

SERFF Tracking Number: CLTR-125403611 State: Arkansas
Filing Company: Essentia Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: AC 08 01 IM F
TOI: 09.0 Inland Marine Sub-TOI: 09.0006 Other Personal Inland Marine
Product Name: Automobilia
Project Name/Number: Automobilia/AC 08 01 IM F

Filing at a Glance

Company: Essentia Insurance Company
Product Name: Automobilia
TOI: 09.0 Inland Marine
Sub-TOI: 09.0006 Other Personal Inland Marine
Filing Type: Form

SERFF Tr Num: CLTR-125403611 State: Arkansas
SERFF Status: Closed State Tr Num: EFT \$50
Co Tr Num: AC 08 01 IM F State Status: Fees verified and received
Co Status: Reviewer(s): Alexa Grissom, Betty Montesi, Brittany Yielding
Authors: Karen Pollitt, Stephanie Young, Linda Ryan-James Disposition Date: 04/15/2008
Date Submitted: 04/01/2008 Disposition Status: Approved

Effective Date Requested (New): 06/01/2008

Effective Date Requested (Renewal): 06/01/2008

Effective Date (New): 06/01/2008

Effective Date (Renewal):

State Filing Description:

General Information

Project Name: Automobilia
Project Number: AC 08 01 IM F
Reference Organization:
Reference Title:
Filing Status Changed: 04/15/2008
State Status Changed: 04/08/2008
Corresponding Filing Tracking Number:
Filing Description:

Status of Filing in Domicile: Not Filed

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Essentia Insurance Company is introducing 2 new endorsements to our multi-state Classic Auto Program, both of which include personal property coverage on a blanket or scheduled limits basis. The endorsements have been developed to meet the needs of our collector vehicle clients for superior, competitively-priced coverage which is simple to obtain for all of their hobby-related personal property.

The coverages being introduced are.

<i>SERFF Tracking Number:</i>	<i>CLTR-125403611</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Essentia Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>AC 08 01 IM F</i>		
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Collectible Personal Property Coverage

The concept is simple: people who collect cars like to collect other property too. This endorsement offers optional inland marine coverage for other kinds of collectible property besides cars, on the auto policy. We have created customized classes - such as Automobilia and Nautical Collectibles - with the needs of our exclusive agency's collector auto clients in mind. And while the Automobilia class is the most natural fit for our mutual customers, policyholders will benefit by the inclusion of up to eight different classes of collectible property.

Spare Parts or Tools Coverage

In keeping with our desire to target our coverage to the needs of collector-clients, we are also offering the Spare Parts or Tools Coverage Endorsement on the auto policy. This endorsement provides broad, inland marine coverage for classes of personal property that are commonly owned and often un/underinsured under traditional auto and homeowner policies.

A separate rule and rate filing is being submitted for this program.

Company and Contact

Filing Contact Information

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

Linda Ryan-James, Consultant	linda@coulter-and-associates.com
Coulter & Associates, Inc.	(609) 443-7540 [Phone]
Cranbury, NJ 08512	(609) 443-4103[FAX]

Filing Company Information

Essentia Insurance Company	CoCode: 37915	State of Domicile: Missouri
One Beacon Lane	Group Code: 1129	Company Type: Property & Casualty
Canton, MA 02021	Group Name:	State ID Number:
(617) 725-6000 ext. [Phone]	FEIN Number: 04-2672903	

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Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation: ARKANSAS FEE FOR A FORMS FILING
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Essentia Insurance Company	\$50.00	04/01/2008	19181990

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Alexa Grissom	04/15/2008	04/15/2008

Objection Letters and Response Letters

Objection Letters

Response Letters

Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Alexa Grissom	04/08/2008	04/08/2008	Linda Ryan-James	04/11/2008	04/11/2008

Industry
Response

SERFF Tracking Number: CLTR-125403611

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Product Name: Automobilia

Project Name/Number: Automobilia/AC 08 01 IM F

Disposition

Disposition Date: 04/15/2008

Effective Date (New): 06/01/2008

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	AUTHORITY TO FILE	Approved	Yes
Supporting Document	INLAND MARINE FORMS CHECKLIST	Approved	Yes
Form (revised)	COLLECTIBLE PERSONAL PROPERTY ENDORSEMENT	Approved	Yes
Form	COLLECTIBLE PERSONAL PROPERTY ENDORSEMENT	Approved	Yes
Form (revised)	COLLECTOR VEHICLE SPARE PARTS AND TOOLS	Approved	Yes
Form	COLLECTOR VEHICLE SPARE PARTS AND TOOLS	Approved	Yes

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/08/2008

Submitted Date 04/08/2008

Respond By Date

Dear Linda Ryan-James,

This will acknowledge receipt of the captioned filing. Please note that Ark. Code Ann. 23-66-206 9(B) and 23-89-304 mandate 20 days notice to the loss payee in the event of cancellation.

Please feel free to contact me if you have questions.

Sincerely,

Alexa Grissom

Response Letter

Response Letter Status Submitted to State

Response Letter Date 04/11/2008

Submitted Date 04/11/2008

Dear Alexa Grissom,

Comments:

Response 1

Comments: We are replacing the 2 filed forms with forms that allow separate cancellation notice to the loss payee.

With the receipt of this revised material, your further consideration of this filing is requested.

Sincerely,

Linda Ryan-James

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

SERFF Tracking Number: CLTR-125403611 State: Arkansas
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Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
COLLECTIBLE PERSONAL PROPERTY ENDORSEMENT	IM AC 43	06 08	Endorsement/Amendment/Conditions	New			IMAC430608 COLLECTOR PERSONAL PROPERTY ENDORS EMENT.pdf

Previous Version

COLLECTIBLE PERSONAL PROPERTY ENDORSEMENT	IMAC01	0108	Endorsement/Amendment/Conditions	New			IMAC010108.pdf
COLLECTOR VEHICLE SPARE PARTS AND TOOLS	IMAC 44	06 08	Endorsement/Amendment/Conditions	New			IMAC440608 COLLECTOR VEHICLE SPARE PARTS AND TOOLS.pdf

Previous Version

COLLECTOR VEHICLE SPARE PARTS AND TOOLS	IMAC02	0408	Endorsement/Amendment/Conditions	New			IMAC020408 COLLECTOR VEHICLE
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SPARE
PARTS
AND
TOOLS.pdf
f

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Product Name: Automobilia

Project Name/Number: Automobilia/AC 08 01 IM F

No Rate/Rule Schedule items changed.

Sincerely,

Karen Pollitt, Linda Ryan-James, Stephanie Young

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	COLLECTIBLE PERSONAL PROPERTY ENDORSEMENT	IM AC 43	06 08	Endorsement/Amendment/Conditions	New		IMAC430608 COLLECTOR PERSONAL PROPERTY ENDORSEMENT.pdf
Approved	COLLECTOR VEHICLE SPARE PARTS AND TOOLS	IMAC 44	06 08	Endorsement/Amendment/Conditions	New		IMAC440608 COLLECTOR VEHICLE SPARE PARTS AND TOOLS.pdf

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLLECTIBLE PERSONAL PROPERTY ENDORSEMENT

AGREEMENT

We cover the classes and items of collectible personal property described below. This insurance is provided subject to the provisions of this endorsement and in return for the premium and compliance with all applicable provisions of the Classic Auto Policy to which it is attached.

DEFINITIONS

For purposes of the coverage provided in this endorsement, the following definition is added:

“Market value” means the price which the property might be expected to realize if offered for sale by a willing seller to a willing buyer in a fair market on the date of loss or damage.

“Actual cash value” means the amount it would cost to repair or replace the covered property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence.

PROPERTY COVERED

We cover the property insured under this endorsement when owned by or in the custody or control of an "insured" while it is anywhere in the world, unless otherwise noted.

Scheduled Property

We cover the item(s) described in the Declarations or Schedule only if an amount of insurance and premium is shown for that property.

Unscheduled Property – Blanket Insurance

We cover the property listed in the Declarations or Schedule only if a blanket amount of insurance and premium is shown for that class of property.

THE AMOUNT OF INSURANCE SHOWN FOR SUCH PROPERTY IS LIMITED BY THE LOSS SETTLEMENT PROVISION IN THIS ENDORSEMENT.

Fine Arts – Scheduled and Unscheduled

With regard to articles of fine art insured in this endorsement:

- The premium shown in the Declarations or Schedule is based on your statement that such property is located at the mailing or other address(es) shown in the Declarations; and
- You agree that if any articles are to be transported from such location, they will be packed and unpacked by competent packers.

CLASSES OF PERSONAL PROPERTY WE INSURE

Automobilia. This class includes:

- Badges and pinbacks;
- Bronzes and statues;
- Cast iron toys;
- Gas or oil containers and dispensers;
- Hood ornaments;
- Non-powered models;
- Publications, signs and posters;
- Station displays;
- Wall decorations; or
- Any other historic or collectible item linked with motor vehicles, motorcycles or motorsports.

Automobilia does not include:

- ◆ “your covered auto”;
- ◆ fully or partially complete vehicles; or
- ◆ vehicle components, spare parts or equipment, unless ownership is for memento value or artistic display rather than for practical use.

Fine Arts Collections. This class includes private collections which consist of:

- Drawings, etchings, lithographs, paintings, pictures, tapestries;
- Art glass windows;
- Bona fide works of art such as:
 - ◆ Valuable rugs;
 - ◆ Statuary, marbles and bronzes;
 - ◆ Antique furniture and silver;
 - ◆ Manuscripts and rare books; and
 - ◆ Porcelains, rare glass and bric-a-brac; and
- Other bona fide works of rarity, historical value or artistic merit.

Jewelry and Watch Collections. This class includes items of rarity, historical value or artistic merit. This does not include jewelry or watches worn regularly.

Miscellaneous Collectibles. This class includes:

- Farm implements;
- Guns or weapons;
- Militaria;
- Sports memorabilia;
- Vintage clothing; or
- Any other unscheduled or scheduled collectible property classed as such in the Declarations or Schedule.

Music Memorabilia. This class includes:

- Instruments;
- Backstage passes, publications, sheet music, signs and posters, tickets;
- Tapes;
- Vinyl records;
- Accessories and equipment used for or with covered musical instruments; or
- Any other historic or collectible item linked with music history.

Nautical Collectibles. This class includes:

- Bells, bronzes and statues, clocks;
- Gas or oil containers and dispensers; globes;
- Maps, publications, signs and posters;
- Non-powered models;
- Ship parts, components or instruments;
- Wall decorations; or
- Any other historic or collectible item linked with maritime history.

Nautical Collectibles does not include:

- ◆ boats, whether functional or under restoration; or
- ◆ boat engines, parts or equipment, unless ownership is for memento value or artistic display rather than for practical use.

Postage Stamp Collections. This class includes:

- Due, envelope, official, revenue, match and medical stamps;
- Covers, locals, reprints, essays, proofs and other philatelic property; or
- Books, pages and mountings of items listed above.

Rare And Current Coin Collections. This class includes:

- Medals, paper money and bank notes;
- Tokens of money and other numismatic property; or
- Coin albums, containers, frames, cards and display cabinets used with the collection.

SPECIAL LIMITS ON WHAT WE WILL PAY FOR UNSCHEDULED PROPERTY
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In addition to the amount of insurance for the class of property insured, the following special limits on what we will pay apply to unscheduled property:

Limit for Property Being Mailed or Shipped

The limit of coverage we provide for unscheduled property being mailed or shipped is not more than \$1,000. An adult's signature is required on the mailing or shipping receipt.

Limit for Postage Stamp or Rare and Current Coin Collections

We will pay not more than \$1,000 on any:

- unscheduled collection; or
- one stamp, coin or individual article or any one pair, strip, block, series sheet, cover, frame or card.

Limit for Property Away from Residence

The limit of coverage we provide for unscheduled property stored away from your primary or secondary residence is 10% of the amount of insurance for the class, unless we have agreed to an alternate storage location in writing.

However, this limitation does not apply to property:

- Moved from the residence because it is being repaired, renovated or rebuilt and is not fit to live in or store property in; or
- In a newly acquired principal residence for 90 days from the time you begin to move the property there.

