

SERFF Tracking Number: XLAM-125693742 State: Arkansas
Filing Company: XL Specialty Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: 08SD-XD-DP05-MU-AR
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0019 Professional Errors & Omissions Liability
Product Name: Architects, Engineers Consultants
Project Name/Number: Architects & Engineers E&O Regular Program Additional Endorsements/08SD-XD-DP05-MU-AR

Filing at a Glance

Company: XL Specialty Insurance Company

Product Name: Architects, Engineers
Consultants

TOI: 17.0 Other Liability - Claims
Made/Occurrence

Sub-TOI: 17.0019 Professional Errors &
Omissions Liability

Filing Type: Form

SERFF Tr Num: XLAM-125693742 State: Arkansas

SERFF Status: Closed

State Tr Num: EFT \$50

Co Tr Num: 08SD-XD-DP05-MU-
AR

State Status: Fees verified and
received

Co Status:

Reviewer(s): Betty Montesi, Edith
Roberts

Author: Jill Kelly

Disposition Date: 06/23/2008

Date Submitted: 06/16/2008

Disposition Status: Approved

Effective Date Requested (New): On Approval

Effective Date (New):

Effective Date Requested (Renewal): On Approval

Effective Date (Renewal):

State Filing Description:

General Information

Project Name: Architects & Engineers E&O Regular Program Additional Status of Filing in Domicile: Pending
Endorsements

Project Number: 08SD-XD-DP05-MU-AR

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 06/23/2008

State Status Changed: 06/23/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

XL Specialty Insurance Company is submitting forms PLP 192 05/08, AEC 193 05/08, PLP 190 05/08, PELP 190 05/08 and AEC 191 05/08 to be used with our Professional Architects, Engineers and Consultants Liability program. These are new forms which do not replace any other forms or endorsements.

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The intent of these endorsements is to expand coverage under the policy. The attached Explanatory Memorandum provides further details of the intent of these endorsements.

We propose an effective date of August 1, 2008 or upon your approval.

Company and Contact

Filing Contact Information

Jill Kelly, State Filings Analyst
 1201 North Market Street, Suite 501
 Wilmington, DE 19801
 Jill.Kelly@xlgroup.com
 (302) 661-7090 [Phone]
 (302) 778-4190[FAX]

Filing Company Information

XL Specialty Insurance Company
 1201 N. Market Street
 Suite 501
 Wilmington, DE 19801
 (800) 394-3909 ext. [Phone]
 CoCode: 37885
 Group Code: 1285
 Group Name:
 FEIN Number: 85-0277191
 State of Domicile: Delaware
 Company Type:
 State ID Number:

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
XL Specialty Insurance Company	\$50.00	06/16/2008	20916962

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	06/23/2008	06/23/2008

SERFF Tracking Number: *XLAM-125693742* *State:* *Arkansas*
Filing Company: *XL Specialty Insurance Company* *State Tracking Number:* *EFT \$50*
Company Tracking Number: *08SD-XD-DP05-MU-AR*
TOI: *17.0 Other Liability - Claims Made/Occurrence* *Sub-TOI:* *17.0019 Professional Errors & Omissions*
Liability

Product Name: *Architects, Engineers Consultants*
Project Name/Number: *Architects & Engineers E&O Regular Program Additional Endorsements/08SD-XD-DP05-MU-AR*

Disposition

Disposition Date: 06/23/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: XLAM-125693742 State: Arkansas
 Filing Company: XL Specialty Insurance Company State Tracking Number: EFT \$50
 Company Tracking Number: 08SD-XD-DP05-MU-AR
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0019 Professional Errors & Omissions Liability

Product Name: Architects, Engineers Consultants
 Project Name/Number: Architects & Engineers E&O Regular Program Additional Endorsements/08SD-XD-DP05-MU-AR

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Explanatory Memorandum	Approved	Yes
Form	Joint Venture Endorsement	Approved	Yes
Form	Deductible Modification Endorsement	Approved	Yes
Form	Dispute Resolution and Mitigation Deductible Credit	Approved	Yes
Form	Dispute Resolution and Mitigation Deductible Credit	Approved	Yes
Form	Rating Downgrade Cancellation Endorsement	Approved	Yes

