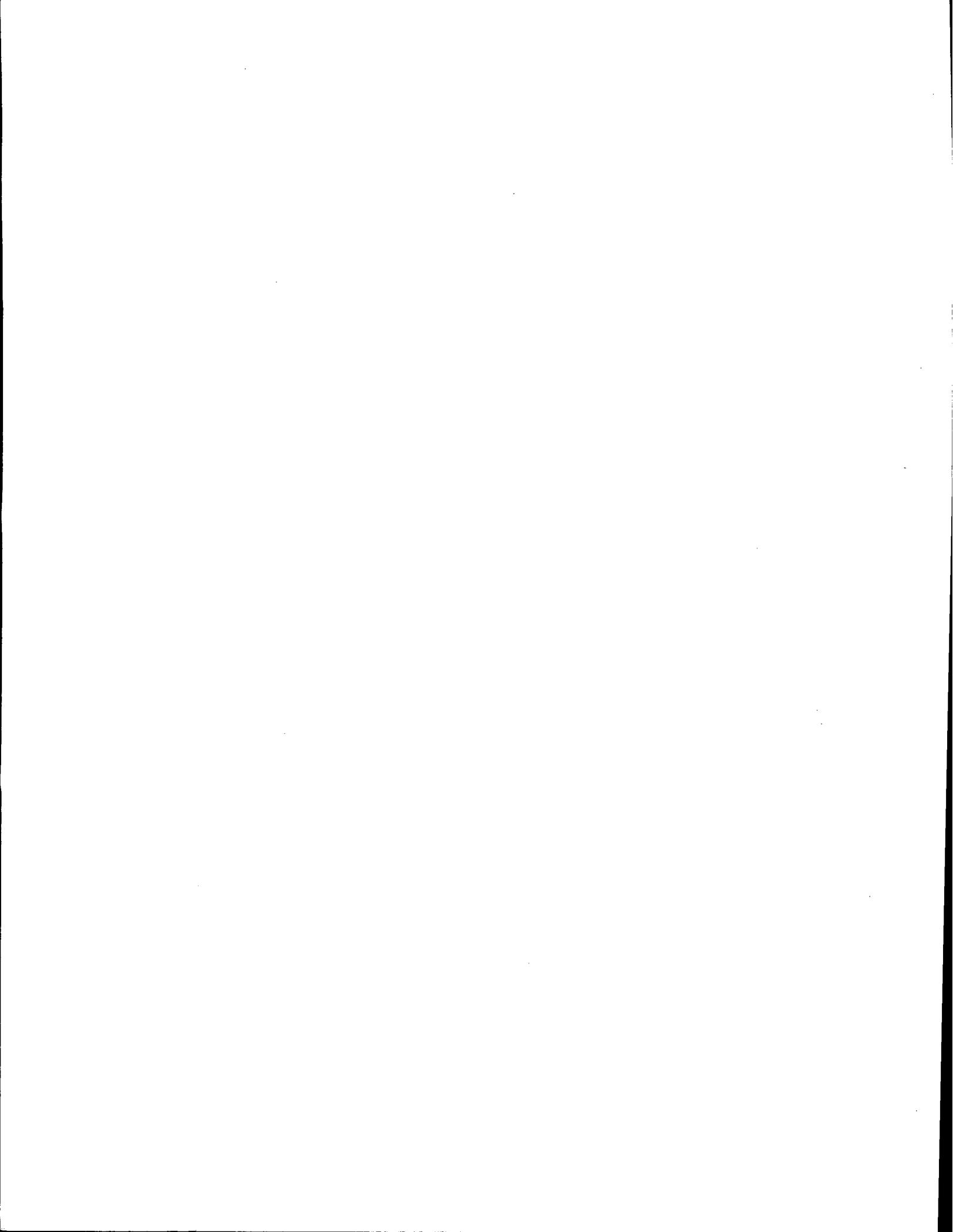
<u>Hazard Class</u>	<u>Severity</u>	<u>ILF Range</u>
1-2	Low Severity	Minimum to Midpoint
2-4	Moderate Severity	Midpoint to Maximum
4-5	High Severity	Maximum and Beyond

1. Commercial General Liability Rating

In order, to calculate the premium for the first \$1 million of Umbrella/Excess Liability Limits in excess of \$1 million Underlying Limit, the following Designated Factors must be applied to the Manual, Actual, or the estimated equivalent premium thereof for the \$1 million Underlying Commercial General Liability Limit:

<u>Rating Group</u>	<u>Designated Factors</u>
All Other CGL:	8% to 30%
Products:	15% to 50%

Only one of these two (2) Rating Groups will be used, therefore the underwriter must determine which Rating Group represents the predominant catastrophic exposure in the Commercial General Liability area.



However, the above rates shall not apply for the Risks listed below. Such Risks will be rated based upon individual experience rating methodologies, rates on file with the Company, reinsurance pricing and/or judgment pricing:

- * Accounts with an Underlying policy that contains a Deductible or a Self-Insured Retention in excess of \$50,000.
- * Accounts with an Underlying Commercial General Liability aggregate in excess of \$2,000,000.
- * Accounts with one incurred loss of 50% of the Underlying Limit or greater.
- * Accounts that are subject to reinsurance.
- * Accounts with non-standard Underlying ISO forms or endorsements.
- * Accounts requesting coverage extensions deviating from standard underwriting guidelines.
- * Accounts with actual risk hazards that are different from the usual exposures contemplated in this Rating Plan. It is expected that good judgment be exercised in identifying such risks with full and clear file documentation for the underwriting reasoning used.

