

SERFF Tracking Number: TRAX-125736024 State: Arkansas
 Filing Company: TRANSGUARD INSURANCE COMPANY OF AMERICA, INC. State Tracking Number: EFT \$50
 Company Tracking Number: CF AR0804401F01
 TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
 Product Name: 2008 Commercial Property - Revised Endorsements
 Project Name/Number: 2008 Commercial Property - Revised Endorsements/CF AR0804401F01

Filing at a Glance

Company: TRANSGUARD INSURANCE COMPANY OF AMERICA, INC.

Product Name: 2008 Commercial Property - Revised Endorsements SERFF Tr Num: TRAX-125736024 State: Arkansas

TOI: 01.0 Property

SERFF Status: Closed

State Tr Num: EFT \$50

Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)

Co Tr Num: CF AR0804401F01

State Status: Fees verified and received

Filing Type: Form

Co Status:

Reviewer(s): Betty Montesi, Llyweyia Rawlins

Author: SPI Transguard

Disposition Date: 07/16/2008

Date Submitted: 07/16/2008

Disposition Status: Approved

Effective Date Requested (New): 01/01/2009

Effective Date (New): 04/01/2009

Effective Date Requested (Renewal):

Effective Date (Renewal):

04/01/2009

State Filing Description:

General Information

Project Name: 2008 Commercial Property - Revised Endorsements

Status of Filing in Domicile:

Project Number: CF AR0804401F01

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 07/16/2008

State Status Changed: 07/16/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

In accordance with the filing requirements of your state, we hereby submit the captioned filing for your review and acceptance. This filing contains the following endorsements which replace a previously filed edition as noted.

FORM EDITION TITLE

REPLACED EDITION

SERFF Tracking Number: TRAX-125736024 State: Arkansas
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 Product Name: 2008 Commercial Property - Revised Endorsements
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 054001 11/08 Property & Income Enhancements 07/04
 094023 01/08 Installment Payment Endorsement 06/04
 094025 02/05 Combined Rate Endorsement 06/04

Please refer to the attached Explanatory Memorandum for a detailed description of this filing.

These items may be system-generated and formatted differently due to systems constraints. The content, however, will remain the same. In such case, these items will not be refiled unless otherwise requested by your Department in response to this filing.

We kindly request an effective date of January 1, 2009.

Company and Contact

Filing Contact Information

Robert Goddard, Compliance Analyst Robert.Goddard@Transguard.com
 215 Shuman Blvd (630) 864-3476 [Phone]
 Naperville, IL 60563 (630) 864-3579[FAX]

Filing Company Information

TRANSGUARD INSURANCE COMPANY OF AMERICA, INC. CoCode: 28886 State of Domicile: Illinois
 215 Shuman Blvd Group Code: 225 Company Type: Property & Casualty
 Suite 400
 Naperville, IL 60563 Group Name: IAT Reinsurance State ID Number:
 Company Group
 (800) 796-2480 ext. [Phone] FEIN Number: 36-3529298

Filing Fees

Fee Required? Yes

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

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COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
TRANSGUARD INSURANCE COMPANY OF AMERICA, INC.	\$50.00	07/16/2008	21441077

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	07/16/2008	07/16/2008

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
December 15, 2008/ CF AR0804401F01/ Note To Reviewer Effective Date Change		SPI Transguard	12/15/2008	12/15/2008

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Disposition

Disposition Date: 07/16/2008

Effective Date (New): 04/01/2009

Effective Date (Renewal): 04/01/2009

- Effective Date (New) changed from 01/01/2009 to 04/01/2009 and Effective Date (Renewal) changed from 01/01/2009 to 04/01/2009 by Rawlins, Llyweyia on 12/16/2008.

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	08044 CP Forms 2008 Updates - Explanatory Memo	Approved	Yes
Supporting Document	COMPARE 054001 11/08 to 07/04, COMPARE 094023 01/08 to 06/04, COMPARE 094025 02/05 to 06/04	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Form	Property and Income Enhancements	Approved	Yes
Form	Installment Payment Endorsement	Approved	Yes
Form	Combined Rate 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	Property and Income Enhancements	054001	11/08	Endorsement/Amendment/Conditions	Replaced Form #:0.00 054001 Previous Filing #:		054001.PDF
Approved	Installment Payment Endorsement	094023	01/08	Endorsement/Amendment/Conditions	Replaced Form #:0.00 094023 Previous Filing #:		094023.PDF
Approved	Combined Rate Endorsement	094025	02/05	Endorsement/Amendment/Conditions	Replaced Form #:0.00 094025 Previous Filing #:		094025.PDF

COVERAGE DESCRIPTION (Continued)	LIMIT OF INSURANCE
XIII. Sewer and Drain Backup	
XIV. Debris Removal	
XV. Pollutant Clean-up and Removal	
XVI. Inflation Guard	
Section C: Business Income (and Extra Expense) Enhancements	
I. Interruption of Computer Operations	
II. Extended Period of Indemnity for Storage Revenue	
III. Utility Service Interruption	

The items listed in the SCHEDULE are provided as additions to your insurance program. These apply separately to each of your premises described in the Declarations.

Section A:

If **083006, Basic Cargo Liability Coverage Form** and/or **083007, Basic Warehouse Liability Coverage Form** are attached to this policy, then the following coverage enhancements are added:

I. Uncollectible Freight Charges

Up to the Limit of Insurance shown in the Schedule, we will pay any loss of freight charges you sustain resulting from your inability to deliver a shipment because the "Shipper's" goods have been lost or destroyed during shipment.

This extension does not apply if such loss or damage is excluded in the **Basic Cargo Liability Coverage Form**.

Refer to **Section H. Definitions** of the **Basic Cargo Liability Coverage Form** for the meaning of "Shipper".

II. Uncollectible or Accrued Storage Charges

Up to the Limit of Insurance shown in the Schedule, we will pay any loss of Accrued Storage Charges owed to you when these become uncollectible because the "Customer's" goods have been lost or damaged. Such goods must be located in a "Specified Location" listed in the Declarations of this policy or at an "Interim Location" or a "Temporary Location".

This extension does not apply if such loss or damage is excluded in the **Basic Warehouse Liability Coverage Form**.

Accrued Storage Charges means all charges made to "Customers" for permanent storage services, storage valuation charges, accessorial

services, and charges for delivery into or out of a "specified location" or "temporary location" that are due but unpaid at the time of loss.

Refer to **Section H. Definitions** of the **Basic Warehouse Liability Coverage Form** for the meaning of "Customer", "Specified Location", "Interim Location", and "Temporary Location".

III. Loss Prevention & Property Protection Expenses

Up to the Limit of Insurance Shown in the Schedule, we will reimburse expenses you incur for any one loss as a result of:

- a. Actual or potential loss or damage to "Customer's" or "Shipper's" goods; or
- b. Saving or protecting "Customer's" or "Shipper's" goods from potential loss or damage or from further loss or damage.

