

**State:** Pennsylvania **First Filing Company:** Chubb Indemnity Insurance Company, ...  
**TOI/Sub-TOI:** 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations  
**Product Name:** Masterpiece  
**Project Name/Number:** Homeowner Mid-Phase Revision/15 9937

## Filing at a Glance

**Companies:** Chubb Indemnity Insurance Company  
 Chubb National Insurance Company  
 Federal Insurance Company  
 Great Northern Insurance Company  
 Pacific Indemnity Company  
 Vigilant Insurance Company

**Product Name:** Masterpiece  
**State:** Pennsylvania  
**TOI:** 04.0 Homeowners  
**Sub-TOI:** 04.0000 Homeowners Sub-TOI Combinations  
**Filing Type:** Rate/Rule  
**Date Submitted:** 07/28/2015  
**SERFF Tr Num:** CHUB-130107605  
**SERFF Status:** Assigned  
**State Tr Num:**  
**State Status:** Received Review in Progress  
**Co Tr Num:** 15-9937-RR

**Effective Date:** 12/07/2015  
**Requested (New):**  
**Effective Date:** 01/21/2016  
**Requested (Renewal):**  
**Author(s):** Cindy Langston, Bryan Trone  
**Reviewer(s):** Xiaofeng Lu (primary), Michael McKenney  
**Disposition Date:**  
**Disposition Status:**  
**Effective Date (New):**  
**Effective Date (Renewal):**

**State Filing Description:**

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## General Information

Project Name: Homeowner Mid-Phase Revision	Status of Filing in Domicile:
Project Number: 15 9937	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 07/29/2015	
State Status Changed: 07/29/2015	Deemer Date:
Created By: Cindy Langston	Submitted By: Cindy Langston
Corresponding Filing Tracking Number:	

### Filing Description:

We are filing, for your review and approval, revisions to our Masterpiece Program in Pennsylvania.

Each of the revisions submitted under this filing is explained in detail in the Actuarial Filing Memorandum, the Exhibits and the Description of Change documents that are attached under Supporting Documentation. The Masterpiece manual pages that reflect the changes are attached in final print and in marked copy.

Our proposed effective date is December 7, 2015 for newlines and January 21, 2016 for renewals. Please contact me should you have any questions or require additional information. Your approval will be greatly appreciated.

## Company and Contact

### Filing Contact Information

Fran Muldoon, Manager - CPI State Filings fmuldoon@chubb.com  
 Dept.  
 202 Hall's Mill Rd. 908-572-2875 [Phone]  
 P.O. Box 1600 908-572-4034 [FAX]  
 Whitehouse Station, NJ 08889-  
 9977

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### Filing Company Information

Chubb Indemnity Insurance Company 202 Hall's Mill Road P.O. Box 1650 Whitehouse Station, NJ 08889-1650 (908) 572-4422 ext. [Phone]	CoCode: 12777 Group Code: 38 Group Name: FEIN Number: 22-3291862	State of Domicile: New York Company Type: State ID Number:
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Chubb National Insurance Company 202 Hall's Mill Road P.O. Box 1650 Whitehouse Station, NJ 08889-1650 (908) 572-4422 ext. [Phone]	CoCode: 10052 Group Code: 38 Group Name: Chubb Inc Grp FEIN Number: 22-3253301	State of Domicile: Indiana Company Type: Property & Casualty State ID Number:
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Federal Insurance Company 202 Hall's Mill Road P.O. Box 1650 Whitehouse Station, NJ 08889-1650 (908) 572-4422 ext. [Phone]	CoCode: 20281 Group Code: 38 Group Name: Chubb Inc Grp FEIN Number: 13-1963496	State of Domicile: Indiana Company Type: State ID Number:
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Great Northern Insurance Company 202 Hall's Mill Road P.O. Box 1650 Whitehouse Station, NJ 08889-1650 (908) 572-4422 ext. [Phone]	CoCode: 20303 Group Code: 38 Group Name: Chubb Inc Grp FEIN Number: 41-0729473	State of Domicile: Indiana Company Type: State ID Number:
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Pacific Indemnity Company 202 Hall's Mill Road P.O. Box 1650 Whitehouse Station, NJ 08889-1650 (908) 572-4422 ext. [Phone]	CoCode: 20346 Group Code: 38 Group Name: Chubb Inc Grp FEIN Number: 95-1078160	State of Domicile: Wisconsin Company Type: State ID Number:
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Vigilant Insurance Company 202 Hall's Mill Road P.O. Box 1650 Whitehouse Station, NJ 08889-1650	CoCode: 20397 Group Code: 38 Group Name: Chubb Inc Grp FEIN Number: 13-1963495	State of Domicile: New York Company Type: State ID Number:
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(908) 572-4422 ext. [Phone]

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$105.00  
 Retaliatory? Yes  
 Fee Explanation: Federal, Great Northern and Chubb National are domiciled in Indiana. Indiana fees are 35.00 per rate/rule filing per company.  
  
 3 companies x 35.00 = \$105.00

There are no filing fees for Pacific Indemnity, Vigilant, and Chubb Indemnity.

Per Company: Yes

Company	Amount	Date Processed	Transaction #
Federal Insurance Company	\$35.00	07/28/2015	97967767
Chubb National Insurance Company	\$35.00	07/28/2015	97967696
Great Northern Insurance Company	\$35.00	07/28/2015	97967768

## State Specific

- \*Filing Fee Amount: 105.00
- \*Date Filing Fee Mailed: EFT
- \*Filing Fee Check Number: EFT
- \*Filing Fee Check Date: EFT
- \*NAIC Number: 202081~20303~10052

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## Rate Information

Rate data applies to filing.

**Filing Method:** Prior Approval  
**Rate Change Type:** Increase  
**Overall Percentage of Last Rate Revision:** 9.200%  
**Effective Date of Last Rate Revision:** 12/10/2013  
**Filing Method of Last Filing:** Prior Approval

## 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):
Chubb Indemnity Insurance Company	%	1.800%	\$129,136	2,100	\$7,262,247	12.600%	-16.400%
Chubb National Insurance Company	%	3.700%	\$519,903	4,804	\$14,097,155	21.600%	-16.600%
Federal Insurance Company	%	2.400%	\$145,727	2,714	\$6,145,270	16.300%	-18.100%
Great Northern Insurance Company	%	2.200%	\$1,046,958	13,296	\$47,795,315	22.200%	-19.500%
Pacific Indemnity Company	%	2.900%	\$271,132	3,315	\$9,451,136	20.300%	-14.200%
Vigilant Insurance Company	%	2.300%	\$101,202	1,514	\$4,447,100	14.800%	-17.900%

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## Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Home and Contents: Rules	5.1-5.3	Replacement	State #None~SERFF #CHUB-129079707 & CHUB-129212415~Co #13-8540-RR	Home and Contents Rules 12-07-15 {Final 072215 pk}.pdf
2		Home and Contents: Rules - Discounts	Page 5a.1-5a.2	Replacement	State #None~SERFF #CHUB-129079707 & CHUB-129212415~Co #13-8540-RR	Home and Contents Rules – Discounts 12-07-15 {Final 072215 pk}.pdf
3		Home and Contents: Rules - Surcharges and Other Rating Factors	Page 5b.1	Replacement	State #None~SERFF #CHUB-129079707 & CHUB-129212415~Co #13-8540-RR	Home and Contents Rules – Surcharges and Other Rating Factors 12-07-15 {Final 072215 pk}.pdf
4		Home and Contents: Rules - Coverage Options	Page 5c.1-5c.3	Replacement	State #None~SERFF #CHUB-129079707 & CHUB-129212415~Co #13-8540-RR	Home and Contents Rules – Coverage Options 12-07-15 {Final 072215 pk}.pdf
5		Home and Contents Rating Sequence	Page 6.1	Replacement	State #B41080001~SERFF #CHUB-128333682~Co #12-10430-RR	Home and Contents Rating Sequence 12-07-15 {Final 072215 pk}.pdf
6		City Home House and Contents Rating Sequence	Page 6a.1	Replacement	State #B41080001~SERFF #CHUB-128333682~Co #12-10430-RR	City Home House and Contents Rating Sequence 12-07-15 {Final 072215 pk}.pdf
7		Home and Contents Charts	Page 7.1-7.19	Replacement	State #None~SERFF #CHUB-129079707 & CHUB-129212415~Co #13-8540-RR	Home and Contents Charts 12-07-15 {Final 072215 pk}.pdf



# Home and Contents: Rules

This manual is for policies insured with us for the applicable rates for Federal Insurance Company, Chubb Indemnity Insurance Company, Chubb National Insurance Company, Great Northern Insurance Company, Pacific Indemnity Company, and Vigilant Insurance Company.

## Eligibility

All homes, except city homes, must be used as one-family or two-family residences.

A city home must be an owner occupied rowhouse with no more than one rental unit and must meet all of the following criteria:

- masonry construction
- built prior to 1940
- renovated plumbing, heating and electrical systems.

Contents coverage may be written for the owner occupied unit only.

A vacation home must be an owner occupied house, other than a primary residence, but may be rented to others for up to 15 days in any given policy term.

Contents coverage may be written for a house owned by the insured only if house coverage is included in the policy.

## Coverage options

Property covered	Types of coverage	Payment basis (loss settlement)
House (dwelling only)	Deluxe (all risk)	Extended replacement cost, verified replacement cost or conditional replacement cost
	City home house (all risk)	
	Vacation home (all risk)	
Contents (with Deluxe house)	Deluxe (all risk)	Replacement cost or actual cash value
	Standard (named perils)	Replacement cost or actual cash value
	Fire (named perils, without theft)	Actual cash value
Contents (with City home house)	City home contents (all risk)	Replacement cost or actual cash value
Contents (with Vacation home house)	Deluxe (all risk)	Replacement cost or actual cash value
	Standard (named perils)	
Contents (Condominium, Cooperative, or Renters)	Deluxe (all risk) Standard (named perils)	Replacement cost or actual cash value



# Home and Contents: Rules

## Minimum amount

These are the minimum amounts of coverage:

Deluxe house or vacation home house amount with or without contents:	\$ 50,000
City home house amount with city home contents:	\$400,000*
City home house amount without contents:	\$400,000**
Condominium or cooperative:	\$ 15,000
Renters:	\$ 15,000

\* City home contents coverage may not be less than 10% of City home house coverage.

\*\* City home house without contents is only available if the renovation surcharge applies (house is being rebuilt/course of construction).

## Base premium determination *(not applicable to City home house)*

The base premium is calculated for:

- \$100,000 house coverage insured on an extended replacement cost basis, (or \$40,000 condominium, cooperative, or renters contents coverage insured on a replacement cost basis);
- \$50,000 contents coverage insured on a replacement cost basis (for a Deluxe house with Deluxe or Standard contents coverage only);
- \$30,000 contents coverage insured on a replacement cost basis (for a vacation home house with deluxe or standard contents coverage only);
- \$20,000 other permanent structures coverage for a deluxe house or \$10,000 other permanent structures coverage for a vacation home house (or \$4,000 additions and alterations coverage for a condominium, cooperative, or renters);
- \$50,000 personal liability coverage; and
- \$500 deductible.

## Fire protection

The fire protection factor (not applicable to City home house) and fire protection code is determined by the type of coverage for the residence, the distance a fire hydrant or fire station is from the residence and whether the residence has a central station or direct reporting fire alarm.

In lieu of a fire protection factor, a separate discount is available for fire protection if a city home has a direct or central station reporting fire alarm.

## Value factor *(not applicable to City home house)*

The value factor is determined by using the type of coverage for the location, the fire protection code, and the value of the building or contents. For a house, use the value of the highest valued building at the location (excluding contents) to determine the coverage amount. For a condominium, cooperative, or rental unit, use the value of contents to determine the amount of coverage.

## Deductibles

All homes and contents coverages must have the same deductible. The following flat deductibles are available:

\$250      \$500      \$1,000      \$2,500      \$5,000      \$7,500      \$10,000      \$25,000      \$50,000

## Underinsured houses

If a house is not insured to at least 90% of the amount of coverage we recommend, the payment basis will be conditional replacement cost. There is an undervalue surcharge when coverage is below 80% of the amount of coverage we recommend.



## ***Home and Contents: Rules***

### **Renovated or newly constructed houses**

If new construction of a house or other permanent structures or additions, alterations or renovations to the existing house or other permanent structures occurs that results in the insured living out of the house, the company must be notified.

### **Vacant houses**

If an insured house will be vacant (substantially empty of furnishings and contents) for more than 30 days, the company must be notified.

### **Personal liability**

Liability is rated in the state where the Primary residence (first location with liability) is located regardless of the location of any additional residence(s). If liability is not requested, we apply a discount for each location that building and/or contents coverage is provided.



## Home and Contents: Rules – Discounts

### Applicable to house and contents, condominium, cooperative, and renters

The following discounts are applied to house and contents, condominium, cooperative and renters coverage, if applicable.

**Burglar alarm** – Applicable if the residence has a central station or direct reporting theft or burglar alarm. This discount is not applicable to Deluxe house without contents or with fire contents.

**Fire resistive** – Applicable if the house or the unit is in a building where exterior walls, floors, and roof are built of masonry or other fire resistive materials with a rating of two hours or more.

**Suburban rating** (*not applicable to city homes*) – Applicable to a residence if the following conditions are met:

- the residence is within 3 miles of the first responding fire department which:
  - has at least 2 pumpers; and
  - brings at least 6,000 gallons of water; or
  - brings at least 4,000 gallons of water and has dual response or mutual aid agreement(s) with fire department(s) within 5 miles of the residence which will supply an additional 2,000 gallons of water; and
- the ISO protection class is not greater than 9.

**Gated community** (*not applicable to city homes*) – Applicable if the residence is located in a gated community. A residence is in a gated community if:

- vehicle access is limited to entrances controlled by guards or locked gates at all times;
- proper identification is required to enter; and
- visitors are announced.

This discount is not intended for high rise buildings.

**Gated community patrol service** (*not applicable to city homes*) – Applicable if the residence in the gated community has a fire and burglar alarm that when activated, alerts the community's 24-hour patrol service to dispatch a guard to the residence.

**Premier client** – Applicable in one of two ways, based on either customer tenure or risk tenure:

- customer tenure - applied for a new location if the insured has another location insured by us for three or more consecutive years. The discount will apply to the new location for the first three policy terms. Once a location has a risk tenure of three years or more, the discount will be based on the risk tenure provided we did not pay any property claims for that location; or
- risk tenure - applied for each location insured by us for three or more consecutive years that we did not pay any property claims for that location within the last three years. If a claim we paid is reimbursed in full through salvage and/or subrogation, that claim may be waived when determining eligibility for this discount. This discount is not applied if we paid any property claims for a location due to a loss caused by a catastrophe.

**Portfolio discount – home with valuable articles** – Applicable for a primary, owner-occupied house, condominium, cooperative or a primary occupied rental unit when valuable articles coverage, meeting certain eligibility (see Charts section), is written on the same policy at the same location.

**Portfolio discount – home with auto** – Applicable for a residence, if the residence is not seasonal, secondary or rented to others, listed on the policy when the insured has a good standing active Masterpiece automobile policy with us. If the residence is a house, the house must have contents coverage listed on the policy. A city home may have up to one rental unit and still qualify for this discount. The automobile policy must have at least one private passenger vehicle with physical damage coverage garaged in the state of Pennsylvania at that location.

**Payment history** – Applicable for a residence when the insured (not a mortgagee or lienholder) has paid the premium in full at least two years within the past five years. The five year eligibility period begins with the policy term immediately following the policy term where the premium was paid by the mortgagee or lienholder, if applicable.

**Lien free** (*not applicable to renters*) – Applicable if the residence has no mortgage or lien. This discount is not applied if the residence is vacant, under the course of construction or rented to others.



## Home and Contents: Rules – Discounts

### Applicable to house and contents only

The following additional discounts are applied to house and contents coverage, if applicable.

**Residential sprinkler system** – Applicable if the living areas, basement and heating system area have an approved and properly maintained sprinkler system.

**New house** (*not applicable to city homes*) – Applicable if the house was built within the last seven years.

**Renovated house** (*not applicable to city homes*) – Applicable if the house was renovated within the last six years. If this renovated house discount applies, the new house discount cannot. To qualify as renovated, the plumbing and heating systems and the electrical system must have been completely upgraded including new wiring, receptacles, circuit boxes and conduits in exposed areas. The renovation must have been inspected and approved by licensed civil authorities in compliance with the local building codes.

**Superior protection** (*not applicable to city homes*) – Applicable if one or more of the protection characteristics on the superior protection discount chart apply.

### Applicable to City home house and City home contents

The following additional discounts are applied to City home house and City home contents coverage, if applicable.

**Temperature monitoring system** – Applicable if the city home has a temperature monitoring system which reports directly into a central station or direct fire alarm.

**Restoration** – Applicable if the city home underwent restoration of its plumbing or electrical systems, heating/A.C./ventilating system, or its roof or façade repointing within the last ten years.

### Applicable to condominium, cooperative, and renters

The following additional discounts are applied to condominium, cooperative, and renters coverage, if applicable.

**Building security protection** – Applicable to a condominium, cooperative, or rental unit meeting all of the following criteria:

- building entrances are at all times:
  - manned; or
  - locked and secured by a central station or direct reporting burglar alarm;
- visitors are announced; and
- elevators are either manned or key controlled or must be accessed through a locked door.

**Building fire protection** – Applicable to a condominium, cooperative, or rental unit meeting all of the following criteria:

- approved and properly maintained sprinkler systems have been installed throughout the building; and
- common areas have a central station or direct reporting fire alarm or fire alarm which alerts the building security staff.



## Home and Contents: Rules – Surcharges and Other Rating Factors

### Applicable to house and contents, condominium, cooperative, and renters

The following surcharges are applied to house and contents, condominium, cooperative, and renters coverage, if applicable.

**Claims rating factor** – Applicable for **each** residence based on claims **paid** by us to an insured or on behalf of an insured. The surcharge is based on the amount of house coverage or contents and additions and alterations coverage and the number of non-catastrophe claims if paid:

- within the last three years for houses; and
- on or after December 12, 2011 for condominiums, cooperatives and renters.

This factor will be applied to each policy period for the three years after a payment for a claim has been paid. We may waive this surcharge if any claim has been reimbursed in whole through salvage or subrogation.

**Cancellation surcharge** – Applicable for **each** residence that has its insurance cancelled by us for non-payment of premium within the last three years.

**Rented to others** (*not applicable to city homes*) – Applicable if the residence is rented to others by the insured. A home does not qualify for the Vacation Home program if it is rented for more than 15 days in any given policy term.

### Applicable to house and contents only

The following additional surcharges are applied to house and contents coverage, if applicable.

**Vacation home house nonoccupancy** – Applicable if a vacation home house is unoccupied for more than 90 consecutive days in any given policy term. This surcharge does not apply if:

- there is a full time caretaker or equivalent service with an established maintenance company, or other full time non-rental occupancy during the owner's absence; or
- the house is located in a community with guard service; or
- the house is protected by central station or direct reporting fire and burglar alarm systems, and the responding fire and police departments are within 5 miles of the house.

**Undervalue surcharge** – Applicable for each 10% of coverage (or fraction) below 80% of the amount of coverage we recommend. In this case, the payment basis for a house will be conditional replacement cost. This surcharge will be applied by the company.

**Renovation or construction** (*not applicable to city homes*) - There is a surcharge during:

- new construction of a house or other permanent structures; or
- construction of additions, alterations or renovations to the existing house or other permanent structures that result in the insured living out of the house.

This surcharge will be removed when construction is completed, the house is owner occupied, and the amount of coverage has been adjusted to reflect the proper restoration cost. A Vacant house surcharge will also apply if the house is vacant for more than 30 days. This surcharge will be applied by the company.

**Vacant house** – Applicable for a house with deluxe house coverage or City home house coverage that is vacant for more than 30 days. A renovation or construction surcharge (deluxe house coverage) or renovation surcharge (City home house coverage) may also apply if construction is in progress. A home does not qualify for the Vacation Home program if it is vacant. This surcharge will be applied by the company.

### Applicable to City home house and City home contents

The following additional surcharges are applied to City home house and City home contents coverage, if applicable.

**Rental unit** – Applicable if a unit in a city home is rented to others by the insured. A home does not qualify for the City Home program if it has more than one rental unit or if it is not owner occupied.

**Renovation** – There is a surcharge during construction of additions, alterations or renovations to the city home or other permanent structures that result in the insured living out of the city home. This surcharge will be removed when construction is completed, the city home is owner occupied, and the amount of coverage has been adjusted to reflect the proper restoration cost. A Vacant house surcharge will also apply if the city home is vacant for more than 30 days. This surcharge will be applied by the company.



# Home and Contents: Rules – Coverage Options

## Mold remediation expenses

Mold remediation expense coverage is available in increments of 10%, 25%, 50%, 75% and 100% of the amount of coverage for the house or, if a condominium, cooperative or renters, the combined amount of coverage for contents and additions and alterations. This coverage is in addition to the \$10,000 of mold remediation expense coverage provided in the policy. Mold remediation expense coverage also includes temporary relocation expenses, which is 20% of the amount of mold remediation expense coverage. The home and contents base deductible applies to mold remediation expenses but not to temporary relocation expenses.

Requests to add or increase to a higher increment of mold remediation expense coverage can only be made at new line inception or upon renewal and will be subject to underwriting acceptance. The amount of mold remediation expense coverage can be reduced to a lower increment or to \$10,000 (the amount of coverage provided in the policy) at any time.

## Sinkhole collapse coverage

Sinkhole collapse coverage is available for an extra charge in:

- Deluxe house coverage when Deluxe contents coverage or no contents coverage is purchased,
- City home house coverage when City home contents coverage or no contents coverage is purchased, or
- Vacation home house coverage when Deluxe contents coverage is purchased.

The amount of coverage available is equal to the house amount.

## Earthquake coverage

Type of coverage	Earthquake
Deluxe house, City home house, and Vacation home house	Available*
Deluxe contents, condominium, cooperative, and renters, and City home contents	Included**
Standard contents, condominium, cooperative, and renters	Not available
Fire contents	Not available

\*Earthquake coverage must meet our underwriting guidelines and is only available, for an extra charge in:

- Deluxe house coverage when Deluxe contents coverage or no contents coverage is purchased,
- City home house coverage when City home contents coverage or no contents coverage is purchased, or
- Vacation home house coverage when Deluxe contents coverage is purchased.

The deductible for earthquake coverage is 2% of the amount of coverage.

\*\*Earthquake coverage is not automatically included for deluxe contents with vacation home house coverage. This coverage is only included when earthquake coverage for Vacation home house is chosen.

## Payment basis for other permanent structures

If the payment basis for the house and other permanent structures is Extended replacement cost and the amount of coverage for other permanent structures is reduced to less than 20% of the amount of coverage for the house (Deluxe house coverage or City home house coverage applies) or is reduced to less than 10% of the amount of coverage for the house (Vacation home house coverage applies), Extended replacement cost payment basis is limited for other permanent structures. We will pay up to 25% more than the amount of coverage for other permanent structures, if necessary, for the reconstruction of other permanent structures subject to all other terms and conditions.