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Joint Venture Endorsement	PLP 192	(05/08)	Endorsement/Amendment/Conditions		0.00	PLP 192 0508 JV Endorsement - PLP Final.pdf
Approved	Deductible Modification Endorsement	AEC 193	(05/08)	Endorsement/Amendment/Conditions		0.00	AEC 193 0508 Deductible Modification Endorsement Final.pdf
Approved	Dispute Resolution and Mitigation Deductible Credit	PLP 190	(05/08)	Endorsement/Amendment/Conditions		0.00	PLP 190 DRAM Credit Final - PLP.pdf
Approved	Dispute Resolution and Mitigation Deductible Credit	PELP 190	(05/08)	Endorsement/Amendment/Conditions		0.00	PELP 190 0508 DRAM Credit Final - PELP.pdf
Approved	Rating Downgrade Cancellation Endorsement	AEC191	(05/08)	Endorsement/Amendment/Conditions		0.00	Rating Downgrade endorse2 revised (2) doc Final.pdf

This endorsement, effective 12:01 a.m., _____ forms a part of Policy No.
issued to
by

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

JOINT VENTURE ENDORSEMENT

It is agreed that Section III. DEFINITIONS, paragraph E. INSURED, subparagraph 4. is deleted in its entirety and replaced with the following:

4. Any NAMED INSURED with regard to its participation in a legal entity, including a joint venture, but solely for the NAMED INSURED's legal liability arising out of the performance of PROFESSIONAL SERVICES by the legal entity. INSURED does not include the legal entity itself, or any other entity that is part of the legal entity;

All other terms and conditions remain the same.

(Authorized Representative)

This endorsement, effective 12:01 a.m., _____ forms a part of Policy No. _____
issued to _____
by _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEDUCTIBLE MODIFICATION ENDORSEMENT

In consideration of the indicated adjustment of premium, the NAMED INSURED and the Company agree to the following Policy change(s):

Premium (increase/reduction): \$ _____

The Declarations is amended to read as follows:

Item 4: Deductible (Inclusive of Claim Expenses):

4a: \$ _____ each CLAIM

For the following projects only:

All other terms and conditions remain the same.

(Authorized Representative)

This endorsement, effective 12:01 a.m.,

forms a part of Policy

No. issued to by

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DISPUTE RESOLUTION and MITIGATION DEDUCTIBLE CREDIT

It is agreed that Section VIII. DEFENSE, SETTLEMENT AND COOPERATION, paragraph E., is deleted in its entirety and replaced with the following:

E. 1. Mediation Credit

In the event the Company and the **INSURED** agree to use **MEDIATION** and in the event that a **CLAIM(S)** is resolved through the use of **MEDIATION**, the **INSURED's** Deductible amount, in regard to that **CLAIM(S)**, shall be reduced as follows:

- a. For a **CLAIM(S)** that is resolved through the use of **MEDIATION** within one (1) year following the date that the **CLAIM(S)** was first made against the **INSURED**, the **INSURED** will be given a credit or reimbursement for seventy-five percent (75%) of the Deductible amount owed or paid by the **INSURED**, but not to exceed a maximum credit or reimbursement of \$12,500.
- b. For a **CLAIM(S)** that is resolved through the use of **MEDIATION** subsequently, the **INSURED** will be given a credit or reimbursement for fifty percent (50%) of the Deductible amount owed or paid by the **INSURED**, but not to exceed a maximum credit or reimbursement of \$12,500.

2. Contractual Risk Management Practice Credit

In the event that a **CLAIM(S)** is resolved within one (1) year following the date that the **CLAIM(S)** was first made against the **INSURED**, and the **INSURED** can evidence that at least three (3) of the four (4) of the conditions contained in the definition of **CONTRACTUAL RISK MANAGEMENT PRACTICE(S)** were satisfied prior to the notice of a **CLAIM(S)** or **CIRCUMSTANCE(S)**, the **INSURED** will be given a credit or reimbursement for seventy-five percent (75%) of the Deductible amount owed or paid by the **INSURED**, but not to exceed a maximum credit or reimbursement of \$50,000.

If any **CLAIM(S)** is resolved subsequently, and the **INSURED** can evidence that at least three (3) of the four (4) of the conditions contained in the definition of **CONTRACTUAL RISK MANAGEMENT PRACTICE(S)** were satisfied prior to the notice of a **CLAIM(S)** or **CIRCUMSTANCE(S)**, the **INSURED** will be given a credit or reimbursement for fifty percent (50%) of the Deductible amount owed or paid by the **INSURED**, but not to exceed a maximum credit or reimbursement of \$35,000.

The deductible credits/reimbursements provided for in paragraphs E.1. and E.2., above, are not cumulative and may not be combined on the same **CLAIM(S)**.