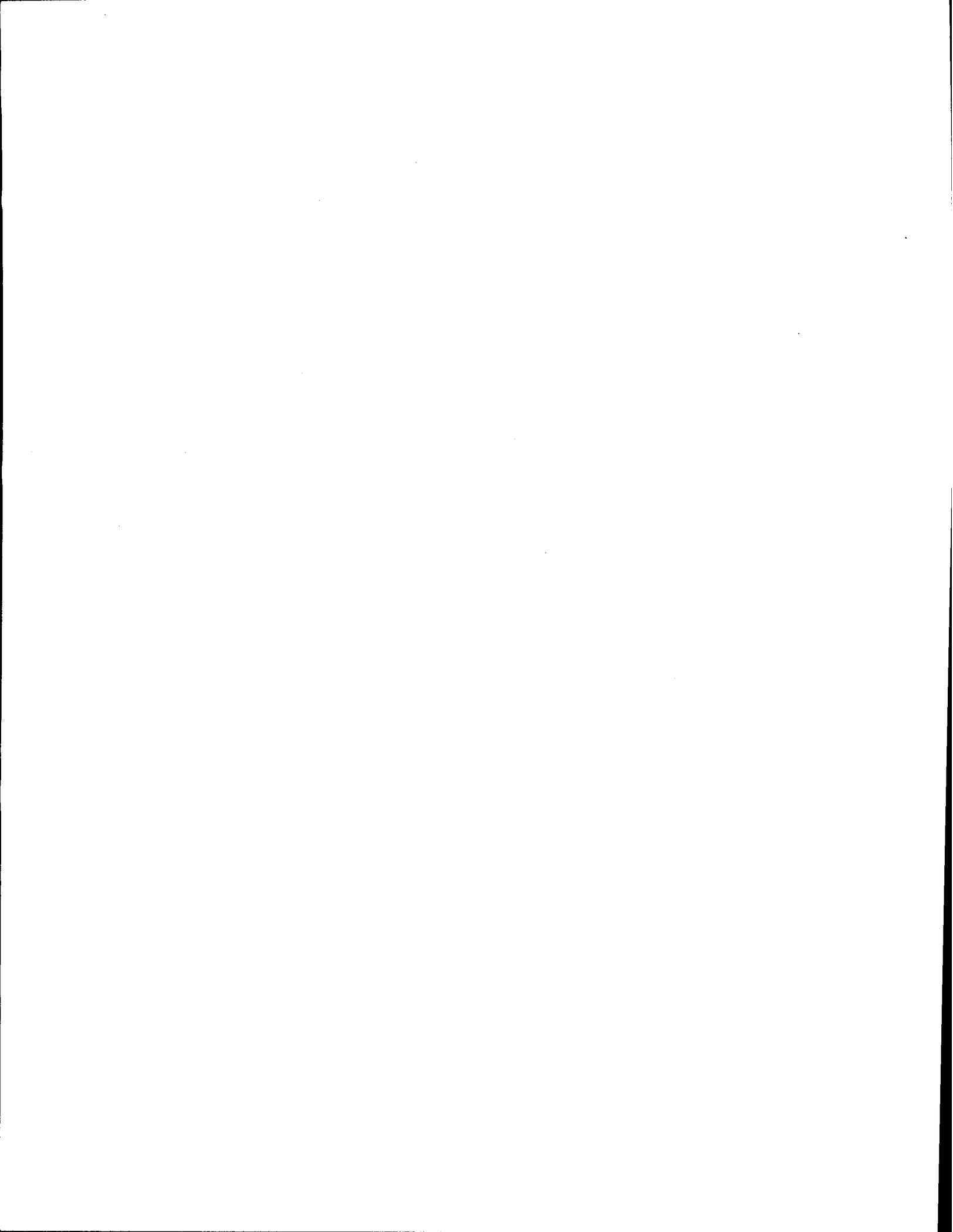
2. Automobile Liability Rating

To determine the premium for the first \$1 million of Automobile Liability Limits in excess of \$1 million Underlying Limit, the following Rate per Units are to be applied:

<u>Types of Motor Vehicles</u>	<u>Rate per Unit</u>
Private Passenger	\$50 to \$150
Light Trucks/Vans	\$100 to \$200
Medium Trucks	\$150 to \$350
Heavy Trucks	\$300 to \$500
Extra Heavy Trucks	\$500 to \$1,000
Tractors	\$700 to \$1,200
Buses	\$500 to \$1,000

However, the above rates shall not apply for the Risks listed below. Such Risks will be rated based upon individual experience rating methodologies, rates on file with the Company, reinsurance pricing and/or judgment pricing:

- * Accounts with a fleet size in excess of 200 units.
- * Rapid delivery services.
- * Livery and trucking operations.
- * Hazardous material haulers.
- * Short-term rental or leasing operations.
- * Passenger, transit, school or commuter bus or van operations.
- * Accounts with an Underlying policy that contains a deductible or a Self-Insured Retention in excess of \$50,000.00
- * Accounts with one incurred loss of 50% of the Underlying Limit or greater.
- * Accounts that are subject to reinsurance.
- * Accounts with non-standard Underlying ISO forms or endorsements.
- * Accounts requesting coverage extensions deviating from standard underwriting guidelines.
- * Accounts with actual risk hazards that are different from the usual exposures contemplated in this Rating Plan. It is expected that good judgment be exercised in identifying such risks with full and clear file documentation for the underwriting reasoning used.



The Rate per Units above will be subject to an annual loss cost factor. Such annual factor will be determined by the Company, but in no event shall it exceed the Excess Commercial Automobile Liability Multistate Average Claim Cost excess of \$1,000,000 as determined using ISO's experience.

3. Miscellaneous Liability Rating

The various Miscellaneous Liability coverage extensions are to be priced by applying a Designated Factor of 10-50% toward each Manual, Actual, or estimated equivalent premium thereof for the first \$1 million of Underlying Miscellaneous Liability Limit.

The underwriter may use a Designated Factor that is either less than or greater than that referenced above, subject to full and clear file documentation of the underwriting reasoning used.

4. Final Premium for the first \$1 million of Umbrella/Excess Liability Limits in excess of \$1 million Underlying Limit

The final premium for the first \$1 million of Umbrella/Excess Liability Limits in excess of \$1 million Underlying Limit will be the sum of the Commercial General Liability Rating, Automobile Liability Rating and Miscellaneous Liability Rating as calculated in 1, 2 and 3 above.

ADJUSTMENT FOR UNDERLYING LIMIT IN EXCESS OF \$1 MILLION

In the event that the Underlying Limits are in excess of \$1 million, the underwriter must apply an appropriate credit to the Final Premium for the first \$1 million of Umbrella/Excess Liability Limits in excess of \$1 million Underlying Limit to take into consideration the increased attachment point.

