

SERFF Tracking Number: NGMC-127340590 State: Utah
Filing Company: NGM Insurance Company State Tracking Number:
Company Tracking Number:
TOI: 05.0 CMP Liability and Non-Liability Sub-TOI: 05.0002 Businessowners
Product Name: NGM Insurance Company-Businessowners Rate and Rule Filing
Project Name/Number: Businessowners Rate and Rule Filing/

Filing at a Glance

Company: NGM Insurance Company

Product Name: NGM Insurance Company-
Businessowners Rate and Rule Filing

TOI: 05.0 CMP Liability and Non-Liability

Sub-TOI: 05.0002 Businessowners

Filing Type: Rate/Rule

SERFF Tr Num: NGMC-127340590 State: Utah

SERFF Status: Closed-FILED FOR
USE

Co Tr Num:

Authors: Eileen Kuharich, Nancy
Murdough, Nancy Palmisano,
Susan Fastenberg, Miranda Doyle,
Hollie Carter, Amber May

Date Submitted: 07/27/2011

State Status: FILED FOR USE

Reviewer(s): Angela Martinez

Disposition Date: 08/02/2011

Disposition Status: FILED FOR
USE

Effective Date Requested (New): 12/15/2011

Effective Date Requested (Renewal): 02/15/2012

Effective Date (New):

Effective Date (Renewal):

General Information

Project Name: Businessowners Rate and Rule Filing

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 08/02/2011

State Status Changed: 08/02/2011

Created By: Susan Fastenberg

Corresponding Filing Tracking Number:

Filing Description:

Re: NGM Insurance Company – Businessowners Rate and Rule Filing

NGM NAIC Number 311-14788

Status of Filing in Domicile: Not Filed

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Submitted By: Susan Fastenberg

By submitting this filing I certify that the attached filing has been completed in accordance with Utah administrative rule R590-225 and is in compliance with applicable Utah laws and rules.

NGM Insurance Company (NGM) is proposing to revise its rates with an overall increase of +2.0% for the Utah

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Businessowners program (+2.0% for all programs other than Contractors and +2.0% for Contractors).

The following changes are proposed:

- Changes to the Contractors Liability rates by class; and
- Changes to the Businessowners (other than Contractors) rates by Program.

All changes have been made to address profitability and competitive issues in the state of Utah.

In addition, the manual rules Limits-Liability and Medical Expenses - Aggregate Limit and Liquor Liability Coverage have been revised.

This filing applies to all New Business policies effective on and after December 15, 2011 and to all Renewal policies on and after February 15, 2012.

The following finished manual pages are enclosed: Rate Page: UT-RR-14, UT-RR-15, UT-RR-19, UT-RR-23, UT-RR-29, UT-RR-30, UT-RR-40, UT-RR-42, UT-RR-45 through UT-RR-48 all (12/11) edition; Rule Pages: OC-19, OC-20, UT-EX-2 all (12/11) edition.

Company and Contact

Filing Contact Information

Nancy Palmisano, State Filings Manager palmisan@msagroup.com
4601 Touchton Rd East 800-207-0446 [Phone] 351 [Ext]
Suite 3400 904-486-7850 [FAX]
Jacksonville, FL 32245

Filing Company Information

NGM Insurance Company CoCode: 14788 State of Domicile: Florida
4601 Touchton Road East Group Code: 311 Company Type: Property and
Casualty
PO Box 16000, Suite 3400 Group Name: Main Street America State ID Number:
Group
Jacksonville, FL 32245 FEIN Number: 02-0170490
(800) 207-0446 ext. 225[Phone]

Filing Fees

SERFF Tracking Number: NGMC-127340590 State: Utah
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Fee Required? No
Retaliatory? No
Fee Explanation:
Per Company: No

| COMPANY | AMOUNT | DATE PROCESSED | TRANSACTION # |
|-----------------------|--------|----------------|---------------|
| NGM Insurance Company | \$0.00 | | |

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Correspondence Summary

Dispositions

| Status | Created By | Created On | Date Submitted |
|------------------|-----------------|------------|----------------|
| FILED FOR USE | Angela Martinez | 08/02/2011 | 08/02/2011 |