Limit on Trading Cards (Miscellaneous Collectibles)

- a. If trading cards are insured under Miscellaneous Collectibles, we will not pay more than 10% of the limit of insurance stated in the Declarations while the cards are away from your primary or secondary residence;
- b. Subject to the limit in a. above, we will not pay more than:
 - ◆ \$5000 on any item or unscheduled collection; or
 - ◆ the limit of insurance;
 whichever is less.

PROPERTY NOT COVERED

We do not cover:

1. Under the Jewelry class of property:
 - a. Unmounted gems;
 - b. Bullion, gold, silver and other precious metals;
 - c. Goldware, gold-plated ware, pewterware, platinumware, platinum-plated ware, silverware, and silver-plated ware; and
 - d. Flatware, hollowware, tea sets, trays and trophies made of or including gold, silver, platinum or pewter.
2. Musical instruments used by any person in a performance for pay.
An instrument is used in a performance for pay when a person receives payment for playing the instrument or teaching with it during the policy period.
3. Articles:
 - a. In the custody of a dealer, art gallery, art institution, auction house or room or museum open to the public when insured in the name of such entities;
 - b. Property exhibited at fair grounds or on the premises of national or international expositions;
 - c. Owned by and insured for account of Federal, State, County or Municipal authorities.

4. Postage stamps and rare and current coins:
 - a. Not an actual part of a stamp or coin collection;
 - b. In the custody of transportation companies.
5. Contraband, or property in the course of illegal transportation or trade.
6. Unscheduled property while on or attached to a boat. However, we will cover property in the course of shipping if we have agreed to this in writing in advance of shipment.
7. Automobilia while attached to any vehicle.
8. Dealer stock, "business" or commercial property.
9. Unscheduled property held for sale while away from your primary or secondary residence.
10. Items being shipped by mail other than by:
 - a. registered mail;
 - b. certified mail; or
 - c. other similar shipping or courier service which provides package tracking;

unless we agree to cover in writing, in advance of its shipment date.
11. Unscheduled property left behind in a hotel room after check-out.

EXTRA COVERAGES

The following additional coverage is provided, subject to the provisions that exclude, restrict or limit coverage in this endorsement.

▶ **DISPLAY PROPERTY**

We provide up to \$250 for albums, containers, frames, cards and display cabinets used with a collection and damaged by a covered loss.

▶ **NEWLY ACQUIRED PROPERTY**

We cover newly acquired property of the classes already insured.

The limit for this coverage is 30% of the amount of insurance for its class or \$10,000, whichever is less. This coverage is also subject to Loss Settlement, item 2.

Newly acquired property purchased through an internet transaction is also covered for:

- ◆ misrepresentation;
- ◆ non-authenticity; and
- ◆ defective title;

for an amount not more than \$250 per loss, subject to a deductible of \$100.

You must:

- ◆ report it to us within 90 days of the date acquired; and
- ◆ pay the premium due for the item from the date acquired. If not reported, coverage for any newly acquired property will cease after 90 days.

▶ **PROPERTY ON EXHIBITION**

We cover up to \$1,000 for loss or damage to property entered into any judged exhibition. However, there is no coverage if the loss or damage is caused by theft, misplacing or losing.

We will apply a deductible to each loss in the amount of:

- ◆ \$100; or
- ◆ the deductible shown in the Declarations or Schedule for the covered property; whichever is greater.

▶ **SUPPLEMENTARY PAYMENTS**

Your Time

We will pay up to \$100 for your time to research, replace or recover lost or damaged items after a covered loss.

COVERED PERILS

We insure against risk of direct physical loss to covered property unless the loss is caused by a peril that is excluded.

EXCLUDED PERILS

We do not insure the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area:

1. Loss that results from:
 - ◆ wear and tear;
 - ◆ deterioration;
 - ◆ hidden defect; or
 - ◆ any quality in property that causes it to damage or destroy itself.
2. Loss caused by or that results from:
 - ◆ Birds, rodents, or insects;
 - ◆ Nesting or infestation, or discharge or release of waste products or secretions, by any animals.
3. If organs not of a mobile nature are covered under Music Memorabilia, loss caused by:
 - ◆ Mechanical or electrical breakdown or failure; or
 - ◆ Any repairing, adjusting, servicing or maintenance operation;
 unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.
4. Loss caused by or that results from any:
 - ◆ Repairing, restoration or retouching process; or
 - ◆ Work done to or handling the property.
 However, if a fire or explosion results, we do cover the loss caused by fire or explosion.
5. Loss caused by or that results from neglect. Neglect means an "insured" failed to use all reasonable means to save and preserve property at and after the time of loss.
6. For unscheduled blanket property:

Loss caused by theft from any unattended auto without visible signs of forced entry. However, any coverage we provide for theft from an unattended auto will be subject to a deductible of:

 - ◆ \$100; or
 - ◆ the deductible shown in the Declarations or Schedule for the covered property; whichever is greater.
7. Loss caused by the infidelity of any person to whom the property was entrusted.
8. Loss caused by or that results from mechanical breakdown.
9. Loss caused by or that results from any power surge, unless a surge protector was used.
10. Loss caused by or that results from the intentional acts of an "insured". Intentional means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss. In the event of such loss, no "insured" is entitled to coverage, even "insureds" that did not commit or conspire to commit the act.

In addition to the Excluded Perils above, the following exclusions also apply to the classes or items described below:

11. If **Fine Arts, Automobilia, Nautical Collectibles** or **Miscellaneous Collectibles** are covered:

Loss caused by or that results from:

Breakage of art glass windows, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles.

We do cover breakage caused by:

- ◆ Fire or lightning;
- ◆ Explosion, aircraft or collision;
- ◆ Windstorm, earthquake or flood;
- ◆ Malicious damage or theft; or
- ◆ Derailment or overturn of a conveyance;

However, this provision does not apply to articles or classes described in the Declarations or Schedule as including breakage.

- 12. If Postage Stamps, Rare and Current Coin Collections,** or any paper items within any other class other than Fine Arts are covered:

Loss caused by or that results from:

- ◆ Fading, creasing, denting, scratching, tearing, or thinning;
- ◆ Transfer of colors, inherent defect, dampness, extremes of temperature or depreciation.

- 13. If Postage Stamps, Rare and Current Coin Collections, or Miscellaneous Collectibles** that are trading cards are covered:

Disappearance of individual stamps, coins or other articles unless the item is:

- ◆ Described and scheduled with a specific amount of insurance; or
- ◆ Mounted in a volume and the page it is attached to is also lost.

DEDUCTIBLE

We will pay only that part of the total of all loss payable under this endorsement that exceeds the deductible amount shown in the Declarations or Schedule for the class or item. If more than one deductible applies in any one loss, the largest applicable deductible will be used.

LOSS CONDITIONS

► Loss Settlement

▪ Standard Loss Settlement – Unscheduled Property - Blanket

1. The value of the property in the Declarations is not agreed upon but will be determined at the time of loss.

We will not pay more than the least of the following amounts:

- ◆ The amount for which the article or item could reasonably be expected to be repaired to its condition immediately prior to loss;
- ◆ The “market value” of the article or item;
- ◆ The amount of insurance for the class; or
- ◆ For any one item, the per item limit shown in the Declarations or Schedule.

2. **Newly Acquired Property**

For newly acquired property, we will not pay more than the least of the following amounts:

- ◆ The “actual cash value” of the article or item at the time of loss;
- ◆ The amount for which the article or item could reasonably be expected to be repaired to its condition immediately prior to loss;
- ◆ The “market value” of the article or item;
- ◆ The limit of coverage; or
- ◆ For any one item, the per item limit shown in the Declarations or Schedule.

3. **Loss To A Pair, Set Or Parts**

If the article or item is a pair or set or consists of several parts when complete, we may elect to:

- ◆ Repair or replace any part to restore the pair or set to its value before the loss;
- ◆ Pay the difference between the “actual cash value” of the property before and after the loss; or
- ◆ Pay for the value of the part lost or damaged.

In the case of an article of fine art, we will pay the “actual cash value” of the article before the loss and take the remaining parts.

4. **Recovered Property**

If you or we recover any property for which we have made payment under this endorsement, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, we will adjust the loss payment based on the amount you received for the recovered property.

5. Property of Others

Property of others loaned or leased to the insured, and which the insured is required to insure, or for which the insured may be liable, will be valued at the lesser of:

- ◆ the amount agreed upon in the loan or lease agreement;
- ◆ the amount for which the article or item could reasonably be expected to be replaced with one substantially identical to it; or
- ◆ its "market value".

6. Property Not Insured To Full Value

Any loss payment we make will be reduced if you do not insure the covered property for its full value. We will pay only that proportion of any loss on an unscheduled collection that the amount of blanket insurance bears to the "actual cash value" of such property at the time of loss.

▪ Agreed Value Loss Settlement – Scheduled Property Only

1. When an item is designated with Agreed Value coverage in the Schedule, we will pay the full amount shown in the Schedule for each article or item. That amount is agreed to be the value of the article or item.

At our request you will surrender the article or item to us if not lost or stolen.

2. Loss To A Pair, Set Or Parts

If the article or item is a pair or set, or consists of several parts when complete:

- ◆ We will pay the full amount shown in the Schedule for that pair, set or complete article or item; and
- ◆ At our request, you will surrender it to us if it is not lost or stolen.

3. In the event a lost or stolen article or item is recovered, you will surrender it to us.
4. We will, at your request, sell back to you the item you surrendered to us to comply with the above terms at a discount of five percent below its fair market salvage value.

5. Schedule on File

When Schedule on File is listed in the Schedule:

We cover the items listed in a schedule which you must submit to us and we keep on file. The schedule must contain:

- ◆ a description for each item; and
- ◆ a limit for each item.

► Loss Clause

We will not reduce the amount of insurance under this endorsement except for a total loss of scheduled property. We will refund the unearned premium for that property after the loss or you may apply the refund to the premium due for its replacement.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

With the exception of the **APPRAISAL** and **OTHER INSURANCE** provisions, **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO** does not apply to the property covered by this endorsement.

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

In case of a loss to Collectible Personal Property, the following duties also apply:

E. A person seeking coverage must:

1. Prepare an inventory of damaged property showing the quantity, description, value, cost and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
2. Notify the police as soon as reasonably able if the property is subject to a crime;

3. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies;
 - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same; and
 - d. Produce, to the extent that it is within your power, your employees, members of your household or others so that they may be examined under oath.
 - e. Send to us, within 90 days after discovery of the loss, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - i. The time and cause of loss;
 - ii. The interests of all "insureds" and all others in the property involved and all liens on the property;
 - iii. Other insurance which may cover the loss; and
 - iv. The inventory of damaged property described in 1. above.
4. You may not offer or pay any rewards, make willing payments or incur other expenses except at your own expense.

PART F – GENERAL PROVISIONS

PART F - GENERAL PROVISIONS of the Classic Auto Policy apply to the property covered by this endorsement, if applicable, except as deleted, changed or added below:

OTHER INSURANCE POLICIES

This provision is deleted.

POLICY PERIOD AND TERRITORY

The policy territory for this property is extended to worldwide, except as stated otherwise.

The following provisions are changed to include the property covered by this endorsement, in addition to "your covered auto":

- **OUR RIGHT TO RECOVER PAYMENT**
- **ABANDONMENT**
- **TRANSFER OF YOUR INTEREST IN THIS POLICY**

The following provisions are added:

LOSS PAYABLE CLAUSE

If the Declarations names a loss payee in which the loss payee has an interest, we will adjust any loss with you and make the loss payment to you or an "insured" legally entitled to receive payment and the loss payee as their respective interests may appear.

We will notify the loss payee in writing at least 20 days before we cancel or do not renew this coverage.

INSURABLE INTEREST AND LIMIT OF LIABILITY

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

- To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
- For more than the applicable amount of insurance.

INSURANCE NOT TO BENEFIT OTHERS

No person or organization having custody of the property and to be paid for services shall benefit from this insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLLECTOR VEHICLE SPARE PARTS OR TOOLS COVERAGE ENDORSEMENT

AGREEMENT

We cover the classes and items of personal property described below. This insurance is provided subject to the provisions of this endorsement and in return for the premium and compliance with all applicable provisions of the Classic Auto Policy to which it is attached.