PRICING OF ADDITIONAL UMBRELLA/EXCESS LIABILITY LIMITS

In order to calculate a premium for Umbrella/Excess Liability Limits in excess of \$1 million, the following Designated Factors are to be applied to the Modified Premium (modified for Underlying Limit in excess of \$1 million and Schedule Rating, if any) for the first \$1 million of Umbrella/Excess Liability Limits:

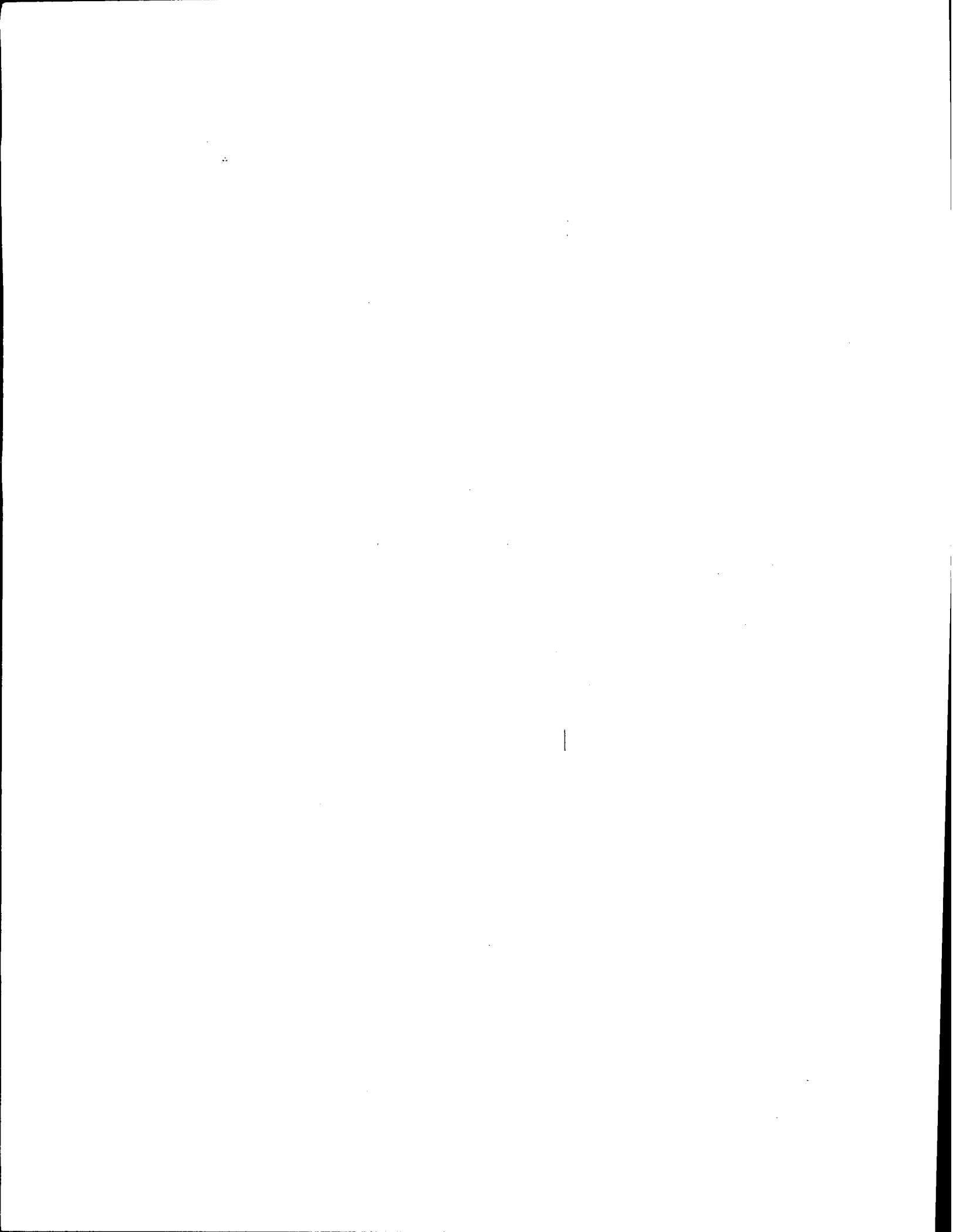
<u>Limit of Liability</u>	<u>Designated Factors</u>
\$1M X \$1M X P	30% to 50%
\$1M X \$2M X P	20% to 40%
\$1M X \$3M X P	15% to 35%
\$1M X \$4M X P	10% to 30%

Note: A minimum premium per \$1 million of Liability Limits will apply to the Limits of Liability offered above. The minimum premium will be determined as follows:

- * \$500 for accounts with revenues of less than or equal to \$100 million.
- * \$1,000 for accounts with revenues greater than \$100 million.

The pricing for any Umbrella/Excess Liability Limits in excess of \$5,000,000 shall be determined subject to rates on file with the Company.

The underwriter may use Designated Factors and/or a minimum premiums that are either less than or greater than those referenced above, subject to full and clear file documentation of the underwriting reasoning used.