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 Project Name/Number: Businessowners Rate and Rule Filing/

Disposition

Disposition Date: 08/02/2011
 Effective Date (New):
 Effective Date (Renewal):
 Status: FILED FOR USE
 Comment:
 FILED FOR USE
 July 27, 2011
 Property & Casualty Insurance Division
 UTAH INSURANCE DEPARTMENT

| Company Name: | Overall % Indicated Change: | Overall % Rate Impact: | Written Premium Change for this Program: | # of Policy Holders Affected for this Program: | Written Premium for this Program: | Maximum % Change (where required): | Minimum % Change (where required): |
|--------------------------|-----------------------------------|---------------------------|--|---|---|--|--|
| NGM Insurance Company | 0.000% | 2.000% | \$14,958 | 285 | \$747,922 | 14.300% | -12.600% |

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| Schedule | Schedule Item | Schedule Item Status | Public Access |
|-----------------|----------------------------|-----------------------------|----------------------|
| Rate | Finished Manual Rule Pages | | Yes |

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Rate/Rule Schedule

| Schedule Item | Exhibit Name: | Rule # or Page #: | Rate Action | Previous State Filing Attachments Number: |
|---------------|----------------------------|-------------------------------|-------------|---|
| | Finished Manual Rule Pages | OC-19, OC-20, UT-EX-2 (12/11) | Replacement | 70960 Finished Manual Rule Pages.pdf |

SECTION 4 – COVERAGES AND PREMIUM DEVELOPMENT

Limits – Liability and Medical Expenses

- **Liability & Medical Expenses - Per Occurrence**

Limits from \$300,000 to \$2,000,000 are available.

To determine the additional premium or premium credit for the limit selected, multiply the Liability Premium by the factor shown in the State rate pages.

- **Aggregate Limit**

The policy provides a limit of twice the Liability and Medical Expenses Limit. An option for three times the Liability and Medical Expenses Limit is available.

To determine the additional premium, multiply the Liability Premium by the factor shown in the State rate pages.

- **Amendment - Aggregate Limits Of Insurance (Per Project)..... BP 07 02**

Mandatory for Contractors Program, optional for all other programs.

Provides an Aggregate Limit – Other Than Products/Completed Operations to each project away from premises owned by or rented to the insured. The limit selected must be the same as the Other Than Products/Completed Operations Aggregate. **No additional premium.**

- **Damage to Premises Rented to You - Any One Premises**

A Limit of \$500,000 is included in the base policy.

For a \$1,000,000 Limit, charge the premium shown in the State rate pages.

- **Broadened Coverage For Damage to Premises Rented to You..... BP 04 55**

Extends policy to provide coverage for risks of direct physical loss or damage to premises rented to or temporarily occupied by the insured with permission of the owner. Maximum Limit \$1,000,000.

Multiply the limit selected by the rate per \$1,000 shown in the State rate pages.

Limited Personal Property And Lost Keys Of Others (Liability) BPM 3113

Provides \$5,000 Each Occurrence/ \$10,000 Aggregate Limit for loss or damage of personal property of others while in the insured's care, custody or control.

Provides \$1,000 Each Occurrence/ \$2,500 Aggregate Limit for lost keys of others while in the insured's care, custody or control.

Coverage is subject to a deductible of \$250 each occurrence. Coverage is included in the Contractors Program, and is optional for all other Programs.

Charge the premium shown in the State rate pages.

No IRPM and/or Tier Factor modifications apply.

SECTION 4 – COVERAGES AND PREMIUM DEVELOPMENT

Limited Product Withdrawal Expense Endorsement BPM 3119

Provides for reimbursement of product recall expenses incurred during the policy year. Limit options are shown in the State rate pages. A \$1,000 deductible applies. Refer to company for change of deductible or possible use of participation percentage or cut-off date.

Select a type of business and limit shown in the State rate pages. Multiply the annual sales by the rate per \$1,000 indicated. **No IRPM and/or Tier Factor modifications.**

Liquor Liability Coverage BP 04 89

Provides coverage arising out of the selling, serving or furnishing of alcoholic beverages. A Liquor Liability Aggregate Limit and Each Common Cause Limit applies. If rates are not shown in the State rate pages, coverage is not available.

