

SERFF Tracking Number: FFDC-125503666 State: Arkansas
Filing Company: American Automobile Insurance Company State Tracking Number: EFT \$25
Company Tracking Number: NARGL0108-R
TOI: 05.2 Commercial Multi-Peril - Liability Portion Sub-TOI: 05.2000 CMP Sub-TOI Combinations
Only
Product Name: Pest Control Operators
Project Name/Number: Pest Control Operators/NWGL0108

Filing at a Glance

Company: American Automobile Insurance Company

Product Name: Pest Control Operators SERFF Tr Num: FFDC-125503666 State: Arkansas
TOI: 05.2 Commercial Multi-Peril - Liability SERFF Status: Closed State Tr Num: EFT \$25
Portion Only

Sub-TOI: 05.2000 CMP Sub-TOI Combinations Co Tr Num: NARGL0108-R State Status: Fees verified and received
Filing Type: Rule Co Status: Pending Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding
Authors: Gina Bondanza, Hilary Cheda Disposition Date: 03/07/2008
Date Submitted: 02/27/2008 Disposition Status: Exempt from Review
Effective Date Requested (New): 03/01/2008 Effective Date (New): 03/01/2008
Effective Date Requested (Renewal): 03/01/2008 Effective Date (Renewal): 03/01/2008

State Filing Description:

General Information

Project Name: Pest Control Operators Status of Filing in Domicile:
Project Number: NWGL0108 Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 03/07/2008
State Status Changed: 03/07/2008 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:
Dear Sir or Madam:

Enclosed for your review are revisions to the previously approved proprietary Form and Rule filings. Included with this

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submission are revised proprietary endorsements Pest Inspection Property Damage Liability Coverage 143154 02 08 and Pest Control Operators Schedule of Additional Coverages 141282 02 08 as well as the corresponding rules CG-PCO-1 02 08 for use with our Commercial General Liability policies filed in American Automobile Insurance Company.

This is a form and rule filing only, and there is no overall premium or rate impact associated with this filing.

Enclosed in support of this filing are the following documents:

- Pest Inspection Property Damage Liability Coverage 143154 02 08
- Pest Control Operators Schedule of Additional Coverages 141282 02 08
- Commercial Lines Manual CG-PCO- 1 02 08
- Actuarial and Explanatory Memoranda
- State Specific Checklists/Certifications

We look forward to the Department's acknowledgement of this filing to become effective March 1, 2008.

Company and Contact

Filing Contact Information

Hilary Cheda, hcheda@ffic.com
777 San Marin Drive (415) 899-6968 [Phone]
Novato, CA 94998 (866) 290-0671[FAX]

Filing Company Information

American Automobile Insurance Company CoCode: 21849 State of Domicile: Missouri
777 San Marin Drive Group Code: 761 Company Type:
Novato, CA 94998 Group Name: State ID Number:
(415) 899-2817 ext. [Phone] FEIN Number: 22-1608585

Filing Fees

Fee Required? No

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Retaliatory? No
Fee Explanation:
Per Company: No

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COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Automobile Insurance Company	\$0.00	02/27/2008	

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Rate Information

Rate data does NOT apply to filing.

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Accepted for Informational Purposes	Exemption Page	CG-PCO Pgs. 1-2	New	CG-PCO-1 new.pdf

**COMMERCIAL LINES MANUAL
DIVISION SIX - GENERAL LIABILITY
EXCEPTION PAGE**

COUNTRYWIDE

143154 Pest Control Property Damage Coverage Form: This is an occurrence errors and omissions coverage which may be added to a general liability policy to provide the cost of repair or replace real property because of an insured's failure to detect the presence of, or eradicate insect pests during routine pest inspections or operations.

Additional Premium: The additional premium will be based on the final premium for General Liability developed from pest control operations as follows, with a minimum premium of \$150 for this coverage:

Each Claim/Aggregate Limit of Insurance	% of Final GL Premium
\$50,000/\$100,000	2.5%
\$50,000/\$500,000	3.0%
\$125,000/\$250,000	5.0%
\$500,000/\$1,000,000	7.5%
\$1,000,000/\$1,000,000	8.0%
\$1,000,000/\$2,000,000	8.5%
\$1,000,000/\$3,000,000	9.0%

143159 Pesticide or Herbicide Operators Coverage Extension: This endorsement may be added to a General Liability policy to provide coverage for bodily injury and property damage arising out of the application of pesticides or herbicides, and mandated governmental clean-up costs arising out of work site environmental damage.

