

State: California
TOI/Sub-TOI: 09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft
Product Name: Masterpiece
Project Name/Number: Rec Marine/17-12270-RR-F
First Filing Company: ACE American Insurance Company, ...

Filing at a Glance

Companies: ACE American Insurance Company
Insurance Company of North America
ACE Fire Underwriters Insurance Company

Product Name: Masterpiece

State: California

TOI: 09.0 Inland Marine

Sub-TOI: 09.0010 Boatowners/Personal Watercraft

Filing Type: Form/Rate/Rule

Date Submitted: 09/21/2017

SERFF Tr Num: ACEH-131067545

SERFF Status: Closed-Approved

State Tr Num: 17-7025; 17-7026; 17-7027

State Status: Approved

Co Tr Num: 17-12270-RR-F

Effective Date: 02/15/2018

Requested (New):

Effective Date: 02/15/2018

Requested (Renewal):

Author(s): Kathleen Casey, Cindy Langston, Doreen Freiman, Brenda Balboni, Deborah Carman, Wendy Farley

Reviewer(s): Johana West (primary), Eva Poon

Disposition Date: 12/20/2017

Disposition Status: Approved

Effective Date (New): 12/20/2017

Effective Date (Renewal): 12/20/2017

**This filing was provided as part of
The California Insurance ADVISOR
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State: California
TOI/Sub-TOI: 09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft
Product Name: Masterpiece
Project Name/Number: Rec Marine/17-12270-RR-F
First Filing Company: ACE American Insurance Company, ...

General Information

Project Name: Rec Marine

Project Number: 17-12270-RR-F

Reference Organization:

Reference Title:

Filing Status Changed: 12/20/2017

State Status Changed: 12/20/2017

Created By: Kathleen Casey

Corresponding Filing Tracking Number:

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date: 01/02/2018

Submitted By: Kathleen Casey

Filing Description:

Following the ACE acquisition of Chubb, a comprehensive regulatory review was undertaken of all the product offerings of both companies. Chubb currently has two separate offerings for boats and personal watercraft in the state of California for boats 26 feet and under that are similar, which we would like to bring together as one product offering in the ACE insurance writing companies. Below is a description of the proposed process which we believe will offer comparable coverage and rates to these insureds while at the same time minimizing consumer disruption.

ACE writes watercraft equal to or less than 26 feet in three companies in California in ACE American Insurance Company, ACE Fire Underwriters Insurance Company and Insurance Company of North America. Policyholders in each of these ACE writing companies will renew with the proposed Masterpiece® Boat coverage, which is substantially similar in coverage to these policyholders' current coverage. At renewal, all policyholders will receive a notice highlighting any changes in current coverage as well as alerting the customer that there is a broader coverage option, described below, available.

Once the form and rate & rule filings for the ACE writing companies are approved and implemented, we plan to convert the existing policies in Chubb's writing company - Federal Insurance Company - into the ACE American Insurance Company with Masterpiece® Boat Select coverage. This coverage selection is substantially similar to the current coverage experienced by Chubb customers and similar to the overall rate level in the Federal Insurance Company. To help minimize disruption to premium at a policyholder level, we propose to implement a cap of +/- 15% from the prior term's premium over the first two terms for the Chubb policyholders converting into ACE American Insurance Company.

The conversion process for Federal Insurance Company would occur at renewal, commencing within 4 – 8 months following the implementation of the attached filings for the ACE writing companies. This ACE American Insurance Company renewal policy offered to policies currently in Federal Insurance Company would include a notice to the policyholder highlighting the change in writing company, policy number and any changes in coverage.

All new business will have the option of either the Basic or Select level of coverage in the ACE writing company.

There are currently 3,650 policies in force for boats 26 feet and less totaling \$1,682,642 in premium in the ACE writing companies and 356 policies in force totaling \$243,226 in premium in the Chubb writing companies.

Your approval effective February 15, 2018 for new lines and renewals will be appreciated.

Company and Contact

Filing Contact Information

Kathleen Casey, Supervisor

kcasey@chubb.com

State: California **First Filing Company:** ACE American Insurance Company, ...
TOI/Sub-TOI: 09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft
Product Name: Masterpiece
Project Name/Number: Rec Marine/17-12270-RR-F

202 Hall's Mill Rd. 908-572-2871 [Phone]
P.O. Box 1600 908-572-4034 [FAX]
Whitehouse Station, NJ 08889-1600

Filing Company Information

ACE American Insurance Company	CoCode: 22667	State of Domicile: Pennsylvania
PO Box 1000	Group Code: 626	Company Type: Stock
436 Walnut Street	Group Name: Chubb	State ID Number:
Philadelphia, PA 19106	FEIN Number: 95-2371728	
(215) 640-1811 ext. [Phone]		

Insurance Company of North America	CoCode: 22713	State of Domicile: Pennsylvania
PO Box 1000	Group Code: 626	Company Type: stock
436 Walnut Street	Group Name: Chubb	State ID Number:
Philadelphia, PA 19106	FEIN Number: 23-0723970	
(215) 640-1811 ext. [Phone]		

ACE Fire Underwriters Insurance Company	CoCode: 20702	State of Domicile: Pennsylvania
PO Box 1000	Group Code: 626	Company Type: Stock
436 Walnut Street	Group Name: Chubb	State ID Number:
Philadelphia, PA 19106	FEIN Number: 06-6032187	
(215) 640-1811 ext. [Phone]		

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State Specific

Variance Requested? (Yes/No): No

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Johana West	12/20/2017	12/20/2017

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending company response	Johana West	11/13/2017	11/13/2017
Rejected at Intake	Martha Zamudio	09/29/2017	09/29/2017

Response Letters

Responded By	Created On	Date Submitted
Kathleen Casey	11/15/2017	11/15/2017
Kathleen Casey	10/20/2017	10/24/2017

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Effective date change and updated capping info	Note To Reviewer	Kathleen Casey	11/16/2017	11/16/2017

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Disposition

Disposition Date: 12/20/2017
Effective Date (New): 12/20/2017
Effective Date (Renewal): 12/20/2017
Status: Approved

Comment: Approval letter is attached.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
ACE American Insurance Company	-14.100%	-14.100%	\$-227,728	3,480	\$1,612,363	-9.000%	-23.200%
Insurance Company of North America	-14.100%	-15.100%	\$-2,327	35	\$15,452	-12.700%	-17.600%
ACE Fire Underwriters Insurance Company	-14.100%	-14.800%	\$-8,135	135	\$54,827	-10.600%	-17.000%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	-14.100%
Overall Percentage Rate Impact For This Filing	-14.200%
Effect of Rate Filing-Written Premium Change For This Program	\$-238,190
Effect of Rate Filing - Number of Policyholders Affected	3,650

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	New Prior Approval Rate Application		Yes
Supporting Document	New Prior Approval Rate Application		Yes
Supporting Document	New Prior Approval Rate Application		Yes
Supporting Document	Description of Changes		Yes
Supporting Document (revised)	Actuarial Memorandum		Yes
Supporting Document	Actuarial Memorandum		Yes
Form	Introduction and Definitions		Yes
Form	Boat Property Damage Coverage		Yes
Form	Boat Select Property Damage Coverage		Yes

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Schedule	Schedule Item	Schedule Item Status	Public Access
Form	Boat Liability Coverage		Yes
Form	Boat Select Liability Coverage		Yes
Form	Medical Payments Coverage		Yes
Form	Uninsured Boaters Protection		Yes
Form	General Policy Exclusions		Yes
Form	Policy Terms		Yes
Form	Schedule Vessle Endorsement		Yes
Form	Policy Declarations Page		Yes
Form	Insurance Application		Yes
Form	Policy Change Declarations		Yes
Form	Additional Interest Endorsement		Yes
Form	Special Engine Deductible Endorsement		Yes
Form	Charter Endorsement		Yes
Form	Named Operator Endorsement		Yes
Form	Actual Cash Value Endorsement		Yes
Form	Antique and Classic Boat Endorsement		Yes
Form	Loss Payee Endorsement		Yes
Form	H2O Ski Plus Endorsement		Yes
Form	Navigation Warranty		Yes
Form	Personal Watercraft Endorsement		Yes
Form	Residential Endorsement		Yes
Form	Scheduled Dinghy Tender Endorsement		Yes
Form	Scheduled Dinghy Tender Endorsement ACV		Yes
Form	Special Sport Fisherman Coverage		Yes
Form	Youthful Operator Warrenty		Yes
Form	Personal Property Coverage Endorsement		Yes
Form	Occasional Charter Fishing Guide Endorsement		Yes
Form	Bass Boat Program		Yes
Rate	Boat Program - General Rules		Yes
Rate (revised)	Boat Program Rating Manual		Yes
Rate	Boat Program Rating Manual		Yes

DEPARTMENT OF INSURANCE

RATE REGULATION DIVISION
RATE FILING BUREAU
45 FREMONT STREET, 23rd FLOOR
SAN FRANCISCO, CA 94105



December 20, 2017

Chubb
202 Hall's Mill Road
Whitehouse Station, NJ 08889

Attn: Kathleen Casey, State Filings Specialist

RE: **APPROVAL OF APPLICATION**

Chubb has submitted the following application for approval regarding the following line of business or program:

CDI App. No(s):

17-7025

17-7026

17-7027

Insurer:

ACE American Insurance Company

ACE Fire Underwriters Insurance Company

Insurance Company of North America

Insurer File No(s):

17-12270-RR-F

Line(s) of Insurance:

Personal Inland Marine

Program:

Boatsman

% Rate Change Approved:

-14.20%

Only the change(s) specifically indicated in the application set forth above, as it may have been amended, is (are) approved. Nothing in this letter shall constitute approval of any other application, whether incorporated by reference, or filed prior or subsequent to the application set forth above. The Company shall begin issuing policies pursuant to this approval within 90 days of the date of this approval, provided that the insurer is licensed in California to transact the line of insurance for which the approval is given. The Company may implement this approval earlier if it is able to do so. Regardless of the implementation date, the Company shall implement this approval with the same effective date for both new and renewal business and shall offer this product to all eligible applicants as of the implementation date. This approval shall continue to have full force and effect until such time as a subsequent change for the referenced lines or programs may be approved or ordered by the Insurance Commissioner.

If the approved rate change is different than originally submitted, please be reminded that you must submit copies of rate pages at the approved level within 30 days.

If any portion of the application or related documentation conflicts with California law, that portion is specifically not approved. This approval does not constitute an approval of underwriting guidelines nor the specific language, coverages, terms, covenants and conditions contained in any forms, or of the forms themselves. Policy forms and underwriting guidelines included in this filing were reviewed only insofar as they relate to rates contained in this filing or currently on file with the California Department of Insurance. Any subsequent changes to underwriting guidelines or coverages, terms, covenants and conditions contained in any forms must be submitted with supporting documentation when those changes result in any rating impact. The Commissioner may at any time take any action allowed by law if he determines that any

underwriting guidelines, forms or procedures for application of rates, or any other portions of the application conflict with

any applicable laws or regulations.

Sincerely,

Richard E. Holbrook

Richard E. Holbrook
Chief, Rate Filing Bureau SF1
415.538.4328
HolbrookR@insurance.ca.gov

State: California

First Filing Company: ACE American Insurance Company, ...

TOI/Sub-TOI: 09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft

Product Name: Masterpiece

Project Name/Number: Rec Marine/17-12270-RR-F

Objection Letter

Objection Letter Status	Pending company response
Objection Letter Date	11/13/2017
Submitted Date	11/13/2017
Respond By Date	11/20/2017

Dear Kathleen Casey,

Introduction:

Exhibit 10 should breakdown the total claims count by year. Please submit a revised Exhibit 10 so that we can continue our review of your filing.

Johana West

Associate Insurance Rate Analyst

415-538-4014

Conclusion:

Sincerely,

Johana West

State: California
TOI/Sub-TOI: 09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft
Product Name: Masterpiece
Project Name/Number: Rec Marine/17-12270-RR-F
First Filing Company: ACE American Insurance Company, ...

Objection Letter

Objection Letter Status	Rejected at Intake
Objection Letter Date	09/29/2017
Submitted Date	09/29/2017
Respond By Date	10/29/2017

Dear Kathleen Casey,

Introduction:

This filing was received by the Rate Filing Bureau on 9/21/2017. However, we have been unable to process your submission because it is incomplete and/or contains incorrect information. Therefore, as of the date of this notice, this application is rejected for incompleteness.

In order to continue our review of your submission for basic compliance, it will be necessary for you to provide the following documents and/or information:

- 1.- Please resubmit page 6.1 of the rate filing application – Ratemaking Data and the Rate Change Calculation with the 8 months prior data of the submission of this filing and the applicable Exhibits. Please refer to page 19 and 20 of the Prior Approval filing Instructions. Also, resubmit the applicable Exhibits in a searchable text
- 2.- Submit the underwriting guidelines. Page 7 of our filing instructions reads: "Underwriting guidelines must be submitted in PDF (with searchable text) format with all rate filings, regardless of line of business. Underwriting guidelines are reviewed only insofar as they relate to rates contained in the filing or currently on file with the Department."

The Intake Unit at the San Francisco Rate Filing Bureau must receive this information before the above respond by date.

If the Intake Unit at the San Francisco Rate Filing Bureau does not receive this information before the above respond by date, the filing will remain rejected and will be closed. If you chose to resubmit the filing at a later date, you will be required to resubmit the filing in its entirety.

If you wish to contest the determination that the application is incomplete, you must request a Rejection Hearing. Your request must be received by the Department of Insurance within ten (10) days of the rejection date. The request for hearing, and four copies, should be directed to the Department of Insurance as follows:

Mr. Daniel Goodell, Assistant Chief Counsel
Rate Enforcement Bureau
California Department of Insurance
45 Fremont Street, 21st Floor
San Francisco, CA 94105

The scope of Hearing is limited to the completeness of the application as filed with the Department.

Please refer to the California Code of Regulations, Title 10, Chapter 5, Subchapter 4.8, Article 8, Sections 2648.1 – 2648.4 for the specific procedures regarding the completeness determination hearing.

Conclusion:

Sincerely,
Martha Zamudio

SERFF Tracking #:	ACEH-131067545	State Tracking #:	17-7025; 17-7026; 17-7027	Company Tracking #:	17-12270-RR-F
State:	California	First Filing Company:	ACE American Insurance Company, ...		
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft				
Product Name:	Masterpiece				
Project Name/Number:	Rec Marine/17-12270-RR-F				

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/15/2017
Submitted Date	11/15/2017

Dear Johana West,

Introduction:

In response to your 11/13/17 Objection letter.

Response 1

Comments:

Attached you will find a revised Supporting Exhibit 10.

Changed Items:

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Supporting Document Schedule Item Changes	
Satisfied - Item:	New Prior Approval Rate Application
Comments:	In response to your 11/13/17 Objection letter, attached you will find a revised Supporting Exhibit 10.
Attachment(s):	Prior Approval Rate Template rev.pdf Prior Approval Rate Template rev.xlsm Standard Exhibits Template rev.pdf Standard Exhibits Template rev.xlsm Supporting Exhibits rev.pdf Supporting Exhibits rev.xlsx Prior Approval Rate Application rev.pdf Prior Approval Rate Application rev.xlsm Supporting Exhibits Exhibit 10 Rev.pdf Supporting Exhibits Exhibit 10 Rev.xlsx
<i>Previous Version</i>	
Satisfied - Item:	<i>New Prior Approval Rate Application</i>
Comments:	<i>Attached you will find the required information which has been revised as a result of your 9/29/17 Objection letter.</i>
Attachment(s):	<i> Prior Approval Rate Template rev.pdf Prior Approval Rate Template rev.xlsm Standard Exhibits Template rev.pdf Standard Exhibits Template rev.xlsm Supporting Exhibits rev.pdf Supporting Exhibits rev.xlsx Prior Approval Rate Application rev.pdf Prior Approval Rate Application rev.xlsm </i>
<i>Previous Version</i>	
Satisfied - Item:	<i>New Prior Approval Rate Application</i>
Comments:	<i>Attached you will find the required information.</i>
Attachment(s):	<i> Supporting Exhibits.pdf Supporting Exhibits.xlsx Prior Approval Rate Template.pdf Prior Approval Rate Template.xlsm Standard Exhibits Template.pdf Standard Exhibits Template.xlsm Prior Approval Rate Application.pdf Prior Approval Rate Application.xlsm </i>

No Form Schedule items changed.

SERFF Tracking #:	ACEH-131067545	State Tracking #:	17-7025; 17-7026; 17-7027	Company Tracking #:	17-12270-RR-F
State:	California	First Filing Company:	ACE American Insurance Company, ...		
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft				
Product Name:	Masterpiece				
Project Name/Number:	Rec Marine/17-12270-RR-F				

No Rate/Rule Schedule items changed.

Conclusion:

We trust you will find this information to be complete.

Your approval will be appreciated.

*Sincerely,
Kathleen Casey*

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/20/2017
Submitted Date	10/24/2017

Dear Johana West,

Introduction:

In response to your 9/29/17 Objection letter.

Response 1

Comments:

Item 1 response - In response to all that you requested, please see the attached revised information.

Item 2 response - We do not have underwriting guidelines for this program. All rating factors have been filed.

Changed Items:

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Supporting Document Schedule Item Changes	
Satisfied - Item:	New Prior Approval Rate Application
Comments:	Attached you will find the required information which has been revised as a result of your 9/29/17 Objection letter.
Attachment(s):	Prior Approval Rate Template rev.pdf Prior Approval Rate Template rev.xlsx Standard Exhibits Template rev.pdf Standard Exhibits Template rev.xlsx Supporting Exhibits rev.pdf Supporting Exhibits rev.xlsx Prior Approval Rate Application rev.pdf Prior Approval Rate Application rev.xlsx
<i>Previous Version</i>	
Satisfied - Item:	<i>New Prior Approval Rate Application</i>
Comments:	<i>Attached you will find the required information.</i>
Attachment(s):	<i>Supporting Exhibits.pdf</i> <i>Supporting Exhibits.xlsx</i> <i>Prior Approval Rate Template.pdf</i> <i>Prior Approval Rate Template.xlsx</i> <i>Standard Exhibits Template.pdf</i> <i>Standard Exhibits Template.xlsx</i> <i>Prior Approval Rate Application.pdf</i> <i>Prior Approval Rate Application.xlsx</i>

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Supporting Document Schedule Item Changes	
Satisfied - Item:	New Prior Approval Rate Application
Comments:	Attached you will find the required information which has been revised as a result of your 9/29/17 Objection letter.
Attachment(s):	Prior Approval Rate Template rev.pdf Prior Approval Rate Template rev.xlsm Standard Exhibits Template rev.pdf Standard Exhibits Template rev.xlsm Supporting Exhibits rev.pdf Supporting Exhibits rev.xlsx Prior Approval Rate Application rev.pdf Prior Approval Rate Application rev.xlsm
<i>Previous Version</i>	
Satisfied - Item:	<i>New Prior Approval Rate Application</i>
Comments:	<i>Attached you will find the required information.</i>
Attachment(s):	<i>Supporting Exhibits.pdf</i> <i>Supporting Exhibits.xlsx</i> <i>Prior Approval Rate Template.pdf</i> <i>Prior Approval Rate Template.xlsm</i> <i>Standard Exhibits Template.pdf</i> <i>Standard Exhibits Template.xlsm</i> <i>Prior Approval Rate Application.pdf</i> <i>Prior Approval Rate Application.xlsm</i>

Satisfied - Item:	Actuarial Memorandum
Comments:	Attached you will find our revised Actuarial Memorandum
Attachment(s):	Actuarial Memorandum rev.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	<i>Attached you will find our Actuarial Memorandum</i>
Attachment(s):	<i>Actuarial Memorandum.pdf</i>

No Form Schedule items changed.

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Rate Schedule Item Changes					
Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	Boat Program Rating Manual	1 - 19	Replacement	SERFF no: ACEH-127842569, California DOI no's: 11-10277;11-10278, Company no: 11-WA-2009855	10/24/2017 By: Kathleen Casey
<i>Previous Version</i>					
1	Boat Program Rating Manual	1 - 19	Replacement	SERFF no: ACEH-127842569, California DOI no's: 11-10277;11-10278, Company no: 11-WA-2009855	09/21/2017 By: Kathleen Casey

Conclusion:

We trust you will find this information to be complete.

Your approval will be appreciated.

Sincerely,
Kathleen Casey

State: California**First Filing Company:** ACE American Insurance Company, ...**TOI/Sub-TOI:** 09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft**Product Name:** Masterpiece**Project Name/Number:** Rec Marine/17-12270-RR-F

Note To Reviewer

Created By:

Kathleen Casey on 11/16/2017 12:46 PM

Last Edited By:

Kathleen Casey

Submitted On:

11/16/2017 01:11 PM

Subject:

Effective date change and updated capping info

Comments:

We would like to revised our effective date to be May 11, 2018 for new lines and renewals.

Also in our filing we explained that to help minimize disruption we plan to cap premiums as follows: implement a cap of +/- 15% from the prior term's premium over the first two terms for the Chubb policyholders converting into ACE American Insurance Company.

We are adjusting the rule to cap increases only and plan to implement a cap of 15% if there is an increase of more than \$100 from the prior term's premium.

SERFF Tracking #:

ACEH-131067545

State Tracking #:

17-7025; 17-7026; 17-7027

Company Tracking #:

17-12270-RR-F

State:

California

TOI/Sub-TOI:

09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft

Product Name:

Masterpiece

Project Name/Number:

Rec Marine/17-12270-RR-F

First Filing Company:

ACE American Insurance Company, ...

Form Schedule

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1		Introduction and Definitions	RM100000	11/17	PCF	New			RM100000 1117 Introduction and Definitions.pdf
2		Boat Property Damage Coverage	RM110000	11/17	PCF	New			RM110000 1117 Boat Property Damage Coverage.pdf
3		Boat Select Property Damage Coverage	RM120000	11/17	PCF	New			RM120000 1117 Boat Select Property Damage Coverage.pdf
4		Boat Liability Coverage	RM160000	11/17	PCF	New			RM160000 1117 Boat Liability Coverage.pdf
5		Boat Select Liability Coverage	RM170000	11/17	PCF	New			RM170000 1117 Boat Select Liability Coverage.pdf
6		Medical Payments Coverage	RM210000	11/17	PCF	New			RM210000 1117 Medical Payments Coverage.pdf
7		Uninsured Boaters Protection	RM220000	11/17	PCF	New			RM220000 1117 Uninsured Boaters Protection.pdf
8		General Policy Exclusions	RM230000	11/17	PCF	New			RM230000 1117 General Policy Exclusions.pdf
9		Policy Terms	RM240000	11/17	PCF	New			RM240000 1117 Policy Terms.pdf

SERFF Tracking #:

ACEH-131067545

State Tracking #:

17-7025; 17-7026; 17-7027

Company Tracking #:

17-12270-RR-F

State:

California

First Filing Company:

ACE American Insurance Company, ...

TOI/Sub-TOI:

09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft

Product Name:

Masterpiece

Project Name/Number:

Rec Marine/17-12270-RR-F

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
10		Schedule Vessle Endorsement	MA-2W80k	11/17	END	Replaced	Previous Filing Number:	California DOI no's: 11-10277, 11-10278, SERFF no: ACEH-127842569, Company no: 11-WA-2009855		MA-2W80k 1117 Scheduled Vessel Endorsement - final.pdf, MA-2W80h 0112 Scheduled Vessel Endorsement - mock up.pdf
							Replaced Form Number:	MA-2W80h 0112		
11		Policy Declarations Page	MA-7N39n	11/17	DEC	Replaced	Previous Filing Number:	California DOI no's: 11-10277, 11-10278, SERFF no: ACEH-127842569, Company no: 11-WA-2009855		MA-7N39k 0711 Policy Declarations - mock up.pdf, MA-7N39n 1117 Policy Declarations Page - final.pdf
							Replaced Form Number:	MA-7N39k 0711		
12		Insurance Application	MA-28741c	11/17	ABE	New				MA-28741c 1117 Insurance Application.pdf
13		Policy Change Declarations	MA-34186c	11/17	DEC	Replaced	Previous Filing Number:	California DOI no's: 11-10277, 11-10278, SERFF no: ACEH-127842569, Company no: 11-WA-2009855		MA-34186c 1117 Policy Change Declarations - final.pdf, MA-34186 0112 Policy Change Declarations - mock up.pdf
							Replaced Form Number:	MA-34186 0112		

State: California First Filing Company: ACE American Insurance Company, ...
 TOI/Sub-TOI: 09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft
 Product Name: Masterpiece
 Project Name/Number: Rec Marine/17-12270-RR-F

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
14		Additional Interest Endorsement	MA-1X16b	11/17	END	Replaced	Previous Filing Number:	California DOI no's: 14-3366. 14-3367, SERFF no: ACEH-129525670, Company no: 14-PIM-2011485		MA-1X16a 0714 Additional Insured - mock up.pdf, MA-1X16b 1117 Additional Interest - final.pdf
							Replaced Form Number:	MA-1X16a 0714		
15		Special Engine Deductible Endorsement	MA-2W78b	11/17	END	New				MA-2W78b 1117 Special Engine Deductible.pdf
16		Charter Endorsement	MA-2W81f	11/17	END	Replaced	Previous Filing Number:	California DOI no's: 14-3366. 14-3367, SERFF no: ACEH-129525670, Company no: 14-PIM-2011485		MA-2W81e Occasional Charter Endorsement - mock up.pdf, MA-2W81f 1117 Charter Endorsement - final.pdf
							Replaced Form Number:	MA-2W81e 0714		
17		Named Operator Endorsement	MA-3T60b	11/17	END	Replaced	Previous Filing Number:	California DOI no's: 14-3366. 14-3367, SERFF no: ACEH-129525670, Company no: 14-PIM-2011485		MA-3T60a 0714 Named Operator - mock up.pdf, MA-3T60b 1117 Named Operator - final.pdf
							Replaced Form Number:	MA-3T60a 0714		

State: California First Filing Company: ACE American Insurance Company, ...
 TOI/Sub-TOI: 09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft
 Product Name: Masterpiece
 Project Name/Number: Rec Marine/17-12270-RR-F

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
18		Actual Cash Value Endorsement	RM-5003	11/17	END	Replaced	Previous Filing Number:	California DOI no's: 14-336, 14-337, SERFF no: ACEH-129525670, Company no: 14-PIM-2011485		MA-3Z08b 0714 Actual Cash Value Endorsement - mock up.pdf, RM-5003 1117 Actual Cash Value Endorsement - final.pdf
							Replaced Form Number:	MA-3Z08b 0714		
19		Antique and Classic Boat Endorsement	MA-7W88b	11/17	END	Replaced	Previous Filing Number:	California DOI no's: 11-10277, 11-10278, SERFF no: ACEH-127842569, Company no: 11-WA-2009855		MA-7W88b 1117 Antique and Classic Boat - final.pdf, MA-7W88a Antique & Classic Boat - mock up.pdf
							Replaced Form Number:	MA-7W88a 0112		
20		Loss Payee Endorsement	MA-10292d	11/17	END	Replaced	Previous Filing Number:	California DOI no's: 14-3366, 14-3367, SERFF no: ACEH-129525670, Company no: 14-PIM-2011485		MA-10292c 0612 Loss Payee mock up.pdf, MA-10292d 1117 Loss Payee - final.pdf
							Replaced Form Number:	MA-10292c 0612		
21		H2O Ski Plus Endorsement	MA-18218b	11/17	END	Replaced	Previous Filing Number:	California DOI no's: 11-10277, 11-10278, SERFF no: ACEH-127842569, Company no: 11-WA-2009855		MA-18218a 0711 H2O Ski Plus-mock up.pdf, MA-18218b 1117 H2O Ski Plus - final.pdf
							Replaced Form Number:	MA-18218a 0711		

SERFF Tracking #:

ACEH-131067545

State Tracking #:

17-7025; 17-7026; 17-7027

Company Tracking #:

17-12270-RR-F

State:

California

First Filing Company:

ACE American Insurance Company, ...

TOI/Sub-TOI:

09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft

Product Name:

Masterpiece

Project Name/Number:

Rec Marine/17-12270-RR-F

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
22		Navigation Warranty	MA-BTS01a	11/17	END	Replaced	Previous Filing Number:	California DOI no's: 03-8841, 03-8842, Company no: 2003-PIM-464, no SERFF number		MA-BTS01 1203 Navigation Warranty - mockup.pdf, MA-BTS01a 1117 Navigation Warranty.pdf
							Replaced Form Number:	MA-BTS01 1203		
23		Personal Watercraft Endorsement	RM-5002	11/17	END	New				RM-5002 1117 Personal Watercraft.pdf
24		Residential Endorsement	MA-2N56a	07/11	END	Withdrawn	Previous Filing Number:			
							Replaced Form Number:			
25		Scheduled Dinghy Tender Endorsement	MA-2W69c	01/12	END	Withdrawn	Previous Filing Number:			
							Replaced Form Number:			
26		Scheduled Dinghy Tender Endorsement ACV	MA-2W70b	07/11	END	Withdrawn	Previous Filing Number:			
							Replaced Form Number:			
27		Special Sport Fisherman Coverage	MA-39456d	07/14	END	Withdrawn	Previous Filing Number:			
							Replaced Form Number:			
28		Youthful Operator Warrenty	MA-3E19b	01/02	END	Withdrawn	Previous Filing Number:			
							Replaced Form Number:			
29		Personal Property Coverage Endorsement	MA-3T15a	07/11	END	Withdrawn	Previous Filing Number:			
							Replaced Form Number:			
30		Occasional Charter Fishing Guide Endorsement	MA-3T65c	07/11	END	Withdrawn	Previous Filing Number:			
							Replaced Form Number:			

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
31		Bass Boat Program	MA-3T63d	07/14	END	Withdrawn	Previous Filing Number:			
							Replaced Form Number:			

Form Type Legend:

ABE	Application/Binder/Enrollment	ADV	Advertising
BND	Bond	CER	Certificate
CNR	Canc/NonRen Notice	DEC	Declarations/Schedule
DSC	Disclosure/Notice	END	Endorsement/Amendment/Conditions
ERS	Election/Rejection/Supplemental Applications	OTH	Other

Masterpiece Boat Program - California

General Rules

Eligibility

Any watercraft that does not exceed 26 feet in length used for private pleasure purposes.

Policy period

A policy will be written for a period of one year and may be extended for successive policy periods.

Minimum premium

The minimum annual premium is \$175.

Boat Property Damage Rules

I. ~~Boatsman Program~~

A. ~~Coverage:~~

~~MA 14558b (04/10), Yachtsman/Boatsman Policy;
MA 14794a (04/10), Yachtsman/Boatsman Policy with Boaters Choice logo; OR
MA 16214a (04/10), Yachtsman/Boatsman Policy with Global Marine Insurance Agency logo~~

~~MA 14794a and MA 16214a both contain identical material as MA 14558b. The only differences are the respective form numbers and an additional logo (for brokers marketing to specific affinity groups). Any active account currently on policy MA 14558a will be renewed on policy form MA 14558b, unless identified as member of the aforementioned affinity groups (which would be renewed with policy form MA 14794a or MA 16214a).~~

B. ~~Eligibility~~ The following are eligible for the Boatsman Rating Plan:

~~All private pleasure boats, outboards, inboard/outboards, inboards, and sailboats not used for business, commercial, and hire or charter purposes that do not exceed 25 feet in length and do not exceed the manufacturers' recommended horsepower operated in the inland and coastal waters of California.~~

Deductible Options

The following deductibles are available:

Flat Dollar Deductibles

\$250

\$500

\$1,000

Deductible Percentages

Minimum Deductible

1%	\$250
1.5%	\$375
2%	\$500
3%	\$750
4%	\$1,000
5%	\$1,250

(These deductibles are a percentage of the agreed value of the insured vessel.) Round deductible amounts to the nearest \$5.00.

C. ~~Premium Determination~~

1. See Rate Worksheet

2. Total credit/debit for all factors shall not exceed a maximum credit or debit of 25% applying to total premium.

3. Minimum Premium: _____

Masterpiece Boat Program - California

\$175

Required Forms *(based on coverage selection)*

Form Number	Title
<u>RM100000 (11/17)</u>	<u>Introduction and Definitions</u>
<u>RM110000 (11/17)</u>	<u>Masterpiece Boat Property Damage Coverage</u>
<u>RM120000 (11/17)</u>	<u>Masterpiece Boat Select Property Damage Coverage</u>
<u>RM160000 (11/17)</u>	<u>Masterpiece Boat Liability Coverage</u>
<u>RM170000 (11/17)</u>	<u>Masterpiece Boat Select Liability Coverage</u>
<u>RM210000 (11/17)</u>	<u>Medical Payments Coverage</u>
<u>RM220000 (11/17)</u>	<u>Uninsured Boaters Protection</u>
<u>RM230000 (11/17)</u>	<u>General Policy Exclusions</u>
<u>RM240000 (11/17)</u>	<u>Policy Terms</u>
<u>MA-BTS01a (12/0311/17)</u>	<u>Navigation Warranty</u>
<u>MA-10391g (01/14)</u>	<u>ACE Group Of Companies U.S. Privacy Notice</u>
<u>MA-1X09f (08/10)</u>	<u>Signatures</u>
<u>MA-38993 (01/13)</u>	<u>Yachtsman-Boatsman Amendatory Endorsement</u>
<u>MA-7N39k-7N39n</u>	<u>Policy Declarations</u>
<u>MA-2W80hk (01/1211/17)</u>	<u>Scheduled Vessel Endorsement</u>
<u>MA-34816c (01/1211/17)</u>	<u>Policy Change Declarations Page</u>
<u>MA-3857h (07/12)</u>	<u>Policy Change Summary</u>
<u>ALL-20887a (01/14)</u>	<u>ACE Producer Compensation Practices & Policies</u>

Optional Forms

Form Number	Title
<u>MA-10292e-10292d</u>	<u>Loss Payee Endorsement</u>
<u>MA-18218a-18218b</u>	<u>H2O Ski Plus Program</u>
<u>MA-1X16a-1X16b</u>	<u>Additional Insured Interest Endorsement</u>
<u>MA-2N56a (07/11)</u>	<u>Residential Endorsement</u>
<u>MA-2W69c (01/12)</u>	<u>Scheduled Dinghy-Tender Endorsement</u>
<u>MA-2W70b (07/11)</u>	<u>Scheduled Dinghy-Tender Endorsement ACV</u>
<u>MA-2W80h (01/12)</u>	<u>Scheduled Vessel Endorsement</u>
<u>MA-2W78b (11/17)</u>	<u>Special Engine Deductible Endorsement</u>
<u>MA-2W81e-2W81f</u>	<u>Occasional Charter Endorsement</u>
<u>MA-34816 (01/12)</u>	<u>Policy Change Declarations Page</u>
<u>MA-35597 (06/12)</u>	<u>Contact Information—Agency Bill</u>
<u>MA-35598 (06/12)</u>	<u>Contact Information—Direct Bill</u>
<u>MA-3857h (07/12)</u>	<u>Policy Change Summary</u>
<u>MA-39456d (07/14)</u>	<u>Special Sport Fisherman Coverage Endorsement</u>
<u>MA-3E19b (01/02)</u>	<u>Youthful Operator Warranty</u>
<u>MA-3T15a (07/11)</u>	<u>Personal Property Coverage Endorsement</u>

Masterpiece Boat Program - California

MA-3T60a-3T60b	Named Operator Warranty <u>Endorsement</u>
MA-3T65c (07/11)	Occasional Charter Fishing Guide Endorsement
MA-7W88ab (07/11/17)	Antique & Classic Boat Special Provisions Endorsement
RM-5002 (11/17)	Personal Watercraft Endorsement
MA-3Z08bRM-5003	Actual Cash Value Endorsement
MA-7W88a (07/11)	Antique & Classic Boat Special Provisions Endorsement

~~II. Bass Boat Program~~

~~This program is available to owners of bass boats.~~

~~A. Coverage:~~

~~MA-14558b (04/10), Yachtsman/Boatsman Policy;~~

~~MA-14794a (04/10), Yachtsman/Boatsman Policy with Boaters Choice logo; OR~~

~~MA-16214a (04/10), Yachtsman/Boatsman Policy with Global Marine Insurance Agency logo~~

~~B. Premium Determination—Standard Boatsman rates apply—See Rate Worksheet~~

~~C. Required Forms~~

Form Number	Title	Premium Charge
MA-BTS01 (12/03)	Navigation Warranty	Premium based on inland OR coastal navigation rates
MA-10391e (04/10)	Producer Compensation and Privacy Notice	None
MA-1X09f (08/10)	Signatures	None
MA-3T63d (07/11)	Bass Boat Program	None
MA-7N391 (07/14)	Policy Declarations	None

~~D. Optional Endorsements (same as Boatsman Program, above)~~

Masterpiece Boat Program - California

Payment Plan Options:

We offer the following payment plans ~~to recreational marine Boatsman policyholders.~~

	Annual	Semi-Annual	Quarterly	Ten-Payment
Minimum Down Payment	100%	60%	30%	20%
Minimum Annual Premium	\$175	\$175	\$175	\$175
# of Installments	0	1	3	9
Installment Bill Dates (Days)	None	180	60, 150, 240	30, 60, 90, 120, 150, 180, 210, 240, 270
Service Charge	None	\$5 per installment	\$5 per installment	\$5 per installment

Masterpiece Boat Program - California

General Rules

Eligibility

Any watercraft that does not exceed 26 feet in length used for private pleasure purposes.

Policy period

A policy will be written for a period of one year and may be extended for successive policy periods.

Minimum premium

The minimum annual premium is \$175.

Boat Property Damage Rules

Deductible Options

The following deductibles are available:

Flat Dollar Deductibles

\$250
\$500
\$1,000

Deductible Percentages

1%
1.5%
2%
3%
4%
5%

Minimum Deductible

\$250
\$375
\$500
\$750
\$1,000
\$1,250

(These deductibles are a percentage of the agreed value of the insured vessel.)