DEFINITIONS

For purposes of the coverage provided in this endorsement, the following definition is added:

“Market value” means the price which the property might be expected to realize if offered for sale by a willing seller to a willing buyer in a fair market on the date of loss or damage.

“Actual cash value” means the amount it would cost to repair or replace the covered property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence.

PROPERTY COVERED

We cover the property insured under this endorsement when owned by or in the custody or control of an "insured" while it is anywhere in the world, unless otherwise noted.

Scheduled Property

We cover the item(s) described in the Declarations or Schedule only if an amount of insurance and premium is shown for that property.

Unscheduled Property – Blanket Insurance

We cover the property listed in the Declarations or Schedule only if a blanket amount of insurance and premium is shown for that class of property.

THE AMOUNT OF INSURANCE SHOWN FOR SUCH PROPERTY IS LIMITED BY THE LOSS SETTLEMENT PROVISION IN THIS ENDORSEMENT.

CLASSES OF PERSONAL PROPERTY WE INSURE

- **Automotive Tools**, including tools and portable equipment used in the maintenance of collector vehicles. This also includes:
 - ◆ portable carts or cases used to store covered tools;
 - ◆ accessories for covered tools whether attached or not.
- **Collector Vehicle Spare Parts**, including parts that are specifically designed and held for use in the maintenance and operation of any collector vehicles, whether insured by us or not. Spare Parts shall not include parts held:
 - ◆ for use in “regular use vehicles”; or
 - ◆ as collectible personal property.

SPECIAL LIMITS ON WHAT WE WILL PAY FOR UNSCHEDULED PROPERTY

In addition to the amount of insurance for the class of property insured, the following special limits on what we will pay apply to unscheduled property:

Limit for Property Being Mailed or Shipped

The limit of coverage we provide for unscheduled property being mailed or shipped is not more than \$1,000. An adult’s signature is required on the mailing or shipping receipt.

Limit for Property Away from Residence

The limit of coverage we provide for unscheduled property stored away from your primary or secondary residence is 10% of the amount of insurance for the class, unless we have agreed to an alternate storage location in writing.

However, this limitation does not apply to property:

- ◆ Moved from the residence because it is being repaired, renovated or rebuilt and is not fit to live in or store property in; or
- ◆ In a newly acquired principal residence for 90 days from the time you begin to move the property there.

PROPERTY NOT COVERED

We do not cover:

1. Items in the custody of transportation companies.
2. Contraband, or property in the course of illegal transportation or trade.
3. Unscheduled property while on or attached to a boat. However, we will cover property in the course of shipping if we have agreed to this in writing in advance of shipment.
4. Any item while attached to a vehicle.
5. Dealer stock, "business" or commercial property.
6. Unscheduled property held for sale while away from your primary or secondary residence.
7. Items being shipped by mail other than by:
 - a. registered mail;
 - b. certified mail; or
 - c. other similar shipping or courier service which provides package tracking;
 unless we agree to cover in writing, in advance of its shipment date.
8. Unscheduled property left behind in a hotel room after check-out.

COVERED PERILS

We insure against risk of direct physical loss to covered property unless the loss is caused by a peril that is excluded.

EXCLUDED PERILS

We do not insure the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area:

1. Loss that results from:
 - ◆ wear and tear;
 - ◆ deterioration;
 - ◆ hidden defect; or
 - ◆ any quality in property that causes it to damage or destroy itself.
2. Loss caused by or that results from:
 - ◆ Birds, rodents, or insects;
 - ◆ Nesting or infestation, or discharge or release of waste products or secretions, by any animals.
3. Loss caused by or that results from any:
 - ◆ Repairing, restoration or retouching process; or
 - ◆ Work done to or handling the property.

However, if a fire or explosion results, we do cover the loss caused by fire or explosion.

4. Loss caused by or that results from breakage.

We do cover breakage caused by:

- ◆ Fire or lightning;
 - ◆ Explosion, aircraft or collision;
 - ◆ Windstorm, earthquake or flood;
 - ◆ Malicious damage or theft; or
 - ◆ Derailment or overturn of a conveyance;
5. Loss caused by or that results from neglect. Neglect means an "insured" failed to use all reasonable means to save and preserve property at and after the time of loss.

6. Loss caused by or that results from:
 - ◆ Fading, creasing, denting, scratching, tearing, or thinning;
 - ◆ Transfer of colors, inherent defect, dampness, extremes of temperature or depreciation.
7. For unscheduled blanket property, loss caused by theft from any unattended auto.
8. Loss caused by the infidelity of any person to whom the property was entrusted.
9. Loss caused by or that results from mechanical breakdown.
10. Loss caused by or that results from any power surge, unless a surge protector was used.
11. Loss caused by or that results from the intentional acts of an "insured". Intentional means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss. In the event of such loss, no "insured" is entitled to coverage, even "insureds" that did not commit or conspire to commit the act.

DEDUCTIBLE

We will pay only that part of the total of all loss payable under this endorsement that exceeds the deductible amount shown in the Declarations or Schedule for the class or item. If more than one deductible applies in any one loss, the largest applicable deductible will be used.

However, any loss caused by theft, misplacing or losing of unscheduled property is subject to a minimum deductible of \$250 per loss.

LOSS CONDITIONS

► Loss Settlement

▪ Standard Loss Settlement – Unscheduled Property - Blanket

1. The value of the property in the Declarations is not agreed upon but will be determined at the time of loss.

We will not pay more than the least of the following amounts:

- ◆ The amount for which the article or item could reasonably be expected to be repaired to its condition immediately prior to loss;
- ◆ The amount for which the article or item could reasonably be expected to be replaced with one substantially identical to it;
- ◆ The "market value" of the article or item;
- ◆ The amount of insurance for the class; or
- ◆ For any one item, the per item limit shown in the Declarations or Schedule.

2. Loss To A Pair, Set Or Parts

If the item is a pair or set or consists of several parts when complete, we may elect to:

- ◆ Repair or replace any part to restore the pair or set to its value before the loss;
- ◆ Pay the difference between the "actual cash value" of the property before and after the loss; or
- ◆ Pay for the value of the part lost or damaged.

3. Recovered Property

If you or we recover any property for which we have made payment under this endorsement, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, we will adjust the loss payment based on the amount you received for the recovered property.

4. Property of Others

Property of others loaned or leased to the insured, and which the insured is required to insure, or for which the insured may be liable, will be valued at the lesser of:

- ◆ The amount agreed upon in the loan or lease agreement; or
- ◆ Its "actual cash value".

5. Property Not Insured to Full Value

Any loss payment we make will be reduced if you do not insure the covered property for its full value. We will pay only that proportion of any loss on an unscheduled collection that the amount of blanket insurance bears to the "actual cash value" of such property at the time of loss.

▪ Standard Loss Settlement - Scheduled Property

1. The value of each scheduled article or item in the Schedule is not agreed upon but will be determined at the time of loss.

We will not pay more than the least of the following amounts:

- ◆ The amount for which the article or item could reasonably be expected to be repaired to its condition immediately prior to loss;
- ◆ The amount for which the article or item could reasonably be expected to be replaced with one substantially identical to it;
- ◆ The amount of insurance; or
- ◆ For any one item, the per item limit shown in the Declarations or Schedule.

2. **Schedule on File**

When Schedule on File is listed in the Schedule:

We cover the items listed in a schedule which you must submit to us and we keep on file. The schedule must contain:

- ◆ a description for each item; and
- ◆ a limit for each item.

► Loss Clause

We will not reduce the amount of insurance under this endorsement except for a total loss of scheduled property. We will refund the unearned premium for that property after the loss or you may apply the refund to the premium due for its replacement.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

With the exception of the **APPRAISAL** and **OTHER INSURANCE** provisions, **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO** does not apply to the property covered by this endorsement.

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

In case of a loss to property covered by this endorsement, the following duties also apply:

- E. A person seeking coverage must:
 1. Prepare an inventory of damaged property showing the quantity, description, value, cost and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
 2. Notify the police as soon as reasonably able if the property is subject to a crime;
 3. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies;
 - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same; and
 - d. Produce, to the extent that it is within your power, your employees, members of your household or others so that they may be examined under oath.
 - e. Send to us, within 90 days after discovery of the loss, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - i. The time and cause of loss;

- ii. The interests of all "insureds" and all others in the property involved and all liens on the property;
 - iii. Other insurance or service agreement which may cover the loss; and
 - iv. The inventory of damaged property described in 1. above.
4. You may not offer or pay any rewards, make willing payments or incur other expenses except at your own expense.

PART F – GENERAL PROVISIONS

PART F - GENERAL PROVISIONS of the Classic Auto Policy apply to the property covered by this endorsement, if applicable, except as changed or added below:

OTHER INSURANCE POLICIES

This provision is deleted.

The following provisions are changed to include the property covered by this endorsement, in addition to "your covered auto":

- **OUR RIGHT TO RECOVER PAYMENT**
 - **ABANDONMENT**
 - **TRANSFER OF YOUR INTEREST IN THIS POLICY**
-

The following provisions are added:

LOSS PAYABLE CLAUSE

If the Declarations names a loss payee in which the loss payee has an interest, we will adjust any loss with you and make the loss payment to you or an "insured" legally entitled to receive payment and the loss payee as their respective interests may appear.

We will notify the loss payee in writing at least 20 days before we cancel or do not renew this coverage.

INSURABLE INTEREST AND LIMIT OF LIABILITY

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

- To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
 - For more than the applicable amount of insurance.
-

INSURANCE NOT TO BENEFIT OTHERS

No person or organization having custody of the property and to be paid for services shall benefit from this insurance.

SERFF Tracking Number: CLTR-125403611

State: Arkansas

Filing Company: Essentia Insurance Company

State Tracking Number: EFT \$50

Company Tracking Number: AC 08 01 IM F

TOI: 09.0 Inland Marine

Sub-TOI: 09.0006 Other Personal Inland Marine

Product Name: Automobilia

Project Name/Number: Automobilia/AC 08 01 IM F

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: CLTR-125403611

State: Arkansas

Filing Company: Essentia Insurance Company

State Tracking Number: EFT \$50

Company Tracking Number: AC 08 01 IM F

TOI: 09.0 Inland Marine

Sub-TOI: 09.0006 Other Personal Inland Marine

Product Name: Automobilia

Project Name/Number: Automobilia/AC 08 01 IM F

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty

Review Status: Approved 04/15/2008

Comments:

Attachment:

NAIC TRANSMITTAL IM FORMS.pdf

Satisfied -Name: AUTHORITY TO FILE

Review Status: Approved 04/15/2008

Comments:

Attachment:

Essentia Authorization 2008.pdf

Satisfied -Name: INLAND MARINE FORMS CHECKLIST

Review Status: Approved 04/15/2008

Comments:

Attachment:

AR IM Forms Checklist 0308.pdf

Property & Casualty Transmittal Document

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: 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					

3. Group Name	Group NAIC #
ONEBEACON	1129

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
ESSENTIA INSURANCE COMPANY	MISSOU RI	37915	04-2672903	

5. Company Tracking Number	AC 01 08 IM F
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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
	LINDA RYAN-JAMES 379 PRINCETON HIGHTSTOWN ROAD CRANBURY, NJ 08512	SENIOR COMPLIAN CE CONSULTA NT	609-443-7540	609-443-4140	LINDA@COULTER- AND- ASSOCIATES.COM

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

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

9. Type of Insurance (TOI)	INLAND MARINE
10. Sub-Type of Insurance (Sub-TOI)	OTHER PERSONAL INLAND MARINE
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	AUTOMOBILIA
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" 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: 6-1-2008 Renewal: 6-1-2008
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	04.01.08

19.	Status of filing in domicile	[] Not Filed [X] Pending [] Authorized [] Disapproved
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PC TD-1 pg 1 of 2

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	AC 01 08 IM F
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]	
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Essentia Insurance Company is introducing 2 new endorsements to our multi-state Classic Auto Program, both of which include personal property coverage on a blanket or scheduled limits basis. The endorsements have been developed to meet the needs of our collector vehicle clients for superior, competitively-priced coverage which is simple to obtain for all of their hobby-related personal property.

The coverages being introduced are.