## Homeowner or Unit assessments

The premium for deluxe house, vacation home house, city home house, condominiums and cooperatives automatically includes coverage for homeowner/unit assessments of \$50,000, but not more than \$5,000 for any assessment that results from a deductible in the homeowner, condominium or cooperative association's insurance. Homeowner assessments coverage (for any type of house) and Unit assessments coverage (for any type of condominium or cooperative), can be increased in two ways:

- the assessments coverage can be increased in increments of \$1,000; and/or
- the amount of coverage for any assessment that results from a deductible in the homeowners, condominium, or cooperative association's insurance can be increased in increments of \$1,000, not to exceed the amount of coverage for assessments.



## Home and Contents: Rules – Coverage Options

### Landscaping

The premium for deluxe house and vacation home house automatically includes coverage for landscaping of 5% of the amount of house coverage, but not more than \$10,000 for any one tree, shrub or plant. The premium for condominiums, cooperatives and renters automatically includes coverage for landscaping of 10% of the amount of contents coverage, but not more than \$10,000 for any one tree, shrub or plant. Landscaping can be increased in two ways:

- the percentage amount of landscaping coverage can be incrementally increased up to the amount of coverage for the house, or the amount of contents for a condominium, cooperative, or rental unit; and/or
- the amount of coverage per tree, shrub or plant can be increased up to the total amount of coverage for landscaping coverage.

In addition, the following perils can be added to landscaping coverage:

- wind and hail, and/or
- sleet and weight of ice or snow.

### City garden coverage

The premium for city home house automatically includes coverage for city gardens of 5% of the amount of house coverage, but not more than \$10,000 for any one tree, shrub or plant. City garden coverage can be increased in two ways:

- the percentage amount of city garden coverage can be incrementally increased up to the amount of coverage for the city home house; and/or
- the amount of coverage per tree, shrub or plant can be increased up to the total amount of coverage for city garden coverage.

In addition, the following perils can be added to city garden coverage:

- wind and hail, and/or
- sleet and weight of ice and snow.

### Business property

The premium for contents automatically includes coverage for \$25,000 of business property. The amount of on-premises business property can be increased in increments of \$1,000 up to the amount of contents coverage on the policy.

### GreenWise<sup>®</sup> upgrade coverage

GreenWise upgrade coverage is available for Deluxe house, City home house or Vacation home house coverage if the payment basis is extended replacement cost or verified replacement cost, and for condominium and cooperative coverage if the payment basis is replacement cost. However, GreenWise upgrade coverage does not apply to personal property (contents) under fire contents coverage.

GreenWise upgrade coverage is available in increments of 10%, 25%, 50%, 75% and 100% of the amount of coverage for the house or, if condominium or cooperative, the combined amount of coverage for contents and additions and alterations. GreenWise upgrade coverage is not available for a condominium or cooperative if the amount of coverage for additions and alterations has been reduced to zero.

If GreenWise upgrade coverage applies to a location that also has earthquake coverage, then earthquake coverage will apply to GreenWise upgrade coverage and a higher earthquake premium will apply.

### Student additional living expenses coverage

Student additional living expenses coverage includes student additional living expenses and extra tuition expenses. The minimum amount of student additional living expenses coverage that can be added to a policy is \$5,000. The home and contents deductible does not apply to this coverage. This coverage cannot be added to house coverage without contents coverage or to Vacation home house coverage.

### Assisted living care

Assisted living care coverage includes coverage for contents of a relative-in-care, additional living expenses for the relative-in-care, and personal liability coverage, if personal liability coverage is on the policy. The minimum amount of contents for a relative-in-care that can be added to a policy is \$5,000. A deductible of \$500 applies to contents of a relative-in-care. This coverage is always rated at one residence regardless of the number of residences on the policy. This coverage cannot be added to house coverage with fire contents coverage or with no contents coverage or to Vacation home house coverage.



## ***Home and Contents: Rules – Coverage Options***

### **Employment practices liability coverage**

Employment practices liability coverage includes coverage for employment practices liability and reputational injury. Employment practices liability coverage is only available on a policy with a personal liability limit of \$1,000,000 or greater. The coverage is always rated at one residence regardless of the number of residences on the policy. A deductible applies to Employment practices liability. No deductible applies to Reputational injury.

### **Family Protection<sup>SM</sup> Coverage**

Family Protection Coverage is always rated at one residence regardless of the number of residences on the policy. The home and contents deductible does not apply to this coverage.

### **Tiering**

The rating tier is determined at new line only and is based upon mutually exclusive characteristics of the risk. The effect of the tiers is not duplicative of any other rating variable.

Each residence will be assigned its own tier. Existing (renewal) business will be placed in a default (neutral) tier (Tier 20). Tier placement is based on mutually exclusive underwriting criteria on file at the company's home office. No insured will be moved to a higher-rated tier at renewal. Accidents and violations used in tier placement are not used in any other rating variable.



## Home and Contents: Rating Sequence

Territory: Use the Home and Contents and Valuable Articles Territories chapter to obtain the rating territory for the residence location.

Adjust any discount to a factor by subtracting it from 1.0. Adjust any surcharge to a factor by adding it to 1.0.

Key: x means multiply, \$ means dollar amount

Base premium	\$
Coverage type factor	X
Discount writing company factor	X
Territory factor	X
Burglar alarm factor	X
Coverage adjustments	
• Contents	
• Other permanent structures	
• Additions and alterations	
Sinkhole collapse coverage	X
Mold remediation expenses	
Actual cash value	
GreenWise upgrade	
Fire protection factor	
Fire resistive factor	X
Suburban rating factor	X
Residential sprinkler factor	X
Value factor	X
Base deductible factor	X
New house discount	X
Renovated house discount	
Gated community discount	
Gated community patrol discount	
Superior protection discount	X
Building security protection discount	
Building fire protection discount	
Rented to others surcharge	
Portfolio discounts	
• Home with valuable articles	
• Home with auto	
Premier client discount	
Claims rating factor	X
Undervalue surcharge	
Renovation/construction surcharge	
Vacant house surcharge	
Vacation home non-occupancy surcharge	
Lien free discount	X
Payment history discount	X
Cancellation surcharge	X
Tier factor	X
Adjusted premium	\$

To the **Adjusted premium** add/subtract dollar adjustments for:

<b>Total premiums by residence</b>	
Add or subtract for Liability	
Add Earthquake coverage	
Add Employment practices liability	
Add Family protection coverage	
Add Increased Homeowner/Unit assessments	
Add Increased Landscaping	
Add Increased Business property	
Add Student additional living expense	
Add Assisted living care	
Subtract House replacement cost	



# City Home House and Contents: Rating Sequence

Territory: Use the Home and Contents and Valuable Articles Territories chapter to obtain the rating territory for the residence location.

Adjust any discount to a factor by subtracting it from 1.0. Adjust any surcharge to a factor by adding it to 1.0.

Key: x means multiply, \$ means dollar amount

Base premium	\$
Coverage adjustments	
• Contents	X
• Other permanent structures	
Sinkhole collapse coverage	
Actual cash value	
Mold remediation expenses	X
GreenWise upgrade	
Base deductible factor	X
Fire alarm discount	
Burglar alarm discount	
Residential sprinkler system	
Temperature monitoring system	X
Fire resistive discount	
Restoration discount	
Portfolio discounts	
• Home with valuable articles	
• Home with auto	
Premier client discount	
Undervalue surcharge	X
Renovation surcharge	
Vacant house surcharge	
Rental unit surcharge	
Claims rating factor	
Lien free discount	X
Payment history discount	X
Cancellation surcharge	X
Tier factor	X
Adjusted premium	\$

To the **Adjusted premium** add/subtract dollar adjustments for:

<b>Total premiums by residence</b>
Add or subtract for Liability
Add Earthquake coverage
Add Employment practices liability
Add Family protection coverage
Add Increased Homeowner assessments
Add Increased City garden coverage
Add Increased Business property
Add Student additional living expense
Add Assisted living care
Subtract House replacement cost



# Home and Contents: Charts

## Base premium chart *(not applicable to City home house)*

Type of coverage	Base premium
Deluxe house/Vacation home house	\$ 1,174
Condominium/Cooperative	\$ 259
Renters	\$ 269

## Coverage type chart *(not applicable to City home house)*

Coverage	Factor
Deluxe house/deluxe contents	1.100
Deluxe house/standard contents	1.000
Deluxe house without contents or with fire contents*	0.750
Vacation home house with deluxe contents	0.990
Vacation home house with standard contents	0.900
Deluxe condominium or cooperative	1.350
Standard condominium or cooperative	1.000
Deluxe renters	1.350
Standard renters	1.000

\*There is an additional charge for Fire contents coverage.

## City home house base premium chart

Writing Company	Type of coverage	Rate per \$100 all territories
Federal Insurance Company, Vigilant Insurance Company, Pacific Indemnity Company	City home house	\$ 0.289
Great Northern Insurance Company, Chubb Indemnity Insurance Company, Chubb National Insurance Company	City home house	\$ 0.272

## Other permanent structures adjustment - City home house

For each 1% above 20% of house coverage:	For each 1% below 20% of house coverage:
0.50%	0.25%

## Sinkhole collapse coverage

If sinkhole collapse coverage is requested for a house, the factor is 20%.

## Discount Writing Company Charts *(not applicable to City home house)*

	Deluxe house/ vacation home house	Condominium or cooperative	Renters
Vigilant Insurance Company	0.800	0.900	0.900
Pacific Indemnity Company	0.712	0.900	0.900
Great Northern Insurance Company, Chubb National Insurance Company, Chubb Indemnity Insurance Company	0.663	0.850	0.850

## Home and Contents: Charts

Territory relativity chart (not applicable to City home house)

Territory	Deluxe house/vacation home house	Condominium or cooperative	Renters
001	1.000	1.000	1.000
005	0.720	0.519	0.519
006	0.537	0.519	0.519
007	0.512	0.519	0.519
008	0.720	0.519	0.519
009	0.756	0.519	0.519
010	0.611	0.549	0.549
012	0.537	0.519	0.519
014	1.000	1.000	1.000
021	0.676	0.549	0.549
022	0.537	0.519	0.519
023	0.512	0.519	0.519
024	0.676	0.549	0.549
025	0.512	0.519	0.519
027	0.512	0.519	0.519
031	0.570	0.519	0.519
035	0.697	0.610	0.610
037	0.756	0.519	0.519
051	0.697	0.519	0.519
052	0.697	0.519	0.519
053	0.611	0.549	0.549
054	0.720	0.519	0.519
055	0.675	0.549	0.549
056	0.756	0.519	0.519
057	0.676	0.549	0.549
058	0.570	0.519	0.519
059	0.570	0.519	0.519
061	0.611	0.549	0.549
071	0.611	0.549	0.549
073	0.707	0.519	0.519
074	0.675	0.549	0.549
075	0.697	0.519	0.519
076	0.629	0.610	0.610
077	0.697	0.519	0.519
081	0.697	0.519	0.519
082	0.697	0.519	0.519
083	0.707	0.747	0.747
086	0.910	0.747	0.747
087	0.756	0.519	0.519
088	0.697	0.519	0.519
089	0.720	0.519	0.519
090	0.537	0.519	0.519
091	0.697	0.519	0.519
092	0.715	0.549	0.549
093	0.720	0.519	0.519
094	0.697	0.519	0.519
095	0.863	0.747	0.747
096	0.697	0.519	0.519
099	0.611	0.549	0.549
100	0.512	0.519	0.519

## Home and Contents: Charts

**Territory relativity chart** (not applicable to City home house)  
 (continued)

<b>Territory</b>	<b>Deluxe house/vacation home house</b>	<b>Condominium or cooperative</b>	<b>Renters</b>
101	0.910	0.747	0.747
102	0.611	0.549	0.549
104	0.697	0.610	0.610
105	0.697	0.610	0.610
106	0.697	0.610	0.610
107	0.697	0.833	0.833
108	0.697	0.833	0.833
109	0.697	0.610	0.610
110	0.697	0.610	0.610
111	0.697	0.610	0.610
112	0.697	0.610	0.610
113	0.697	0.610	0.610
114	0.697	0.833	0.833
115	0.697	0.610	0.610
116	0.697	0.610	0.610
117	0.697	0.610	0.610
119	0.697	0.610	0.610
120	0.697	0.610	0.610
121	0.697	0.610	0.610
122	0.697	0.833	0.833
123	0.697	0.610	0.610
124	0.697	0.610	0.610
125	0.697	0.610	0.610
126	0.697	0.833	0.833
127	0.697	0.610	0.610
128	0.697	0.610	0.610
129	0.697	0.610	0.610
130	0.697	0.610	0.610
131	0.697	0.610	0.610
132	0.863	0.747	0.747
133	0.727	0.747	0.747
134	0.753	0.519	0.519
135	0.863	0.747	0.747
136	0.863	0.747	0.747
137	0.753	0.519	0.519
138	0.727	0.747	0.747
139	0.629	0.610	0.610
140	0.863	0.747	0.747
141	0.863	0.747	0.747



# Home and Contents: Charts

## Coverage adjustments charts

### Contents adjustment

<b>Additional deluxe or standard contents purchased:</b>	<b>Factor</b>	<b>Reduced deluxe or standard contents purchased:</b>	<b>Factor</b>
For each 1% of contents above 50% of deluxe house	0.40%	For each 1% of contents below 50% of deluxe house	0.35%
For each 1% of contents above 30% of vacation home house	0.40%	For each 1% of contents below 30% of vacation home house	0.35%

**Fire contents** (not applicable to City home house). For every 1% of house coverage that is requested for the fire contents amount, the factor is 0.45%

### City home contents

<b>Writing Company</b>	<b>Amount of coverage</b>	<b>Rate per \$100 all territories</b>
Federal Insurance Company, Vigilant Insurance Company, Pacific Indemnity Company	50% or more of house coverage	\$ 0.312
	40%-49% of house coverage	\$ 0.364
	30%-39% of house coverage	\$ 0.416
	20%-29% of house coverage	\$ 0.467
	10%-19% of house coverage	\$ 0.520
Great Northern Insurance Company, Chubb Indemnity Insurance Company, Chubb National Insurance Company	50% or more of house coverage	\$ 0.293
	40%-49% of house coverage	\$ 0.342
	30%-39% of house coverage	\$ 0.390
	20%-29% of house coverage	\$ 0.450
	10%-19% of house coverage	\$ 0.489

### Other permanent structures adjustment

<b>For each 1% above 20% of deluxe house and above 10% of vacation home house coverage:</b>	<b>For each 1% below 20% of deluxe house and below 10% of vacation home house coverage:</b>
0.50%	0.25%

### Additions and alterations adjustment

<b>Additional additions and alterations purchased:</b>	<b>For each 1% above 10% of additional additions and alterations purchased:</b>
First 20%	0.50%
Additional 20%+	0.53%

**Reduced additions and alterations purchased.** For every 1% of additions and alterations coverage below 10% of contents coverage, the factor is 0.50%.



# Home and Contents: Charts

## Actual cash value adjustment

Apply if actual cash value payment basis applies in lieu of replacement cost payment basis	Actual cash value discount		
	Deluxe house/ vacation home house with deluxe or standard contents	City home house with City home contents	Condominium, cooperative, or renters
	9%	9%	23%

## Mold remediation expenses chart

Mold remediation expenses coverage		Condominiums, cooperatives, or renters	
Percentage of house coverage	House Surcharge	Percentage of combined amount of contents and additions and alterations	Surcharge
10%	28%	10%	17.5%
25%	36%	25%	22.5%
50%	44%	50%	27.5%
75%	52%	75%	32.5%
100%	60%	100%	37.5%

### GreenWise upgrade coverage - houses

Percentage of house coverage	Surcharge
10%	1%
25%	2%
50%	3%
75%	4%
100%	5%

### GreenWise upgrade coverage – condominium or cooperatives

Percentage of combined amount of contents and additions and alterations	Surcharge
10%	1%
25%	2%
50%	3%
75%	4%
100%	5%

## Fire protection chart (not applicable to City home house)

### Fire protection factor

Fire station within five miles of residence?	Fire hydrant within 1,000 feet of the residence?*	Central station or direct reporting fire alarm?	Deluxe house or vacation home house	Condominium, cooperative, or renters	Fire protection code
Yes	Yes	Yes	0.95	0.95	A
		No	1.00	1.00	A
	No	Yes	1.06	1.10	A
		No	1.18	1.26	B
No	Yes	Yes	1.10	1.15	A
		No	1.26	1.31	B
	No	Yes	1.13	1.18	B
		No	1.38	1.40	B

\*A 10,000 gallon water source (private hydrant, pool, etc.) which is accessible year-round is also acceptable.



# Home and Contents: Charts

## Value factor chart (not applicable to City Home House)

**Fire protection code.** Use the fire protection chart to determine whether a residence is fire protection code A or B.

**Value of building or contents.** For a house, use the value of the highest valued building at the location (excluding contents) to determine the coverage amount. For a condominium, cooperative, or rental unit, use the value of contents to determine the amount of coverage. **Round the value to the nearest \$1,000.**

If the building or contents value is not in the chart, calculate your value factor using the nearest value factor and the factor increase per \$1,000.

**EXAMPLE: \$153,000 deluxe house or vacation home house with deluxe contents, fire protection code A**

**For \$150,000 the value factor is 1.4500; the value factor per \$1,000 is 0.00900.**

Figure the difference between the value of the building or contents and the nearest value in the chart (less than or equal to) and divide by 1,000. This provides the number of thousands between the values.

\$153,000

-\$150,000

\$ 3,000 ÷ \$1,000 = 3

Multiply the value factor per 1,000 by the number of thousands between values

3 x 0.0090 = 0.027

Add this amount to the \$150,000 value factor 1.4500

1.4500 + 0.0270 = 1.4770

The result, 1.4770, is the value factor for this example.

Value of building	Deluxe house or vacation home house			
	Fire protection code A		Fire protection code B	
	Value factor	Value factor per \$1,000	Value factor	Value factor per \$1,000
\$ 50,000	0.5000	0.01000	0.5000	0.01000
\$ 55,000	0.5500	0.01000	0.5500	0.01000
\$ 60,000	0.6000	0.01000	0.6000	0.01000
\$ 65,000	0.6500	0.01000	0.6500	0.01000
\$ 70,000	0.7000	0.01000	0.7000	0.01000
\$ 75,000	0.7500	0.01000	0.7500	0.01000
\$ 80,000	0.8000	0.01000	0.8000	0.01000
\$ 85,000	0.8500	0.01000	0.8500	0.01000
\$ 90,000	0.9000	0.01000	0.9000	0.01000
\$ 95,000	0.9500	0.01000	0.9500	0.01000
\$ 100,000	1.0000	0.00900	1.0000	0.01134
\$ 150,000	1.4500	0.00900	1.5670	0.01134
\$ 250,000	2.3500	0.00760	2.7010	0.00958
\$ 500,000	4.2500	0.00700	5.0960	0.00882
\$ 700,000	5.6500	0.00600	6.8600	0.00756
\$ 1,000,000	7.4500	0.00600	9.1280	0.00756
\$ 1,500,000	10.4500	0.00600	12.9080	0.00756
\$ 3,000,000	19.4500	0.00620	24.2480	0.00782
\$ 5,000,000	31.8500	0.00640	39.8880	0.00806
\$ 7,500,000	47.8500	0.00640	60.0380	0.00806
\$10,000,000	63.8500	0.00640	80.1880	0.00806
\$20,000,000+	127.8500	0.00640	160.7880	0.00806



# Home and Contents: Charts

## Value factor chart

(continued)

<b>Condominium, cooperative, or renters</b>		
<b>Fire protection codes A and B</b>		
<b>Value of contents</b>	<b>Value factor</b>	<b>Value factor per \$1,000</b>
\$ 15,000	0.3550	0.02580
\$ 30,000	0.7420	0.02580
\$ 40,000	1.0000	0.02800
\$ 150,000	4.0800	0.02580
\$ 1,000,000	26.0100	0.02580
\$ 1,500,000	38.9100	0.02580
\$ 3,000,000	77.6100	0.02580
\$ 5,000,000	129.2100	0.02580

## Deductible factor charts

Deluxe house, Vacation home house, Condominium, Cooperative, or Renters:

<b>Deluxe House, Vacation Home House</b>									
<b>Base deductible</b>									
<b>Value of building</b>	<b>\$250</b>	<b>\$500</b>	<b>\$1,000</b>	<b>\$2,500</b>	<b>\$5,000</b>	<b>\$7,500</b>	<b>\$10,000</b>	<b>\$25,000</b>	<b>\$50,000</b>
\$ 15,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 50,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 500,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 1,000,000	1.200	1.150	0.950	0.800	0.625	0.550	0.520	0.450	0.400
\$ 2,500,000	1.200	1.150	1.100	0.835	0.750	0.650	0.545	0.490	0.425
\$ 5,000,000	1.500	1.250	1.100	0.900	0.800	0.750	0.620	0.535	0.450
\$ 7,500,000 and greater	1.500	1.300	1.250	0.950	0.900	0.850	0.800	0.750	0.564

We interpolate between the closest lower and higher listed values where applicable.

<b>Condominium, cooperative, or renters</b>									
<b>Base deductible</b>									
<b>Value of Contents and A&amp;A combined</b>	<b>\$250</b>	<b>\$500</b>	<b>\$1,000</b>	<b>\$2,500</b>	<b>\$5,000</b>	<b>\$7,500</b>	<b>\$10,000</b>	<b>\$25,000</b>	<b>\$50,000</b>
\$ 15,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 50,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 500,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 1,000,000	1.200	1.150	0.950	0.800	0.625	0.550	0.520	0.450	0.400
\$ 2,500,000	1.200	1.150	1.100	0.835	0.750	0.650	0.545	0.490	0.425
\$ 5,000,000	1.500	1.250	1.100	0.900	0.800	0.750	0.620	0.535	0.450
\$ 7,500,000 and greater	1.500	1.300	1.250	0.950	0.900	0.850	0.800	0.750	0.564

We interpolate between the closest lower and higher listed values where applicable.



## Home and Contents: Charts

### Deductible factor charts

(continued)

#### City home house

Base deductible	Deductible factors	Maximum amount of change
\$ 250	1.250	No Maximum
\$ 500	1.120	No Maximum
\$ 1,000	1.000	--
\$ 2,500	0.875	\$ 1,500
\$ 5,000	0.750	\$ 3,000
\$ 7,500	0.688	\$ 4,500
\$ 10,000	0.625	\$ 7,000
\$ 25,000	0.563	\$ 9,000
\$ 50,000	0.500	\$13,000

### Discounts and surcharges charts

Burglar alarm	Factor
Deluxe house or vacation home house with deluxe or standard contents	0.95
Deluxe house with fire contents or no contents	1.00
Deluxe or standard condominium, cooperative, or renters	0.95

Discounts	Deluxe house or vacation home house	Condominium, cooperative, or renters
Gated community	5%	5%
Gated community patrol service	5%	5%
Residential sprinkler system	10%	N/A
Fire resistive	15%	15%
Suburban rating discount	10%	10%
Payment history		
• 2 years paid in full; or	3%	3%
• 3+ years paid in full	5%	5%
Lien free*	2.5%	2.5%
Building security protection	N/A	5%
Building fire protection	N/A	5%

\*Not applicable to Renters policies.