Expenses mean the reasonable cost of labor and materials necessitated in unpacking, re-packing, re-crating, separating damaged from undamaged property, re-inventorying and other services required for saving or protecting the property. Expenses include watchmen to protect the property and fencing to enclose the property for a period not to exceed thirty days from the date of actual or potential loss or damage.

Refer to **Section H. Definitions** of the **Basic Cargo Liability Coverage Form** for the meaning of "Shipper". Refer to **Section H. Definitions** of the **Basic Warehouse Liability Coverage Form** for the meaning of "Customer".

Section B:

The **Building and Personal Property Coverage Form CP 00 10** is amended as follows:

I. Newly Acquired Real Property

The final paragraph of **Section A. 5. a. (1)** is amended as follows:

The most we will pay for loss or damage under this Extension is the amount shown in the Schedule at each building.

II. Newly Acquired Business Personal Property

The final paragraph of **Section A. 5. a. (2) (a)** is amended as follows:

The most we will pay for loss or damage under this Extension is the amount shown in the Schedule at each building.

III. Property Off Premises

In **Section A. 5., Paragraph d. (3)** is deleted and replaced by the following:

- (3) The most we will pay for loss or damage under this Extension is the amount shown in the Schedule.

IV. Outdoor Property

Paragraph A. 2. I. is deleted.

Paragraph A. 5. e. Outdoor Property – is deleted and replaced by the following:

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor property described below:

Trees, Shrubs, Plants and Lawns;

Fences, Walls, Gates, Retaining Walls, or radio and television antennas (including satellite dishes); and

For Scales and Scale Equipment,

including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft or vehicle.

The most we will pay for loss or damage under this Extension is the amount shown in the Schedule. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

V. Vehicle Damage to Leased Property

The following is added after Paragraph **A. 5. f.:**

Vehicle Damage to Leased Property

- (1) We cover loss or damage to business real property, as described in **Paragraph A. 1. a. Coverage**, which you do not own but which you occupy for your business, caused by or resulting from physical contact of a vehicle with the business real property.
- (2) The most we will pay for loss under this Vehicle Damage to Leased Property Additional Coverage is the amount shown in the Schedule.
- (3) Coverage provided by this Coverage Extension for Vehicle Damage to Leased Property is primary insurance.
- (4) If payment is made for loss or damage under this coverage enhancement, you must transfer to us any rights of subrogation, so we may recover such payment from any responsible party,

VI. Building Ordinance or Law

The following is added after Paragraph **A. 5. f.:**

Building Ordinance or Law

The following portion of **Exclusion B. 1. a. Ordinance or Law** of the applicable **Causes of Loss - Special Form** does not apply to insurance under this Coverage Form:

“This exclusion, Ordinance or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.”

The following provisions do apply:

If there is an ordinance or law in effect at the time of loss that regulates zoning, land use or construction of a covered building, and if enforcement of that ordinance or law affects the repair or rebuilding of that building following damage by a Covered Cause of Loss, you may extend the insurance on that Building to cover:

COVERAGE A

The value of the undamaged portions of the building. The most we will pay under this extension is the building coverage limit;

COVERAGE B

Costs to demolish and clear the site of the undamaged portions of the building. The most we will pay under this extension is the amount shown in the Schedule; and

COVERAGE C

The increased cost to repair or rebuild the building with another building of the same size. The most we will pay under this extension is the amount shown in the Schedule.

We will not pay more under this Extension than if the repaired or replaced building was:

- (a) Rebuilt at the same location, as soon as reasonably possible;
- (b) To the same extent the law permits, of the same size as the one it replaces; and
- (c) Designed for the same type of occupancy as the one it replaces, unless prohibited by zoning or land use ordinance or law.

The increased rebuilding costs must be kept to the minimum needed to satisfy legal requirements.

If you do not repair or replace the damaged building, we will pay under this Extension only to demolish and clear the site of the undamaged portions of the building.

This Extension does not apply to any costs arising from the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or

neutralize, or in any way respond to, or assess the effects of "pollutants."

Any Coinsurance penalty applicable to the building will also apply to the amount otherwise payable under this Extension.

However, if **Ordinance or Law CP 04 05** is also attached to this policy, the limits and terms and conditions of that form are in excess of those provided under this Coverage Enhancement.

VII. Fire Protection Equipment

The following is added at the end of Paragraph A. 4:

Fire Protection Equipment

We will pay your costs to:

- (1) recharge or refill fire protection equipment; and
- (2) clean up and remove the fire extinguishing agent

resulting from the discharge of a fire extinguishing agent from fire protection equipment.

The discharge must:

- (1) be caused by a Covered Cause of Loss;
- (2) result from the intended operation of the fire protection equipment to prevent or control a Covered Cause of Loss;
- (3) be accidental; or
- (4) result from a malfunction of the fire protection equipment.

We will not pay for loss or damage:

- (1) if you fail to use reasonable care to maintain the fire protection equipment in proper operating condition or if you fail to maintain the recommended testing and inspection schedule of such equipment; or
- (2) caused by discharge at the time of servicing, refilling or testing of the fire protection equipment.

The most we will pay under this Additional Coverage is the amount shown in the Schedule.

No deductible applies to this Additional Coverage.

VIII. Arson Reward

The following is added at the end of Paragraph A. 4:

Arson Reward

If covered property sustains loss or damage caused by or resulting from fire, and the origin of such fire is determined to be arson, we will pay a reward to the person or persons who provide information that leads to the arrest and conviction (for the crime of arson) of the individuals responsible for the ignition of the fire.

The most we will pay under this Additional Coverage is the amount shown in the Schedule regardless of the number of persons providing information leading to the arrest and conviction of the individuals responsible for the arson.

In no case may this reward be paid to you, your officers, partners, employees or relatives.

IX. Accounts Receivable

The following is added at the end of Paragraph A. 5.:

Accounts Receivable

(1) The most we will pay under this Extension is the amount shown in the Schedule. If accounts receivable records are lost or damaged in transit, the most we will pay is \$2,500.

You may extend the insurance that applies to Your Business Personal Property to include your records of accounts receivable:

- (a) At a described premises or in or on a vehicle in transit between described premises; or
- (b) If the records must be removed from a described premise to protect them from the threat of a Covered Cause of Loss.

(2) The amount of your Accounts Receivable loss includes:

- (a) Money owed to you from customers if you are unable to collect the money as a direct result of a covered loss or damage to your accounts receivable records;
- (b) Interest charges on money you must borrow to offset your reduced cash flow:

(c) Additional collection costs, over and above your usual collection costs, made necessary because of loss or damage to your accounts receivable records; and

(d) Reasonable expenses you must incur to re-establish your accounts receivable records.

(3) Accounts receivable loss payments will be determined as follows:

(a) When there is proof that a covered loss has occurred but you cannot accurately establish the amount of accounts receivable outstanding at the time of the loss, the amount of the loss will be computed as follows:

(i) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and

(ii) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred.