Section III. DEFINITIONS, is amended by the following:

N. CONTRACTUAL RISK MANAGEMENT PRACTICE means that the **INSURED** entered into a written agreement to provide **PROFESSIONAL SERVICES**, which was signed and dated by all parties to the agreement prior to the date of any **CLAIM(S)** or **CIRCUMSTANCE(S)** arising out of the **INSURED's** performance of the **PROFESSIONAL SERVICES**, and satisfied the following conditions:

1. The written agreement contains an enforceable Limitation of Liability provision which limits the **INSURED'S** liability for **DAMAGES** and/or **CLAIMS EXPENSE** to less than \$ _____, or the Policy's each claim Limit of Liability, whichever is less;
2. The written agreement contains an enforceable mutual waiver of consequential damages provision;
3. The written agreement contains a dispute resolution provision that requires submission of any disputes between the parties to mediation;
4. The **INSURED** can document that:

It entered into a fully executed and dated written agreement with each of its sub-consultants prior to the sub-consultants' performance of contracted professional services,

or;

its sub-consultants had both Professional Liability and General Liability coverage in effect prior to the sub-consultant's performance of contracted professional services.

Section III. DEFINITIONS, paragraph L. **VOLUNTARY MEDIATION**, is deleted in its entirety and replaced with the following:

L. MEDIATION means the non-binding process by which a qualified, professional mediator mutually agreed upon by parties to a dispute intercedes with the intention to reconcile the parties to a resolution of a **CLAIM**, whether the parties voluntarily agree to mediate the dispute or are required by the Court to do so.

The Company reserves the right to request and examine all necessary agreements and documentation to determine eligibility of the Contractual Risk Management Practice Credit. Such determination shall be the exclusive right of the Company.

All other terms and conditions remain the same.

(Authorized Representative)

This endorsement, effective 12:01 a.m.,

forms a part of Policy

No. issued to by

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DISPUTE RESOLUTION and MITIGATION DEDUCTIBLE CREDIT

It is agreed that Section VIII. DEFENSE, SETTLEMENT AND COOPERATION, paragraph E., is deleted in its entirety and replaced with the following:

E. 1. Mediation Credit

In the event the Company and the **INSURED** agree to use **MEDIATION** and in the event that a **CLAIM(S)** is resolved through the use of **MEDIATION**, the **INSURED's** Deductible amount, in regard to that **CLAIM(S)**, shall be reduced as follows:

- a. For a **CLAIM(S)** that is resolved through the use of **MEDIATION** within one (1) year following the date that the **CLAIM(S)** was first made against the **INSURED**, the **INSURED** will be given a credit or reimbursement for seventy-five percent (75%) of the Deductible amount owed or paid by the **INSURED**, but not to exceed a maximum credit or reimbursement of \$12,500.
- b. For a **CLAIM(S)** that is resolved through the use of **MEDIATION** subsequently, the **INSURED** will be given a credit or reimbursement for fifty percent (50%) of the Deductible amount owed or paid by the **INSURED**, but not to exceed a maximum credit or reimbursement of \$12,500.

2. Contractual Risk Management Practice Credit

In the event that a **CLAIM(S)** is resolved within one (1) year following the date that the **CLAIM(S)** was first made against the **INSURED**, and the **INSURED** can evidence that at least three (3) of the four (4) of the conditions contained in the definition of **CONTRACTUAL RISK MANAGEMENT PRACTICE(S)** were satisfied prior to the notice of a **CLAIM(S)** or **CIRCUMSTANCE(S)**, the **INSURED** will be given a credit or reimbursement for seventy-five percent (75%) of the Deductible amount owed or paid by the **INSURED**, but not to exceed a maximum credit or reimbursement of \$50,000.

If any **CLAIM(S)** is resolved subsequently, and the **INSURED** can evidence that at least three (3) of the four (4) of the conditions contained in the definition of **CONTRACTUAL RISK MANAGEMENT PRACTICE(S)** were satisfied prior to the notice of a **CLAIM(S)** or **CIRCUMSTANCE(S)**, the **INSURED** will be given a credit or reimbursement for fifty percent (50%) of the Deductible amount owed or paid by the **INSURED**, but not to exceed a maximum credit or reimbursement of \$35,000.

The deductible credits/reimbursements provided for in paragraphs E.1. and E.2., above, are not cumulative and may not be combined on the same **CLAIM(S)**.