Required Forms *(based on coverage selection)*

Form Number	Title
RM100000 (11/17)	Introduction and Definitions
RM110000 (11/17)	Masterpiece Boat Property Damage Coverage
RM120000 (11/17)	Masterpiece Boat Select Property Damage Coverage
RM160000 (11/17)	Masterpiece Boat Liability Coverage
RM170000 (11/17)	Masterpiece Boat Select Liability Coverage
RM210000 (11/17)	Medical Payments Coverage
RM220000 (11/17)	Uninsured Boaters Protection
RM230000 (11/17)	General Policy Exclusions
RM240000 (11/17)	Policy Terms
MA-BTS01a (11/17)	Navigation Warranty
MA-7N39n (11/17)	Policy Declarations
MA-2W80k (11/17)	Scheduled Vessel Endorsement
MA-34816c (11/17)	Policy Change Declarations Page
MA-3857h (07/12)	Policy Change Summary

Masterpiece Boat Program - California

Optional Forms

Form Number	Title
MA-10292d (11/17)	Loss Payee Endorsement
MA-18218b (11/17)	H2O Ski Plus Program
MA-1X16b (11/17)	Additional Interest Endorsement
MA-2W78b (11/17)	Special Engine Deductible Endorsement
MA-2W81f (11/17)	Charter Endorsement
MA-3T60b (11/17)	Named Operator Endorsement
MA-7W88b (11/17)	Antique & Classic Boat Special Provisions Endorsement
RM-5002 (11/17)	Personal Watercraft Endorsement
RM-5003 (11/17)	Actual Cash Value Endorsement

Payment Plan Options

We offer the following payment plans.

	Annual	Semi-Annual	Quarterly	Ten-Payment
Minimum Down Payment	100%	60%	30%	20%
Minimum Annual Premium	\$175	\$175	\$175	\$175
# of Installments	0	1	3	9
Installment Bill Dates (Days)	None	180	60, 150, 240	30, 60, 90, 120, 150, 180, 210, 240, 270
Service Charge	None	\$5 per installment	\$5 per installment	\$5 per installment

Use the following rating instructions together with the Rating Worksheet example [\[first tab\]](#) to understand the rating procedure.

[Rate Effective and Rate Available Date Use Rule]

[\[see Rate Load Rule workbook sheet\]](#)

[\[use this rule to determine rate effective and rate available date for all rate information table lookups\]](#)

Hull (0710) - YAR

Insurance Value -

1. Insurance Value [\[may or may not include dinghy/tender value as indicated by user\]](#) [includes engines/motors and permanently attached equipment.](#)

Insurance to Value Factor - lookup in Insurance to Value Factor [table](#)

New Business/Policy Change:

1. Calculate (contract effective year - vessel year built)
2. Take step 1 result and add 1 year to obtain vessel age
3. locate correct row for vessel age in the Insurance to Value Factor table (ITVF) where the vessel age (step 2 result) is between the Vessel Age Minimum and Vessel Age Maximum column
4. ITVF = Base Factor x (Base Multiplier raised to the power of (vessel age - value in column Vessel Age Min)) (round to 3 decimal places)
5. Multiply calculated ITVF by the 0710 Limit to determine Replacement Cost
Example: Model Year = [\[2004\]](#) [2008](#) and Contract Effective Year = [\[2044\]](#) [2017](#) then vessel age = [\[\(2011 - 2004\)+1 = 8\]](#) [\(2017 - 2008\) +1 = 10](#)
BaseFactor = [\[1.02\]](#) [1.00](#), therefore Replacement Cost Factor = [\[1.02*\(1.02^\(8-6\)\) = 1.02*1.02*1.02 = 1.061\]](#) [1.00*\(1.05^\(10-1\)\) = 1.05^9 = 1.551](#)

Pre-Renewal:

1. Determine vessel age ((contract effective year - vessel year built) +1)
2. Multiply expiring term Replacement Cost by Base Multiplier corresponding to vessel age to get new Replacement Cost

Calculate Rateable Value

1. [\[If symbol = YAR and Mooring State <> CA, FL, LA, MA, MD, MI, VA, WA then Rateable Value = \(0710 Limit + Replacement Cost\) / 2\]](#)
2. If [\[symbol = YAR and Mooring State = CA, FL, LA, MA, MD, MI, VA, WA and\]](#) 0710 Limit/Replacement Cost $\geq .82$, then Rateable Value = 0710 Limit
3. If [\[symbol = YAR and Mooring State = CA, FL, LA, MA, MD, MI, VA, WA and\]](#) 0710 Limit/Replacement Cost $< .82$, then Rateable Value = (0710 Limit + Replacement Cost) / 2

Note: When 0710 limit is divided by Replacement Cost, round result to two decimal places

Hull Schedule Premium - lookup algorithm in Hull Rate [Table - YAR](#)

1. Locate using [\[rate effective/available dates, Mooring State,\]](#) Broad Navigation Area
2. [\[MooringState, BroadNav and NavWarranty are compared as an equal condition:\]](#) [Find row for applicable Rateable Value](#); [Ratable Value must be => LimitMin and <= LimitMax](#)
3. Multiply Rateable Value by Hull Factor (round to whole number), and add Hull Constant to get Hull Schedule Premium (HSP)

Scheduled Adjustment Factor - if vessel type = Sail or Sail w/ Auxiliary Engine

1. Locate [\[using rate effective/available dates,\]](#) the Sail Debit Credit in Hull Rate Table [- YAR](#)
2. Add 1 to Sail Debit Credit to get Schedule Adjustment Factor (SAF)

Hull Base Premium - Hull Schedule Premium x Scheduled Adjustment Factor (round to whole dollar)

Hull Adjustments - (see Applicable DrCr [for 0710 & 0750 spreadsheet] in Hull and P&I Adjustments – YAR table)

1. Locate in Hull [Liability] and P&I Adjustments – YAR table [using rate effective/available dates and vessel symbol (Product)]
2. Sum all that apply; add 1 to get Hull Base Adjustment Factor
 - a. loss free cr (LFC) - (not applicable for short term policy)
5% starting 1st year until loss reported - LFC stays at 5% until a loss is reported
If loss reported -
No LFC for the 2 renewal terms following the term in which loss was reported
5% LFC will apply again after 2 loss free terms without a loss reported (start of 3rd renewal term after the term in which loss reported)
 - b. deductible % cr - see Deductible Options table [0710 worksheet and Deductible Credit]
 - c. outboard motor % cr – see Outboard Motor Cr in Hull [Liability] and P&I Adjustments – YAR table
 - d. inboard/outdrive % dr - see Inboard/Outdrive in Hull [Liability] and P&I Adjustments – YAR table
 - e. [county/territory % dr/cr - see County Territory based on Mooring State, Symbol and Mooring County (County Territory Desc)]
 - f. [engine replacement cost* for I/O or Outboard % dr - see RC Inboard Outdrive Outboard Dr in Hull Liability Adjustment table (triggers form #MA-6508c)
*not available when (contract effective year + 1) - (engine year built) > 5]
 - g. [actual cash value % cr - see Hull Actual Cash Value Cr in Hull Liability Adjustment table(triggers form #MA-3Z08a)]
 - h. manufacturer % dr/cr - See Manufacturer Debit/Credit in Hull and P&I Adjustments – YAR table
 - i. [other dr cr % - UW judgement]

Adjusted Hull Premium - Hull Base Premium x Hull Base Adjustment Factor (round to whole dollar)

Risk Credit/Debit Factor - lookup in Risk Credit [Debit] Determination –YAR table [using applicable mooring state (Mooring State) and rate effective/available dates]

Individual components of risk credit [(Name)] are Owner Experience (yrs) and Max Speed (mph)[, Boating Courses (T/F), and Insurance Score]

[Also] See Risk Credit Determination –YAR table [worksheet] - sum applicable credits/debits to determine Risk Credit/Debit Adjustment

1. Sum Risk Credit Debit for each component of risk credit and compare to Max Risk Credit Debit [based on Mooring State and Insurance Score result]
2. Multiply Adjusted Hull Premium by (1+ Risk Credit/Debit Adjustment); round to whole number

Select Coverage Factor – Applies if Select coverage option has been selected

1. Locate Symbol and Class Code 0710 in Select Coverage Factor table
2. Multiply Interim Risk Cr/Dr Premium by Select Coverage Factor to obtain **Final Hull Premium** (round to whole number)

[UW Adjustment \$ amount – UW judgement (typically not applicable to symbol YAR)]

[Minimum Hull Rate]

1. [Divide Final Hull Premium by 0710 limit; then divide by 100 to get Hull Rate]
2. [Compare hull rate to Min Hull Rate in Hull Rates table]
3. [If hull rate < Min Hull Rate, then multiply 0710 limit by Min Hull Rate to determine 0710 premium]

[Windstorm Deductible – look up in Windstorm Deductible table]

1. [Locate in table using Policy Symbol, Broad Nav and Mooring State. Vessel length must be => Vessel Length Min and <= Ves Length Max.]
2. [Multiply applicable Hull Limit Percent times 0710 Limit]
3. [Compare result in step 3 to Deductible Amount Minimum and 0710 Hull Deductible Amount]
4. [Windstorm Deductible is the greater of a) step 3 result, b) Deductible Amount Minimum or c) 0710 Hull Deductible Amount]

Hull (0710) – PWR

Hull Base Premium - lookup in Hull Base Premium – PWR table

Locate Base Premium in Hull Base Premium – PWR table using engine displacement

Deductible % Credit – lookup in Deductible Options table

Multiply Base Premium by (1+Deductible Credit) to obtain Interim Base Premium (round to whole number)

Select Coverage Factor – Applies if Select coverage option has been selected

1. Locate Symbol and Class Code 0710 in Select Coverage Factor table

2. Multiply Interim Base Premium by Select Coverage Factor to obtain **Final Hull Premium** (round to whole number)

P&I (0750) - YAR

P&I Schedule Premium - lookup in **P&I Navigation Base Rates - YAR** and **P&I Rates - YAR**

1. Locate Base Prem in **P&I Navigation Base Rates - YAR** table using [rate effective/available dates, Mooring State and] Broad Nav
2. [If YAR and vessel length < 20', multiply Filed Rate Factor times base prem]
3. Locate Length Factor and Increased Limit Factor in **P&I Rates - YAR** using [rate effective/available dates,] P&I (0750) limit, and vessel length. [P&I limit is compared as an equal condition; vessel length must be => VesLengthMin and <= VesLengthMax]
4. Multiply base premium from step 1 [or 2]-by Length Factor; multiply product by Increased Limit Factor to get P&I Schedule Premium
5. [Multiply P&I Schedule Premium by YAR Factor to obtain updated P&I Schedule Premium (round to whole dollar)]

Scheduled Adjustment Factor – if vessel type = Sail or Sail w/ Auxiliary Engine

1. Locate Sail [Debit] Credit factor in **P&I Navigation Base Rates - YAR** using [rate effective/available dates, Mooring State, and]-Broad Nav
2. Add 1 to Sail [Debit] Credit to get Schedule Adjustment Factor

P&I Base Premium – P&I Schedule Premium x P&I Scheduled Adjustment Factor (round to whole dollar)

P&I Adjustments – (see Applicable Dr/Cr [for 0710 & 0750 spreadsheet]) in **Hull and P&I Adjustments - YAR table**

1. Locate in Hull [Liability] and P&I Adjustments - YAR table [using rate effective/available dates and vessel symbol (Product)]
2. Sum all that apply; add 1 to get P&I Base Adjustment Factor
 - loss free cr - (not applicable for short term policy)
 - 5% starting 1st year until loss reported - LFC stays at 5% until a loss is reported
 - If loss reported -
 - No LFC for the 2 renewal terms following the term in which loss was reported
 - 5% LFC will apply again after 2 loss free terms without a loss reported (start of 3rd renewal term after the term in which loss reported)

[Other dr-cr %-UW-judgement]

Adjusted P&I Premium – P&I Base Premium x P&I Base Adjustment Factor (round to whole dollar)

Risk Credit/Debit Factor - lookup in Risk Credit [Debit] Determination - YAR table [using applicable mooring state (Mooring State) and rate effective/available dates]

Individual components of risk credit [(Name)] are Owner Experience (yrs) and Max Speed (mph), Boating Courses (T/F), and Insurance Score]

[Also] See Risk Credit Determination - YAR table [worksheet] - sum applicable credits/debits to determine Risk Credit/Debit

Adjustment

1. Sum Risk Credit Debit for each component of risk credit and compare to Max Risk Credit Debit [based on Mooring State and Insurance Score result]
2. Multiply Adjusted P&I Premium by (1+ Risk Credit/Debit Adjustment); round to whole number

Select Coverage Factor – Applies if Select coverage option has been selected

1. Locate Symbol and Class Code 0750 in Select Coverage Factor table

2. Multiply Interim Risk Cr/Dr Premium by Select Coverage Factor to obtain **Final P&I Premium** (round to whole number)

P&I (0750) – PWR

P&I Base Premium - PWR - lookup in **P&I Base Premium – PWR** table

1. Locate Base Premium in P&I Base Premium – PWR table using P&I (0750) limit

Select Coverage Factor – Applies if Select coverage option has been selected

1. Locate Symbol and Class Code 0750 in Select Coverage Factor table

2. Multiply Base Premium by Select Coverage Factor to obtain **Final P&I Premium** (round to whole number)

Crew (0762) - YAR

Crew Schedule Premium - lookup in Crew Rate Table - YAR

1. locate Crew Charge using crew limit (P&I Limit)

(Crew Limit must always be <= P&I Limit)

2. Multiply number of crew by Crew Charge to obtain Final Crew Premium

Medical Payments (0759) - YAR

Medical Payments Premium - lookup in Miscellaneous Rates table using Policy Symbol = YAR and Class Code = 0759

1. Final Medical Payments Premium = ((0759 limit - 0759 Free Limit)/0759 Value Basis) x 0759 Rate Factor

Minimum and free limit is \$5,000 for Basic and \$10,000 for Select. Higher limits available per Miscellaneous Rates table

0759 limit must be < 0750 (P&I) limit

Medical Payments (0759) - PWR

Medical Payments Premium - lookup in Miscellaneous Rates table using Policy Symbol = PWR and Class Code = 0759

Minimum and free limit is \$1,000 for Basic and \$10,000 for Select. Higher limits available per Miscellaneous Rates table

Uninsured Boater (0795) – YAR, PWR

Uninsured Boater Premium - Premium is \$0 if 0795 limit < 0750 limit (P&I) and < \$2 million

Note: Uninsured Boater limit is equal to P&I limit up to \$2 million.

Personal Property (0724) - YAR

Personal Property Premium - lookup in Miscellaneous Rates Policy Symbol = YAR, Class Code = 0724 and Deductible Amount

1. Final Personal Property Premium = ((0724 limit - 0724 Free Limit)/0724 Value Basis) x Rate Factor

Basic:

Deductible options are \$250 and \$500 (Deductible Amount); Minimum and free limit is \$2,500 with a \$250 deductible. Higher limits available as follows:

\$3,000 - \$25,000 in increments of \$1,000

Then limit options of \$50,000; \$100,000; \$150,000 and \$250,000

Select:

Minimum and free limit is \$5,000 with no deductible. Higher limits available as follows:

\$6,000 - \$25,000 in increments of \$1,000

Then limit options of \$50,000; \$100,000; \$150,000 and \$250,000

Personal Property (0724) – PWR

Personal Property Premium - lookup in Miscellaneous Rates table Class Code = 0724, Symbol = PWR and Deductible Amount

Minimum and free limit is \$500 for Basic and \$1,500 for Select

Trailer (0723) – YAR, PWR

Trailer Premium - lookup in Miscellaneous Rates table using ClassCode = 0723

1. Final Trailer Premium = ((0723 limit-0723 Free Limit)/0723 Value Basis) x 0723 Rate Factor
2. Free Limit is \$1,000 for Basic and \$5,000 for Select
\$250 deductible applies regardless of limit (Deductible Amount)

Towing (0765) - YAR

- Basic: \$1,000 limit is included at no charge
Select: Limit up to Hull (0710) limit is included at no charge
No deductible applies

Towing (0765) - PWR

- Basic: \$150 limit is included at no charge
Select: Limit up to Hull (0710) limit is included at no charge
No deductible applies

Minimum Policy Premium - YAR

1. Total final premiums from all applicable coverages and all vessels on policy to obtain Total Written Premium for policy
2. If Total Written Premium \geq \$175 then Policy Premium = Total Written Premium
3. If Total Written Premium < \$175 then Policy Premium = \$175

[ORCA 2010] RATING WORKSHEET - YAR

Policy Symbol:	YAR	Contract ID:	1234567	Effective Date:	2/14/2017	Process Date:	2/14/2017
Applicant:		John Doe	Applicant Address:				
Agent:		ABC Agency	Producer Code:		222222		
Mooring State:		CA	Vessel Yr Built:		2008	Length: 18'	
Manuf.:		Bayliner					
Broad Nav Area:		NI	Specific Nav Warranty: MA-BTS01			Hull Deductible: 2%	
Standard Commission:		20					Negotiated Commission: 20

HULL (0710)			
Ins. Value:	30,000	Repl. Cost (insured value times repl. cost factor from [tblReplacementCostFactor] Insurance to Value Factor table):	46,530
Ratable Value RV = (IV+RC)/2. (If [Mooring State = CA,FL,LA,MA,MD,MI,VA,WA and] IV/Replacement Cost ≥ .82 then RV = IV)			38,265
Non-Std Deductible Amount:	Deductible %: 2		
Hull Schedule Premium (access [tblHullRates] Hull Rate Table - YAR and multiply RV times [hlr]HullFactor and add-[hlr]HullConstant;-[if length ≤26' multiply hlrFiledRateFactor; if wind excluded multiply hlrWindstormExclusionFactor;]-round to whole number)			418
Scheduled Adjustment Factor (If Sail or Sail w/ Auxiliary then 1 + [hlr]Sail Debit Credit)			1.00
Hull Base Premium (multiply hull schedule premium by scheduled adjustment factor; round to whole number)			418
Hull Adjustments (See Applicable DR/CR [for 0710 & 0750 worksheet.] amounts shown in [tblHullLiabilityAdjustment] Hull & P&I Adjustments - YAR table)			
	Loss Free cr - - - - -	-5.00%	
	Deductible cr - - - - -	-15.00%	
	Outboard motor cr - - - - -	0.00%	
	Inboard/outdrive dr - - - - -	5.00%	
	[County/Territory - - - - -	0.00%]	
	[Engine Repl Cost dr for I/O or Outboard - -	0.00%]	
	[Actual Cash Value cr - - - - -	0.00%]	
	Manufacturer dr/cr - - - - -	0.00%	
	[Other adjustment dr/cr - - - - -	0.00%]	
Hull Base Adjustment Factor (1 + sum of hull adjustment db/cr)		-15.0%	0.85
Adjusted Hull Premium (Hull Base Prem. times Hull Base Adj. factor; round to whole number)			355
Risk Credit/Debit Fac. (1+ Risk Cr/Db Adj. times Adj. Hull Prem.; round to whole number)		-15.0%	Factor = 0.85
[Nav. Surchg. Fac. (1+ Nav. Surch. Db times interm. risk cr/db prem; round to whole number)		0.00%	Factor = 1.00]
[Departure Factor (multiply hlrDepartureFactor by intermediate Nav. Surch. Fac. premium)			Factor = 1.00]
[Renewal Pricing Factor (1+ hlaRenewalPriceHullDrCr times intermediate Departure Factor premium)			Factor = 1.00]
Select Coverage Fac. (Select Coverage Fac. times Interim Risk Cr/Dr Prem.; round to whole number)			Factor = 1.00
			302

Commission Factor (multiply factor by [Intermediate renewal pricing premium] <u>Interim Select Coverage Factor Prem</u>)	Factor =	1.00	<u>302</u>
[U/W Adjustment \$ Amount]			<u>0</u>
Final Hull Premium (apply U/W Adjustment \$ Amount to intermediate commission premium)			302
Contract Hull Rate (divide final hull premium by 0710 limit, then multiply by 100)			1.01

[WINDSTORM DEDUCTIBLE]			
[Broad Nav: IN]	Mooring State:CA]		
[Windstorm Deductible %:	0 (from tblWindstorm Deductible)]		
[Windstorm DeductibleAmount:	wsdHullLimitPercent x 0710 Limit		<u>0</u>

P&I (0750)			
P&I Limit:	500,000	[Passenger Count (if Charter Policy):]	[Occ Charter: Yes/No]
P&I Schedule Premium (access [pnbBasePrem] <u>P&I Navigation Base Rates – YAR</u> based on [mooring state and] broad nav area[; multiply pnbFiledRate factor if YAR & ≤26'; multiply pirLengthFactor and pirIncreasedLimitFactor; and access <u>P&I Rates – YAR based on P&I (0750) limit and vessel length</u> ; round to whole number)			121
Scheduled Adjustment Factor (If Sail or Sail w/ Auxiliary then 1 + [pnb]Sail Debit Credit)			1.00
P&I Base Premium (multiply P&I schedule premium by scheduled adjustment factor; round to whole number)			121
P&I Adjustments (See applicable DR/CR [for 0710 & 0750 worksheet.] amounts shown in [tblHullLiabilityAdjustment] <u>Hull and P&I Adjustments - YAR table</u>)			
	Loss Free cr	-5.00%	
	[Other adjustment dr/cr	0.00%]	
P&I Base Adjustment Factor (1 + sum of P&I adjustment db/cr)			0.95
Adjusted P&I Premium (P&I Base Prem. times Tot. P&I Adj. Factor; round to whole number)			115
Risk Credit/Debit Fac. (1+ Risk Cr/Db Adj. times Adj. P&I Prem.; round to whole number)	- 15.0%	Factor =	0.85
[Nav. Surchg Fac. (1+ Nav. Surch. Db times interm. risk cr/db prem; round to whole number)	0.00%	Factor =	1.00]
[Departure Factor (multiply Departure factor by intermediate Nav. Surch. Fac. premium)		Factor =	1.00]
[Renewal Pricing Factor (multiply factor by intermediate Departure Factor premium; round to whole number)		Factor =	1.00]
<u>Select Coverage Fac. (Select Coverage Fac. times Interim Risk Cr/Dr Prem.; round to whole number)</u>		<u>Factor =</u>	<u>1.00</u>
Commission Factor (Multiply factor by [Intermediate renewal pricing premium] <u>Interim Select Coverage Factor Prem</u>)		Factor =	1.00
[U/W Adjustment \$ Amount]			<u>0</u>
Final P&I Premium [(apply U/W Adjustment \$ Amount to intermediate commission premium)]			98
[Occasional Charter – Not Applicable (If vessel chartered, refer to Rec. Marine)]			

CREW (0762)		
Crew P&I Limit:	500,000	(must always be <= P&I (0750)limit)
# Crew:	0	
Crew Scheduled Premium ((if YAR) multiply # of crew by [crwOcc] Crew Charge from [tbl]Crew Rate Table)		
Commission Factor (multiply factor by Crew Scheduled Premium)	Factor =	1.00
[U/W Adjustment \$ Amount]		
Final Crew Premium [(apply UW Adjustment \$ Amount to intermediate commission premium)]		0

MEDICAL PAYMENTS (0759)		
Medical Payments Limit:	10,000	(must always be <= P&I (0750)limit)
Scheduled Med. Pay. Premium (from [tbl]Miscellaneous Rates ((0759 Limit - 0759 [msr]Free Limit)/0759 [msr]Value Basis) x 0759 [msr]RateFactor))		
20		
Commission Factor (multiply factor by Med. Payments Scheduled Premium)	Factor =	1.00
[U/W Adjustment \$ Amount]		
Final Med. Payments Premium [(apply UW Adjustment \$ Amount to intermediate commission premium)]		20

UNINSURED BOATER (0795)		
Uninsured Boater Limit:	500,000	
Scheduled UIB Prem (free for limits <= P&I Limit and < =2M [for YAR; UW-rate for limits >2M])		0
[U/W Adjustment \$ Amount]		
Final UIB Premium [(apply UW Adjustment \$ Amount to Scheduled UIB premium)]		0

[UNSCHEDULED] PERSONAL PROPERTY (0724)		
Personal Property Limit (limits from \$2,500 to \$250,000):	5,000	
Deductible:	250	(optional \$500 deductible)
Personal Property Premium (From [tbl]Miscellaneous Rates ((0724 Limit - 0724 [msr]Free Limit)/ [msr]Value Basis) x 0724 [msr]Rate Factor))		50
Commission Factor (multiply factor by Personal Property Premium)	Factor =	1.00
[U/W Adjustment \$ Amount]		
Final Personal Property Premium [(apply UW Adjustment \$ Amount to intermediate commission premium)]		50

[FISHING EQUIPMENT (0766)]		
[Fishing Equipment Limit (limits are \$2,500 and \$10,000):]		
[Deductible: 100]	(No Options)]	
[Fishing Equipment Premium (From tblMiscellaneousRates use 0766 msrPremium based on 0766 msrLimit)]		
[Commission Factor (multiply factor by fishing Equipment Premium)]		Factor = 1.00]
[U/W Adjustment \$ Amount]		
[Final Fishing Equipment Premium (apply UW Adjustment \$ Amount to intermediate commission premium)]		

TRAILER (0723)		
Trailer Limit: 2,000		
Deductible: 250		
Scheduled Trailer Premium (From [tbl]Miscellaneous Rates ((0723 Limit- 0723 Free Limit)/0723 [msr]Value Basis) x 0723 [msr]Rate Factor)		10
Commission Factor (multiply factor by Scheduled Trailer Premium)		Factor = 1.00 10
[U/W Adjustment \$ Amount]		
Final Trailer Premium [(apply UW Adjustment \$ Amount to intermediate commission premium)]		10

TOWING (0765)		
Towing 1,000		
[(500 Free Limit)]		
Deductible: 0		
[Towing] Scheduled Premium [(refer if amt > 500 for YAR so underwriter can manually determine and enter premium)]		0
[U/W Adjustment \$ Amount]		

[SCHEDULED DINGHY/TENDER (0705)]		
[Dinghy Limit: 1,500]	[(Add dinghy motor value to dinghy limit for determining 0705 limit]	
[Deductible: 250]		
[Coverage (choose one of the options within either Replacement Cost Coverage or ACV Coverage and based on deductible)]		
[Replacement Cost Coverage (\$500 ded.)]		
<ul style="list-style-type: none"> • [Value included in hull: \$2.00 per \$100 of coverage] • [Value not included in hull: \$1.50 per \$100 coverage] 		
[Actual Cash Value Coverage (\$500 ded.)]		
<ul style="list-style-type: none"> • [Value included in hull: \$1.00 per \$100 of coverage] • [Value not included in hull: \$0.50 per \$100 coverage] 		

[Replacement Cost Coverage (\$250 ded.)]		
<ul style="list-style-type: none"> • [Value included in hull: \$2.50 per \$100 of coverage] • [Value not included in hull: \$2.00 per \$100 coverage] 		
[Actual Cash Value Coverage (\$250 ded.)]		
<ul style="list-style-type: none"> • [Value included in hull: \$1.50 per \$100 of coverage] • [Value not included in hull: \$1.00 per \$100 coverage] 		
[Scheduled Premium (From tblMiscellaneousRates ((0705 limit/msrValue Basis) x msrFactor) (round to whole dollar))]		
[Commission Factor (multiply factor by Scheduled Dinghy Premium)]		Factor = 1.00]
[U/W Adjustment \$ Amount]		
[Final Dinghy Premium (apply to intermediate commission premium)]		

[UNSCHEDULED ELECTRONICS (0708)]	
[Unscheduled Electronics Limit: 10,000]	[Single Limit of \$10,000 subject to \$250 deductible. Flat premium charge \$100]
[Deductible: 250]	
[Scheduled Premium]	
[U/W Adjustment \$ Amount]	
[Final Premium (apply UW Adjustment Amount to Scheduled Premium)]	

[FLORIDA HURRICANE CATASTROPHE FUND (0901)]		
[Total Vessel Premium (only if mooring state = FL):]	[0]	
[FHCFPercent:]		
[FHCF Amount: Total Vessel Premium x .01 (round to whole number)]		0]

MINIMUM POLICY PREMIUM		
Total Premium All Vessels [(do not include FHCF 0901):	480	
[mnpMinimumPremium from tblMinimumPremium:] Minimum Policy Premium	175	
Total Written Premium If Total Premium => [mnp]Minimum Premium then use Total Premium, else use [mnp]Minimum Premium amount)		480

Insurance to Value Factor

[Vessel Age Min]	[Vessel Age Max]	[Base Factor]	[Base Multiplier]
[1]	[5]	[1]	[1]
[6]	[10]	[1.02]	[1.02]
[11]	[20]	[1.143]	[1.035]
[21]	[255]	[1.635]	[1.05]

Vessel Age Min	Vessel Age Max	Base Factor	Base Multiplier
1	50	1.00	1.05
51	255	10.921	1.00

[California] Hull Rate Table [for Boats 26' or less] – YAR

Pacific Coast (PC) and Northern Inland (NI) Navigation

<u>[Hull Value]</u> <u>Rateable Value</u>	<u>Hull Factor</u>	<u>Hull Constant</u>	<u>Sail Credit</u>	<u>[Bass Boat Program]</u>	<u>[One Design]</u>
1 – 4,000	[0.01620] <u>0.01280</u>	[88] <u>70</u>	-0.05	[0.0]	[0.0]
4,001 – 30,000	[0.00808] <u>0.00638</u>	[124] <u>98</u>	-0.05	[0.0]	[0.0]
> 30,000	[0.00662] <u>0.00523</u>	[165] <u>130</u>	-0.05	[0.0]	[0.0]

Hull Base Premium – PWR

<u>Engine Displacement (Cubic Centimeters)</u>	<u>Base Premium</u>
1 – 850	180
851 – 3,000	260

Deductible Options, Minimum Deductible and Deductible Credit Rules

Deductible options are 1, 1.5, 2, 3, 4 and 5 per cent. Determine minimums and credits according to the following steps.

1. Minimum standard deductible for YAR is 1%.
2. Minimum deductible amounts for YAR deductible options -
1 – 250; 1.5 – 375; 2 – 500; 3 – 750; 4 – 1000; 5 – 1250
3. **YAR – Deductibles of \$250, \$500, \$1,000***
4. **PWR – Deductibles of \$250, \$500, \$1,000***
5. Deductible credit rules apply as indicated below. For example, if the standard ded is 1%; but 2% is requested by insured, then a 15% ded cr is given.

Standard Ded.	1% Ded.	1.5% Ded.	2% Ded.	3% Ded.	4% Ded.	5% Ded.
1%	n/a	-0.10	-0.15	-0.20	-0.22	-0.25
[1.50%]	[n/a]	[n/a]	[-0.05]	[-0.15]	[-0.17]	[-0.20]
[2%]	[n/a]	[n/a]	[n/a]	[-0.15]	[-0.16]	[-0.18]
[3%]	[n/a]	[n/a]	[n/a]	[n/a]	[-0.10]	[-0.15]
[4%]	[n/a]	[n/a]	[n/a]	[n/a]	[n/a]	[-0.05]
[5%]	[n/a]	[n/a]	[n/a]	[n/a]	[n/a]	[n/a]

***When a flat deductible is used, convert Hull Insured Deductible Amount to determine applicable Hull Deductible Percent to use in table:**

YAR - Hull Insured Deductible Amt**

250
500
1000

YAR - Hull Deductible Percent

1%
1.5%
3%

PWR - Hull Insured Deductible Amt

250
500
1000

PWR - Hull Deductible Percent

1%
2%
3%

For example:

- 1) \$500 YAR deductible translates to a 1.5% deductible, and a 10% ded cr is given
- 2) \$500 PWR deductible translates to a 2% deductible, and a 15% ded cr is give

****YAR Flat Deductibles only apply to policies converting from Federal Insurance Company to ACE American Insurance Company with hull values ≤ \$50,000**

[CA] Risk Credit Determination - YAR

Owner's Experience:

0 - 4 Years	0.00
5 - 9 Years	-0.05
10 - 24 Years	-0.10
25 + Years	-0.15

Maximum Speed:

< 35 mph	-0.10
35 - 45 mph	0.00
46 - 50 mph	0.05
[51 + mph]	[0.10]
<u>51 – 65 mph</u>	<u>0.10</u>
<u>66+ mph</u>	<u>0.25</u>

Maximum Risk Credit:

25% credit

[CA] Hull & [Liability] P&I Adjustments – YAR

Adjustment Reason

Factor

Loss Free Credit (Hull and P&I)

-0.05

Outboard Motor Credit (Hull Only)

[-10.00] -0.10

Inboard/Outdrive Debit (Hull Only)

0.05

[Actual Cash Value Credit (Hull Only)]

[-0.10]

Manufacturer Credit/Debit (Hull Only)

Range +10% to -10% based on loss history
Manufacturer Credit/Debit Table is deemed proprietary

[Replacement Cost Debit (Hull Only)]

[0.10]

[(on Outdrive and Outboardmotors)]

Select Coverage Factor

Symbol	Class Code	Select Coverage Factor
<u>YAR</u>	<u>0710</u>	<u>1.30</u>
<u>YAR</u>	<u>0750</u>	<u>1.30</u>
<u>PWR</u>	<u>0710</u>	<u>1.30</u>
<u>PWR</u>	<u>0750</u>	<u>1.30</u>

[CA] P&I Navigation Base Rates – YAR

<u>Broad Navigation</u>	<u>Base Premium</u>	<u>Sail Credit</u>	<u>[Bass Boat Program]</u>	<u>[One Design Program]</u>
Pacific Coast	115	0.0	[0.0]	[0.0]
Northern Inland	115	0.0	[0.0]	[0.0]

P&I Rates - YAR

<u>P&I Limit</u>	<u>Vessel Length</u>	<u>Length Factor</u>	<u>Increased Limit Factor</u>
\$50,000	1' to 25'	0.667	0.75
\$50,000	26' to 28'	1.000	0.75
\$100,000	1' to 25'	0.667	1
\$100,000	26' to 28'	1.000	1
\$300,000	1' to 25'	0.667	1.316
\$300,000	26' to 28'	1.000	1.316
\$500,000	1' to 25'	0.667	1.576
\$500,000	26' to 28'	1.000	1.576
\$1,000,000	1' to 25'	0.667	2.196
\$1,000,000	26' to 28'	1.000	2.196
\$2,000,000	1' to 25'	0.667	3.299
\$2,000,000	26' to 28'	1.000	3.299
\$3,000,000	1' to 25'	0.667	4.124
\$3,000,000	26' to 28'	1.000	4.124
\$4,000,000	1' to 25'	0.667	5.502
\$4,000,000	26' to 28'	1.000	5.502
\$5,000,000	1' to 25'	0.667	7.154
\$5,000,000	26' to 28'	1.000	7.154

P&I Base Premium – PWR

<u>P&I Limit</u>	<u>Base Premium</u>
<u>10,000</u>	<u>30</u>
25,000	40
50,000	60
100,000	80
300,000	120
<u>500,000</u>	<u>150</u>
<u>1,000,000</u>	<u>300</u>

[CA] Crew Rate Table - YAR

<u>P&I Limit</u>	<u>Crew Charge*</u>
\$100,000	[\$75] \$90
\$300,000	[\$100] \$120
\$500,000	[\$125] \$150
\$1,000,000	[\$175] \$210
\$2,000,000	[\$225] \$270
\$3,000,000	[\$275] \$330
\$4,000,000	[\$325] \$390
\$5,000,000	[\$375] \$450

* charge per each crew member

Miscellaneous Rates

<u>Class Code</u>	<u>Coverage</u>	<u>Symbol</u>	<u>Limits</u>	<u>Charge</u>	<u>Deductible</u>
0759	Medical	<u>YAR</u>	\$5,000 <u>(Basic); \$10,000 (Select)</u> Increments of \$1,000 over \$5,000	Included in P&I \$4 per each additional \$1,000	N/A
		<u>PWR - Basic</u>	<u>\$1,000</u> <u>\$2,500</u> <u>\$5,000</u> <u>\$10,000</u>	<u>Included in P&I</u> <u>\$15</u> <u>\$20</u> <u>\$35</u>	<u>N/A</u>
		<u>PWR - Select</u>	<u>\$10,000</u>	<u>Included in P&I</u>	<u>N/A</u>
[0766]	[Fishing Equipment]		<u>[\$2,500]</u> <u>[\$10,000]</u>	<u>[\$35]</u> <u>[\$100]</u>	<u>[\$100]</u> <u>[\$100]</u>
0723	Trailer	<u>YAR, PWR</u>	<u>\$1,000 (Basic); \$5,000 (Select)</u> <u>Additional Limits</u>	<u>Free</u> \$1 per each \$100	\$250 \$250
0795	Uninsured Boater	<u>YAR, PWR</u>	Matches P&I Limit <u>up to \$2 million</u>	Included in P&I premium	
0724	[Unscheduled] Personal Property	<u>YAR - Basic</u>	\$2,500 Additional Limits: \$3,000 to \$25,000 in \$1,000 increments \$50,000 \$100,000 \$150,000 \$250,000	Free \$1 \$2 per \$100 over \$2,500	<u>\$250</u> <u>\$250</u> <u>\$250</u> <u>\$250</u> <u>\$250</u>
			Additional Limits: \$3,000 to \$25,000 in \$1000 increments \$50,000 \$100,000 \$150,000 \$250,000	\$1 per \$100 over \$2,500	<u>\$500</u> <u>\$500</u> <u>\$500</u> <u>\$500</u> <u>\$500</u>
		<u>YAR - Select</u>	<u>\$5,000</u> <u>Additional Limits:</u> <u>\$6,000 to \$25,000 in \$1,000 increments</u> <u>\$50,000</u> <u>\$100,000</u> <u>\$150,000</u> <u>\$250,000</u>	<u>Free</u> <u>\$1 per \$100 over \$5,000</u>	<u>N/A</u> <u>N/A</u> <u>N/A</u> <u>N/A</u> <u>N/A</u> <u>N/A</u>

Miscellaneous Rates (Continued)

<u>Class Code</u>	<u>Coverage</u>	<u>Symbol</u>	<u>Limits</u>	<u>Charge</u>	<u>Deductible</u>
0724	[Unscheduled] Personal Property	PWR - Basic	\$500	Free	\$100
		PWR - Select	\$1,500	Free	N/A
[0705]	[Scheduled Dinghy/Tender, Not included in PART A]			[\$2 per each \$100]	[\$500]
[0705]	[Scheduled Dinghy/Tender, Included in PART A]			[\$1.5 per each \$100]	[\$500]
[0705]	[Scheduled Dinghy/Tender ACV, Not included in PART A]			[\$1 per each \$100]	[\$500]
[0705]	[Scheduled Dinghy/Tender, ACV, Included in PART A]			[\$0.50 per each \$100]	[\$500]
[0708]	[Unscheduled Electronics]		[\$10,000]	[\$50]	[\$250]

Use the following rating instructions together with the Rating Worksheet example to understand the rating procedure.

