



AMERICAN RESOURCES INSURANCE COMPANY, INC.

American Resources is a market for general liability risks, both monoline and as part of a package. Always be aware, however, that a poor liability risk is not made acceptable by the presence of other supporting business nor do any of the collateral lines guarantee continued coverage. Each liability risk must stand on its merits.

The following guidelines will help you determine what underwriting information is needed to select a profitable book of general liability business. All this information is needed in the risk selection process to assess the exposure and develop adequate premium.

We are generally looking for risks that meet the following guidelines:

- Mercantile, office, processing and service accounts described by commonly used classes in the CLM manual.
- Contracting accounts specializing in specific operations and utilizing their own employees for the majority of their work.
- Manufacturing accounts whose product presents a relatively low level of products liability exposure and one which is readily identifiable.
- Risks classified as hazard index 1-6 in the Underwriting Guide. Risks classified higher than a 6 may be acceptable on an individual risk basis, but require more intense underwriting

The following are ineligible:

- Residential general contractors
- Commercial general contractors which have subcontracted costs of over 25% of their gross receipts.
- Contractors which utilize uninsured subcontractors.
- Contractors whose operations currently involve, or whose past operations involved, the installation, removal or other handling of EFIS (synthetic stucco) or asbestos.
- Manufacturers and distributors with products that pose a potential product liability exposure which is catastrophic in nature. (Examples are medical and surgical equipment, children's toys, tobacco products, etc.)
- Risks with increased hazards not normally associated with the class (for example: dangerous guard dogs or armed security, incidental rental of medical equipment, sale of goods under the insured's label, etc.).
- The Underwriting Guide lists additional specific classes of business for which we are not a market



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In states in which we have filed for a preferred pricing tier, the following additional requirements apply to qualify:

Hazard group 7 or less in the ARIC appetite guide.

Minimum of three years in business under current name and ownership

Three or more years of hard copy loss runs provided

No loss frequency or uncorrected loss severity problems.

Stable financial status, with no prior history of bankruptcy or liens

The preferred tier is generally 15% to 20% less than that of our standard. It should be reserved for those insureds which, in the underwriters judgment, there is a likelihood of profit at the lower rate level.

GL Enhancement Endorsement:

Form CG-AR-01 provides the following additional coverages:

- Additional Insured – Owners, Lessees Or Contractors – Automatic Status When Required In Construction Agreement With You
- Additional Insured – Owners, Lessees Or Contractors – Completed Operations
- Additional Insured – Lessor Of Leased Equipment – Automatic Status When Required In Lease Agreement With You
- Waiver Of Transfer Of Rights Of Recovery Against Others To Us
- Primary And Non-Contributory Status For Additional Insureds
- "Fellow Employee" Coverage - Managers And Supervisors
- Aggregate Limits Of Insurance (Per Project) When Required In Construction Agreement With You
- Liberalization
- Damage To Premises Rented To You
- Expected Or Intended Property Damage
- Medical Payments Increased Limit
- Newly Acquired Organizations

The premium charge is 1.5% of the modified premium for premises/operations and products/completed operations, subject to a minimum premium of \$125.



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Hired & Non-Owned Auto

For policies covering insureds which do not have a separate commercial automobile liability policy, form CG-AR-02 may be attached to provide coverage for use of hired and non-owned automobile. Charge the following rates:

Limit of Liability	Premium
\$300,000	\$ 50
\$500,000	\$ 75
\$1,000,000	\$100

This coverage is intended only for insureds with incidental exposures, as determined by the underwriter.