## Home and Contents: Charts

### Discounts and surcharges charts

(continued)

#### Portfolio discounts

		Deluxe house, City home house	Condominium, cooperative, or renters
Home with auto		10.0%	10.0%
Home with valuable articles	<b>Minimum eligible amount of coverage</b>		
	<ul style="list-style-type: none"> <li>the total of all itemized and/or blanket valuable articles is at least \$250,000; or</li> <li>the total of all itemized and/or blanket valuable articles (excluding fine arts, if any) is at least \$50,000</li> </ul>	12.5%	12.5%
	<ul style="list-style-type: none"> <li>the total of all itemized and/or blanket valuable articles is at least \$100,000; or</li> <li>the total of all itemized and/or blanket valuable articles (excluding fine arts, if any) is at least \$25,000</li> </ul>	10.0%	10.0%

We will apply the highest percentage of discount for which the residence qualifies.

\* Portfolio discounts are **not** applied to the 25% maximum total discount for City home house.

Discounts	City home house (A maximum total discount of 25% applies to City home house)*
Fire alarm	5%
Burglar alarm	5%
Temperature monitoring system	5%
Residential sprinkler system	10%
Fire resistive	15%
Payment history	
<ul style="list-style-type: none"> <li>2 years paid in full; or</li> <li>3+ years paid in full</li> </ul>	3% 5%
Lien free*	2.5%

\* Lien free is **not** applied to the 25% maximum total discount for City home house.

#### Restoration discount for City home house \*

	Restoration completed within 5 years	Restoration completed within 6-10 years
Plumbing system	2%	1%
Electrical system	2%	1%
Heating/A.C./ventilating system	2%	1%
Roof	2%	1%
Façade repointing	2%	1%

\* Restoration discounts are included in the 25% maximum total discount for City home house.



## Home and Contents: Charts

### Superior protection

Superior protection discounts	Deluxe house	Vacation home house
Security protection for the entire external perimeter of the house consisting of any one or more of the following: <ul style="list-style-type: none"> <li>closed circuit TV cameras monitored 24 hours a day;</li> <li>detection system, external to the residence which is motion activated and monitored 24 hours per day;</li> <li>24 hour on site security guard.</li> </ul>	5%	5%
Full time caretaker who lives at the residence year round. This discount applies only if a 24 hour on site security guard is not present.	2%	4%
24 hour signal continuity protection for central station or direct fire and burglar alarm systems which activates the alarm when interrupted.	2%	2%
Perimeter gate where vehicular and pedestrian access is limited to entrances controlled by locked or electronic gates. This discount does not apply if any other Gated community discount applies.	2%	2%
Sprinkler system water flow alarm which activates a central station or direct alarm.	2%	2%
Temperature monitoring system, to protect against freezing, which activates a central station alarm.	2%	4%
Permanently installed, electrical power back-up generator capable of servicing heat, light, alarm and sprinkler systems.	5%	5%
Explosive gas leakage detector which activates a central station or direct fire alarm.	2%	2%
Automatic seismic shut-off valve to gas lines which activates automatically in the event of an earthquake.	2%	2%
Lightning protection system having a U.L. Master Label and installed by a certified Lightning Protection Institute installer. The system must include lightning rods and lightning arresters protecting the electrical wiring and all electronic devices of the entire house.	2%	2%
Water leak detection and control system having a U.L. Master Label. The system must monitor all areas containing plumbing devices and outlets. In the event of a leak, this system must: <ul style="list-style-type: none"> <li>close the master plumbing valve; or</li> <li>close the master plumbing valve and activate a central station or</li> <li>direct alarm.</li> </ul>	3%	3%
	5%	5%
The maximum total discount for Superior protection is 15%.		



## Home and Contents: Charts

### New house and Renovated house discounts *(not applicable to City home house)*

New house	Age of dwelling	Renovated house	Years since oldest renovation
21%	0	17%	0
21%	1	17%	1
18%	2	15%	2
15%	3	12%	3
12%	4	9%	4
9%	5	6%	5
6%	6	3%	6
3%	7		

### Premier Client Discount

Risk tenure	Customer tenure	Loss free	
		No	Yes
0 years	1 year	0.0%	0.0%
0 years	2 years	0.0%	0.0%
0 years	3 years	-1.0%	-1.0%
0 years	4 years	-1.5%	-1.5%
0 years	5 years	-2.0%	-2.0%
0 years	6 years	-2.5%	-2.5%
0 years	7 years	-3.0%	-3.0%
0 years	8 years	-4.0%	-4.0%
0 years	9+ years	-5.0%	-5.0%
1 year	1 year	0.0%	0.0%
1 year	2 years	0.0%	0.0%
1 year	3 years	-1.0%	-1.0%
1 year	4 years	-1.5%	-1.5%
1 year	5 years	-2.0%	-2.0%
1 year	6 years	-2.5%	-2.5%
1 year	7 years	-3.0%	-3.0%
1 year	8 years	-4.0%	-4.0%
1 year	9+ years	-5.0%	-5.0%



## Home and Contents: Charts

### Discounts and surcharges charts

(continued)

#### Premier Client Discount

(continued)

Risk tenure	Customer tenure	Loss free	
		No	Yes
2 years	2 years	0.0%	0.0%
2 years	3 years	-1.0%	-1.0%
2 years	4 years	-1.5%	-1.5%
2 years	5 years	-2.0%	-2.0%
2 years	6 years	-2.5%	-2.5%
2 years	7 years	-3.0%	-3.0%
2 years	8 years	-4.0%	-4.0%
2 years	9+ years	-5.0%	-5.0%
3 years	3+ years	0.0%	-5.0%
4 years	4+ years	0.0%	-5.8%
5 years	5+ years	0.0%	-6.6%
6 years	6+ years	0.0%	-7.5%
7 years	7+ years	0.0%	-8.3%
8 years	8+ years	0.0%	-9.1%
9+ years	9+ years	0.0%	-10.0%

<b>Surcharges</b>	<b>Deluxe house or vacation home house</b>	<b>City home house</b>	<b>Condominium, cooperative, or renters</b>
Cancellation surcharge	10%	10%	10%
Rented to others surcharge	25%	N/A	25%
Rental unit	N/A	5%	N/A
Vacation home house nonoccupancy surcharge*	10%	N/A	N/A
Undervalue surcharge*	20%	20%	N/A
Renovation or construction surcharge*	25%	N/A	N/A
Renovation surcharge*	N/A	25%	N/A
Vacant house surcharge (Deluxe house only)*	25%	25%	N/A

\*Applied by Company.



## Home and Contents: Charts

### Discounts and surcharges charts (continued)

#### Claims rating factor

Amount of house coverage \$1,000,000 or less						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	20.0%	44.0%	72.5%	107.5%	150.0%
2 years	0.0%	16.0%	39.2%	66.8%	100.5%	141.3%
3 years	-2.5%	12.0%	34.3%	61.2%	93.5%	132.7%
4 years	-3.3%	8.0%	29.5%	55.5%	86.5%	124.0%
5 years	-4.2%	5.3%	24.7%	49.7%	79.5%	115.5%
6 years	-5.0%	2.7%	19.8%	43.8%	72.5%	107.0%
7 years	-5.8%	0.0%	15.0%	38.0%	65.5%	98.5%
8 years	-6.7%	-2.5%	12.3%	32.0%	58.3%	89.8%
9+ years	-7.5%	-5.0%	9.5%	26.0%	51.0%	81.0%

Amount of house coverage equal to \$2,000,000						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	15.0%	35.5%	60.0%	89.0%	123.0%
2 years	0.0%	10.8%	30.7%	54.2%	82.2%	115.0%
3 years	-2.5%	6.7%	25.8%	48.3%	75.3%	107.0%
4 years	-3.3%	2.5%	21.0%	42.5%	68.5%	99.0%
5 years	-4.2%	0.8%	17.0%	37.8%	62.8%	92.3%
6 years	-5.0%	-0.8%	13.0%	33.2%	57.2%	85.7%
7 years	-5.8%	-2.5%	9.0%	28.5%	51.5%	79.0%
8 years	-6.7%	-3.8%	5.8%	24.8%	47.0%	73.8%
9+ years	-7.5%	-5.0%	2.5%	21.0%	42.5%	68.5%

We interpolate for house coverage amounts between \$1,000,001 and \$1,999,999.

Amount of house coverage \$5,000,000 or greater						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	10.0%	26.5%	45.5%	67.5%	92.5%
2 years	0.0%	6.7%	22.7%	41.2%	62.5%	86.8%
3 years	-5.0%	3.3%	18.8%	36.8%	57.5%	81.2%
4 years	-5.8%	0.0%	15.0%	32.5%	52.5%	75.5%
5 years	-6.6%	-1.7%	11.7%	28.7%	48.0%	70.3%
6 years	-7.5%	-3.3%	8.3%	24.8%	43.5%	65.2%
7 years	-8.3%	-5.0%	5.0%	21.0%	39.0%	60.0%
8 years	-9.1%	-6.2%	2.5%	18.0%	35.5%	56.0%
9+ years	-10.0%	-7.5%	0.0%	15.0%	32.0%	52.0%

We interpolate for house coverage amounts between \$2,000,001 and \$4,999,999.



## Home and Contents: Charts

### Discounts and surcharges charts (continued)

### Claims rating factor (continued)

Amount of contents and additions and alterations coverage \$250,000 or less						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	20.0%	44.0%	72.5%	107.5%	150.0%
2 years	0.0%	16.0%	39.2%	66.8%	100.5%	141.3%
3 years	-2.5%	12.0%	34.3%	61.2%	93.5%	132.7%
4 years	-3.3%	8.0%	29.5%	55.5%	86.5%	124.0%
5 years	-4.2%	5.3%	24.7%	49.7%	79.5%	115.5%
6 years	-5.0%	2.7%	19.8%	43.8%	72.5%	107.0%
7 years	-5.8%	0.0%	15.0%	38.0%	65.5%	98.5%
8 years	-6.7%	-2.5%	12.3%	32.0%	58.3%	89.8%
9+ years	-7.5%	-5.0%	9.5%	26.0%	51.0%	81.0%

Amount of contents and additions and alterations coverage equal to \$500,000						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	15.0%	35.5%	60.0%	89.0%	123.0%
2 years	0.0%	10.8%	30.7%	54.2%	82.2%	115.0%
3 years	-2.5%	6.7%	25.8%	48.3%	75.3%	107.0%
4 years	-3.3%	2.5%	21.0%	42.5%	68.5%	99.0%
5 years	-4.2%	0.8%	17.0%	37.8%	62.8%	92.3%
6 years	-5.0%	-0.8%	13.0%	33.2%	57.2%	85.7%
7 years	-5.8%	-2.5%	9.0%	28.5%	51.5%	79.0%
8 years	-6.7%	-3.8%	5.8%	24.8%	47.0%	73.8%
9+ years	-7.5%	-5.0%	2.5%	21.0%	42.5%	68.5%

We interpolate for contents and additions and alterations coverage amounts between \$250,001 and \$499,999.

Amount of contents and additions and alterations coverage \$1,000,000 or greater						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	10.0%	26.5%	45.5%	67.5%	92.5%
2 years	0.0%	6.7%	22.7%	41.2%	62.5%	86.8%
3 years	-5.0%	3.3%	18.8%	36.8%	57.5%	81.2%
4 years	-5.8%	0.0%	15.0%	32.5%	52.5%	75.5%
5 years	-6.6%	-1.7%	11.7%	28.7%	48.0%	70.3%
6 years	-7.5%	-3.3%	8.3%	24.8%	43.5%	65.2%
7 years	-8.3%	-5.0%	5.0%	21.0%	39.0%	60.0%
8 years	-9.1%	-6.2%	2.5%	18.0%	35.5%	56.0%
9+ years	-10.0%	-7.5%	0.0%	15.0%	32.0%	52.0%

We interpolate for contents and additions and alterations coverage amounts between \$500,001 and \$999,999.



## Home and Contents: Charts

### Tier factor chart

Tier	House factor	Condominium, cooperative, or renters factor
1	0.62890	0.72900
2	0.66680	0.76370
3	0.70710	0.79990
4	0.75050	0.83800
5	0.79760	0.87850
6	0.84530	0.92060
7	0.89680	0.96430
8	0.95060	1.01020
9	1.00770	1.05820
10	1.06960	1.10870
11	1.13410	1.16160
12	1.20320	1.21700
13	1.28630	1.27980
14	1.36580	1.34170
15	1.44970	1.40570
16	1.53710	1.47330
17	1.66510	1.57620
18	1.76530	1.64440
19	2.17950	1.96620
20	1.00000	1.00000



# Home and Contents: Charts

## Dollar adjustments charts

### Liability

Liability is rated in the state where the Primary residence (first location with liability) is located.

Amount of coverage	Primary location Any liability		Each additional location Personal liability		Excess only*
	Is coverage provided for Building and/or contents?		Is coverage provided for Building and/or contents?		
	Yes	No	Yes	No	
\$ 50,000	\$ 0	\$ 15	\$ 0	\$ 15	N/A
\$ 100,000	\$ 39	\$ 54	\$ 9	\$ 24	N/A
\$ 200,000	\$ 65	\$ 80	\$ 14	\$ 29	N/A
\$ 300,000	\$ 88	\$ 103	\$ 17	\$ 32	N/A
\$ 500,000	\$ 116	\$ 131	\$ 22	\$ 37	N/A
\$ 1,000,000	\$ 128	\$ 143	\$ 25	\$ 40	\$ 20
\$ 2,000,000	\$ 152	\$ 167	\$ 29	\$ 44	\$ 24
\$ 3,000,000	\$ 167	\$ 182	\$ 30	\$ 45	\$ 26
\$ 5,000,000	\$ 187	\$ 202	\$ 36	\$ 51	\$ 29
\$10,000,000	\$ 266	\$ 281	\$ 42	\$ 57	\$ 41

\*These premiums only apply when the insured requests building and/or contents coverage for one or more locations.

**No personal liability coverage.** Subtract \$15 for each location that building and/or contents coverage is provided if no personal liability coverage is provided.

### House replacement cost

Subtract \$5 if verified or conditional replacement cost payment basis applies in lieu of extended replacement cost payment basis. House replacement cost can only be applied by the Company.

### Employment practices liability

Add the amount from the following chart based on the amount of coverage selected. The coverage is always rated at one residence and the residence must be listed for Personal liability coverage.

Charge for Employment practices liability coverage with a \$10,000 deductible					
Code	Employment practices liability		Reputational injury		
	Amount of coverage	Maximum annual amount of coverage	Amount of coverage	Maximum annual amount of coverage	Additional premium
A	\$250,000	\$500,000	\$25,000	\$25,000	\$ 650
B	\$500,000	\$500,000	\$50,000	\$50,000	\$ 975



# Home and Contents: Charts

## Dollar adjustments charts

(continued)

### Homeowner/unit assessments

	For each additional \$1,000 homeowner/unit assessments coverage over \$50,000, add:	For each additional \$1,000 coverage for an assessment due to a deductible in the homeowner, condominium, or cooperative association's insurance over \$5,000, add:
Deluxe house	\$2	\$2
Vacation home house	\$2	\$2
City home house	\$2	\$2
Deluxe condominium or cooperative	\$2	\$2
Standard condominium or cooperative	\$2	\$2

Refer to Company for:

- a total amount of homeowner or unit assessments coverage greater than \$500,000 or greater than the amount of coverage for house, or the combined amount of coverage for additions and alterations and contents; or
- for an amount exceeding \$50,000 for coverage for an assessment due to a deductible in the homeowners , condominium, or cooperative association's insurance.

### Landscaping

	For each additional \$1,000 landscaping coverage over 5% of the amount of house coverage and 10% of the amount of contents coverage, add:	For each additional \$5,000 over \$10,000 for any one tree, shrub, or plant, add:
Deluxe house	\$4	\$50
Vacation home house	\$4	\$50
Deluxe and standard condominium, cooperative, or renters	\$4	\$50

Refer to company to increase coverage for landscaping:

- over \$250,000 for the total amount of landscaping coverage; or
- over \$50,000 for the amount of coverage for any tree, shrub or plant.



# Home and Contents: Charts

## Dollar Adjustments charts

(continued)

### Landscaping – wind and hail coverage

	For each \$1,000 landscaping coverage with the perils of wind and hail included, add:
Deluxe house	\$15
Vacation home house	\$15
Deluxe and standard condominium, cooperative, or renters	\$15

This increased coverage will be added by the Company.

### Landscaping – sleet and weight of ice and snow coverage

	For each \$1,000 landscaping coverage with the perils of sleet and weight of ice and snow included, add:
Deluxe house	\$15
Vacation home house	\$15
Deluxe and standard condominium, cooperative, or renters	\$15

This increased coverage will be added by the Company.

### City garden coverage

	For each additional \$1,000 city garden coverage over 5% of the amount of city home house coverage, add:	For each additional \$5,000 over \$10,000 for any tree, shrub, or plant, add:
City home house	\$4	\$50

Refer to company to increase coverage for landscaping:

- over \$250,000 for the total amount of landscaping coverage; or
- over \$50,000 for the amount of coverage for any tree, shrub or plant.

### City garden coverage – wind and hail coverage

	For each \$1,000 city garden coverage with the perils of wind and hail included, add:
City home house	\$15

This increased coverage will be added by the Company.

### City garden coverage – sleet and weight of ice and snow coverage

	For each \$1,000 city garden coverage with the perils of sleet and weight of ice and snow included, add:
City home house	\$15

This increased coverage will be added by the Company.



# Home and Contents: Charts

## Dollar Adjustments charts

(continued)

### Business property

	For each additional \$1,000 on premises business property coverage over \$25,000, add:
Deluxe contents	\$5
Standard contents	\$5
Fire contents	\$5
City home contents	\$5
Deluxe condominium, cooperative, or renters	\$5
Standard condominium, cooperative, or renters	\$5

For a total amount of business property coverage greater than \$250,000, refer to Company. The increased coverage will be applied by the Company.

### Student additional living expenses

	For \$5,000 student additional living expenses coverage, add:	For each \$1,000 student additional living expenses coverage, greater than \$5,000, add:
Deluxe contents	\$25	\$1.50
Standard contents	\$25	\$1.50
Fire contents	\$25	\$1.50
City home contents	\$25	\$1.50
Deluxe condominium, cooperative, or renters	\$25	\$1.50
Standard condominium, cooperative, or renters	\$25	\$1.50

For a total amount of student additional living expenses coverage greater than \$250,000, refer to Company. The increased coverage will be applied by the Company.

### Assisted living care coverage – contents of a relative-in-care

	For the first \$5,000 assisted living care coverage – contents of a relative-in-care, add:	For each \$1,000 assisted living care coverage – contents of a relative-in-care, greater than \$5,000, add:
Deluxe contents	\$50	\$5
Standard contents	\$50	\$5
City home contents	\$50	\$5
Deluxe condominium, cooperative, or renters	\$50	\$5
Standard condominium, cooperative, or renters	\$50	\$5

For a total amount of assisted living care coverage greater than \$250,000, refer to Company. The increased coverage will be applied by the Company.

### Family protection coverage

The premium for Family protection coverage is \$110.

### Earthquake coverage

For a house add \$0.60 for every \$1,000 of house coverage. For a house with GreenWise upgrade coverage, multiply the earthquake rate by 1.05.

SERFF Tracking #:

CHUB-130107605

State Tracking #:

Company Tracking #:

15-9937-RR

**State:** Pennsylvania  
**TOI/Sub-TOI:** 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations  
**Product Name:** Masterpiece  
**Project Name/Number:** Homeowner Mid-Phase Revision/15 9937  
**First Filing Company:** Chubb Indemnity Insurance Company, ...

## Supporting Document Schedules

<b>Bypassed - Item:</b>	Authorization to File (PC)
<b>Bypass Reason:</b>	Not Applicable - we are filing on our own behalf.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Actuarial Explanatory Memorandum & Supporting Exhibits (PC)
<b>Comments:</b>	Attached is the Actuarial Filing Memorandum & Supporting Exhibits.
<b>Attachment(s):</b>	PA FY2014 Filing Packet 20150706 Log#15 9937 {afm 072115 bt}.pdf PA Filing Exhibits 2.4 3-11 12.3 13-14 20150724 {bt}.xls
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Cover Letter
<b>Comments:</b>	Attached is the filing cover letter.
<b>Attachment(s):</b>	PA 15 9937 RR CovLtr.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Description of Change and Marked Copy
<b>Comments:</b>	Attached is the Description of Change document and the marked copy of the manual pages that clearly displays the changes we are making to the rate and rule manual.
<b>Attachment(s):</b>	Desc of Change {af 071615 kc}.pdf PA 15 9937 - HO Sec R&R marked copy {070715 lm}.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

SERFF Tracking #:

CHUB-130107605

State Tracking #:

Company Tracking #:

15-9937-RR

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State:

Pennsylvania

First Filing Company:

Chubb Indemnity Insurance Company, ...

TOI/Sub-TOI:

04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name:

Masterpiece

Project Name/Number:

Homeowner Mid-Phase Revision/15 9937

**Attachment PA Filing Exhibits 2.4 3-11 12.3 13-14 20150724 {bt}.xls is not a PDF document and cannot be reproduced here.**

**Pennsylvania**  
**MASTERPIECE Rate and Rule Manual**  
**Home and Contents Section**  
**Index**

Exhibit 1	Filing Memorandum
Exhibit 2	Explanatory Notes to Indication
Exhibit 3	Homeowners Rate Level Indication
Exhibit 4	Loss Development Exhibits
Exhibit 5	Pennsylvania Trend Exhibits
Exhibit 6	Catastrophe Loads
Exhibit 7	Countrywide Unallocated Loss Adjustment Expense Exhibit
Exhibit 8	Countrywide Underwriting Expense Exhibit
Exhibit 9	Pennsylvania Expense Provisions
Exhibit 10	Pennsylvania ROE Exhibit
Exhibit 11	Pennsylvania Annual Statement
Exhibit 12	Excess Shock Exhibits
Exhibit 13	Rate Level Effects by Territory
Exhibit 14	Rate Level Effect Histograms
Exhibit 15	Support of Rating Structure Changes

## Pennsylvania

### MASTERPIECE RATE AND RULE MANUAL HOME AND CONTENTS SECTION

This memorandum presents a revision of the Home and Contents sections of the MASTERPIECE Rate and Rule manual in the state of Pennsylvania for Federal Insurance Company, Vigilant Insurance Company, Pacific Indemnity Company, Great Northern Insurance Company, Chubb National Insurance Company, and Chubb Indemnity Insurance Company.

This explanatory memorandum is provided for informational purposes only and does not modify any of our rules, rates, rating plans or manuals. The actual rating methodologies used by the member companies of the Chubb Group of Insurance Companies are outlined in the applicable rules.

The overall Homeowners rate level effect resulting from the changes described in this memorandum is +2.5%, which is supported by our overall indication of +8.6%. The rate effect and indication is broken out by form below:

<u>Form</u>	<u>Inforce Written Prem as of Jan '15</u>	<u>Indication</u>	<u>Rate Effect</u>
House & Vacation Home	\$ 80,719,551	7.8%	2.9%
R/C/C	\$ 6,643,738	-15.1%	-2.2%
<u>City Home</u>	<u>\$ 1,834,935</u>	<u>9.2%</u>	<u>-0.1%</u>
Total	\$ 89,198,224	8.6%	2.5%

#### **Revise Base Rates**

The House base rate will be increased to \$1,174 from \$1,098. The Condo/Co-op base rate will be increased to \$259 from \$251. The Renters base rate will be increased to \$269 from \$265. Lastly, the City Home base rate will be increase to \$0.272 from \$0.261 per \$100 of building amount coverage for Great Northern Insurance Company, Chubb National Insurance Company, and Chubb Indemnity Insurance Company but will increase to \$0.289 from \$0.277 per \$100 of building amount coverage for Federal Insurance Company, Vigilant Insurance Company, and Pacific Indemnity Company.