Hull (0710) - YAR

Insurance Value -

1. Insurance Value includes engines/motors and permanently attached equipment.

Insurance to Value Factor - lookup in Insurance to Value Factor table

New Business/Policy Change:

1. Calculate (contract effective year - vessel year built)
2. Take step 1 result and add 1 year to obtain vessel age
3. locate correct row for vessel age in the Insurance to Value Factor table (ITVF) where the vessel age (step 2 result) is between the Vessel Age Minimum and Vessel Age Maximum column
4. $ITVF = \text{Base Factor} \times (\text{Base Multiplier raised to the power of (vessel age - value in column Vessel Age Min)})$ (round to 3 decimal places)
5. Multiply calculated ITVF by the 0710 Limit to determine Replacement Cost
Example: Model Year = 2008 and Contract Effective Year = 2017 then vessel age = $(2017 - 2008) + 1 = 10$
BaseFactor = 1.00, therefore Replacement Cost Factor = $1.00 \times (1.05^{(10-1)}) = 1.05^9 = 1.551$

Pre-Renewal:

1. Determine vessel age ((contract effective year - vessel year built) +1)
2. Multiply expiring term Replacement Cost by Base Multiplier corresponding to vessel age to get new Replacement Cost

Calculate Rateable Value

1. If 0710 Limit/Replacement Cost $\geq .82$, then Rateable Value = 0710 Limit
2. If 0710 Limit/Replacement Cost $< .82$, then Rateable Value = $(0710 \text{ Limit} + \text{Replacement Cost}) / 2$
Note: When 0710 limit is divided by Replacement Cost, round result to two decimal places

Hull Schedule Premium - lookup algorithm in Hull Rate Table - YAR

1. Locate using Broad Navigation Area
2. Find row for applicable Rateable Value
3. Multiply Rateable Value by Hull Factor (round to whole number), and add Hull Constant to get Hull Schedule Premium (HSP)

Scheduled Adjustment Factor - if vessel type = Sail or Sail w/ Auxiliary Engine

1. Locate the Sail Debit Credit in Hull Rate Table - YAR
2. Add 1 to Sail Debit Credit to get Schedule Adjustment Factor (SAF)

Hull Base Premium - Hull Schedule Premium x Scheduled Adjustment Factor (round to whole dollar)

Hull Adjustments - (see Applicable DrCr in Hull and P&I Adjustments – YAR table)

1. Locate in Hull and P&I Adjustments – YAR table
2. Sum all that apply; add 1 to get Hull Base Adjustment Factor
 - a. loss free cr (LFC) - (not applicable for short term policy)
5% starting 1st year until loss reported - LFC stays at 5% until a loss is reported
If loss reported -
No LFC for the 2 renewal terms following the term in which loss was reported
5% LFC will apply again after 2 loss free terms without a loss reported (start of 3rd renewal term after the term in which loss reported)
 - b. deductible % cr - see Deductible Options table
 - c. outboard motor % cr – see Outboard Motor Cr in Hull and P&I Adjustments – YAR table

- d. inboard/outdrive % dr - see Inboard/Outdrive in Hull and P&I Adjustments – YAR table
- e. manufacturer % dr/cr - See Manufacturer Debit/Credit in Hull and P&I Adjustments – YAR table

Adjusted Hull Premium - Hull Base Premium x Hull Base Adjustment Factor (round to whole dollar)

Risk Credit/Debit Factor - lookup in Risk Credit Determination –YAR table

Individual components of risk credit are Owner Experience (yrs) and Max Speed (mph)

See Risk Credit Determination – YAR table - sum applicable credits/debits to determine Risk Credit/Debit Adjustment

1. Sum Risk Credit Debit for each component of risk credit and compare to Max Risk Credit Debit
2. Multiply Adjusted Hull Premium by (1+ Risk Credit/Debit Adjustment); round to whole number

Select Coverage Factor – Applies if Select coverage option has been selected

1. Locate Symbol and Class Code 0710 in Select Coverage Factor table
2. Multiply Interim Risk Cr/Dr Premium by Select Coverage Factor to obtain **Final Hull Premium** (round to whole number)

Hull (0710) – PWR

Hull Base Premium - lookup in Hull Base Premium – PWR table

Locate Base Premium in Hull Base Premium – PWR table using engine displacement

Deductible % Credit – lookup in Deductible Options table

Multiply Base Premium by (1+Deductible Credit) to obtain Interim Base Premium (round to whole number)

Select Coverage Factor – Applies if Select coverage option has been selected

1. Locate Symbol and Class Code 0710 in Select Coverage Factor table
2. Multiply Interim Base Premium by Select Coverage Factor to obtain **Final Hull Premium** (round to whole number)

P&I (0750) - YAR

P&I Schedule Premium - lookup in **P&I Navigation Base Rates - YAR** and **P&I Rates - YAR**

1. Locate Base Prem in P&I Navigation Base Rates - YAR table using Broad Nav
2. Locate Length Factor and Increased Limit Factor in P&I Rates – YAR using P&I (0750) limit, and vessel length.
3. Multiply base premium from step 1 by Length Factor; multiply product by Increased Limit Factor to get P&I Schedule Premium

Scheduled Adjustment Factor – if vessel type = Sail or Sail w/ Auxiliary Engine

1. Locate Sail Credit factor in P&I Navigation Base Rates – YAR using Broad Nav
2. Add 1 to Sail Credit to get Schedule Adjustment Factor

P&I Base Premium – P&I Schedule Premium x P&I Scheduled Adjustment Factor (round to whole dollar)

P&I Adjustments – (see Applicable Dr/Cr in Hull and P&I Adjustments – YAR table)

1. Locate in Hull and P&I Adjustments – YAR table
2. Sum all that apply; add 1 to get P&I Base Adjustment Factor
 - loss free cr - (not applicable for short term policy)
 - 5% starting 1st year until loss reported - LFC stays at 5% until a loss is reported
 - If loss reported -
 - No LFC for the 2 renewal terms following the term in which loss was reported
 - 5% LFC will apply again after 2 loss free terms without a loss reported (start of 3rd renewal term after the term in which loss reported)

Adjusted P&I Premium – P&I Base Premium x P&I Base Adjustment Factor (round to whole dollar)

Risk Credit/Debit Factor - lookup in Risk Credit Determination –YAR table

Individual components of risk credit are Owner Experience (yrs) and Max Speed (mph)

See Risk Credit Determination – YAR table - sum applicable credits/debits to determine Risk Credit/Debit Adjustment

1. Sum Risk Credit Debit for each component of risk credit and compare to Max Risk Credit Debit
2. Multiply Adjusted P&I Premium by (1+ Risk Credit/Debit Adjustment); round to whole number

Select Coverage Factor – Applies if Select coverage option has been selected

1. Locate Symbol and Class Code 0750 in Select Coverage Factor table
2. Multiply Interim Risk Cr/Dr Premium by Select Coverage Factor to obtain **Final P&I Premium** (round to whole number)

P&I (0750) – PWR

P&I Base Premium - PWR - lookup in **P&I Base Premium – PWR** table

1. Locate Base Premium in P&I Base Premium – PWR table using P&I (0750) limit

Select Coverage Factor – Applies if Select coverage option has been selected

1. Locate Symbol and Class Code 0750 in Select Coverage Factor table
2. Multiply Base Premium by Select Coverage Factor to obtain **Final P&I Premium** (round to whole number)

Crew (0762) - YAR

Crew Schedule Premium - lookup in Crew Rate Table - YAR

1. locate Crew Charge using crew limit (P&I Limit)
(Crew Limit must always be <= P&I Limit)
2. Multiply number of crew by Crew Charge to obtain Final Crew Premium

Medical Payments (0759) - YAR

Medical Payments Premium - lookup in Miscellaneous Rates table using Policy Symbol = YAR and Class Code = 0759

1. Final Medical Payments Premium = ((0759 limit - 0759 Free Limit)/0759 Value Basis) x 0759 Rate Factor
Minimum and free limit is \$5,000 for Basic and \$10,000 for Select. Higher limits available per Miscellaneous Rates table
0759 limit must be < 0750 (P&I) limit

Medical Payments (0759) - PWR

Medical Payments Premium - lookup in Miscellaneous Rates table using Policy Symbol = PWR and Class Code = 0759

Minimum and free limit is \$1,000 for Basic and \$10,000 for Select. Higher limits available per Miscellaneous Rates table

Uninsured Boater (0795) – YAR, PWR

Uninsured Boater Premium - Premium is \$0 if 0795 limit < 0750 limit (P&I) and < \$2 million

Note: Uninsured Boater limit is equal to P&I limit up to \$2 million.

Personal Property (0724) - YAR

Personal Property Premium - lookup in Miscellaneous Rates Policy Symbol = YAR, Class Code = 0724 and Deductible Amount

1. Final Personal Property Premium = ((0724 limit - 0724 Free Limit)/0724 Value Basis) x Rate Factor

Basic:

Deductible options are \$250 and \$500 (Deductible Amount); Minimum and free limit is \$2,500 with a \$250 deductible. Higher limits available as follows:

\$3,000 - \$25,000 in increments of \$1,000

Then limit options of \$50,000; \$100,000; \$150,000 and \$250,000

Select:

Minimum and free limit is \$5,000 with no deductible. Higher limits available as follows:

\$6,000 - \$25,000 in increments of \$1,000

Then limit options of \$50,000; \$100,000; \$150,000 and \$250,000

Personal Property (0724) – PWR

Personal Property Premium - lookup in Miscellaneous Rates table Class Code = 0724, Symbol = PWR and Deductible Amount

Minimum and free limit is \$500 for Basic and \$1,500 for Select

Trailer (0723) – YAR, PWR

Trailer Premium - lookup in Miscellaneous Rates table using ClassCode = 0723

1. Final Trailer Premium = ((0723 limit-0723 Free Limit)/0723 Value Basis) x 0723 Rate Factor

2. Free Limit is \$1,000 for Basic and \$5,000 for Select

\$250 deductible applies regardless of limit (Deductible Amount)

Towing (0765) - YAR

Basic: \$1,000 limit is included at no charge

Select: Limit up to Hull (0710) limit is included at no charge

No deductible applies

Towing (0765) - PWR

Basic: \$150 limit is included at no charge

Select: Limit up to Hull (0710) limit is included at no charge

No deductible applies

Minimum Policy Premium - YAR

1. Total final premiums from all applicable coverages and all vessels on policy to obtain Total Written Premium for policy

2. If Total Written Premium \Rightarrow \$175 then Policy Premium = Total Written Premium

3. If Total Written Premium $<$ \$175 then Policy Premium = \$175

RATING WORKSHEET - YAR

Policy Symbol:	YAR	Contract ID:	1234567	Effective Date:	2/14/2017	Process Date:	2/14/2017
Applicant:	John Doe		Applicant Address:				
Agent:	ABC Agency		Producer Code:	222222			
Mooring State:	CA	Vessel Yr Built:	2008	Length:	18'	Manuf.: Bayliner	
Broad Nav Area:	NI	Specific Nav Warranty: MA-BTS01				Hull Deductible: 2%	
Standard Commission:	20	Negotiated Commission: 20					

HULL (0710)			
Ins. Value:	30,000	Repl. Cost (insured value times repl. cost factor from Insurance to Value Factor table):	46,530
Ratable Value RV = (IV+RC)/2. (If IV/Replacement Cost ≥ .82 then RV = IV)			38,265
Non-Std Deductible Amount:		Deductible %: 2	
Hull Schedule Premium (access Hull Rate Table - YAR and multiply RV times Hull Factor and add Hull Constant; round to whole number)			418
Scheduled Adjustment Factor (If Sail or Sail w/ Auxiliary then 1 + Sail Debit Credit)			1.00
Hull Base Premium (multiply hull schedule premium by scheduled adjustment factor; round to whole number)			418
Hull Adjustments (See Applicable DR/CR amounts shown in Hull & P&I Adjustments - YAR table)			
	Loss Free cr - - - - -	-5.00%	
	Deductible cr - - - - -	-15.00%	
	Outboard motor cr - - - - -	0.00%	
	Inboard/outdrive dr - - - - -	5.00%	
	Manufacturer dr/cr - - - - -	0.00%	
Hull Base Adjustment Factor (1 + sum of hull adjustment db/cr)		-15.0%	0.85
Adjusted Hull Premium (Hull Base Prem. times Hull Base Adj. factor; round to whole number)			355
Risk Credit/Debit Fac. (1+ Risk Cr/Db Adj. times Adj. Hull Prem.; round to whole number)		-15.0%	Factor = 0.85
Select Coverage Fac. (Select Coverage Fac. times Interim Risk Cr/Dr Prem.; round to whole number)			Factor = 1.00
Commission Factor (multiply factor by Interim Select Coverage Factor Prem)			Factor = 1.00
Final Hull Premium			302
Contract Hull Rate (divide final hull premium by 0710 limit, then multiply by 100)			1.01

P&I (0750)			
P&I Limit:	500,000		
P&I Schedule Premium (access P&I Navigation Base Rates – YAR based on broad nav area and access P&I Rates – YAR based on P&I (0750) limit and vessel length; round to whole number)			121
Scheduled Adjustment Factor (If Sail or Sail w/ Auxiliary then 1 + Sail Debit Credit)			1.00
P&I Base Premium (multiply P&I schedule premium by scheduled adjustment factor; round to whole number)			121
P&I Adjustments (See applicable DR/CR amounts shown in Hull and P&I Adjustments - YAR table)			
	Loss Free cr	-5.00%	
P&I Base Adjustment Factor (1 + sum of P&I adjustment db/cr)			0.95
Adjusted P&I Premium (P&I Base Prem. times Tot. P&I Adj. Factor; round to whole number)			115
Risk Credit/Debit Fac. (1+ Risk Cr/Db Adj. times Adj. P&I Prem.; round to whole number)		- 15.0%	
		Factor =	0.85
Select Coverage Fac. (Select Coverage Fac. times Interim Risk Cr/Dr Prem.; round to whole number)			98
		Factor =	1.00
Commission Factor (Multiply factor by Interim Select Coverage Factor Prem)			98
Final P&I Premium			98

CREW (0762)			
Crew P&I Limit:	500,000	(must always be <= P&I (0750)limit)	
# Crew:	0		
Crew Scheduled Premium (multiply # of crew by Crew Charge from Crew Rate Table)			
Commission Factor (multiply factor by Crew Scheduled Premium)		Factor =	1.00
Final Crew Premium			0

MEDICAL PAYMENTS (0759)			
Medical Payments Limit:	10,000	(must always be <= P&I (0750)limit)	
Scheduled Med. Pay. Premium (from Miscellaneous Rates ((0759 Limit - 0759 Free Limit)/0759 Value Basis) x 0759 Rate Factor))			20
Commission Factor (multiply factor by Med. Payments Scheduled Premium)		Factor =	1.00
Final Med. Payments Premium			20

UNINSURED BOATER (0795)			
Uninsured Boater Limit:	500,000		
Scheduled UIB Prem (free for limits <= P&I Limit and < =2M)			0
Final UIB Premium			0

PERSONAL PROPERTY (0724)		
Personal Property Limit (limits from \$2,500 to \$250,000):		5,000
Deductible: 250	(optional \$500 deductible)	
Personal Property Premium (From Miscellaneous Rates ((0724 Limit - 0724 Free Limit)/Value Basis) x 0724 Rate Factor))		50
Commission Factor (multiply factor by Personal Property Premium)		Factor = 1.00
Final Personal Property Premium		50

TRAILER (0723)		
Trailer Limit: 2,000		
Deductible: 250		
Scheduled Trailer Premium (From Miscellaneous Rates ((0723 Limit- 0723 Free Limit)/0723 Value Basis) x 0723 Rate Factor)		10
Commission Factor (multiply factor by Scheduled Trailer Premium)		Factor = 1.00
Final Trailer Premium		10

TOWING (0765)		
Towing 1,000		
Deductible: 0		
Towing Scheduled Premium		0

MINIMUM POLICY PREMIUM		
Total Premium All Vessels:	480	
Minimum Policy Premium	175	
Total Written Premium If Total Premium => Minimum Premium then use Total Premium, else use Minimum Premium amount)		480

Insurance to Value Factor

<u>Vessel Age Min</u>	<u>Vessel Age Max</u>	<u>Base Factor</u>	<u>Base Multiplier</u>
1	50	1.00	1.05
51	255	10.921	1.00

Hull Rate Table – YAR

Pacific Coast (PC) and Northern Inland (NI) Navigation

<u>Rateable Value</u>	<u>Hull Factor</u>	<u>Hull Constant</u>	<u>Sail Credit</u>
1 – 4,000	0.01280	70	-0.05
4,001 – 30,000	0.00638	98	-0.05
> 30,000	0.00523	130	-0.05

Hull Base Premium – PWR

<u>Engine Displacement (Cubic Centimeters)</u>	<u>Base Premium</u>
1 – 850	180
851 – 3,000	260

Deductible Options, Minimum Deductible and Deductible Credit Rules

Deductible options are 1, 1.5, 2, 3, 4 and 5 per cent. Determine minimums and credits according to the following steps.

1. Minimum standard deductible for YAR is 1%.
2. Minimum deductible amounts for YAR deductible options -
1 – 250; 1.5 – 375; 2 – 500; 3 – 750; 4 – 1000; 5 – 1250
3. YAR – Deductibles of \$250, \$500, \$1,000*
4. PWR – Deductibles of \$250, \$500, \$1,000*
5. Deductible credit rules apply as indicated below. For example, if the standard ded is 1%; but 2% is requested by insured, then a 15% ded cr is given.

Standard Ded.	1% Ded.	1.5% Ded.	2% Ded.	3% Ded.	4% Ded.	5% Ded.
1%	n/a	-0.10	-0.15	-0.20	-0.22	-0.25

*When a flat deductible is used, convert Hull Insured Deductible Amount to determine applicable Hull Deductible Percent to use in table:

<u>YAR - Hull Insured Deductible Amt**</u>	<u>YAR - Hull Deductible Percent</u>
250	1%
500	1.5%
1000	3%
<u>PWR - Hull Insured Deductible Amt</u>	<u>PWR - Hull Deductible Percent</u>
250	1%
500	2%
1000	3%

For example:

- 1) \$500 YAR deductible translates to a 1.5% deductible, and a 10% ded cr is given
- 2) \$500 PWR deductible translates to a 2% deductible, and a 15% ded cr is give

**YAR Flat Deductibles only apply to policies converting from Federal Insurance Company to ACE American Insurance Company with hull values ≤ \$50,000

Risk Credit Determination - YAR

Owner's Experience:

0 - 4 Years	0.00
5 - 9 Years	-0.05
10 - 24 Years	-0.10
25 + Years	-0.15

Maximum Speed:

< 35 mph	-0.10
35 - 45 mph	0.00
46 - 50 mph	0.05
51 – 65 mph	0.10
66+ mph	0.25

Maximum Risk Credit:

25% credit

Hull & P&I Adjustments – YAR

Adjustment Reason

Factor

Loss Free Credit (Hull and P&I)

-0.05

Outboard Motor Credit (Hull Only)

-0.10

Inboard/Outdrive Debit (Hull Only)

0.05

Manufacturer Credit/Debit (Hull Only)

Range +10% to -10% based on loss history
Manufacturer Credit/Debit Table is deemed proprietary

Select Coverage Factor

<u>Symbol</u>	<u>Class Code</u>	<u>Select Coverage Factor</u>
YAR	0710	1.30
YAR	0750	1.30
PWR	0710	1.30
PWR	0750	1.30

P&I Navigation Base Rates – YAR

<u>Broad Navigation</u>	<u>Base Premium</u>	<u>Sail Credit</u>
Pacific Coast	115	0.0
Northern Inland	115	0.0

P&I Rates - YAR

<u>P&I Limit</u>	<u>Vessel Length</u>	<u>Length Factor</u>	<u>Increased Limit Factor</u>
\$50,000	1' to 25'	0.667	0.75
\$50,000	26' to 28'	1.000	0.75
\$100,000	1' to 25'	0.667	1
\$100,000	26' to 28'	1.000	1
\$300,000	1' to 25'	0.667	1.316
\$300,000	26' to 28'	1.000	1.316
\$500,000	1' to 25'	0.667	1.576
\$500,000	26' to 28'	1.000	1.576
\$1,000,000	1' to 25'	0.667	2.196
\$1,000,000	26' to 28'	1.000	2.196
\$2,000,000	1' to 25'	0.667	3.299
\$2,000,000	26' to 28'	1.000	3.299
\$3,000,000	1' to 25'	0.667	4.124
\$3,000,000	26' to 28'	1.000	4.124
\$4,000,000	1' to 25'	0.667	5.502
\$4,000,000	26' to 28'	1.000	5.502
\$5,000,000	1' to 25'	0.667	7.154
\$5,000,000	26' to 28'	1.000	7.154

P&I Base Premium – PWR

<u>P&I Limit</u>	<u>Base Premium</u>
10,000	30
25,000	40
50,000	60
100,000	80
300,000	120
500,000	150
1,000,000	300

Crew Rate Table - YAR

<u>P&I Limit</u>	<u>Crew Charge*</u>
\$100,000	\$90
\$300,000	\$120
\$500,000	\$150
\$1,000,000	\$210
\$2,000,000	\$270
\$3,000,000	\$330
\$4,000,000	\$390
\$5,000,000	\$450

* charge per each crew member

Miscellaneous Rates

<u>Class Code</u>	<u>Coverage</u>	<u>Symbol</u>	<u>Limits</u>	<u>Charge</u>	<u>Deductible</u>
0759	Medical	YAR	\$5,000 (Basic); \$10,000 (Select) Increments of \$1,000 over \$5,000	Included in P&I \$4 per each additional \$1,000	N/A
		PWR - Basic	\$1,000 \$2,500 \$5,000 \$10,000	Included in P&I \$15 \$20 \$35	N/A
		PWR - Select	\$10,000	Included in P&I	N/A
0723	Trailer	YAR, PWR	\$1,000 (Basic); \$5,000 (Select) Additional Limits	Free \$1 per each \$100	\$250 \$250
0795	Uninsured Boater	YAR, PWR	Matches P&I Limit up to \$2 million	Included in P&I premium	
0724	Personal Property	YAR - Basic	\$2,500 Additional Limits: \$3,000 to \$25,000 in \$1,000 increments \$50,000 \$100,000 \$150,000 \$250,000	Free \$2 per \$100 over \$2,500	\$250 \$250 \$250 \$250 \$250
			Additional Limits: \$3,000 to \$25,000 in \$1000 increments \$50,000 \$100,000 \$150,000 \$250,000	\$1 per \$100 over \$2,500	\$500 \$500 \$500 \$500 \$500
		YAR - Select	\$5,000 Additional Limits: \$6,000 to \$25,000 in \$1,000 increments \$50,000 \$100,000 \$150,000 \$250,000	Free \$1 per \$100 over \$5,000	N/A N/A N/A N/A N/A
0724	Personal Property	PWR - Basic	\$500	Free	\$100
		PWR - Select	\$1,500	Free	N/A

SERFF Tracking #:	ACEH-131067545	State Tracking #:	17-7025; 17-7026; 17-7027	Company Tracking #:	17-12270-RR-F
State:	California	First Filing Company:	ACE American Insurance Company, ...		
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft				
Product Name:	Masterpiece				
Project Name/Number:	Rec Marine/17-12270-RR-F				

Rate Information

Rate data applies to filing.

Filing Method:	Prior Approval
Rate Change Type:	Decrease
Overall Percentage of Last Rate Revision:	%
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	Prior Approval
SERFF Tracking Number of Last Filing:	

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
ACE American Insurance Company	-14.100%	-14.100%	\$-227,728	3,480	\$1,612,363	-9.000%	-23.200%
Insurance Company of North America	-14.100%	-15.100%	\$-2,327	35	\$15,452	-12.700%	-17.600%
ACE Fire Underwriters Insurance Company	-14.100%	-14.800%	\$-8,135	135	\$54,827	-10.600%	-17.000%

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Boat Program - General Rules	1- 2	Replacement	SERFF no: ACEH-129525670, California DOI no's: 14-3766;14-3367, Company no: 14-PIM-2011485	Rules Manual - mock up.pdf Rules Manual - clean.pdf
2		Boat Program Rating Manual	1 - 19	Replacement	SERFF no: ACEH-127842569, California DOI no's: 11-10277;11-10278, Company no: 11-WA-2009855	Rate Manual - Marked Version rev.pdf Rate Manual - Clean Version rev.pdf

This is your Chubb Masterpiece Policy. Together with the Declarations and any Endorsements, it explains your coverages and other conditions of your insurance in detail.

This policy is a contract between you and us. **READ YOUR POLICY CAREFULLY** and keep it in a safe place.

Agreement

We agree to provide the insurance described in this marine insurance policy in return for your premium, compliance with the policy conditions, and adherence to representations described in all correspondence, documentation, or information provided to us by you or your agent or broker.

Definitions

In this policy, we use words in their plain English meaning. Words with special meanings are defined in the part of the policy where they are used. Defined terms used throughout the policy are defined here:

Bodily injury means physical bodily harm, including sickness or disease that results from it, and required care, loss of services, and resulting death.

Constructive total loss means the salvage value (determined by us) plus the cost necessary to repair the insured vessel (with labor and parts of like kind and quality without deduction for depreciation) is equal to or greater than the property damage amount of insurance shown on the Declarations Page.

Covered person means:

- you or a family member; or
- any person including a captain or a full time paid crew member using your insured vessel with permission from you or a family member. This does not include any person using or operating your insured vessel who is employed by a marina, boat repair yard, shipyard, yacht club, sales agency, boat service station or other similar organization.

Crew member means any person employed by you or on your behalf to work aboard the insured vessel and who is acting in service to the insured vessel at the time of a covered loss or occurrence either as a paid captain or paid crew member. Crew member does not include an individual employed/hired by you solely for the purpose of doing maintenance service repair, inspections, or other work on board the insured vessel while it is only at anchor, moored, tied up at a dock, in a repair facility or during sea trials.

Damages means the sum that is paid or is payable to satisfy a claim settled by us or resolved by judicial procedure or by a compromise we agree to in writing.

Dinghy/tender means a small craft which is a part of the insured vessel's equipment, is used for the operation of the insured vessel, is typically carried on board the insured vessel, and is used only to service the insured vessel. The dinghy/tender is included as part of the value of the insured vessel. However, dinghy/tender does not mean personal watercraft.

Introduction and Definitions

Definitions

(continued)

Essential document means any passport, birth certificate, paper, license, permit, title of ownership, guarantee or assurance, statement, certification, proof, or form that a governing jurisdiction requires from a covered person or your guest as a prerequisite to continue the voyage or visit ashore.

Family member means your relative who lives with you, or any other person under 25 in your care or your relative's care who lives with you, or a student under 25 in your care temporarily away at school who is a resident of your household.

Fine arts means private collections of paintings, etchings, pictures, tapestries, art glass windows, other bona fide works of art (for example, statues, antiques, rare books and manuscripts, porcelains, rare glass, crystal), and items of historical value or artistic merit.

Fishing tackle means fishing equipment normally carried on board your insured vessel including rods, reels, lures, spears and tackle boxes.

Insured vessel means any vessel you own, for which an amount of physical damage or liability coverage is shown on the Declarations Page, its hull, sails, machinery, contents, fixtures, furniture, dinghy/tenders, and equipment used for its operation and routine maintenance which would normally be included with the vessel when sold.

Mold means fungi, mold, mold spores, mycotoxins, and the scents and other byproducts of any of these.

Navigation and communication equipment means systems used exclusively on board the insured vessel that enable the insured vessel to determine its position, speed and/or direction to navigate safely, or communicate with other vessels or persons, but excluding electronic engine control systems.

Occurrence means a sudden and unexpected loss or accident to which this insurance applies occurring within the policy period. Continuous or repeated exposure to substantially the same general conditions unless excluded is considered to be one occurrence.

Personal property means any items normally worn or carried by a covered person, guest or your crew, while on board your insured vessel, including sports equipment, clothing, drones used exclusively for your own personal use, computer hardware kept and used exclusively on board your insured vessel for your own personal use, and other personal property, not otherwise excluded. It does not include valuable papers, including essential documents, legal tender, bank notes, stored value cards, bullion, gold, silver, platinum, tokens, checks, credit, debit or bank cards, passports, jewelry, watches, furs, fine arts, firearms, contents or fixtures.

Personal watercraft means a vessel powered by internal water jet propulsion designed to be operated by a person sitting, standing, or kneeling on it rather than within the confines of a hull.

Policy means your Masterpiece Policy, including the Declarations Page, endorsements and application. The Declarations Page includes the Scheduled Vessel Endorsement when attached to this policy.

Pollution means property damage, cleanup costs or containment expenses imposed by any federal, state, or local statute or regulation or reasonably incurred by you arising out of the sudden and accidental discharge, spillage, leakage or emission of waste, oil, fuel, petroleum or chemical products.

Introduction and Definitions

CHUBB®

Definitions

(continued)

Property damage means physical injury to or destruction of tangible property. Tangible property does not include legal tender, bank notes, stored value cards, tokens, checks, credit, debit or bank cards, bank deposits, stocks, bonds, deeds, mortgages, or other instruments of a similar nature.

Spouse means a partner in marriage or a partner in a civil union recognized under state law.

Total loss means the insured vessel shown on the Declarations Page is completely destroyed, lost or is a constructive total loss. An insured vessel is considered lost when it is not found within 30 days.

Tropical depression, tropical storm and hurricane mean weather systems so designated by the National Weather Service and/or the National Hurricane Center.

We, our and **us** means the insurance company named on the Declarations Page.

You means:

- an entity shown on the Declarations Page, its members and their spouses who live with them; or
- a person named on the Declarations Page, and a spouse who lives with that person.

This part of your Masterpiece Policy provides you with coverage against all risk of physical loss to your insured vessel, unless stated otherwise or an exclusion applies.

This coverage applies to a loss occurring on land or within the Navigational Limits shown in the Navigation Warranty attached to this policy.

Payment for a Loss

Amount of coverage

The amount of coverage for property damage for your insured vessel is shown on the Declarations Page.

Deductible

A deductible is that amount we will subtract from the amount of a covered loss we pay. Either the property damage deductible shown on the Declarations Page or a special deductible applies to the covered loss, unless stated otherwise. We will waive the property damage deductible shown on the Declarations Page only if:

- a total loss occurs; or
- a partial loss occurs which is caused in whole or in part by another vessel liable for the damage.

If a special deductible applies to a covered loss, it will not be waived.

If a covered loss involves a vessel covered under this part of this policy and a structure or a structure and contents, covered under any other policy issued by a direct or indirect subsidiary of Chubb Limited, and deductibles would apply to these vessels and homeowners losses in the same covered loss, we will only apply the greatest deductible once to the loss if it is to your benefit. This provision does not apply to covered losses subject to any Home and Contents special deductibles or any other special deductibles under this policy.

For each loss only to the dinghy/tender to your insured vessel, we will pay the lesser of the reasonable cost to repair or replace the dinghy/tender with like kind and quality, subject to depreciation. A \$250 deductible applies.

For each loss only to the electronic navigational equipment for your insured vessel, a \$250 deductible applies. The most we will pay for any one item of electronic navigational equipment is \$10,000. Electronic navigational equipment does not include electronic engine management systems equipment.

Payment basis

For a covered loss to your insured vessel, we will pay as follows:

Total loss. If your insured vessel is totally destroyed, lost or is a constructive total loss, we will pay the amount of property damage coverage shown on the Declarations Page. But we will reduce our payment by any amount paid for a previous loss to that insured vessel if the damage was not repaired.

When we pay for a total or constructive total loss, we reserve the right to keep the remains of your insured vessel or its proceeds.

Boat Property Damage Coverage

Payment for a Loss

(continued)

Partial loss. If your insured vessel is partially damaged, we will pay the reasonable costs to repair or replace, whichever is less, the damaged parts of your insured vessel, without deduction for depreciation, up to the amount of property damage coverage for that insured vessel shown on the Declarations Page with labor and parts of like kind and quality. This includes the reasonable cost of suitable patches or partial refinish to only the damaged area, to metal, wood, plastic, fiberglass or other molded material of the insured vessel. However, we will not pay more than the actual cash value, which is defined herein as replacement cost less depreciation, at the time of loss for the following:

- sails, dodgers, protective coverings inclusive of all-weather bridge and cockpit enclosures, carpeting, upholstery, cushions, and fabrics which are over three years of age; or
- outboard motors, outdrive units or machinery inside the insured vessel which is over seven years of age. The depreciation will not be greater than 80% of the replacement cost of that item.

Boat Property Damage Coverage

In Boat Property Damage Coverage, a “covered loss” includes all risk of physical loss to your insured vessel or other property covered under this part of your Masterpiece Policy, unless stated otherwise or an exclusion applies.

Extra Property Damage Coverages

In addition to covering the physical loss to your insured vessel, we also provide other related coverages. These coverages are in addition to the amount of property damage coverage for your insured vessel unless stated otherwise or an exclusion applies. All deductibles apply to Extra Property Damage Coverages unless stated otherwise.

Personal property

We cover personal property, including fishing tackle, of a covered person and that of your guests and your crew while it is on board your insured vessel. But we do not cover any loss caused by changes in temperature or humidity or if such personal property is lost or misplaced.

We will pay the lesser of the reasonable cost to repair or replace covered personal property with like kind and quality, subject to depreciation, up to the amount of coverage for personal property shown on the Declarations Page for each covered loss.

Precautionary measures

We will pay up to \$1,000 for the reasonable direct costs you incur to haul, fuel, or dock your insured vessel because your insured vessel is endangered by a covered peril. Expenses for the acquisition of lines, anchors and additional equipment to secure the insured vessel are not included in this coverage. However, in the event of a tropical depression, tropical storm or hurricane, the National Weather Service must issue a watch or warning for the area where your insured vessel is located. The maximum amount of coverage for this Extra Coverage is \$2,000 per policy period. There is no deductible for this coverage.

Boat Property Damage Coverage

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Extra Property Damage Coverages

(continued)

Loss expense

After a covered loss, we will pay for all reasonable salvage expense charges you are obligated to pay and the necessary temporary precautionary repairs made solely to protect your insured vessel from further loss or damage by a covered peril, up to 100% of the amount of property damage coverage shown on the Declarations Page for your insured vessel. There is no deductible for this coverage.

Trailers

We cover your trailer used with your insured vessel. For a covered loss to this trailer, we will pay the lesser of the reasonable cost to repair or replace the covered trailer with like kind and quality, subject to depreciation, up to the amount of coverage shown on the Declarations Page for trailers. The trailer deductible shown on the Declarations Page applies.

Emergency towing and service

We will pay up to the amount of Emergency towing and service coverage shown on the Declarations Page for your insured vessel for all reasonable costs incurred by you for the following emergency towing and service to your insured vessel and its trailer covered by this policy if voluntary help is not available and you must obtain commercial assistance:

- towing to the nearest marina, service station or other location where repairs can be made;
- delivery of necessary fuel or repair parts excluding the cost of the delivered items; and
- the cost of labor done at the site of breakdown.

The Emergency towing and service coverage provided is excess over all other valid or collectible towing assistance benefits applicable to the insured vessel and its trailer. This coverage applies only if your insured vessel or trailer is disabled for any reason other than a covered loss. There is no deductible for this coverage.

Newly acquired watercraft

We cover any watercraft you acquire during the policy period up to its verifiable purchase price or actual cash value, whichever is less, for up to 30 days after you acquire it provided the newly acquired watercraft:

- has a maximum speed of no greater than 70 miles per hour;
- is no more than 10 feet greater in length than the insured vessel shown on the Declarations Page; and
- has a purchase price no more than 20% greater than the amount of property damage coverage for the insured vessel shown on the Declarations Page.

You must request coverage for the newly acquired watercraft within the 30 days after you acquire it, we must agree to insure it, and you must pay the premium from the date acquired. Our payment is subject to a 2% deductible of the newly acquired watercraft's hull value or \$250, whichever is greater.

Exclusions

In addition to the exclusions under General Policy Exclusions, the following exclusions apply to your Boat Property Damage Coverage, including the Extra Property Damage Coverages, unless stated otherwise.

Boat Property Damage Coverage

CHUBB®

Exclusions

(continued)

The words “caused by” mean any loss that is contributed to, made worse by, or in any way results from that peril.

Gradual or sudden loss. We do not cover any loss caused by wear and tear, gradual deterioration, mechanical or electrical breakdown, machinery damage, a latent, manufacturing or design defect, galvanic corrosion, lack of maintenance, fiberglass osmosis or blistering, debonding, weathering, marring, scratching, denting, vermin, animals, marine life, or insects. However, we do provide coverage for collision with marine life and damage to engines, generators or pumps due to the attachment of zebra mussels provided the insured vessel is hauled and cleaned annually unless another exclusion applies.

Motor truck cargo transit. We do not cover any loss to your insured vessel that results while your insured vessel is being loaded, unloaded or transported overland by a commercial carrier, for distances greater than 250 miles, unless we agree in advance in writing to cover such transport.

Exhibition. We do not cover any loss to your insured vessel while your insured vessel is being used for exhibition.

Misappropriation. We do not cover any loss caused by the taking or other misappropriation of property by or directed by a person or entity named on the Declarations Page, that person’s spouse, a family member, or a person who lives with you. This exclusion does not apply to the taking or other misappropriation of property by your captain, crew, or guests, unless the misappropriation was directed by a person or entity named on the Declarations Page, that person’s spouse, a family member, or a person who lives with you.

Ocean cargo transit. We do not cover any loss to your insured vessel that results while your insured vessel is being loaded, unloaded or transported aboard an ocean cargo vessel, unless we agree in advance in writing to cover such transport.

Neglect. We do not cover any loss caused by your failure to use all reasonable means to protect property before, at, or after the time of a loss.

