

Commonwealth Automobile Reinsurers

Commercial Automobile Insurance Manual

(RULE 26) DRIVE OTHER CAR COVERAGE

Premium Per Coverage	Limits	Named Individual
Bodily Injury Liability	\$20/40	\$47
Property Damage Liability	5,000	13
Medical Payments	500	7
	1,000	8
	2,000	9
	3,000	10
	4,000	13
	5,000	15
Comprehensive	\$500 Ded.	9
Collision	\$500 Ded.	29

For protection against Uninsured or Underinsured Motorists Coverage, charge the Private Passenger Type rates.

(RULE 27) NON-OWNERSHIP LIABILITY

Premium Development

1. All risks other than social service agency risks as defined in the Public Transportation Section.
 - a. Determine the total number of employees of the insured at all locations and select the advance premium from the following table:

Class Code	Total Number of Employees	Bodily Injury Limits \$20/40	Property Damage Limit \$5,000
66010	0-25	\$ 27	\$ 7
66020	26-100	70	26
66030	101-500	227	84
66040	501-1,000	429	162
66050	over 1,000	667	238

- b. To extend Non-Ownership Liability Coverage to cover the individual liability of employees, compute the additional premium by multiplying the premium determined in paragraph 1.a. above by .25.
2. Social Service Agency Risks
 - a. Determine the advance premium based on the number of employees in accordance with paragraph 1.a. above.
 - b. Charge an additional premium determined as follows:
 Determine the total number of volunteers at all locations and charge \$1 per volunteer for Bodily Injury Liability and \$1 per volunteer for Property Damage Liability at basic limits. The minimum premium shall be \$27 for Bodily Injury and \$7 for Property Damage Liability at basic limits.
 - c. To extend Non-Ownership Coverage to cover the individual liability of agency employees, charge the additional premium determined in accordance with 1.b. above.

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(RULE 27) NON-OWNERSHIP LIABILITY (Continued)

- d. To extend coverage to cover the blanket individual liability of volunteers, charge an additional premium of \$.50 per volunteer for Bodily Injury Liability and \$.50 per volunteer for Property Damage Liability at basic limits. The minimum premium shall be \$8 for Bodily Injury Liability and \$2 for Property Damage Liability at basic limits.
- 3. For policies providing Non-Ownership Liability Coverage only, Hired Automobile Coverage only, or Non-Ownership Liability and Hired Automobile Coverage only, a minimum premium of \$72 for Bodily Injury Liability and \$33 for Property Damage Liability at basic limits applies.

(RULE 28) HIRED AUTOMOBILES

A. Excess Coverage

Premium Development

- 1. Estimate the total cost for the hire of automobiles for each state where the insured does business. Do not include charges for services performed by common or contract carriers subject to the insurance requirement of any public authority regulating motor carriers.
- 2. To compute the advance premium, multiply the cost of hire rate times each \$100 cost of hire.
- 3. Unless there is substantial change in exposures during the policy period, the advance premium is the earned premium.
- 4. The minimum premium shall be \$27 Bodily Injury Liability basic limits and \$7 Property Damage Liability basic limit.
- 5. For policies providing Hired Automobile Coverage only, Non-Ownership Liability Coverage only, or Hired Automobile and Non-Ownership Coverages only, a minimum premium of \$72 for Bodily Injury Liability and \$33 for Property Damage Liability at basic limits applies.

<u>Hired Automobile</u>	
Bodily Injury—20,000/40,000	Property Damage—5,000
\$0.50	\$0.50

B. Primary Coverage

- 1. If the insured is providing the primary insurance covering the auto and the term of the lease is:
 - a. 6 months or more -
 - (1) Rate as though owned by the insured; and
 - (2) If the policy is extended to cover the owner of the auto as an additional insured, multiply the otherwise applicable Bodily Injury Liability and Property Damage Liability rates by 1.04. Use the appropriate endorsement for including the owner or lessor as an additional insured.

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(RULE 33) RENTAL REIMBURSEMENT^{3/4} COVERAGE CODE 083

Premium Development

The rate per \$100 of liability amount is \$10.05.

Compute the premium as follows:

1. the number of automobiles, multiplied by
2. the agreed maximum amount of Rental Reimbursement for each day, multiplied by
3. the maximum number of days, multiplied by
4. the rate per \$100 of the liability amount.

Example:

5 automobiles
 \$15 per day reimbursement limit
 30 days coverage

Rental Reimbursement limit
 \$10.05 rate per \$100 of the liability amount
 $5 \times \$15 \times 30 = \$2,250$ (liability amount)
 $\$2,250 \times \$10.05 \text{ per } \$100 = \226.00

(RULE 37) DEDUCTIBLE INSURANCE^{3/4} PROPERTY DAMAGE LIABILITY

This coverage may be written in the following deductible amounts per accident for the basic limit of \$5,000 at the deductions from the full coverage basic limits rates indicated below.

Amount of Deductible	% Reduction Rate from Full Coverage Basic Limit Rate (All Classifications)
\$ 250	20 %
500	30 %
1,000	39 %

Additional premium for increased limits (above \$5,000) shall be computed at the rate for full coverage.