(b) We will deduct from the established total amount of accounts receivable:

(i) The amount of any accounts evidenced by records not lost or damaged;

(ii) Any other amounts you are able to establish or collect; and

(iii) An amount to allow for probable bad debts which you would have been unable to collect.

(c) If you recover the amount of any accounts receivable that were included in the amount of the paid loss, you will return the amount of all recoveries you receive for a loss paid by us. But any recoveries in excess of the amount we have paid belong to you.

However, if **Accounts Receivable Coverage Form CM 00 66** is also attached to this policy, the limits and terms and conditions of that form are in excess of those provided under this Coverage Enhancement.

X. Valuable Papers and Records

Paragraph A. 5. c. (4) is amended as follows:

(4) Under this Extension, the most we will pay to replace or restore the lost information is the amount shown in the Schedule at each described premises. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

However, if **Valuable Papers and Records Coverage Form CM 00 67** is also attached to this policy, the limits and terms and conditions of that form are in excess of those provided under this Coverage Enhancement.

XI. Signs

The second paragraph under **Section C. Limits Of Insurance** is deleted and replaced by the following:

The most we will pay for loss to outdoor signs is the Limit of Insurance shown in the Schedule per sign in any one occurrence.

However, if either **Outdoor Signs CP 14 40** or **Signs Coverage Form CM 00 28** is also attached to this policy, the limits and terms and conditions of that form are in excess of those provided under this Coverage Enhancement.

XII. Cost of Inventory, Appraisal or Adjustment

We will pay your cost of appraisal, adjustment, inventory and preparation of loss data necessary in connection with a claim covered under this Coverage Part.

The most we will pay under this additional coverage for all costs incurred in any one policy year is the Limit of Insurance shown in the Schedule. This coverage extension is not subject to any Coinsurance Clause.

XIII. Sewer and Drain Backup

The following is added at the end of Paragraph A. 5:

Sewer and Drain Backup

(1) The following Exclusion of the applicable **Causes of Loss - Special Form** does not apply to insurance under this Cov-

erage Extension: paragraph **B.1.g. Water (3)** and **(4)**.

(2) The most we will pay under this Extension is Limit of Insurance shown in the Schedule for direct physical loss or damage caused by:

(a) Water that backs up from a sewer or drain; or

(b) Water under the ground surface pressing on, or flowing or seeping through:

(i) Foundations, walls, floors or paved surfaces;

(ii) Basements, whether paved or not; or

(iii) Doors, windows or other openings.

We will not pay for any resulting indirect or consequential loss, regardless of its amount.

XIV. Debris Removal

The additional limit for debris removal shown in **A. Coverage, Paragraph 4. Additional Coverage, Sub-Paragraph a. (4)** is increased to the Limit of Insurance shown in the Schedule.

XV. Pollutant Clean-Up and Removal

The last Paragraph in **A.4.d.** is replaced by the following:

The most we will pay under this Additional Coverage for each described premises is the Limit of Insurance shown in the Schedule for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

XVI. Inflation Guard

Paragraph **G. Optional Coverages, 2. Inflation Guard**, Paragraph **a.** is deleted and replaced with the following:

a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Schedule.

Section C:

If the **Business Income (and Extra Expense) Coverage Form CP 00 30** is attached to this policy, then the following enhancements are added to the policy:

I. Interruption of Computer Operations

In Section A. Coverage, Paragraph 5. d. Interruption of Computer Operations, Paragraph (4) is deleted and replaced with the following:

- (4) The most we will pay under this Additional Coverage – Interruption of Computer Operations is the Limit of Insurance shown in the Schedule for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved.

If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

II. Extended Period of Indemnity for Storage Revenue

In the Section for **Optional Coverages**, Paragraph 4. deleted and replaced by the following:

4. Extended Period Of Indemnity

In the Paragraph under **Additional Coverages** called **Extended Business**

Income, the number "30" in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Schedule for this Optional Coverage.

III. Utility Service Interruption

The following is added to Section for **Optional Coverages**:

Utility Service Interruption

The most we will pay during any one policy year is the Limit of Insurance shown in the Schedule for loss of income you incur after the first 12 hours of utility service disruption following the direct physical loss or damage caused by a Covered Cause of Loss that disrupted the services provided by the utility companies described below.

We will pay for the loss of income you incur due to the necessary suspension of your business activities during the "Period of Restoration" as a result of direct physical loss or damage caused by a Covered Cause of Loss to property not at the premises described in the Declarations but used to supply you with services by the following utilities:

- a. Water supply companies;
- b. Communication supply companies but not their overhead communication lines or satellites; and
- c. Power supply companies but not their overhead transmission lines.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSTALLMENT PAYMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 COMMERCIAL UMBRELLA COVERAGE PART

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Name of Insured:	Policy Number:
Effective Date:	Countersigned by

(Authorized Representative)

A. Installments

In consideration of the issuance of this policy, the Insured agrees that the Annual Premium for this policy is to be paid in installments. Down Payment and any applicable state taxes or fees are due at the inception of coverage. Future Installment Payments are due as shown in the **INSTALLMENT SCHEDULE**.

B. Endorsements

Additional premiums due for Endorsements issued after inception may be paid on a cash basis or added to future installments due.

Return premiums due for Endorsements issued after inception may be refunded on a cash basis or deducted from future installments.

Any change to the PAYMENT SCHEDULE resulting from such endorsements will be reflected on the **INSTALLMENT SCHEDULE**.

C. Cancellation Provisions

Non-Payment of any original Installment or revised Installment resulting from endorsement changes will result in the Company mailing Notice of Cancellation in accordance with the policy terms and conditions.

COMBINED RATE ENDORSEMENT

Named Insured

Effective Date:

12:01 A.M., Standard Time

Agent Name

Agent No.

This endorsement applies only to the premium developed for those Coverage Parts marked by below.

		Estimated Annual Premium
<input type="checkbox"/> Commercial Property Coverage Part	\$	
<input type="checkbox"/> Commercial General Liability Coverage Part	\$	
<input type="checkbox"/> Crime and Fidelity Coverage Part	\$	
<input type="checkbox"/> Commercial Inland Marine Coverage Part	\$	
<input type="checkbox"/> Truckers Coverage Part – Liability Coverage	\$	
<input type="checkbox"/> Truckers Coverage Part – Physical Damage Coverage	\$	
<input type="checkbox"/> _____	\$	
Total Estimated Annual Premium	\$	

It is agreed that the estimated annual premium for the Coverage Parts indicated above by may be combined and charged on the basis shown below, which shall be applied to the actual:

- Gross Transportation Revenue
- Gross Receipts from Direct Operations
- Number of Vehicles
- Other Basis

Reported by the insured during the policy period.