Confiscation. We do not cover any loss caused by the confiscation, destruction or seizure of property by any government or public authority.

Provisions. We do not cover any loss to the provisions of your insured vessel.

Diminution in value. We do not provide coverage for diminution in value. “Diminution in value” means the actual or perceived loss in market or resale value which results from a covered loss.

This part of your Masterpiece Policy provides you with coverage against all risk of physical loss to your insured vessel, unless stated otherwise or an exclusion applies.

This coverage applies to a loss occurring on land or within the Navigational Limits shown in the Navigation Warranty attached to this policy.

Payment for a Loss

Amount of coverage

The amount of coverage for property damage for your insured vessel is shown on the Declarations Page.

Deductible

A deductible is that amount we will subtract from the amount of a covered loss we pay. Either the property damage deductible shown on the Declarations Page or a special deductible applies to the covered loss, unless stated otherwise. We will waive the property damage deductible shown on the Declarations Page only if:

- a total loss occurs; or
 - a partial loss occurs which is caused in whole or in part by another vessel liable for the damage.
- If a special deductible applies to a covered loss, it will not be waived.

If a covered loss involves a vessel covered under this part of this policy and a structure or a structure and contents, covered under any other policy issued by a direct or indirect subsidiary of Chubb Limited, and deductibles would apply to these vessels and homeowners losses in the same covered loss, we will only apply the greatest deductible once to the loss if it is to your benefit. This provision does not apply to covered losses subject to any Home and Contents special deductibles or any other special deductibles under this policy.

A deductible does not apply for a covered loss only to the dinghy/tender to your insured vessel.

For each loss only to the electronic navigational equipment for your insured vessel, a \$250 deductible applies. Electronic navigational equipment does not include electronic engine management systems equipment.

Payment basis

For a covered loss to your insured vessel, we will pay as follows:

Total loss. If your insured vessel is totally destroyed, lost or is a constructive total loss, and is:

- three years of age or less and has an amount of property damage coverage shown on the Declarations Page of less than \$250,000, we will pay the replacement cost up to 120% of the property damage amount shown on the Declarations Page.
- greater than three years of age or has an amount of property damage coverage shown on the Declarations Page of \$250,000 or greater, we will pay the amount of property damage coverage shown on the Declarations Page.

We will reduce our payment by any amount paid for a previous loss to that insured vessel if the damage was not repaired. If you choose not to replace your insured vessel, we will only pay up to the amount of property damage coverage shown on the Declarations Page for your insured vessel.

Boat SelectSM Property Damage Coverage

Payment for a Loss

(continued)

If a replacement for the insured vessel cannot be found within 60 days, we will pay the amount of property damage coverage shown on the Declarations Page for your insured vessel.

“Replacement cost” means the amount required at the time of loss to replace your insured vessel with a vessel of like design, and materials and workmanship of comparable kind and quality which existed at the time of loss.

When we pay for a total or constructive total loss, we reserve the right to keep the remains of your insured vessel or its proceeds.

Partial loss. If your insured vessel is partially damaged, we will pay the reasonable cost to repair or replace, whichever is less, the damaged parts of your insured vessel, without deduction for depreciation, up to the amount of property damage coverage for that insured vessel shown on the Declarations Page with labor and parts of like kind and quality. We will use original equipment manufacturer parts for repairs arising out of a covered loss to your insured vessel, unless the parts are no longer manufactured or available. However, we will not pay more than the actual cash value, which is defined herein as replacement cost less depreciation, at the time of a loss for the following:

- sails, dodgers, protective coverings inclusive of all-weather bridge and cockpit enclosures, carpeting, upholstery, cushions and fabrics which are over three years of age;
- outboard motors or outdrive units which are over seven years of age; or
- machinery inside the insured vessel which is over ten years of age.

The depreciation will not be greater than 80% of the replacement cost of that item.

Boat Select Property Damage Coverage

In Boat Select Property Damage Coverage, a “covered loss” includes all risk of physical loss to your insured vessel or other property covered under this part of your Masterpiece Policy, unless stated otherwise or an exclusion applies.

Extra Property Damage Coverages

In addition to covering the physical loss to your insured vessel, we also provide other related coverages. These coverages are in addition to the amount of property damage coverage for your insured vessel unless stated otherwise or an exclusion applies. All deductibles apply to Extra Property Damage Coverages unless stated otherwise.

Personal property

We cover personal property, including fishing tackle, of a covered person and that of your guests and your crew while it is on board your insured vessel. But we do not cover any loss caused by changes in temperature or humidity or if such personal property is lost or misplaced.

Boat SelectSM Property Damage Coverage

CHUBB

Extra Property Damage Coverages

(continued)

We will pay the lesser of the reasonable cost to repair or replace covered personal property with like kind and quality, without deduction for depreciation, up to the amount of coverage for personal property shown on the Declarations Page for each covered loss. There is no deductible for this coverage.

Precautionary measures

We will pay up to \$1,500 for the reasonable direct costs you incur to haul, fuel, or dock your insured vessel, including the direct costs for the acquisition of lines, anchors and additional equipment to secure the insured vessel, because your insured vessel is endangered by a covered peril. However, in the event of a tropical depression, tropical storm or hurricane, the National Weather Service must issue a watch or warning for the area where your insured vessel is located. There is no deductible for this coverage.

Loss expense

After a covered loss, we will pay for all reasonable salvage expense charges you are obligated to pay and the necessary temporary precautionary repairs made solely to protect your insured vessel from further loss or damage by a covered peril, up to 100% of the amount of property damage coverage shown on the Declarations Page for your insured vessel. There is no deductible for this coverage.

Trailers

We cover your trailer used with your insured vessel. For a covered loss to this trailer, we will pay the lesser of the reasonable cost to repair or replace the covered trailer with like kind and quality, without deduction for depreciation, up to the amount of coverage shown on the Declarations Page for trailers. The trailer deductible shown on the Declarations Page applies.

Emergency towing and service

We will pay up to the amount of property damage coverage shown on the Declarations Page for your insured vessel for all reasonable costs incurred by you for the following emergency towing and service to your insured vessel and its trailer:

- towing to the nearest marina, service station or other location where repairs can be made;
- delivery of necessary fuel or repair parts excluding the cost of the delivered items; and
- the cost of labor done at the site of breakdown.

This coverage applies only if your insured vessel or trailer is disabled for any reason other than a covered loss. There is no deductible for this coverage.

Newly acquired watercraft

We cover any watercraft you acquire during the policy period up to its verifiable purchase price or actual cash value, whichever is less, for up to 30 days after you acquire it. But you must request coverage for the newly acquired watercraft within the 30 days after you acquire it, we must agree to insure it, and you must pay the premium from the date acquired. Our payment is subject to a \$250 deductible.

Boat SelectSM Property Damage Coverage

Extra Property Damage Coverages

(continued)

Temporary substitute watercraft

If your insured vessel is out of commission due to a covered partial loss and has not been repaired within 72 hours from the date of loss, we will pay up to \$5,000 to charter a temporary substitute watercraft. The temporary substitute watercraft must be of similar type and of equal or lesser value and length. But we do not cover temporary substitute watercraft if:

- the covered loss resulted in a total loss of your insured vessel; or
- the temporary substitute watercraft is being used for any purpose other than replacing your insured vessel while it is out of commission.

Pet injury

If one or more of your domestic pets, which is not primarily owned or kept for business use, is injured or dies as a result of a covered loss to your insured vessel, we will pay for the necessary, reasonable expenses you incur to treat, euthanize, cremate, bury, and replace these pets, up to \$2,000 regardless of the number of pets involved in the covered loss. There is no deductible for this coverage.

Exclusions

In addition to the exclusions under General Policy Exclusions, the following exclusions apply to your Boat Select Property Damage Coverage, including the Extra Property Damage Coverages, unless stated otherwise.

The words “caused by” mean any loss that is contributed to, made worse by, or in any way results from that peril.

Gradual or sudden loss. We do not cover any loss caused by wear and tear, gradual deterioration, galvanic corrosion, lack of maintenance, fiberglass osmosis, blistering or marine life. However, we do insure ensuing covered loss due to fire, explosion, sinking, demasting, collision or stranding unless another exclusion applies. We also provide coverage for damage to engines, generators or pumps due to the attachment of zebra mussels provided the insured vessel is hauled and cleaned annually.

Exhibition. We do not cover any loss to your insured vessel while your insured vessel is being used for exhibition.

Misappropriation. We do not cover any loss caused by the taking or other misappropriation of property by or directed by a person or entity named on the Declarations Page, that person’s spouse, a family member, or a person who lives with you. This exclusion does not apply to the taking or other misappropriation of property by your captain, crew, or guests, unless the misappropriation was directed by a person or entity named on the Declarations Page, that person’s spouse, a family member, or a person who lives with you.

Ocean cargo transit. We do not cover any loss to your insured vessel that results while your insured vessel is being loaded, unloaded or transported aboard an ocean cargo vessel, unless we agree in advance in writing to cover such transport.

Neglect. We do not cover any loss caused by your failure to use all reasonable means to protect property before, at, or after the time of a loss.

**Boat SelectSM Property
Damage Coverage**

CHUBB®

Exclusions

(continued)

Confiscation. We do not cover any loss caused by the confiscation, destruction or seizure of property by any government or public authority.

Provisions. We do not cover any loss to the provisions of your insured vessel.

Diminution in value. We do not provide coverage for diminution in value. "Diminution in value" means the actual or perceived loss in market or resale value which results from a covered loss.

This part of your Masterpiece Policy provides you with Boat Select Liability Coverage, unless stated otherwise or an exclusion applies.

Payment for a Loss

Amount of coverage

The amount of coverage for liability is shown on the Declarations Page. This is the maximum amount of coverage for liability available for any one occurrence regardless of the number of insured vessels covered under this policy. We will not pay more than that amount for covered damages from any one occurrence, regardless of how many claims, policies, watercraft, vessels, yachts, or people are involved in the occurrence.

Any sums we pay for Maritime benefits, or costs we pay for legal expenses (see Defense Coverages), are in addition to the amount of coverage.

Deductible

A deductible is that amount we will subtract from the amount of covered damages we pay. If shown on the Declarations Page, a liability deductible could apply to each occurrence unless stated otherwise.

Boat Select Liability Coverage

We cover damages a covered person is legally obligated to pay for bodily injury or property damage arising out of the ownership, maintenance, use, loading or unloading of your insured vessel, which take place anytime during the policy period and is caused by an occurrence unless stated otherwise or an exclusion applies. This coverage includes damages you are legally obligated to pay as a result of liability under the Jones Act, General Maritime Law, the Longshore and Harbor Workers' Compensation Act and the Maritime Labour Convention, 2006 or any subsequent amendments, or similar laws.

This coverage applies to damages occurring within the Navigational Limits covered in this policy including the land portions of the Navigational Limits shown on the Navigation Warranty, except where prohibited by law.

Maritime benefits

We also provide you with coverage for sums you are legally obligated to pay for:

- unearned wages, maintenance and cure under General Maritime Law for a Jones Act seaman;
- the financial consequences of sickness, injury or death of a seafarer under the Maritime Labour Convention, 2006 or any subsequent amendments, or similar laws;
- reasonable expenses incurred by you to repatriate any member of your crew as required by the Maritime Labour Convention, 2006 or any subsequent amendments, or similar laws; and
- benefits payable to an injured worker under the Longshore and Harbor Workers' Compensation Act.

Boat SelectSM

Liability Coverage

Boat Select Liability Coverage

(continued)

Oil Pollution Act

We also provide you with coverage and limits of liability required by the Oil Pollution Act of 1990, and any subsequent amendments. If the Oil Pollution Act of 1990, and any subsequent amendments, has a financial responsibility or similar requirement specifying limits of liability for property damage higher than the amount of coverage for liability shown on the Declarations Page, and if there is no other valid and collectible insurance, we will provide the specified higher limit. However, we will not pay more than the limit of liability required by the Oil Pollution Act of 1990 or any subsequent amendments.

Exclusions to this coverage are described in Exclusions.

Defense coverages

We will defend a covered person against any suit seeking covered damages for bodily injury or property damage. We provide this defense at our own expense, with counsel of our choice, even if the suit is groundless, false, or fraudulent. We may investigate, negotiate, and settle any such claim or suit at our discretion.

As part of our investigation, defense, negotiation, or settlement we will pay:

- all premiums on appeal bonds required in any suit we defend;
- all premiums on bonds to release attachments for any amount up to the amount of coverage for liability (but we are not obligated to apply for or furnish any bond);
- all expenses incurred by us;
- all costs taxed against a covered person;
- all interest accruing after a judgement is entered in a suit we defend, on only that part of the judgement we are responsible for paying. We will not pay interest accruing after we have paid the judgement up to the amount of coverage;
- all prejudgement interest awarded against a covered person on that part of the judgement we pay or offer to pay. We will not pay any prejudgement interest based on that period of time after we make an offer to pay the amount of coverage;
- all earnings lost by each covered person at our request, up to \$50,000;
- other reasonable expenses incurred by a covered person at our request; and
- the cost of bail bonds required of a covered person because of a covered loss.

In jurisdictions where we may be prevented by local law from carrying out these Defense Coverages, we will pay only those defense expenses that we agree in writing to pay and that are incurred by you.

Defense coverages does not apply to the following liability coverages: Wreck removal, Marine environmental damage, and Search and rescue.

Extra Liability Coverages

In addition to covering damages and defense costs, we also provide other related coverages. These coverages are in addition to the amount of coverage for damages and defense costs unless stated otherwise or an exclusion applies.

Extra Liability Coverages

(continued)

Operating other watercraft

We cover damages you are legally obligated to pay for bodily injury or property damage caused by an occurrence during the policy period which result while you are operating another watercraft for no longer than 45 days, that is not owned, rented or chartered by you or a family member, unless stated otherwise or an exclusion applies.

However, the most we will pay for property damage to the other watercraft and its equipment is up to \$50,000, subject to a \$500 deductible, unless stated otherwise or an exclusion applies.

These payments do not increase the amount of liability coverage.

Newly acquired watercraft

We cover damages a covered person is legally obligated to pay for bodily injury or property damage caused by an occurrence resulting from the ownership, maintenance or use of any watercraft you acquire during the policy period for up to 30 days after acquisition, unless stated otherwise or an exclusion applies. These payments do not increase the amount of liability coverage. You must request coverage for the newly acquired watercraft within the 30 days after you acquire it, we must agree to insure it, and you must pay the premium from the date acquired.

Temporary substitute watercraft

If your insured vessel is out of commission because of a covered partial loss and has not been repaired within 72 hours from the date of loss, we cover damages a covered person is legally obligated to pay for bodily injury or property damage arising from the maintenance or use of a temporary substitute watercraft while your insured vessel is being repaired. The temporary substitute watercraft must be of similar type and of equal or lesser value and length. But we do not cover any person for the maintenance or use of a temporary substitute watercraft if:

- the covered loss resulted in a total loss to your insured vessel; or
- the temporary substitute watercraft is being used for any purpose other than replacing your insured vessel while it is out of commission.

These payments do not increase the amount of liability coverage.

Marine environmental damage fines and penalties

We cover fines, penalties, assessments, multiplication of damages, restoration costs and monitoring costs a covered person is legally obligated to pay, up to \$15,000 for any one occurrence.

"Marine environmental damage" means the physical injury to or the alteration or destruction of coastal or marine habitat through physical contact with your insured vessel.

"Marine habitat" means the place or environment where a plant or animal naturally or normally lives.

Search and rescue

We will pay up to \$15,000 for the reasonable expenses incurred by you or a family member for a search and rescue operation in the event any person is lost at sea from your insured vessel.

Boat SelectSM

Liability Coverage

Extra Liability Coverages

(continued)

Marina as additional insured

The yacht club, marina or other similar facility where the insured vessel(s) is kept is added as an additional insured on this policy, but only as their interest may appear in the insured vessel and for the liability arising out of the acts, errors or omissions of the named insured with respect to the insured vessel covered by this policy. The additional insured is named as such for purpose of bodily injury and property damage liability in connection with the named insured's ownership, maintenance and operation of the insured vessel covered by this policy.

Wreck removal

We will pay up to 100% of the amount of coverage for liability to cover the reasonable costs to raise, remove, or destroy the wreck of your insured vessel, if you are legally required to do so.

Accidental death benefit

We will pay an accidental death benefit of \$5,000 in the event of your or a family member's death after an occurrence, when death results directly from bodily injury sustained out of the use or operation of the insured vessel, and independently of all other causes of bodily injury (other than sickness or disease resulting therefrom), if death occurs within 90 days of the occurrence.

Exclusions

In addition to the exclusions under General Policy Exclusions, the following exclusions apply to your Boat Select Liability Coverage, including the Extra Liability Coverages, unless stated otherwise.

Employees. We do not cover any employee of an entity named on the Declarations Page other than for damages arising out of the ownership, maintenance, use, towing, loading or unloading of your insured vessel.

Nonpermissive use. We do not cover any person who uses your insured vessel without permission from a covered person.

Workers' compensation or disability. We do not cover any damages a covered person is legally obligated to provide under any workers' compensation, disability benefits, unemployment compensation or similar law.

Fines/punitive damages. We do not cover any fines, penalties or punitive damages. This exclusion does not apply to Marine environmental damage fines and penalties.

Contractual liability. We do not cover any covered person for damages for any liability assumed under any oral or written contract or agreement.

Lost wages. We do not cover any loss of crew wages, except as provided under the Jones Act, the Longshore and Harbor Workers' Compensation Act, the Maritime Labour Convention, 2006 or any subsequent amendments and General Maritime Law.

Boat SelectSM
Liability Coverage

CHUBB[®]

Exclusions

(continued)

Covered person's or dependent's bodily injury. We do not cover any damages for bodily injury for any covered person or his or her dependents where the ultimate beneficiary is the offending party or defendant. We also do not cover any damages for bodily injury for which a person or entity named on the Declarations Page or a family member can be held legally liable, in any way, to a spouse, a family member, a person who lives with you, or a person or entity named on the Declarations Page. We also do not cover any damages for bodily injury for which a spouse, a family member, a person who lives with you, or a person or entity named on the Declarations Page can be held legally liable, in any way, to you or a family member.

Your owned watercraft. We do not cover any person for property damage to watercraft owned by you or a family member.

Your other watercraft. We do not cover any person for damages arising out of the ownership, maintenance, use, loading, unloading, transporting, or towing of any watercraft owned by you or a family member that is not covered under this policy.

Operating other watercraft. We do not cover any property damage to watercraft you operate, which is not owned, rented or chartered by you or a family member, other than provided under the Extra Liability Coverage, Operating other watercraft.

This part of your Masterpiece Policy provides you with Medical Payments Coverage, unless stated otherwise or an exclusion applies.

Payment for a Loss

Amount of coverage

The amount of coverage for medical payments is shown on the Declarations Page. We will not pay more than that amount for covered damages from any one occurrence, regardless of how many claims, policies, watercraft, vessels, yachts, or people are involved in the occurrence.

Any payment made under Medical payments coverage is not an admission of liability by a covered person or us.

Medical Payments Coverage

We will pay for reasonable medical expenses for each occurrence for medical expenses incurred or medically ascertained within three years of an accident. But the expenses must be for bodily injury to persons from a boating accident which occurs while, in, upon, boarding, leaving or towed behind:

- an insured vessel shown on the Declarations Page, or
- a temporary substitute watercraft or a newly acquired watercraft.

"Medical expenses" includes reasonable charges for first aid, medical, funeral, surgical, x-ray, dental, ambulance, hospital, rehabilitation, professional nursing services, and prosthetic devices.

Exclusions

In addition to the exclusions under General Policy Exclusions, the following exclusions apply to your Medical Payments Coverage, unless stated otherwise.

Employees. We do not cover any employee of an entity named on the Declarations Page other than for damages arising out of the ownership, maintenance, use, towing, loading or unloading of your insured vessel.

Nonpermissive use. We do not cover any person who uses your insured vessel without permission from a covered person.

Workers' compensation or disability. We do not cover any damages a covered person is legally obligated to provide under any workers' compensation, disability benefits, unemployment compensation or similar law.

Contractual liability. We do not cover any covered person for damages for any liability assumed under any oral or written contract or agreement.

Medical Payments Coverage

Exclusions

(continued)

Lost wages. We do not cover any loss of crew wages, except as provided under the Jones Act, the Longshore and Harbor Workers' Compensation Act, General Maritime Law and the Maritime Labour Convention, 2006 or any subsequent amendments.

Covered person's or dependent's bodily injury. We do not cover any damages for bodily injury for any covered person or his or her dependents where the ultimate beneficiary is the offending party or defendant. We also do not cover any damages for bodily injury for which a person or entity named on the Declarations Page or a family member can be held legally liable, in any way, to a spouse, a family member, a person who lives with you, or a person or entity named on the Declarations Page. We also do not cover any damages for bodily injury for which a spouse, a family member, a person who lives with you, or a person or entity named on the Declarations Page can be held legally liable, in any way, to you or a family member.

This part of your Masterpiece Policy provides you with coverage you are legally entitled to receive from the owner or operator of an uninsured vessel, unless stated otherwise or an exclusion applies.

This coverage applies to a loss occurring on land or within the Navigational Limits shown in the Navigation Warranty attached to this policy.

Payment for a Loss

Amount of coverage

The amount of coverage for uninsured boaters protection is shown on the Declarations Page. This is the maximum amount of coverage available for any one occurrence regardless of the number of insured vessels covered under this policy. We will not pay more than this amount for covered damages from any one occurrence regardless of the number of claims made, policies, watercraft, vessels, yachts, or people are involved in the occurrence.

Duplication of benefits

We will not duplicate any payments already made under any workers' compensation, disability benefits, Jones Act, General Maritime Law, the Longshore and Harbor Workers' Compensation Act and the Maritime Labour Convention, 2006 or any subsequent amendments, or similar laws. And we will deduct from our payments under this coverage any payment the covered person is entitled to recover under any applicable bodily injury liability bonds or policies, including this policy or under any workers' compensation, disability benefits, Jones Act, General Maritime Law, the Longshore and Harbor Workers' Compensation Act and the Maritime Labour Convention, 2006 or any subsequent amendments, or similar laws. No one will be entitled to recover duplicate payments for the same elements of loss.

Uninsured Boaters Protection

We will pay to a covered person damages for bodily injury sustained while on board any insured vessel covered under this policy that the covered person is legally entitled to receive from the owner or operator of an uninsured vessel. We cover these damages for bodily injury to a covered person resulting from physical contact between your insured vessel and an uninsured vessel unless stated otherwise or an exclusion applies. We do not cover damages where there is no evidence of physical contact between your insured vessel and an uninsured vessel.

We will pay this coverage only if:

- the amount of liability under any bodily injury liability bonds or policies applicable to the uninsured vessel have been exhausted by payment of judgements or settlements; or
- a tentative settlement has been made between a covered person and the insurer of the uninsured vessel and we:
 - have been given prompt written notice of such tentative settlement; and
 - advance payment to a covered person in an amount equal to the tentative settlement within 30 days after receipt of notification.

"Uninsured vessel" means a vessel that:

- has no bodily injury liability policy or bond applying at the time of the accident;
- has a limit of liability less than the limit provided under this policy;
- is a hit-and-run vessel whose owner or operator cannot be identified; or
- has a bodily injury liability policy or bond with an insurance or bonding company that denies coverage or becomes insolvent within one year after the accident.

Uninsured Boaters Protection

Uninsured Boaters Protection

(continued)

However, "uninsured vessel" does not include any vessel that is:

- owned by, furnished to, or available for a covered person's regular use; or
- being used as a residence or premises.

Exclusions

In addition to the exclusions under General Policy Exclusions, the following exclusions apply to your Uninsured Boaters Protection, unless stated otherwise.

Claims settled without our consent. We do not cover any claim settled with a third party without our written consent. Nor do we cover any judgement for a suit brought without our written consent. However, this exclusion does not apply if such settlement does not prejudice our right to recover payment.

Workers' compensation or disability. We do not cover any damages a covered person is legally obligated to provide under any workers' compensation, disability benefits, unemployment compensation or similar law.

Fines/punitive damages. We do not cover any fines, penalties or punitive damages. This exclusion does not apply to Marine environmental damage.

Your other watercraft. We do not cover any person for damages arising out of the ownership, maintenance, use, loading, unloading, transporting, or towing of any watercraft owned by you or a family member that is not covered under this policy.

Lost wages. We do not cover any loss of crew wages, except as provided under the Jones Act, the Longshore and Harbor Workers' Compensation Act, the Maritime Labour Convention, 2006 or any subsequent amendments and General Maritime Law.

Evidence of physical contact. We do not cover any damages where there is no evidence of physical contact between your insured vessel and an uninsured vessel.

This part of your Masterpiece Policy explains the exclusions that apply to your policy.

General Exclusions

These exclusions apply to your policy in general, and to each coverage in it, unless stated otherwise.

Intentional acts

We do not provide any coverage for loss, damage, liability or expenses arising out of an act intended by any covered person to cause personal injury or property damage, even if the injury or damage is of a different degree or type than actually intended or expected. But we do cover such damages if the act was intended to protect people or property unless another exclusion applies. An intentional act is one whose consequences could have been foreseen by a reasonable person.

Illegal acts

We do not provide any coverage for loss, damage, liability or expenses arising from any illegal transportation or trade. But we do provide coverage for you or a family member who is not directly or indirectly involved in the illegal act.

Charter

We do not provide any coverage for loss, damage, liability or expenses that result while your insured vessel is being used for charter.

Commercial use

We do not provide any coverage for loss, damage, liability or expenses that result while your insured vessel is being used for commercial purposes. Recreational entertaining of business clients on your insured vessel is not considered commercial use.

Racing

We do not provide any coverage for loss, damage, liability or expenses arising out of the ownership, maintenance or use of your insured vessel during any instruction, practice, preparation for, or participation in, any competitive, prearranged or organized racing, speed test or speed contest, sports event or timed event of any kind, except sailboat races or predicted log contests.

Towing

We do not provide any coverage for loss, damage, liability or expenses arising out of the towing of any vessel by your insured vessel or out of the towing of your insured vessel by any vessel, except:

- a dinghy/tender owned by you;
- in an emergency situation;
- non-owned vessels in distress or unintentionally disabled, provided there is no consideration for your services; or
- the insured vessel towing another vessel owned by you while navigating inland waters or rivers except the Great Lakes, subject to the Navigation Warranty attached to this policy.

Para-sailing, kite-skiing or other activities

We do not provide any coverage for loss, damage, liability or expenses arising out of para-sailing, kite-skiing, or any other activity involving a device designed for flight. This exclusion also includes but is not limited to flyboards, hoverboards, jetlevs, jetovators or other similar devices.

General Policy Exclusions

CHUBB®

General Exclusions

(continued)

Fungi, mold, bacteria and virus

We do not provide any coverage for any actual or alleged loss, damage, liability or expenses arising out of mold, bacteria or virus, the fear of mold, bacteria or virus, or any consequences resulting from mold, bacteria or virus, or the fear of mold, bacteria or virus.

Aircraft

We do not cover any loss to an aircraft or aircraft parts. We also do not cover any damages arising out of the ownership, maintenance, use, loading, unloading, transporting or towing of any aircraft. "Aircraft" means any device used or designed for flight, except drones or similar unmanned device not used or designed to carry people or cargo.

However, with respect to the ownership, maintenance or use of any drones or similar unmanned device, we do not cover any damages:

- while such drone or similar unmanned device is being operated in a restricted airspace as determined by the Federal Aviation Administration or other governmental agency, whether on a local, state or federal level, including any temporary flight restrictions; or
- to any aircraft, including any resulting damages. This exclusion applies whether such drone or similar unmanned device makes contact with the aircraft or not.

Motorized land vehicles

We do not provide any coverage for loss, damage, liability or expenses arising out of the ownership, maintenance, use, loading, unloading, storing, transporting or towing of any motorized land vehicle.

Acts of war

We do not provide any coverage for loss, damage, liability or expenses caused by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by a military force or personnel, any action taken in hindering or defending against any of these, the destruction or seizure of property for a military purpose, or any consequences of any of these acts regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss.

Nuclear or radiation hazard

We do not provide any coverage for loss, damage, liability or expenses caused by nuclear reaction, radiation, or radioactive contamination, whether controlled or uncontrolled, or any consequence of any of these, regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss.

Chemical weapons and cyber attacks

We do not provide any coverage for loss, damage, liability or expenses caused by the use or threatened use of:

- any chemical, biological, bio-chemical, or electromagnetic weapon, device, agent or material; or
- any computer, computer system, software program, virus or process, or any other electronic system, as a means for inflicting harm, or the consequence of any of these, regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss.

We also do not cover any loss caused by any action taken in hindering or defending against the use or threatened use of any of these.

General Policy Exclusions

CHUBB®

General Exclusions

(continued)

Personal watercraft

We do not provide any coverage for loss, damage, liability or expenses arising out of the operation of any personal watercraft:

- from sunset to sunrise;
- while towing any person; or
- by any person who does not have a valid motor vehicle driver's license, other than you or a family member age 16 or older.

This part of your Masterpiece Policy explains the conditions that apply to your policy.

General Conditions

These conditions apply to your policy in general, and to each coverage in it.

Policy period

The effective dates of your policy are shown on the Declarations Page. Those dates begin at 12:01 a.m. standard time at the mailing address shown. Each renewal period shall be for a similar term.

All coverages on this policy apply only to occurrences that take place while this policy is in effect.

Renewals

We or our agent may offer to renew this policy, at the premiums and under the policy provisions in effect at the date of renewal. We can do this by mailing you a bill for the premium to the address shown on the Declarations Page, along with any changes in the policy provisions or amounts of coverage. You may accept our offer by paying the required premium on or before the starting date of each renewal period.

Change in control

We do not provide coverage as of the date your insured vessel is sold, pledged, assigned, or transferred to a new owner, the date your vessel is legally removed from your custody or control, or the date there is a change in the controlling interest of the entity, which is shown on the Declarations Page, that owns your insured vessel.

Transfer of rights

If we make a payment under this policy, we will assume any recovery rights a covered person has in connection with that loss, to the extent we have paid for the loss.

All of your rights of recovery will become our rights to the extent of any payment we make under this policy. A covered person will do everything necessary to secure such rights, and do nothing after a loss to prejudice such rights. If you take any action that impairs or waives our right to recover, you will have no coverage for loss unless we agree in advance to such action. However, you may waive your rights of recovery if you sign a written contract for repair of your insured vessel as a result of a covered loss, or if you sign a written contract for the dockage, slip rental, moorage, hauling/launching, or storage of your insured vessel.

Concealment, misrepresentation, or omissions

This policy is void if you or any covered person has concealed, misrepresented, or omitted any material fact relating to this policy before or after a loss.

Carrier and bailees

We will not make any payments under this policy to the benefit of any carrier or other bailee of damaged or lost property.

Assignment

You cannot transfer your interest in this policy to anyone else unless we agree in writing to the transfer.

Policy Terms

General Conditions

(continued)

Application of coverage

The amount of coverage applies separately to each covered person but does not increase the amount of coverage for any one occurrence.

Duplicate coverages

If a loss is covered under more than one part of this policy, we will pay you under the part giving you the most coverage, but not under more than one part. In no event will we make duplicate payments.

Policy changes

This policy can be changed only by a written amendment or endorsement we issue.

Bankruptcy or insolvency

We will meet all our obligations under this policy regardless of whether you, your estate, or anyone else or his or her estate becomes bankrupt or insolvent.

In case of death

In the event of your death, we cover your legal representative or any person having proper temporary custody of your insured vessel until a legal representative is appointed and qualified, but only with respect to your insured vessel covered under the policy at the time of death. We will also cover any member of your household who is a covered person at the time of death.

Liberalization

We may extend or broaden the insurance provided by this policy. If we do this during the policy period or within 60 days before it begins, without increasing the premium, then the extended or broadened coverage will apply to occurrences after the effective date of the extended or broadened coverage.

Conforming to state law or maritime law

This policy shall be construed in accordance with General Maritime Law or Admiralty Rule. If no General Maritime Law or Admiralty Rule applies, the law of the State appearing in your address as contained upon the Declarations Page will apply without regard to the conflict of laws or provisions thereof. Any provision of this policy that would be invalid under the applicable law shall be amended to the extent necessary for such provision to be in conformance with such law.

Conforming to trade sanction laws

This policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

Local insurance

You agree to obtain compulsory insurance you are required by the law of the local government for any countries outside of the United States, its territories or possessions, listed within the Navigational limits described in your Navigation Warranty.

General Conditions

(continued)

Navigational limits extension

If your insured vessel unintentionally navigates beyond the navigational limits specified on the Navigation Warranty included in this policy, this policy will remain in effect. You must give us written notice within ten days of the navigational limits breach and pay any additional premium due for the coverage extension.

Property Damage Conditions

These conditions apply to all coverage for damage to property in this policy.

Other insurance

When other property damage insurance applies to a covered loss, we will pay only the portion of the loss that the amount of coverage under this policy bears to the total amount of insurance covering the loss. However, our property damage coverage is excess over any compulsory insurance you are required to obtain by the law of the local government for any countries outside of the United States, its territories or possessions, listed within the Navigational limits described in your Navigation Warranty.

Your duties after a loss

If you have a loss this policy may cover, you must perform these duties:

Notification. You must immediately notify us or your agent or broker of your loss. In case of theft or accident, you must also notify the police or similar competent authority.

Cooperation and assistance. You must cooperate with and assist us fully in facilitating the investigation and adjustment of a loss, including assisting us in securing evidence and obtaining the attendance of witnesses. These witnesses may include you, family members, captain or crew members, other members of your household, anyone using your insured vessel with your permission, and anyone with knowledge of the loss.

Protect property. You must take all reasonable means that are necessary to protect property from further loss or damage.

Prepare an inventory. At our request, you must prepare and submit to us within 30 days of our request an itemized or valued inventory of damaged property, describing the loss in full. It should show in detail the amount insured under this policy and actual amount of the loss. Attach bills, receipts, and other documents to support your inventory.

Display of loss. You must show us the damaged property when we ask and as often as we reasonably require.

Proof of loss. At our request, you must submit to us, within 60 days after we request, your signed, sworn proof of loss providing all information and documentation we request such as the cause of loss, inventories, receipts, repair estimates and other similar records.

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Property Damage Conditions

(continued)

Examination under oath. We have the right to examine separately under oath, as often as we may reasonably require, you, family members, captain or crew members, other members of your household, anyone using your insured vessel with your permission, and anyone with knowledge of the loss, and have them subscribe the same. We may also ask you to give us a signed description of the circumstances surrounding a loss and your interest in it, and to produce all records and documents we request and permit us to make copies

Insurable interest

We will not pay for any loss to your insured vessel unless you or a family member has an insurable interest at the time of the loss.

If more than one person has an insurable interest in your insured vessel, we will not pay for an amount greater than your interest, up to the amount of coverage that applies.

Abandoning property

You cannot abandon any property to us unless we agree to accept it. You cannot abandon any property to a third party unless we agree.

Survey

If you or we fail to agree on the amount of loss, you or we may demand a survey of loss. Each party will select a licensed, independent marine surveyor within 20 days after receiving written request from the other. The two surveyors will select a third marine surveyor. If they cannot agree on a third surveyor within 15 days, you or we may request that the selection be made by a judge of a court having jurisdiction. Written agreement signed by any two of the three surveyors shall set the amount of the loss. However, the maximum amount we will pay for a loss is the applicable amount of coverage even if the amount of the loss is determined to be greater by survey. Each surveyor will be paid by the party selecting the surveyor. Other expenses of the survey and the compensation of the third surveyor shall be shared equally by you and us. However, any such survey will be without prejudice, and we will not waive our rights under this policy by agreeing to a survey.

Loss payee

If a loss payee is named in this policy, any loss payable will be paid to the loss payee and you, as interests appear. If more than one loss payee is named, the order of payment will be the same as the order of precedence of the loss payees. We cover the interests of the loss payee, unless the loss results from fraudulent acts or omissions on your part.

If we deny your claim, that denial will not apply to a valid claim of the loss payee provided that the loss payee:

- notifies us of any change in ownership or substantial change in risk of which the loss payee is aware;
- pays any premium due under this policy on demand if you have neglected to pay the premium; and
- submits a signed sworn statement of loss within 60 days after receiving notice from us of your failure to do so.

Policy conditions relating to a survey and legal action against us apply to the loss payee. If the policy is cancelled or not renewed by us, the loss payee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.

Property Damage Conditions

(continued)

If we pay the loss payee for any loss and deny payment to you, then:

- our rights are subrogated to all rights of the loss payee granted under the loan on the property; or
- at our option, we may pay to the loss payee the whole principal on the loan plus any accrued interest. In this event, we will receive a full assignment and transfer from the loss payee of all securities held as collateral to the debt.

Subrogation will not impair the right of the loss payee to recover the full amount of the loss payee's claim.

Liability, Medical Payments and Uninsured Boaters Protection Conditions

These conditions apply to all liability, medical payments and uninsured boaters protection coverages in this policy.

Other insurance

This insurance is excess over any other insurance, including any compulsory insurance you are required to obtain by the law of the local government for any countries outside of the United States, its territories or possessions, listed within the Navigational limits described in your Navigation Warranty, except that written specifically to cover excess over the amount of coverage that applies in this policy.

Your duties after a loss

In case of a loss, the covered person shall perform the following duties that apply:

Notification. You must notify us or your agent or broker as soon as possible.

Cooperation and assistance. You must provide us with all available information. This includes any suit papers or other documents which help us in the event that we defend you. You must cooperate with and assist us fully in any legal defense, including assisting us in securing evidence and obtaining the attendance of witnesses. These witnesses may include you, family members, captain or crew members, other members of your household, anyone using your insured vessel with your permission, and anyone with knowledge of the occurrence. This may also include any association by us with the covered person in defense of a claim reasonably likely to involve us.

Examination under oath. We have the right to examine separately under oath, as often as we may reasonably require, you, family members, captain or crew members, other members of your household, anyone using your insured vessel with your permission, and anyone with knowledge of the occurrence, and have them subscribe the same. We may also ask you to give us a signed description of the circumstances surrounding an occurrence, and to produce all records and documents we request and permit us to make copies.