Please see the proposed rate and rule manual for the new rates.

#### **Revise the Portfolio Discount – Home with Valuable Articles**

We are revising the Portfolio Discount – Home with Valuable Articles credit to reflect a new two-tiered approach.

- A 12.5% discount applies if:
  - The total of all itemized and/or blanket valuable articles is at least \$250,000; or
  - The total of all itemized and/or blanket valuable articles (excluding fine arts, if any) is at least \$50,000
- A 10.0% discount applies if:
  - The total of all itemized and/or blanket valuable articles is at least \$100,000; or
  - The total of all itemized and/or blanket valuable articles (excluding fine arts, if any) is at least \$25,000

**Addition of New Credits/Surcharges**

- Introduced Lien-Free discount of 2.5%
  - Applies if no mortgagee on the location
  - Applies to all forms except Renters
  - Does not apply to COC, Vacant, or Rented to Others
  - Applied or removed pro-rata if mortgage status changes mid-term
  - See exhibit 15.1 for filing support
- Introduced Payment History discount
  - Applies to all forms
  - Discount applies if there have been 2 paid in fulls (first installment pay in full) during up to the prior 5 years (1 payment option)
  - 2 paid in fulls results in a 3.0% discount.
  - 3+ paid in fulls results in a 5.0% discount
  - No discount is offered on locations that are mortgagee bill or lapse in coverage
  - See exhibit 15.2 for filing support
- Introduced the Cancellation Surcharge of 10.0%
  - Applies to all forms
  - Surcharge applied if location-specific cancellation for non-pay occurred in the prior 3 years
  - The earliest date for a cancellation to “count” will be equal to the implementation date of this revision
  - See exhibit 15.3 for filing support

**Rate Level Effects**

The combined rate level effects for the above revisions for Pennsylvania are based on in-force written premium as of January 31, 2015:

Form	Contents	Written Premium	Premium Level Effect
Deluxe House / Vacation	Deluxe	67,213,094	2.8%
	Standard	10,157,598	3.7%
	No/Fire	3,348,858	4.0%
	Total	80,719,551	2.9%
Renter/Condo/Coop	Deluxe	6,131,574	-2.2%
	Standard	512,164	-1.8%
	Total	6,643,738	-2.2%
City Home	Total	1,834,935	-0.1%
Total		89,198,224	2.5%

**CHUBB GROUP OF INSURANCE COMPANIES**  
**Pennsylvania**  
**Explanatory Notes to Indication**

Exhibit 3 is provided in support of changes to the "Home and Contents" section of the MASTERPIECE Rate and Rule manual. Below is an explanation of the information provided in that exhibit.

Column 4: On Level Earned Premium = Earned Premium at current rate level = Column 2 adjusted to reflect the following overall rate changes during and since the experience period:

<u>Date</u>	<u>House/ Vacation Effect</u>	<u>RCC Effect</u>	<u>City Home Effect</u>	<u>All Forms Effect</u>
12/10/13	10.2%	0.1%	0.0%	9.2%
12/10/12	5.6%	0.0%	0.0%	5.1%
12/12/11	4.1%	-0.3%	0.2%	3.6%

Column 5: Reported incurred losses and ALAE = losses and allocated loss adjustment expenses incurred during each of the five fiscal years evaluated as of September 30, 2014.

Column 6: Ex-cat Capped Losses and ALAE = Shock Adjusted Losses Excluding Catastrophes. For house forms, the shock loss adjustment procedure takes individual ground-up fire losses (ground-up to avoid distortions due to the presence of varying deductibles) and caps them at a pre-determined percentage (10%) of the total coverage amount. See Exhibit 12.1.

Column 7: Expected Excess Shock Loss = After capping the fire losses, an expected loss amount, based on countrywide fire frequency and severity values, was built back in for each policy for each year. The selected frequency and severity values are displayed in Exhibit 12.2. These values were then used to determine an expected annual loss amount for each risk. A state offset is then applied to account for a state's long-term deviation from countrywide results. The offset for Pennsylvania is 2.9%, as shown in Exhibit 12.3. This expected loss amount, representing a particular risk's fire protection, size of risk, and deductible, was added to the capped losses for each year for indication purposes.

Column 8: Loss Development

Loss and ALAE were developed to an ultimate settlement level using factors shown in Exhibit 4.

Column 9: Loss Ratio Trend Factors

These factors, shown in Exhibits 5.17-5.18, are applied to the Column 6 capped loss & Column 7 excess shock loss, for each of the experience years.

Column 10: Ultimate Ex-cat Adjusted Loss & ALAE = Ex-cat Capped Loss & ALAE plus Expected Excess Shock Loss developed to ultimate and trended.

Column 11: Ultimate Ex-cat Adjusted incurred loss and ALAE Ratio = Col 10 / Col 4.

Column 12: Catastrophe Adjustment

A non-modeled catastrophe loss and ALAE ratio was developed by looking at the catastrophe losses since 1991. See Exhibit 6.

Column 13: Ultimate Adjusted Loss & ALAE Ratio = Column 11 + Column 12

Row 15: 5 Year Average Loss Ratio = the weighted average of Column 13 using the following weights from Column 14.

<u>Year</u>	<u>Weight</u>
2010	10.0%
2011	15.0%
2012	20.0%
2013	25.0%
2014	30.0%

Row 16: Modeled Cat Loss & ALAE Ratio is shown in Exhibit 6.10.

Row 17: Unallocated Loss Adjustment Expenses

Unallocated loss adjustment expenses were estimated to be 5.9% of the developed incurred losses including allocated loss adjustment expenses. This estimate was based on 2011-2013 Chubb Group of Insurance Companies' data as displayed in Exhibit 7.

Row 18: Fixed Expenses

	<u>House</u>	<u>RCC</u>
(1) Other Acquisitions	7.8%	7.8%
(2) General Expense	2.2%	2.2%

(4) Total Fixed Expenses: (1)+(2) 10.0% 10.0%

Notes: (1) & (2) Based on 2011-2013 countrywide data from the Insurance Expense Exhibit (see Exhibit 8)

Row 19: Projected Loss, LAE & Fixed Expense Ratio = [(15) + (16)] \* (17) + (18)

Row 20: Permissible Loss Ratio

The permissible loss ratio is based on the following breakdown of expenses:

	<u>House</u>	<u>RCC</u>
(1) Regular Commissions	15.9%	15.9%
(2) Guaranteed Supplemental Compensation	1.1%	1.1%
(3) Taxes, Licenses & Fees	2.4%	2.4%
(4) Underwriting Profit	10.3%	10.3%
(5) Total variable Expenses and Profit Provision	29.7%	29.7%
(6) Permissible Loss Ratio	70.3%	70.3%

Notes: (1) & (3) Based on 2011-2013 Pennsylvania data from Page 15 of the Annual Statement (see Exhibit 9)

(2) In 2007, Contingent Commission was replaced with Guaranteed Supplemental Compensation. The compensation percentage is based on the agents' prior performance with consideration given to growth and loss. The percentage is applied in the upcoming year, and like regular commissions, it is guaranteed.

(4) Underwriting profit (See Exhibit 10)

(5) (1) + (2) + (3) + (4)

(6) [100% - (5)]

Row 21: Raw Indicated Rate Level Change = (19) / (20) - 1

Row 22: See Exhibits 2.4-2.6.

Row 23: See Exhibits 2.4-2.6.

Row 24: Credibility Weighted Loss & LAE = (15)\*(17)\*(22) + (23)\*[1 - (22)] + (16)\*(17) + (18)

Row 25: Credibility Weighted Indicated Rate Level Change = (24) / (20) - 1

**Chubb Group of Insurance Companies**

**Pennsylvania Homeowners**

Form Indication = House

Companies = All

Territory = All

Evaluated as of 09/2014

Credibility Calculation

(1) Earned House Years	119,154
(2) Credibility Standard	40,000
(3) Credibility = square root ((1) / (2))	100.0%

**Chubb Group of Insurance Companies**

**Pennsylvania Homeowners**

Form Indication = RCC

Companies = All

Territory = All

Evaluated as of 09/2014

Credibility Calculation

(1) Earned House Years	27,340
(2) Credibility Standard	20,000
(3) Credibility = square root ((1) / (2))	100.0%

**Chubb Group of Insurance Companies****Pennsylvania Homeowners**

Form Indication = City Home

Companies = All

Territory = All

Evaluated as of 09/2014

Credibility Calculation

(1) Earned House Years	2,144
(2) Credibility Standard	20,000
(3) Credibility = square root ((1) / (2))	32.7%

Complement of Credibility Calculation

The complement of credibility for the statewide indication is the trended expected loss and LAE ratio less the Modeled Cat Loss & LAE ratio

(1) Expected Loss & LAE ratio:	60.3%
(2) Net Projection Trend:	2.8%
(3) Trended Expected Loss & LAE ratio = (1) * [1+(2)]:	62.0%
(4) Modeled Catastrophe Loss & ALAE Ratio:	2.4%
(5) ULAE	105.9%
(6) Complement of Credibility = (3) - [(4) * (5)]:	59.4%

The complement of credibility for the territorial indications is the statewide Credibility Weighted Loss & LAE ratio.

65.0%



**Chubb Group of Insurance Companies**  
**Pennsylvania Homeowners**  
 Form Indication = RCC  
 Companies = All  
 Territory = All  
 Evaluated as of 09/2014

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
										=[(6)+(7)] * (8) * (9)	=(10)/(4)		=(11)+(12)	
Fiscal / Accident Year	Written Premium	Earned Premium	Onlevel Factors	Onlevel Earned Premium	Reported Loss/ALAE	Ex-cat Capped Loss/ALAE	Expected Excess Shock Loss	Loss Development Factors	Loss Ratio Trend Factors	Ultimate Ex-cat Adjusted Loss/ALAE	Ult. Ex-cat Adj. Loss/ALAE Ratio	Cat Loss/ ALAE Ratio	Ult. Adj. Loss/ALAE Ratio	Accident Year Weights
2010	6,556,211	6,551,908	0.997	6,532,611	3,811,586	3,651,187	0	0.992	1.258	4,556,280	69.7%	2.1%	71.8%	10%
2011	6,759,081	6,630,201	0.997	6,613,145	2,509,213	2,451,403	0	0.986	1.207	2,916,670	44.1%	2.2%	46.3%	15%
2012	6,694,697	6,763,864	0.998	6,750,927	3,518,810	2,937,183	0	0.986	1.149	3,326,296	49.3%	2.2%	51.5%	20%
2013	6,766,239	6,678,908	1.001	6,682,428	2,428,029	2,032,038	0	0.979	1.077	2,143,007	32.1%	2.3%	34.3%	25%
2014	6,798,414	6,785,456	1.001	6,788,933	3,105,171	2,680,701	0	1.018	1.030	2,810,334	41.4%	2.4%	43.8%	30%
			(15)	Projected Loss & ALAE Ratio									46.1%	
			(16)	Modeled Catastrophe Loss & ALAE Ratio									0.7%	
			(17)	ULAE Load									1.059	
			(18)	Fixed Expense Ratio									10.0%	
			(19)	Projected Loss, LAE & Fixed Expense Ratio									59.6%	
			(20)	Permissible Loss, LAE & Fixed Expense Ratio									70.3%	
			(21)	Raw Indicated Rate Level Change									-15.1%	
			(22)	Credibility									100.0%	
			(23)	Complement of Credibility Loss and LAE ratio									N/A	
			(24)	Credibility Weighted Loss & LAE + Modeled Cat Loss & LAE ratio + Fixed Exp						=(15)*(17)*(22)+(23)*(1-(22))+(16)*(17)+(18)			59.6%	
			(25)	Credibility Weighted Indicated Rate Level Change									-15.1%	





**Mid-Atlantic Zone  
Home and Vacation  
All Causes  
Non-cat Reported Losses and ALAE September 30th 2014  
Loss Development - Mold Capped**

Loss Year	15	27	39	51	63	75	87	99	111	123	Ultimate
2005	-	-	-	-	190,438,138	190,628,035	190,650,182	190,323,139	190,292,822	190,249,776	190,249,776
2006	-	-	-	188,177,092	187,638,838	186,628,379	185,976,049	186,197,058	186,241,587	-	186,241,587
2007	-	-	182,629,714	184,625,149	184,201,369	184,393,086	184,237,399	184,189,344	-	-	184,189,344
2008	-	229,649,939	228,374,396	228,147,767	227,738,620	227,161,429	228,423,907	-	-	-	228,423,907
2009	242,615,073	246,479,568	255,644,621	253,729,257	253,241,499	247,779,324	-	-	-	-	247,779,324
2010	204,449,966	215,095,189	216,706,417	216,118,410	215,498,947	-	-	-	-	-	215,001,689
2011	203,475,821	218,217,272	219,824,143	220,710,190	-	-	-	-	-	-	219,681,375
2012	209,221,364	215,017,331	211,506,435	-	-	-	-	-	-	-	210,543,327
2013	209,172,738	217,047,455	-	-	-	-	-	-	-	-	216,728,906
2014	283,095,983	-	-	-	-	-	-	-	-	-	293,744,343
2005						1.001	1.000	0.998	1.000	1.000	1.000
2006					0.997	0.995	0.997	1.001	1.000		
2007				1.011	0.998	1.001	0.999	1.000			
2008			0.994	0.999	0.998	0.997	1.006				
2009		1.016	1.037	0.993	0.998	0.978					
2010		1.052	1.007	0.997	0.997						
2011		1.072	1.007	1.004							
2012		1.028	0.984								
2013		1.038									
5 Point		1.041	1.006	1.001	0.998	0.995	1.000	1.000	1.000	1.000	1.000
5 Point Ex Hi/Lo		1.039	1.003	1.000	0.998	0.998	1.000	1.000	1.000	1.000	1.000
3 Point		1.046	1.000	0.998	0.998	0.992	1.000	1.000	1.000	1.000	1.000
Average		1.042	1.003	1.000	0.998	0.995	1.000	1.000	1.000	1.000	1.000
5 Yr. Wtd. Avg.		1.040	1.007	1.000	0.998	0.994	1.001	1.000	1.000	1.000	1.000
3 Yr. Wtd. Avg.		1.046	1.000	0.998	0.998	0.991	1.001	1.000	1.000	1.000	1.000
Selected		1.039	1.003	1.000	0.998	0.998	1.000	1.000	1.000	1.000	1.000
Cumulative		1.038	0.999	0.995	0.995	0.998	1.000	1.000	1.000	1.000	1.000

**Mid-Atlantic Zone  
Renter/Condo/Co-op  
All Causes  
Non-cat Reported Losses and ALAE September 30th 2014  
Loss Development - Mold Capped**

Loss Year	15	27	39	51	63	75	87	99	111	123	Ultimate
2005	-	-	-	-	44,472,305	44,657,086	44,466,578	44,468,731	44,550,797	44,417,392	44,417,392
2006	-	-	-	49,906,956	49,055,345	48,532,934	48,121,260	47,921,593	47,875,111	-	47,875,111
2007	-	-	54,879,762	54,654,591	55,263,324	54,571,200	54,523,095	54,314,394	-	-	54,314,394
2008	-	36,083,197	35,996,396	36,892,295	36,606,138	35,799,227	35,531,734	-	-	-	35,531,734
2009	52,631,600	52,556,725	52,204,785	52,203,646	52,473,464	52,476,866	-	-	-	-	52,476,866
2010	47,149,455	56,117,718	54,009,550	54,236,895	52,664,185	-	-	-	-	-	52,258,518
2011	48,473,694	50,213,445	50,402,690	50,032,015	-	-	-	-	-	-	49,321,406
2012	50,191,545	53,374,987	52,721,464	-	-	-	-	-	-	-	51,974,121
2013	54,789,417	55,901,788	-	-	-	-	-	-	-	-	54,717,242
2014	50,119,717	-	-	-	-	-	-	-	-	-	51,013,771
2005						1.004	0.996	1.000	1.002	0.997	
2006					0.983	0.989	0.992	0.996	0.999		
2007				0.996	1.011	0.987	0.999	0.996			
2008			0.998	1.025	0.992	0.978	0.993				
2009		0.999	0.993	1.000	1.005	1.000					
2010		1.190	0.962	1.004	0.971						
2011		1.036	1.004	0.993							
2012		1.063	0.988								
2013		1.020									
5 Point		1.062	0.989	1.004	0.992	0.992	0.995	0.997	1.000	0.997	
5 Point Ex Hi/Lo		1.040	0.993	1.000	0.993	0.992	1.000	1.000	1.000	1.000	
3 Point		1.040	0.985	0.999	0.989	0.988	0.994	0.997	1.000	0.997	
Average		1.047	0.989	1.001	0.992	0.991	0.996	0.998	1.000	0.998	
5 Yr. Wtd. Avg.		1.059	0.988	1.002	0.993	0.992	0.995	0.997	1.000	1.000	
3 Yr. Wtd. Avg.		1.039	0.984	0.999	0.989	0.990	0.995	0.997	1.000	1.000	
Selected		1.040	0.993	1.000	0.993	0.992	1.000	1.000	1.000	1.000	
Cumulative		1.018	0.979	0.986	0.986	0.992	1.000	1.000	1.000	1.000	

**Mid-Atlantic Zone  
City Homes  
All Causes  
Non-cat Reported Losses and ALAE September 30th 2014  
Loss Development - Mold Capped**

Loss Year	15	27	39	51	63	75	87	99	111	123	Ultimate
2005	-	-	-	-	4,203,274	4,057,868	4,044,606	4,044,606	4,045,743	4,045,743	4,045,743
2006	-	-	-	6,384,882	6,433,919	6,447,112	6,475,092	6,500,559	6,518,385	-	6,518,385
2007	-	-	11,545,981	11,741,220	11,891,892	11,913,536	11,910,973	11,849,223	-	-	11,849,223
2008	-	6,931,520	6,679,237	6,870,738	7,036,711	6,981,987	6,954,494	-	-	-	6,954,494
2009	5,338,738	8,424,265	9,218,829	9,121,232	8,989,671	8,940,898	-	-	-	-	8,940,898
2010	11,803,961	11,494,980	11,690,961	11,374,004	11,406,602	-	-	-	-	-	11,363,324
2011	5,784,909	6,443,678	6,554,462	6,470,668	-	-	-	-	-	-	6,496,352
2012	5,734,408	6,381,918	6,347,313	-	-	-	-	-	-	-	6,358,783
2013	9,563,576	10,590,229	-	-	-	-	-	-	-	-	10,711,285
2014	20,378,613	-	-	-	-	-	-	-	-	-	22,907,302
2005						0.965	0.997	1.000	1.000	1.000	
2006					1.008	1.002	1.004	1.004	1.003		
2007				1.017	1.013	1.002	1.000	0.995			
2008			0.964	1.029	1.024	0.992	0.996				
2009		1.578	1.094	0.989	0.986	0.995					
2010		0.974	1.017	0.973	1.003						
2011		1.114	1.017	0.987							
2012		1.113	0.995								
2013		1.107									
5 Point		1.177	1.017	0.999	1.007	0.991	0.999	1.000	1.002	1.000	
5 Point Ex Hi/Lo		1.111	1.010	0.998	1.008	0.996	1.000	1.000	1.000	1.000	
3 Point		1.111	1.010	0.983	1.004	0.996	1.000	1.000	1.002	1.000	
Average		1.133	1.012	0.993	1.006	0.995	1.000	1.000	1.001	1.000	
5 Yr. Wtd. Avg.		1.134	1.021	0.998	1.006	0.994	0.999	0.998	1.000	1.000	
3 Yr. Wtd. Avg.		1.111	1.011	0.982	1.002	0.997	1.000	0.998	1.000	1.000	
Selected		1.111	1.010	0.998	1.008	0.996	1.000	1.000	1.000	1.000	
Cumulative		1.124	1.011	1.002	1.004	0.996	1.000	1.000	1.000	1.000	

**Chubb Group of Insurance Companies  
US Homeowners**

Exhibit 5.1

**Calculation of Size of Risk Trend**

State = PA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Form = House										
	Earned	Earned	Average Earned SOR	Average Earned	Trend to	Written	Written	Average	Trend from	Combined
<u>Fisc Year</u>	<u>House-Years</u>	<u>Ins-Years (000)</u>	<u>@ 1/1/XX</u>	<u>SOR Factor</u>	<u>1/1/2014</u>	<u>House-Years</u>	<u>Ins-Years (000)</u>	<u>@ 1/1/XX</u>	<u>to 12/12/2016</u>	<u>Factors</u>
2010	25,201	26,716,039	1,060,131	7.9094	1.144	24,563	26,387,704	1,074,283	1.163	1.330
2011	24,122	26,444,499	1,096,278	8.1295	1.113	23,766	26,287,066	1,106,056	1.163	1.294
2012	23,499	26,600,660	1,131,992	8.3468	1.084	23,349	26,769,827	1,146,515	1.163	1.260
2013	23,286	27,459,981	1,179,226	8.6344	1.048	23,228	27,871,517	1,199,918	1.163	1.218
2014	23,046	28,731,883	1,246,704	9.0451	1.000	22,856	29,072,491	1,271,963	1.163	1.163

Fitted Annual Change (exponential) in Written SOR Exposure: **4.3%**  
 Prospective Annual Change in SOR adj for Construction Cost Adjustment Factor (CCAF) changes: 6.2%  
 Selected Prospective Annual Change in SOR Exposure: **6.2%**  
 Projection Period in Years: 2.95  
 Proj Ave SOR (annual change applied to latest ave earned SOR): 1,488,781  
 Proj Ave SOR Factor: 10.519  
 Prospective Annual Change in Premium: 5.2%

Form = RCC

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Form = RCC										
	Earned	Earned	Average Earned SOR	Average Earned	Trend to	Written	Written	Average	Trend from	Combined
<u>Fisc Year</u>	<u>House-Years</u>	<u>Ins-Years (000)</u>	<u>@ 1/1/XX</u>	<u>SOR Factor</u>	<u>1/1/2014</u>	<u>House-Years</u>	<u>Ins-Years (000)</u>	<u>@ 1/1/XX</u>	<u>to 12/12/2016</u>	<u>Factors</u>
2010	5,498	1,749,551	318,228	8.4203	1.109	5,431	1,170,603	215,530	1.017	1.128
2011	5,410	1,787,318	330,372	8.7336	1.069	5,438	1,202,633	221,170	1.017	1.088
2012	5,410	1,835,034	339,211	8.9616	1.042	5,394	1,190,263	220,676	1.017	1.060
2013	5,458	1,861,315	340,998	9.0077	1.037	5,538	1,217,081	219,758	1.017	1.055
2014	5,564	1,968,422	353,770	9.3373	1.000	5,597	1,243,810	222,218	1.017	1.017

Fitted Annual Change (exponential) in Written SOR Exposure: **0.5%**  
 Prospective Annual Change in SOR adj for CCAF changes: 0.6%  
 Selected Prospective Annual Change in SOR Exposure: **0.6%**  
 Projection Period in Years: 2.95  
 Proj Ave SOR (annual change applied to latest ave earned SOR): 360,069  
 Proj Ave SOR Factor: 9.500  
 Prospective Annual Change in Premium: 0.6%

(4) = (3) / (2) \* 1,000

(5) = SOR factor associated with (4); from SOR curve table for this state

(6) = Latest Year (5) / (5)

(9) = (8) / (7) \* 1,000

Exponential fit is applied to written data, which is more recent.