Basis	Estimated Annual Basis	Combined Rate	Combined Premium at Inception
Gross Transportation Revenue			\$
Gross Receipts from Direct Operations			\$
Number of Vehicles			\$
Other Basis			\$
Total Combined Premium			\$

A. Terms and Conditions:

The premiums stated above are the estimated premiums only. Upon completion of each annual period, or upon the termination of the policy, an audit will be conducted.

At our discretion, the audit may be either voluntary or an actual on-site audit of physical exposures. In either case, the audit must be completed no later than 45 days after termination or expiration of the policy.

The earned premium will be computed by applying the actual annual basis to the combined rate. If the earned premium thus computed exceeds the premium paid, you shall pay the excess to us. If less, we shall return to you the unearned portion.

B. Definitions:

1. Gross Transportation Revenue means the total amount to which you are entitled for shipment, transportation or handling of property during the policy period regardless of operating authority. **Gross Transportation Revenue** also includes the total amount received from renting equipment, with or without drivers, to anyone who is not a "trucker", and 15% of the total amount received from renting any equipment to any "trucker".

Gross Transportation Revenue does not include advertising revenue, taxes which you collect as a separate item and remit directly to a governmental division, or revenue from packing operations not connected with transportation.

2. Gross Receipts from Direct Operations means the amount to which you are entitled for shipment, transportation or handling of property under your own operating authority or contract.

Gross Receipts from Direct Operations does not include any remuneration for similar operations while you are acting as an agent of a national van line or as a sub-hauler for another transportation company.

3. The Number of Vehicles means the average number of vehicles you own or lease during the policy period. The average number will be determined by adding the number of units at inception to the number of units at the termination or expiration of the policy and dividing the sum by two for each annual policy term.

4. Other Basis of the Combined Rate is described at the end of this endorsement.

C. Adjustments

It is further agreed that a complete re-survey of exposures will be made annually, or at any time at our request or at your request. If the re-survey results in determination of exposure changes of greater than 15% and these changes would not be reflected by application of the chosen basis, the Combined Rate may be adjusted.

Such adjustment at the end of an annual period will be at our discretion. Adjustment during any annual policy period must be at our mutual agreement.

Other Basis:

Other Clarifications:

SERFF Tracking Number: TRAX-125736024 *State:* Arkansas
Filing Company: TRANSGUARD INSURANCE COMPANY OF AMERICA, INC. *State Tracking Number:* EFT \$50
Company Tracking Number: CF AR0804401F01
TOI: 01.0 Property *Sub-TOI:* 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: 2008 Commercial Property - Revised Endorsements
Project Name/Number: 2008 Commercial Property - Revised Endorsements/CF AR0804401F01

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: TRAX-125736024 State: Arkansas
 Filing Company: TRANSGUARD INSURANCE COMPANY OF AMERICA, INC. State Tracking Number: EFT \$50
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 TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
 Product Name: 2008 Commercial Property - Revised Endorsements
 Project Name/Number: 2008 Commercial Property - Revised Endorsements/CF AR0804401F01

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 07/16/2008

Comments:

See attached NAIC P&C Transmittal Document and Form Filing Schedule.

Attachments:

AR - NAIC P&C TRANSMITTAL DOCUMENT.PDF
 AR - NAIC FORM FILING SCHEDULE.PDF

Satisfied -Name: 08044 CP Forms 2008 Updates - Explanatory Memo **Review Status:** Approved 07/16/2008

Comments:

See attached explanatory memorandum.

Attachment:

08044 CP Forms 2008 Updates - Explanatory Memo.PDF

Satisfied -Name: COMPARE 054001 11/08 to 07/04,
 COMPARE 094023 01/08 to 06/04,
 COMPARE 094025 02/05 to 06/04 **Review Status:** Approved 07/16/2008

Comments:

See attached comparison of forms submitted and replaced.

Attachments:

COMPARE 054001 11_08 to 07_04.PDF
 COMPARE 094023 01_08 to 06_04.PDF
 COMPARE 094025 02_05 to 06_04.PDF

Satisfied -Name: Cover Letter **Review Status:** Approved 07/16/2008

Comments:

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: 50%; 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 #
IAT Reinsurance Company Group	0225

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
TRANSGUARD INSURANCE COMPANY OF AMERICA, INC.	IL	28886	36-3529298	

5. Company Tracking Number	CF AR0804401F01
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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
	Robert E. Goddard 215 Shuman Blvd, Suite 400 Naperville IL 60563	Compliance Analyst	(800)-796-2480 Ext. 3476	630-864-3579	Robert.Goddard@Transguard.com

7.	Signature of authorized filer	
8.	Please print name of authorized filer	Robert E. Goddard

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

9.	Type of Insurance (TOI)	01.0 Property
10.	Sub-Type of Insurance (Sub-TOI)	01.0001 Commercial Property (Fire and Allied Lines)
11.	State Specific Product code(s) (if applicable) [See State Specific Requirements]	
12.	Company Program Title (Marketing Title)	
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input 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: 01/01/2009 Renewal: 01/01/2009
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	07/16/2009
19.	Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document

20.	This filing transmittal is part of Company Tracking #	CF AR0804401F01
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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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In accordance with the filing requirements of your state, we hereby submit the captioned filing for your review and acceptance. This filing contains the following endorsements which replace a previously filed edition as noted.

FORM EDITION	TITLE	REPLACED EDITION
054001 11/08	Property & Income Enhancements	07/04
094023 01/08	Installment Payment Endorsement	06/04
094025 02/05	Combined Rate Endorsement	06/04

Please refer to the attached Explanatory Memorandum for a detailed description of this filing.

These items may be system-generated and formatted differently due to systems constraints. The content, however, will remain the same. In such case, these items will not be refiled unless otherwise requested by your Department in response to this filing.

We kindly request an effective date of January 1, 2009.

22.	<p>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]</p> <p>Check #: Amount:</p> <p>A \$50.00 filing fee was paid by EFT with this submission.</p> <p style="text-align: center;">Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p>
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***Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

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 #	CF AR0804401F01
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2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	Internal drawer filing no. CF AR0804501R01.
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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	Property and Income Enhancements	054001 11/08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	054001 07/04	
02	Installment Payment Endorsement	094023 01/08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	094023 06/04	
03	Combined Rate Endorsement	094025 02/05	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	094025 06/04	
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		
11			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

TRANSGUARD INSURANCE COMPANY OF AMERICA, INC.

COMMERCIAL PROPERTY EXPLANATORY MEMORANDUM Revised Endorsements

TRANSGUARD INSURANCE COMPANY OF AMERICA, INC. (TRANSGUARD) is submitting this filing for your review and acceptance. This filing contains independent material that has been developed to compliment the standard **ISO Division Five** forms and endorsements currently on file with your state. In addition, changes have been made to coincide with the recent updates that have been approved for use by ISO subscribers effective November 1, 2008.