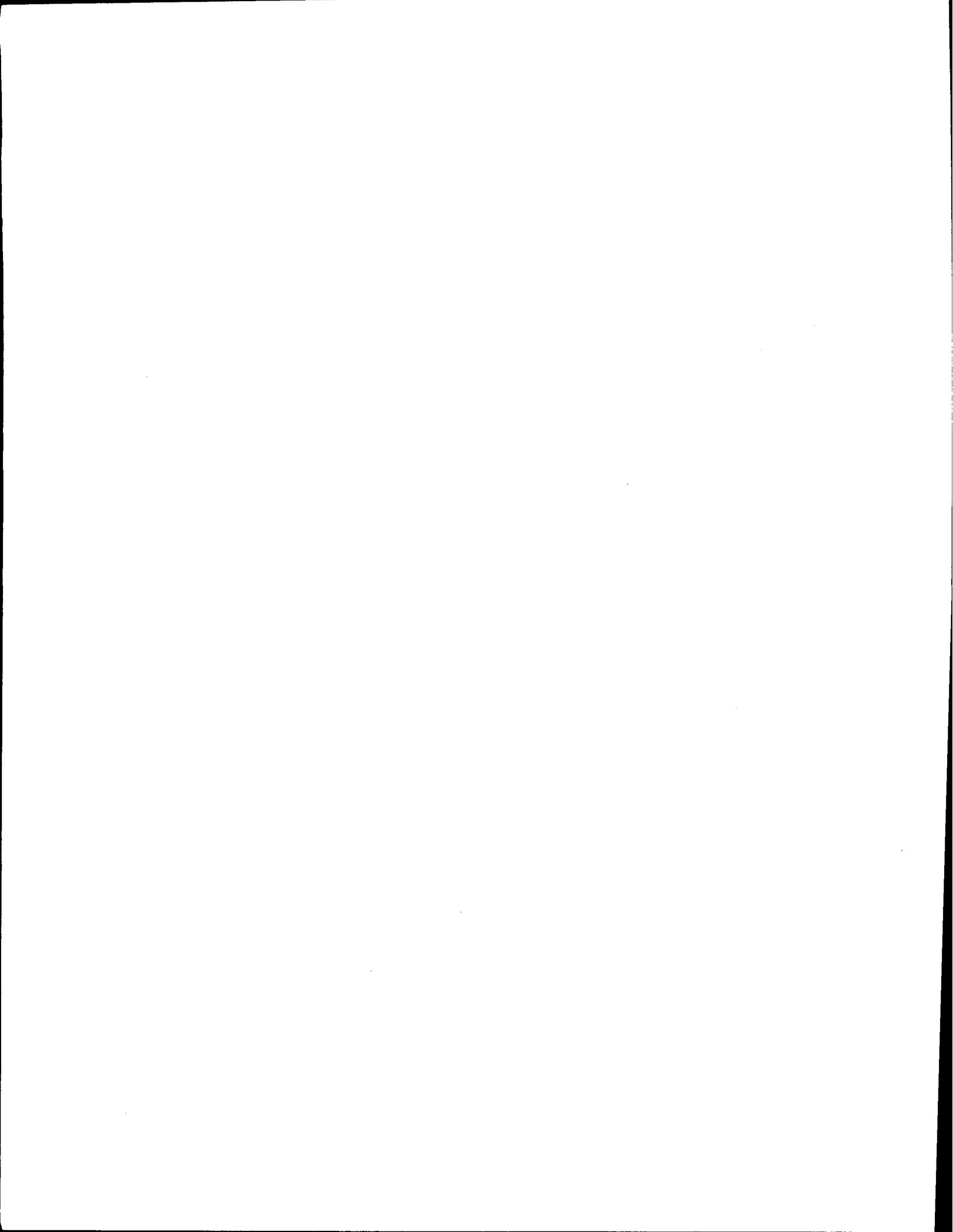
SCHEDULE RATING

Special characteristics of an Umbrella/Excess risk may serve to heighten or lessen its overall desirability.

The Schedule Rating factors below may be applied separately to the First \$1 million Umbrella/Excess Liability premium for Commercial General Liability, Automobile Liability and Miscellaneous Liability coverages. However, the Maximum Credit or Debit a risk may receive is fifty (50) percent of the Final Premium for the first \$1 million of Umbrella/Excess Liability premium for Commercial General Liability, Automobile Liability and Miscellaneous Liability coverages combined.

	<u>Credit</u>	<u>Debit</u>
A) Classification/Coverage Peculiarities		
1) Non Standard Deductibles/SIR's:	20%	20%
2) Variance in Standard Aggregate Limits or in Application of Aggregates:	20%	20%
3) Other Classification Peculiarities	20%	20%
4) Other Coverage Peculiarities	20%	20%
B) Loss Control & Safety		
1) Formal Loss Control & Safety Program:	10%	10%
2) Employed Safety Director:	10%	10%
3) Pollution Control Program:	10%	10%
4) Accident Investigation:	10%	10%
C) Quality Control Policy	10%	10%
D) Vehicle and Equipment		
1) Formal Schedule of Maintenance:	5%	5%
2) Manual or Automatically Operated Equipment/Machinery:	5%	5%
E) Employees		
1) Hiring Practices:	5%	5%
2) Training:	5%	5%
3) Stability or Employment:	5%	5%
F) Premises - Condition and Care	5%	5%
G) Management		
1) Years In Business:	5%	5%
2) Financial Condition of Risk:	5%	5%
3) Attitude - Cooperative:	5%	5%

All extensions of coverage not addressed specifically in this Umbrella/Excess Rating Plan must be given rating consideration based upon the following: 1) the exposure presented by the coverage extension; 2) the exposure presented by the business operation of the insured; 3) the cost of facultative or treaty reinsurance; and 4) judgment pricing. It is expected that good judgment will be exercised in pricing all coverage extensions, subject to full and clear documentation of the underwriting reasoning used.



HAZARD/RISK GRADE DESIGNATIONS

Hazard Grade I

Loss frequency and severity are low for all classes of Hazard Grade I.

- A. Premises or operations have few inherent hazards and exposures to public or property of others, and result in infrequent and minimal bodily injury or property damage potential but that may need a reasonable degree of supervision and maintenance.
- B. Products or completed operations have designated applications that have low bodily injury or property damage potential and may need a reasonable degree of quality control and recordkeeping.
- C. Products have minimal misuse inherent in their design resulting in low bodily injury or property damage potential and needing a reasonable degree of consumer instruction or warning.
- D. Operations involve activities that have low potential for personal injury and require a reasonable degree of management control.

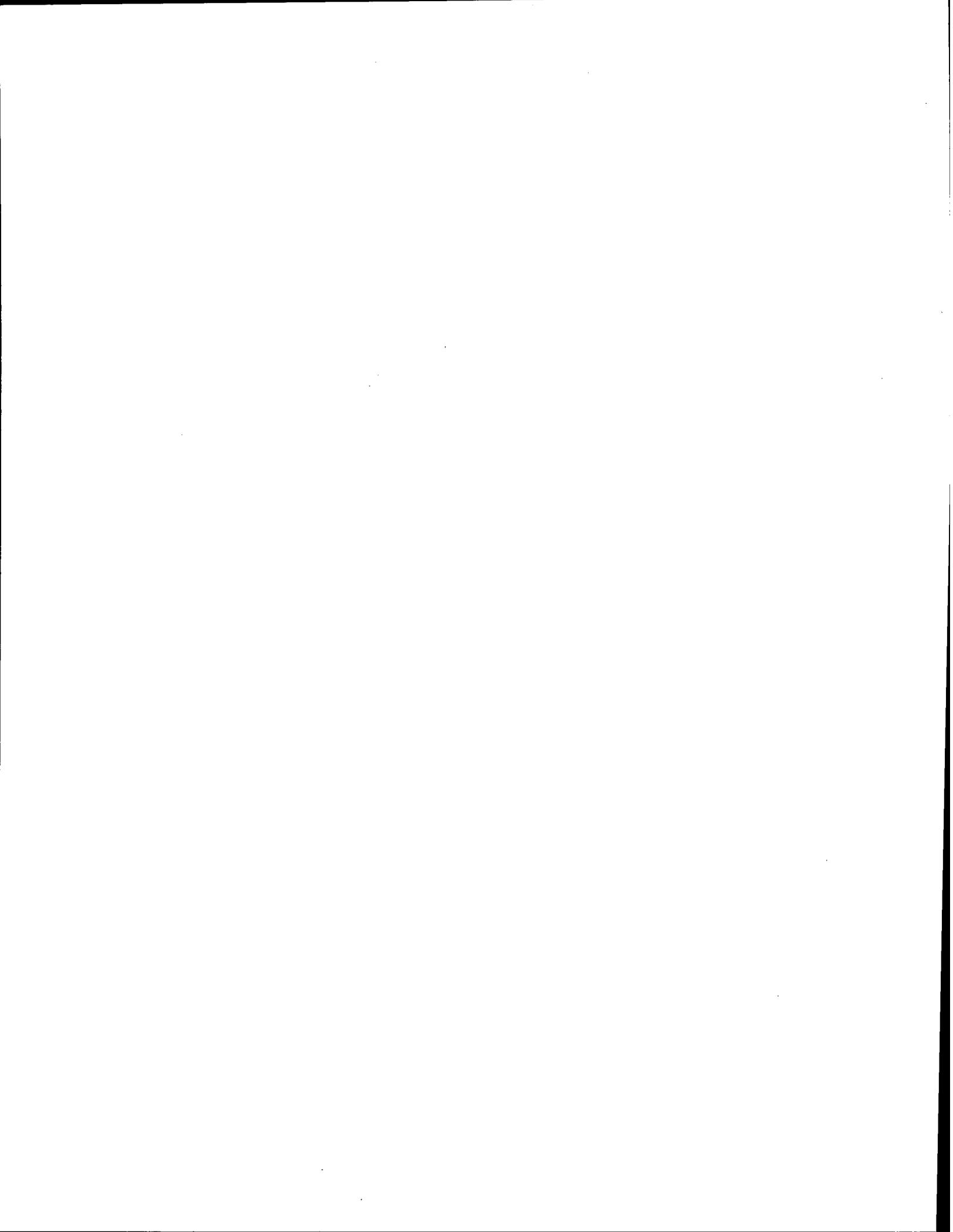
Examples include but are not limit to:

Construction (light operations & trade contractors);
Financial Institutions;
Manufacturing, light (ie. electronics mfg);
Mercantile and retail exposures;
Non passenger transportation;
OL&T (not large population or high rise);
Public entities, populations under 500,000;
Service companies;
Telecommunications

Hazard Grade II

Both frequency and severity can be expected in Grade II risks with some classes being more prone to severity.

- A. Premises or operations have inherent slip and/or fall hazards that create moderate potential for frequent bodily injury but have limited severity potential and require a reasonable degree of maintenance and supervision.
- B. Operations include repair or servicing activities that create moderate potential for frequent bodily injury or property damage but have limited severity potential and require a reasonable degree of supervision.
- C. Premises or operations have moderate potential for bodily injury or property damage resulting from attractive nuisance characteristics and require a reasonable degree of maintenance and supervision.
- D. Processes or operations have inherent characteristics that create a moderate potential for bodily injury or property damage arising out of collapse, falling objects, explosion, fire, or environmental impairment and require a reasonable degree of supervision and control.



- E. Products have moderate potential for bodily injury resulting from food spoilage and require a reasonable degree of quality control.
- F. Premises or operations include social or recreational activities involving limited public access or concentrations or people that create a moderate potential for bodily injury or property damage and require a reasonable degree of supervision and/or life safety.
- G. Operations involve the rental to others of equipment and/or supplies that have a moderate potential for bodily injury or property damage and require a reasonable degree of control, instruction and maintenance.
- H. Operations involve subcontracted work that has a moderate potential for bodily injury or property damage claims and requires verification of current certificates of insurance with adequate limits.
- I. Premises involve activities and occupancies that have a moderate potential for bodily injury or property damage and requires a reasonable degree of maintenance, life safety and private protection.
- J. Operations involve activities that have a moderate potential for personal injury and require a reasonable degree of management control.
- K. Products and completed operations have design applications that create a moderate potential for bodily injury or property damage and require a reasonable degree of quality control and recordkeeping.
- L. Products have possible misuse inherent in their design which can result in a moderate potential for bodily injury or property damage and require a reasonable degree of consumer instruction and warning.

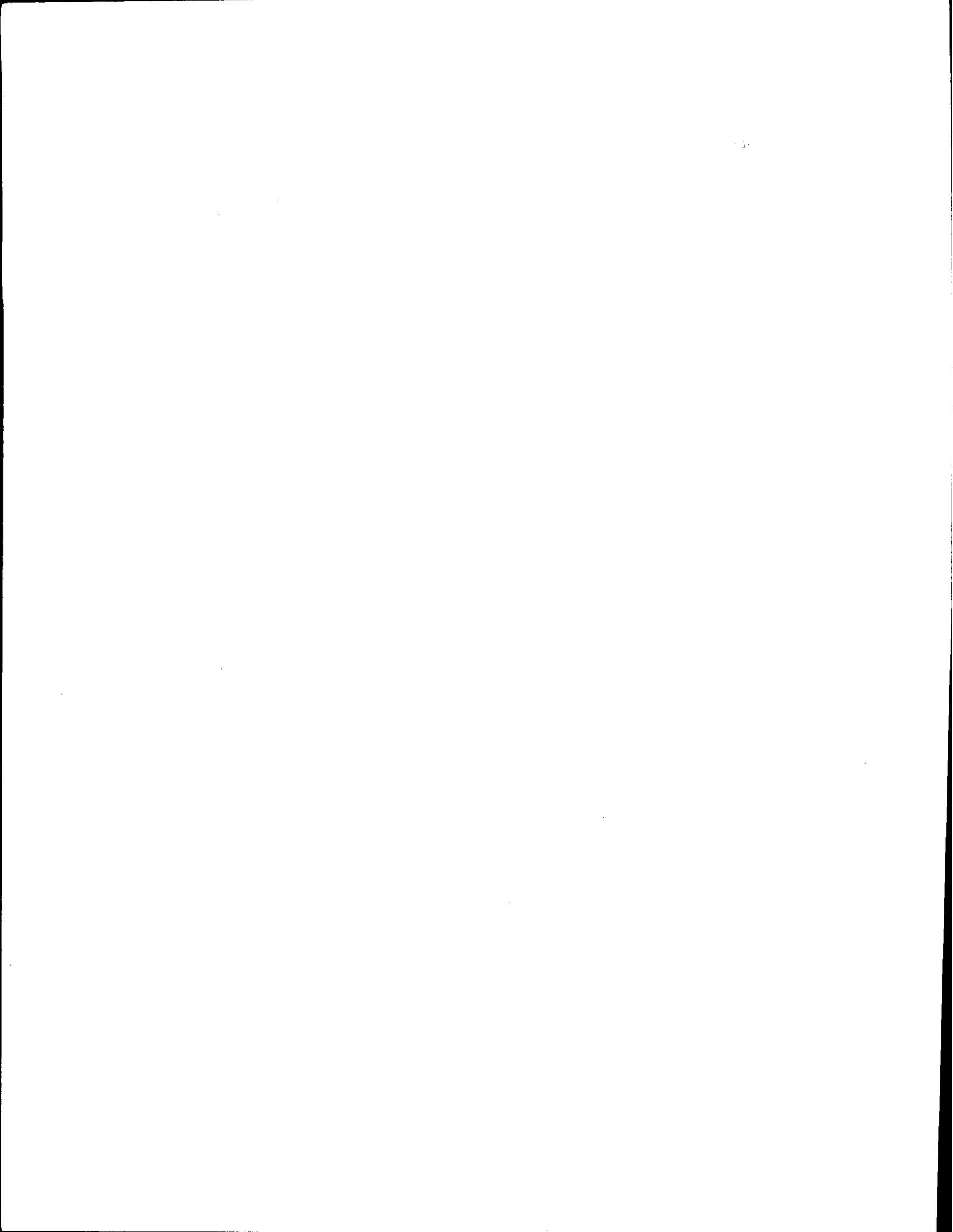
Examples include but are not limited to:

Auto parts (non critical);
 Construction, moderate (inclusive of non residential wrap-ups and/or master programs);
 Food manufacturing/processing (no grain storage);
 Healthcare facilities;
 Industrial equipment and machinery manufacturing (light to moderate);
 Manufacturing, moderate (ie. metals and plastics);
 OL&T, high-rise, arenas and stadiums;
 Public entities, populations between 500,000 and 1,000,000;
 Public transportation (automobile and bus)

Hazard Grade III

Severity is very probable in Grade III risks.

- A. Premises or operations have inherent slip and/or fall hazards that create a high potential for bodily injury and require a high degree of maintenance and supervision.
- B. Premises or operations have a high potential for bodily injury or property damage resulting from attractive nuisance characteristics and require a high degree of supervision and maintenance.
- C. Processes or operations have inherent characteristics that create a high potential for bodily

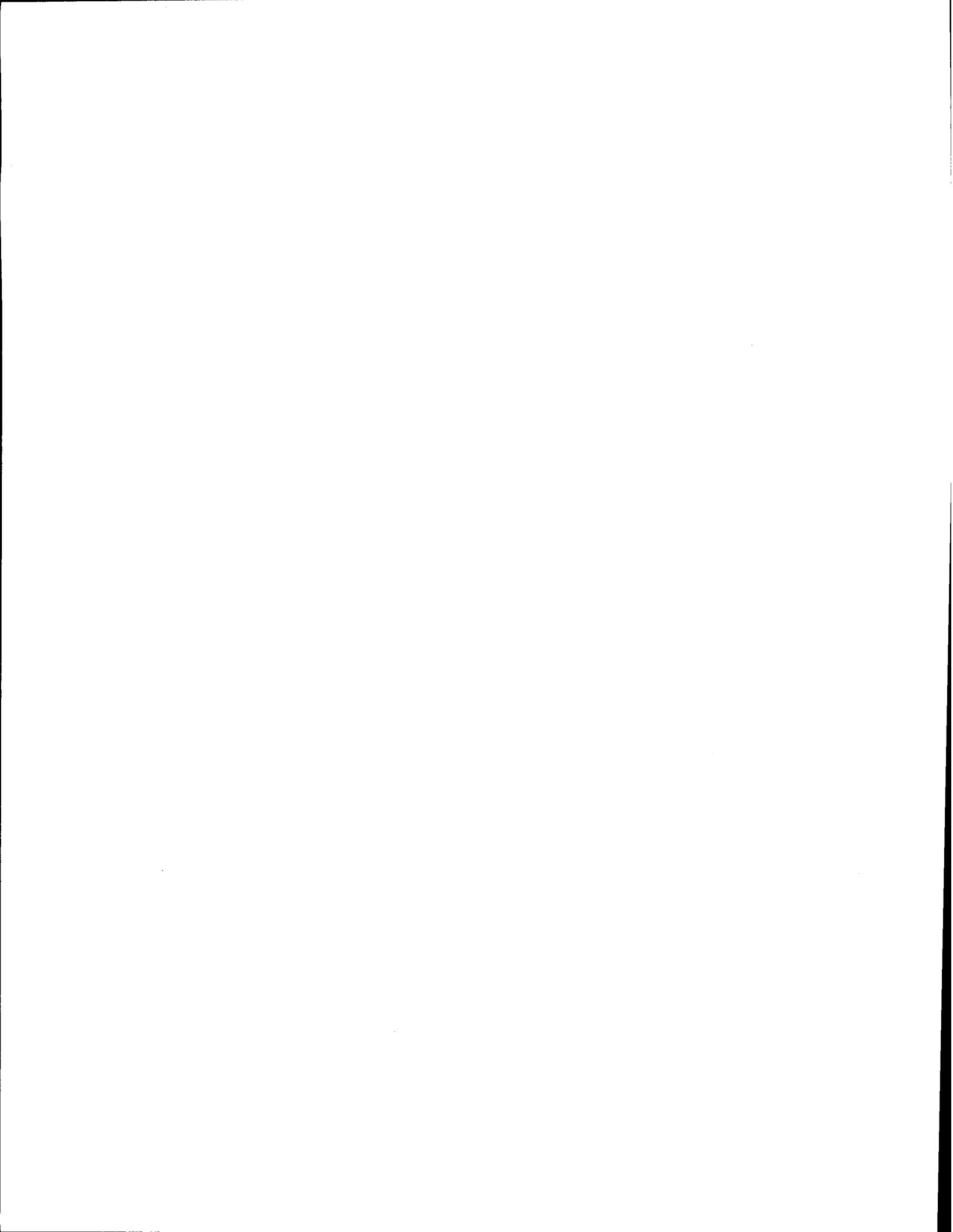


injury or property damage resulting from falling objects, overspray, explosion, vibration, collapse, fire, flood, or environmental impairment and require a high degree of supervision and control.

- D. Products have high potential for bodily injury resulting from food spoilage and require a high degree of quality control.
- E. Premises or operations involve animals that create a high potential for bodily injury and require a high degree of supervision.
- F. Premises or operations include recreational or competitive activities and involve public access or concentration of people that create high potential for bodily injury or property damage and require a high degree of supervision and/or life safety.
- G. Operations include repair, monitoring or servicing activities that create a high potential for bodily injury or property damage and require a high degree of supervision and control.
- H. Premises contain innate physical characteristics such as height, designed occupancy, capacity, construction and age that can create a high potential for bodily injury or property damage and require a high degree of maintenance, life safety and private protection.
- I. Operations involve the subcontracting of work that has a high potential for bodily injury or property damage and requires a high degree of supervision and control.
- J. Products or completed operations have design applications and/or life spans that create a high potential for bodily injury or property damage and require a high degree of quality control and recordkeeping.
- K. Products have probable misuse inherent in their design which can result in a high potential for bodily injury or property damage and require a high degree of consumer instruction and warning.
- L. Operations involve activities that have a high potential for personal injury and require a high degree of management control.
- M. Premises or operations involve on-the-water exposures such as swimming pools which can result in a high potential of bodily injury or property damage and require a high degree of supervision and safety measures.
- N. Premises or operations involve automobile traffic areas that create a high potential for bodily injury or property damage and require a high degree of maintenance and supervision.