Additional Premium: The additional premium will be based on the final premium for General Liability developed from pest control operations as follows:

Each Claim/Aggregate Limit of Insurance	% of Final GL Premium
\$100,000/\$100,000	Included
\$250,000/\$500,000	2.5%
\$500,000/\$1,000,000	3.5%
\$1,000,000/\$1,000,000	3.8%
\$1,000,000/\$2,000,000	4.0%
\$1,000,000/\$3,000,000	4.25%

141278 Transit Pollution Coverage: This endorsement may be added to a General Liability policy to provide coverage for sudden and accidental release of pollutants being transported by the insured.

Additional Premium: The additional premium will be based on each vehicle used to transport pollutants used by the pest control operator as follows:

Each Claim/Aggregate Limit of Insurance	Each Vehicle
\$1,000,000/\$1,000,000	Included

141282 Pest Control Operators Schedule of Additional Coverages: This endorsement is used to show the Limits of Insurance and Deductible Amount that apply to each additional coverage.

140453 Cancellation Provisions Endorsement: This endorsement is used to provide additional time for the insured to replace coverage if we cancel or non-renew, and will be only used when

the insured does not elect to purchase our MultiCover endorsement. There is no premium charge for this endorsement.

Deductibles: Insurance Services Office Rule 15-Deductibles and the applicable credits will apply.

AMERICAN AUTOMOBILE INSURANCE COMPANY (15), ONE OF THE FIREMAN'S FUND INSURANCE COMPANIES

CG-PCO-1

02-08

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Supporting Document Schedules

Satisfied -Name: Actuarial Memo **Review Status:** Accepted for Informational Purposes 03/07/2008

Comments:

Attachment:

Actuarial Memo_Pest Control_1.pdf

Satisfied -Name: Marked Copy **Review Status:** Accepted for Informational Purposes 03/07/2008

Comments:

Attachment:

CG-PCO-1 0804_chg.pdf

**Actuarial Memorandum
Pest Control Operators**
Fireman's Fund Insurance Companies®

With this filing, we are proposing to offer transit pollution coverage at \$1,000,000 limits at no additional charge as part of our base General Liability policy. We will be filing in the American Automobile Company only.

Currently, we offer transit pollution for the following price schedule:

Each Claim / Aggregate Limit of Insurance	Price Per Vehicle
\$100,000 / \$100,000	\$25
\$500,000 / \$500,000	\$35
\$1,000,000 / \$1,000,000	\$50

The majority of our policyholders purchase \$100,000 limits and we estimate the overall cost of this coverage at 1% - 3% of the policy premium. It has been standard for many carriers to include \$1M limits for transit pollution automatically for no additional cost.

Upon review of our claims history, we have found very few losses of this type. The few losses that have occurred have been well below the \$100,000 limit currently offered. Offering this coverage at higher limits for no additional charge would bring us in line with the current marketplace.

There is a negligible decrease in rate as policyholders who currently offer this coverage will no longer be charged. Meanwhile all our policyholders will benefit from this additional coverage.

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Additional Premium: The additional premium will be based on the final premium for General Liability developed from pest control operations as follows, with a minimum premium of \$150 for this coverage:

Each Claim/Aggregate Limit of Insurance	% of Final GL Premium
\$50,000/\$100,000	2.5%
\$50,000/\$500,000	3.0%
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\$500,000/\$1,000,000	7.5%
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\$1,000,000/\$3,000,000	9.0%

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\$1,000,000/\$1,000,000	3.8%
\$1,000,000/\$2,000,000	4.0%
\$1,000,000/\$3,000,000	4.25%

141278 Transit Pollution Coverage: This endorsement may be added to a General Liability policy to provide coverage for sudden and accidental release of pollutants being transported by the insured.

Additional Premium: The additional premium will be based on each vehicle used to transport pollutants used by the pest control operator as follows:

Each Claim/Aggregate Limit of Insurance	Each Vehicle
\$100,000/\$100,000	\$25
\$500,000/\$500,000	\$35
\$1,000,000/\$1,000,000	\$50
<u>\$1,000,000/\$1,000,000</u>	<u>Included</u>

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~~08-04~~ 02-08