TRANSGUARD is a subscriber of Insurance Services Office, Inc. (ISO), and we are affiliated with them for Commercial Property (Fire and Allied Lines) forms and endorsements. TRANSGUARD specializes in providing insurance for businesses that focus on the Relocation, Transportation and Storage industries and we write both monoline and package policies using the ISO program in conjunction with our independent forms and endorsements.

ENDORSEMENTS

054001 11/08 – PROPERTY & INCOME ENHANCEMENTS: This revised optional endorsement replaces the 07/04 edition. The revisions include:

- Reformatting the Schedule and various coverage enhancements throughout the endorsement to properly reference the sections they are amending;
- Deleting coverage for Fire Department Service charge as this option is now available through the standard ISO Division Five rules and loss costs; and
- Other editorial and clarifying language.*

094023 01/08 – INSTALLMENT PAYMENT ENDORSEMENT: This revised optional endorsement replaces the 06/04 edition. Other than updating the revision date, the only other change is to add the reference to Commercial Umbrella as a type of insurance it can be used with.

094025 02/05 – COMBINED RATE ENDORSEMENT: This revised optional endorsement replaces the 094025, Composite Rate Endorsement, 06/04 edition. The revisions include:

- Renaming the endorsement to clarify its use;
- Adding references to Commercial Property and Crime and Fidelity Coverage Parts; and
- Editorial and clarifying language.

Comparisons are provided which show the changes to each endorsement when compared to the current approved editions. Underlined matter is new, ~~struck through matter~~ has been deleted.

* Note: Forms 083006 and 083007 are referenced within this endorsement. If required, they have been filed under separate cover. If they are not required to be filed in a state, informational copies are available upon request.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY & INCOME ENHANCEMENTS

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Name of Insured:	Policy Number:
Effective Date:	Countersigned by

(Authorized Representative)

SCHEDULE

PREMIUM CHARGE FOR ENHANCEMENT COVERAGES:	\$
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COVERAGE DESCRIPTION	LIMIT OF INSURANCE
Building and Personal Property Enhancements <u>Section A: Additional Coverage</u>	
Newly Acquired Real Property	
Newly Acquired Business Personal Property	
Property Off Premises	
Outdoor Property: Trees, Shrubs, Plants and Lawns	
<u>I. Uncollectible Freight Charges</u>	
<u>II. Uncollectible or Accrued Storage Charges</u>	
<u>III. Loss Prevention and Property Protection Expenses</u>	
<u>Section B: Building and Personal Property Enhancements</u>	
<u>I.</u> Newly Acquired Real Property	
<u>II.</u> Newly Acquired Business Personal Property	
<u>III.</u> Property Off Premises	
<u>IV.</u> Outdoor Property: Trees, Shrubs, Plants and Lawns	
Fences, Walls and Gates	
Scales and Scale Equipment	
<u>V.</u> Vehicle Damage to Leased Property	
<u>VI.</u> Building Ordinance or Law: Coverage A	
Coverage B	
Coverage C	
Fire Department Service Charge	
<u>VII.</u> Fire Protection Equipment	

<u>VIII.</u> Arson Reward	
<u>IX.</u> Accounts Receivable	
<u>X.</u> Valuable Papers and Records	
<u>XI.</u> Signs	
<u>XII.</u> Cost of Inventory, Appraisal or Adjustment	

COVERAGE DESCRIPTION (Continued)	LIMIT OF INSURANCE
<u>XIII.</u> Sewer and Drain Backup	
<u>XIV.</u> Debris Removal	
<u>XV.</u> Pollutant Clean-up and Removal	
<u>XVI.</u> Inflation Guard	
Section C: Business Income (and Extra Expense) Enhancements	
Uncollectible or Accrued Storage Charges	
Loss Prevention & Property Protection Expenses	
<u>I.</u> <u>Interruption of Computer Operations</u>	
<u>II.</u> <u>Extended Period of Indemnity for Storage Revenue</u>	
<u>III.</u> <u>Utility Service Interruption</u>	

The items listed in the SCHEDULE are provided as additions to your insurance program. These apply separately to each of your premises described in the Declarations.

Section A:

If **083006, Basic Cargo Liability Coverage Form** and/or **083007, Basic Warehouse Liability Coverage Form** are attached to this policy, then the following coverage enhancements are added:

I. Uncollectible Freight Charges

Up to the Limit of Insurance shown in the Schedule, we will pay any loss of freight charges you sustain resulting from your inability to deliver a shipment because the "Shipper's" goods have been lost or destroyed during shipment.

This extension does not apply if such loss or damage is excluded in the **Basic Cargo Liability Coverage Form.**

Refer to **Section H. Definitions** of the **Basic Cargo Liability Coverage Form** for the meaning of "Shipper".

II. Uncollectible or Accrued Storage Charges

Up to the Limit of Insurance shown in the Schedule, we will pay any loss of Accrued Storage Charges owed to you when these become uncollectible because the "Customer's" goods have been lost or damaged. Such goods must be located in a "Specified Location" listed in the

Declarations of this policy or at an "Interim Location" or a "Temporary Location".

This extension does not apply if such loss or damage is excluded in the **Basic Warehouse Liability Coverage Form.**

Accrued Storage Charges means all charges made to "Customers" for permanent storage services, storage valuation charges, accessorial services, and charges for delivery into or out of a "specified location" or "temporary location" that are due but unpaid at the time of loss.

Refer to **Section H. Definitions** of the **Basic Warehouse Liability Coverage Form** for the meaning of "Customer", "Specified Location", "Interim Location", and "Temporary Location".

III. Loss Prevention & Property Protection Expenses

Up to the Limit of Insurance Shown in the Schedule, we will reimburse expenses you incur for any one loss as a result of:

- a. Actual or potential loss or damage to "Customer's" or "Shipper's" goods; or
- b. Saving or protecting "Customer's" or "Shipper's" goods from potential loss or damage or from further loss or damage.

Expenses mean the reasonable cost of labor and materials necessitated in unpacking, re-packing, re-crating, separating damaged from undamaged property, re-inventorying and other services required for saving or protecting the property. Expenses include watchmen to protect the property and fencing to enclose the property for a period not to exceed thirty days from the date of actual or potential loss or damage.

Refer to Section H. Definitions of the Basic Cargo Liability Coverage Form for the meaning of "Shipper". Refer to Section H. Definitions of the Basic Warehouse Liability Coverage Form for the meaning of "Customer".

Section B:

The **Building and Personal Property Coverage Form CP 00 10** is amended as follows:

I. Newly Acquired Real Property

~~Paragraph A.~~The final paragraph of Section A. 5. a. (1) is amended as follows:

The most we will pay for loss or damage under this Extension is the amount shown in the Schedule at each building.

II. Newly Acquired Business Personal Property

~~Paragraph A.~~The final paragraph of Section A. 5. a. (2) (a) is amended as follows:

The most we will pay for loss or damage under this Extension is the amount shown in the Schedule at each building.