Collectible Personal Property Coverage

The concept is simple: people who collect cars like to collect other property too. This endorsement offers optional inland marine coverage for other kinds of collectible property besides cars, on the auto policy. We have created customized classes - such as Automobilia and Nautical Collectibles - with the needs of our exclusive agency's collector auto clients in mind. And while the Automobilia class is the most natural fit for our mutual customers, policyholders will benefit by the inclusion of up to eight different classes of collectible property.

Spare Parts or Tools Coverage

In keeping with our desire to target our coverage to the needs of collector-clients, we are also offering the Spare Parts or Tools Coverage Endorsement on the auto policy. This endorsement provides broad, inland marine coverage for classes of personal property that are commonly owned and often un/underinsured under traditional auto and homeowner policies.

A separate rule and rate filing is being submitted for this program

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 #: USED EFT
Amount: 50.00

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.)**

PC TD-1 pg 2 of 2

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	AC 01 08 IM F
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2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	
-----------	---	--

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	COLLECTIBLE PERSONAL PROPERTY	IMAC01 0108	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	COLLECTOR VEHICLE TOOLS AND SPARE PARTS	IMAC02 0408	<input checked="" 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		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

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 #	
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
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Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
-----------	--	--

4a.	Rate Change by Company (As Proposed)						
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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)

4b.	Rate Change by Company (As Accepted) For State Use Only						
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

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

6.	Overall percentage of last rate revision	
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7.	Effective Date of last rate revision	
-----------	---	--

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
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9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		<input 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	

Essentia Insurance Company
One Beacon Lane
Canton, MA 02021

Date: *March 27, 2008*

To: State Insurance Departments

From: Gavin Blair

Subject: Filing Authority for Coulter & Associates, Inc.

I, *GAVIN BLAIR*, an officer of Essentia Insurance Company, have authorized Coulter & Associates, Inc., acting as our Contracts Consultants, to file products and correspond with your Department on our behalf. The Authorization is effective until December 1, 2008.

Officer Signature: *Gavin Blair*

Title: *V.P. and Actuary*

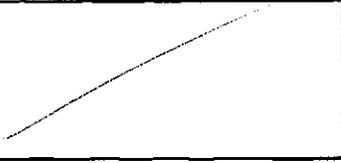
LINE OF BUSINESS: Inland Marine

LINE(S) OF INSURANCE
Other Commercial Inland Marine

CODES
9.0005

Code: 9.0000

IF CHECKLIST IS NOT APPLICABLE, PLEASE EXPLAIN:

REVIEW REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS	LOCATION OF STANDARD IN FILING
GENERAL REQUIREMENTS FOR ALL FILINGS			
COPIES, RETURN ENVELOPES ETC.	Rule & Reg 23—12/18/02. This reg is scheduled to change in 2003. WORD PDF	If it is a paper filing, include 1 copy of transmittal header (or cover letter) for each company included in filing and a return copy for the company. Include a self-addressed, postage paid envelope <u>large enough to accommodate the return copy.</u>	
COVER LETTER AND EXPLANATORY MEMORANDUM	Rule & Reg 23—12/18/02. This reg is scheduled to change in 2003. WORD PDF	12/18/02—At this time Arkansas will accept the abstracts required in current Rule and Reg 23 or the NAIC Uniform Transmittal Document and its related forms. If the Uniform Transmittal document is used, no cover letter is necessary	

FILING SUBMISSION	Rule & Reg 67 WORD PDF		
EFFECTIVE DATE WORDING	23-67-219 WORD PDF	(C)(i) Every filing must be submitted for approval to the commissioner at least thirty (30) days prior to the proposed effective date. (ii) Upon written request of the filer, the commissioner may authorize an earlier effective date.	
FREE CONTRACT PROHIBITED			
LIMITATIONS/RESTRICTIONS ON TRANACTING BUSINESS			
NAIC #	Bulletin 8-90 WORD PDF	NAIC #s are required on all correspondence, documents, reports, etc. filed by the insurer with the AR Insurance Dept.	
LINE OF AUTHORITY	23-62-107 WORD PDF	See Link for full definition	
NO FILE OR FILING EXEMPTIONS	23-67-206 WORD PDF	23-67-206. Exemptions. (a) In a competitive market, property and casualty insurance for commercial risks, excluding workers' compensation, employers' liability, and professional liability insurance, including, but not limited to, medical malpractice insurance, are exempted from the rate filing and review provisions set forth in this chapter. (b) Risks or portions thereof which are not rated according to manuals, rating plans, or schedules including "a" rates, risks rated under the "referral to company" or "individual risk situations" rules, are exempted from the rate filing and review provisions set forth in this chapter. Insurers must maintain complete files on how they determined the rate for such risks and make these files available to the Insurance Commissioner upon request. (c) The commissioner, upon his or her own	

		initiative or upon request of any person, by order, may exempt any market, segment, or line from any or all of the provisions of this chapter if and to the extent that he or she finds the exemption necessary to achieve the purposes of this chapter.	
SIDE BY SIDE COMPARISON		Accepted but not required	
WATERCRAFT LONGER THAN 26 FEET	Bulletin 7-99 WORD PDF		
THIRD PARTY FILERS AUTHORITY		A third party filer must be given permission by insurer to file on their behalf. No specific code cite.	
TRANSACTING OTHER BUSINESS			
FORMS: POLICY PROVISIONS			
ACCESS TO COURTS	23-79-203 WORD PDF	23-79-203. Trial by jury.(a) No insurance policy or annuity contract shall contain any condition, provision, or agreement which directly or indirectly deprives the insured or beneficiary of the right to trial by jury on any question of fact arising under the policy or contract. (b) All such provisions, conditions, or agreements shall be void.	Acknowledged
AMBIGUOUS & MISLEADING			
APPLICATIONS	23-79-109(a) WORD PDF	23-79-109. Filing and approval of forms. (a)(1)(A) No basic insurance policy, or annuity contract form, or application form where written application is required and is to be made a part of the policy or contract, or printed rider or endorsement form or form of renewal certificate, shall be issued, delivered, or used as to a subject of insurance resident, located, or to be performed in this state unless the form has been filed with and approved by the Insurance Commissioner and, in the case of individual accident and health contracts, the rates have been filed with and	Acknowledged

		approved by the commissioner.	
APPRAISALS	23-79-203(a), WORD PDF Bulletin 19-89 WORD PDF	23-79-203. Trial by jury.(a) No insurance policy or annuity contract shall contain any condition, provision, or agreement which directly or indirectly deprives the insured or beneficiary of the right to trial by jury on any question of fact arising under the policy or contract. (b) All such provisions, conditions, or agreements shall be void.	State Conformance Endorsement AC 01 28 03 08 Appraisal
ARBITRATION	23-79-203(a), WORD PDF Bulletin 19-89 WORD PDF	23-79-203. Trial by jury.(a) No insurance policy or annuity contract shall contain any condition, provision, or agreement which directly or indirectly deprives the insured or beneficiary of the right to trial by jury on any question of fact arising under the policy or contract. (b) All such provisions, conditions, or agreements shall be void.	ISO um/w/m Endorsements - Arbitration
ASSESSIBLE POLICIES			
BANKRUPTCY PROVISIONS	23-89-102 Word PDF ; Jarboe v. Shelter Ins. Co., 317 Ark. 395,877 S.W.2d 930 (1994)	Insurer's liability is not affected by the insured's insolvency; the filing of a petition in bankruptcy is not the type of immunity contemplated by this section.	Classic Auto Policy AC00010407 p 9
BLANK ENDORSEMENTS	23-79-109 WORD PDF	Forms must be filed. A form without specific language is not a complete form and can't be approved. However, we will consider approving a "blank" form if the company will provide a detailed description of how the form will be used.	Acknowledged
CANCELLATION & NON-RENEWAL	23-66-206(11) WORD PDF	See "Permissible Reasons for Cancellation" below	
Cancellation-indiscriminate & capricious cancellation or nonrenewal by insurers	Directive 1-85 Bulletin 13-85 WORD PDF	Directive 1-85 primarily states the Dept. position on cancellations & nonrenewals. It deals with policies in effect more than 60 days, policyholders forced to suffer cancellation or nonrenewal when a company decides they wish to restrict writing in an area,	Acknowledged AC 01 28 03 08 Pg 2

		<p>termination of agent/agency contracts, etc. Bulletin 13-85 emphasizes the Dept. position stated in Directive 1-85. Both Directive and Bulletin are too long to provide here but are available by email or fax by contacting the P&C Division (501-371-2800).</p>	
<p>Calculation of Unearned/Return Premium</p>	<p>23-79-112(h) WORD PDF</p>	<p>"(h) On and after January 1, 1990, every property and casualty policy shall contain a provision stating the method to be utilized in computing premium refunds in the event of cancellation of the policy by the insured or the insurer."</p>	<p>Acknowledged AC 01 28 03 08 P 3</p>
<p>Conditional Renewal</p>	<p>23-79-307 WORD PDF</p>	<p>(6)(A) When an insurer revises its rates or rules and the revision results in a premium increase equal to or greater than twenty-five percent (25%) on any renewal policy issued for a term of twelve (12) months or less, the insurer shall mail or deliver to the insured's agent not less than thirty (30) days prior to the effective date of renewal, and to the insured not less than ten (10) days prior to the effective date of renewal, notice specifically stating the insurer's intention to increase the premium by an amount equal to or greater than twenty-five percent (25%). (B) If the notice is not given as stated in subdivision (6)(A) of this section, the insurer is required to extend the existing policy thirty (30) days from the date such notice is mailed or delivered. The premium for the policy as extended in such circumstances</p>	<p>This statute applies only to Commercial policies. Subchapter 3. minimum standards - Commercial Property and Casualty Insurance Policies</p>
<p>Minimum Retained Premium</p>	<p>23-79-112(b)(7) WORD PDF</p>	<p>23-79-112. Contents. (a) The written instrument in which a contract of insurance is set forth is the policy. (b) Every policy shall specify: (1) The names of the parties to the contract; (2) The subject of the insurance; (3) The risks insured against; (4) The time when the insurance thereunder takes effect and the period during which the insurance is to continue; (5) The premium or premium deposit; (6) The policy fee, if any; (7) The minimum premium to be retained, if any, by a property or casualty insurer in the event of</p>	<p>Satisfied in filed form, endorsement, declarations. we do not retain a minimum premium after cancellation - all refunds are pro-rate</p>

		<p>cancellation of the policy by the insured; and (8) The conditions pertaining to the insurance.</p>	
<p>Notice of Cancellation</p>	<p>23-66-206(9)(B) WORD PDF</p>	<p>(B) Cancellations of property and casualty policies shall only be effective when notice of cancellation is mailed or delivered by the insurer to the named insured and to any lienholder or loss payee named in the policy at least twenty (20) days prior to the effective date of cancellation. However, where cancellation is for nonpayment of premium, at least ten (10) days' notice of cancellation accompanied by the reason for cancellation shall be given.</p>	<p>Acknowledged AC 01 28 03 08 Page 2</p>
<p>Notice of Non-renewal</p>	<p>23-79-307(7) WORD PDF</p>	<p>(7) Except in the case of nonpayment of premium, an insurer shall renew a policy, unless a written notice of nonrenewal is mailed at least sixty (60) days prior to the expiration date of the policy or, for a policy for a term longer than one (1) year and not having a fixed expiration date, sixty (60) days prior to the anniversary date;</p>	<p>state Conformance Endorsement AC 01 28 03 08 p 2, 3 Nonrenewal</p>
<p>Permissible Reasons for Cancellation</p>	<p>23-66-206(9)(A) WORD PDF</p>	<p>(9)(A) "Policy cancellations" are cancellations of insurance coverage on a property or casualty risk which has been in force over sixty (60) days or after the effective date of a renewal policy or an annual anniversary date, unless the cancellation is based upon at least one (1) of the following reasons: (i) Nonpayment of premium; (ii) Fraud or material misrepresentation made by or with the knowledge of the named insured in obtaining the policy, continuing the policy, or in presenting a claim under the policy; (iii) The occurrence of a material change in the risk which substantially increases any hazard insured against after policy issuance; (iv) Violation of any local fire, health, safety, building, or construction regulation or ordinances with respect to any insured property or the occupancy of the property, which substantially increases any hazard insured against under the policy; (v) Nonpayment of membership dues in those cases where the bylaws, agreements, or other legal instruments of the insurer issuing the policy require payment as a condition of the issuance and maintenance of the policy; or (vi) A material violation of a material provision of the</p>	<p>Acknowledged state Conformance Endorsement AC 01 28 03 08 p 2, 3 Termination</p>