(10) = (Prospective Annual Change in Premium adj for the CCAF) ^ Projection Period in Years

(11) = (6) \* (10)

\*City Home uses the same trend selections as House

**Chubb Group of Insurance Companies  
US Homeowners**

Exhibit 5.2

**Calculation of Premium Trend for Shifting Deductibles**

State = PA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Form = House											
Fisc Year	Earned House-Years	Adjusted Earned Premium	Base Earned Prem	Average Earned Ded Factor @ 1/1/XX	Trend to 1/1/2014	Written House-Years	Adjusted Written Premium	Base Written Prem	Average Written Ded Factor @ 1/1/XX	Trend from 1/1/2014 to 12/12/2016	Combined Trend Factors
2010	25,201	72,777,416	89,901,407	0.810	0.959	24,563	71,519,003	88,577,351	0.807	0.985	0.945
2011	24,122	70,784,411	88,382,601	0.801	0.969	23,766	70,253,480	87,946,639	0.799	0.985	0.955
2012	23,499	70,365,250	88,559,452	0.795	0.977	23,349	71,047,037	89,665,427	0.792	0.985	0.962
2013	23,286	71,893,254	91,367,861	0.787	0.986	23,228	73,480,366	93,660,694	0.785	0.985	0.972
2014	23,046	75,894,090	97,792,927	0.776	1.000	22,856	78,612,178	101,671,843	0.773	0.985	0.985

Fitted Annual Change (exponential): -1.0%  
 Selected Annual Change: -0.5%  
 Projection Period in Years: 2.95  
 Proj Ave Ded Factor @ 12/12/2016: 0.765

Form = RCC

Fisc Year	Earned House-Years	Adjusted Earned Premium	Base Earned Prem	Average Earned Ded Factor @ 1/1/XX	Trend to 1/1/2014	Written House-Years	Adjusted Written Premium	Base Written Prem	Average Written Ded Factor @ 1/1/XX	Trend from 1/1/2014 to 12/12/2016	Combined Trend Factors
2010	5,498	6,551,908	7,576,248	0.865	0.962	5,431	6,556,211	7,599,665	0.863	0.971	0.934
2011	5,410	6,630,201	7,754,206	0.855	0.973	5,438	6,759,081	7,965,457	0.849	0.971	0.945
2012	5,410	6,763,864	7,987,083	0.847	0.982	5,394	6,694,697	7,890,064	0.848	0.971	0.954
2013	5,458	6,678,908	7,902,987	0.845	0.984	5,538	6,766,239	8,061,240	0.839	0.971	0.956
2014	5,564	6,785,456	8,155,749	0.832	1.000	5,597	6,798,414	8,203,606	0.829	0.971	0.971

Fitted Annual Change (exponential): -0.9%  
 Selected Annual Change: -1.0%  
 Projection Period in Years: 2.95  
 Proj Ave Ded Factor @ 12/12/2016: 0.808

(5) = (3) / (4)

(6) = Latest Year (5) / (5)

(10) = (8) / (9)

(11) = (Proj Ave Factor) / (Latest Year Earned Ave Factor)

(12) = (6) \* (11)

\*City Home uses the same trend selections as House

**Chubb Group of Insurance Companies**  
**US Homeowners**  
Premium Trend Summary

Exhibit 5.3

State = PA

Form = House

Fisc Year	Earned Premium	SOR Historical	SOR Prospective	SOR Combined	Deductible Historical	Deductible Prospective	Deductible Combined	Premium Historical	Premium Prospective	Premium Combined
2010	72,777,416	1.144	1.163	1.330	0.959	0.985	0.945	1.096	1.146	1.257
2011	70,784,411	1.113	1.163	1.294	0.969	0.985	0.955	1.078	1.146	1.236
2012	70,365,250	1.084	1.163	1.260	0.977	0.985	0.962	1.058	1.146	1.212
2013	71,893,254	1.048	1.163	1.218	0.986	0.985	0.972	1.033	1.146	1.184
2014	75,894,090	1.000	1.163	1.163	1.000	0.985	0.985	1.000	1.146	1.146
Implied Annual Trend:		3.3%	<b>5.2%</b>		-1.0%	<b>-0.5%</b>		2.3%	4.7%	

Form = RCC

Fisc Year	Earned Premium	SOR Historical	SOR Prospective	SOR Combined	Deductible Historical	Deductible Prospective	Deductible Combined	Premium Historical	Premium Prospective	Premium Combined
2010	6,551,908	1.109	1.017	1.128	0.962	0.971	0.934	1.067	0.988	1.054
2011	6,630,201	1.069	1.017	1.088	0.973	0.971	0.945	1.040	0.988	1.028
2012	6,763,864	1.042	1.017	1.060	0.982	0.971	0.954	1.024	0.988	1.011
2013	6,678,908	1.037	1.017	1.055	0.984	0.971	0.956	1.020	0.988	1.009
2014	6,785,456	1.000	1.017	1.017	1.000	0.971	0.971	1.000	0.988	0.988
Implied Annual Trend:		2.4%	<b>0.6%</b>		-0.9%	<b>-1.0%</b>		1.5%	-0.4%	

Form = House & RCC

Fisc Year	Earned Premium	SOR Historical	SOR Prospective	SOR Combined	Deductible Historical	Deductible Prospective	Deductible Combined	Premium Historical	Premium Prospective	Premium Combined
2010	79,329,323	1.141	1.151	1.313	0.959	0.984	0.944	1.094	1.133	1.240
2011	77,414,611	1.109	1.150	1.276	0.969	0.984	0.954	1.075	1.132	1.218
2012	77,129,114	1.080	1.150	1.242	0.977	0.984	0.961	1.055	1.132	1.195
2013	78,572,162	1.047	1.151	1.204	0.986	0.984	0.971	1.032	1.132	1.169
2014	82,679,546	1.000	1.151	1.151	1.000	0.984	0.984	1.000	1.133	1.133
Implied Annual Trend:		3.3%	4.9%		-1.0%	-0.5%		2.2%	4.3%	

\*City Home uses the same trend selections as House

**HOMEOWNERS SEVERITY TRENDS**  
**PA**  
**HOUSE VACATION**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	16,569	--
31-Dec-09	17,961	--
31-Mar-10	17,949	--
30-Jun-10	16,853	--
30-Sep-10	17,085	3.1%
31-Dec-10	17,082	-4.9%
31-Mar-11	17,754	-1.1%
30-Jun-11	18,088	7.3%
30-Sep-11	17,334	1.5%
31-Dec-11	17,230	0.9%
31-Mar-12	16,418	-7.5%
30-Jun-12	17,003	-6.0%
30-Sep-12	16,739	-3.4%
31-Dec-12	17,480	1.5%
31-Mar-13	18,692	13.8%
30-Jun-13	18,189	7.0%
30-Sep-13	19,405	15.9%
31-Dec-13	18,613	6.5%
31-Mar-14	19,964	6.8%
30-Jun-14	20,781	14.3%
30-Sep-14	20,781	7.1%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	3.3%	51.1%
Latest 18 Quarters	4.5%	63.3%
Latest 15 Quarters	5.4%	61.8%
Latest 12 Quarters	8.9%	87.7%
Latest 9 Quarters	10.8%	88.9%

**HOMEOWNERS FREQUENCY TRENDS**  
**PA**  
**HOUSE VACATION**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	8.1476	--
31-Dec-09	8.5992	--
31-Mar-10	8.6910	--
30-Jun-10	9.3807	--
30-Sep-10	9.3398	14.6%
31-Dec-10	9.3507	8.7%
31-Mar-11	9.3536	7.6%
30-Jun-11	9.1742	-2.2%
30-Sep-11	9.6494	3.3%
31-Dec-11	10.1576	8.6%
31-Mar-12	9.7640	4.4%
30-Jun-12	8.9110	-2.9%
30-Sep-12	8.0834	-16.2%
31-Dec-12	7.0755	-30.3%
31-Mar-13	6.7140	-31.2%
30-Jun-13	6.6648	-25.2%
30-Sep-13	6.3919	-20.9%
31-Dec-13	6.3034	-10.9%
31-Mar-14	7.0516	5.0%
30-Jun-14	7.8494	17.8%
30-Sep-14	7.7689	21.5%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	-6.2%	42.7%
Latest 18 Quarters	-9.0%	58.9%
Latest 15 Quarters	-10.5%	55.1%
Latest 12 Quarters	-10.7%	40.3%
Latest 9 Quarters	1.3%	0.9%

**HOMEOWNERS SEVERITY TRENDS**  
**Mid-Atlantic Zone**  
**HOUSE VACATION**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	20,834	--
31-Dec-09	21,724	--
31-Mar-10	20,136	--
30-Jun-10	19,568	--
30-Sep-10	20,929	0.5%
31-Dec-10	21,060	-3.1%
31-Mar-11	21,780	8.2%
30-Jun-11	21,236	8.5%
30-Sep-11	21,425	2.4%
31-Dec-11	22,087	4.9%
31-Mar-12	22,872	5.0%
30-Jun-12	23,863	12.4%
30-Sep-12	24,390	13.8%
31-Dec-12	24,538	11.1%
31-Mar-13	25,280	10.5%
30-Jun-13	25,421	6.5%
30-Sep-13	25,754	5.6%
31-Dec-13	25,351	3.3%
31-Mar-14	26,549	5.0%
30-Jun-14	28,015	10.2%
30-Sep-14	28,092	9.1%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	6.9%	90.6%
Latest 18 Quarters	8.2%	96.4%
Latest 15 Quarters	8.3%	95.2%
Latest 12 Quarters	8.1%	93.6%
Latest 9 Quarters	7.3%	87.4%

<b>Selected</b>	<b>6.6%</b>
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\*City Home trend is selected to be the same as House

**HOMEOWNERS FREQUENCY TRENDS**  
**Mid-Atlantic Zone**  
**HOUSE VACATION**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	6.4801	--
31-Dec-09	6.6264	--
31-Mar-10	6.5232	--
30-Jun-10	6.8605	--
30-Sep-10	6.6749	3.0%
31-Dec-10	6.6748	0.7%
31-Mar-11	6.8427	4.9%
30-Jun-11	6.8898	0.4%
30-Sep-11	7.0178	5.1%
31-Dec-11	7.3987	10.8%
31-Mar-12	6.8412	0.0%
30-Jun-12	6.2104	-9.9%
30-Sep-12	5.7552	-18.0%
31-Dec-12	5.1381	-30.6%
31-Mar-13	5.1572	-24.6%
30-Jun-13	5.0986	-17.9%
30-Sep-13	5.0463	-12.3%
31-Dec-13	4.9203	-4.2%
31-Mar-14	5.2060	0.9%
30-Jun-14	5.9107	15.9%
30-Sep-14	5.9030	17.0%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	-5.9%	51.4%
Latest 18 Quarters	-7.5%	56.8%
Latest 15 Quarters	-8.9%	53.1%
Latest 12 Quarters	-7.9%	32.1%
Latest 9 Quarters	3.4%	10.2%

**HOMOWNERS SEVERITY TRENDS**  
**US TOTAL Excluding TX**  
**HOUSE VACATION**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	23,294	--
31-Dec-09	24,010	--
31-Mar-10	23,533	--
30-Jun-10	23,270	--
30-Sep-10	23,888	2.5%
31-Dec-10	24,419	1.7%
31-Mar-11	25,194	7.1%
30-Jun-11	25,384	9.1%
30-Sep-11	26,016	8.9%
31-Dec-11	26,347	7.9%
31-Mar-12	26,374	4.7%
30-Jun-12	27,009	6.4%
30-Sep-12	27,069	4.1%
31-Dec-12	26,760	1.6%
31-Mar-13	27,364	3.8%
30-Jun-13	27,982	3.6%
30-Sep-13	28,375	4.8%
31-Dec-13	28,621	7.0%
31-Mar-14	30,622	11.9%
30-Jun-14	31,883	13.9%
30-Sep-14	32,842	15.7%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	6.3%	92.9%
Latest 18 Quarters	6.9%	92.7%
Latest 15 Quarters	6.9%	88.0%
Latest 12 Quarters	8.0%	85.8%
Latest 9 Quarters	10.9%	90.7%

**HOMEOWNERS FREQUENCY TRENDS**  
**US TOTAL Excluding TX**  
**HOUSE VACATION**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	6.0539	--
31-Dec-09	6.0942	--
31-Mar-10	5.8686	--
30-Jun-10	6.0075	--
30-Sep-10	5.8910	-2.7%
31-Dec-10	5.8509	-4.0%
31-Mar-11	6.0209	2.6%
30-Jun-11	6.2507	4.0%
30-Sep-11	6.3425	7.7%
31-Dec-11	6.5248	11.5%
31-Mar-12	5.9953	-0.4%
30-Jun-12	5.3894	-13.8%
30-Sep-12	5.0895	-19.8%
31-Dec-12	4.6908	-28.1%
31-Mar-13	4.7566	-20.7%
30-Jun-13	4.7419	-12.0%
30-Sep-13	4.6715	-8.2%
31-Dec-13	4.6513	-0.8%
31-Mar-14	4.7925	0.8%
30-Jun-14	5.2131	9.9%
30-Sep-14	5.2293	11.9%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	-5.6%	58.7%
Latest 18 Quarters	-6.6%	57.9%
Latest 15 Quarters	-8.1%	57.0%
Latest 12 Quarters	-6.7%	33.9%
Latest 9 Quarters	2.8%	16.0%

<b>Selected</b>	<b>-5.6%</b>
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\*City Home trend is selected to be the same as House

**HOMEOWNERS SEVERITY TRENDS**  
**PA**  
**C/C RENTER**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	14,091	--
31-Dec-09	13,386	--
31-Mar-10	15,045	--
30-Jun-10	15,809	--
30-Sep-10	10,394	-26.2%
31-Dec-10	10,881	-18.7%
31-Mar-11	8,623	-42.7%
30-Jun-11	9,383	-40.6%
30-Sep-11	10,980	5.6%
31-Dec-11	10,730	-1.4%
31-Mar-12	11,664	35.3%
30-Jun-12	10,802	15.1%
30-Sep-12	10,705	-2.5%
31-Dec-12	10,407	-3.0%
31-Mar-13	9,490	-18.6%
30-Jun-13	8,933	-17.3%
30-Sep-13	8,264	-22.8%
31-Dec-13	9,199	-11.6%
31-Mar-14	10,764	13.4%
30-Jun-14	12,968	45.2%
30-Sep-14	13,328	61.3%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	-4.6%	15.8%
Latest 18 Quarters	-1.1%	0.8%
Latest 15 Quarters	4.0%	9.7%
Latest 12 Quarters	2.5%	2.5%
Latest 9 Quarters	12.9%	26.1%

**HOMEOWNERS FREQUENCY TRENDS**  
**PA**  
**C/C RENTER**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	5.6292	--
31-Dec-09	6.0056	--
31-Mar-10	5.9321	--
30-Jun-10	5.7114	--
30-Sep-10	5.0898	-9.6%
31-Dec-10	4.7365	-21.1%
31-Mar-11	4.4297	-25.3%
30-Jun-11	4.6395	-18.8%
30-Sep-11	5.1201	0.6%
31-Dec-11	5.7670	21.8%
31-Mar-12	5.9335	33.9%
30-Jun-12	5.9338	27.9%
30-Sep-12	5.7087	11.5%
31-Dec-12	4.9115	-14.8%
31-Mar-13	4.8739	-17.9%
30-Jun-13	4.6717	-21.3%
30-Sep-13	4.4418	-22.2%
31-Dec-13	4.4680	-9.0%
31-Mar-14	4.3994	-9.7%
30-Jun-14	4.5650	-2.3%
30-Sep-14	4.4860	1.0%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	-4.5%	37.2%
Latest 18 Quarters	-3.7%	20.6%
Latest 15 Quarters	-4.6%	21.2%
Latest 12 Quarters	-11.6%	81.8%
Latest 9 Quarters	-9.1%	63.2%

**HOMEOWNERS SEVERITY TRENDS**  
**Mid-Atlantic Zone**  
**C/C RENTER**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	18,634	--
31-Dec-09	18,948	--
31-Mar-10	19,293	--
30-Jun-10	19,055	--
30-Sep-10	18,608	-0.1%
31-Dec-10	19,004	0.3%
31-Mar-11	19,930	3.3%
30-Jun-11	20,548	7.8%
30-Sep-11	21,187	13.9%
31-Dec-11	21,363	12.4%
31-Mar-12	20,797	4.3%
30-Jun-12	21,939	6.8%
30-Sep-12	22,562	6.5%
31-Dec-12	22,701	6.3%
31-Mar-13	24,708	18.8%
30-Jun-13	24,612	12.2%
30-Sep-13	24,978	10.7%
31-Dec-13	25,331	11.6%
31-Mar-14	25,493	3.2%
30-Jun-14	26,760	8.7%
30-Sep-14	27,850	11.5%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	8.5%	95.4%
Latest 18 Quarters	9.6%	97.2%
Latest 15 Quarters	9.6%	96.1%
Latest 12 Quarters	10.4%	95.1%
Latest 9 Quarters	10.0%	91.6%

<b>Selected</b>	<b>8.9%</b>
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**HOMEOWNERS FREQUENCY TRENDS**  
**Mid-Atlantic Zone**  
**C/C RENTER**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	5.4054	--
31-Dec-09	5.4277	--
31-Mar-10	5.2574	--
30-Jun-10	5.2647	--
30-Sep-10	5.1881	-4.0%
31-Dec-10	5.2393	-3.5%
31-Mar-11	5.2561	0.0%
30-Jun-11	5.1881	-1.5%
30-Sep-11	5.3266	2.7%
31-Dec-11	5.5048	5.1%
31-Mar-12	5.4089	2.9%
30-Jun-12	5.4710	5.5%
30-Sep-12	5.2765	-0.9%
31-Dec-12	4.9433	-10.2%
31-Mar-13	5.0511	-6.6%
30-Jun-13	4.9385	-9.7%
30-Sep-13	4.9317	-6.5%
31-Dec-13	4.9263	-0.3%
31-Mar-14	4.9200	-2.6%
30-Jun-14	5.0152	1.6%
30-Sep-14	4.9030	-0.6%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	-1.9%	54.2%
Latest 18 Quarters	-2.0%	48.3%
Latest 15 Quarters	-2.9%	59.5%
Latest 12 Quarters	-4.2%	71.9%
Latest 9 Quarters	-2.0%	36.2%

<b>Selected</b>	<b>-1.9%</b>
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**HOMESOWNERS SEVERITY TRENDS**  
**US TOTAL Excluding TX**  
**C/C RENTER**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	17,964	--
31-Dec-09	17,485	--
31-Mar-10	17,980	--
30-Jun-10	18,059	--
30-Sep-10	17,855	-0.6%
31-Dec-10	18,723	7.1%
31-Mar-11	18,996	5.7%
30-Jun-11	19,501	8.0%
30-Sep-11	19,838	11.1%
31-Dec-11	19,785	5.7%
31-Mar-12	19,378	2.0%
30-Jun-12	20,248	3.8%
30-Sep-12	21,132	6.5%
31-Dec-12	21,381	8.1%
31-Mar-13	22,972	18.5%
30-Jun-13	22,977	13.5%
30-Sep-13	23,214	9.9%
31-Dec-13	23,676	10.7%
31-Mar-14	24,485	6.6%
30-Jun-14	25,781	12.2%
30-Sep-14	26,285	13.2%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	8.4%	95.0%
Latest 18 Quarters	9.3%	96.1%
Latest 15 Quarters	9.9%	95.2%
Latest 12 Quarters	11.6%	97.0%
Latest 9 Quarters	11.2%	95.4%

**HOMEOWNERS FREQUENCY TRENDS**  
**US TOTAL Excluding TX**  
**C/C RENTER**  
**Cause of Loss = ALL**  
**With Mold Contracts**

**New Arising Loss**  
**Capped at 500,000**

Rolling Year Ended	Actual	% Change Over Prior Yr
30-Sep-09	4.7206	--
31-Dec-09	4.7077	--
31-Mar-10	4.5796	--
30-Jun-10	4.5450	--
30-Sep-10	4.4711	-5.3%
31-Dec-10	4.5245	-3.9%
31-Mar-11	4.4954	-1.8%
30-Jun-11	4.4975	-1.0%
30-Sep-11	4.5860	2.6%
31-Dec-11	4.6783	3.4%
31-Mar-12	4.6041	2.4%
30-Jun-12	4.5817	1.9%
30-Sep-12	4.4109	-3.8%
31-Dec-12	4.1709	-10.8%
31-Mar-13	4.2264	-8.2%
30-Jun-13	4.1135	-10.2%
30-Sep-13	4.0772	-7.6%
31-Dec-13	4.0879	-2.0%
31-Mar-14	4.1285	-2.3%
30-Jun-14	4.2527	3.4%
30-Sep-14	4.2196	3.5%

Average Annual Change Based On Exponential Curve of Best Fit:

	% Change	R Squared
Latest 21 Quarters	-2.7%	69.9%
Latest 18 Quarters	-2.7%	61.1%
Latest 15 Quarters	-3.5%	63.6%
Latest 12 Quarters	-4.2%	60.2%
Latest 9 Quarters	-1.1%	10.1%

**Chubb Group of Insurance Companies  
 Pennsylvania Homeowners**

Form Indication = House  
 Companies = All  
 Territory = All  
 Evaluated as of 09/2014

Calculation of Loss Ratio Trend Factors

(1) Fiscal / Accident Year	(2) Frequency Trend	(3) Severity Trend	(4) Premium Trend	(5) Loss Ratio Trend
2010	0.794	1.520	1.257	0.960
2011	0.841	1.426	1.236	0.970
2012	0.891	1.337	1.212	0.983
2013	0.944	1.254	1.184	1.000
2014	1.000	1.177	1.146	1.027

- (2) Based on Frequency Selections in Exhibit 5.9 and a projection period of 2.95 yrs
- (3) Based on Severity Selections in Exhibit 5.6 and a projection period of 2.95 yrs
- (4) Exhibit 5.01, col 11 \* Exhibit 5.02, col 12
- (5) = (2) \* (3) / (4)

Net Projection Trend

- (6) Loss Trend 5.7%
- (7) Premium Trend 4.7%
- (8) Net Projection Trend =  $((1+(6)) / (1+(7))) ^ \text{Proj Period}-1$  2.8%

\*City Home uses the same Loss Ratio Trend Factors as House

**Chubb Group of Insurance Companies  
 Pennsylvania Homeowners**

Form Indication = RCC  
 Companies = All  
 Territory = All  
 Evaluated as of 09/2014

Calculation of Loss Ratio Trend Factors

(1) Fiscal / Accident Year	(2) Frequency Trend	(3) Severity Trend	(4) Premium Trend	(5) Loss Ratio Trend
2010	0.926	1.431	1.054	1.258
2011	0.944	1.314	1.028	1.207
2012	0.962	1.207	1.011	1.149
2013	0.981	1.108	1.009	1.077
2014	1.000	1.018	0.988	1.030