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Liability, Medical Payments and Uninsured Boaters Protection Conditions

(continued)

A person making a claim under any liability coverage in this policy must:

- submit as often as we reasonably require:
 - to physical exams by physicians we select, which we will pay for; and
 - to examination under oath and subscribe the same; and
- authorize us to obtain:
 - medical reports; and
 - other pertinent records.

Application of coverage

Liability coverage applies separately to each covered person. However, this provision does not increase the amount of coverage for any one occurrence.

Appeals

If a covered person, or any primary insurer, does not appeal a judgement for covered damages, we may choose to do so. We will then become responsible for all expenses, taxable costs, and interest arising out of the appeal. However, the amount of coverage for damages will not be increased

Special Conditions

In the event of conflict with any other conditions of your policy, these conditions supersede.

Legal action against us

You agree not to bring legal action against us unless you have first complied with all conditions of this policy. For property, you also agree to bring any action against us within one year after a loss occurs, but not until 30 days after proof of loss has been submitted to us and the amount of loss has been determined. However, this one-year period is extended by the number of days between the date that proof of loss is submitted and the date the claim is denied in whole or in part.

For liability, you also agree not to bring any action against us until the amount of damages you are legally obligated to pay has been finally determined after an actual trial or appeal, if any, or by a written agreement between you, us and the claimant. No person or organization has any right under this policy to bring us into any action to determine the liability of a covered person.

Alternate dispute resolution

Any dispute, controversy, proceeding or claim, whether in contract, tort, common, or statutory law, arising out of or relating to:

- any claim made under this Policy for loss or damage; or
 - the breach, termination, enforcement, interpretation, or validity of this Policy, including the determination of the scope or applicability of this Dispute resolution provision; or
 - the relationship between you and us,
- may be resolved by arbitration as provided below.

Special Conditions

(continued)

The arbitration will be conducted pursuant to the current Marine Arbitration Rules and the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc. The appointment of arbitrator(s) shall be conducted as follows:

- the parties shall agree on a sole arbitrator to decide the disputed issue;
- if the parties are unable to agree on a sole arbitrator, each party will appoint an arbitrator and those two (2) arbitrators will appoint a third who will serve as the chair of the arbitration panel. If one party fails to appoint its arbitrator or the two party-appointed arbitrators fail to appoint a third arbitrator, the parties are directed to follow the Rules of the Society of Maritime Arbitrators, Inc.;
- any hearings shall be conducted in a locality agreed by the parties. If the parties cannot agree on a locality, then any hearing(s) shall be conducted in the State appearing in your address as contained upon the Declarations Page;
- in the event of a conflict between the Rules of the Society of Maritime Arbitrators, Inc. and this Policy, the terms of this Policy shall govern;
- a demand for arbitration must be served on the other party or parties within one (1) year of the date we issue our final coverage determination;
- we may arbitrate the amount of your loss or damage without waiving our right to determine coverage or a lack of coverage for the loss;
- any decision of the arbitrator(s) shall be final, binding on the parties hereto, and not subject to further review; and judgement upon any award rendered by the arbitrator(s) may be entered in any court having jurisdiction.

Nonrenewal

If we decline to renew all or part of this policy, we will mail notice of nonrenewal to the mailing address shown on the Declarations Page within the timeframes required by law with any nonrenewal reasons required by law. We will obtain a certificate of mailing. A copy of the notice will also be sent to the last known loss payee named in this policy.

Your cancellation

You may cancel this policy or any part of it at any time by returning it to us or notifying us in writing of the future date that the cancellation is to take effect.

Our cancellation

We may cancel this policy or any part of it, subject to the following conditions. Our right to cancel applies to each coverage or limit in this policy.

Within 60 days. When this policy or any part of it has been in effect for less than 60 days, we may cancel it with 10 days notice for any reason.

For more than 60 days. When this policy or any part of it has been in effect for more than 60 days, we may cancel it with 30 days notice for any reason.

Nonpayment of premium. We may cancel this policy or any part of it with 10 days notice if you fail to pay the premium by the due date, regardless of whether the premium is payable to us, to our agent, or under any finance or credit agreement.

Special Conditions

(continued)

Liability coverage only. If we cancel liability coverage in this policy, we will cancel the following coverages with 30 days notice:

- Jones Act and related General Maritime Law; and
- Federal Longshore and Harbor Workers' Compensation Act.

Procedure

To cancel this policy or any part of it, we must notify you in writing. This notice will be mailed to you at the mailing address shown on the Declarations Page within the timeframes required by law with any cancellation reasons required by law. We will obtain a certificate of mailing. This notice will include the date the cancellation is to take effect.

Refund

In the event of cancellation by you or by us, we will refund any unearned premium on the effective date of cancellation, or as soon as possible afterwards. The unearned premium will be computed pro rata, for the unexpired term for each part of the policy.

Signatures

CHUBB®

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.

ACE AMERICAN INSURANCE COMPANY
ACE FIRE UNDERWRITERS INSURANCE COMPANY
INSURANCE COMPANY OF NORTH AMERICA

FEDERAL INSURANCE COMPANY
GREAT NORTHERN INSURANCE COMPANY

[NAME]

Authorized Representative

[NAME]

Authorized Representative

[NAME]

Authorized Representative

[NAME]

Authorized Representative

SCHEDULED VESSEL ENDORSEMENT

Named Insured			Vessel Number
	Policy Number	Policy Period to	Effective Date of Endorsement
Issued By (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

In consideration of the premium charged \$ _____, the following is hereby included in the coverages afforded by the present policy:

SUBJECT MATTER OF INSURANCE

Vessel Description:

Hull I.D./Documentation Number:

Vessel Name:

COVERAGE PROVIDED ---

COVERAGES	AMOUNT OF INSURANCE	DEDUCTIBLE	ANNUAL PREMIUM
Property Damage	\$	\$	\$
Windstorm Deductible		\$	\$
Emergency Towing and Service	\$	\$	\$
Liability	\$	\$	\$
Medical Payments	\$	\$	\$
Uninsured Boater	\$	\$	\$
Trailer	\$	\$	\$
Personal Property	\$	\$	\$
Premium Bearing Endt(s): See Attached Endorsements			\$

TOTAL \$ _____

APPLICABLE FORMS & ENDORSEMENTS: (Refer to Forms Schedule on Declarations Page for Form Names)

*Denotes form is included with Insured copy

NAVIGATION WARRANTY:

Refer to Form:

SUMMER MOORING LOCATION: _____,

LOSS PAYEE: We will make payments for Property Damage losses to the Insured and

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

SCHEDULED VESSEL ENDORSEMENT

Named Insured			Endorsement Vessel Number
Policy Symbol	Policy Number	Policy Period to	Effective Date of Endorsement
Issued By (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

In consideration of the premium charged \$ _____ \$ _____, the following is hereby ~~added to~~ included in the coverages afforded by the present policy:

Additional Insured: _____

Address: _____

SUBJECT MATTER OF INSURANCE

Vessel Description:

Hull I.D./Documentation Number:

Vessel Name:

COVERAGE PROVIDED --

COVERAGES	AMOUNT OF INSURANCE	DEDUCTIBLE	ANNUAL PREMIUM
Property Damage	\$	\$	\$
Windstorm Deductible		\$	\$
Commercial Emergency Towing & and Assistance Service	\$	\$	\$
Liability	\$	\$	\$
Medical Payments	\$	\$	\$
Uninsured Boater	\$	\$	\$
L&HCA	Statutory		
Trailer	\$	\$	\$
Personal Property	\$	\$	\$
Premium Bearing Endt(s): See Attached Endorsements			\$

TOTAL \$ _____

APPLICABLE FORMS & ENDORSEMENTS: (Refer to Forms Schedule on Declarations Page for Form Names)

*Denotes form included with Insured copy

NAVIGATION WARRANTY:

Refer to Form: _____

~~LAY-UP WARRANTY: It is warranted that the insured vessel will be laid up from~~
~~_____ noon: _____ to noon: _____~~ **SUMMER MOORING LOCATION**

LOSS PAYEE: We will make payments for ~~Part A:~~ Property Damage losses to the Insured and



ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Policy



Policy Number:

Agency Code, Name & Address

This is your Policy's Declarations Page. Please read carefully. It gives you important facts about your coverage.

The Company Providing This Insurance:

The Named Insured Under This Policy:

(NAME)

Address:

The Vessel Covered by This Policy:

(NAME)

(YEAR BUILT)

LENGTH

(MAKE)

(MODEL)

(DOC. OR HULL. IDENT. NO)

This policy will take effect on and end on

It will begin and end at 12:01 A.M. standard time, at the place where this policy was issued.

In return for the "Total Premium," listed below, we agree to provide the insurance coverages for which a premium is shown in the chart below.

COVERAGE PROVIDED ----

PARTS COVERAGES	AMOUNT OF INSURANCE	DEDUCTIBLE AMOUNT	PREMIUM
A Property Damage	\$	\$	\$
Windstorm Deductible		\$	\$
Commercial Emergency Towing & and Assistance Services	\$	\$	\$
B Liability Coverage	\$	\$	\$
C Medical Payments	\$	\$	\$
D Uninsured Boater	\$	\$	\$
E L&HCA	\$ Statutory Limits	\$	\$ (included in "B" if any)
F Trailer	\$	\$	\$
G Personal Property	\$	\$	\$
Premium Bearing Endt(s): See Attached Endorsements			\$

TOTAL PREMIUM \$

LIMITS ON USE: See Navigation Warranty

SUMMER MOORING LOCATION:

APPLICABLE FORMS AND ENDORSEMENTS:

Lay-up Warranty

It is warranted the vessel will be laid up for part of the year, the dates are:

From noon: To noon:

LOSS PAYEE: We will make payments for ~~Part A:~~ Property Damage losses to the ~~Assured-Insured~~ and

FORMS SCHEDULE

POLICY FORMS AND ENDORSEMENTS (Applicable to all vessels)

<u>Form Number</u>	<u>Form Edition Date</u>	<u>Form Name</u>

*Denotes form is included with Insured copy

VESSEL FORMS AND ENDORSEMENTS

<u>Form Number</u>	<u>Form Edition Date</u>	<u>Form Name</u>

*Denotes form is included with Insured copy

Policy

CHUBB®

Policy Number:

Agency Code, Name & Address

This is your Policy's Declarations Page. Please read carefully. It gives you important facts about your coverage.

The Company Providing This Insurance:

The Named Insured Under This Policy:

(NAME)

Address:

The Vessel Covered by This Policy:

(NAME)

(YEAR BUILT) LENGTH (MAKE) (MODEL) (DOC. OR HULL. IDENT. NO)

This policy will take effect on and end on

It will begin and end at 12:01 A.M. standard time, at the place where this policy was issued.

In return for the "Total Premium," listed below, we agree to provide the insurance coverages for which a premium is shown in the chart below.

COVERAGE PROVIDED ----

COVERAGES	AMOUNT OF INSURANCE	DEDUCTIBLE AMOUNT	PREMIUM
Property Damage	\$	\$	\$
Windstorm Deductible		\$	\$
Emergency Towing and Service	\$	\$	\$
Liability Coverage	\$	\$	\$
Medical Payments	\$	\$	\$
Uninsured Boater	\$	\$	\$
Trailer	\$	\$	\$
Personal Property	\$	\$	\$
Premium Bearing Endt(s): See Attached Endorsements			\$

TOTAL PREMIUM \$

LIMITS ON USE: See Navigation Warranty

SUMMER MOORING LOCATION: ,

APPLICABLE FORMS AND ENDORSEMENTS: SEE FORMS SCHEDULE ON PAGE 2

LOSS PAYEE: We will make payments for Property Damage losses to the Insured and

FORMS SCHEDULE

POLICY FORMS AND ENDORSEMENTS (Applicable to all vessels)

Form Number	Form Edition Date	Form Name
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*Denotes form is included with Insured copy

VESSEL FORMS AND ENDORSEMENTS

Form Number	Form Edition Date	Form Name
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*Denotes form is included with Insured copy



Marine Insurance Application

Underwriting Company:

Agency Name:

License Number:

Requested Coverage Type:

INSURED INFORMATION

Contract ID: [2]

POLICY TO BE ISSUED IN THE NAME OF [3]		NAME OF BENEFICIAL OWNER (IF DIFFERENT) / ADDITIONAL OWNER [8]	
RESIDENCE ADDRESS [4]		RESIDENCE ADDRESS [9]	
CITY [5]	STATE [6]	CITY [10]	STATE [11]
ZIP [7]		ZIP [12]	
COUNTRY/PROVINCE		COUNTRY/PROVINCE	
MAILING ADDRESS (IF DIFFERENT)		BILLING ADDRESS (IF DIFFERENT)	
[]		[13]	
CITY []	STATE []	CITY [14]	STATE [15]
ZIP []		ZIP [16]	
COUNTRY/PROVINCE		COUNTRY/PROVINCE	

OWNER / OPERATOR INFORMATION

PRIMARY OWNER'S SSN [17]	PRIMARY OWNER'S EMAIL [18]	PRIMARY OWNER'S MARITAL STATUS [19]	PRIMARY OWNER'S HOME OWNERSHIP/RESIDENCE STATUS <input type="checkbox"/> Own [20] <input type="checkbox"/> Rent <input type="checkbox"/> Other		
PRIMARY OWNER'S PHONE NUMBER [21]	PRIMARY OWNER / BENEFICIAL OWNER'S OCCUPATION [22]	PRIMARY OWNER / BENEFICIAL OWNER'S EMPLOYER OR NAME OF OWNED BUSINESS []			
DOES PRIMARY OPERATOR HOLD A U.S.C.G. LICENSE? <input type="checkbox"/> Yes <input type="checkbox"/> No [23] (IF YES, ATTACH COPY)	IS THERE A PAID CAPTAIN? <input type="checkbox"/> Yes <input type="checkbox"/> No [24] (IF YES, ATTACH RESUME)	CAPTAIN HOLD A U.S.C.G. LICENSE? <input type="checkbox"/> Yes <input type="checkbox"/> No [25] (IF YES, ATTACH COPY)	TOTAL # OF PAID CREW [26] (INCLUDING CAPTAIN)		
REGULAR OPERATOR NAME(S) [27]	D/OB [28]	BOATING COURSES [29] <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	DRIVER LICENSE # / STATE [30]	#YRS BOATS OWNED [31]	PREVIOUSLY OWNED VESSELS (LENGTH / MAKE / MODEL) [32]

LOSS & INSURANCE HISTORY

DOES PRIMARY OWNER(S) CURRENTLY HAVE INSURANCE FOR THIS VESSEL? <input type="checkbox"/> Yes <input type="checkbox"/> No [33]	PREVIOUS / CURRENT INSURANCE COMPANY NAME AND PREMIUM: [34]
HAS OWNER EVER HAD INSURANCE CANCELLED, NON-RENEWED OR DECLINED? <input type="checkbox"/> Yes <input type="checkbox"/> No [35]	IF YES, GIVE COMPANY NAME(S), DATE(S) AND REASON(S): [36]
HAS ANY OWNER OR OPERATOR SUSTAINED ANY MARINE CLAIMS OR LOSSES? <input type="checkbox"/> Yes <input type="checkbox"/> No [37]	IF YES, PROVIDE COMPANY NAMES, DATE(S) OF LOSS/CLAIM, CAUSE AND AMOUNT PAID: [38]
DOES VESSEL HAVE UNREPAIRED DAMAGE OR WAS IT PURCHASED AS SALVAGE? <input type="checkbox"/> Yes <input type="checkbox"/> No [39]	IF YES, PROVIDE DETAILS: [40]

VESSEL & EQUIPMENT INFORMATION

YEAR BUILT [41]	LENGTH (FEET) [42]	BUILDER/MANUFACTURER [43]	MODEL NAME [44]	VESSEL TYPE [45]
PURCHASE PRICE \$ [46]	PURCHASE DATE [47]	HULL ID / DOCUMENTATION # [48]	VESSEL'S NAME [49]	MAXIMUM SPEED (MPH) [50]
HULL MATERIAL <input type="checkbox"/> Fiberglass <input type="checkbox"/> Wood <input type="checkbox"/> Steel <input type="checkbox"/> Aluminum <input type="checkbox"/> Other [51]		LAST MARINE SURVEY DATE [52]		MAST MATERIAL (IF SAILBOAT) [53]
ENGINE/PROPULSION DRIVE SYSTEM: <input type="checkbox"/> Outboard <input type="checkbox"/> Inboard <input type="checkbox"/> I/O <input type="checkbox"/> Inboard/POD <input type="checkbox"/> Inboard/Jet <input type="checkbox"/> Inboard/Surface Piercing <input type="checkbox"/> None [54]		# OF ENGINES [55]	TOTAL H.P./CC's [56]	FUEL TYPE <input type="checkbox"/> Gas w/ No Fume Detector <input type="checkbox"/> Diesel [57] <input type="checkbox"/> Gas w/ Fume Detector <input type="checkbox"/> Hybrid/Electric
ENGINE MANUFACTURER [58]		YR BUILT [59]	H.P. EACH [60]	ENGINE SERIAL NUMBERS (OUTBOARD ONLY) [61]

Marine Insurance Application (continued)

Named Insured: [62]

Contract ID: [63]

EQUIPMENT (check all that apply)

☐ Built-in Auto Fire Extinguishing System [64]

☐ Fume Detector [66]

☐ Carbon Monoxide Detector [65]

[67] ☐ Alarm/Monitoring System: [68]

(MANUFACTURER/MODEL/TYPE)

TRAILER MANUFACTURER

[69]

YEAR BUILT

[70]

PURCHASE DATE

[71]

TRAILER VALUE

\$ [71]

TRAILER SERIAL NUMBER

[72]

OWNERSHIP/OPERATION OF VESSEL

WATERS TO BE NAVIGATED

[89]

LAY UP PERIOD (NOT APPLICABLE IF REQUESTED POLICY TYPE IS BOATSMAN)

From: [90] To: [91] (mm/dd)

IF LAID UP, VESSEL IS DECOMMISSIONED

☐ Ashore ☐ Afloat ☐ Afloat w/ Bubbler [92]

BERTH/MOORING LOCATION OF VESSEL (JUNE – NOVEMBER)

Marina Name: [93]

Mooring Address: [94]

Mooring City: [95] State: [96]

Mooring Zip Code: [97] Country: [98]

BERTH/MOORING TYPE FROM JUNE – NOVEMBER (check one)

☐ Afloat @ Dock/Slip ☐ Afloat @ Mooring
☐ On Hydraulic Lift [99] ☐ On Trailer ☐ Other:
☐ Rack Storage (Inside) ☐ Rack Storage (Outside)
☐ On Jack Stands or Stilts ☐ Hurricane-Rated Building

BERTH/MOORING LOCATION OF VESSEL (DECEMBER - MAY)

Marina Name: [93]

Mooring Address: [94]

Mooring City: [95] State: [96]

Mooring Zip Code: [97] Country: [98]

BERTH/MOORING TYPE FROM DECEMBER - MAY (check one)

☐ Afloat @ Dock/Slip ☐ Afloat @ Mooring
☐ On Hydraulic Lift ☐ On Trailer ☐ Other:
☐ Rack Storage (Inside) ☐ Rack Storage (Outside)
☐ On Jack Stands or Stilts ☐ Hurricane- Rated Building

VESSEL IS: (check all that apply)

☐ Raced in other than club races [100]

[101] ☐ Lived aboard on a permanent / semi-permanent basis

☐ Bareboat Chartered - Frequency: [102] [103]

[104] ☐ Chartered w/ Captain/Crew - Frequency: [105]

☐ Used for other commercial purposes (attach details) [106]

[107] ☐ Stored on trailer at Apartment/Condominium

☐ Owned by more than two individuals/entities

INSURANCE COVERAGE REQUESTED			EFFECTIVE DATE OF COVERAGE: [166]		
Primary Coverage	Limit	Deductible	Supplemental Coverage	Limit	Deductible
			(THIS FIELD FOR COMPANY USE ONLY)		
Property Damage Coverage	\$ [110]	\$ [111]	[123 – 143]		
Liability Coverage (incl. Pollution ¹)	\$ [112]				
Medical Payments	\$ [113]				
Uninsured Boater	\$ [114]				
L&HCA	Statutory Limits				
Trailer	\$ [115]	\$ [116]			
Personal Property	\$ [117]	\$ [118]			
Emergency Towing Service	\$ [119]				
Tender/Dinghy	\$ [120]	\$ [121]			
Paid Crew	\$ [122]				
Total Premium:	\$ [165]				

¹ If Liability Coverage applies, Pollution Liability amount meets the owner's statutory liability as specified in the Oil Pollution Act of 1990 and any subsequent amendments.

SPECIAL CONDITIONS / OTHER COVERAGES [144]

LOSS PAYEE / ADDITIONAL INTEREST INFORMATION (Name, Address & Zip Code)					
<input type="checkbox"/> Loss Payee [145]			<input type="checkbox"/> Additional Interest		
NAME	[146]		NAME	[146]	
	[147]			[147]	
ADDRESS	[148]		ADDRESS	[148]	
	[149]			[149]	
CITY	[150]		CITY	[150]	
STATE	[151]		STATE	[151]	
ZIP	[152]		ZIP	[152]	
COUNTRY/PROVINCE			COUNTRY/PROVINCE		

ACKNOWLEDGEMENTS		
<p>Important Notice Regarding The Fair Credit Reporting Act: Personal information about you, including information from a credit or other investigative consumer report maybe collected from persons other than you in connection with this application for insurance and subsequent amendments and renewals. This information will be used solely by the underwriting insurance company(s). Credit-based insurance scoring information may be used to help determine either your eligibility for insurance or the premium you will be charged. At your request, we will provide you with the sources of these reports, their addresses and customer service phone numbers for verification and correction of your information. Please initial here: _____</p> <p>Fraud Statement: Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance containing any materially false information, or conceals for the purposes of misleading, information concerning a fact material thereto, commits a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties. (In MA, NE, OR and VT, the aforementioned actions may constitute a fraudulent insurance act which may be a crime and may subject the person to penalties.) (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.) (Not applicable in AL, AR, AZ, DC, FL, LA, ME, MD, NM, OK, RI, TN, VA, WA and WV.)</p> <p>Applicable in AL, AR, AZ, DC, LA, MD, NM, RI and WV Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines or confinement in prison.</p> <p>Applicable in Florida and Oklahoma Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony (in FL: of the third degree).</p> <p>Applicable in Maine, Tennessee, Virginia and Washington It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.</p> <p>Owner's Statement: To the best of my knowledge all statements on this application are true. I understand and agree that the company may obtain from third parties information regarding me, my watercraft, and listed operators, including driving records, financial credit information and prior claims information. I understand that I have the right of access and correction with respect to all such information collected and that the company will provide further information regarding my statutory rights upon request.</p> <p>Producer's Statement: My (the agent/producer) signature verifies that all of the information on this application has been obtained by me from the applicant and that I have no reason and no basis to believe that the information is anything but truthful.</p>		
SIGNATURE OF OWNER (If not beneficial owner, then power of attorney must be in place to be valid.)		DATE
SIGNATURE OF PRODUCER		PRODUCER CODE [164]
		DATE

Policy Number:

Agency Code, Name & Address

Policy Term:

To

Effective Date of Change:

This is your Amended Declarations Page. Please review Policy Change Summary MA-3857h for a description of change(s).

The Company Providing This Insurance:

The Named Insured Under This Policy:

(NAME)

Address:

The Vessel Covered by This Policy:

(NAME)

(YEAR BUILT)

LENGTH

(MAKE)

(MODEL)

(DOC. OR HULL. IDENT. NO)

COVERAGE PROVIDED ----			
COVERAGES	AMOUNT OF INSURANCE	DEDUCTIBLE AMOUNT	NEW ANNUALIZED PREMIUM
Property Damage	\$	\$	\$
Windstorm Deductible		\$	\$
Emergency Towing and Service	\$	\$	\$
Liability Coverage	\$	\$	\$
Medical Payments	\$	\$	\$
Uninsured Boater	\$	\$	\$
Trailer	\$	\$	\$
Personal Property	\$	\$	\$
Premium Bearing Endt(s): See Attached Endorsements			\$
NEW TOTAL ANNUALIZED PREMIUM			\$

LIMITS ON USE: See Navigation Warranty

SUMMER MOORING LOCATION: ,

APPLICABLE FORMS AND ENDORSEMENTS: SEE FORMS SCHEDULE ON PAGE 2

LOSS PAYEE: We will make payments for Property Damage losses to the Insured and

FORMS SCHEDULE

POLICY FORMS AND ENDORSEMENTS (Applicable to all vessels)

Form Number	Form Edition Date	Form Name
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*Denotes form is included with Insured copy

VESSEL FORMS AND ENDORSEMENTS

Form Number	Form Edition Date	Form Name
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*Denotes form is included with Insured copy

Policy Change



Policy Number:

Agency Code, Name & Address

Policy Term: To

Effective Date of Change:

This is your Amended Declarations Page. Please review Policy Change Summary MA-3857

h

 for a description of change(s).

The Company Providing This Insurance:

The Named Insured Under This Policy: (NAME)

Address:

The Vessel Covered by This Policy: (NAME)

(YEAR BUILT)

LENGTH

(MAKE)

(MODEL)

(DOC. OR HULL. IDENT. NO)

COVERAGE PROVIDED ----

PARTS-	COVERAGES	AMOUNT OF INSURANCE	DEDUCTIBLE AMOUNT	PREMIUM
A	Property Damage	\$	\$	\$
	Windstorm Deductible		\$	\$
	Commercial Emergency Towing & and Assistance Service	\$	\$	\$
B	Liability Coverage	\$	\$	\$
C	Medical Payments	\$	\$	\$
D	Uninsured Boater	\$	\$	\$
E	L&HCA	\$ Statutory Limits	\$	\$ (included in "B" if any)
F	Trailer	\$	\$	\$
G	Personal Property	\$	\$	\$
	Premium Bearing Endt(s): See Attached Endorsements			\$

NEW TOTAL ANNUALIZED PREMIUM \$

LIMITS ON USE: See Navigation Warranty

SUMMER MOORING LOCATION : _____ , _____

APPLICABLE FORMS AND ENDORSEMENTS: SEE FORMS SCHEDULE ON PAGE 2

~~Lay-up Warranty~~ It is warranted the vessel will be laid up for part of the year, the dates are:
~~LAY-UP WARRANTY:~~ From noon: _____ To noon: _____

LOSS PAYEE: We will make payments for ~~Part A:~~ Property Damage losses to the Assured-Insured and

FORMS SCHEDULE

POLICY FORMS AND ENDORSEMENTS (Applicable to all vessels)

<u>Form Number</u>	<u>Form Name</u>

*Denotes form is included with Insured copy

VESSEL FORMS AND ENDORSEMENTS

<u>Form Number</u>	<u>Form Name</u>

*Denotes form is included with Insured copy

Named Insured		Vessel Number
Policy Number	Policy Period	Effective Date of Endorsement
Issued By (Name of Insurance Company)		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an Insured Vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that Insured Vessel.

It is hereby agreed that the following is added as an additional insured-interest on this Policy, but only as their interest may appear in the Insured-Insured Vessel-vessel and for the liability arising out of the negligence of ~~the Named Insured, as defined in the Policy~~ you or a family member. The additional insured-interest is named as such for the purpose of Bodily-bodily Injury-injury and Property-property Damage-damage liability in connection with ~~the Named Insured's~~ your or a family members ownership, maintenance and operation of the Insured-Insured Vessel-vessel covered by this Policy.

With respect to the insurance afforded to the additional insured-interest shown above, the following applies:

1. Inclusion of the additional insured-interest shall not waive any right of subrogation we may have; and
2. In the event of non-renewal or cancellation of this Policy, written notice will be delivered to the additional insured-interest shown above in accordance with the provisions of this Policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Named Insured		Vessel Number
Policy Number	Policy Period	Effective Date of Endorsement
Issued By (Name of Insurance Company)		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

It is hereby agreed that the following is added as an additional interest on this policy, but only as their interest may appear in the insured vessel and for the liability arising out of the negligence of you or a family member. The additional interest is named as such for the purpose of bodily injury and property damage liability in connection with your or a family members ownership, maintenance and operation of the insured vessel.

With respect to the insurance afforded to the additional interest shown above, the following applies:

1. Inclusion of the additional interest shall not waive any right of subrogation we may have;
2. In the event of non-renewal or cancellation of this policy, written notice will be delivered to the additional interest shown above in accordance with the provisions of this policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



CHUBB®

**Special Engine
Deductible Endorsement**

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

Under Property Damage Coverage, Payment for a Loss, Deductible, the following is added:

In addition to any other deductible that may apply to a covered loss, for a covered loss to the engine(s) of your insured vessel, a [REDACTED] special engine deductible applies.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

~~Subject to the terms and conditions of this endorsement and in consideration of the premium charged, permission is granted for the Insured Vessel to be occasionally chartered, provided the purpose of the charter and use of the Insured Vessel is to carry fare-paying passengers on sport fishing, sightseeing and other similar private pleasure excursions.~~

It is ~~a condition of this policy warranted~~ that the insured vessel can be chartered a maximum of [REDACTED] days during the ~~Policy policy~~ period with a maximum of [REDACTED] passengers aboard during each charter.

If Property Damage Coverage is shown on the Declarations Page, under Property Damage Coverage, Extra Property Damage Coverages, the following is added:

Charter coverage

We cover physical loss to your insured vessel while your insured vessel is being chartered under a written charter party agreement, for private pleasure use only, so long as your insured vessel is in the care and control of the captain on file with us at all times. These payments do not increase the amount of property damage coverage for your insured vessel. This coverage does not apply if the charter agreement is written in your name or in the name of an entity in which you are a member, officer, director, trustee or partner.

If Liability Coverage is shown on the Declarations Page, under Liability Coverage, Extra Liability Coverages, the following is added:

Charter coverage

We cover damages that result while your insured vessel is being chartered under a written charter party agreement, for private pleasure use only, so long as your insured vessel is in the care and control of the captain on file with us at all times. These payments do not increase the amount of liability coverage. This coverage does not apply if the charter agreement is written in your name or in the name of an entity in which you are a member, officer, director, trustee or partner.

- ~~1. It is warranted that during the charter a licensed captain or certified inland guide is/are in command and in charge of the Insured Vessel at all times.~~

(The following highlighted text should only print if charter days is 30 and above.)

Solely in relation to when During the time the insured vessel is chartered, the Policy at PART B: under Liability/ABILITY Coverage/VERAGE, Exclusions/XCLUSIONS and Medical Payments Coverage, Exclusions, is amended to include the following exclusions are added:

Alcoholic beverages. We do not provide any coverage for damages/Liability that arises arising as a result/out of the sale or dispensing of alcoholic beverages on board the insured vessel.

Swimmers and divers. We do not provide any coverage for swimmers and divers of any kind, if any, either while embarking, after leaving the insured vessel(s) to enter the water, while in the water, towed behind the insured vessel, or while boarding the insured vessel(s) on the return from the water; in addition, this policy excludes all liability for injury, death or accidents from or in connection with any sales, service or use of diving equipment of any kind, or in any manner connected with diving or swimming activities.

~~3. Solely in relation to when the Insured Vessel is chartered, the Policy at PART C: MEDICAL PAYMENTS COVERAGE, EXCLUSIONS is amended to include the following.~~

- ~~e. Liability that arises as a result of the sale or dispensing of alcoholic beverages on board the Insured Vessel.~~
- ~~f. Swimmers and divers of any kind, if any, either while embarking, after leaving the Insured Vessel(s) to enter the water, while in the water, towed behind the Insured Vessel, or while boarding the Insured Vessel (s) on the return from the water; in addition, this Policy excludes all liability for injury, death or accidents from or in connection with any sales, service or use of diving equipment of any kind, or in any manner connected with diving or swimming activities.~~

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



Charter Endorsement

CHUBB®

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

It is a condition of this policy that the insured vessel can be chartered a maximum of [REDACTED] days during the policy period with a maximum of [REDACTED] passengers aboard during each charter.

If Property Damage Coverage is shown on the Declarations Page, under Property Damage Coverage, Extra Property Damage Coverages, the following is added:

Charter coverage

We cover physical loss to your insured vessel while your insured vessel is being chartered under a written charter party agreement, for private pleasure use only, so long as your insured vessel is in the care and control of the captain on file with us at all times. These payments do not increase the amount of property damage coverage for your insured vessel. This coverage does not apply if the charter agreement is written in your name or in the name of an entity in which you are a member, officer, director, trustee or partner.

If Liability Coverage is shown on the Declarations Page, under Liability Coverage, Extra Liability Coverages, the following is added:

Charter coverage

We cover damages that result while your insured vessel is being chartered under a written charter party agreement, for private pleasure use only, so long as your insured vessel is in the care and control of the captain on file with us at all times. These payments do not increase the amount of liability coverage. This coverage does not apply if the charter agreement is written in your name or in the name of an entity in which you are a member, officer, director, trustee or partner.

(The following highlighted text only prints if charter days is 30 and above.)

During the time the insured vessel is chartered, under Liability Coverage, Exclusions and Medical Payments Coverage, Exclusions, the following exclusions are added:

Alcoholic beverages. We do not provide any coverage for damages arising out of the sale or dispensing of alcoholic beverages on board the insured vessel.

Swimmers and divers. We do not provide any coverage for swimmers and divers of any kind, either while embarking, after leaving the insured vessel to enter the water, while in the water, towed behind the insured vessel, or while boarding the insured vessel on the return from the water; in addition, this policy excludes all liability for injury, death or accidents from or in connection with any sales, service or use of diving equipment of any kind, or in any manner connected with diving or swimming activities.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



Named Operator Endorsement

Named Insured		Vessel Number
Policy Number	Policy Period	Effective Date of Endorsement
Issued By (Name of Insurance Company)		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

~~We do not cover any loss or damages that result while your insured vessel is being operated by any person other than you or a named operator on the Schedule below. It is warranted by the insured that no coverage is in effect if the watercraft described on the Declaration Page is operated by any person not named on this schedule of authorized drivers.~~

SCHEDULE

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



CHUBB®

**Named Operator
Endorsement**

Named Insured		Vessel Number
Policy Number	Policy Period	Effective Date of Endorsement
Issued By (Name of Insurance Company)		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

We do not cover any loss or damages that result while your insured vessel is being operated by any person other than you or a named operator on the Schedule below.

SCHEDULE



ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



CHUBB®

Actual Cash Value Endorsement

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

~~In consideration of a 10% PART A: PROPERTY DAMAGE COVERAGE premium discount, the Policy at PART A: PROPERTY DAMAGE COVERAGE, subsection LOSS SETTLEMENT Under Property Damage Coverage, Payment for a Loss, Payment basis is deleted in its entirety and replaced with the following:~~

~~**Total loss.** If your insured vessel is totally destroyed, lost or is a constructive total loss, we will not pay more than the actual cash value, which is defined herein as replacement cost less depreciation, at the time of loss. We will reduce our payment by any amount paid for a previous loss to that insured vessel if the damage was not repaired.~~

~~When we pay for a total or constructive total loss, we reserve the right to keep the remains of your insured vessel or its proceeds.~~

~~**Partial loss.** If your insured vessel is partially damaged, we will pay the lesser of the reasonable cost to repair or replace the damaged parts of your insured vessel up to the actual cash value at the time of the loss. Actual cash value is defined as replacement cost less depreciation. This includes the reasonable cost of suitable patches or partial refinish to only the damaged area, to metal, wood, plastic, fiberglass or other molded material of the insured vessel.~~

~~**LOSS SETTLEMENT:** In the event of loss or damage to the Insured Vessel,, we will pay the lowest of the following amounts:-
the cost of repair; or
the actual cash value at the time of loss, which is defined herein as replacement cost less depreciation; or
the PART A: PROPERTY DAMAGE COVERAGE limit as shown on the Declarations Page.~~

~~**We have the option to repair damages to metal, wood, plastic, fiberglass or other molded material of the Insured Vessel:-**
in accordance with customary boatyard repair practices, including the reasonable cost of suitable patches to the damaged area; or
in accordance with repair procedures recommended by the builder or manufacturer.~~

~~We will only pay the PART A: PROPERTY DAMAGE COVERAGE limit as shown on the Declarations Page in the event of Total Loss or Constructive Total Loss. The amount we will pay for a Total Loss or Constructive Total Loss shall be reduced by the amount paid for repairs of prior covered damage not completed at the time of the Total Loss or Constructive Total Loss.~~

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



CHUBB®

**Actual Cash Value
Endorsement**

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

Under Property Damage Coverage, Payment for a Loss, Payment basis is deleted and replaced with the following:

Total loss. If your insured vessel is totally destroyed, lost or is a constructive total loss, we will not pay more than the actual cash value, which is defined herein as replacement cost less depreciation, at the time of loss. We will reduce our payment by any amount paid for a previous loss to that insured vessel if the damage was not repaired.

When we pay for a total or constructive total loss, we reserve the right to keep the remains of your insured vessel or its proceeds.

Partial loss. If your insured vessel is partially damaged, we will pay the lesser of the reasonable cost to repair or replace the damaged parts of your insured vessel up to the actual cash value at the time of the loss. Actual cash value is defined as replacement cost less depreciation. This includes the reasonable cost of suitable patches or partial refinish to only the damaged area, to metal, wood, plastic, fiberglass or other molded material of the insured vessel.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



Antique and Classic Boat Endorsement

CHUBB®

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

Under Property Damage Coverage, Payment for a Loss, Payment Basis, Partial loss is deleted in its entirety and replaced with the following:

Partial loss. If your insured vessel is partially damaged, we will pay the reasonable costs to repair or replace, whichever is less, the damaged parts of your insured vessel, without deduction for depreciation, up to the amount of property damage coverage for that insured vessel shown on the Declarations Page with labor and parts of like kind and quality. This includes the reasonable cost of suitable patches or partial refinish to only the damaged area, to metal, wood, plastic, fiberglass or other molded material of the insured vessel. However, for property damage to your insured vessels:

- sails, dodgers, protective coverings inclusive of all-weather bridge and cockpit enclosures, carpeting, upholstery, cushions, and fabrics which are over five years of age, depreciation will be applied in the amount of:
 - 20% depreciation for each year or part of a year over five years of age if constructed of nylon, Dacron or Kevlar; or
 - 33 1/3% depreciation for each year or part of a year over five years of age if constructed of a material other than nylon, Dacron or Kevlar.
- outboard motors, outdrive units or machinery inside the insured vessel, depreciation will be applied in the amount of 10% per year for each year or part of a year over seven years of age. In case of loss of or damage to part of a pair or set, including engines or outboard motors, we have the option of paying either:
 - the cost to repair the damaged part to restore the pair or set to its condition before the loss or damage occurred; or
 - the cost to replace the damaged part subject to depreciation as specified above to restore the pair or set to its condition before the loss or damage occurred; or
 - the difference between the actual cash value, which is defined herein as replacement cost less depreciation, of the pair or set before and after the loss.
- batteries, depreciation will be applied in the amount of 20% for each year or part of a year of age. However, with respect to the items specified above, the depreciation will not be greater than 80% of the replacement cost of that item.
- bottom paint, we will deduct:
 - 50% of the cost of repainting for each year or part of a year of age of the bottom paint; or
 - 33 1/3% of the cost of repainting for each year or part of a year of age of the bottom paint if the insured vessel is only used in fresh water.