		<p>policy. (B) Cancellations of property and casualty policies shall only be effective when notice of cancellation is mailed or delivered by the insurer to the named insured and to any lienholder or loss payee named in the policy at least twenty (20) days prior to the effective date of cancellation. However, where cancellation is for nonpayment of premium, at least ten (10) days' notice of cancellation accompanied by the reason for cancellation shall be given. (C) The provisions of subdivision (9) of this section shall not be applicable to any policy providing coverage for workers' compensation or employers' liability or to any policy providing coverage for personal automobile liability, automobile physical damage, or automobile collision, or any combination thereof;</p>	
<p>Permissible Reasons for Non-renewal</p>	<p>Directive 1-85 Bulletin 13-85 WORD PDF</p>	<p>There is nothing SPECIFIC to Boiler & machinery but Directive 1-85 primarily states the Dept. position on cancellations & nonrenewals. It deals with policies in effect more than 60 days, policyholders forced to suffer cancellation or nonrenewal when a company decides they wish to restrict writing in an area, termination of agent/agency contracts, etc. Bulletin 13-85 emphasizes the Dept. position stated in Directive 1-85. Both Directive and Bulletin are too long to provide here but are available by email or fax by contacting the P&C Division (501-371-2800).</p>	<p><i>Acknowledged</i></p>
<p>Required Policy Period</p>	<p>23-79-112(b)(4) WORD PDF</p>	<p>23-79-112. Contents. (a) The written instrument in which a contract of insurance is set forth is the policy. (b) Every policy shall specify: (1) The names of the parties to the contract; (2) The subject of the insurance; (3) The risks insured against; (4) The time when the insurance thereunder takes effect and the period during which the insurance is to continue; (5) The premium or premium deposit; (6) The policy fee, if any; (7) The minimum premium to be retained, if any, by a property or casualty insurer in the event of cancellation of the policy by the insured; and</p>	<p><i>Acknowledged</i> <i>See policy form, declarations endorsements</i></p>

Return Premium	23-79-112(h) WORD PDF	(8) The conditions pertaining to the insurance. “(h) On and after January 1, 1990, every property and casualty policy shall contain a provision stating the method to be utilized in computing premium refunds in the event of cancellation of the policy by the insured or the insurer.”	Acknowledged AC 01 28 03 08 P3
Suspension			
CERTIFICATIONS		AR is a pilot state for self-certification. However, the forms required have not been developed. Contact Property & Casualty for additional info at (501)-371-2800.	
COINSURANCE			
CONSUMER INFORMATION			
Credit Scoring Notice			Not applicable
Privacy notice	Rule & Reg 73 WORD PDF Bulletin 5-2000 WORD PDF		Acknowledged ACN 83 0407
Notification Form	Bulletin 6-87 WORD PDF	Requires the address & phone # of the Arkansas Insurance Dept in every policy. The correct address is: Arkansas Insurance Dept., Consumer Services Division, 1200 W. 3rd St., Little Rock, AR 72201-1904; Telephone 800-852-5494 or 501-371-2640	Not Applicable
CONTENT OF POLICIES	23-79-111 WORD PDF 23-79-112 WORD PDF	Too large to include entire code cite here. Refer to the links to the left.	Acknowledged
COUNTERSIGNATURES	Not Applicable	Resident countersignature requires were repealed several years ago.	
DECLARATIONS PAGE	No specific requirements		
DISCLOSURES			
DEFINITIONS			
DISCRIMINATION	23-66-206(14) WORD PDF	This section too large to provide here. Check link to	Acknowledged

		left.	
DUTY TO DEFEND	23-79-307(5)(A) WORD PDF	(5)(A) Policies containing provisions which would reduce the limit of liability available for judgments or settlements by the amount of payment made for defense cost or claim expenses shall not be approved by the Insurance Commissioner unless a separate limit for defense costs equal to one hundred percent (100%) of the annual aggregate limit of liability stated in the policy for judgments or settlements is offered for defense costs or claims expenses to the insured. However, no policy covering automobile liability insurance may contain the defense within the limits concept. (B) This subsection shall not apply to policies or contracts which the commissioner may exempt by order upon a finding that this subsection may not practically be applied or that its application is not necessary or desirable for the protection of the public;	Acknowledged AC 00 01 04 07 P 2 insuring agreement
EXCLUSIONS & LIMITATIONS			
Mold			
Terrorism			
Terrorism—certified acts	Bul. 13-2002 WORD PDF	Bulletin provides info on rate/form submission requirements. See link at left for complete copy of bulletin.	Acknowledged Terrorism not excluded AC 01 90 03 08
FICTITIOUS GROUPS	23-66-304 WORD PDF	Fictitious groups. (a) No insurer, whether an authorized or unauthorized insurer, shall make available through any rating plan or form any fire, casualty, or surety insurance to any person, firm, corporation, or association of individuals at any preferred rate, premium, or form of contract based upon any fictitious grouping of the firm, corporation, or association. (b) "Fictitious grouping" is defined and declared to be the grouping by membership, nonmembership, license, franchise, agreement, contract, or any other method or means wherein the person, firm, corporation, or association of individuals of a group may receive a preferred rate, premium, or form of insurance contract. (c) Nothing in this	Acknowledged, groups not used in this program

		section shall apply to the State of Arkansas or any governmental unit thereof, including counties, school districts, municipalities, state agencies, or any other governmental subsidiary, to life or accident and health insurance or to annuity contracts, nor to any insurer that restricts its insurance coverage to members of a particular association or organization with which the insurer is directly affiliated.	
FORMS MISCELLANEOUS	23-79-109 WORD PDF	(General requirement that forms be filed). This section too large to provide here. Check link to left.	<i>Acknowledged</i>
FRAUD WARNING	23-66-503 WORD PDF	<p>Fraud warning required. (a) Claim forms, proofs of loss, or any similar documents, however designated, seeking payment or benefit pursuant to an insurance policy, and applications for insurance, regardless of the form of transmission, shall contain the following statement or a substantially similar statement:</p> <p>"Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."</p> <p>(b) The lack of a statement as required in subsection (a) of this section does not constitute a defense in any prosecution for a fraudulent insurance act.</p> <p>(c) Policies issued by unauthorized insurers shall contain a statement disclosing the status of the insurer to do business in the state where the policy is delivered or issued for delivery or the state where coverage is in force. The requirement of this subsection may be satisfied by a disclosure specifically required by § 23-65-307.</p> <p>(d) The requirements of this section shall not apply to reinsurance proofs of loss or applications.</p>	<p><i>Acknowledged</i></p> <p><i>Application is compliant</i></p>
GROUP POLICIES			
Extra-Territorial Approval Authority			

INSURANCE TO VALUE			
LIBERALIZATION CLAUSE	23-79-308 WORD PDF	Noncomplying provisions. Any commercial property and casualty insurance policy, contract, rider, or endorsement issued after March 13, 1987, and otherwise valid that contains any condition or provision not in compliance with the requirements of this subchapter shall be construed and applied in accordance with the provisions of this subchapter.	N/A
LIMITS			
LOSS PAYEE			
LOSS SETTLEMENTS			
Appraisal	23-79-203(a), WORD PDF Bulletin 19-89 WORD PDF	Trial by jury.(a) No insurance policy or annuity contract shall contain any condition, provision, or agreement which directly or indirectly deprives the insured or beneficiary of the right to trial by jury on any question of fact arising under the policy or contract. (b) All such provisions, conditions, or agreements shall be void.	AC 01 28 03 08 P 1
Action Against Company	23-79-203 WORD PDF	23-79-203. Trial by jury. (a) No insurance policy or annuity contract shall contain any condition, provision, or agreement which directly or indirectly deprives the insured or beneficiary of the right to trial by jury on any question of fact arising under the policy or contract. (b) All such provisions, conditions, or agreements shall be void.	AC 01 28 03 08 P 1
After Market Parts			
Arbitration	23-79-203(a) WORD PDF Bulletin 19-89 WORD PDF	Trial by jury.(a) No insurance policy or annuity contract shall contain any condition, provision, or agreement which directly or indirectly deprives the insured or beneficiary of the right to trial by jury on any question of fact arising under the policy or contract. (b) All such provisions, conditions, or agreements shall be void.	ISO UM/UM Endorsements - Arbitration

Deductibles			
Defense Costs	23-79-307(5)(A) WORD PDF	(5)(A) Policies containing provisions which would reduce the limit of liability available for judgments or settlements by the amount of payment made for defense cost or claim expenses shall not be approved by the Insurance Commissioner unless a separate limit for defense costs equal to one hundred percent (100%) of the annual aggregate limit of liability stated in the policy for judgments or settlements is offered for defense costs or claims expenses to the insured. However, no policy covering automobile liability insurance may contain the defense within the limits concept. (B) This subsection shall not apply to policies or contracts which the commissioner may exempt by order upon a finding that this subsection may not practically be applied or that its application is not necessary or desirable for the protection of the public	Acknowledged AC 00 01 04 07 Pg 2 insuring agreement
Loss Valuation			
NOTICE REQUIREMENTS			
Payment of Loss Time Period	23-63-107 WORD PDF	23-63-107. Prompt processing of payment by insurer. (a) No insurer shall intentionally or unreasonably delay, for more than three (3) business days after presentment for collection, the processing of any properly executed and endorsed check or draft issued in settlement of an insurance claim. (b) It is the intent of the General Assembly that insureds or claimants shall be paid their settlement proceeds at the earliest possible time. (c) Any insurer violating this section shall pay the insured or claimant a penalty of two hundred dollars (\$200) or fifteen percent (15%) of the face amount of the check or draft, whichever is higher.	acknowledged
Appraisal	23-79-203 WORD PDF	Trial by jury.(a) No insurance policy or annuity contract shall contain any condition, provision, or agreement which directly or indirectly deprives the insured or beneficiary of the right to trial by jury on any question of fact arising under the policy or	Acknowledged AC 01 28 03 08 Pg 1 Appraisal

	<p>23-79-110(a)(4) WORD PDF</p>	<p>(4) Minimal reference to other sections or provisions of the policy; (5) Organization of text; and (6) Legibility. The Insurance Commissioner shall disapprove any form filed under § 23-79-109, or withdraw any previous approval, only if the form: ... (4) Is printed or otherwise reproduced in such manner as to render any provision of the form substantially illegible or not easily legible to persons of normal vision</p>	
<p>REBATES</p>	<p>23-66-310 WORD PDF</p>	<p>a) No property, casualty, or surety insurer or any employee thereof and no broker, agent, or solicitor shall pay, allow, or give, or offer to pay, allow, or give, directly or indirectly, as an inducement to insure or after insurance has been effected, any rebate, discount, abatement, credit, or reduction of the premium named in a policy of insurance, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any valuable consideration or inducement whatever not specified in the policy, except to the extent provided for in an applicable filing with the Insurance Commissioner as provided by law. (b) No insured named in a policy, nor any employee of the insured, shall knowingly receive or accept, directly or indirectly, any such rebate, discount, abatement, credit, or reduction of premium, or any special favor or advantage or valuable consideration or inducement. (c) Nothing in this section shall be construed as prohibiting the payment of commissions or other compensation to licensed agents, brokers, or solicitors, nor shall it be construed as prohibiting any insurer from allowing or returning to its participating policyholders, members, or subscribers any dividends, savings, or unabsorbed premium deposits.</p>	<p><i>Acknowledged</i></p>
<p>STANDARD FIRE POLICY</p>			