III. Property Off Premises

~~Paragraph A.~~In Section A. 5., Paragraph d. is amended as follows (3) is deleted and replaced by the following:

~~(3)~~The most we will pay for loss or damage under this Extension is the amount shown in the Schedule.

IV. Outdoor Property

Paragraph A. 2. I. is deleted.

Paragraph A. 5. e. **Outdoor Property** – is ~~deleted and~~ replaced by the following:

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to ~~the your~~ outdoor property described below:

~~The most we will pay for loss or damage under this Extension is the Limit of Insurance shown in the Schedule:~~

~~For~~ Trees, Shrubs, Plants and Lawns;

~~For~~ Fences, Walls, Gates, ~~or~~ Retaining Walls, or ratio and television antennas (including satellite dishes); and

For Scales and Scale Equipment,

including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft or vehicle.

~~Vehicle Damage to Leased Property~~The most we will pay for loss or damage under this Extension is the amount shown in the Schedule. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

V. Vehicle Damage to Leased Property

The following is added after Paragraph A. 5. f.:

Vehicle Damage to Leased Property

- ~~(1)~~We cover loss or damage to business real property, as described in Paragraph A. 1. a. Coverage, which you do not own but which you occupy for your business, caused by or resulting from physical contact of a vehicle with the business real property.
- ~~(2)~~The most we will pay for loss under this Vehicle Damage to Leased Property Additional Coverage is the amount shown in the Schedule.
- (3) Coverage provided by this Coverage Extension for Vehicle Damage to Leased Property is primary insurance.
- (4) If payment is made for loss or damage under this coverage enhancement, you must transfer to us any rights of subrogation, so we may recover such payment from any responsible party,

VI. Building Ordinance or Law

The following is added after Paragraph A. 5. f.:

Building Ordinance or Law

The following portion of **Exclusion B. 1. a. Ordinance or Law** of the applicable **Causes of Loss - Special Form** does not apply to insurance under this Coverage Form:

"This exclusion, Ordinance or Law, applies whether the loss results from:

- (1a) An ordinance or law that is enforced even if the property has not been damaged; or
- (2b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property."

The following provisions do apply:

If there is an ordinance or law in effect at the time of loss that regulates zoning, land use or construction of a covered building, and if enforcement of that ordinance or law affects the repair or rebuilding of that building following damage by a Covered Cause of Loss, you may extend the insurance on that Building to cover:

COVERAGE A

The value of the undamaged portions of the building. The most we will pay under this extension is the building coverage limit;

COVERAGE B

Costs to demolish and clear the site of the undamaged portions of the building. The most we will pay under this extension is the amount shown in the Schedule; and

COVERAGE C

The increased cost to repair or rebuild the building with another building of the same size. The most we will pay under this extension is the amount shown in the Schedule.

We will not pay more under this Extension than if the repaired or replaced building was:

- (a) Rebuilt at the same location, as soon as reasonably possible;

- (b) To the same extent the law permits, of the same size as the one it replaces; and

- (c) Designed for the same type of occupancy as the one it replaces, unless prohibited by zoning or land use ordinance or law.

The increased rebuilding costs must be kept to the minimum needed to satisfy legal requirements.

If you do not repair or replace the damaged building, we will pay under this Extension only to demolish and clear the site of the undamaged portions of the building.

This Extension does not apply to any costs arising from the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants."

Any Coinsurance penalty applicable to the building will also apply to the amount otherwise payable under this Extension.

However, if **Ordinance or Law CP 04 05** is also attached to this policy, the limits and terms and conditions of that form are in excess of those provided under this Coverage Enhancement.

~~Fire Department Service Charge~~

~~Paragraph A. 4. c. is deleted and replaced with the following:~~

~~c. Fire Department Service Charge~~

~~When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the amount shown in the Schedule for your liability for fire department service charges:~~

- ~~(1) Assumed by contract or agreement prior to loss; or~~

- ~~(2) Required by local ordinance~~

~~No Deductible applies to this Additional Coverage.~~

VII. Fire Protection Equipment

The following is added at the end of Paragraph A. 4:

Fire Protection Equipment

We will pay your costs to:

- (1) recharge or refill fire protection equipment; and
- (2) clean up and remove the fire extinguishing agent

resulting from the discharge of a fire extinguishing agent from fire protection equipment.

The discharge must:

- (1) be caused by a Covered Cause of Loss;
- (2) result from the intended operation of the fire protection equipment to prevent or control a Covered Cause of Loss;
- (3) be accidental; or
- (4) result from a malfunction of the fire protection equipment.

We will not pay for loss or damage:

- (1) if you fail to use reasonable care to maintain the fire protection equipment in proper operating condition or if you fail to maintain the recommended testing and inspection schedule of such equipment; or
- (2) caused by discharge at the time of servicing, refilling or testing of the fire protection equipment.

The most we will pay under this Additional Coverage is the amount shown in the Schedule.

No deductible applies to this Additional Coverage.

VIII. Arson Reward

The following is added at the end of Paragraph A. 4:

Arson Reward

If covered property sustains loss or damage caused by or resulting from fire, and the origin of such fire is determined to be arson, we will pay a reward to the person or persons who provide information that leads to the arrest and conviction (for the crime of arson) of the individuals responsible for the ignition of the fire.

The most we will pay under this Additional Coverage is the amount shown in the Schedule regardless of the number of persons providing information leading to the arrest and conviction of the individuals responsible for the arson.

In no case may this reward be paid to you, your officers, partners, employees or relatives.

IX. Accounts Receivable

The following is added at the end of Paragraph A. 5.:

Accounts Receivable

- (1) The most we will pay under this Extension is the amount shown in the Schedule. If accounts receivable records are lost or damaged in transit, the most we will pay is \$2,500.

You may extend the insurance that applies to Your Business Personal Property to include your records of accounts receivable:

- (a) At a described premises or in or on a vehicle in transit between described premises; or
 - (b) If the records must be removed from a described premise to protect them from the threat of a Covered Cause of Loss.
- (2) The amount of your Accounts Receivable loss includes:
 - (a) Money owed to you from customers if you are unable to collect the money as a direct result of a covered loss or damage to your accounts receivable records;
 - (b) Interest charges on money you must borrow to offset your reduced cash flow;
 - (c) Additional collection costs, over and above your usual collection costs, made necessary because of loss or damage to your accounts receivable records; and
 - (d) Reasonable expenses you must incur to re-establish your accounts receivable records.
 - (3) Accounts receivable loss payments will be determined as follows:
 - (a) When there is proof that a covered loss has occurred but you cannot accurately establish the amount of accounts receivable outstanding at the time of the loss, the amount of the loss will be computed as follows:

- (i) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
 - (ii) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred.
- (b) We will deduct from the established total amount of accounts receivable:
- (i) The amount of any accounts evidenced by records not lost or damaged;
 - (ii) Any other amounts you are able to establish or collect; and
 - (iii) An amount to allow for probable bad debts which you would have been unable to collect.
- (c) If you recover the amount of any accounts receivable that were included in the amount of the paid loss, you will return the amount of all recoveries you receive for a loss paid by us. But any recoveries in excess of the amount we have paid belong to you.