Under Property Damage Coverage, Extra Property Damage Coverages, the following is added:

Boat show and demonstration coverage

We cover physical damage to your insured vessel while it is being used for exhibition at a boat show or when it is being navigated by a covered person or crew member for demonstration purposes.

Under Property Damage Coverage, Exclusions, the following exclusions are added:

Decrease or reduction of value. We do not cover any loss resulting from any decrease or reduction in the antique or collectors value of the insured vessel due to:

- the substitution of parts or components of modern design and manufacture when original parts or components are not available; or
- the decrease or reduction in value is the result of the unavailability of craftsmanship in the area of woodworking, tooling or boat building techniques.

Consequential loss. We do not cover any consequential loss of any kind.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

~~It is agreed that the following conditions apply to the coverages afforded by this policy~~ Under Property Damage Coverage, Payment for a Loss, Payment Basis, Partial loss is deleted in its entirety and replaced with the following:

Partial loss. If your insured vessel is partially damaged, we will pay the reasonable costs to repair or replace, whichever is less, the damaged parts of your insured vessel, without deduction for depreciation, up to the amount of property damage coverage for that insured vessel shown on the Declarations Page with labor and parts of like kind and quality. This includes the reasonable cost of suitable patches or partial refinish to only the damaged area, to metal, wood, plastic, fiberglass or other molded material of the insured vessel. However, for property damage to your insured vessels:

- sails, dodgers, protective coverings inclusive of all-weather bridge and cockpit enclosures, carpeting, upholstery, cushions, and fabrics which are over five years of age, depreciation will be applied in the amount of:
 - 20% depreciation for each year or part of a year over five years of age if constructed of nylon, Dacron or Kevlar; or
 - 33 1/3% depreciation for each year or part of a year over five years of age if constructed of a material other than nylon, Dacron or Kevlar.
- outboard motors, outdrive units or machinery inside the insured vessel, depreciation will be applied in the amount of 10% per year for each year or part of a year over seven years of age. In case of loss of or damage to part of a pair or set, including engines or outboard motors, we have the option of paying either:
 - the cost to repair the damaged part to restore the pair or set to its condition before the loss or damage occurred; or
 - the cost to replace the damaged part subject to depreciation as specified above to restore the pair or set to its condition before the loss or damage occurred; or
 - the difference between the actual cash value, which is defined herein as replacement cost less depreciation, of the pair or set before and after the loss.
- batteries, depreciation will be applied in the amount of 20% for each year or part of a year of age. However, with respect to the items specified above, the depreciation will not be greater than 80% of the replacement cost of that item.
- bottom paint, we will deduct:
 - 50% of the cost of repainting for each year or part of a year of age of the bottom paint; or
 - 33 1/3% of the cost of repainting for each year or part of a year of age of the bottom paint if the insured vessel is only used in fresh water.

Under Property Damage Coverage, Extra Property Damage Coverages, the following is added:

Boat show and demonstration coverage

We cover physical damage to your insured vessel while it is being used for exhibition at a boat show or

when it is being navigated by a covered person or crew member for demonstration purposes.

Under Property Damage Coverage, Exclusions, the following exclusions are added:

~~1. Warranted if and when the boat is laid up and out of commission, that it be laid up ashore unless docked in a slip affording a Bubbler System.~~

~~Warranted that as of the effective date of coverage, the Part A: Property Damage Amount Of Insurance, as shown on the Declarations Page, does not exceed the current market value of the insured boat.~~

~~We will pay for the necessary and reasonable cost to repair or replace your insured property as a result of a covered loss according to either customary shipyard or yacht yard repair practices.~~

Decrease or reduction of value. We ~~shall not be liable~~ do not cover any loss resulting from ~~for~~ any decrease or reduction in the ~~Antique antique~~ or ~~Collectors collectors~~ value of the insured ~~property vessel~~ due to in the event of a covered loss under this policy when:

- ~~such loss necessitates~~ the substitution of parts or components of modern design and manufacture ~~due to unavailability of when~~ original parts or components are not available; or
- the decrease or reduction in value is the result of the unavailability of craftsmanship in the area of woodworking, tooling or boat building techniques.

Consequential loss. We do not cover any consequential loss of any kind.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Authorized Agent

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

This Summary lists the Loss Payees you have requested to be shown on your policy. We notify each Loss Payee separately. Regardless of the number of Loss Payees shown on your policy, the amount of coverage for any one occurrence does not increase.

~~Solely as respects the individual(s) or entity/ies identified upon the Schedule of Loss Payee(s), below, it is understood and agreed that the **PAYMENT OF LOSS** provision contained in the Policy at the Section entitled, **GENERAL PROVISIONS IN THE EVENT OF LOSS**, is deleted and replaced with the following:~~

~~**PAYMENT OF LOSS:** We will pay for any claim of covered Property Damage you incur under this Policy to the **Named Insured**, and the Loss Payee(s) identified in the Schedule below, as their interests may appear, within thirty days after:~~

- ~~a. receiving a signed sworn proof of loss statement or masters protest, receiving a release of liability; and~~
- ~~b. proof of **your** interest in the **Insured Vessel** is given to **us**; and~~
- ~~c. reaching an agreement with **you**; or~~
- ~~d. the entry of final judgment; or~~
- ~~e. the filing of an arbitration award with **us**.~~

~~However:~~

- ~~a. we will not pay a loss that has been paid by others;~~
- ~~b. should a covered loss to the **Insured Vessel** result in a **Total Loss** or **Constructive Total Loss**, the policy premium shall be paid in full prior to the final claim payment; and~~
- ~~c. a. the loss payee's rights are no greater than those of the **Named Insured** under this contract.~~

SCHEDULE OF LOSS PAYEES Loss Payee Schedule

Loss Payee #1:

Loss Payee #2:



Loss Payee Endorsement

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

This Summary lists the Loss Payees you have requested to be shown on your policy. We notify each Loss Payee separately. Regardless of the number of Loss Payees shown on your policy, the amount of coverage for any one occurrence does not increase.

Loss Payee Schedule

Loss Payee #1:

[REDACTED]

Loss Payee #2:

[REDACTED]

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



CHUBB®

H2O Ski Plus Program Endorsement

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

~~In consideration of the premium charged, the Policy is amended as follows:~~

GENERAL CONDITIONS AND EXCLUSIONS

The Policy at ~~GENERAL CONDITIONS AND EXCLUSIONS~~, subsection ~~PRIVATE PLEASURE USE ONLY~~ is deleted in its entirety and replaced with the following:

PRIVATE PLEASURE USE ONLY:

~~This Policy only provides coverage while the Insured Vessel is used for private pleasure purposes. However, this condition shall not apply while:~~

Under General Policy Exclusions, General Exclusions, Commercial use is amended to include the following:

We do provide coverage while

~~you are operating or using the Insured Vessel to entertain business associates or clients or other similar types of use wherein no monetary or other directly related remuneration is received by you in relation to operation or use of the Insured Vessel; or~~

your ~~Insured Vessel~~ vessel is being used for USAW sanctioned events, including exhibitions and practice sessions, even ~~though if~~ consideration or remuneration ~~may be~~ is received by you from USAW.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



CHUBB®

H2O Ski Plus Program Endorsement

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

This endorsement applies to an insured vessel only if shown on the Declarations Page or the applicable Scheduled Vessel Endorsement for that insured vessel.

Under General Policy Exclusions, General Exclusions, Commercial use is amended to include the following:

We do provide coverage while your insured vessel is being used for USAW sanctioned events, including exhibitions and practice sessions, even if consideration or remuneration is received by you from USAW.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



Navigation Warranty

CHUBB®

Named Insured [Redacted]			<u>Endorsement Vessel</u> Number [Redacted]
<u>Policy Symbol</u> [Redacted]	Policy Number [Redacted]	Policy Period [Redacted]	Effective Date of Endorsement [Redacted]
Issued By (Name of Insurance Company) [Redacted]			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

NAVIGATION WARRANTY: Coverage is provided while on land, on inland waters, or in coastwise waters of the continental United States, Alaska, Hawaii, and Canada.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

~~Authorized Agent~~



Navigation Warranty

CHUBB®

Named Insured [REDACTED]		Vessel Number [REDACTED]
Policy Number [REDACTED]	Policy Period [REDACTED]	Effective Date of Endorsement [REDACTED]
Issued By (Name of Insurance Company) [REDACTED]		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

NAVIGATION WARRANTY: Coverage is provided while on land, on inland waters, or in coastwise waters of the continental United States, Alaska, Hawaii, and Canada.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Named Insured		Vessel Number
Policy Number	Policy Period	Effective Date of Endorsement
Issued By (Name of Insurance Company)		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

Under General Policy Exclusion, General Exclusions, the following exclusion is added:

Personal watercraft

We do not provide any coverage for loss, damage, liability or expenses arising out of the operation of any personal watercraft:

- from sunset to sunrise;
 - while towing any person; or
 - by any person {who does not have a valid motor vehicle driver's license.} {under the age of AGE who does not have a valid motor vehicle driver's license.} {who does not have a valid motor vehicle driver's license, other than you or a family member.}
- .

State:	California	First Filing Company:	ACE American Insurance Company, ...
TOI/Sub-TOI:	09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft		
Product Name:	Masterpiece		
Project Name/Number:	Rec Marine/17-12270-RR-F		

Supporting Document Schedules

Satisfied - Item:	New Prior Approval Rate Application
Comments:	In response to your 11/13/17 Objection letter, attached you will find a revised Supporting Exhibit 10.
Attachment(s):	Prior Approval Rate Template rev.pdf Prior Approval Rate Template rev.xlsm Standard Exhibits Template rev.pdf Standard Exhibits Template rev.xlsm Supporting Exhibits rev.pdf Supporting Exhibits rev.xlsx Prior Approval Rate Application rev.pdf Prior Approval Rate Application rev.xlsm Supporting Exhibits Exhibit 10 Rev.pdf Supporting Exhibits Exhibit 10 Rev.xlsx
Item Status:	
Status Date:	

Satisfied - Item:	Description of Changes
Comments:	Attached you will find our Description of Changes.
Attachment(s):	Description of changes.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	Attached you will find our revised Actuarial Memorandum
Attachment(s):	Actuarial Memorandum rev.pdf
Item Status:	
Status Date:	

PRIOR APPROVAL RATE TEMPLATE FOR PROPERTY & LIABILITY LINES

GENERAL INFORMATION

Completed by: Wendy Farley

Date: 10/20/2017

CDI File # (Department Use Only):

Company Name: ACE American Insurance Company, ACE Fire Underwriters Insurance Comp

Marketing System Distribution:

%Captive	%Direct	%Independent
0.0%	0.0%	100.0%

Line Type:

Personal

General Line :

Inland Marine

Proposed Effective Date (new rates):

2/15/2018

New Program: ☐

LCM Calculation(s) Included: ☐

(LCM Calculation(s) is(are) hidden unless this box is checked.)

Data Aggregation:

Accident Year Data

Most Recent Year of Experience Data Ending:

20172

(Enter in YYYYQ format.)

Enter name of each coverage/form/program for which a rate change is being requested in the cells below. Otherwise, leave blank.

Detailed Line Description(s)	Coverage/Form/Program	Proposed % Impact	Prior Effective Date (current rates)
Inland Marine	Boatsman Program	-14.2%	6/11/2012

Variance Request:

Does the Ratemaking Data include a Request(s) for Variance?

If yes, is Variance #3 requested for any coverage?

N

N

Variance #:

PRIOR APPROVAL RATE TEMPLATE FOR PROPERTY & LIABILITY LINES
SUMMARY

Coverage/Form/Program	Latest Year Adjusted Annual Premium (\$)	Minimum Permitted Earned Premium (\$)	Maximum Permitted Earned Premium (\$)	Change at Minimum %	Change at Maximum %	Proposed %
Boatsman Program	1,732,939	1,165,286	1,506,499	-32.8%	-13.1%	-14.2%
Combined	1,732,939	1,165,286	1,506,499	-32.8%	-13.1%	-14.2%

Combined Total Earned Exposures for Latest Year: 3,984

Coverage/Form/Program	Average Earned Premium \$ per Exposure				Latest Year Earned Exposures
	Latest Year Adjusted	Minimum Permitted	Maximum Permitted	Proposed	
Boatsman Program	434.93	292.61	378.29	373.17	3,984
Combined	434.93	292.46	378.10	373.17	3,984

Coverage/Form/Program	Latest Year Adjusted Annual Premium (\$)	Latest Year Projected Ultimate Loss & DCCE (\$)	Latest Year Projected Ultimate Loss & DCCE Ratio
Boatsman Program	1,732,939	651,039	37.6%
Combined	1,732,939	651,039	37.6%

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME

		Short-Term Assets	Intermediate-Term Assets		Long-Term Assets	
Line	Description	1 Year or Less	Over 1 Year thru 5 Years	Over 5 Years thru 10 Years	Over 10 Years thru 20 Years	Over 20 Years
1.7	U.S. Governments	404,779,617	644,146,592	359,034,826	238,282,728	42,625,713
2.7	All Other Governments	65,615,007	283,318,576	290,179,647	19,161,638	51,796,779
3.7	States, Territories and Possessions	296,826,829	1,487,184,661	1,202,593,652	125,691,853	34,613,047
4.7	Political Subdivisions	145,117,241	903,032,453	1,414,238,332	123,990,211	25,067,576
5.7	Special Revenue and Assessment Obligations	1,489,383,044	6,484,539,019	7,494,398,555	1,901,368,596	804,001,815
6.7	Industrial and Miscellaneous	1,363,661,858	8,237,931,692	6,792,081,058	301,258,200	188,864,381
7.7	Hybrid Securities	0	0	0	0	93,613,151
8.7	Parent, Subsidiaries and Affiliates	0	0	0	0	0

Source:

Schedule D, Part 1A, Section 1 of the insurer **group's** most recent consolidated (combined) statutory Annual Statement.

		Short-Term Assets	Intermediate-Term Assets	Long-Term Assets
		1 Year or Less	Over 1 Year thru 10 Years	Over 10 Years
(1)	Government Bonds (Sum of Lines 1.7 & 2.7)	470,394,624	1,576,679,641	351,866,858
(2)	Other Taxable Bonds (Sum of Lines 6.7, 7.7, 8.7 and one-half of Line 5.7)	2,108,353,380	22,019,481,537	1,936,420,938
(3)	Tax-Exempt Bonds (Sum of Lines 3.7, 4.7 and one-half of Line 5.7)	1,186,635,592	11,996,517,885	1,662,047,893

(Note: CCR §2644.20 refers to bond asset classes of "Credit Tenant Loans" and "Public Utilities" that are no longer recorded in the NAIC Annual Statement Schedule D, Part 1A, Section 1. Assets included in "Other Taxable Bonds" conform to the current NAIC Annual Statement Blank.)

PROJECTED YIELD AND FEDERAL INCOME TAX RATE ON INVESTMENT INCOME
(continued)

		Invested Assets ¹	Currently Available Yield ²	Return on Invested Assets	Federal Income Tax Rate	Federal Income Taxes
		[1]	[2]	[3] = [1] * [2]	[4]	[5] = [3] * [4]
(1)	U.S. Government Bonds					
	(i) Short-Term	470,394,624	1.1%	4,970,503	35.00%	1,739,676
	(ii) Intermediate-Term	1,576,679,641	2.2%	35,370,180	35.00%	12,379,563
	(iii) Long-Term	351,866,858	2.6%	9,066,436	35.00%	3,173,253
(2)	Other Taxable Bonds					
	(i) Short-Term	2,108,353,380	1.2%	26,143,582	35.00%	9,150,254
	(ii) Intermediate-Term	22,019,481,537	2.9%	636,734,795	35.00%	222,857,178
	(iii) Long-Term	1,936,420,938	3.7%	72,032,965	35.00%	25,211,538
(3)	Tax-Exempt Bonds					
	(i) Short-Term	1,186,635,592	0.8%	9,564,283	5.25%	502,125
	(ii) Intermediate-Term	11,996,517,885	2.1%	246,356,319	5.25%	12,933,707
	(iii) Long-Term	1,662,047,893	3.1%	51,823,526	5.25%	2,720,735
(4)	Common Stock	4,618,583,128				
	(i) Dividends		2.2%	100,651,397	14.18%	14,267,335
	(ii) Capital Gains		7.6%	351,559,209	34.10%	119,881,690
(5)	Preferred Stock Dividends	35,513,870	4.9%	1,756,855	14.18%	249,034
(6)	Mortgage Loans	0	3.7%	0	35.00%	0
(7)	Real Estate	207,346,583	3.8%	7,860,739	35.00%	2,751,259
(8)	Cash	210,378,917	1.1%	2,223,004	35.00%	778,051
(9)	Other	2,115,371,399				
	(i) Dividends		2.2%	46,099,654	14.18%	6,534,626
	(ii) Capital Gains		7.6%	161,018,710	34.10%	54,907,380
(10)	Total Gross Invested Assets	50,495,592,244		1,763,232,156	34.10%	490,037,404
(11)	Investment Expense ³			75,470,313	35.00%	26,414,610
(12)	Total Net Invested Assets	50,495,592,244		1,687,761,843		463,622,794
(13)	Federal Income Tax: Line (12); column [5]/column [3]				27.5%	
(14)	Projected Yield on Invested Assets: Line (12), column [3]/column [1]		3.3%			
		Most Recent Calendar Year				
(15)	Loss Reserves ⁴	20,586,157,198				
(16)	Loss Adjustment Expense Reserves ⁴	6,168,766,803				
(17)	Unearned Premium Reserves ⁴	5,841,160,573				
(18)	Surplus as Regards to Policyholders ⁴	17,836,954,751				
(19)	Total Reserves and Surplus	50,433,039,325				
(20)	Projected Yield adjusted to Reserve and Surplus Base: Line (14), column [2]*Line (12), column [1]/Line (19), column [1]		3.3%			

¹ Source for Column [1], Lines (4) through (9): Page 2 (Assets) of the insurer group's most recent consolidated (combined) statutory Annual Statement.

- Line (8) Cash: Page 2 (Assets) Line 5, cash only; cash equivalents and short-term investments are included in Schedule D.

- Line (9) Other: Page 2 (Assets) Sum of Lines 6, 8, 9 and 11.

² Currently available yields are defined in CCR §2644.20. Latest values are posted at:

<http://www.insurance.ca.gov/0250-insurers/0800-rate-filings/0200-prior-approval-factors/>

Month/Year (Yield): **September 2017**

³ Source: Page 11, Line 25 of the insurer group's most recent consolidated statutory Annual Statement. Entered as a positive expense.

⁴ Source for Column [1], Lines (15) through (18):

Page 3 (Liabilities, Surplus and Other Funds) of the insurer group's most recent consolidated statutory Annual Statement, Lines 1, 3, 9 and 37, respectively.

EXCLUDED EXPENSE RATIO Countrywide Insurer Group Data

Countrywide direct earned premium for lines of business subject to Proposition 103 (\$):

Countrywide direct earned premium for lines of business **not** subject to Proposition 103 (\$):

Total countrywide direct earned premium (\$):

(Note: Total must reconcile to the countrywide direct earned premium in the Insurance Expense Exhibit, Part 3 for the **insurer group**.)

☐ Check box if the excluded expenses entered in this page are derived on a countrywide, group basis

CCR §2644.10 (b): Executive Compensation

	2nd Prior Calendar Year		1st Prior Calendar Year		Most Recent Calendar Year	
	2014		2015		2016	
	Cash & Salary	Bonus	Cash & Salary	Bonus	Cash & Salary	Bonus
1st Highest Paid	1,325,000	5,500,000	1,351,538	6,600,000	725,000	1,255,000
2nd Highest Paid	916,250	1,843,700	885,000	2,475,000	535,000	900,000
3rd Highest Paid	800,000	1,614,500	775,000	1,855,000	455,000	650,000
4th Highest Paid	800,000	1,614,500	750,000	1,350,000	450,000	600,000
5th Highest Paid	686,250	1,154,400	535,000	845,000	535,500	500,000
	2nd Prior Calendar Year		1st Prior Calendar Year		Most Recent Calendar Year	
	2014		2015		2016	
	Maximum Permissible	Excessive Amount	Maximum Permissible	Excessive Amount	Maximum Permissible	Excessive Amount
1st Highest Paid	1,560,500	5,264,500	1,579,229	6,372,309	1,580,423	399,577
2nd Highest Paid	809,928	1,950,022	818,278	2,541,722	818,809	616,191
3rd Highest Paid	730,650	1,683,850	738,898	1,891,102	739,423	365,577
4th Highest Paid	601,388	1,813,112	607,748	1,492,252	608,153	441,847
5th Highest Paid	514,184	1,326,466	519,377	860,623	519,708	515,792
Total Excessive		12,037,951		13,158,008		2,338,985

CCR §2644.10 (f): Institutional Advertising

	2nd Prior Calendar Year		1st Prior Calendar Year		Most Recent Calendar Year	
	2014		2015		2016	
	Institutional	Non-Institutional	Institutional	Non-Institutional	Institutional	Non-Institutional
Total Advertising ¹	14,754,454	8,166,000	18,725,957	7,092,779	27,133,000	0

¹ Note: For each calendar year, the sum of Institutional and Non-Institutional advertising expenses must reconcile to the total advertising expenses reported in the Insurance Expense Exhibit, Part 1, Line 4 for the **insurer group**.

☐ Check box if the excluded expenses entered in this page are derived on a countrywide, group basis

Page 4.2

FINAL ADJUSTED CDI PARAMETERS

Efficiency Standard									
Detailed Line Description			Marketing System Distribution						
			0.0%	0.0%	100.0%				
			Captive	Direct	Independent	Weighted Average	Variance Adjustment	Excluded Expense Ratio	Final Adjusted Efficiency Standard
Inland Marine	9	Boatsman Program	29.0%	31.6%	29.0%	29.0%	0.0%	0.2%	28.8%

			Reserves Ratio		Leverage Factor			Yields Through September 2017	
					(Variance 3 not applied)				
Detailed Line Description	Line Code	Coverage/Form	Unearned Premium Reserves	Loss Reserves	Raw Factor	Variance Adjustment	Final Adjusted Leverage Factor	Yield	3.3%
Inland Marine	9	Boatsman Program	0.2738	0.2549	1.1182	1.0000	1.1182	FIT	27.5%
								Risk Free Rate of Return	1.8%

RATEMAKING DATA

Completed by: Wendy Farley
Date Completed: 10/20/2017
Detailed Line Description: Inland Marine
Coverage: Boatsman Program

Variance #(s):

Line	Description	Source	2nd Prior Year Ending	1st Prior Year Ending	Most Recent Year Ending	Projected ¹	New Program ²
(0)	Year		20152	20162	20172		
(1)	California Direct Written Premium		1,442,660	1,601,309	1,592,475		
(2)	California Direct Earned Premium		1,452,179	1,516,120	1,614,955		
(3)	Premium Adjustment Factor	Exh 4	1.000	1.000	1.000		
(4)	Premium Trend Factor ¹	Exh 5	1.103	1.073	1.045	2.8%	
(5)	Miscellaneous Fees and Flat Charges not included in Line (2)	Exh 6	44,673	45,410	46,040		
(6)	Earned Exposure Units		3,785	3,841	3,984		
(7)	Historic Losses		580,071	484,642	555,200		
(8)	Historic Defense and Cost Containment Expense (DCCE)		0	0	0		
(9)	Loss Development Factor	Exh 7	1.011	1.011	1.094		
(10)	DCCE Development Factor	Exh 7	1.011	1.011	1.094		
(11)	Loss Trend Factor ¹	Exh 8	1.156	1.110	1.067	4.1%	
(12)	DCCE Trend Factor ¹	Exh 8	1.156	1.110	1.067	4.1%	
(13)	Catastrophe Adjustment Factor	Exh 9	1.005	1.005	1.005		
(14)	Credibility for Losses & DCCE	Exh 10				38.0%	
(15)	Ancillary Income	Exh 11	0	0	0		

Lines 16-18 link directly to pages 3 and 4 of the rate template.

(16)	Excluded Expense Ratio	Pg 4.2				0.2%	
(17)	Projected Federal Income Tax Rate on Investment Income	Pg 3.2				27.5%	
(18)	Projected Yield	Pg 3.2				3.3%	

¹ The Projected column should reflect the annual trend expressed as a percentage for premium, loss and DCCE trends, and credibility.

² Refer to Section III.C. of the Prior Approval Rate Filing Instructions for New Program requirements.

VARIANCE - NONE

RATE CHANGE CALCULATION

Completed by: Wendy Farley
Date Completed: 10/20/2017
Prior Effective Date: 06/11/2012
Proposed Effective Date: 02/15/2018
Detailed Line Description: Inland Marine
Coverage: Boatsman Program

Data Provided by Filer	20152	20162	20172	Projected
Prem_Written	1,442,660	1,601,309	1,592,475	4,636,444
Prem_Earned	1,452,179	1,516,120	1,614,955	4,583,253
Prem_Adj	1.000	1.000	1.000	
Prem_Trend	1.103	1.073	1.045	2.8%
Misc_Fees	44,673	45,410	46,040	136,123
Exposures_Earned	3,785	3,841	3,984	11,610
Losses	580,071	484,642	555,200	1,619,913
DCCE	0	0	0	0
Loss_Devt	1.011	1.011	1.094	
DCCE_Devt	1.011	1.011	1.094	
Loss_Trend	1.156	1.110	1.067	4.1%
DCCE_Trend	1.156	1.110	1.067	4.1%
CAT_Adj	1.005	1.005	1.005	
Anc_Income	0	0	0	0
Credibility				38.0%
ExpRatio_Excluded				0.2%
FIT_Inv				27.5%
Yield				3.3%

CDI Parameters

FIT_UW				35.0%
EffStd_Final		Data as of:	2015	28.8%
LevFact_Final		Data as of:	2015	1.12
PremTaxRate				2.4%
SurplusRatio				0.89
ResRatio_UPR		Data as of:	2015	0.27
ResRatio_Loss		Data as of:	2015	0.25
ROR_RiskFree		Data as of:	September 2017	1.8%
ROR_Min				-6.0%
ROR_Max				7.8%

Calculations	20152	20162	20172	
Prem_Adjusted	1,646,478	1,672,804	1,732,939	5,052,220
Losses_Adjusted	681,251	546,718	651,039	1,879,008
DCCE_Adjusted	0	0	0	0
LossDCCERatio_Adjusted	41.4%	32.7%	37.6%	37.2%
TCRLP_perExp	434.99	435.53	434.93	435.15
LossDCCE_perExp	179.98	142.34	163.40	161.84
CompLossDCCE_perExp	299.80	300.17	299.76	299.91
CredLoss_perExp	254.31	240.25	247.99	247.49
Anc_Inc_perExp	0.00	0.00	0.00	0.00
InvInc_Fixed				1.0%
InvInc_Variable				4.4%
Net_AnnualTrend				1.3%
Comp_Trend				5.3%
Max_Profit				10.7%
Min_Profit				-8.3%
UW_Profit				5.7%
Min_Denom				0.84
Max_Denom				0.65
Min_Premium				\$292.61
Max_Premium				\$378.29
CHANGE_AT_MIN				-32.8%
CHANGE_AT_MAX				-13.1%

STANDARD EXHIBITS TEMPLATE
GENERAL INFORMATION

Completed by: Wendy Farley Date: 10/20/2017

CDI File # (Department Use Only):

Company Name: ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company

Line Type: Personal

General Line : Inland Marine

Detailed Line Description(s) Coverage/Form/Program

(Enter name of each coverage/form/program included in this application. Otherwise, enter a blank. Do not skip coverages.)

Inland Marine	▼
	▼
	▼
	▼
	▼
	▼
	▼
	▼
	▼
	▼
	▼

Boatsman Program

Data Aggregation Method for Loss & DCCE Development Accident Year

(Note: Quarterly Exhibit 7 is hidden.)

Months of Development for Annual Loss & DCCE Development 12

(Select 12 or 15 Months. Applicable only if annual Data Aggregation Method is selected above.)

Most Recent Fiscal Period in Loss and Premium Trend Data (Enter in YYYYQ format.) 20172
Most Recent Fiscal Period in Loss Development Data (Enter in YYYYQ format.) 20172
Most Recent Fiscal Period in Complement Loss Trend Data (Enter in YYYYQ format.) 20172

Is the Company-Specific Premium Trend Data on a written or earned basis? Earned

Does the Company-Specific Loss Trend Data include or exclude DCCE? Includes DCCE

Does the Complement Loss Trend Data include or exclude DCCE? Includes DCCE

Does the Company-Specific Loss Development Data include or exclude DCCE? Includes DCCE

Does Exhibit 7 - Paid Claim Counts include Closed without Payments (CWP)? Excludes CWP

Does Exhibit 7 - Reported Claim Counts include Closed without Payments (CWP)? Excludes CWP

Does Exhibit 8 - Closed Claim Counts include Closed without Payments (CWP)? Excludes CWP

Does Exhibit 8 - Reported Claim Counts include Closed without Payments (CWP)? Excludes CWP

Is the Company-Specific DCCE Development Data on a paid or incurred basis? Incurred

Is the current NAIC categorical split of LAE (DCCE/A&OE) used in this application? Yes
(If no, provide explanation in Filing Memorandum. Include a time line as to when compliance with CCR §2644.8 will be achieved.)

Select Exhibits to Print All Exhibits

ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine

Premium Trend

California Company-Specific Premium Trend Data
Boatsman Program

Calendar YYYYQ	Quarterly Data				Rolling 4-Quarter Data			
	Earned Exposures	Earned Premium	On-Level Earned Premium	On-Level Earned Premium per Exposure	Earned Exposures	Earned Premium	On-Level Earned Premium	On-Level Earned Premium per Exposure
20104	1,201	454,821	409,339	341				
20111	1,185	450,592	405,533	342				
20112	1,152	439,807	395,826	344				
20113	1,112	426,804	386,000	347				
20114	1,092	419,932	379,785	348	4,650	1,772,024	1,596,698	343
20121	1,082	419,033	378,972	350	4,540	1,737,135	1,567,144	345
20122	1,059	414,073	374,486	354	4,438	1,705,576	1,540,583	347
20123	1,034	403,771	393,154	380	4,346	1,679,842	1,519,243	350
20124	1,022	395,147	384,756	376	4,268	1,656,809	1,526,397	358
20131	1,018	387,098	376,919	370	4,198	1,632,024	1,531,368	365
20132	1,008	375,512	365,638	363	4,133	1,600,089	1,529,314	370
20133	994	367,142	367,142	369	4,082	1,561,528	1,520,466	372
20134	990	366,353	366,353	370	4,042	1,524,899	1,494,454	370
20141	989	367,700	367,700	372	4,010	1,496,105	1,476,052	368
20142	976	365,968	365,968	375	3,981	1,476,707	1,466,832	368
20143	958	363,167	363,167	379	3,948	1,467,163	1,467,163	372
20144	948	363,163	363,163	383	3,912	1,463,188	1,463,188	374
20151	945	363,651	363,651	385	3,871	1,459,998	1,459,998	377
20152	934	362,197	362,197	388	3,827	1,455,949	1,455,949	380
20153	926	362,458	362,458	391	3,785	1,452,179	1,452,179	384
20154	947	372,647	372,647	393	3,754	1,451,470	1,451,470	387
20161	975	385,686	385,686	396	3,753	1,460,954	1,460,954	389
20162	992	395,328	395,328	398	3,783	1,482,989	1,482,989	392
20163	1,010	404,671	404,671	401	3,841	1,516,120	1,516,120	395
20164	1,010	407,066	407,066	403	3,825	1,558,333	1,558,333	397
20171	992	403,358	403,358	407	3,925	1,592,751	1,592,751	399
20172	972	399,860	399,860	411	3,987	1,610,423	1,610,423	402
					4,004	1,614,955	1,614,955	405

Selected:	Trend	
	24 pt	2.8%

Trend Period (Years) for Most Recent Year in Experience Period: 1.60
(Justify in Filing Memorandum)

Trend Factors:	
3 rd Prior Year	1.103
2 nd Prior Year	1.073
Most Recent Year	1.045

Rolling 4-Qtr	Annual Trend
8 pt	2.7%
12 pt	2.9%
16 pt	2.8%
20 pt	2.4%
24 pt	2.8%

**ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine**

Loss & DCCE Development

Boatsman Program

Selected Ultimate Loss & DCCE:

Incurred

Selected Ultimate DCCE (if applicable):

NA

	Fiscal Accident Year Ending									
Ultimate \$	20082	20092	20102	20112	20122	20132	20142	20152	20162	20172
Paid Loss Method	887,731	886,636	1,286,764	502,705	536,177	555,608	593,418	586,497	490,011	597,285
Incurred Loss Method	887,731	886,636	1,286,764	502,705	536,177	555,608	593,418	586,497	490,011	607,482
Selected	887,731	886,636	1,286,764	502,705	536,177	555,608	593,418	586,497	490,011	607,482
Dollar DCCE Method										
Ratio DCCE Ratio Method										
Selected										

	Fiscal Accident Year Ending									
Selected LDFs	20082	20092	20102	20112	20122	20132	20142	20152	20162	20172
Loss	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.011	1.011	1.094
DCCE	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.011	1.011	1.094

**ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine**

Non-Catastrophe Paid Loss & DCCE Development - Annual Triangles

Boatsman Program

Fiscal Accident Year Ending	Months of Development									
	12	24	36	48	60	72	84	96	108	120
20082	532,638	881,685	882,129	887,731	887,731	887,731	887,731	887,731	887,731	887,731
20092	806,070	886,101	886,101	886,101	886,636	886,636	886,636	886,636	886,636	
20102	678,303	908,178	946,091	985,798	1,286,764	1,286,764	1,286,764	1,286,764		
20112	487,718	502,705	502,705	502,705	502,705	502,705	502,705			
20122	431,602	536,177	536,177	536,177	536,177	536,177				
20132	439,738	549,370	549,370	555,608	555,608					
20142	512,815	581,192	581,192	593,418						
20152	504,916	580,071	580,071							
20162	414,825	484,642								
20172	514,167									
Fiscal Accident Year Ending	Age to Age Factors									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082	1.655	1.001	1.006	1.000	1.000	1.000	1.000	1.000	1.000	
20092	1.099	1.000	1.000	1.001	1.000	1.000	1.000	1.000		
20102	1.339	1.042	1.042	1.305	1.000	1.000	1.000			
20112	1.031	1.000	1.000	1.000	1.000	1.000				
20122	1.242	1.000	1.000	1.000	1.000					
20132	1.249	1.000	1.011	1.000						
20142	1.133	1.000	1.021							
20152	1.149	1.000								
20162	1.168									
Tail										
3 Yr Wtd Avg	1.149	1.000	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.149	1.000	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult	1.162	1.011	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate \$	597,285	490,011	586,497	593,418	555,608	536,177	502,705	1,286,764	886,636	887,731

ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine

Non-Catastrophe Incurred Loss & DCCE Development - Annual Triangles

Boatsman Program

Fiscal Accident Year Ending	Months of Development									
	12	24	36	48	60	72	84	96	108	120
20082	715,742	881,685	882,129	887,731	887,731	887,731	887,731	887,731	887,731	887,731
20092	864,893	886,126	886,101	886,101	886,636	886,636	886,636	886,636	886,636	
20102	817,991	1,223,315	1,261,091	1,285,798	1,286,764	1,286,764	1,286,764	1,286,764		
20112	508,253	502,705	502,705	502,705	502,705	502,705	502,705			
20122	452,169	536,177	536,177	536,177	536,177	536,177				
20132	486,988	549,370	549,370	555,608	555,608					
20142	545,565	581,192	581,192	593,418						
20152	544,526	580,071	580,071							
20162	430,825	484,642								
20172	555,200									
Fiscal Accident Year Ending	Age to Age Factors									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082	1.232	1.001	1.006	1.000	1.000	1.000	1.000	1.000	1.000	
20092	1.025	1.000	1.000	1.001	1.000	1.000	1.000	1.000		
20102	1.496	1.031	1.020	1.001	1.000	1.000	1.000			
20112	0.989	1.000	1.000	1.000	1.000	1.000				
20122	1.186	1.000	1.000	1.000	1.000					
20132	1.128	1.000	1.011	1.000						
20142	1.065	1.000	1.021							
20152	1.065	1.000								
20162	1.125									
Tail										
3 Yr Wtd Avg	1.082	1.000	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.082	1.000	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult	1.094	1.011	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate \$	607,482	490,011	586,497	593,418	555,608	536,177	502,705	1,286,764	886,636	887,731

ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine

Non-Catastrophe Incurred DCCE Development - Annual Triangles

Boatsman Program

Months of Development										
Fiscal Accident Year Ending	12	24	36	48	60	72	84	96	108	120
20082										
20092										
20102										
20112										
20122										
20132										
20142										
20152										
20162										
20172										

Age to Age Factors										
Fiscal Accident Year Ending	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
20092	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
20102	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
20112	0.000	0.000	0.000	0.000	0.000	0.000				
20122	0.000	0.000	0.000	0.000	0.000					
20132	0.000	0.000	0.000	0.000						
20142	0.000	0.000	0.000							
20152	0.000	0.000								
20162	0.000									
										Tail
3 Yr Wtd Avg	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate \$	0	0	0	0	0	0	0	0	0	0

ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine

Non-Catastrophe Incurred DCCE to Incurred Loss Ratio Development - Annual Triangles

Boatsman Program

Fiscal Accident Year Ending	Months of Development									
	12	24	36	48	60	72	84	96	108	120
20082	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20092	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
20102	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
20112	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
20122	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
20132	0.00%	0.00%	0.00%	0.00%	0.00%					
20142	0.00%	0.00%	0.00%	0.00%						
20152	0.00%	0.00%	0.00%							
20162	0.00%	0.00%								
20172	0.00%									
Fiscal Accident Year Ending	Age to Age Factors									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
20092	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
20102	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
20112	0.000	0.000	0.000	0.000	0.000	0.000				
20122	0.000	0.000	0.000	0.000	0.000					
20132	0.000	0.000	0.000	0.000						
20142	0.000	0.000	0.000							
20152	0.000	0.000								
20162	0.000									
Tail										
3 Yr Avg	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate DCCE Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Selected Ult Loss	607,482	490,011	586,497	593,418	555,608	536,177	502,705	1,286,764	886,636	887,731
Ultimate DCCE	0	0	0	0	0	0	0	0	0	0
DCCE Age-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine**

Non-Catastrophe Reported Claim Count Development - Annual Triangles

Boatsman Program

Fiscal Accident Year Ending	Months of Development									
	12	24	36	48	60	72	84	96	108	120
20082	148	164	164	164	164	164	164	164	164	164
20092	145	154	154	154	154	154	154	154	154	
20102	141	158	158	158	158	158	158	158		
20112	106	109	109	109	109	109	109			
20122	99	106	106	106	106	106				
20132	98	114	114	114	114					
20142	98	106	106	107						
20152	110	120	120							
20162	88	99								
20172	87									

Fiscal Accident Year Ending	Age to Age Factors									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082	1.108	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
20092	1.062	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
20102	1.121	1.000	1.000	1.000	1.000	1.000	1.000			
20112	1.028	1.000	1.000	1.000	1.000	1.000				
20122	1.071	1.000	1.000	1.000	1.000					
20132	1.163	1.000	1.000	1.000						
20142	1.082	1.000	1.009							
20152	1.091	1.000								
20162	1.125									
Tail										
3 Yr Wtd Avg	1.098	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.098	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult	1.101	1.003	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate #	96	99	120	107	114	106	109	158	154	164

ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine

Non-Catastrophe Paid Claim Count Development - Annual Triangles

Boatsman Program

Fiscal Accident Year Ending	Months of Development									
	12	24	36	48	60	72	84	96	108	120
20082	122	160	162	164	164	164	164	164	164	164
20092	125	152	153	153	154	154	154	154	154	
20102	112	151	155	155	156	156	156	156		
20112	98	108	108	108	108	108	108			
20122	84	106	106	106	106	106				
20132	81	112	113	114	114					
20142	91	106	106	107						
20152	99	120	120							
20162	80	97								
20172	75									

Fiscal Accident Year Ending	Age to Age Factors									
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082	1.311	1.013	1.012	1.000	1.000	1.000	1.000	1.000	1.000	
20092	1.216	1.007	1.000	1.007	1.000	1.000	1.000	1.000		
20102	1.348	1.026	1.000	1.006	1.000	1.000	1.000			
20112	1.102	1.000	1.000	1.000	1.000	1.000				
20122	1.262	1.000	1.000	1.000	1.000					
20132	1.383	1.009	1.009	1.000						
20142	1.165	1.000	1.009							
20152	1.212	1.000								
20162	1.213									
Tail										
3 Yr Wtd Avg	1.196	1.003	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.196	1.003	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult	1.207	1.009	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate #	91	98	121	107	114	106	108	156	154	164

ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine

Non-Catastrophe Loss and DCCE Trend
Boatsman Program

California Company-Specific Loss and DCCE Trend Data						Rolling 4-Quarter Data					Rolling 4-Quarter Data			
Calendar YYYYQ	Quarterly Data					Total Paid Losses & DCCE including Partial Payments on Prior Calendar Years, on Closed Claims	Rolling 4-Quarter Data					Total Paid Loss & DCCE Severity including Partial Payments on Prior Calendar Years, on Closed Claims		
	Earned Exposures	Closed Claims	Reported Claims	Paid Losses & DCCE	Earned Exposures		Closed Claims	Reported Claims	Paid Losses & DCCE	Closed Frequency per 100 Exposures	Reported Frequency per 100 Exposures		Paid Loss & DCCE Severity	
20104	1,201	31	22	240,356	219,685									
20111	1,185	28	19	69,585	172,933									
20112	1,152	44	35	169,007	154,176									
20113	1,112	30	35	85,066	148,554	4,650	133	111	564,014	695,348	2.86	2.39	4,241	5,228
20114	1,092	21	22	183,072	118,869	4,540	123	111	506,730	594,532	2.71	2.44	4,120	4,834
20121	1,082	25	19	125,981	103,698	4,438	120	111	563,125	525,297	2.70	2.50	4,693	4,377
20122	1,059	22	26	90,383	69,489	4,346	98	102	484,502	440,610	2.26	2.35	4,944	4,496
20123	1,034	35	37	98,544	194,501	4,268	103	104	497,979	486,556	2.41	2.44	4,835	4,724
20124	1,022	26	25	188,496	82,415	4,198	108	107	503,404	450,102	2.57	2.55	4,661	4,168
20131	1,018	20	14	161,750	149,253	4,133	103	102	539,173	495,657	2.49	2.47	5,235	4,812
20132	1,008	23	29	135,766	213,463	4,082	104	105	584,556	639,631	2.55	2.57	5,621	6,150
20133	994	29	43	518,725	182,558	4,042	98	111	1,004,737	627,688	2.42	2.75	10,252	6,405
20134	990	45	33	184,695	214,357	4,010	117	119	1,000,936	759,631	2.92	2.97	8,555	6,493
20141	989	22	16	85,934	88,216	3,981	119	121	925,120	698,594	2.99	3.04	7,774	5,871
20142	976	27	22	134,059	599,620	3,948	123	114	923,413	1,084,751	3.12	2.89	7,507	8,819
20143	958	26	33	167,394	141,737	3,912	120	104	572,083	1,043,931	3.07	2.66	4,767	8,699
20144	948	30	27	116,607	115,981	3,871	105	98	503,995	945,555	2.71	2.53	4,800	9,005
20151	945	23	26	142,701	151,389	3,827	106	108	560,762	1,008,728	2.77	2.82	5,290	9,516
20152	934	36	32	146,590	157,685	3,785	115	118	573,292	566,793	3.04	3.12	4,985	4,929
20153	926	24	33	109,295	128,855	3,754	113	118	515,193	553,911	3.01	3.14	4,559	4,902
20154	947	36	29	221,746	138,298	3,753	119	120	620,332	576,227	3.17	3.20	5,213	4,842
20161	975	20	16	49,486	135,763	3,783	116	110	527,116	560,601	3.07	2.91	4,544	4,833
20162	992	22	20	115,692	103,939	3,841	102	98	496,219	506,855	2.66	2.55	4,865	4,969
20163	1,010	26	31	127,019	143,533	3,925	104	96	513,943	521,533	2.65	2.45	4,942	5,015
20164	1,010	20	21	191,467	138,163	3,987	88	88	483,664	521,398	2.21	2.21	5,496	5,925
20171	992	21	23	125,670	115,758	4,004	89	95	559,848	501,393	2.22	2.37	6,290	5,634
20172	972	26	24	152,054	196,210	3,984	93	99	596,210	593,664	2.33	2.48	6,411	6,383

Selected:	24 pt	Trend	Credibility (Justify in Exh 10)	Complement Trend	Credibility- Weighted Loss Trend
Frequency:	Reported	1.0%			
Severity:	Total Paid (w/Partials)	3.1%			
Pure Premium:		4.1%	100.0%	N/A	4.1%

Trend Period (Years) for Most Recent
Year in Experience Period: 1.60
(Justify in Filing Memorandum)

Trend Factors:
3rd Prior Year 1.156
2nd Prior Year 1.110
Most Recent Year 1.067

Rolling 4-Quarter Annual Trends				
	Closed Frequency	Reported Frequency	Paid Severity	Total Paid (w/Partials) Severity
8 pt	-19.5%	-17.4%	20.5%	16.6%
12 pt	-9.9%	-6.7%	8.7%	-14.0%
16 pt	-5.1%	-5.0%	-10.5%	-8.9%
20 pt	-0.8%	-0.8%	-2.8%	0.0%
24 pt	-0.2%	1.0%	1.7%	3.1%

ACE American Insurance Company, ACE Fire Underwriters Insurance Company, Insurance Company of North America
Inland Marine

Complement Loss and DCCE Trend
Personal Inland Marine - Countrywide Experience

Complement Loss and DCCE Trend Data						Rolling 4-Quarter Data					Rolling 4-Quarter Data				
Calendar YYYYQ	Quarterly Data					Rolling 4-Quarter Data					Rolling 4-Quarter Data				
	Earned Exposures	Closed Claims	Reported Claims	Paid Losses & DCCE	Total Paid Losses & DCCE including Partial Payments on Prior Calendar Years, on Closed Claims	Earned Exposures	Closed Claims	Reported Claims	Paid Losses & DCCE	Total Paid Losses & DCCE including Partial Payments on Prior Calendar Years, on Closed Claims	Closed Frequency per 100 Exposures	Reported Frequency per 100 Exposures	Paid Loss & DCCE Severity	Total Paid Loss & DCCE Severity including Partial Payments on Prior Calendar Years, on Closed Claims	
20104															
20111															
20112															
20113						0	0	0	0	0	0.00	0.00	0	0	
20114						0	0	0	0	0	0.00	0.00	0	0	
20121						0	0	0	0	0	0.00	0.00	0	0	
20122						0	0	0	0	0	0.00	0.00	0	0	
20123						0	0	0	0	0	0.00	0.00	0	0	
20124						0	0	0	0	0	0.00	0.00	0	0	
20131						0	0	0	0	0	0.00	0.00	0	0	
20132						0	0	0	0	0	0.00	0.00	0	0	
20133						0	0	0	0	0	0.00	0.00	0	0	
20134						0	0	0	0	0	0.00	0.00	0	0	
20141						0	0	0	0	0	0.00	0.00	0	0	
20142						0	0	0	0	0	0.00	0.00	0	0	
20143						0	0	0	0	0	0.00	0.00	0	0	
20144						0	0	0	0	0	0.00	0.00	0	0	
20151						0	0	0	0	0	0.00	0.00	0	0	
20152						0	0	0	0	0	0.00	0.00	0	0	
20153						0	0	0	0	0	0.00	0.00	0	0	
20154						0	0	0	0	0	0.00	0.00	0	0	
20161						0	0	0	0	0	0.00	0.00	0	0	
20162						0	0	0	0	0	0.00	0.00	0	0	
20163						0	0	0	0	0	0.00	0.00	0	0	
20164						0	0	0	0	0	0.00	0.00	0	0	
20171						0	0	0	0	0	0.00	0.00	0	0	
20172						0	0	0	0	0	0.00	0.00	0	0	

Selected:

20 pt

Complement Trend

Frequency:

Closed

#NUM!

Severity:

Paid

#NUM!

Pure Premium: #NUM!

Alternate Pure Premium : (Justify in Filing Memorandum)

Rolling 4-Quarter Annual Trends				
	Closed Frequency	Reported Frequency	Paid Severity	Total Paid (w/Partials) Severity
8 pt	#NUM!	#NUM!	#NUM!	#NUM!
12 pt	#NUM!	#NUM!	#NUM!	#NUM!
16 pt	#NUM!	#NUM!	#NUM!	#NUM!
20 pt	#NUM!	#NUM!	#NUM!	#NUM!
24 pt	#NUM!	#NUM!	#NUM!	#NUM!

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Filing History

<u>CDI File #</u>	<u>Effective Date</u>
03-8841; 03-8842	02/01/2004
11-10277; 11-10278	06/11/2012

There have been no rate filings in the last three years.

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Rate Level History

<u>CDI File #</u>	<u>Effective Date</u>	<u>Rate Change</u>
03-8841; 03-8842	02/01/2004	-20.00%
11-10277; 11-10278	06/11/2012	-10.00%

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Policy Term Distribution

<u>Term</u>	<u>Share</u>
<12	0%
12	100%
>12	0%
Total	100.0%

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Premium Adjustment Factor

<u>Year</u>	<u>On Level Factor</u>
2015	1.0000
2016	1.0000
2017	1.0000

Note: The Parallelogram method was used to determine on-level factors.

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Premium Trend - California Company Specific - Boatsman Program

Calendar YYYYQ	Quarterly Data				Rolling 4-Quarter Data			
	Earned Exposures	Earned Premium	On-Level Earned Premium	On-Level Earned Premium per Exposure	Earned Exposures	Earned Premium	On-Level Earned Premium	On-Level Earned Premium per Exposure
20104	1,201	454,821	409,339	341				
20111	1,185	450,592	405,533	342				
20112	1,152	439,807	395,826	344				
20113	1,112	426,804	386,000	347				
20114	1,092	419,932	379,785	348	4,650	1,772,024	1,596,698	343
20121	1,082	419,033	378,972	350	4,540	1,737,135	1,567,144	345
20122	1,059	414,073	374,486	354	4,438	1,705,576	1,540,583	347
20123	1,034	403,771	393,154	380	4,346	1,679,842	1,519,243	350
20124	1,022	395,147	384,756	376	4,268	1,656,809	1,526,397	358
20131	1,018	387,098	376,919	370	4,198	1,632,024	1,531,368	365
20132	1,008	375,512	365,638	363	4,133	1,600,089	1,529,314	370
20133	994	367,142	367,142	369	4,082	1,561,528	1,520,466	372
20134	990	366,353	366,353	370	4,042	1,524,899	1,494,454	370
20141	989	367,700	367,700	372	4,010	1,496,105	1,476,052	368
20142	976	365,968	365,968	375	3,981	1,476,707	1,466,832	368
20143	958	363,167	363,167	379	3,948	1,467,163	1,467,163	372
20144	948	363,163	363,163	383	3,912	1,463,188	1,463,188	374
20151	945	363,651	363,651	385	3,871	1,459,998	1,459,998	377
20152	934	362,197	362,197	388	3,827	1,455,949	1,455,949	380
20153	926	362,458	362,458	391	3,785	1,452,179	1,452,179	384
20154	947	372,647	372,647	393	3,754	1,451,470	1,451,470	387
20161	975	385,686	385,686	396	3,753	1,460,954	1,460,954	389
20162	992	395,328	395,328	398	3,783	1,482,989	1,482,989	392
20163	1,010	404,671	404,671	401	3,841	1,516,120	1,516,120	395
20164	1,010	407,066	407,066	403	3,925	1,558,333	1,558,333	397
20171	992	403,358	403,358	407	3,987	1,592,751	1,592,751	399
20172	972	399,860	399,860	411	4,004	1,610,423	1,610,423	402
					3,984	1,614,955	1,614,955	405

Selected: 24 pt Trend 2.8%

Trend Period (Years) for Most Recent Year in Experience Period: 1.600

Trend Factors: Standard

3rd Prior Year 1.103

2nd Prior Year 1.073

Most Recent Year 1.045

Rolling 4-Qtr	Annual Trend
8 pt	2.7%
12 pt	2.9%
16 pt	2.8%
20 pt	2.4%
24 pt	2.8%

Calculation of Trend Period			
Proposed Effective Date:		02/15/2018	
Effective Period Avg. Written Date:		08/17/2018	
FY	Experience Period Avg Written	Projection Period Avg Written	Trend Period
2012	01/01/2012	08/17/2018	6.6
2013	01/01/2013	08/17/2018	5.6
2014	01/01/2014	08/17/2018	4.6
2015	01/01/2015	08/17/2018	3.6
2016	01/01/2016	08/17/2018	2.6
2017	01/01/2017	08/17/2018	1.6

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Miscellaneous Fees & Other Charges

There is an Installment Fee of \$5 per transaction. These fees are included as Miscellaneous Fees on Prior Approval Rate Template, tab 6.1 Ratemaking Data, line (5).

<u>Year</u>	<u>Installment Fees</u>
2015	44,673
2016	45,410
2017	46,040

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Loss and Defense & Cost Containment Expense (DCCE) Development Factors

Selected Ultimate Loss & DCCE:

Incurred

Selected Ultimate DCCE (if applicable):

NA

Fiscal Accident Year Ending										
Ultimate \$	20082	20092	20102	20112	20122	20132	20142	20152	20162	20172
Paid Loss Method	887,731	886,636	1,286,764	502,705	536,177	555,608	593,418	586,497	490,011	597,285
Incurred Loss Method	887,731	886,636	1,286,764	502,705	536,177	555,608	593,418	586,497	490,011	607,482
Selected	887,731	886,636	1,286,764	502,705	536,177	555,608	593,418	586,497	490,011	607,482
Dollar DCCE Method										
Ratio DCCE Ratio Method										
Selected										

Fiscal Accident Year Ending										
Selected LDFs	20082	20092	20102	20112	20122	20132	20142	20152	20162	20172
Loss	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.011	1.011	1.094
DCCE	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.011	1.011	1.094

Non-Catastrophe Paid Loss & DCCE Development - Annual Triangles

Months of Development											
Fiscal Accident Year Ending	0	12	24	36	48	60	72	84	96	108	120
20082		532,638	881,685	882,129	887,731	887,731	887,731	887,731	887,731	887,731	887,731
20092		806,070	886,101	886,101	886,101	886,636	886,636	886,636	886,636	886,636	
20102		678,303	908,178	946,091	985,798	1,286,764	1,286,764	1,286,764	1,286,764		
20112		487,718	502,705	502,705	502,705	502,705	502,705	502,705			
20122		431,602	536,177	536,177	536,177	536,177	536,177				
20132		439,738	549,370	549,370	555,608	555,608					
20142		512,815	581,192	581,192	593,418						
20152		504,916	580,071	580,071							
20162		414,825	484,642								
20172		514,167									
Age to Age Factors											
Fiscal Accident Year Ending		12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082		1.655	1.001	1.006	1.000	1.000	1.000	1.000	1.000	1.000	
20092		1.099	1.000	1.000	1.001	1.000	1.000	1.000	1.000		
20102		1.339	1.042	1.042	1.305	1.000	1.000	1.000			
20112		1.031	1.000	1.000	1.000	1.000	1.000				
20122		1.242	1.000	1.000	1.000	1.000					
20132		1.249	1.000	1.011	1.000						
20142		1.133	1.000	1.021							
20152		1.149	1.000								
20162		1.168									
Tail											
3 Yr Wtd Avg		1.149	1.000	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected		1.149	1.000	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult		1.162	1.011	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate \$		597,285	490,011	586,497	593,418	555,608	536,177	502,705	1,286,764	886,636	887,731

Non-Catastrophe Incurred Loss & DCCE Development - Annual Triangles

Months of Development											
Fiscal Accident Year Ending	0	12	24	36	48	60	72	84	96	108	120
20082		715,742	881,685	882,129	887,731	887,731	887,731	887,731	887,731	887,731	887,731
20092		864,893	886,126	886,101	886,101	886,636	886,636	886,636	886,636	886,636	
20102		817,991	1,223,315	1,261,091	1,285,798	1,286,764	1,286,764	1,286,764	1,286,764		
20112		508,253	502,705	502,705	502,705	502,705	502,705	502,705			
20122		452,169	536,177	536,177	536,177	536,177	536,177				
20132		486,988	549,370	549,370	555,608	555,608					
20142		545,565	581,192	581,192	593,418						
20152		544,526	580,071	580,071							
20162		430,825	484,642								
20172		555,200									
Age to Age Factors											
Fiscal Accident Year Ending		12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082		1.232	1.001	1.006	1.000	1.000	1.000	1.000	1.000	1.000	
20092		1.025	1.000	1.000	1.001	1.000	1.000	1.000	1.000		
20102		1.496	1.031	1.020	1.001	1.000	1.000	1.000			
20112		0.989	1.000	1.000	1.000	1.000	1.000				
20122		1.186	1.000	1.000	1.000	1.000					
20132		1.128	1.000	1.011	1.000						
20142		1.065	1.000	1.021							
20152		1.065	1.000								
20162		1.125									
Tail											
3 Yr Wtd Avg		1.082	1.000	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected		1.082	1.000	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult		1.094	1.011	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate \$		607,482	490,011	586,497	593,418	555,608	536,177	502,705	1,286,764	886,636	887,731

Non-Catastrophe Incurred DCCE Development - Annual Triangles

[illegible]

Non-Catastrophe Incurred DCCE to Incurred Loss Ratio Development - Annual Triangles

[illegible]

Non-Catastrophe Reported Claim Count Development - Annual Triangles

Months of Development											
Fiscal Accident Year Ending	0	12	24	36	48	60	72	84	96	108	120
20082		148	164	164	164	164	164	164	164	164	164
20092		145	154	154	154	154	154	154	154	154	
20102		141	158	158	158	158	158	158	158		
20112		106	109	109	109	109	109	109			
20122		99	106	106	106	106	106				
20132		98	114	114	114	114					
20142		98	106	106	107						
20152		110	120	120							
20162		88	99								
20172		87									

Age to Age Factors											
Fiscal Accident Year Ending		12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082		1.108	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
20092		1.062	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
20102		1.121	1.000	1.000	1.000	1.000	1.000	1.000			
20112		1.028	1.000	1.000	1.000	1.000	1.000				
20122		1.071	1.000	1.000	1.000	1.000					
20132		1.163	1.000	1.000	1.000						
20142		1.082	1.000	1.009							
20152		1.091	1.000								
20162		1.125									
Tail											
3 Yr Wtd Avg		1.098	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected		1.098	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult		1.101	1.003	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate #		96	99	120	107	114	106	109	158	154	164

Non-Catastrophe Paid Claim Count Development - Annual Triangles

Months of Development											
Fiscal Accident Year Ending	0	12	24	36	48	60	72	84	96	108	120
20082		122	160	162	164	164	164	164	164	164	164
20092		125	152	153	153	154	154	154	154	154	
20102		112	151	155	155	156	156	156	156		
20112		98	108	108	108	108	108	108			
20122		84	106	106	106	106	106				
20132		81	112	113	114	114					
20142		91	106	106	107						
20152		99	120	120							
20162		80	97								
20172		75									
Age to Age Factors											
Fiscal Accident Year Ending		12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-Ult
20082		1.311	1.013	1.012	1.000	1.000	1.000	1.000	1.000	1.000	
20092		1.216	1.007	1.000	1.007	1.000	1.000	1.000	1.000		
20102		1.348	1.026	1.000	1.006	1.000	1.000	1.000			
20112		1.102	1.000	1.000	1.000	1.000	1.000				
20122		1.262	1.000	1.000	1.000	1.000					
20132		1.383	1.009	1.009	1.000						
20142		1.165	1.000	1.009							
20152		1.212	1.000								
20162		1.213									
Tail											
3 Yr Wtd Avg		1.196	1.003	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected		1.196	1.003	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Age-Ult		1.207	1.009	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ultimate #		91	98	121	107	114	106	108	156	154	164

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Non-Catastrophe Loss and DCCE Trend

California Company-Specific Loss and DCCE Trend Data Quarterly Data						Rolling 4-Quarter Data					Rolling 4-Quarter Data			
Calendar YYYYQ	Earned Exposures	Closed Claims	Reported Claims	Paid Losses & DCCE	Total Paid Losses & DCCE including Partial Payments on Prior Calendar Years, on Closed Claims	Earned Exposures	Closed Claims	Reported Claims	Paid Losses & DCCE	Total Paid Losses & DCCE including Partial Payments on Prior Calendar Years, on Closed Claims	Closed Frequency per 100 Exposures	Reported Frequency per 100 Exposures	Paid Loss & DCCE Severity	Total Paid Loss & DCCE Severity including Partial Payments on Prior Calendar Years, on Closed Claims
20104	1,201	31	22	240,356	219,685									
20111	1,185	28	19	69,585	172,933									
20112	1,152	44	35	169,007	154,176									
20113	1,112	30	35	85,066	148,554	4,650	133	111	564,014	695,348	2.86	2.39	4,241	5,228
20114	1,092	21	22	183,072	118,869	4,540	123	111	506,730	594,532	2.71	2.44	4,120	4,834
20121	1,082	25	19	125,981	103,698	4,438	120	111	563,125	525,297	2.70	2.50	4,693	4,377
20122	1,059	22	26	90,383	69,489	4,346	98	102	484,502	440,610	2.26	2.35	4,944	4,496
20123	1,034	35	37	98,544	194,501	4,268	103	104	497,979	486,556	2.41	2.44	4,835	4,724
20124	1,022	26	25	188,496	82,415	4,198	108	107	503,404	450,102	2.57	2.55	4,661	4,168
20131	1,018	20	14	161,750	149,253	4,133	103	102	539,173	495,657	2.49	2.47	5,235	4,812
20132	1,008	23	29	135,766	213,463	4,082	104	105	584,556	639,631	2.55	2.57	5,621	6,150
20133	994	29	43	518,725	182,558	4,042	98	111	1,004,737	627,688	2.42	2.75	10,252	6,405
20134	990	45	33	184,695	214,357	4,010	117	119	1,000,936	759,631	2.92	2.97	8,555	6,493
20141	989	22	16	85,934	88,216	3,981	119	121	925,120	698,594	2.99	3.04	7,774	5,871
20142	976	27	22	134,059	599,620	3,948	123	114	923,413	1,084,751	3.12	2.89	7,507	8,819
20143	958	26	33	167,394	141,737	3,912	120	104	572,083	1,043,931	3.07	2.66	4,767	8,699
20144	948	30	27	116,607	115,981	3,871	105	98	503,995	945,555	2.71	2.53	4,800	9,005
20151	945	23	26	142,701	151,389	3,827	106	108	560,762	1,008,728	2.77	2.82	5,290	9,516
20152	934	36	32	146,590	157,685	3,785	115	118	573,292	566,793	3.04	3.12	4,985	4,929
20153	926	24	33	109,295	128,855	3,754	113	118	515,193	553,911	3.01	3.14	4,559	4,902
20154	947	36	29	221,746	138,298	3,753	119	120	620,332	576,227	3.17	3.20	5,213	4,842
20161	975	20	16	49,486	135,763	3,783	116	110	527,116	560,601	3.07	2.91	4,544	4,833
20162	992	22	20	115,692	103,939	3,841	102	98	496,219	506,855	2.66	2.55	4,865	4,969
20163	1,010	26	31	127,019	143,533	3,925	104	96	513,943	521,533	2.65	2.45	4,942	5,015
20164	1,010	20	21	191,467	138,163	3,987	88	88	483,664	521,398	2.21	2.21	5,496	5,925
20171	992	21	23	125,670	115,758	4,004	89	95	559,848	501,393	2.22	2.37	6,290	5,634
20172	972	26	24	152,054	196,210	3,984	93	99	596,210	593,664	2.33	2.48	6,411	6,383

Selected:	24 pt	Trend	Credibility (Justify in Exh 10)	Complement Trend	Credibility- Weighted Loss Trend
Frequency:	Reported	1.0%			
Severity:	Total Paid w/Partials	3.1%			
Pure Premium:		4.1%	100.0%	N/A	4.1%

Trend Period (Years) for Most Recent
Year in Experience Period:
(See Calculation of Trend Period in Exhibit 5)

1.600

Trend Factors:	Standard
6 th Prior Year	1.304
5 th Prior Year	1.253
4 th Prior Year	1.203
3 rd Prior Year	1.156
2 nd Prior Year	1.110
Most Recent Year	1.067

Rolling 4-Quarter Annual Trends				
	Closed Frequency	Reported Frequency	Paid Severity	Total Paid (w/Partials) Severity
8 pt	-19.5%	-17.4%	20.5%	16.6%
12 pt	-9.9%	-6.7%	8.7%	-14.0%
16 pt	-5.1%	-5.0%	-10.5%	-8.9%
20 pt	-0.8%	-0.8%	-2.8%	0.0%
24 pt	-0.2%	1.0%	1.7%	3.1%

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Catastrophe Adjustment

An adjustment is made to reflect catastrophes in the base data. All actual catastrophe losses during the experience period were removed and replaced with a provision to reflect expected catastrophe losses in California. This provision is based on an analysis of ten years of historical experience from the Boatsman California book of business.

Derivation of Catastrophe Adjustment

<u>FAY</u>	<u>Ultimate Trended Catastrophe Loss</u>	<u>Ultimate Trended Non Catastrophe Loss</u>
2008	5,074	1,360,218
2009	0	1,304,935
2010	9,024	1,819,110
2011	1,570	682,636
2012	2,609	699,360
2013	0	696,109
2014	0	714,145
2015	388	677,965
2016	19,607	544,081
<u>2017</u>	<u>6,395</u>	<u>718,016</u>
Total	44,669	9,216,574

	<u>California Boatsman</u>
(1) FAY 2008-2017 Cat Loss & ALAE	44,669
(2) FAY 2008-2017 Non Cat Loss & ALAE	9,216,574
(3) Total Cat / Non Cat	0.5%

(6) Selected	0.5%
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Notes:

(3) = (1) / (2)

A catastrophic loss is defined as a loss associated with an event that was given a Catastrophe Serial Number by ISO Property Claim Services.

Catastrophic Paid and OSLR Amounts

(1) AY 2008-2017 Cat Incurred Loss & ALAE:	36,842
<u>(2) AY 2008-2017 Cat Paid Loss & ALAE:</u>	<u>36,842</u>
(3) AY 2008-2017 Cat OSLR:	0

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Credibility Adjustment

The formula used to calculate the full credibility of aggregate losses from Chapter 8 ("Credibility" by author Howard Mahler and Curtis Gary Dean) from the Foundations of Casualty Actuarial Science (4th Edition) is as follows:

$$N_F = (y / k)^2 \times (1 + \sigma_s^2 / \mu_s^2)$$

Where:

N_F = Number of claims for full credibility

y = The standard score (using a normal distribution) associated with a confidence interval of P

k = The error interval of the estimate

σ_s^2 = Variance of Severity

μ_s = Mean Severity

- Based on the 2012 - 2016 CW loss distribution, the mean severity = \$5,894 and the variance of severity = \$237,831,828.
- The standard score associated with a 90% confidence interval is 1.645.
- An error interval of 10% was used (combined with the confidence interval, this means that we are targeting a credibility estimate that would be within 10% of the actual value 90% of the time).

Based on the information provided above, the calculated number of claims required for full credibility is:

$$N_F = (1.645 / 0.10)^2 \times [1 + (237,831,828 / (5,894)^2)] = 2,123 \text{ claims}$$

A credibility standard of 2,123 claims is selected. The five year non-cat incurred claim count is 306. Therefore, the data is not fully credible.

The square root rule was used to determine the partial credibility:

$$Z = [N / N_F]^{.5}$$

Where:

Z = Partial credibility

N = Number of claims for the volume of data

N_F = Number of claims for full credibility

Based on the information provided above, the partial credibility is:

$$Z = [306 / 2,123]^{.5} = 0.380$$

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Ancillary Income

Calendar	CW	CW	CA	CA
<u>Year</u>	<u>Direct EP</u>	<u>Ancillary</u>	<u>Direct EP</u>	<u>Ancillary</u>
2014	1,008,149	0	57,797	0
2015	1,017,937	0	68,528	0
2016	1,120,581	0	88,690	0

Calendar Year Inland Marine **in Thousands**

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Reinsurance Premium & Recoverables

Not Applicable

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Variance Request

We are not filing a variance request.

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Rate Distribution

<u>Proposed Changes</u>	<u>Impact</u>
Hull Base Rate Change of -21% (Exhibit 14-2)	-14.8%
Select Coverage Factor (Exhibit 14-3)	0.0%
Replacement Cost Factor Change (Exhibit 14-4)	0.6%
Crew Rate Change (Exhibit 14-5)	0.0%
<u>Maximum Speed Debit Change (Exhibit 14-6)</u>	<u>0.1%</u>
Overall	-14.2%
Selected	-14.2%

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Rate Factor Support: Hull Base Rate Change Impact

This filing proposes a change to the Hull base rates as follows:

Proposed Base Rate Change:

Hull -21.0%

Premium Impact:

(1)	(2) Current Portfolio Premium	(3) Proposed Portfolio Premium	(4)=(3)/(2)-1 Premium Impact
Hull	\$1,667,212	\$1,420,912	-14.8%

Premium Impact is based on analysis of California Boatsman in-force data as of 6/30/17.

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Rate Factor Support: Select Coverage Factor

This filing introduces the Select coverage option to our existing rating plan. The Select coverage option provides the insured an increased amount of coverage for an additional premium charge of +30%. Insureds will have the option of either the Basic or Select level of coverage. The Select coverage is similar in coverage and overall rate level experienced by policies currently written in the Federal Insurance Company (Legacy Chubb). The Basic coverage is similar in coverage and overall rate level experienced by policies currently written in ACE American Insurance Company, ACE Fire Underwriters Insurance Company and Insurance Company of North America (Legacy ACE).

The table below supports the +30% premium charge. It is based on analyzing the pure premium differential between Legacy Chubb (Select) and Legacy ACE (Basic). Two years of data were analyzed because we feel it is more reflective of current trends. Countrywide data was used given the small size of the California books of business.

Boats Countrywide Ex-Cat Loss Costs			
	Legacy Chubb	Legacy ACE	
<u>Year</u>	<u>(Select)</u>	<u>(Basic)</u>	<u>Relativity</u>
2015	188	127	1.5
<u>2016</u>	<u>156</u>	<u>136</u>	<u>1.1</u>
2 Yr Wtd Avg	173	132	1.3

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Rate Factor Support: Proposed Replacement Cost Factor Change

This filing proposes a change to the current Replacement Cost Factors (RCF) to simplify the application and understanding of the process. There is no change to the rules pertaining to how these factors are applied.

The objective of the RCFs is to estimate in a cost efficient manner the new boat cost for the manufacturer, model and length of the vessel. Most carriers apply an age debit to the hull premium. Our rating plan is based on knowing the actual new boat replacement cost and factoring that into our hull premium calculation. However, it is not cost effective to manually look up the replacement cost for each vessel. The RCFs are used as a proxy.

We are proposing to revise the multiplier to reflect a uniform percentage of 5% to be applied each year until age 51, at which point the multiplier becomes 1 (see column (e) below). The multiplier for the current factors vary slightly each year (see column (c) below), making it more difficult to explain to internal and external clients. The 5% selection is based on the data below:

The following table contains the average new boat value by year, based on countrywide boatsman data:

	2011	2012	2013	2014	2015	2016
Average New Boat Value	\$46,753	\$49,922	\$54,923	\$58,911	\$61,921	\$62,662
Annual Percentage Change		6.8%	10.0%	7.3%	5.1%	1.2%
				5 Year Avg % Change:		6.1%
				3 Year Avg % Change:		4.5%
				Selected Avg % Change:		5.0%

The impact of this change on the current portfolio is 0.6%. The impact is based on an analysis of California's boatsman policies in-force as of 6/30/17. All policies were re-rated to project the renewal premium using the current and proposed RCFs.

(a) Vessel Age	(b) Current Factor	(c) Current Multiplier	(d) Proposed Factor	(e) Proposed Multiplier	(f) % Change in Multiplier
1	1.00	1.00	1.00	1.05	5.0%
2	1.00	1.00	1.05	1.05	5.0%
3	1.00	1.00	1.10	1.05	5.0%
4	1.00	1.00	1.16	1.05	5.0%
5	1.00	1.00	1.22	1.05	5.0%
6	1.02	1.02	1.28	1.05	2.9%
7	1.04	1.02	1.34	1.05	2.9%
8	1.06	1.02	1.41	1.05	2.9%
9	1.08	1.02	1.48	1.05	2.9%
10	1.10	1.02	1.55	1.05	2.9%
11	1.14	1.03	1.63	1.05	1.4%
12	1.18	1.04	1.71	1.05	1.4%
13	1.22	1.03	1.80	1.05	1.4%
14	1.27	1.04	1.89	1.05	1.4%
15	1.31	1.03	1.98	1.05	1.5%
16	1.36	1.04	2.08	1.05	1.4%
17	1.41	1.03	2.18	1.05	1.5%
18	1.45	1.03	2.29	1.05	1.5%
19	1.51	1.04	2.41	1.05	1.4%
20	1.56	1.04	2.53	1.05	1.4%
21	1.64	1.05	2.65	1.05	0.0%
22	1.72	1.05	2.79	1.05	0.0%
23	1.80	1.05	2.93	1.05	0.0%
24	1.89	1.05	3.07	1.05	0.0%
25	1.99	1.05	3.23	1.05	0.0%
26	2.09	1.05	3.39	1.05	0.1%
27	2.19	1.05	3.56	1.05	-0.1%
28	2.30	1.05	3.73	1.05	0.0%
29	2.42	1.05	3.92	1.05	0.0%
30	2.54	1.05	4.12	1.05	0.0%
31	2.66	1.05	4.32	1.05	0.0%
32	2.80	1.05	4.54	1.05	0.0%
33	2.94	1.05	4.76	1.05	0.0%
34	3.08	1.05	5.00	1.05	0.0%
35	3.24	1.05	5.25	1.05	0.0%
36	3.40	1.05	5.52	1.05	0.0%
37	3.57	1.05	5.79	1.05	0.0%
38	3.75	1.05	6.08	1.05	0.0%
39	3.94	1.05	6.39	1.05	0.0%
40	4.13	1.05	6.70	1.05	0.0%
41	4.34	1.05	7.04	1.05	0.0%
42	4.55	1.05	7.39	1.05	0.0%
43	4.78	1.05	7.76	1.05	0.0%
44	5.02	1.05	8.15	1.05	0.0%
45	5.27	1.05	8.56	1.05	0.0%
46	5.53	1.05	8.99	1.05	0.0%
47	5.81	1.05	9.43	1.05	0.0%
48	6.10	1.05	9.91	1.05	0.0%
49	6.40	1.05	10.40	1.05	0.0%
50	6.72	1.05	10.92	1.05	0.0%
51+*	7.05	1.05	10.92	1.00	-4.7%

*Vessels this age are wood construction boats; It does not cost any different to repair a 100 year old wood boat vs. a 60 year old wood boat vs. a 50 year old wood boat, etc.