SUBROGATION			
Suit	16-56-111; Dept. position	There are many variations to the statute of limitations in Arkansas. Rather than giving a specific time period that may violate certain statutes under certain circumstances we prefer the language "the time allowed by law".	AC 01 28 03 08 Part F Gen Prov pg 1
TIMELINESS	16-56-111; Dept. position	There are many variations to the statute of limitations in Arkansas. Rather than giving a specific time period that may violate certain statutes under certain circumstances we prefer the language "the time allowed by law".	AC 01 28 03 08 Part F Gen Prov pg 1
TRAVEL			
Baggage			
Trip Cancellation			
VOIDANCE			
WARRANTIES			
OTHER			
Large Commercial Insured	23-79-109(g) WORD PDF Bulletin 6-99 WORD PDF	Forms for insureds who meet the definition of "Large Commercial Insureds" may be exempt from filing requirements. However, they are not exempt from statutory or common law of the state.	N/A
RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS			
INDIVIDUAL RISK RATING	23-67-219 WORD PDF	(E) Upon the written application of the insured, stating his or her reasons therefor, filed with and approved by the commissioner, a rate in excess of	NA

		that provided by a filing otherwise applicable may be used on any specific risk;	
ACTUARIAL CERTIFICATIONS FOR RATES	Rule and Reg 57	Actuarial certification is recommended but not required. However, Rule & Reg 57 allows the Dept to submit the filing to an independent actuary and charge for Department expense for independent actuarial review of previously disapproved rate/rule filing set for hearing at filer's request (excluding Workers' Compensation which is not subject to a monetary cap) EXPENSE AS INCURRED BUT NOT TO EXCEED-----\$1500	acknowledged
Loss Costs	23-67-212 WORD PDF Rule and Reg 23	23-67-212 states that rates must be filed; Rule and Reg 23 gives filing forms and specific requirements.	Acknowledged rates filed
CONSENT-TO-RATE	23-67-213(c) WORD PDF	(c) Consent to Excessive Rate. Upon written consent of the insured stating his or her reasons therefor, a rate in excess of that provided by an otherwise applicable filing may be used on a specific risk. The "consent-to-rate" shall be on a form signed by the insured that includes a statement that the insured consents to a rate in excess of the filed rate. This form shall remain on file with the producing agent or broker.	N/A
CREDIT SCORING AND REPORTS			
CREDIBILITY			
DEFENSE COSTS	23-79-307 WORD PDF	5)(A) Policies containing provisions which would reduce the limit of liability available for judgments or settlements by the amount of payment made for defense cost or claim expenses shall not be approved by the Insurance Commissioner unless a separate limit for defense costs equal to one hundred percent (100%) of the annual aggregate limit of liability stated in the policy for judgments or settlements is offered for defense costs or claims expenses to the insured. However, no policy covering automobile liability insurance may contain	Acknowledged AC00010407 Pg 2 insuring Agreement

		the defense within the limits concept. (B) This subsection shall not apply to policies or contracts which the commissioner may exempt by order upon a finding that this subsection may not practically be applied or that its application is not necessary or desirable for the protection of the public.	
DISCOUNTS			
EXPIRATION DATE(S) FOR APPROVED RATES			
GROUP POLICIES			
Extra-Territorial Approval Authority			
LOSS RATIO STANDARDS			
MID TERM CHANGES	23-79-307(3) WORD PDF	(3) Forms or endorsements issued after the policy inception date not at the request of the named insured which reduce, restrict, or modify the original policy coverage must be accepted and signed by the named insured;	<i>Acknowledged</i>
LOSS COST MULTIPLIERS	23-67-306 WORD PDF	23-67-206. Exemptions. (a) In a competitive market, property and casualty insurance for commercial risks, excluding workers' compensation, employers' liability, and professional liability insurance, including, but not limited to, medical malpractice insurance, are exempted from the rate filing and review provisions set forth in this chapter. (b) Risks or portions thereof which are not rated according to manuals, rating plans, or schedules including "a" rates, risks rated under the "referral to company" or "individual risk situations" rules, are exempted from the rate filing and review provisions set forth in this chapter. Insurers must maintain complete files on how they determined the rate for such risks and make these files available to the	<i>N/A</i>

		Insurance Commissioner upon request. (c) The commissioner, upon his or her own initiative or upon request of any person, by order, may exempt any market, segment, or line from any or all of the provisions of this chapter if and to the extent that he or she finds the exemption necessary to achieve the purposes of this chapter.	
PREMIUM REFUND OR RETENTION	23-79-112(h) WORD PDF	(h) On and after January 1, 1990, every property and casualty policy shall contain a provision stating the method to be utilized in computing premium refunds in the event of cancellation of the policy by the insured or the insurer.	Acknowledged AC 01 28 03 08 P 2
PRICING			
Charges	23-66-310 WORD PDF	This section deals with illegal dealing with premiums and excess charges. It is too large to include here. See link to left.	Acknowledged
Minimum Premium Rules	23-67-202(11) WORD PDF	(11) "Rates" or "supplementary rate information" includes any manual or plan of rates, classification, rating schedule, minimum premium, policy fee, rating rule, and any other similar information needed to determine the applicable rate in effect or to be in effect	Acknowledged - Classic Auto manual exceptions Rules - Arkansas Pg 1
Multi-tier		Nothing specific in the code. AR allows multi-tier rating with sufficient justification.	N/A
Payment Plans	23-79-101(2) WORD PDF	(2) "Premium" is the consideration for insurance, by whatever name called. Any assessment, or any membership, policy, survey, inspection, service, or similar fee or charge in consideration for a policy is deemed part of the premium.	Acknowledged
Premiums	23-79-101(2) WORD PDF	(2) "Premium" is the consideration for insurance, by whatever name called. Any assessment, or any membership, policy, survey, inspection, service, or similar fee or charge in consideration for a policy is deemed part of the premium.	Acknowledged
Service Charges	23-79-101(2) WORD PDF	(2) "Premium" is the consideration for insurance, by whatever name called. Any assessment, or any membership, policy, survey, inspection, service, or similar fee or charge in consideration for a policy is	Acknowledged

<p>Surcharges</p>	<p>23-79-101(2) WORD PDF</p>	<p>deemed part of the premium. (2) "Premium" is the consideration for insurance, by whatever name called. Any assessment, or any membership, policy, survey, inspection, service, or similar fee or charge in consideration for a policy is deemed part of the premium.</p>	<p><i>Acknowledged</i></p>
<p>Other Fees</p>	<p>23-66-310 WORD PDF</p>	<p>This section deals with illegal dealing with premiums and excess charges. It is too large to include here. See link to left.</p>	<p><i>Acknowledged</i></p>
<p>RATE RANGES</p>	<p>23-67-210 WORD PDF</p>	<p>Rate ranges are only allowed when they are filed in compliance with 23-67-201(a) " Rates may be modified to produce premiums for individual risks in accordance with filed rating plans which establish standards for measuring variations in hazards or expense provisions. Those standards may measure differences among risks that can be demonstrated to have a probable effect upon losses or expenses. The modification shall apply to all risks under the same or substantially the same circumstances or conditions. (b) This provision does not apply to filed modification plans which may be offered to an insured including, but not limited to, retrospective rating plans and composite rating plans."</p>	<p><i>Acknowledged</i></p>
<p>RATING PLAN REQUIREMENTS</p>	<p>23-67-206 WORD PDF</p>	<p>23-67-206. Exemptions. (a) In a competitive market, property and casualty insurance for commercial risks, excluding workers' compensation, employers' liability, and professional liability insurance, including, but not limited to, medical malpractice insurance, are exempted from the rate filing and review provisions set forth in this chapter. (b) Risks or portions thereof which are not rated according to manuals, rating plans, or schedules including "a" rates, risks rated under the "referral to company" or "individual risk situations" rules, are exempted from the rate filing and review provisions set forth in this chapter. Insurers must maintain complete files on how they determined the rate for</p>	<p><i>N/A rate filed</i></p>

		such risks and make these files available to the Insurance Commissioner upon request. (c) The commissioner, upon his or her own initiative or upon request of any person, by order, may exempt any market, segment, or line from any or all of the provisions of this chapter if and to the extent that he or she finds the exemption necessary to achieve the purposes of this chapter.	
Expense Modification Plan	23-67-206 WORD PDF		
Experience Rating	23-67-206 WORD PDF		
Large Deductible	23-67-206 WORD PDF		
Retrospective Rating	23-67-206 WORD PDF		
Schedule Rating	23-67-206 WORD PDF		
Small Deductible	23-67-206 WORD PDF		
Wrap-up Rating	23-67-206 WORD PDF		
RATE/LOSS COST SUPPORTING INFORMATION	23-67-206 WORD PDF		
Competition	23-67-206 WORD PDF		
Expenses	23-67-206 WORD PDF		
Experience	23-67-206 WORD PDF		
Judgment	23-67-206 WORD PDF		
Credibility and other factors	23-67-206 WORD PDF		
Profit Loading	23-67-206 WORD PDF		
	23-67-206 WORD PDF		
RETURN ON EQUITY/INVESTMENT INCOME	23-67-206 WORD PDF		
	23-67-206 WORD PDF		
SUPPORTING DATA	23-67-206 WORD PDF		
	23-67-206 WORD PDF		
TRENDING	23-67-206 WORD PDF		
OTHER			

SERFF Tracking Number: CLTR-125403611 State: Arkansas
 Filing Company: Essentia Insurance Company State Tracking Number: EFT \$50
 Company Tracking Number: AC 08 01 IM F
 TOI: 09.0 Inland Marine Sub-TOI: 09.0006 Other Personal Inland Marine
 Product Name: Automobilia
 Project Name/Number: Automobilia/AC 08 01 IM F

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	COLLECTIBLE PERSONAL PROPERTY ENDORSEMENT	04/01/2008	IMAC010108.pdf
No original date	Form	COLLECTOR VEHICLE SPARE PARTS AND TOOLS	04/01/2008	IMAC020408 COLLECTOR VEHICLE SPARE PARTS AND TOOLS.pdf

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLLECTIBLE PERSONAL PROPERTY ENDORSEMENT

AGREEMENT

We cover the classes and items of collectible personal property described below. This insurance is provided subject to the provisions of this endorsement and in return for the premium and compliance with all applicable provisions of the Classic Auto Policy to which it is attached.

DEFINITIONS

For purposes of the coverage provided in this endorsement, the following definition is added:

“Market value” means the price which the property might be expected to realize if offered for sale by a willing seller to a willing buyer in a fair market on the date of loss or damage.

“Actual cash value” means the amount it would cost to repair or replace the covered property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence.

PROPERTY COVERED

We cover the property insured under this endorsement when owned by or in the custody or control of an "insured" while it is anywhere in the world, unless otherwise noted.

Scheduled Property

We cover the item(s) described in the Declarations or Schedule only if an amount of insurance and premium is shown for that property.

Unscheduled Property – Blanket Insurance

We cover the property listed in the Declarations or Schedule only if a blanket amount of insurance and premium is shown for that class of property.

THE AMOUNT OF INSURANCE SHOWN FOR SUCH PROPERTY IS LIMITED BY THE LOSS SETTLEMENT PROVISION IN THIS ENDORSEMENT.

Fine Arts – Scheduled and Unscheduled

With regard to articles of fine art insured in this endorsement:

- The premium shown in the Declarations or Schedule is based on your statement that such property is located at the mailing or other address(es) shown in the Declarations; and
- You agree that if any articles are to be transported from such location, they will be packed and unpacked by competent packers.

CLASSES OF PERSONAL PROPERTY WE INSURE

Automobilia. This class includes:

- Badges and pinbacks;
- Bronzes and statues;
- Cast iron toys;
- Gas or oil containers and dispensers;
- Hood ornaments;
- Non-powered models;
- Publications, signs and posters;
- Station displays;
- Wall decorations; or
- Any other historic or collectible item linked with motor vehicles, motorcycles or motorsports.

Automobilia does not include:

- ◆ “your covered auto”;
- ◆ fully or partially complete vehicles; or
- ◆ vehicle components, spare parts or equipment, unless ownership is for memento value or artistic display rather than for practical use.

Fine Arts Collections. This class includes private collections which consist of:

- Drawings, etchings, lithographs, paintings, pictures, tapestries;
- Art glass windows;
- Bona fide works of art such as:
 - ◆ Valuable rugs;
 - ◆ Statuary, marbles and bronzes;
 - ◆ Antique furniture and silver;
 - ◆ Manuscripts and rare books; and
 - ◆ Porcelains, rare glass and bric-a-brac; and
- Other bona fide works of rarity, historical value or artistic merit.