- (2) Based on Frequency Selections in Exhibit 5.13 and a projection period of 2.95 yrs
- (3) Based on Severity Selections in Exhibit 5.12 and a projection period of 2.95 yrs
- (4) Exhibit 5.01, col 11 \* Exhibit 5.02, col 12
- (5) = (2) \* (3) / (4)

Net Projection Trend

- (6) Loss Trend 0.6%
- (7) Premium Trend -0.4%
- (8) Net Projection Trend =  $((1+(6)) / (1+(7))) ^ \text{Proj Period}-1$  3.0%

CHUBB GROUP OF INSURANCE COMPANIES  
PA

Non-Earthquake Catastrophe Load Exhibit: All Cats Excl. Hurr. & Trop. Storms  
Calendar/Accident Year as of March 31, 2014  
Historical Data: House & Vacation Homes

Calendar/ Accident Year	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
	Earned Insurance Years (000's) (EIY)	Non-Cat Losses	Catastrophe Losses	1-Yr	Earned Insurance 5-Yr	10-Yr (C) / (A)	Year Cat Factor 15-Yr	20-Yr
1984	-	3,342,221	232,751					
1985	-	3,540,428	334,629					
1986	-	5,744,133	-					
1987	-	5,452,789	-					
1988	-	7,635,473	10,615					
1989	-	12,345,933	1,188,281					
1990	-	11,452,592	130,906					
1991	7,325,722	14,923,314	129,745	1.8%				
1992	7,791,935	13,193,907	2,418,328	31.0%				
1993	8,300,601	13,781,389	1,953,186	23.5%				
1994	8,685,332	15,964,306	13,318,816	153.3%				
1995	9,160,967	13,879,650	532,516	5.8%	44.5%			
1996	9,902,801	24,877,685	10,342,648	104.4%	65.2%			
1997	10,962,969	16,639,776	460,117	4.2%	56.6%			
1998	12,277,944	15,111,265	6,498,141	52.9%	61.1%			
1999	13,548,245	19,273,331	1,707,137	12.6%	35.0%			
2000	14,945,948	27,930,713	1,580,028	10.6%	33.4%	37.8%		
2001	16,822,360	33,599,158	280,529	1.7%	15.4%	34.8%		
2002	18,707,855	29,999,050	1,889,910	10.1%	15.7%	31.3%		
2003	20,494,675	27,767,787	6,946,966	33.9%	14.7%	32.1%		
2004	22,070,856	31,762,054	1,827,004	8.3%	13.5%	21.5%		
2005	23,342,801	25,134,306	1,475,636	6.3%	12.2%	20.2%	25.1%	
2006	24,834,938	29,769,365	3,776,574	15.2%	14.5%	14.9%	24.8%	
2007	26,184,076	31,306,908	5,304,935	20.3%	16.5%	16.2%	24.1%	
2008	26,890,588	39,029,947	1,249,480	4.6%	11.1%	12.5%	22.1%	
2009	26,925,378	44,104,661	2,981,989	11.1%	11.5%	12.3%	16.9%	
2010	26,540,169	42,421,920	28,889,990	108.9%	32.1%	23.5%	25.5%	27.9%
2011	26,422,680	36,234,680	4,167,929	15.8%	32.0%	24.1%	22.2%	27.5%
2012	26,965,178	27,738,716	1,466,153	5.4%	29.0%	23.2%	21.4%	25.8%
2013	28,147,507	27,277,088	1,014,487	3.6%	28.5%	20.2%	18.8%	24.3%

All Years Weighted Average: 24.0%

CHUBB GROUP OF INSURANCE COMPANIES  
PA

Non-Earthquake Catastrophe Load Exhibit: All Cats Excl. Hurr. & Trop. Storms  
Calendar/Accident Year as of March 31, 2014  
Trended Data: House & Vacation Homes

Calendar/ Accident Year	(A) Trended Earned Insurance Years (000's) (EIY)	(B) Trended Non-Cat Losses	(C) Trended Catastrophe Losses	(D) Earned Insurance 1-Yr	(E) 5-Yr	(F) 10-Yr	(G) Year Cat Factor 15-Yr (C) / (A)
1984	-	58,044,198	3,536,627				
1985	-	56,308,674	4,675,686				
1986	-	83,664,246	-				
1987	-	72,732,747	-				
1988	-	93,270,246	115,333				
1989	-	138,110,588	11,872,360				
1990	-	117,328,287	1,202,712				
1991	34,069,849	140,010,336	1,096,167	3.2%			
1992	33,949,735	113,361,118	18,788,204	55.3%			
1993	33,882,224	108,437,520	13,953,968	41.2%			
1994	33,213,917	115,035,665	87,499,137	263.4%			
1995	32,820,583	91,591,856	3,217,028	9.8%	74.2%		
1996	33,237,959	150,343,339	57,456,344	172.9%	108.3%		
1997	34,472,737	92,091,084	2,350,491	6.8%	98.1%		
1998	36,169,668	76,589,073	30,525,548	84.4%	106.6%		
1999	37,391,530	89,457,890	7,374,401	19.7%	58.0%		
2000	38,644,257	118,724,343	6,276,351	16.2%	57.8%	65.7%	
2001	40,749,259	130,792,255	1,024,718	2.5%	25.4%	64.4%	
2002	42,454,927	106,944,146	6,348,215	15.0%	26.4%	59.5%	
2003	43,572,896	90,653,936	21,458,025	49.2%	20.9%	60.0%	
2004	43,960,830	94,962,001	5,189,412	11.8%	19.2%	36.8%	
2005	43,558,305	68,818,319	3,854,268	8.8%	17.7%	36.0%	47.4%
2006	43,416,258	74,645,325	9,070,782	20.9%	21.2%	23.1%	48.0%
2007	42,884,254	71,890,102	11,716,849	27.3%	23.6%	24.9%	46.1%
2008	41,260,284	82,077,244	2,537,722	6.2%	15.0%	17.9%	43.5%
2009	38,704,817	84,938,614	5,569,355	14.4%	15.6%	17.4%	29.3%
2010	35,741,947	74,818,136	49,616,976	138.8%	38.9%	28.0%	37.0%
2011	33,336,706	58,524,387	6,582,445	19.7%	39.6%	29.8%	28.4%
2012	31,872,815	41,029,354	2,129,268	6.7%	36.7%	29.6%	28.5%
2013	35,251,202	36,948,960	1,354,820	3.8%	37.3%	25.0%	23.6%

All Years Weighted Average: 41.1%

Selected Cat Factor to EIYs: <span style="color: red;">41.1%</span>
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CHUBB GROUP OF INSURANCE COMPANIES  
PA

Non-Earthquake Catastrophe Load Exhibit: All Cats Excl. Hurr. & Trop. Storms  
Calendar/Accident Year as of March 31, 2014  
Historical Data: Renters/Condos/Co-ops

Calendar/ Accident Year	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
	Earned Insurance Years (000's) (EIY)	Non-Cat Losses	Catastrophe Losses	1-Yr	Earned Insurance 5-Yr	10-Yr (C) / (A)	Year Cat Factor 15-Yr	20-Yr
1984	-	608,889	9,984					
1985	-	599,069	39,704					
1986	-	552,252	-					
1987	-	412,844	-					
1988	-	697,184	-					
1989	-	805,795	112					
1990	-	969,188	-					
1991	-	1,496,191	1,202					
1992	-	1,158,439	68,653					
1993	-	1,060,345	22,533					
1994	-	2,355,345	377,481					
1995	-	987,209	6,207					
1996	626,904	1,436,172	90,771	14.5%				
1997	693,393	2,099,422	27,393	4.0%				
1998	759,523	1,151,088	34,164	4.5%				
1999	800,224	1,269,846	40,484	5.1%				
2000	878,989	1,514,245	13,202	1.5%	5.5%			
2001	975,496	2,837,318	26,576	2.7%	3.5%			
2002	1,083,765	2,194,410	23,777	2.2%	3.1%			
2003	1,200,137	2,430,097	153,811	12.8%	5.2%			
2004	1,306,195	2,004,852	185,123	14.2%	7.4%			
2005	1,431,823	2,661,358	106,824	7.5%	8.3%	7.2%		
2006	1,537,276	3,023,903	47,525	3.1%	7.9%	6.2%		
2007	1,649,522	1,953,199	79,105	4.8%	8.0%	6.1%		
2008	1,745,132	2,672,155	8,666	0.5%	5.6%	5.4%		
2009	1,751,628	4,293,250	36,626	2.1%	3.4%	5.0%		
2010	1,760,613	2,055,508	215,447	12.2%	4.6%	6.1%	6.0%	
2011	1,814,831	2,883,847	10,719	0.6%	4.0%	5.7%	5.2%	
2012	1,838,599	2,517,637	30,719	1.7%	3.4%	5.5%	4.9%	
2013	1,917,664	1,856,871	23,861	1.2%	3.5%	4.4%	4.6%	

All Years Weighted Average: 4.9%

CHUBB GROUP OF INSURANCE COMPANIES  
PA

Non-Earthquake Catastrophe Load Exhibit: All Cats Excl. Hurr. & Trop. Storms  
Calendar/Accident Year as of March 31, 2014  
Trended Data: Renters/Condos/Co-ops

Calendar/ Accident Year	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Trended Earned Insurance Years (000's) (EIY)	Trended Non-Cat Losses	Trended Catastrophe Losses	1-Yr Earned Insurance Year	5-Yr	10-Yr	Cat Factor 15-Yr (C) / (A)
1984	-	10,574,547	151,706				
1985	-	9,527,882	554,774				
1986	-	8,043,642	-				
1987	-	5,506,774	-				
1988	-	8,516,371	-				
1989	-	9,014,209	1,119				
1990	-	9,929,033	-				
1991	-	14,037,244	10,155				
1992	-	9,953,226	533,371				
1993	-	8,343,222	160,980				
1994	-	16,972,155	2,479,895				
1995	-	6,514,595	37,498				
1996	1,933,682	8,679,220	504,259	26.1%			
1997	2,013,695	11,619,029	139,936	6.9%			
1998	2,076,752	5,834,109	160,488	7.7%			
1999	2,060,084	5,894,038	174,881	8.5%			
2000	2,130,524	6,436,561	52,442	2.5%	10.1%		
2001	2,226,169	11,044,896	97,077	4.4%	5.9%		
2002	2,328,614	7,822,891	79,867	3.4%	5.2%		
2003	2,427,855	7,933,576	475,097	19.6%	7.9%		
2004	2,487,881	5,994,095	525,822	21.1%	10.6%		
2005	2,567,678	7,286,861	279,018	10.9%	12.1%	11.2%	
2006	2,595,570	7,582,299	114,148	4.4%	11.9%	9.2%	
2007	2,622,217	4,485,134	174,717	6.7%	12.4%	9.1%	
2008	2,611,971	5,619,355	17,601	0.7%	8.6%	8.3%	
2009	2,468,378	8,268,122	68,405	2.8%	5.1%	7.7%	
2010	2,335,949	3,625,231	370,018	15.8%	5.9%	8.9%	9.3%
2011	2,267,072	4,657,841	16,929	0.7%	5.3%	8.6%	7.8%
2012	2,162,449	3,723,929	44,613	2.1%	4.4%	8.5%	7.5%
2013	2,360,806	2,515,278	31,866	1.3%	4.6%	6.7%	7.1%

All Years Weighted Average: 8.0%

Selected Cat Factor to EIYs:	<b>8.0%</b>
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CHUBB GROUP OF INSURANCE COMPANIES  
PA

Non-Earthquake Catastrophe Load Exhibit: All Cats Excl. Hurr. & Trop. Storms  
Calendar/Accident Year as of March 31, 2014  
Historical Data: City Homes

Calendar/ Accident Year	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
	Earned Insurance Years (000's) (EIY)	Non-Cat Losses	Catastrophe Losses	1-Yr	Earned Insurance 5-Yr	10-Yr (C) / (A)	15-Yr	20-Yr
1984	-	-	-					
1985	-	-	-					
1986	-	-	-					
1987	-	-	-					
1988	-	-	-					
1989	-	-	-					
1990	-	-	-					
1991	-	-	-					
1992	-	-	-					
1993	-	-	-					
1994	-	8,497	-					
1995	-	77,120	-					
1996	112,637	56,144	68,473	60.8%				
1997	127,807	103,787	-					
1998	134,126	54,095	-					
1999	148,583	126,517	-					
2000	170,068	342,294	3,179	1.9%	10.3%			
2001	191,974	404,723	999	0.5%	0.5%			
2002	241,406	358,302	-		0.5%			
2003	295,586	168,242	35,588	12.0%	3.8%			
2004	343,844	143,691	110,272	32.1%	12.1%			
2005	408,127	491,425	-		9.9%	10.1%		
2006	492,539	695,928	-		8.2%	5.9%		
2007	558,006	801,516	885	0.2%	7.0%	5.1%		
2008	610,257	255,514	-		4.6%	4.4%		
2009	617,766	1,122,817	-		0.0%	3.8%		
2010	630,321	1,472,599	51,453	8.2%	1.8%	4.5%	5.3%	
2011	650,913	357,944	4,896	0.8%	1.9%	4.2%	3.7%	
2012	676,704	498,600	-		1.8%	3.8%	3.4%	
2013	709,168	606,267	-		1.7%	2.9%	3.1%	

All Years Weighted Average: 3.9%

CHUBB GROUP OF INSURANCE COMPANIES  
PA

Non-Earthquake Catastrophe Load Exhibit: All Cats Excl. Hurr. & Trop. Storms  
Calendar/Accident Year as of March 31, 2014  
Trended Data: City Homes

Calendar/ Accident Year	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Trended Earned Insurance Years (000's) (EIY)	Trended Non-Cat Losses	Trended Catastrophe Losses	Earned Insurance 1-Yr	5-Yr	10-Yr	Year Cat Factor 15-Yr (C) / (A)
1984	-	-	-				
1985	-	-	-				
1986	-	-	-				
1987	-	-	-				
1988	-	-	-				
1989	-	-	-				
1990	-	-	-				
1991	-	-	-				
1992	-	-	-				
1993	-	-	-				
1994	-	61,228	-				
1995	-	508,915	-				
1996	284,006	339,295	380,387	133.9%			
1997	307,030	574,398	-				
1998	306,987	274,172	-				
1999	324,006	587,233	-				
2000	353,334	1,454,980	12,628	3.6%	24.9%		
2001	380,001	1,575,475	3,649	1.0%	1.0%		
2002	455,271	1,277,317	-		0.9%		
2003	531,109	549,262	109,925	20.7%	6.2%		
2004	588,628	429,607	313,216	53.2%	19.0%		
2005	665,660	1,345,533	-		16.3%	19.5%	
2006	765,379	1,745,008	-		14.1%	9.4%	
2007	826,141	1,840,522	1,955	0.2%	12.6%	8.5%	
2008	860,810	537,328	-		8.5%	7.7%	
2009	830,228	2,162,368	-		0.0%	7.1%	
2010	807,074	2,597,174	88,368	10.9%	2.2%	7.7%	11.0%
2011	794,061	578,133	7,732	1.0%	2.4%	7.3%	6.1%
2012	786,517	737,498	-		2.4%	7.0%	5.8%
2013	838,055	821,236	-		2.4%	5.3%	5.5%

All Years Weighted Average: 8.6%

Selected Cat Factor to EIYs:	8.6%
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**Chubb Group of Insurance Companies****Pennsylvania Homeowners**

Form Indication = House

Companies = All

Territory = All

Evaluated as of 09/2014

Catastrophe Loss and ALAE ratios

Fiscal/ Accident Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Earned Premium	On-level Factors	Premium Trend	Trended On-level Premium (1)*(2)*(3)	Earned Ins Years	EIY Trend	Trended Earned Ins Years (5)*(6)	non-Modeled Catastrophe Factor to EIY	Expected non-Modeled Catastrophe \$'s (7)*(8)	non-Modeled Loss&ALAE Ratio (9)/(4)	Modeled Cat Loss&ALAE Ratio (11)	Total Cat Loss&ALAE Ratio (10)+(11)
2010	72,777,416	1.210	1.257	110,648,870	26,716,039	1.413	37,755,186	41.1%	15,504,143	14.0%	1.8%	15.8%
2011	70,784,411	1.210	1.236	105,870,823	26,444,499	1.355	35,830,725	41.1%	14,713,864	13.9%	1.8%	15.7%
2012	70,365,250	1.203	1.212	102,601,570	26,600,660	1.299	34,556,388	41.1%	14,190,559	13.8%	1.8%	15.6%
2013	71,893,254	1.159	1.184	98,629,741	27,459,981	1.246	34,202,028	41.1%	14,045,041	14.2%	1.8%	16.0%
2014	75,894,090	1.091	1.146	94,922,723	28,731,883	1.194	34,310,845	41.1%	14,089,726	14.8%	1.8%	16.6%
Total	361,714,419			512,673,727	135,953,061		176,655,173	41.1%	72,543,332	14.2%	1.8%	15.9%

**Chubb Group of Insurance Companies****Pennsylvania Homeowners**

Form Indication = RCC

Companies = All

Territory = All

Evaluated as of 09/2014

Catastrophe Loss and ALAE ratios

Fiscal/ Accident Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Earned Premium	On-level Factors	Premium Trend	Trended On-level Premium (1)*(2)*(3)	Earned Ins Years	EIY Trend	Trended Earned Ins Years (5)*(6)	non-Modeled Catastrophe Factor to EIY	Expected non-Modeled Catastrophe \$'s (7)*(8)	non-Modeled Loss&ALAE Ratio (9)/(4)	Modeled Cat Loss&ALAE Ratio	Total Cat Loss&ALAE Ratio (10)+(11)
2010	6,551,908	0.997	1.054	6,885,372	1,749,551	1.038	1,816,582	8.0%	144,814	2.1%	0.7%	2.8%
2011	6,630,201	0.997	1.028	6,798,313	1,787,318	1.033	1,846,563	8.0%	147,204	2.2%	0.7%	2.9%
2012	6,763,864	0.998	1.011	6,825,187	1,835,034	1.028	1,886,428	8.0%	150,382	2.2%	0.7%	2.9%
2013	6,678,908	1.001	1.009	6,742,570	1,861,315	1.023	1,903,926	8.0%	151,777	2.3%	0.7%	3.0%
2014	6,785,456	1.001	0.988	6,707,466	1,968,422	1.018	2,003,467	8.0%	159,712	2.4%	0.7%	3.1%
Total	33,410,337			33,958,908	9,201,641		9,456,966	8.0%	753,888	2.2%	0.7%	3.0%

**Chubb Group of Insurance Companies****Pennsylvania Homeowners**

Form Indication = City Home

Companies = All

Territory = All

Evaluated as of 09/2014

Catastrophe Loss and ALAE ratios

Fiscal/ Accident Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Earned Premium	On-level Factors	Premium Trend	(1)*(2)*(3) Trended On-level Premium	Earned Ins Years	EIY Trend	(5)*(6) Trended Earned Ins Years	non-Modeled Catastrophe Factor to EIY	Expected non-Modeled Catastrophe \$'s	non-Modeled Loss&ALAE Ratio	Modeled Cat Loss&ALAE Ratio	Total Cat Loss&ALAE Ratio
2010	1,642,418	1.003	1.257	2,070,745	620,842	1.413	877,375	8.6%	75,402	3.6%	2.3%	6.0%
2011	1,682,468	1.003	1.236	2,085,801	642,511	1.355	870,565	8.6%	74,817	3.6%	2.3%	5.9%
2012	1,721,607	1.003	1.212	2,092,855	661,286	1.299	859,063	8.6%	73,828	3.5%	2.3%	5.9%
2013	1,758,445	1.000	1.184	2,082,013	690,048	1.246	859,470	8.6%	73,863	3.5%	2.3%	5.9%
2014	1,778,120	1.000	1.146	2,037,725	734,485	1.194	877,103	8.6%	75,379	3.7%	2.3%	6.0%
Total	8,583,058			10,369,139	3,349,172		4,343,576	8.6%	373,289	3.6%	2.3%	5.9%

Chubb Group of Insurance Companies  
 Pennsylvania Homeowners  
 Modeled Hurricane Losses

Exhibit 6.10

	(1) Modeled Loss	(2) Adjusted Hurr. Losses	(3) Inforce Prem. at 07/31/12	(4) Onleveled Inforce Prem	(5) Hurricane Loss & ALAE Ratio
House	1,329,595	1,472,194	74,398,471	83,281,870	1.8%
R/C/C	45,696	50,597	6,810,219	6,814,929	0.7%
City Home	37,356	41,362	1,766,951	1,766,954	2.3%
<b>Total</b>	<b>1,412,647</b>	<b>1,564,153</b>	<b>82,975,641</b>	<b>91,863,753</b>	<b>1.7%</b>

\*RMS RiskLink 13.0 Hurricane Model AAL using July 2013 data

(2) = (1) AAL \* ALAE load of 1.03 \* Other Coverage Manual load of 1.075  
 where the Other Coverage Manual load accounts for coverages not included in the RMS model.

(4) = (3) \* on level premium factor (1.119 for House, 1.001 for R/C/C, 1.000 for City Home, 1.107 for Total)

(5) = (2) / (4)

Chubb Group of Insurance Companies  
Homeowners Insurance  
Countrywide Unallocated Loss Adjustment Expense Exhibit

(1)	(2)	(3)	(4) [(3)+(2)]/(2)
<u>Calendar Year</u>	<u>Gross Incurred Losses Including Allocated Loss Adjustment Expenses</u>	<u>Incurred Unallocated Loss Adjustment Expenses</u>	<u>Unallocated Loss Adjustment Expenses Ratio *</u>
2013	1,027,343	57,986	1.056
2012	1,013,582	66,437	1.066
2011	1,198,920	65,354	1.055
<hr/> <hr/>			
Average			1.059

\* - To be applied to incurred losses including allocated loss adjustment expense.

Chubb Group of Insurance Companies  
Homeowners Insurance  
Countrywide Underwriting Expense Exhibit

(1)	(2) *		(3) *	(4)	
Calendar Year	<u>Expense Components</u>		<u>Direct Earned Premium</u>	<u>Ratio = (2) ÷ (3)</u>	
	<u>General Expense</u>	<u>Other Acquisition Expense</u>		<u>General Expense</u>	<u>Other Acquisition Expense</u>
2013	43,235	154,028	1,922,007	2.2%	8.0%
2012	40,230	145,206	1,835,525	2.2%	7.9%
2011	37,247	135,075	1,783,612	2.1%	7.6%
Average				2.2%	7.8%

\* - Items (2) and (3) above are from the respective Consolidated/Combined Federal Insurance Company Insurance Expense Exhibits for the calendar years shown, and are expressed in (000's) of dollars.