(1) Program	(2) Renewal Premium Using Current RCF	(3) Renewal Premium Using Proposed RCF	(4)=(3)/(2)-1 Premium Impact
CA Boatsman	\$1,692,898	\$1,702,325	0.6%

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Rate Factor Support: Proposed Crew Rate Change

This filing proposes a change to the current California Boatsman Crew Rates. The proposed crew rates shown below are the rates currently used in our other states. We are proposing this revision so that the California crew rates are consistent with the rest of the country.

<u>P&I Limit</u>	<u>Current Crew Charge *</u>	<u>Proposed Crew Charge *</u>
\$100,000	\$75	\$90
\$300,000	\$100	\$120
\$500,000	\$125	\$150
\$1,000,000	\$175	\$210
\$2,000,000	\$225	\$270
\$3,000,000	\$275	\$330
\$4,000,000	\$325	\$390
\$5,000,000	\$375	\$450

* Charge per each crew member

We were unable to find any competitor information in California to perform a competitor analysis of crew rates.

The impact on the California Boatsman renewal premium is 0.0%. There are 17 California Boatsman policies that have crew members (based on in-force business as of 6/30/17).

Premium Impact of Crew Rate Change:

(1)	(2)	(3)	(4)=(3)/(2)-1
Program	Current Portfolio Premium	Proposed Portfolio Premium	Premium Impact
CA Boatsman	\$1,667,212	\$1,668,012	0.0%

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Rate Factor Support: Proposed Maximum Speed Debit Change

This filing proposes to refine the Maximum Speed table. The current Maximum Speed range of 51+ mph is being split into two ranges. Below is the current and proposed tables.

Current Table

Maximum Speed:

51+ mph = 10% debit

Proposed Table

Maximum Speed:

51-65 mph = 10% debit

66+ mph = 25% debit

We do not have sufficient credible boatsman data to quantitatively support the change (e.g. there have been only 464 boatsman policies countrywide since 2012 with maximum speed \geq 66 mph). However, our auto experience supports the principle that the greater the rate of speed, the longer it takes the vehicle to stop, increasing both the frequency and severity of loss. Furthermore, while there is little competitor information available to perform a competitor analysis, a review of Pacific Specialty Insurance Company (CDI #11-3730) shows similar Maximum Speed factors:

Pacific Specialty Ins Comp

<u>Maximum Speed</u>	<u>Factor</u>
0 - 35 mph	0.90
36 - 45 mph	0.95
46 - 55 mph	1.00
56 - 65 mph	1.05
66 - 76 mph	1.10
77 - 87 mph	1.15
88 - 98 mph	1.20
99 - 120 mph	1.25

ACE American, AFU, INA

<u>Maximum Speed</u>	<u>Factor</u>
0 - 34 mph	0.90
35 - 45 mph	1.00
46 - 50 mph	1.05
51 - 65 mph	1.10
66+ mph	1.25

Furthermore, Nationwide Insurance Company of America (CDI #11-5403) rates increase as the horsepower increases.

The impact on the California Boatsman renewal premium is 0.1%. There are 14 California Boatsman policies with maximum speed \geq 66 mph (based on in-force business as of 6/30/17).

Premium Impact of Maximum Speed Debit Change:

(1)	(2)	(3)	(4)=(3)/(2)-1
Program	Current Portfolio Premium	Proposed Portfolio Premium	Premium Impact
CA Boatsman	\$1,667,212	\$1,668,499	0.1%

California

Personal Inland Marine: MASTERPIECE Boat Program

ACE American Insurance Company

ACE Fire Underwriters Insurance Company

Insurance Company of North America

Rate Classification Relativities

Not applicable.

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

New Program

Not applicable. This is not a new program.

California

Personal Inland Marine: MASTERPIECE Boat Program

ACE American Insurance Company

ACE Fire Underwriters Insurance Company

Insurance Company of North America

Super Group Corporate Structure Verification (PPA only)

Not applicable.

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Customer Dislocation

Rate Change <u>Range</u>	Policy <u>Count</u>	Policy Count <u>% of Total</u>	Current <u>Premium</u>	Current Premium <u>% of Total</u>
< -25%	0	0.0%	0	0.0%
-25% to -20%	16	0.4%	10,796	0.6%
-20% to -15%	1,098	30.8%	631,924	37.9%
-15% to -10%	2,306	64.6%	945,032	56.7%
-10% to -5%	106	3.0%	57,591	3.5%
-5% to 0%	16	0.4%	11,121	0.7%
0% to +5%	25	0.7%	10,435	0.6%
+5% to +10%	1	0.0%	313	0.0%
+10% to +15%	0	0.0%	0	0.0%
+15% to +20%	0	0.0%	0	0.0%
+20% to +25%	0	0.0%	0	0.0%
<u>> 25%</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>
Total	3,568	100.0%	1,667,212	100.0%

PRIOR APPROVAL RATE APPLICATION FOR PROPERTY & LIABILITY LINES GENERAL INFORMATION

Completed by: Kathleen Casey Date: 09/21/17

Your File #: 17-12270-RR-F
(15 Character Maximum)

Filing Characteristics

Does this filing include a variance request? N (Page 11 hidden)

If yes,

Is this a variance request submitted after the prior

approval application to which it applies? n/a

Provide the applicable CDI File #:

Does this file contain group data? If yes, complete Page 2.

Is this a specialty filing?

Line Type: Personal

General Line : Inland Marine

Subline: Boatowners/Personal Watercraft

Program: Boatsman Program

Provide the most recent applicable CDI file # in this line,

subline and/or program: 11-10277; 11-10278

Company Information

Company Name: ACE American Insurance Company

Group Name: CHUBB

NAIC Company Code: 22667

NAIC Group Code: 626

Organized under the laws of the State of: Pennsylvania

Home Office: 202 Hall's Mill Rd. P.O. Box 1600, Whitehouse Station, NJ 08889

Contact Name/Title: Kathleen Casey, State Filings Specialists

Toll Free Phone #: 908-572-2871 Fax #: 908-572-4034

Email Address: kcasey@chubb.com

Mailing Address: 202 Hall's Mill Rd. P.O. Box 1600, Whitehouse Station NJ 08889

DEPARTMENT USE ONLY

CDI File #:

SERFF #:

Filed Date:

Compliance Date:

Public Notice Date:

Deemer Date:

Intake Analyst:

Bureau/Senior:

Group Filing?: ☐ Yes ☐ No

X-Reference #:

Filing Type: ☐ Rate ☐ Rule

☐ Form ☐ Variance

☐ New Program

% Change:

I declare under penalty of perjury under the laws of the State of California, that the information filed is true, complete, and correct, and that price optimization methods or models have not been used in the development of the final rates for any segment of the filed rating plan.

Kathleen Casey

Authorized Signature

September 21, 2017

Date of Filing

908-572-2871

Telephone #

Refer to CDI website below for the most current rate template and prior approval factors:

INSURER GROUP INFORMATION

For private passenger auto insurance only, does CIC, §1861.16(c) apply?

N

▼

If yes, complete Exhibit 19 (Super Group).

List each insurance company included in the group data and to which this application applies, in alphabetical order.

Company Name:	ACE American Insurance Company	CDI Filing #:	
			(Department Use Only)
NAIC Company Code:	22667		
Company Name:	ACE Fire Underwriters Insurance Company	CDI Filing #:	
			(Department Use Only)
NAIC Company Code:	20702		
Company Name:	Insurance Company of North America	CDI Filing #:	
			(Department Use Only)
NAIC Company Code:	22713		
Company Name:		CDI Filing #:	
			(Department Use Only)
NAIC Company Code:			
Company Name:		CDI Filing #:	
			(Department Use Only)
NAIC Company Code:			
Company Name:		CDI Filing #:	
			(Department Use Only)
NAIC Company Code:			
Company Name:		CDI Filing #:	
			(Department Use Only)
NAIC Company Code:			
Company Name:		CDI Filing #:	
			(Department Use Only)
NAIC Company Code:			
Company Name:		CDI Filing #:	
			(Department Use Only)
NAIC Company Code:			

FILING TYPE

The purpose of this filing is (check all that apply):

Type of Filing	Required Documentation ^{1,2,3}
<input type="checkbox"/> New Program (Includes adoption of advisory organization loss costs, forms and rules.)	Pages 1 through 4, 8 through 10 & 12, Exhibit 16 plus Prior Approval Rate Template
<input checked="" type="checkbox"/> Rates (Includes adoption of advisory organization loss costs.)	
<input type="checkbox"/> Rate increase	Pages 1 through 8 & 12, Exhibits 1-17 & 20, plus Prior Approval Rate Template
<input checked="" type="checkbox"/> Rate decrease	Pages 1 through 8 & 12, Exhibits 1-17 & 20, plus Prior Approval Rate Template
<input type="checkbox"/> Revenue-neutral change (zero percent overall impact)	Pages 1 through 8 & 12, Exhibits 1-17 & 20, plus Prior Approval Rate Template
<input type="checkbox"/> Variance Request	
<input type="checkbox"/> Filed together with the prior approval application to which it applies.	Page 11, Exhibit 13 plus Prior Approval Rate Template
<input type="checkbox"/> Filed after the prior approval application to which it applies.	Pages 1 through 4, 11 & 12, Exhibit 13 plus Prior Approval Rate Template
<input checked="" type="checkbox"/> Coverage Forms (Includes adoption of advisory organization forms.)	
<input type="checkbox"/> With rate impact	Pages 1 through 9 & 12, Exhibits 1-17 & 20 plus Prior Approval Rate Template
<input checked="" type="checkbox"/> Without rate impact	Pages 1 through 4, 9 & 12
<input type="checkbox"/> Rules and Underwriting Guidelines (Includes adoption of advisory organization rules.)	
<input type="checkbox"/> With rate impact	Pages 1 through 8, 10 & 12, Exhibits 1-18 & 20 plus Prior Approval Rate Template
<input type="checkbox"/> Without rate impact	Pages 1 through 4, 10 & 12 plus Exhibit 18

¹ Page numbers refer to pages of the Prior Approval Rate Application. Where Exhibits 5, 7 and 8 are required, applications must also include a completed Standard Exhibits Template. Exhibit 21 must be included for all Specialty filing applications.

² All Private Passenger Automobile class plans must be filed separately from the Prior Approval Rate Applications.

³ Page 6 of the Prior Approval Rate Application is required solely for insurers submitting filings for a subset of their Homeowners Multiple Peril line.

IMPACT OF PROPOSED CHANGES

Proposed Overall Rate Change:

-14.2%

Proposed Earned Premium Per Exposure:

\$423.38

Proposed Effective Date:

02/15/18

	Coverage/Form ¹	Indicated % Change	Proposed % Change	Adjusted Earned Premium ^{2,3}	Projected Earned Premium ³
(1)	Personal Inland Marine	-13.1%	-14.2%	\$1,686,899	\$1,447,506
(2)					\$0
(3)					\$0
(4)					\$0
(5)					\$0
(6)					\$0
(7)					\$0
(8)					\$0
(9)					\$0
(10)					\$0
Total		-13.1%	-14.2%	\$1,686,899	\$1,447,506

¹ Commercial Auto Liability and Physical Damage must be combined in one application, with separate Rate Calculation pages in the Prior Approval Rate Template for liability and physical damage coverages.

² Adjusted earned premium is the historical earned premium for the most recent year adjusted to the current rate level and trended to the average earned date of the proposed rating period. These figures should reconcile to the Prior Approval Rate Template.

³ Total earned premium must include all income derived from miscellaneous fees and other charges.

RECONCILIATION OF DIRECT EARNED PREMIUM DATA

Annual Statement Statutory Page 14 Calendar Year Data

	Coverage/Form/Program ¹	Latest CDI Filing # ²	2nd Prior Calendar Year	1st Prior Calendar Year	Most Recent Calendar Year
			2014	2015	2016
(1)	Boatsman Program	-10277; 11-102	1,457,645	1,463,224	1,590,886
(2)	All Other Programs		56,339,634	67,065,091	87,099,151
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
Total			57,797,279	68,528,315	88,690,037
Statutory Page 14			57,797,279	68,528,315	88,690,037
Difference			0	0	0

Explain any differences:

¹ This exhibit requires insurers to itemize each program until *all* data is reconciled to the corresponding annual statement line of insurance.

² For residual market data, a filing number is not required.

ANNUAL STATEMENT LINE - Inland Marine

	Year	Written Premium	Earned Premium	Incurred Loss	IL%	DCCE	DCCE%	IL+DCCE	IL+DCCE %
(1)	2016	93,520,060	88,690,037	51,145,233	57.67%	3,001,117	3.38%	54,146,350	61.05%
(2)	2015	74,763,959	68,528,315	30,439,629	44.42%	1,652,765	2.41%	32,092,394	46.83%
(3)	2014	57,291,311	57,797,279	11,620,339	20.11%	1,226,755	2.12%	12,847,094	22.23%
(4)	3 Yr Avg	75,191,777	71,671,877	31,068,400	43.35%	1,960,212	2.73%	33,028,613	46.08%

Source: Annual Statement for 2014, 2015 & 2016

Note: Programs with less than \$25M in premium each can be combined into one entry.

Note: Ratios are weighted averages. Dollars are arithmetic averages.

Total - All Programs

	Year	Written Premium	Earned Premium	Incurred Loss	IL%	DCCE	DCCE%	IL+DCCE	IL+DCCE %
(5)	2016	93,520,060	88,690,037	51,145,233	57.67%	3,001,117	3.38%	54,146,350	61.05%
(6)	2015	74,763,959	68,528,315	30,439,629	44.42%	1,652,765	2.41%	32,092,394	46.83%
(7)	2014	57,291,311	57,797,279	11,620,339	20.11%	1,226,755	2.12%	12,847,094	22.23%
(8)	3 Yr Avg	75,191,777	71,671,877	31,068,400	43.35%	1,960,212	2.73%	33,028,613	46.08%

Difference	-	-	-	-	-	-	-	-	-
------------	---	---	---	---	---	---	---	---	---

Combined into one entry

	Year	Written Premium	Earned Premium	Incurred Loss	IL%	DCCE	DCCE%	IL+DCCE	IL+DCCE %
	2016	93,520,060	88,690,037	51,145,233	57.67%	3,001,117	3.38%	54,146,350	61.05%
	2015	74,763,959	68,528,315	30,439,629	44.42%	1,652,765	2.41%	32,092,394	46.83%
	2014	57,291,311	57,797,279	11,620,339	20.11%	1,226,755	2.12%	12,847,094	22.23%
	3 Yr Avg	75,191,777	71,671,877	31,068,400	43.35%	1,960,212	2.73%	33,028,613	46.08%

(specify program)

	Year	Written Premium	Earned Premium	Incurred Loss	IL%	DCCE	DCCE%	IL+DCCE	IL+DCCE %
	2016	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	2015	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	2014	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	3 Yr Avg	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!

(specify program)

	Year	Written Premium	Earned Premium	Incurred Loss	IL%	DCCE	DCCE%	IL+DCCE	IL+DCCE %
	2016	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	2015	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	2014	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	3 Yr Avg	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!

(specify program)

	Year	Written Premium	Earned Premium	Incurred Loss	IL%	DCCE	DCCE%	IL+DCCE	IL+DCCE %
	2016	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	2015	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	2014	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	3 Yr Avg	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!

(specify program)

	Year	Written Premium	Earned Premium	Incurred Loss	IL%	DCCE	DCCE%	IL+DCCE	IL+DCCE %
	2016	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	2015	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	2014	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	3 Yr Avg	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!

ADDITIONAL CALENDAR YEAR DATA REQUIRED BY STATUTE

Refer to CIC §1857.7, CIC §1857.9 and CIC §1864 for more information.

Line	Type of Data	Most Recent Calendar Year
(0)	Calendar Year	2016
(1)	Number of claims outstanding at beginning of year	48
(2)	Number of claims during the year	88
(3)	Number of claims closed during the year	85
(4)	Number of claims outstanding at year's end [(1) + (2) - (3)]	51
(5)	Unearned Premiums	832,180
(6)	Dollar amount of claims paid	483,664
(7)	Net loss reserves for outstanding claims excluding claims incurred but not reported (case reserves)	65,558
(8)	Net loss reserves for claims incurred but not reported (IBNR)	(2,582)
(9)	Losses incurred as a percentage of premiums earned, including IBNR	34.4%
(10)	Net investment gain or loss and other income or gain or loss allocated to the line	-
(11)	Net income before federal and foreign income taxes [(10) + (15)]	\$486,419
(12)	Total number of policies in force on the last day of the reporting period	4,002
(13)	Total number of policies canceled	284
(14)	Total number of policies non-renewed	372
(15)	Net underwriting gain or loss (= CY earned premiums less CY incurred loss less CY incurred expense)	486,419
(16)	Separate allocations of expenses for:	
(17)	(a) commissions and brokerage expense	325,837
(18)	(b) other acquisition costs	30,731
(19)	(c) general office expenses	122,925
(20)	(d) taxes, licenses and fees	37,386
(21)	(e) loss adjustment expense (DCCE & AOE)	43,553
(22)	(f) other expenses	(2,605)

MISCELLANEOUS FEES AND OTHER CHARGES

Check all fees that apply and identify the amount charged for each transaction.

If no fees apply to this program, check here: ☐

Miscellaneous Fees

	New Business	Renewal Business
Policy Fee	<input type="checkbox"/>	<input type="checkbox"/>
Installment Fee (Fixed \$)	<input checked="" type="checkbox"/> \$5.00	<input checked="" type="checkbox"/> \$5.00
Endorsement Fee	<input type="checkbox"/>	<input type="checkbox"/>
Inspection Fee	<input type="checkbox"/>	<input type="checkbox"/>
Cancellation Fee	<input type="checkbox"/>	<input type="checkbox"/>
Reinstatement Fee	<input type="checkbox"/>	<input type="checkbox"/>
Late Fee	<input type="checkbox"/>	<input type="checkbox"/>
SR-22	<input type="checkbox"/>	<input type="checkbox"/>
Other Fees (specify below)		
Fee 1	<input type="checkbox"/>	<input type="checkbox"/>
Fee 2	<input type="checkbox"/>	<input type="checkbox"/>
Fee 3	<input type="checkbox"/>	<input type="checkbox"/>
Fee 4	<input type="checkbox"/>	<input type="checkbox"/>

Ancillary Income

	New Business	Renewal Business
Installment Finance Charge (APR %)	<input type="checkbox"/>	<input type="checkbox"/>
Non-Sufficient Funds (NSF) Fee	<input type="checkbox"/>	<input type="checkbox"/>
Membership Dues	<input type="checkbox"/>	<input type="checkbox"/>
Premium Finance Revenues	<input type="checkbox"/>	<input type="checkbox"/>
Other Fees (specify below)		
Fee 1	<input type="checkbox"/>	<input type="checkbox"/>
Fee 2	<input type="checkbox"/>	<input type="checkbox"/>
Fee 3	<input type="checkbox"/>	<input type="checkbox"/>
Fee 4	<input type="checkbox"/>	<input type="checkbox"/>

Use Exhibit 6 if additional space is needed to explain fees not listed above.

State of California
Department of Insurance (CDI)

		Applicable Form	
		#	Title
(1)	Proposed	RM100000	Introduction and Definitions
	Current		
(2)	Proposed	RM110000	Boat Property Damage Coverage
	Current		
(3)	Proposed	RM120000	Boat Select Property Damage Coverage
	Current		
(4)	Proposed	RM160000	Boat Liability Coverage
	Current		
(5)	Proposed	RM170000	Boat Select Liability Coverage
	Current		
(6)	Proposed	RM210000	Medical Payments Coverage
	Current		
(7)	Proposed	RM220000	Uninsured Boaters Protection
	Current		
(8)	Proposed	RM230000	General Policy Exclusions
	Current		
(9)	Proposed	RM240000	Policy Terms
	Current		
(10)	Proposed	MA-2W80k	Schedule Vessle Endorsement
	Current	MA-2W80h	Schedule Vessle Endorsement
(11)	Proposed	MA-7N39n	Policy Declarations Page
	Current	MA-7N39k	Policy Declarations Page
(12)	Proposed	MA-28741c	Insurance Application
	Current		
(13)	Proposed	MA-34186c	Policy Change Declarations
	Current	MA-34186	Policy Change Declarations
(14)	Proposed	MA-1X16b	Additional Interest Endorsement
	Current	MA-1X16a	Additional Insured Endorsement
(15)	Proposed	MA-2W78b	Special Engine Deductible Endorsement
	Current		

(16)	Proposed	MA-2W81f	Charter Endorsement
	Current	MA-2W81e	Occasional Charter Endorsement
(17)	Proposed	MA-3T60b	Named Operator Endorsement
	Current	MA-3T60a	Named Operator Endorsement
(18)	Proposed	RM-5003	Actual Cash Value Endorsement
	Current	MA-3Z08b	Actual Cash Value Endorsement
(19)	Proposed	MA-7W88b	Antique and Classic Boat Endorsement
	Current	MA-7W88a	Antique and Classic Boat Endorsement
(20)	Proposed	MA-10292d	Loss Payee Endorsement
	Current	MA-10292c	Loss Payee Endorsement
(21)	Proposed	MA-18218b	H2O Ski Plus Endorsement
	Current	MA-18218a	H2O Ski Plus Endorsement
(22)	Proposed	MA-BTS01a	Navigation Warranty
	Current	MA-BTS01	Navigation Warranty
(23)	Proposed	RM-5002	Personal Watercraft Endorsement
	Current		
(24)	Proposed		
	Current	MA-2n56a	Residential Endorsement
(25)	Proposed		
	Current	MA-2W69c	Scheduled Dinghy Tender Endorsement
(26)	Proposed		
	Current	MA-2W70b	Scheduled Dinghy Tender Endorsement ACV
(27)	Proposed		
	Current	MA-39456d	Special Sport Fisherman Coverage
(28)	Proposed		
	Current	MA-3E19b	Youthful Operator Warrenty
(29)	Proposed		
	Current	MA-3T15a	Personal Property Coverage Endorsement
(30)	Proposed		
	Current	MA-3T65c	Occasional Charter Fishing Guide Endorsement
(31)	Proposed		
	Current	MA-3T63d	Bass Boat Program
(32)	Proposed		
	Current		
(33)	Proposed		
	Current		
(34)	Proposed		

(34)	Current		
(35)	Proposed		
	Current		

¹ If Source selected is ISO or Other Advisory Organization, provide the CDI File # of applicable filing from which

² Forms that restrict, exclude or delete coverage require consideration of a rate offset/credit. Provide the a

Legend of Response Codes

Type Code	
(1)	Application
(2)	Endorsement
(3)	Policy
(4)	Other (Describe in filing memorandum)

FORMS

Type	Source of Form		Category	Coverage Change Reflects	
	Source	CDI File # ¹		Restriction? ²	Broadening?
3	3		1		
3	3		2		
3	3		2		
3	3		2		
3	3		2		
3	3		2		
3	3		2		
3	3		2		
3	3		1		
3	3		1		
4	3		3	N	N
4	3				
4	3		3	N	N
4	3				
1	3		1	N	N
4	3		3		
4	3				
2	3		4	N	N
2	3				
2	3		2		

2	3		4	N	N
2	3				
2	3		4	N	N
2	3				
2	3		4	N	N
2	3				
2	3		4	N	N
2	3				
2	3		4	N	N
2	3				
2	3		4	N	N
2	3				
2	3		4	N	N
2	3				
2	3		3	N	N
2	3				
2	3		2		
2	3		6		
2	3		6		
2	3		6		
2	3		6		
2	3		6		
2	3		6		
2	3		6		
2	3		6		

ch the form is being adopted. If Source selected is Company and Category is Replacement, provide the amount of prior losses incurred associated with the impacted coverage, if any.

Source Code		Category Code	
(1)	Insurance Services Organization (ISO)	(1)	New, mandatory
(2)	Other Advisory Organization	(2)	New, optional
(3)	Company	(3)	Replacement, mandatory
(4)	Other (Describe in filing memorandum)	(4)	Replacement, optional

[illegible]

CDI File # under which current form is approved.

(5)	Withdrawn, mandatory
(6)	Withdrawn, optional

FILING CHECKLIST

Use this checklist to assemble a complete application:

☒ **Prior Approval Rate Application**

- ☒ General Information, Page 1
- ☒ Insurer Group Information, Page 2
- ☒ Filing Type, Page 3
- ☒ Proposed Impact, Page 4
- ☒ Reconciliation of Direct Earned Premium to Statutory Data, Page 5
- ☐ Homeowners Form Detail (if applicable), Page 6
- ☒ Additional Calendar Year Data Required by Statute, Page 7
- ☒ Miscellaneous Fees and Other Charges, Page 8
- ☒ Forms, Page 9
- ☐ Rules and Underwriting Guidelines, Page 10
- ☐ Variance Request, Page 11
- ☒ Filing Checklist, Page 12

☒ **Filing Memorandum**

☒ **Prior Approval Rate Template¹**

☒ **Standard Exhibits Template¹**

☒ **Printed Rate and Rule Manual Pages¹**

☐ **Underwriting Guidelines¹**

☒ **Forms^{1,2}**

☐ **Copies of Reinsurance Agreements¹**

☒ **Supporting Exhibits**

- ☒ Exhibit 1 - Filing History
- ☒ Exhibit 2 - Rate Level History
- ☒ Exhibit 3 - Policy Term Distribution
- ☒ Exhibit 4 - Premium Adjustment Factor
- ☒ Exhibit 5 - Premium Trend Factor³
- ☒ Exhibit 6 - Miscellaneous Fees and Other Charges
- ☒ Exhibit 7 - Loss and Defense & Cost Containment Expense (DCCE) Development Factors³
- ☒ Exhibit 8 - Loss and DCCE Trend³
- ☒ Exhibit 9 - Catastrophe Adjustment
- ☒ Exhibit 10 - Credibility Adjustment
- ☒ Exhibit 11 - Ancillary Income
- ☒ Exhibit 12 - Reinsurance Premium and Recoverables
- ☐ Exhibit 13 - Variance Request
- ☒ Exhibit 14 - Rate Distribution
- ☒ Exhibit 15 - Rate Classification Relativities
- ☒ Exhibit 16 - New Program
- ☐ Exhibit 17 - Super Group Corporate Structure Verification (PPA only)
- ☐ Exhibit 18 - Rules and Underwriting Guidelines
- ☐ Exhibit 19 - Supplemental Information
- ☒ Exhibit 20 - Customer Dislocation
- ☐ Exhibit 21 - Insurer's Ratemaking Calculations for Specialty Filings

¹ See Prior Approval Rate Filing Instructions.

² Attach all independent forms and list all advisory organization forms.

³ Provide Standard Exhibits Template for these exhibits.

California
Personal Inland Marine: MASTERPIECE Boat Program
ACE American Insurance Company
ACE Fire Underwriters Insurance Company
Insurance Company of North America

Credibility Adjustment

The formula used to calculate the full credibility of aggregate losses from Chapter 8 ("Credibility" by author Howard Mahler and Curtis Gary Dean) from the Foundations of Casualty Actuarial Science (4th Edition) is as follows:

$$N_F = (y / k)^2 \times (1 + \sigma_s^2 / \mu_s^2)$$

Where:

N_F = Number of claims for full credibility

y = The standard score (using a normal distribution) associated with a confidence interval of P

k = The error interval of the estimate

σ_s^2 = Variance of Severity

μ_s = Mean Severity

- Based on the 2012 - 2016 CW loss distribution, the mean severity = \$5,894 and the variance of severity = \$237,831,828.
- The standard score associated with a 90% confidence interval is 1.645.
- An error interval of 10% was used (combined with the confidence interval, this means that we are targeting a credibility estimate that would be within 10% of the actual value 90% of the time).

Based on the information provided above, the calculated number of claims required for full credibility is:

$$N_F = (1.645 / 0.10)^2 \times [1 + (237,831,828 / (5,894)^2)] = 2,123 \text{ claims}$$

A credibility standard of 2,123 claims is selected. The three year non-cat incurred claim count is 306. Therefore, the data is not fully credible.

The square root rule was used to determine the partial credibility:

$$Z = [N / N_F]^{.5}$$

Where:

Z = Partial credibility

N = Number of claims for the volume of data

N_F = Number of claims for full credibility

Based on the information provided above, the partial credibility is:

$$Z = [306 / 2,123]^{.5} = 0.380$$

<u>Fiscal Accident Year Ending</u>	<u>Non-Cat Claim Count</u>
20152	120
20162	99
<u>20172</u>	<u>87</u>
Total	306

Description of Change
Masterpiece Boat Program
California

POLICY FORMS:

We are replacing our approved Yachtsman/Boatsman policies MA-14558b, MA-14794a and MA-16214a and the Personal Watercraft policy MA-10697c (and corresponding forms previously approved with the Personal Watercraft policy) with a new *Masterpiece®* Boat policy. In addition we are revising some of our approved endorsements to align with our new policy, introducing new endorsements and withdrawing others that are no longer necessary.

While this is a new policy with a new format, most of the coverages have remained the same. Below is a description of coverage changes.

Property Damage Coverage

Deductible

We added text indicating if there is a covered loss involving a covered vessel and a structure or a structure and contents also insured with us, instead of applying two deductibles (boat and home), we will now apply the greater of the deductibles once to the loss if it is to the insured's benefit.

Dinghy/tender coverage

We expanded coverage for dinghy/tenders by removing the Unscheduled Dinghy/Tender coverage and applying a \$250 deductible to each loss only to the dinghy/tender regardless of being scheduled or not.

Electronic navigational equipment coverage

We expanded coverage for electronic navigational equipment by removing the Unscheduled Navigation and Communication Equipment coverage and applying a \$250 deductible to each loss only to the electronic navigational equipment regardless of being scheduled or not.

Partial loss

We expanded the payment basis for the outboard motors of the insured vessel by increasing the age of the outboard motors before depreciation applies from five (5) years old to seven (7) years old. We reduced the payment basis for machinery inside of the insured vessel by decreasing the age of the machinery inside of the insured vessel before depreciation applies from ten (10) years old to seven (7) years old.

Precautionary measures (previously Hurricane Haulout Coverage)

We expanded the Extra coverage Precautionary measures by providing 100% (up to \$1,000) of the reasonable direct costs incurred to haul, fuel, or dock the insured vessel because the insured vessel is endangered by a covered peril.

Trailers

We expanded this coverage to automatically include coverage up to \$5,000 for the trailer used with the insured vessel.

We added the following Exclusions:

Exhibition

We do not cover any loss to your boat while it is being used for exhibition.

Misappropriation

We do not cover any loss caused by the taking or other misappropriation of property by a covered person.

Diminution in value

We do not provide coverage for diminution in value.

Provisions

We do not cover any loss to the provisions of your boat.

Liability Coverage**Operating other watercraft**

We expanded the Extra coverage Operating other watercraft to automatically include coverage up to \$15,000, subject to a \$500 deductible, for property damage to other watercraft and its equipment.

ENDORSEMENTS/DEC PAGES

The following is a list of revised, new and withdrawn endorsements:

Revised

Revised Form Number	Form Name	Prior Form Number
MA-BTS01a (11/17)	Navigation Warranty	MA-BTS01 (12/03)
MA-10292d (11/17)	Loss Payee Endorsement	MA-10292c (06/12)
MA-18218b (11/17)	H2O Ski Plus Program Endorsement	MA-18218a (07/11)
MA-1X16b (11/17)	Additional Interest Endorsement	MA-1X16a (07/14)
MA-2W81f (11/17)	Charter Endorsement	MA-2W81e (07/14)
MA-3T60b (11/17)	Named Operator Endorsement	MA-3T60a (07/14)
RM-5003 (11/17)	Actual Cash Value Endorsement	MA-3Z08b (07/14)
MA-7N39n (11/17)	Policy Declarations	MA-7N39k (07/11)
MA-2W80k (11/17)	Scheduled Vessel Endorsement	MA-2W80h (01/12)
MA-34186c (11/17)	Policy Change Declarations Page	MA-34186 (01/12)
MA-7W88b (11/17)	Antique and Classic Boat Endorsement	MA-7W88a (01/12)

New

Form Number	Form Name	
MA-28741c (11/17)	Insurance Application	New
MA-2W78b (11/17)	Special Engine Deductible	New
RM-5002 (11/17)	Personal Watercraft Endorsement	New

Withdrawn

MA-2N56a (07/11) Residential Endorsement	No longer used by company
MA-2W69c (01/12) Scheduled Dinghy Tender Endorsement	No longer used by company
MA-2W70b (07/11) Scheduled Dinghy Tender Endorsement ACV	No longer used by company
MA-39456d (07/14) Special Sport Fisherman Coverage	Coverage within new contract
MA-3E19b (01/02) Youthful Operator Warranty	No longer used by company
MA-3T15a (07/11) Personal Property Coverage Endorsement	Coverage within new contract
MA-3T65c (07/11) Occasional Charter Fishing Guide Endorsement	No longer used by company
MA-3T63d (07/14) Bass Boat Program	No longer used by company

RULES:

In conjunction with the form changes, we are revising the approved rules in conjunction with the new contract. The changes to the rules include revisions to the Required and Optional Endorsement listing to more accurately reflect the Required Forms and Optional Forms that are applicable to the new Masterpiece Boat Program.

**California
Personal Inland Marine
MASTERPIECE Boat Program**

Actuarial Memorandum

This memorandum and the attached exhibits support the filing of the MASTERPIECE Boat Rate and Rule Manual in the state of California for ACE American Insurance Company, ACE Fire Underwriters Insurance Company and Insurance Company of North America. We believe the rates being filed are adequate, not excessive, and not unfairly discriminatory.

The purpose of this filing is to:

1. reduce hull base rates (see Exhibit 14-2)
2. introduce the "Select" coverage option to our existing rating plan for vessel lengths up to and including 26 feet. The "Select" coverage option provides the insured an increased amount of coverage for an additional premium charge of +30% (see form numbers RM-120000 and RM-170000 per our adjoining form filing for more details). Insureds will have the option of either the Basic or Select level of coverage. (see Exhibit 14-3)
3. revise the current Replacement Cost factors (see Exhibit 14-4)
4. revise the current Crew rates (see Exhibit 14-5)
5. revise the Maximum Speed table (see Exhibit 14-6)
6. include Personal Watercraft (PWR) in the proposed Masterpiece Boat Program rate manual. The PWR product is currently a stand-alone, approved filing in California. Our intent is to withdraw the PWR filing and include it in the Masterpiece Boat Program via an endorsement. The PWR rates being added to this filing are the same as what is currently filed and approved in the PWR stand-alone filing. We are proposing no changes to the rates or rating algorithm. Therefore, there is no rate impact to our current insureds.
7. include flat deductibles for YAR to accommodate the conversion of the existing policies in Chubb's writing company - Federal Insurance Company – into the ACE American Insurance Company. There are no changes to the deductible credits, and therefore, no impact to the converting policies.
8. remove the following:
 - Fishing Equipment coverage; coverage will be provided in the Personal Property coverage going forward
 - Replacement cost option on outdrive and outboard motors; There are no policies in-force that have this option. So, there is no impact to the overall portfolio.
 - Actual cash value option; There are only 12 policies in-force that have this option. So, the overall impact to the portfolio is negligible.
9. revisions to the currently filed and approved rate manual
 - Miscellaneous Coverages: The rating procedure for miscellaneous coverages (e.g. Med Pay, Uninsured Boater, etc) was not shown in the current rate manual. It is being included now for completeness. We are proposing no changes to the rates or rating algorithm, unless specifically stated.
 - Risk Credit Determination – YAR table: Add the maximum risk credit to the rate page in the rate manual (page 12); The rating algorithm in the currently filed rate manual states that the risk credit is to be compared to the Max Risk Credit/Debit. However, the actual Max Risk Credit/Debit was inadvertently not shown on the rate page. We are adding it to the rate page in this filing.

**California
Personal Inland Marine
MASTERPIECE Boat Program**

Actuarial Memorandum

- Hull & P&I Adjustments – YAR table: The formatting for the Outboard Motor Credit in the rate manual is being corrected to show a credit of -0.10, not -10.0.
- P&I Base Premium – PWR: Three P&I Limit options were inadvertently not shown in the current rate manual. We are adding them to the rate manual in this filing.

The historical experience for the most recent three Fiscal Accident Years, evaluated as of June 30, 2017, was analyzed using the required ratemaking formula. The overall rate level effect for this filing is estimated to be -14.2%. Exhibit 14-1 provides the overall rate effect for the rating factor changes. Exhibits 14-2 through 14-6 provide support for the proposed rating factor changes.

SERFF Tracking #:

ACEH-131067545

State Tracking #:

17-7025; 17-7026; 17-7027

Company Tracking #:

17-12270-RR-F

State:

California

First Filing Company:

ACE American Insurance Company, ...

TOI/Sub-TOI:

09.0 Inland Marine/09.0010 Boatowners/Personal Watercraft

Product Name:

Masterpiece

Project Name/Number:

Rec Marine/17-12270-RR-F

Superseded Schedule Items

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

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
10/23/2017		Supporting Document	New Prior Approval Rate Application	11/15/2017	Prior Approval Rate Template rev.pdf Prior Approval Rate Template rev.xlsm Standard Exhibits Template rev.pdf Standard Exhibits Template rev.xlsm Supporting Exhibits rev.pdf Supporting Exhibits rev.xlsx Prior Approval Rate Application rev.pdf Prior Approval Rate Application rev.xlsm
09/21/2017		Supporting Document	Actuarial Memorandum	10/23/2017	Actuarial Memorandum.pdf (Superceded)
09/21/2017		Rate	Boat Program Rating Manual	10/23/2017	Rate Manual - Marked Version.pdf (Superceded) Rate Manual - Clean Version.pdf (Superceded)
06/06/2017		Supporting Document	New Prior Approval Rate Application	10/23/2017	Supporting Exhibits.pdf (Superceded) Supporting Exhibits.xlsx (Superceded) Prior Approval Rate Template.pdf (Superceded) Prior Approval Rate Template.xlsm (Superceded) Standard Exhibits Template.pdf (Superceded) Standard Exhibits Template.xlsm (Superceded) Prior Approval Rate Application.pdf (Superceded) Prior Approval Rate Application.xlsm (Superceded)