Jewelry and Watch Collections. This class includes items of rarity, historical value or artistic merit. This does not include jewelry or watches worn regularly.

Miscellaneous Collectibles. This class includes:

- Farm implements;
- Guns or weapons;
- Militaria;
- Sports memorabilia;
- Vintage clothing; or
- Any other unscheduled or scheduled collectible property classed as such in the Declarations or Schedule.

Music Memorabilia. This class includes:

- Instruments;
- Backstage passes, publications, sheet music, signs and posters, tickets;
- Tapes;
- Vinyl records;
- Accessories and equipment used for or with covered musical instruments; or
- Any other historic or collectible item linked with music history.

Nautical Collectibles. This class includes:

- Bells, bronzes and statues, clocks;
- Gas or oil containers and dispensers; globes;
- Maps, publications, signs and posters;
- Non-powered models;
- Ship parts, components or instruments;
- Wall decorations; or
- Any other historic or collectible item linked with maritime history.

Nautical Collectibles does not include:

- ◆ boats, whether functional or under restoration; or
- ◆ boat engines, parts or equipment, unless ownership is for memento value or artistic display rather than for practical use.

Postage Stamp Collections. This class includes:

- Due, envelope, official, revenue, match and medical stamps;
- Covers, locals, reprints, essays, proofs and other philatelic property; or
- Books, pages and mountings of items listed above.

Rare And Current Coin Collections. This class includes:

- Medals, paper money and bank notes;
- Tokens of money and other numismatic property; or
- Coin albums, containers, frames, cards and display cabinets used with the collection.

SPECIAL LIMITS ON WHAT WE WILL PAY FOR UNSCHEDULED PROPERTY
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In addition to the amount of insurance for the class of property insured, the following special limits on what we will pay apply to unscheduled property:

Limit for Property Being Mailed or Shipped

The limit of coverage we provide for unscheduled property being mailed or shipped is not more than \$1,000. An adult's signature is required on the mailing or shipping receipt.

Limit for Postage Stamp or Rare and Current Coin Collections

We will pay not more than \$1,000 on any:

- unscheduled collection; or
- one stamp, coin or individual article or any one pair, strip, block, series sheet, cover, frame or card.

Limit for Property Away from Residence

The limit of coverage we provide for unscheduled property stored away from your primary or secondary residence is 10% of the amount of insurance for the class, unless we have agreed to an alternate storage location in writing.

However, this limitation does not apply to property:

- Moved from the residence because it is being repaired, renovated or rebuilt and is not fit to live in or store property in; or
- In a newly acquired principal residence for 90 days from the time you begin to move the property there.

Limit on Trading Cards (Miscellaneous Collectibles)

- a. If trading cards are insured under Miscellaneous Collectibles, we will not pay more than 10% of the limit of insurance stated in the Declarations while the cards are away from your primary or secondary residence;
- b. Subject to the limit in a. above, we will not pay more than:
 - ◆ \$5000 on any item or unscheduled collection; or
 - ◆ the limit of insurance;
 whichever is less.

PROPERTY NOT COVERED

We do not cover:

1. Under the Jewelry class of property:
 - a. Unmounted gems;
 - b. Bullion, gold, silver and other precious metals;
 - c. Goldware, gold-plated ware, pewterware, platinumware, platinum-plated ware, silverware, and silver-plated ware; and
 - d. Flatware, hollowware, tea sets, trays and trophies made of or including gold, silver, platinum or pewter.
2. Musical instruments used by any person in a performance for pay.
An instrument is used in a performance for pay when a person receives payment for playing the instrument or teaching with it during the policy period.
3. Articles:
 - a. In the custody of a dealer, art gallery, art institution, auction house or room or museum open to the public when insured in the name of such entities;
 - b. Property exhibited at fair grounds or on the premises of national or international expositions;
 - c. Owned by and insured for account of Federal, State, County or Municipal authorities.

4. Postage stamps and rare and current coins:
 - a. Not an actual part of a stamp or coin collection;
 - b. In the custody of transportation companies.
5. Contraband, or property in the course of illegal transportation or trade.
6. Unscheduled property while on or attached to a boat. However, we will cover property in the course of shipping if we have agreed to this in writing in advance of shipment.
7. Automobilia while attached to any vehicle.
8. Dealer stock, "business" or commercial property.
9. Unscheduled property held for sale while away from your primary or secondary residence.
10. Items being shipped by mail other than by:
 - a. registered mail;
 - b. certified mail; or
 - c. other similar shipping or courier service which provides package tracking;

unless we agree to cover in writing, in advance of its shipment date.
11. Unscheduled property left behind in a hotel room after check-out.

EXTRA COVERAGES

The following additional coverage is provided, subject to the provisions that exclude, restrict or limit coverage in this endorsement.

▶ **DISPLAY PROPERTY**

We provide up to \$250 for albums, containers, frames, cards and display cabinets used with a collection and damaged by a covered loss.

▶ **NEWLY ACQUIRED PROPERTY**

We cover newly acquired property of the classes already insured.

The limit for this coverage is 30% of the amount of insurance for its class or \$10,000, whichever is less. This coverage is also subject to Loss Settlement, item 2.

Newly acquired property purchased through an internet transaction is also covered for:

- ◆ misrepresentation;
- ◆ non-authenticity; and
- ◆ defective title;

for an amount not more than \$250 per loss, subject to a deductible of \$100.

You must:

- ◆ report it to us within 90 days of the date acquired; and
- ◆ pay the premium due for the item from the date acquired. If not reported, coverage for any newly acquired property will cease after 90 days.

▶ **PROPERTY ON EXHIBITION**

We cover up to \$1,000 for loss or damage to property entered into any judged exhibition. However, there is no coverage if the loss or damage is caused by theft, misplacing or losing.

We will apply a deductible to each loss in the amount of:

- ◆ \$100; or
- ◆ the deductible shown in the Declarations or Schedule for the covered property; whichever is greater.

▶ **SUPPLEMENTARY PAYMENTS**

Your Time

We will pay up to \$100 for your time to research, replace or recover lost or damaged items after a covered loss.

COVERED PERILS

We insure against risk of direct physical loss to covered property unless the loss is caused by a peril that is excluded.

EXCLUDED PERILS

We do not insure the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area:

1. Loss that results from:
 - ◆ wear and tear;
 - ◆ deterioration;
 - ◆ hidden defect; or
 - ◆ any quality in property that causes it to damage or destroy itself.
2. Loss caused by or that results from:
 - ◆ Birds, rodents, or insects;
 - ◆ Nesting or infestation, or discharge or release of waste products or secretions, by any animals.
3. If organs not of a mobile nature are covered under Music Memorabilia, loss caused by:
 - ◆ Mechanical or electrical breakdown or failure; or
 - ◆ Any repairing, adjusting, servicing or maintenance operation;
 unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.
4. Loss caused by or that results from any:
 - ◆ Repairing, restoration or retouching process; or
 - ◆ Work done to or handling the property.
 However, if a fire or explosion results, we do cover the loss caused by fire or explosion.
5. Loss caused by or that results from neglect. Neglect means an "insured" failed to use all reasonable means to save and preserve property at and after the time of loss.
6. For unscheduled blanket property:

Loss caused by theft from any unattended auto without visible signs of forced entry. However, any coverage we provide for theft from an unattended auto will be subject to a deductible of:

 - ◆ \$100; or
 - ◆ the deductible shown in the Declarations or Schedule for the covered property; whichever is greater.
7. Loss caused by the infidelity of any person to whom the property was entrusted.
8. Loss caused by or that results from mechanical breakdown.
9. Loss caused by or that results from any power surge, unless a surge protector was used.
10. Loss caused by or that results from the intentional acts of an "insured". Intentional means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss. In the event of such loss, no "insured" is entitled to coverage, even "insureds" that did not commit or conspire to commit the act.

In addition to the Excluded Perils above, the following exclusions also apply to the classes or items described below:

11. If **Fine Arts, Automobilia, Nautical Collectibles** or **Miscellaneous Collectibles** are covered:

Loss caused by or that results from:

Breakage of art glass windows, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles.

We do cover breakage caused by:

- ◆ Fire or lightning;
- ◆ Explosion, aircraft or collision;
- ◆ Windstorm, earthquake or flood;
- ◆ Malicious damage or theft; or
- ◆ Derailment or overturn of a conveyance;

However, this provision does not apply to articles or classes described in the Declarations or Schedule as including breakage.

- 12. If Postage Stamps, Rare and Current Coin Collections,** or any paper items within any other class other than Fine Arts are covered:

Loss caused by or that results from:

- ◆ Fading, creasing, denting, scratching, tearing, or thinning;
- ◆ Transfer of colors, inherent defect, dampness, extremes of temperature or depreciation.

- 13. If Postage Stamps, Rare and Current Coin Collections, or Miscellaneous Collectibles** that are trading cards are covered:

Disappearance of individual stamps, coins or other articles unless the item is:

- ◆ Described and scheduled with a specific amount of insurance; or
- ◆ Mounted in a volume and the page it is attached to is also lost.

DEDUCTIBLE

We will pay only that part of the total of all loss payable under this endorsement that exceeds the deductible amount shown in the Declarations or Schedule for the class or item. If more than one deductible applies in any one loss, the largest applicable deductible will be used.

LOSS CONDITIONS

► Loss Settlement

▪ Standard Loss Settlement – Unscheduled Property - Blanket

1. The value of the property in the Declarations is not agreed upon but will be determined at the time of loss.

We will not pay more than the least of the following amounts:

- ◆ The amount for which the article or item could reasonably be expected to be repaired to its condition immediately prior to loss;
- ◆ The “market value” of the article or item;
- ◆ The amount of insurance for the class; or
- ◆ For any one item, the per item limit shown in the Declarations or Schedule.

2. **Newly Acquired Property**

For newly acquired property, we will not pay more than the least of the following amounts:

- ◆ The “actual cash value” of the article or item at the time of loss;
- ◆ The amount for which the article or item could reasonably be expected to be repaired to its condition immediately prior to loss;
- ◆ The “market value” of the article or item;
- ◆ The limit of coverage; or
- ◆ For any one item, the per item limit shown in the Declarations or Schedule.

3. **Loss To A Pair, Set Or Parts**

If the article or item is a pair or set or consists of several parts when complete, we may elect to:

- ◆ Repair or replace any part to restore the pair or set to its value before the loss;
- ◆ Pay the difference between the “actual cash value” of the property before and after the loss; or
- ◆ Pay for the value of the part lost or damaged.

In the case of an article of fine art, we will pay the “actual cash value” of the article before the loss and take the remaining parts.

4. **Recovered Property**

If you or we recover any property for which we have made payment under this endorsement, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, we will adjust the loss payment based on the amount you received for the recovered property.

5. Property of Others

Property of others loaned or leased to the insured, and which the insured is required to insure, or for which the insured may be liable, will be valued at the lesser of:

- ◆ the amount agreed upon in the loan or lease agreement;
- ◆ the amount for which the article or item could reasonably be expected to be replaced with one substantially identical to it; or
- ◆ its "market value".

6. Property Not Insured To Full Value

Any loss payment we make will be reduced if you do not insure the covered property for its full value. We will pay only that proportion of any loss on an unscheduled collection that the amount of blanket insurance bears to the "actual cash value" of such property at the time of loss.

▪ Agreed Value Loss Settlement – Scheduled Property Only

1. When an item is designated with Agreed Value coverage in the Schedule, we will pay the full amount shown in the Schedule for each article or item. That amount is agreed to be the value of the article or item.

At our request you will surrender the article or item to us if not lost or stolen.

2. Loss To A Pair, Set Or Parts

If the article or item is a pair or set, or consists of several parts when complete:

- ◆ We will pay the full amount shown in the Schedule for that pair, set or complete article or item; and
- ◆ At our request, you will surrender it to us if it is not lost or stolen.

3. In the event a lost or stolen article or item is recovered, you will surrender it to us.
4. We will, at your request, sell back to you the item you surrendered to us to comply with the above terms at a discount of five percent below its fair market salvage value.

5. Schedule on File

When Schedule on File is listed in the Schedule:

We cover the items listed in a schedule which you must submit to us and we keep on file. The schedule must contain:

- ◆ a description for each item; and
- ◆ a limit for each item.