Examples include but are not limited to:

Building & construction products manufacturing;
Chemical manufacturing, light (cosmetics, flavorings, speciality chemicals);
Consumer products;
Defense contractors;
Dietary and nutritional supplement manufacturers;
E&P companies, small to moderate
Grain storage;
Construction, heavy (inclusive of wrap ups and/or master programs and residential);
Industrial equipment and machinery manufacturing, heavy
Medical equipment and supplies, low hazard, non-invasive);

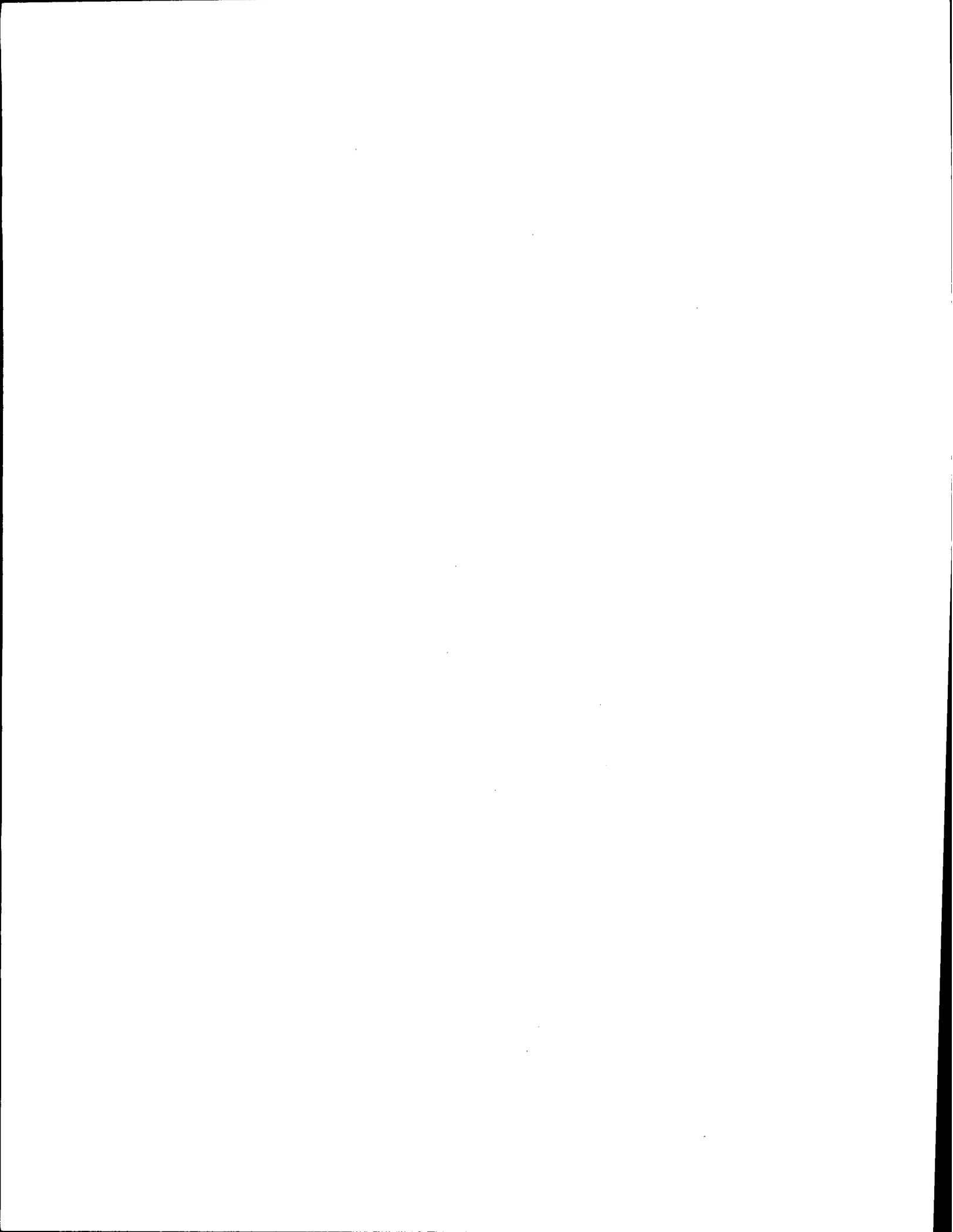


Midstream energy companies;
Mining risks;
OTC pharmaceuticals;
Paper and timber;
Pharmacy operations, inclusive of druggist liability;
Pipeline operator (upto 500 miles of pipeline) & natural gas distribution, small;
Public entities, populations greater than 1,000,000;
Railroads (Class III) & commuter rail operations;
Refineries (independent), up to 150,000 barrels of capacity;
Utilities with revenues less than \$5,000,000,000

Hazard Grade IV

Severity is a characteristic of Grade IV risks and some classes have catastrophic potential.

- A. Premises or operations have an inherent slip and/or fall hazards that create a very high potential for bodily injury and require an extraordinary degree of maintenance and supervision.
- B. Premises or operations have a very high potential for bodily injury or property damage resulting from attractive nuisance characteristics and require an extraordinary degree of supervision and maintenance.
- C. Premises or operations involve animals that create a very high potential for bodily injury and requires an extraordinary degree of supervision.
- D. Process or operations have inherent characteristics that create a very high potential for bodily injury or property damage resulting from explosion, vibration, collapse, fire, flood or environmental impairment and requires an extraordinary degree of supervision and control.
- E. Premises or operations include unusual or dangerous activities and involve public access, public assembly or concentrations of people that create a very high potential for bodily injury or property damage and requires an extraordinary degree of supervision and/or life safety.
- F. Products or completed operations have designed applications and/or extended life spans that create a very high potential for bodily injury or property damage and require an extraordinary degree of quality control and recordkeeping.
- G. Products have very probable misuse inherent in their design which can result in bodily injury or property damage and require and extraordinary degree of consumer instruction and warning.
- H. Operations involve the rental, to others, of equipment or machinery that have a very high potential for bodily injury or property damage and require an extraordinary degree of control, instruction and maintenance.
- I. Premises contain physical characteristics such as height, capacity, construction, age or designed occupancy that can create a very high potential for bodily injury or property damage and require an extraordinary degree of life safety, maintenance and private protection.
- J. Operations involve the subcontracting of work that has inherent a very high potential for bodily injury or property damage and requires an extraordinary degree of supervision and control.
- K. Operations involve activities that have a very high potential for personal injury and require an



extraordinary degree of management control.