Multiply the annual receipts for alcoholic beverages by the rate per \$1,000 shown in the State rate pages for the Limit selected.

Professional Liability

Professional liability coverage is available for the professions shown below. The Limit selected must be the same as the Liability and Medical Expenses Limit. **No IRPM and/or Tier Factor modifications apply.**

- **Barbers & Beauticians Professional Liability.....BP 08 01**

Provides coverage for professional services in the operation of a barber shop, beauty salon or nail salon. If the application indicates the exposure exists, coverage for independent contractors (those renting a chair or space) will be provided automatically using Additional Insured - Designated Person endorsement **BP 04 48**.

For the limit selected, multiply the rate shown in the State rate pages by the number of full-time or part-time Employee and independent contractors. "Part-time" means 16 hours or less per week.

- **Funeral Directors Professional Liability BP 08 02**

Provides coverage for professional services as a funeral director.

For the limit selected, multiply annual receipts by the rate per \$1,000 receipts shown in the State rate pages.

- **Optical & Hearing Aid Establishments BP 08 03**

Provides coverage for professional services by an establishment's certified/licensed hearing aid or optician's specialists while performing services at the designated premises.

For the limit selected, multiply annual receipts by the rate per \$1,000 receipts shown in the State rate pages.

- **Pet Grooming Liability BPM 3114**

Provides coverage for damage arising out of the rendering or failure to render any grooming service of dogs, cats or other domesticated animals and which shall be deemed to be caused by an "occurrence".

For the limit selected, charge the premium shown in the State rate pages.

SECTION 5 – STATE EXCEPTIONS

Additional Rules

- A. **#14, Transition Rule For Premium Changes Resulting From Revised Rating Rule Procedures For Businessowners Coverages** located in **SECTION 1 – GENERAL RULES** does not apply.
- B. **Liquor Liability Coverage** in **SECTION 4 – COVERAGES AND PREMIUM DEVELOPMENT, LIABILITY** is replaced with the following:

Liquor Liability Coverage

1. Use Utah Liquor Liability Coverage Endorsement **BP 05 04** which provides coverage against claims for bodily injury or property damage sustained by any person or organization if liability for such injury is imposed on the insured by reason of the selling, serving or furnishing of any alcoholic beverage. The Schedule of the endorsement provides an entry for:
 - a. A Liquor Liability Aggregate Limit which is the most that will be paid for all claims for bodily injury or property damage arising out of the selling, serving or furnishing of any alcoholic beverage;
 - b. An Each Common Cause Limit which is the most that will be paid for all bodily injury or property damage sustained by one or more persons or organizations as the result of the selling, serving or furnishing of alcoholic beverages to any one person. This is to comply with UTAH CODE ANN. Section 32A-14a-101 et seq. which imposes a cap on awards under Dramshop Liability of \$1,000,000 per common cause;
 - c. An Each Person Limit which is the most that will be paid for all bodily injury or property damage sustained by any one person or organization as the result of the selling, serving or furnishing of any alcoholic beverage to any one person. This is to comply with UTAH CODE ANN. Section 32A-14a- 101 et seq. which imposes a cap on awards under Dramshop Liability of \$500,000 per person.

Neither the Liability And Medical Expenses Limit Of Insurance shown in the Declarations nor its aggregate limits apply to damages arising out of the selling, serving or furnishing of alcoholic beverages.

2. Multiply the annual receipts for alcoholic beverages by the rate per \$1,000 shown in the State rate pages for the limit selected.

C. Earthquake

1. The following amends Earthquake in **Section 4 – COVERAGES AND PREMIUM DEVELOPMENT**, page **OC-8**:

The factor shown in Table **C.2.** below is to be utilized in conjunction with ISO's CLM – Division 5 Earthquake Base loss cost.

COVERAGE FOR EARTHQUAKE

| | |
|---------------|--------------|
| Factor | 1.690 |
|---------------|--------------|

Table C.2. Earthquake Coverage Factor