Section III. DEFINITIONS, is amended by the following:

S. CONTRACTUAL RISK MANAGEMENT PRACTICE means that the **INSURED** entered into a written agreement to provide **PROFESSIONAL SERVICES**, which was signed and dated by all parties to the agreement prior to the date of any **CLAIM(S)** or **CIRCUMSTANCE(S)** arising out of the **INSURED's** performance of the **PROFESSIONAL SERVICES**, and satisfied the following conditions:

1. The written agreement contains an enforceable Limitation of Liability provision which limits the **INSURED'S** liability for **DAMAGES** and/or **CLAIMS EXPENSE** to less than \$_____, or the Policy's each claim Limit of Liability, whichever is less;
2. The written agreement contains an enforceable mutual waiver of consequential damages provision;
3. The written agreement contains a dispute resolution provision that requires submission of any disputes between the parties to mediation;
4. The **INSURED** can document that:

It entered into a fully executed and dated written agreement with each of its sub-consultants prior to the sub-consultants' performance of contracted professional services,

or;

its sub-consultants had both Professional Liability and General Liability coverage in effect prior to the sub-consultant's performance of contracted professional services.

Section III. DEFINITIONS, paragraph L. VOLUNTARY MEDIATION, is deleted in its entirety and replaced with the following:

Q. MEDIATION means the non-binding process by which a qualified, professional mediator mutually agreed upon by parties to a dispute intercedes with the intention to reconcile the parties to a resolution of a **CLAIM**, whether the parties voluntarily agree to mediate the dispute or are required by the Court to do so.

The Company reserves the right to request and examine all necessary agreements and documentation to determine eligibility of the Contractual Risk Management Practice Credit. Such determination shall be the exclusive right of the Company.

All other terms and conditions remain the same.

(Authorized Representative)

This endorsement, effective 12:01 a.m., _____ forms a part of Policy No.
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by

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RATING DOWNGRADE CANCELLATION ENDORSEMENT

It is agreed that Section X. OTHER CONDITIONS, paragraph B. Cancellation, is amended by the addition of the following:

It is hereby agreed that in the event the A.M. Best Financial Strength rating of the Company is withdrawn (by either A.M. Best or the Company) or falls below a rating of "A-", this Policy may be canceled by the NAMED INSURED by mailing to the Company written notice stating when thereafter such cancellation shall be effective.

If the NAMED INSURED cancels the Policy pursuant to this endorsement, earned premium will be computed on a pro rata basis. We will send any premium refund to the last known mailing address of the NAMED INSURED.

If the Policy is canceled by the NAMED INSURED for any other reason, then the terms and conditions for cancellation of the Policy remain as originally stated in the Policy.

All other terms and conditions remain unchanged.

(Authorized Representative)

AEC191 (05/08)

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Supporting Document Schedules

Bypassed -Name: Uniform Transmittal Document- Property & Casualty
Review Status: Approved 06/23/2008
Bypass Reason: According to SERFF, this document is no longer necessary since the information is already included in the General Information and Form Schedule screens.
Comments:

Satisfied -Name: Explanatory Memorandum
Review Status: Approved 06/23/2008
Comments:
Attachment:
Explanatory Memorandum-187.pdf

Explanatory Memorandum

The intent of the endorsements is to expand coverage's offered under our policy. The specific enhancements offered by these new endorsements are as follows:

PLP 192 Joint Venture Endorsement amends the definition of Insured in the policy form to cover the insured's legal liability arising out of performance of professional services by the joint venture.

AEC 193 Deductible Modification Endorsement allows for an increase or decrease in deductible for certain projects or project types.

PLP 190 Dispute Resolution and Mitigation Deductible Credit Endorsement modifies the deductible credit provided in the policy form for the settlement of claims at mediation and provides for a deductible credit for the use of certain risk management practices and contractual provisions enumerated in the endorsement.

PELP 190 Dispute Resolution and Mitigation Deductible Credit Endorsement modifies the deductible credit provided in the policy form for the settlement of claims at mediation and provides for a deductible credit for the use of certain risk management practices and contractual provisions enumerated in the endorsement.

AEC 191 Rating Downgrade Cancellation Endorsement allows the insured to cancel the policy without a short rate penalty in the event XL's AM Best Rating is withdrawn or reduced below A-.

We shall communicate the availability of this coverage through our agents, and will make this coverage available to any of our policyholders that are or will be performing these services on their projects. We do not intend to charge for this coverage.