- L. Premises or operations involve professional activities which can be difficult to distinguish from GL activities, can result in severe bodily injury and require an extraordinary degree of supervision and control.
- M. Premises or operations involve on-the-water exposures such as bathing beaches or boating where bodily injury or property damage is very probable and an extraordinary degree of supervision and safety is required.
- N. Premises or operations involve automobile traffic areas where bodily injury or property damage are very probable and require an extraordinary degree of maintenance and supervision.
- O. Operations include construction, repair, monitoring or servicing activities that create a very high potential for bodily injury or property damage and require an extraordinary degree of supervision and control.

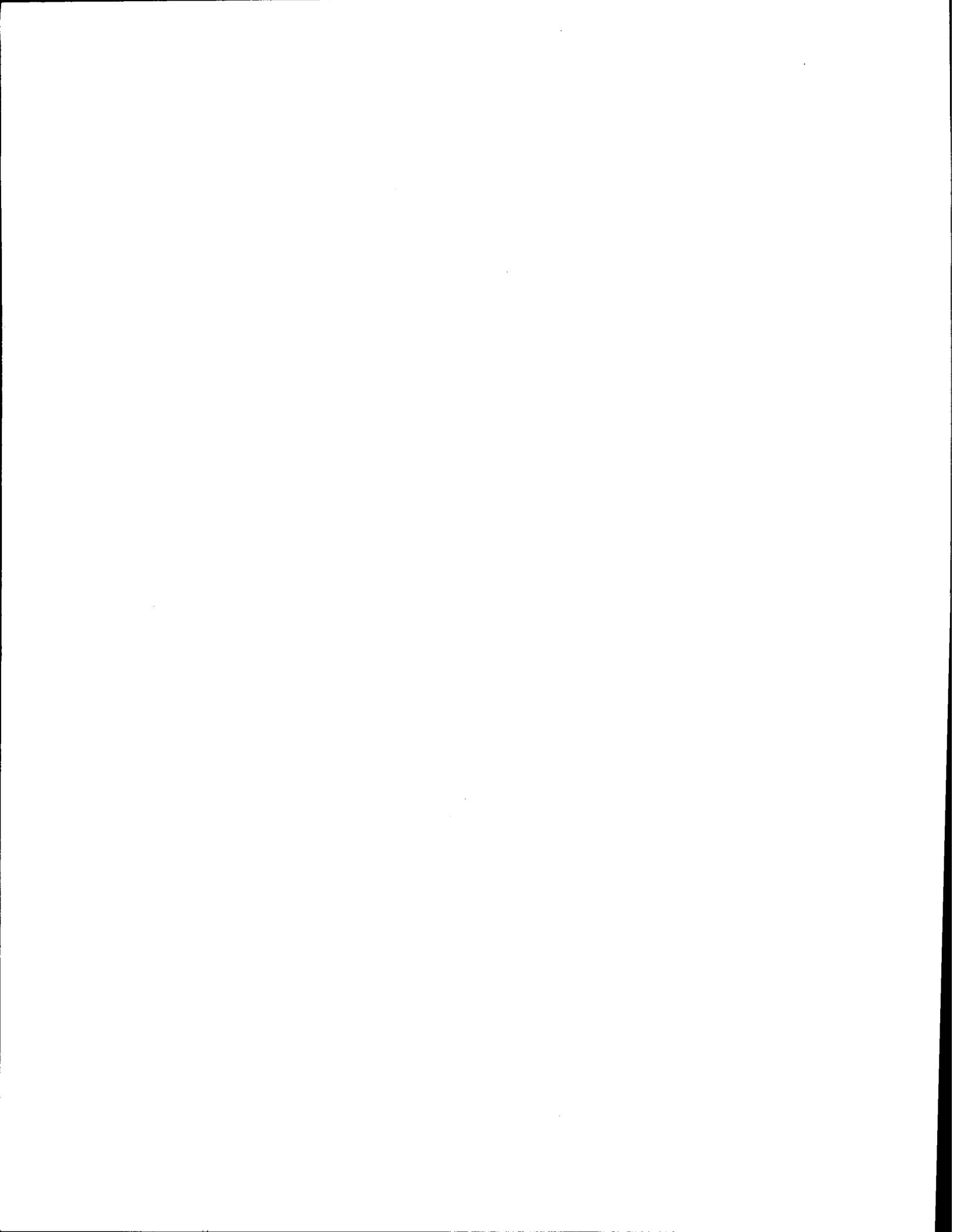
Examples include but are not limited to:

Auto part manufacturers, critical;
Chemical manufacturing, moderate (coatings, pigments, dyes, textiles, active ingredients);
E&P companies, large;
Industrial manufacturing, extra heavy (turbines, oil & gas equipment; marine);
Medical products/devices manufacturing (invasive) with revenues less than \$2,000,000,000;
Pharmaceutical and biotech operations, revenues less than \$5,000,000,000;
Pipeline operator (between 500 and 1,500 miles of pipeline) and natural gas distributor, moderate;
Railroads (class 1 & 11) and large passenger rail;
Refineries (independent), moderate to large, greater than 150,000 bbls of capacity;
Utilities with revenues greater than \$5,000,000,000

Hazard Grade V.

Catastrophe is a characteristic of Grade V.

- A. Processes or operations have inherent characteristics that create difficult to control, catastrophic bodily injury or property damage potential arising out of explosion, collapse, fire, high voltage or environmental impairment;
- B. Products or completed operations have inherent characteristics that create difficult to control, catastrophic bodily injury or property damage potential arising out of their use;
- C. Premises or operations involve air traffic areas that create difficult to control, catastrophic bodily injury or property damage potential;
- D. Premises or operations include dangerous or life-threatening activities involving high concentrations of people which create difficult to control, catastrophic bodily injury or property damage potential;
- E. Operations include activities submerged in a body of water creating difficult to control, catastrophic bodily injury or property damage potential;
- F. Premises or operations involve professional activities which can be difficult to distinguish from general liability activities and can result in difficult to control, catastrophic bodily injury or



property damage potential.

Example include, but are not limited to:

Auto manufacturing;

Chemical, heavy (agricultural chemical, gases & petrochemical);

Explosives manufacturing;

Firearm and ammunition manufacturing;

Integrated oil and gas companies;

Medical products/devices manufacturing (invasive) with revenues greater than \$2,000,000,000;

Pharmaceutical and biotech operations, revenues greater than \$5,000,000,000;

Pipeline operator (greater than 1,500 miles of pipeline) & natural gas distribution, major;