Company	CAL YEAR	DIRECT WRITTEN PREMIUM	STANDARD COMMISSIONS	%	GUARANTEED SUPPLEMENTAL COMPENSATION	%	SUBTOTAL	%	STATE TAXES	%
Federal	2011	7,480,045	1,182,947	15.8%	101,770	1.4%	1,284,717	17.2%	150,396	2.0%
	2012	6,547,644	1,035,461	15.8%	54,311	0.8%	1,089,772	16.6%	147,975	2.3%
	2013	6,347,600	1,003,114	15.8%	62,246	1.0%	1,065,360	16.8%	160,407	2.5%
Vigilant	2011	5,255,637	843,474	16.0%	64,196	1.2%	907,670	17.3%	120,103	2.3%
	2012	4,923,097	778,166	15.8%	40,216	0.8%	818,382	16.6%	134,203	2.7%
	2013	4,712,824	745,692	15.8%	44,516	0.9%	790,208	16.8%	149,678	3.2%
Great Northern	2011	47,011,946	7,361,941	15.7%	626,480	1.3%	7,988,421	17.0%	1,011,985	2.2%
	2012	47,274,472	7,405,686	15.7%	424,257	0.9%	7,829,943	16.6%	1,198,721	2.5%
	2013	47,848,580	7,454,860	15.6%	498,599	1.0%	7,953,459	16.6%	1,299,258	2.7%
Pacific Indemnity	2011	9,499,409	1,506,869	15.9%	113,935	1.2%	1,620,804	17.1%	229,132	2.4%
	2012	8,940,949	1,415,685	15.8%	68,593	0.8%	1,484,278	16.6%	235,336	2.6%
	2013	9,047,113	1,453,877	16.1%	90,039	1.0%	1,543,916	17.1%	245,961	2.7%
Chubb Indemnity	2011	7,222,742	1,148,207	15.9%	92,327	1.3%	1,240,534	17.2%	164,870	2.3%
	2012	7,380,534	1,176,896	15.9%	56,256	0.8%	1,233,152	16.7%	168,394	2.3%
	2013	7,329,574	1,185,766	16.2%	69,325	0.9%	1,255,091	17.1%	175,548	2.4%
Chubb National	2011	2,264,116	405,616	17.9%	27,209	1.2%	432,825	19.1%	53,538	2.4%
	2012	5,559,864	1,061,334	19.1%	49,417	0.9%	1,110,751	20.0%	122,548	2.2%
	2013	9,359,076	1,695,229	18.1%	112,224	1.2%	1,807,453	19.3%	205,485	2.2%
Total	2011	78,733,895	12,449,054	15.8%	1,025,917	1.3%	13,474,971	17.1%	1,730,024	2.2%
	2012	80,626,560	12,873,228	16.0%	693,050	0.9%	13,566,278	16.8%	2,007,177	2.5%
	2013	84,644,767	13,538,538	16.0%	876,949	1.0%	14,415,487	17.0%	2,236,337	2.6%
	2011-2013	244,005,222	38,860,820	15.9%	2,595,916	1.1%	41,456,736	17.0%	5,973,538	2.4%

SELECTED PROVISIONS

STANDARD COMMISSIONS	15.9%
GUARANTEED SUPPLEMENTAL COMPENSATION *	1.1%
TAXES, LICENSES AND FEES	2.4%
SUBTOTAL	19.4%
MANDATED, RESIDUAL MARKET LOAD, OR ASSESSMENT	0.0%
U/W PROFIT PROVISION (based on Target )	10.3%
TOTAL U/W PROFIT AND VARIABLE EXPENSE	29.7%

***Privileged Information***  
***Proprietary and Confidential***  
**Chubb Group of Insurance Companies**  
**Pennsylvania Homeowners**  
**Underwriting Profit Provision Calculation**

The following calculation was used to calculate an appropriate underwriting profit provision given items (1) through (5) below:

$$\text{ROE} = (\text{UW} * \text{PS}) * (1 - \text{CTX}) + (\text{II} * \text{PS}) * (1 - \text{ETX}) + \text{YS} * (1 - \text{ETX})$$

Item	Description		Value
1 . ROE	After-Tax Expected Statutory Return on Equity		12.2%
2 . II	Investment Income Yield on Policyholder Funds as a % of Premium (See Exhibit 11.1)		2.0%
3 . PS	Premium to Surplus Ratio (Based on three year average from Annual Statement)		0.66
4 . YS	Investment Income Yield on Surplus (See Exhibit 11.1)		3.9%
5 . CTX	Corporate Tax Rate		35.0%
6 . ETX	Effective Tax Rate (See Exhibit 11.1)		6.4%
7 . UW	Underwriting Profit as a Percentage of Premium	Calculated	<b>16.9%</b>
		Selected	<b>10.3%</b>

**FEDERAL COMBINED INSURANCE COMPANIES  
STATE OF PENNSYLVANIA  
ANNUAL STATEMENT LINE 4 -- HOMEOWNERS  
CALCULATION OF INVESTMENT INCOME OFFSET**

A.	Direct Earned Premiums for Calendar Year 2013 (see Sheet 2)	82,495,857
B.	Unearned Premium Reserve Subject to Investment (see Sheet 2)	
1.	Mean Unearned Premium Reserve for Calendar Year 2013	
a.	Unearned Premium Reserve as of 12/31/13	44,459,813
b.	Unearned Premium Reserve as of 12/31/12	42,213,926
c.	Mean Unearned Premium Reserve (a + b) ÷ 2	43,336,870
2.	Deduction for Prepaid Expenses	
a.	Prepaid Expense Provisions:	
1.	Commissions & Brokerage (excluding GSC)	15.9%
2.	Other Acquisition Expenses	7.8%
3.	50% of General Expenses	1.1%
4.	Taxes, Licenses, & Fees	2.4%
5.	Ceded Reinsurance Premium	0.0%
6.	Total	27.3%
b.	Deduction for Prepaid Expenses (B.1.c x B.2.a.6)	11,827,070
3.	Deduction for Federal Taxes Payable (B.1.c x 7.0%) (see Sheet 2)	3,033,581
4.	Deduction for Delayed Remission of Premiums	
a.	Average Agents' Balances Percentage (see Sheet 2)	19.50%
b.	Delayed Remission of Premiums (A x B.4.a)	16,086,692
5.	Net Unearned Premium Reserve Subject to Investment (B.1.c - B.2.b - B.3 - B.4.b)	12,389,527
C.	Loss Reserves Subject to Investment (see Sheet 2)	
1.	Expected Incurred Loss & LAE Ratio	60.26%
2.	Average Reserve to Incurred Loss & LAE Ratio	0.595
3.	Expected Mean Loss and Loss Adjustment Expense Reserve (A x C.1 x C.2)	29,579,515
D.	Net Subject to Investment (B.5 + C.3)	41,969,042
E.	Average Rate of Return on Invested Assets (see Sheet 2)	3.90%
F.	Expected Investment Earnings (D x E)	1,636,793
G.	Ratio of Investment Earnings to Earned Premium, equals Investment Income Offset (F ÷ A)	2.00%
H.	Effective Tax Rate on Investment Income	6.39%
I.	After-tax Ratio of Investment Earnings to Earned Premium (G x (1 - H))	1.87%

**FEDERAL COMBINED INSURANCE COMPANIES**  
**STATE OF PENNSYLVANIA**  
**ANNUAL STATEMENT LINE 4 -- HOMEOWNERS**  
**CALCULATION OF INVESTMENT INCOME OFFSET**

- Item A Earned premiums are from the Federal Combined Annual Statement for Line 4 -- Homeowners : (Page 15, Line 4).
- Item B.1 Unearned premium reserves are from the Federal Combined Annual Statement for Line 4 -- Homeowners : (Page 15, Line 4).
- Item B.2 Production costs and a significant portion of other underwriting expenses (excluding loss adjustment expenses) are incurred as soon as the policy is written and before the premium is earned. As a result, these monies are not available for investment.
- Item B.3 The Tax Reform Act of 1986 taxes 20% of the unearned premium reserve. At a corporate tax rate of 35%, this tax equals 7.0% ( $0.20 \times 0.35 = 0.070$ ) of the unearned premium reserve. As a result, these monies are not available for investment.
- Item B.4 The average agents' balances percentage is based on the following information for all lines of business from the Federal Combined Annual Statement:

<u>Dollars in Thousands</u>	<u>2013</u>
1. Net Earned Premium (Page 4, Line 1)	9,604,173
2. Current Agents' Balances (Page 2, Lines 13.1 + 13.2)	1,919,359
3. Prior Agents' Balances (Page 2, Lines 13.1 + 13.2)	1,828,435
4. Mean Agents' Balances [(2) + (3)] ÷ 2	1,873,897
5. Average Agents' Balances Percentage (4) ÷ (1)	19.50%

- Item C.1 The expected incurred loss & loss adjustment expense ratio is 1 - Total Expenses (excl ceded reins prem) where Total Expenses (excl ceded reins prem) = B.2.a.6 + GSC + 50% Gen Exp + Profit & Cont - ceded reins pren for GSC = 1.1%, Profit & Contingencies = 10.3%.

- Item C.2 The average reserve to incurred ratio is based on the following information based on the Federal Combined Annual Statement for Line 4 -- Homeowners : (Page 15, Line 4).

<u>Dollars in Thousands</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
1. Incurred Losses & LAE (000's)	1,275,365	1,321,593	828,638
2. Current Unpaid Losses and LAE (000's)	613,561	843,891	523,522
3. Prior Unpaid Losses and LAE (000's)	552,923	613,561	843,891
4. Mean Loss & LAE Reserves [(2) + (3)] ÷ 2	583,242	728,726	683,707
5. Ratio (4) ÷ (1)	0.457	0.551	0.825
6. Average Reserve to Incurred Ratio		0.611	
7. Estimated Reserve Discount		7.60%	
8. Federal Taxes Payable (% of Reserve) [ (7) x 35% ]		0.027	
9. (6) x [(1.000 - (8))]		0.5950	

- Item E The average rate of return on invested assets is based on the following information for all lines of business from the Federal Combined Annual Statement.

<u>Dollars in Thousands</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
1. Net Investment Income Earned (Page 4, Line 9)	1,509,849	1,306,932	1,186,079
2. Cash and Invested Assets (Page 2, Line 10)	33,813,671	34,473,281	34,771,379
3. Rate of Return Percentage (1) ÷ (2)	4.50%	3.80%	3.40%
4. Selected Rate of Return on Invested Assets		3.90%	

## Excess Shock Loss Methodology

Expected Annual Loss Amount Calculation  
(Cap set at 10% of Written Coverage Amount)

### Capped Loss:

For fire losses only, the ground-up value of any loss and ALAE amount is capped at 10% of the written coverage amount (house and contents) and then the appropriate deductible is subtracted (this calculation includes the contemplation of a franchise deductible: the deductible is waived for non-catastrophe, non-wind losses exceeding \$50,000). For all other causes of loss, there is no shock-adjustment.

### Expected Annual Loss:

The expected annual loss for each policy is:

$$\text{Capped Loss} + \frac{(\text{Losses} > 10\% \text{Cap})_{US} \times EIIY_{State}}{EIIY_{US}} \times \text{State Offset Factor}$$

This is calculated as, Written Coverage Amount (Cov) = Coverage A + Coverage C

$$EIIY = \sum_i^k EHY_i \times Cov_i$$

where k = number of houses

$$\text{Severity (Sev)} = \frac{(\text{Losses} > 10\% \text{Cap})_{US}}{(\# \text{ of Claims} > 10\% \text{Cap})_{US}} \times \frac{EHY_{US}}{EIIY_{US}}$$

$$\text{Frequency per 1,000 Cov (Freq)} = \frac{(\# \text{ of Claims} > 10\% \text{Cap})_{US}}{\left( \frac{EHY_{US}}{1,000} \right)} = \frac{(1,000)(\# \text{ of Claims} > 10\% \text{Cap})_{US}}{EHY_{US}}$$

$$\text{Freq} \times \text{Sev} = \frac{(1,000)(\text{Losses} > 10\% \text{Cap})_{US}}{(EIIY_{US})}$$

$$\text{Expected Annual Loss} = \text{Capped Loss} + [ (\text{Freq}/1,000 \times \text{Sev}) \times EIIY_{State} ] \times \text{State Offset Factor}$$

$$= \text{Capped Loss} + \frac{(1,000)(\text{Losses} > 10\% \text{Cap})_{US}}{(EIIY_{US})(1,000)} \times EIIY_{State} \times \text{State Offset Factor}$$

$$= \text{Capped Loss} + \frac{(\text{Losses} > 10\% \text{Cap})_{US} \times EIIY_{State}}{EIIY_{US}} \times \text{State Offset Factor}$$

State Offset Factor = Credibility Weighted 20 yr Raw Shock Loss Frequency/ US 20 yr Raw Shock Loss Frequency.

## Selected Excess Fire Shock Loss Frequency and Severity Indices

Year Of Construction	Fire Protection Class	XS Frequency Per 1,000 EHYs	XS Severity
< 1920	A	0.5431	0.4869
	B	0.7227	0.4381
	C	0.8505	0.5845
	D	1.7587	0.7548
≥ 1920	A	0.3892	0.5086
	B	0.5178	0.4576
	C	0.6094	0.6105
	D	1.2602	0.7884
Total		0.4822	0.5119

## Fire Protection Definitions:

- A Fire station within 5 miles, fire hydrant within 1000 feet, fire alarm
- B Fire station within 5 miles and fire hydrant within 1000 feet
- C Fire station within 5 miles and fire alarm OR fire hydrant within 1000 feet and fire alarm
- D Fire station within 5 miles OR fire hydrant within 1000 feet OR fire alarm OR no fire protection

Chubb Group of Insurance Companies  
Homeowners Insurance

Fire: State Offset Factors			
Based on 20 year Credibility Weighted Frequency			
Region	Actual Relativity	Buhlmann Straub Credibility	Buhlmann Straub Cred Relativity
Pennsylvania	1.030	0.965	1.029
Mid-Atlantic	0.924	0.989	0.925
US Total	1.000		1.000

Selected

1.029

\* Frequency, is Shock Count/ EHYs

**Pennsylvania  
Rate Level Effects By Territory  
House & Vacation Forms**

Proposed Territory	Total In-Force Book							
	(1) Total Locations	(2) % Distribution	(3) Current Base Rate	(4) Proposed Base Rate	(5) Base Rate Change	(6) Premium At Current Rates	(7) Proposed Premium	(8) Overall Rate Effect
001	943	4.2%	1,098	1,174	6.9%	3,431,973	3,558,966	3.7%
005	140	0.6%	791	845	6.9%	472,632	485,209	2.7%
006	181	0.8%	590	630	6.9%	541,150	555,077	2.6%
007	167	0.7%	562	601	6.9%	462,732	473,297	2.3%
008	121	0.5%	791	845	6.9%	434,839	443,977	2.1%
009	49	0.2%	830	888	6.9%	166,440	169,067	1.6%
010	6	0.0%	671	717	6.9%	18,712	19,192	2.6%
012	262	1.2%	590	630	6.9%	692,546	704,950	1.8%
014	705	3.2%	1,098	1,174	6.9%	3,522,117	3,665,095	4.1%
021	95	0.4%	742	794	6.9%	246,701	253,292	2.7%
022	119	0.5%	590	630	6.9%	359,043	367,871	2.5%
023	198	0.9%	562	601	6.9%	572,463	584,274	2.1%
024	14	0.1%	742	794	6.9%	46,452	47,399	2.0%
025	30	0.1%	562	601	6.9%	75,243	76,892	2.2%
027	128	0.6%	562	601	6.9%	363,157	373,094	2.7%
031	29	0.1%	626	669	6.9%	74,542	75,343	1.1%
035	28	0.1%	765	818	6.9%	98,337	101,930	3.7%
037	3	0.0%	830	888	6.9%	13,561	14,268	5.2%
051	9	0.0%	765	818	6.9%	27,579	28,447	3.1%
052	170	0.8%	765	818	6.9%	471,357	480,734	2.0%
053	89	0.4%	671	717	6.9%	235,487	239,640	1.8%
054	100	0.4%	791	845	6.9%	246,421	250,524	1.7%
055	313	1.4%	741	792	6.9%	748,656	771,044	3.0%
056	11	0.0%	830	888	6.9%	44,079	45,427	3.1%
057	22	0.1%	742	794	6.9%	68,227	69,676	2.1%
058	259	1.2%	626	669	6.9%	854,095	873,497	2.3%
059	317	1.4%	626	669	6.9%	935,508	964,380	3.1%
061	28	0.1%	671	717	6.9%	74,325	76,068	2.3%
071	20	0.1%	671	717	6.9%	85,533	88,439	3.4%
073	887	4.0%	776	830	6.9%	3,692,192	3,806,971	3.1%
074	62	0.3%	741	792	6.9%	164,910	169,547	2.8%
075	401	1.8%	765	818	6.9%	1,163,744	1,196,045	2.8%
076	12	0.1%	691	738	6.9%	18,693	19,383	3.7%
077	598	2.7%	765	818	6.9%	1,987,576	2,026,619	2.0%
081	296	1.3%	765	818	6.9%	824,700	848,941	2.9%
082	62	0.3%	765	818	6.9%	214,823	221,719	3.2%
083	1,580	7.1%	776	830	6.9%	5,402,886	5,596,697	3.6%
086	77	0.3%	999	1,068	6.9%	318,231	330,119	3.7%
087	94	0.4%	830	888	6.9%	259,360	266,433	2.7%
088	15	0.1%	765	818	6.9%	59,125	60,641	2.6%
089	34	0.2%	791	845	6.9%	150,163	153,692	2.4%
090	174	0.8%	590	630	6.9%	525,634	537,299	2.2%
091	32	0.1%	765	818	6.9%	89,710	91,244	1.7%
092	785	3.5%	785	839	6.9%	2,071,160	2,123,859	2.5%
093	70	0.3%	791	845	6.9%	243,057	249,642	2.7%
094	27	0.1%	765	818	6.9%	64,340	66,995	4.1%
095	959	4.3%	948	1,013	6.9%	3,326,802	3,445,634	3.6%
096	14	0.1%	765	818	6.9%	50,486	52,061	3.1%
099	34	0.2%	671	717	6.9%	103,477	105,344	1.8%
100	156	0.7%	562	601	6.9%	429,892	438,663	2.0%
101	393	1.8%	999	1,068	6.9%	1,664,014	1,710,675	2.8%
102	14	0.1%	671	717	6.9%	32,833	34,010	3.6%
104	7	0.0%	765	818	6.9%	14,379	14,770	2.7%
106	1	0.0%	765	818	6.9%	1,113	1,158	4.0%
107	96	0.4%	765	818	6.9%	271,744	276,944	1.9%
108	196	0.9%	765	818	6.9%	438,584	450,821	2.8%
109	40	0.2%	765	818	6.9%	98,051	101,711	3.7%
110	255	1.1%	765	818	6.9%	774,677	796,427	2.8%
111	42	0.2%	765	818	6.9%	105,404	108,194	2.6%
113	48	0.2%	765	818	6.9%	111,016	114,220	2.9%
114	804	3.6%	765	818	6.9%	2,773,018	2,845,799	2.6%
115	437	2.0%	765	818	6.9%	1,177,192	1,213,329	3.1%
116	1	0.0%	765	818	6.9%	3,150	3,265	3.7%
117	12	0.1%	765	818	6.9%	25,575	25,711	0.5%
119	19	0.1%	765	818	6.9%	47,824	49,459	3.4%
120	1,113	5.0%	765	818	6.9%	3,941,959	4,036,771	2.4%
121	395	1.8%	765	818	6.9%	1,046,739	1,075,948	2.8%
122	2	0.0%	765	818	6.9%	3,616	3,869	7.0%
123	240	1.1%	765	818	6.9%	693,087	715,184	3.2%
124	1	0.0%	765	818	6.9%	1,952	1,940	-0.6%
125	26	0.1%	765	818	6.9%	64,928	67,225	3.5%
128	1	0.0%	765	818	6.9%	1,334	1,429	7.1%
129	1	0.0%	765	818	6.9%	2,077	2,223	7.0%
131	146	0.7%	765	818	6.9%	362,986	373,401	2.9%
132	978	4.4%	948	1,013	6.9%	4,821,915	4,952,841	2.7%
133	454	2.0%	798	853	6.9%	1,849,959	1,910,907	3.3%
134	1,030	4.6%	827	884	6.9%	4,566,654	4,681,455	2.5%
135	2,385	10.7%	948	1,013	6.9%	10,493,698	10,771,554	2.6%
136	698	3.1%	948	1,013	6.9%	3,074,668	3,179,641	3.4%
137	1,152	5.2%	827	884	6.9%	3,863,538	3,996,049	3.4%
138	137	0.6%	798	853	6.9%	630,701	651,614	3.3%
139	129	0.6%	691	738	6.9%	342,659	349,656	2.0%
140	13	0.1%	948	1,013	6.9%	54,522	56,378	3.4%
141	155	0.7%	948	1,013	6.9%	819,117	839,649	2.5%
<b>Total</b>	<b>22,346</b>	<b>100.0%</b>				<b>80,719,551</b>	<b>83,078,843</b>	<b>2.9%</b>

(2) = (1) / (1 Tot)  
 (5) = (4) / (3) -1  
 (6) Premium based on inforce policies at current rates  
 (7) Premium based on re-rating of the inforce policies with proposed changes  
 (8) = (7) / (6) -1

**Pennsylvania  
Rate Level Effects Histogram**

Rate Effect Range	All Companies			Federal			Vigilant			Pacific Indemnity			Great Northern			Chubb National			Chubb Indemnity		
	Total Locations	% Distn	Average Dollar Impact	Total Locations	% Distn	Average Dollar Impact	Total Locations	% Distn	Average Dollar Impact	Total Locations	% Distn	Average Dollar Impact	Total Locations	% Distn	Average Dollar Impact	Total Locations	% Distn	Average Dollar Impact	Total Locations	% Distn	Average Dollar Impact
LT -30%	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0
-30 to -20%	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0
-20 to -10%	34	0.2%	-683	2	0.1%	-980	1	0.1%	-240	2	0.1%	-271	21	0.2%	-821	5	0.1%	-421	3	0.2%	-381
-10 to -5%	27	0.1%	-413	2	0.1%	-514	3	0.3%	-375	5	0.2%	-337	8	0.1%	-582	7	0.2%	-293	2	0.1%	-306
-5% to 0%	5,338	23.9%	-71	435	25.6%	-41	325	28.6%	-49	782	26.4%	-50	2,997	27.0%	-80	291	7.7%	-68	508	30.8%	-91
0% to 5%	9,489	42.5%	102	737	43.5%	79	450	39.6%	105	1,089	36.8%	92	4,498	40.5%	107	2,033	53.6%	103	682	41.3%	114
5% to 10%	7,423	33.2%	240	519	30.6%	236	357	31.4%	237	1,077	36.4%	202	3,564	32.1%	256	1,451	38.2%	226	455	27.5%	248
10% to 20%	23	0.1%	614	1	0.1%	519	0	0.0%	0	6	0.2%	537	8	0.1%	414	6	0.2%	1,127	2	0.1%	152
20% to 30%	12	0.1%	732	0	0.0%	0	0	0.0%	0	1	0.0%	420	10	0.1%	747	1	0.0%	896	0	0.0%	0
GT 30%	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0	0	0.0%	0
<b>Total</b>	<b>22,346</b>	<b>100.0%</b>	<b>106</b>	<b>1,696</b>	<b>100.0%</b>	<b>94</b>	<b>1,136</b>	<b>100.0%</b>	<b>101</b>	<b>2,962</b>	<b>100.0%</b>	<b>94</b>	<b>11,106</b>	<b>100.0%</b>	<b>103</b>	<b>3,794</b>	<b>100.0%</b>	<b>138</b>	<b>1,652</b>	<b>100.0%</b>	<b>86</b>