► Loss Clause

We will not reduce the amount of insurance under this endorsement except for a total loss of scheduled property. We will refund the unearned premium for that property after the loss or you may apply the refund to the premium due for its replacement.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

With the exception of the **APPRAISAL** and **OTHER INSURANCE** provisions, **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO** does not apply to the property covered by this endorsement.

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

In case of a loss to Collectible Personal Property, the following duties also apply:

E. A person seeking coverage must:

1. Prepare an inventory of damaged property showing the quantity, description, value, cost and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
2. Notify the police as soon as reasonably able if the property is subject to a crime;

3. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies;
 - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same; and
 - d. Produce, to the extent that it is within your power, your employees, members of your household or others so that they may be examined under oath.
 - e. Send to us, within 90 days after discovery of the loss, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - i. The time and cause of loss;
 - ii. The interests of all "insureds" and all others in the property involved and all liens on the property;
 - iii. Other insurance which may cover the loss; and
 - iv. The inventory of damaged property described in 1. above.
4. You may not offer or pay any rewards, make willing payments or incur other expenses except at your own expense.

PART F – GENERAL PROVISIONS

PART F - GENERAL PROVISIONS of the Classic Auto Policy apply to the property covered by this endorsement, if applicable, except as deleted, changed or added below:

OTHER INSURANCE POLICIES

This provision is deleted.

POLICY PERIOD AND TERRITORY

The policy territory for this property is extended to worldwide, except as stated otherwise.

The following provisions are changed to include the property covered by this endorsement, in addition to "your covered auto":

- **OUR RIGHT TO RECOVER PAYMENT**
- **ABANDONMENT**
- **TRANSFER OF YOUR INTEREST IN THIS POLICY**

The following provisions are added:

LOSS PAYABLE CLAUSE

If the Declarations names a loss payee in which the loss payee has an interest, we will adjust any loss with you and make the loss payment to you or an "insured" legally entitled to receive payment and the loss payee as their respective interests may appear.

We will notify the loss payee in writing at least 10 days before we cancel or do not renew this coverage.

INSURABLE INTEREST AND LIMIT OF LIABILITY

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

- To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
- For more than the applicable amount of insurance.

INSURANCE NOT TO BENEFIT OTHERS

No person or organization having custody of the property and to be paid for services shall benefit from this insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLLECTOR VEHICLE SPARE PARTS OR TOOLS COVERAGE ENDORSEMENT

AGREEMENT

We cover the classes and items of personal property described below. This insurance is provided subject to the provisions of this endorsement and in return for the premium and compliance with all applicable provisions of the Classic Auto Policy to which it is attached.

DEFINITIONS

For purposes of the coverage provided in this endorsement, the following definition is added:

“Market value” means the price which the property might be expected to realize if offered for sale by a willing seller to a willing buyer in a fair market on the date of loss or damage.

“Actual cash value” means the amount it would cost to repair or replace the covered property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence.

PROPERTY COVERED

We cover the property insured under this endorsement when owned by or in the custody or control of an "insured" while it is anywhere in the world, unless otherwise noted.

Scheduled Property

We cover the item(s) described in the Declarations or Schedule only if an amount of insurance and premium is shown for that property.

Unscheduled Property – Blanket Insurance

We cover the property listed in the Declarations or Schedule only if a blanket amount of insurance and premium is shown for that class of property.

THE AMOUNT OF INSURANCE SHOWN FOR SUCH PROPERTY IS LIMITED BY THE LOSS SETTLEMENT PROVISION IN THIS ENDORSEMENT.

CLASSES OF PERSONAL PROPERTY WE INSURE

- **Automotive Tools**, including tools and portable equipment used in the maintenance of collector vehicles. This also includes:
 - ◆ portable carts or cases used to store covered tools;
 - ◆ accessories for covered tools whether attached or not.
- **Collector Vehicle Spare Parts**, including parts that are specifically designed and held for use in the maintenance and operation of any collector vehicles, whether insured by us or not. Spare Parts shall not include parts held:
 - ◆ for use in “regular use vehicles”; or
 - ◆ as collectible personal property.

SPECIAL LIMITS ON WHAT WE WILL PAY FOR UNSCHEDULED PROPERTY

In addition to the amount of insurance for the class of property insured, the following special limits on what we will pay apply to unscheduled property:

Limit for Property Being Mailed or Shipped

The limit of coverage we provide for unscheduled property being mailed or shipped is not more than \$1,000. An adult’s signature is required on the mailing or shipping receipt.

Limit for Property Away from Residence

The limit of coverage we provide for unscheduled property stored away from your primary or secondary residence is 10% of the amount of insurance for the class, unless we have agreed to an alternate storage location in writing.

However, this limitation does not apply to property:

- ◆ Moved from the residence because it is being repaired, renovated or rebuilt and is not fit to live in or store property in; or
- ◆ In a newly acquired principal residence for 90 days from the time you begin to move the property there.

PROPERTY NOT COVERED

We do not cover:

1. Items in the custody of transportation companies.
2. Contraband, or property in the course of illegal transportation or trade.
3. Unscheduled property while on or attached to a boat. However, we will cover property in the course of shipping if we have agreed to this in writing in advance of shipment.
4. Any item while attached to a vehicle.
5. Dealer stock, "business" or commercial property.
6. Unscheduled property held for sale while away from your primary or secondary residence.
7. Items being shipped by mail other than by:
 - a. registered mail;
 - b. certified mail; or
 - c. other similar shipping or courier service which provides package tracking;
 unless we agree to cover in writing, in advance of its shipment date.
8. Unscheduled property left behind in a hotel room after check-out.

COVERED PERILS

We insure against risk of direct physical loss to covered property unless the loss is caused by a peril that is excluded.

EXCLUDED PERILS

We do not insure the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area:

1. Loss that results from:
 - ◆ wear and tear;
 - ◆ deterioration;
 - ◆ hidden defect; or
 - ◆ any quality in property that causes it to damage or destroy itself.
2. Loss caused by or that results from:
 - ◆ Birds, rodents, or insects;
 - ◆ Nesting or infestation, or discharge or release of waste products or secretions, by any animals.
3. Loss caused by or that results from any:
 - ◆ Repairing, restoration or retouching process; or
 - ◆ Work done to or handling the property.

However, if a fire or explosion results, we do cover the loss caused by fire or explosion.

4. Loss caused by or that results from breakage.

We do cover breakage caused by:

- ◆ Fire or lightning;
 - ◆ Explosion, aircraft or collision;
 - ◆ Windstorm, earthquake or flood;
 - ◆ Malicious damage or theft; or
 - ◆ Derailment or overturn of a conveyance;
5. Loss caused by or that results from neglect. Neglect means an "insured" failed to use all reasonable means to save and preserve property at and after the time of loss.

6. Loss caused by or that results from:
 - ◆ Fading, creasing, denting, scratching, tearing, or thinning;
 - ◆ Transfer of colors, inherent defect, dampness, extremes of temperature or depreciation.
7. For unscheduled blanket property, loss caused by theft from any unattended auto.
8. Loss caused by the infidelity of any person to whom the property was entrusted.
9. Loss caused by or that results from mechanical breakdown.
10. Loss caused by or that results from any power surge, unless a surge protector was used.
11. Loss caused by or that results from the intentional acts of an "insured". Intentional means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss. In the event of such loss, no "insured" is entitled to coverage, even "insureds" that did not commit or conspire to commit the act.

DEDUCTIBLE

We will pay only that part of the total of all loss payable under this endorsement that exceeds the deductible amount shown in the Declarations or Schedule for the class or item. If more than one deductible applies in any one loss, the largest applicable deductible will be used.

However, any loss caused by theft, misplacing or losing of unscheduled property is subject to a minimum deductible of \$250 per loss.

LOSS CONDITIONS

► Loss Settlement

▪ Standard Loss Settlement – Unscheduled Property - Blanket

1. The value of the property in the Declarations is not agreed upon but will be determined at the time of loss.

We will not pay more than the least of the following amounts:

- ◆ The amount for which the article or item could reasonably be expected to be repaired to its condition immediately prior to loss;
- ◆ The amount for which the article or item could reasonably be expected to be replaced with one substantially identical to it;
- ◆ The "market value" of the article or item;
- ◆ The amount of insurance for the class; or
- ◆ For any one item, the per item limit shown in the Declarations or Schedule.

2. Loss To A Pair, Set Or Parts

If the item is a pair or set or consists of several parts when complete, we may elect to:

- ◆ Repair or replace any part to restore the pair or set to its value before the loss;
- ◆ Pay the difference between the "actual cash value" of the property before and after the loss; or
- ◆ Pay for the value of the part lost or damaged.

3. Recovered Property

If you or we recover any property for which we have made payment under this endorsement, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, we will adjust the loss payment based on the amount you received for the recovered property.

4. Property of Others

Property of others loaned or leased to the insured, and which the insured is required to insure, or for which the insured may be liable, will be valued at the lesser of:

- ◆ The amount agreed upon in the loan or lease agreement; or
- ◆ Its "actual cash value".

5. Property Not Insured to Full Value

Any loss payment we make will be reduced if you do not insure the covered property for its full value. We will pay only that proportion of any loss on an unscheduled collection that the amount of blanket insurance bears to the "actual cash value" of such property at the time of loss.

▪ Standard Loss Settlement - Scheduled Property

1. The value of each scheduled article or item in the Schedule is not agreed upon but will be determined at the time of loss.

We will not pay more than the least of the following amounts:

- ◆ The amount for which the article or item could reasonably be expected to be repaired to its condition immediately prior to loss;
- ◆ The amount for which the article or item could reasonably be expected to be replaced with one substantially identical to it;
- ◆ The amount of insurance; or
- ◆ For any one item, the per item limit shown in the Declarations or Schedule.

2. **Schedule on File**

When Schedule on File is listed in the Schedule:

We cover the items listed in a schedule which you must submit to us and we keep on file. The schedule must contain:

- ◆ a description for each item; and
- ◆ a limit for each item.

► Loss Clause

We will not reduce the amount of insurance under this endorsement except for a total loss of scheduled property. We will refund the unearned premium for that property after the loss or you may apply the refund to the premium due for its replacement.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

With the exception of the **APPRAISAL** and **OTHER INSURANCE** provisions, **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO** does not apply to the property covered by this endorsement.

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

In case of a loss to property covered by this endorsement, the following duties also apply:

- E. A person seeking coverage must:
 1. Prepare an inventory of damaged property showing the quantity, description, value, cost and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
 2. Notify the police as soon as reasonably able if the property is subject to a crime;
 3. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies;
 - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same; and
 - d. Produce, to the extent that it is within your power, your employees, members of your household or others so that they may be examined under oath.
 - e. Send to us, within 90 days after discovery of the loss, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - i. The time and cause of loss;

- ii. The interests of all "insureds" and all others in the property involved and all liens on the property;
 - iii. Other insurance or service agreement which may cover the loss; and
 - iv. The inventory of damaged property described in 1. above.
4. You may not offer or pay any rewards, make willing payments or incur other expenses except at your own expense.

PART F – GENERAL PROVISIONS

PART F - GENERAL PROVISIONS of the Classic Auto Policy apply to the property covered by this endorsement, if applicable, except as changed or added below:

OTHER INSURANCE POLICIES

This provision is deleted.

The following provisions are changed to include the property covered by this endorsement, in addition to "your covered auto":

- **OUR RIGHT TO RECOVER PAYMENT**
 - **ABANDONMENT**
 - **TRANSFER OF YOUR INTEREST IN THIS POLICY**
-

The following provisions are added:

LOSS PAYABLE CLAUSE

If the Declarations names a loss payee in which the loss payee has an interest, we will adjust any loss with you and make the loss payment to you or an "insured" legally entitled to receive payment and the loss payee as their respective interests may appear.

We will notify the loss payee in writing at least 10 days before we cancel or do not renew this coverage.

INSURABLE INTEREST AND LIMIT OF LIABILITY

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

- To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
 - For more than the applicable amount of insurance.
-

INSURANCE NOT TO BENEFIT OTHERS

No person or organization having custody of the property and to be paid for services shall benefit from this insurance.