However, if Accounts Receivable Coverage Form CM 00 66 is also attached to this policy, the limits and terms and conditions of that form are in excess of those provided under this Coverage Enhancement.

X. Valuable Papers and Records

Paragraph A. 5. c. (4) is amended as follows:

- (4) Under this Extension, the most we will pay to replace or restore the lost information is the amount shown in the Schedule at each described premises. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

However, if Valuable Papers and Records Coverage Form CM 00 67 is also attached to

this policy, the limits and terms and conditions of that form are in excess of those provided under this Coverage Enhancement.

XI. Signs

~~In Paragraph A. 2. Property Not Covered the phrase "signs (other than signs attached to the buildings)" is deleted. However, the~~
The second paragraph under Section C. Limits Of Insurance is deleted and replaced by the following:

The most we will pay for loss to ~~covered~~ outdoor signs is the Limit of Insurance shown in the Schedule per sign in any one occurrence.

However, if either Outdoor Signs CP 14 40 or Signs Coverage Form CM 00 28 is also attached to this policy, the limits and terms and conditions of that form are in excess of those provided under this Coverage Enhancement.

XII. Cost of Inventory, Appraisal or Adjustment

We will pay your cost of appraisal, adjustment, inventory and preparation of loss data necessary in connection with a claim covered under this Coverage Part.

The most we will pay under this additional coverage for all costs incurred in any one policy year is the Limit of Insurance shown in the Schedule. This coverage extension is not subject to any Coinsurance Clause.

XIII. Sewer and Drain Backup

The following is added at the end of Paragraph A. 5:

Sewer and Drain Backup

- (1) The following Exclusion of the applicable **Causes of Loss - Special Form** does not apply to insurance under this Coverage Extension: paragraph **B.1.g. Water (3)** and **(4)**.
- (2) The most we will pay under this Extension is Limit of Insurance shown in the Schedule for direct physical loss or damage caused by:
 - (a) Water that backs up from a sewer or drain; or
 - (b) Water under the ground surface pressing on, or flowing or seeping through:
 - (i) Foundations, walls, floors or paved surfaces;

- (ii) Basements, whether paved or not; or
- (iii) Doors, windows or other openings.

We will not pay for any resulting indirect or consequential loss, regardless of its amount.

XIV. Debris Removal

The additional limit for debris removal shown in **A. Coverage, Paragraph 4. Additional Coverage, Sub-Paragraph a. (4)** is increased to the Limit of Insurance shown in the Schedule.

XV. Pollutant Clean-Up and Removal

The last Paragraph in **A.4.d.** is replaced by the following:

The most we will pay under this Additional Coverage for each described premises is the Limit of Insurance shown in the Schedule for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

XVI. Inflation Guard

Paragraph **G. Optional Coverages, 2. Inflation Guard, Paragraph a.** is deleted and replaced with the following:

- a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Schedule.

The Section C:

If the Business Income (and Extra Expense) Coverage Form CP 00 30 is amended—as follows attached to this policy, then the following enhancements are added to the policy:

I. Interruption of Computer Operations

~~In Paragraph Section A. Coverage, in the section for Additional Coverages, the following is added or amended:~~

Paragraph 5. d. Interruption of Computer Operations, Paragraph (4) is deleted and replaced with the following:

- (4) The most we will pay under this Additional Coverage – Interruption of Computer Operations is the Limit of Insurance shown in the Schedule for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or

the number of premises, locations or computer systems involved.

If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

II. Extended Period of Indemnity for Storage Revenue

In the Section for **Optional Coverages, Paragraph 4.** deleted and replaced by the following:

4. Extended Period Of Indemnity

In the Paragraph under **Additional Coverages** called **Extended Business Income**, the number "30" in Subparagraphs **(1)(b)** and **(2)(b)** is replaced by the number shown in the Schedule for this Optional Coverage.

III. Utility Service Interruption

The following is added to Section for **Optional Coverages:**

Utility Service Interruption

The most we will pay during any one policy year is the Limit of Insurance shown in the Schedule for loss of income you incur after the first 12 hours of utility service disruption following the direct physical loss or damage caused by a Covered Cause of Loss that disrupted the services provided by the utility companies described below.

We will pay for the loss of income you incur due to the necessary suspension of your business activities during the "Period of Restoration" as a result of direct physical loss or damage caused by a Covered Cause of Loss to property not at the premises described in the Declarations but used to supply you with services by the following utilities:

- a. Water supply companies;

- b. Communication supply companies but not their overhead communication lines or satellites; and
- c. Power supply companies but not their overhead transmission lines.

Uncollectible Freight Charges

The following is added to the **Optional Coverages Section**:

Uncollectible Freight Charges

Up to the Limit of Insurance shown in the Schedule, we will pay any loss of freight charges you sustain resulting from your inability to deliver a shipment because the "Shipper's" goods have been lost or destroyed during shipment.

This extension does not apply if such loss or damage is excluded in the **Basic Cargo Liability Coverage Form 083006**.

Refer to **Section H. Definitions of Basic Cargo Liability Coverage Form 083006** for the meaning of "Shipper".

Uncollectible or Accrued Storage Charges

The following is added to the **Optional Coverages Section**:

Uncollectible or Accrued Storage Charges

Up to the Limit of Insurance shown in the Schedule, we will pay any loss of Accrued Storage Charges owed to you when these become uncollectible because the "Customer's" goods have been lost or damaged. Such goods must be located in a "Specified Location" listed in the Declarations of this policy or at an "Interim Location" or a "Temporary Location".

This extension does not apply if such loss or damage is excluded in the **Basic Warehouse Liability Coverage Form 083007**.

~~Accrued Storage Charges means all charges made to "Customers" for permanent storage services, storage valuation charges, accessorial services, and charges for delivery into or out of a "specified location" or "temporary location" that are due but unpaid at the time of loss.~~

~~Refer to **Section H. Definitions of Basic Warehouse Liability Coverage Form** for the meaning of "Customer", "Specified Location", "Interim Location", and "Temporary Location".~~

Loss Prevention & Property Protection Expenses

The following is added to the **Optional Coverages Section**:

Loss Prevention & Property Protection Expenses

Up to the Limit of Insurance Shown in the Schedule, we will reimburse expenses you incur for any one loss as a result of:

- a. Actual or potential loss or damage to "Customer's" or "Shipper's" goods; or
- b. Saving or protecting "Customer's" or "Shipper's" goods from potential loss or damage or from further loss or damage.

Expenses mean the reasonable cost of labor and materials necessitated in unpacking, re-packing, re-crating, separating damaged from undamaged property, re-inventorying and other services required for saving or protecting the property. Expenses include watchmen to protect the property and fencing to enclose the property for a period not to exceed thirty days from the date of actual or potential loss or damage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSTALLMENT PAYMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
[COMMERCIAL UMBRELLA COVERAGE PART](#)

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Name of Insured:	Policy Number:
Effective Date:	Countersigned by

(Authorized Representative)

A. Installments

In consideration of the issuance of this policy, the Insured agrees that the Annual Premium for this policy is to be paid in installments. Down Payment and any applicable state taxes or fees are due at the inception of coverage. Future Installment Payments are due as shown in the **INSTALLMENT SCHEDULE**.

B. Endorsements

Additional premiums due for Endorsements issued after inception may be paid on a cash basis or added to future installments due.

Return premiums due for Endorsements issued after inception may be refunded on a cash basis [at the option of this Company or deducted from future installments](#).

Any change to the PAYMENT SCHEDULE resulting from such endorsements will be reflected on the **INSTALLMENT SCHEDULE**.

C. Cancellation Provisions

Non-Payment of any original Installment or revised Installment resulting from endorsement changes will result in the Company mailing Notice of Cancellation in accordance with the policy terms and conditions.

COMPOSITECOMBINED RATE ENDORSEMENT

Named Insured

Effective Date:

12:01 A.M., Standard Time

Agent Name

Agent No.

This endorsement applies only to the premium developed for those Coverage Parts marked by below

	Minimum Earned <u>Estimated</u> <u>Annual</u> Premium
<input type="checkbox"/> <u>Commercial Property Coverage Part</u>	\$ _____
<input type="checkbox"/> Commercial General Liability Coverage Part	\$ _____
<input type="checkbox"/> <u>Crime and Fidelity Coverage Part</u>	\$ _____
<input type="checkbox"/> Commercial Inland Marine Coverage Part	\$ _____
<input type="checkbox"/> Truckers Coverage Part – Liability Coverage	\$ _____
<input type="checkbox"/> Truckers Coverage Part – Physical Damage Coverage	\$ _____
<input type="checkbox"/> _____	\$ _____
Total Estimated Annual Premium	\$ _____

It is agreed that the estimated annual premium for the Coverage Parts indicated above by may be combined and charged on the basis shown below, which shall be applied to the actual:

- Gross Transportation Revenue
- Gross Receipts from Direct Operations
- Number of Vehicles
- Other: Basis

Reported by the insured during the policy period, ~~subject to a minimum earned premium shown above.~~

Basis	Estimated Annual Basis	<u>Composite</u> <u>Combined</u> Rate	<u>Estimated Annual</u> <u>Premium</u> <u>Combined</u> <u>Premium at Inception</u>
Gross Transportation Revenue			\$
Gross Receipts from Direct Operations			\$
Number of Vehicles			\$
Other: <u>Basis</u>			\$

Total Combined Premium \$ _____

A. Terms and Conditions:

The ~~premium~~premiums stated above ~~is~~are the estimated ~~premium~~premiums only. Upon completion of each annual period, or upon the termination of the policy, an audit will be conducted. ~~If the earned premium thus computed exceeds the estimated advance premium paid, you shall pay the excess to us. If less, we shall return to you the unearned portion paid subject to the minimum earned premium.~~

At our discretion, the audit may be either voluntary or an actual on-site audit of physical exposures. In either case, the audit must be completed no later than 45 days after termination or expiration of the policy.

The earned premium will be computed by applying the actual annual basis to the combined rate. If the earned premium thus computed exceeds the premium paid, you shall pay the excess to us. If less, we shall return to you the unearned portion.

B. Definitions:

1. Gross Transportation Revenue means the total amount to which you are entitled for shipment, transportation or handling of property during the policy period regardless of operating authority. **Gross Transportation Revenue** also includes the total amount received from renting equipment, with or without drivers, to anyone who is not a "trucker", and 15% of the total amount received from renting any equipment to any "trucker".

Gross Transportation Revenue does not include advertising revenue, taxes which you collect as a separate item and remit

directly to a governmental division, or revenue from packing operations not connected with transportation.

2. Gross Receipts from Direct Operations means the amount to which you are entitled for shipment, transportation or handling of property under your own operating authority or contract.

Gross Receipts from Direct Operations does not include any remuneration for similar operations while you are acting as an agent of a national van line or as a sub-hauler for another transportation company.

3. The Number of Vehicles means the average number of vehicles you own or lease during the policy period. The average number will be determined by adding the number of units at inception to the number of units at the termination or expiration of the policy and dividing the sum by two for each annual policy term.

4. Other Basis of the ~~Composite~~Combined Rate is described at the end of this endorsement.

C. Adjustments

It is further agreed that a complete re-survey of exposures will be made annually, or at any time at our request or at your request. If the re-survey results in determination of exposure changes of greater than 15% and these changes would not be reflected by application of the chosen basis, the ~~Composite~~Combined Rate may be adjusted.

Such adjustment at the end of an annual period will be at our discretion. Adjustment during any annual policy period must be at our mutual agreement.

Other Basis:

Other Clarifications:



215 Shuman Blvd., Suite 400
Naperville, IL 60563

July 16, 2008

Commissioner Julie Benafield Bowman
Attn: Property & Casualty Division
Arkansas Department of Insurance
1200 West Third Street
Little Rock, AR 72201-1904

Submitted Via SERFF

RE: Commercial Property
2008 Commercial Property - Revised Endorsements
TRANSGUARD INSURANCE COMPANY OF AMERICA, INC.
NAIC#: 0225-28886 FEIN: 36-3529298
Filing#: CF AR0804401F01

Dear Property & Casualty Division:

In accordance with the filing requirements of your state, we hereby submit the captioned filing for your review and acceptance. This filing contains the following endorsements which replace a previously filed edition as noted.

<u>FORM</u>	<u>EDITION</u>	<u>TITLE</u>	<u>REPLACED EDITION</u>
054001	11/08	Property & Income Enhancements	07/04
094023	01/08	Installment Payment Endorsement	06/04
094025	02/05	Combined Rate Endorsement	06/04

Please refer to the attached Explanatory Memorandum for a detailed description of this filing.

These items may be system-generated and formatted differently due to systems constraints. The content, however, will remain the same. In such case, these items will not be refiled unless otherwise requested by your Department in response to this filing.

This filing is being submitted under your state's prior approval provision. We kindly request an effective date of **January 1, 2009**.

We have also developed new rules for use with these endorsements. However, according to your state's filing guidelines for commercial property rules, such material is not required to be filed. We will maintain an internal "drawer filing" of these rules for documentation purposes and make it available for your review upon request.

Your prompt attention to this matter is appreciated. If you have any questions or require additional information, please do not hesitate to contact me directly.

Sincerely,

Robert E. Goddard
Compliance Analyst
Phone: 800-796-2480 Ext. 3476
Fax: 630-864-3576
Email: Robert.Goddard@Transguard.com
Enclosure(s)