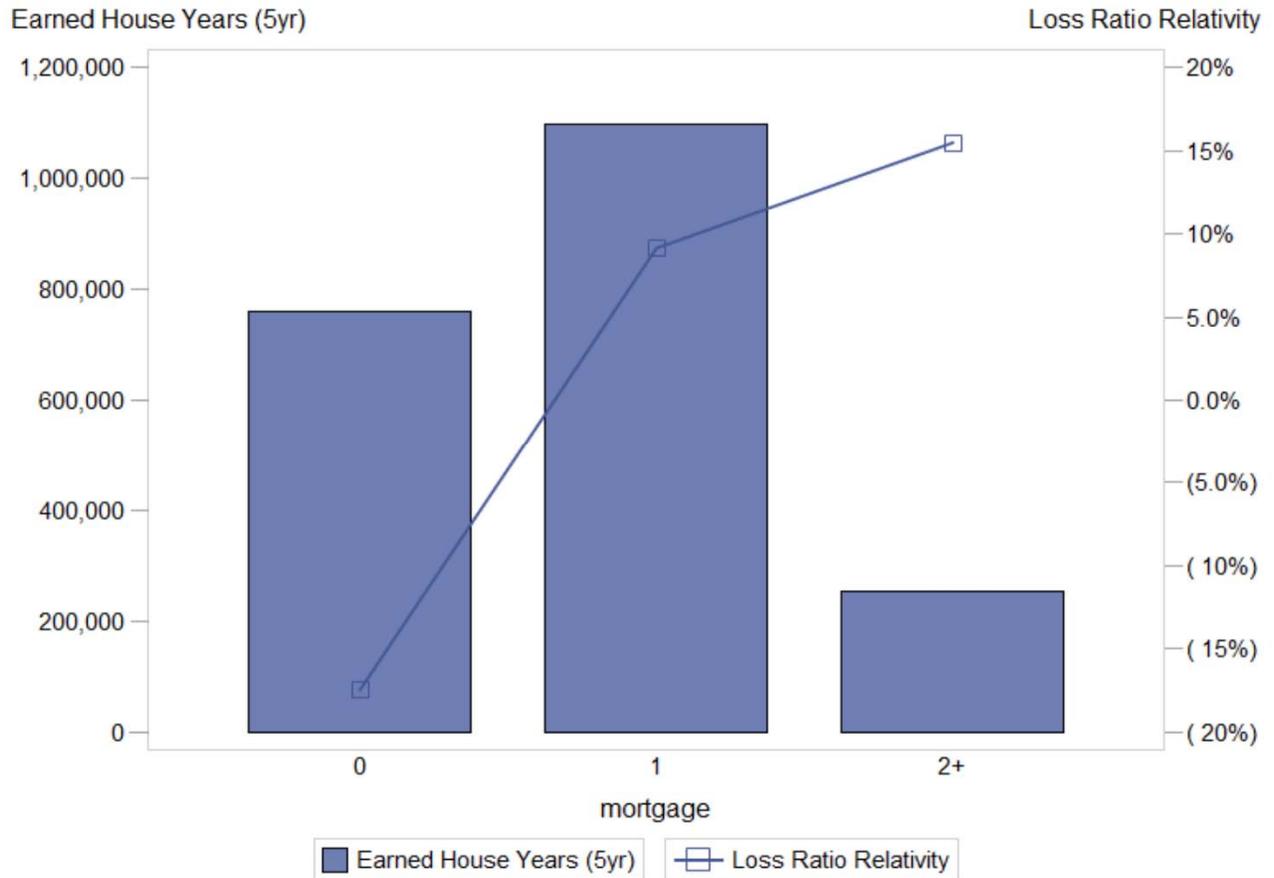
Max % Change	(1)	22.2%	(3)	16.3%	(5)	7.4%	(7)	20.3%	(9)	22.2%	(11)	21.6%	(13)	12.6%
Max \$ Impact	(2)	4,760	(4)	4,760	(6)	1,301	(8)	1,331	(10)	2,841	(12)	2,422	(14)	1,629

\*Rate effects based on residence premium

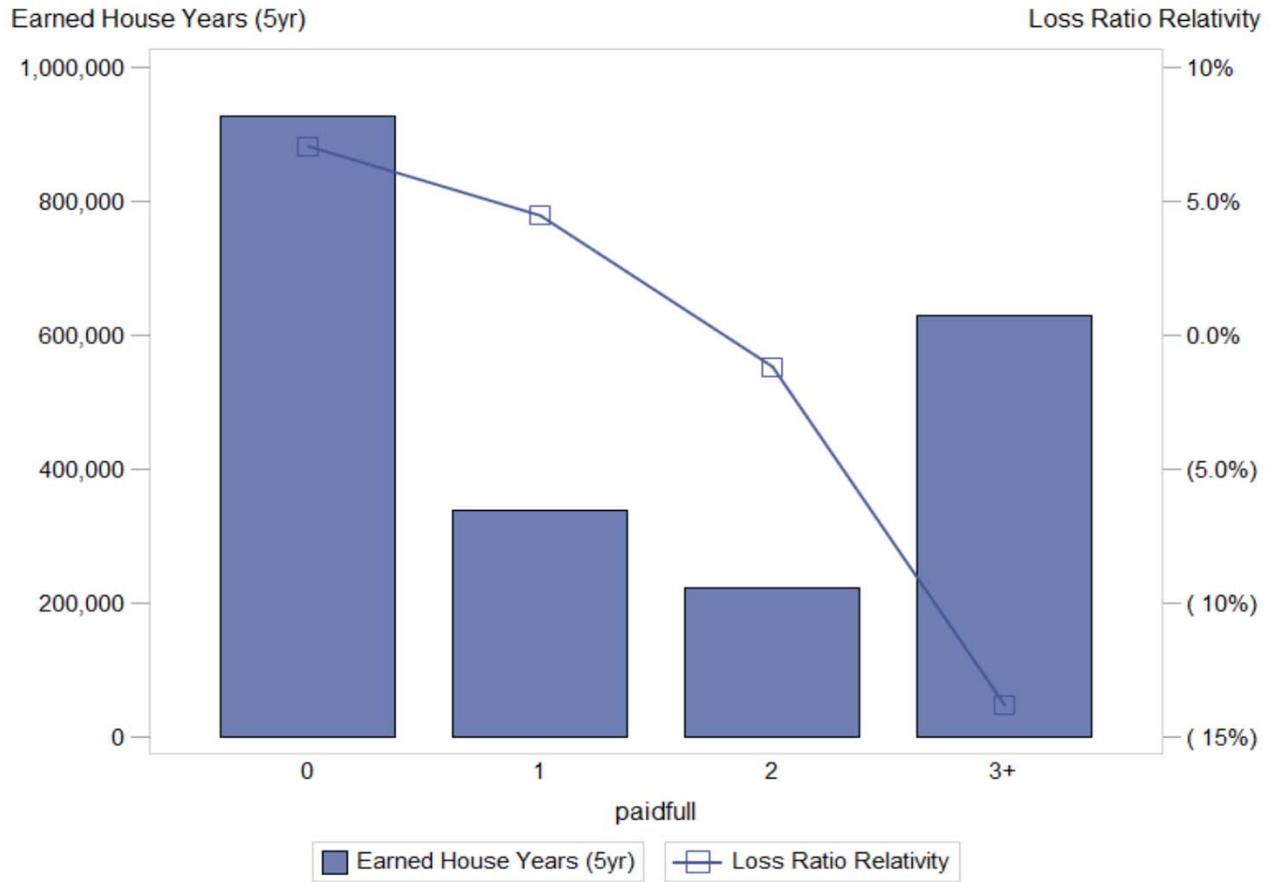
- |   |   |
|---|---|
| (1) \$2.37M house, \$2,500 deductible, \$1,348 increase | (8) \$8.57M house, \$5,000 deductible, 7.0% increase    |
| (2) \$7.94M house, \$10,000 deductible, 7.0% increase   | (9) \$2.37M house, \$2,500 deductible, \$1,348 increase |
| (3) \$0.76M house, \$2,500 deductible, \$519 increase   | (10) \$48.07M house, \$10,000 deductible, 3.3% increase |
| (4) \$7.94M house, \$10,000 deductible, 7.0% increase   | (11) \$1.68M house, \$5,000 deductible, \$896 increase  |
| (5) \$0.41M house, \$2,500 deductible, \$92 increase    | (12) \$3.43M house, \$2,500 deductible, 16.9% increase  |
| (6) \$2.59M house, \$2,500 deductible, 7.0% increase    | (13) \$1.05M house, \$1,000 deductible, \$246 increase  |
| (7) \$0.56M house, \$1,000 deductible, \$420 increase   | (14) \$9.69M house, \$2,500 deductible, 6.9% increase   |

Chubb Group of Insurance Companies  
Lien Free Analysis

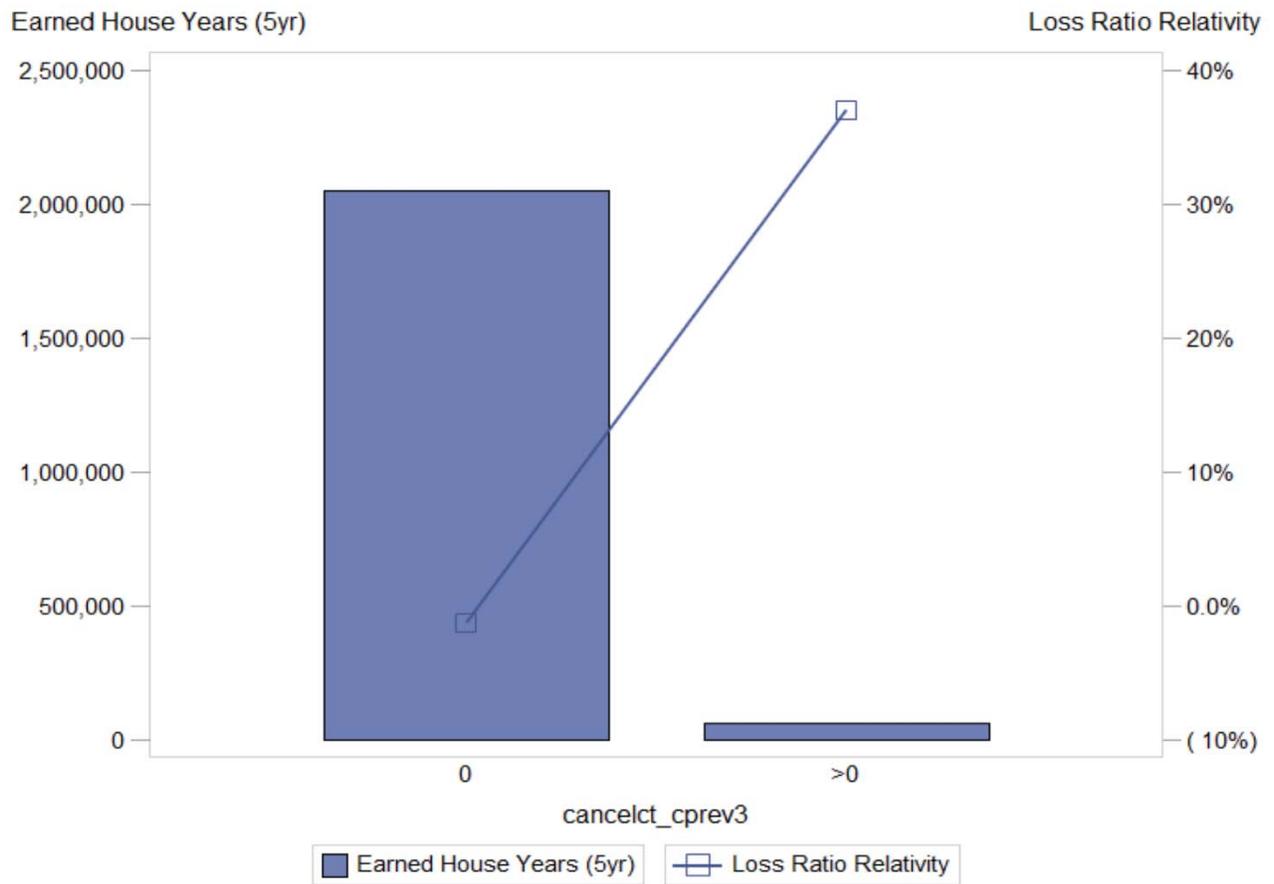
Lien Free



### Chubb Group of Insurance Companies Payment History Discount



### Chubb Group of Insurance Companies Cancellation Surcharge





## CHUBB & SON

202 Hall's Mill Road, P.O. Box 1600, Whitehouse Station, NJ 08889-1600

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July 28, 2015

Ms. Teresa Miller  
Commissioner of Insurance  
Pennsylvania Insurance Department  
Deputy, Office of Rate and Policy Information  
1326 Strawberry Square  
Harrisburg, PA 17120

Re: Masterpiece  
Homeowners  
Rate/Rule Revision  
Company Filing No.: 15-9937-RR

Federal Insurance Company  
Pacific Indemnity Company  
Vigilant Insurance Company  
Great Northern Insurance Company  
Chubb Indemnity Insurance Company  
Chubb National Insurance Company

Dear Commissioner Miller:

We are filing the following revisions to the Homeowners section of the Masterpiece Rate and Rule Manual in Pennsylvania:

- Revise base rates
- Editorial changes in the Minimum amount of coverage.
- Introduce Payment history and Lien free discount rules.
- Revise the Portfolio discount – home with valuable articles; and the Restoration provision for City home house Coverage discount rules.
- Introduce Cancellation surcharge.
- Editorial updates in Claims rating factor.
- Revise Student additional living expenses coverage.
- Revise Assisted living care.
- Reformatted the Rates Steps sections to introduce the Rating Sequence.
- Introduce Portfolio discount chart.
- Remove duplicate interpolation reference under Deductible factors charts.
- Revise Discount charts for house and city home to remove portfolio discounts.
- Revise Discount charts to introduce Payment history and Lien free.
- Revise the Surcharges chart to introduce the Cancellation surcharge.
- Editorial update to remove a duplicated Landscaping and City garden chart.

Each of the revisions submitted under this filing is explained in detail in the Actuarial Filing Memorandum, the Exhibits and the Description of Change documents that are attached under Supporting Documentation. The Masterpiece manual pages that reflect the changes are attached in final print and in marked copy.

Our proposed effective date is December 7, 2015 for newlines and January 21, 2016 for renewals. Please contact me should you have any questions or require additional information. Your approval will be greatly appreciated.

Sincerely,  
Chubb & Son  
A division of Federal Insurance Company

By: *Cindy Langston*

Cindy Langston  
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**Masterpiece  
Pennsylvania  
Rate and Rule  
Filing No. 15-9937-RR**

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**Description of Change**

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We are making the following changes:

**Home and Contents: Rules**

We made editorial changes in the Minimum amount of coverage.

We revised and introduced changes under the following Home Rules:

- Home: Rules- Discounts,
  - Introduced the following discounts rules:
    - Payment history,
    - Lien free.
  - Revised the following discount rules:
    - Portfolio discount – home with valuable articles,
    - Restoration to City home house Coverage,
- Home: Rules- Surcharges and Other Rating Factors:
  - Introduced Cancellation surcharge,
  - Editorial updates in Claims rating factor.
- Home: Rules- Coverage Options.

Under Coverage Options, we revised the following rules:

  - Student additional living expenses coverage - to state that this coverage cannot be added to house coverage without contents coverage.
  - Assisted living care – to state that this coverage is always rated at one residence regardless of the number of residences on the policy. Also, this coverage cannot be added to house coverage with fire contents or with no contents coverage.

**Home and Contents: Rating Sequence**

We also reformatted the Rates Steps sections to introduce:

- Home and Contents: Rating Sequence, and
- City Home House and Contents: Rating Sequence.

**Home and Contents: Charts**

Under the Home and Contents: Charts section, we made the following changes:

- Introduced Portfolio discount chart,
- Removed duplicate interpolation reference under Deductible factors charts,
- Revised Discount charts for house and city home to remove portfolio discounts;
- Revised Discount charts to introduce Payment history and Lien free,
- Revised the Surcharges chart to introduce the Cancellation surcharge.

We also made an editorial update to remove a duplicated Landscaping and City garden chart referencing the same rates over \$250,000/\$50,000 and \$500,000/\$50,000 respectively.

**Date: 06/25/2015**



# Home and Contents: Rules

This manual is for policies insured with us for the applicable rates for Federal Insurance Company, Chubb Indemnity Insurance Company, Chubb National Insurance Company, Great Northern Insurance Company, Pacific Indemnity Company, and Vigilant Insurance Company.

## Eligibility

All homes, except city homes, must be used as one-family or two-family residences.

A city home must be an owner occupied rowhouse with no more than one rental unit and must meet all of the following criteria:

- masonry construction
- built prior to 1940
- renovated plumbing, heating and electrical systems.

Contents coverage may be written for the owner occupied unit only.

A vacation home must be an owner occupied house, other than a primary residence, but may be rented to others for up to 15 days in any given policy term.

Contents coverage may be written for a house owned by the insured only if house coverage is included in the policy.

## Coverage options

Property covered	Types of coverage	Payment basis (loss settlement)
House (dwelling only)	Deluxe (all risk)	Extended replacement cost, verified replacement cost or conditional replacement cost
	City home house (all risk)	
	Vacation home (all risk)	
Contents (with Deluxe house)	Deluxe (all risk)	Replacement cost or actual cash value
	Standard (named perils)	Replacement cost or actual cash value
	Fire (named perils, without theft)	Actual cash value
Contents (with City home house)	City home contents (all risk)	Replacement cost or actual cash value
Contents (with Vacation home house)	Deluxe (all risk)	Replacement cost or actual cash value
	Standard (named perils)	
Contents (Condominium, Cooperative, or Renters)	Deluxe (all risk) Standard (named perils)	Replacement cost or actual cash value



# Home and Contents: Rules

## Minimum amount

These are the minimum amounts of coverage:

Deluxe house or vacation home house amount with ~~deluxe~~ or ~~standard~~ without contents: \$50,000

~~Deluxe house amount with fire contents: \$50,000~~

~~Deluxe house amount without contents: \$ 50,000~~

City home house amount with city home contents: \$400,000\*

City home house amount without contents: \$ 400,000\*\*

Condominium or cooperative: \$15,000

Renters: \$15,000

\* City home contents coverage may not be less than 10% of City home house coverage.

\*\* City home house without contents is only available if the renovation surcharge applies (house is being rebuilt/course of construction).

## Base premium determination *(not applicable to City home house)*

The base premium is calculated for:

- \$100,000 house coverage insured on an extended replacement cost basis, (or \$40,000 condominium, cooperative, or renters contents coverage insured on a replacement cost basis);
- \$50,000 contents coverage insured on a replacement cost basis (for a Deluxe house with Deluxe or Standard contents coverage only);
- \$30,000 contents coverage insured on a replacement cost basis (for a vacation home house with deluxe or standard contents coverage only);
- \$20,000 other permanent structures coverage for a deluxe house or \$10,000 other permanent structures coverage for a vacation home house (or \$4,000 additions and alterations coverage for a condominium, cooperative, or renters);
- \$50,000 personal liability coverage; and
- \$500 deductible.

## Fire protection

The fire protection factor (not applicable to City home house) and fire protection code is determined by the type of coverage for the residence, the distance a fire hydrant or fire station is from the residence and whether the residence has a central station or direct reporting fire alarm.

In lieu of a fire protection factor, a separate discount is available for fire protection if a city home has a direct or central station reporting fire alarm.

## Value factor *(not applicable to City home house)*

The value factor is determined by using the type of coverage for the location, the fire protection code, and the value of the building or contents. For a house, use the value of the highest valued building at the location (excluding contents) to determine the coverage amount. For a condominium, cooperative, or rental unit, use the value of contents to determine the amount of coverage.

## Deductibles

All homes and contents coverages must have the same deductible. The following flat deductibles are available:

\$250      \$500      \$1,000      \$2,500      \$5,000      \$7,500      \$10,000      \$25,000      \$50,000

## Underinsured houses

If a house is not insured to at least 90% of the amount of coverage we recommend, the payment basis will be conditional replacement cost. There is an undervalue surcharge when coverage is below 80% of the amount of coverage we recommend.



## ***Home and Contents: Rules***

### **Renovated or newly constructed houses**

If new construction of a house or other permanent structures or additions, alterations or renovations to the existing house or other permanent structures occurs that results in the insured living out of the house, the company must be notified.

### **Vacant houses**

If an insured house will be vacant (substantially empty of furnishings and contents) for more than 30 days, the company must be notified.

### **Personal liability**

Liability is rated in the state where the Primary residence (first location with liability) is located regardless of the location of any additional residence(s). If liability is not requested, we apply a discount for each location that building and/or contents coverage is provided.



## Home and Contents: Rules - Discounts

### Applicable to house and contents, condominium, cooperative, and renters

The following discounts are applied to house and contents, condominium, cooperative and renters coverage, if applicable.

**Burglar alarm** – Applicable if the residence has a central station or direct reporting theft or burglar alarm. This discount is not applicable to Deluxe house without contents or with fire contents.

**Fire resistive** – Applicable if the house or the unit is in a building where exterior walls, floors, and roof are built of masonry or other fire resistive materials with a rating of two hours or more.

**Suburban rating** (*not applicable to city homes*) - Applicable to a residence if the following conditions are met:

- the residence is within 3 miles of the first responding fire department which:
  - has at least 2 pumpers; and
  - brings at least 6,000 gallons of water; or
  - brings at least 4,000 gallons of water and has dual response or mutual aid agreement(s) with fire department(s) within 5 miles of the residence which will supply an additional 2,000 gallons of water; and
- the ISO protection class is not greater than 9.

**Gated community** (*not applicable to city homes*) – Applicable if the residence is located in a gated community. A residence is in a gated community if:

- vehicle access is limited to entrances controlled by guards or locked gates at all times;
- proper identification is required to enter; and
- visitors are announced.

This discount is not intended for high rise buildings.

**Gated community patrol service** (*not applicable to city homes*) – Applicable if the residence in the gated community has a fire and burglar alarm that when activated, alerts the community's 24-hour patrol service to dispatch a guard to the residence.

**Premier client** - Applicable in one of two ways, based on either customer tenure or risk tenure:

- customer tenure - applied for a new location if the insured has another location insured by us for three or more consecutive years. The discount will apply to the new location for the first three policy terms. Once a location has a risk tenure of three years or more, the discount will be based on the risk tenure provided we did not pay any property claims for that location; or
- risk tenure - applied for each location insured by us for three or more consecutive years that we did not pay any property claims for that location within the last three years. If a claim we paid is reimbursed in full through salvage and/or subrogation, that claim may be waived when determining eligibility for this discount. This discount is not applied if we paid any property claims for a location due to a loss caused by a catastrophe.

**Portfolio discount – home with valuable articles** – Applicable for a primary, owner-occupied house, condominium, cooperative or a primary occupied rental unit when valuable articles coverage, meeting certain eligibility (see Charts section), is written on the same policy at the same location.

**Portfolio discount – home with auto** - Applicable for a residence, if the residence is not seasonal, secondary or rented to others, listed on the policy when the insured has a good standing active Masterpiece automobile policy with us. If the residence is a house, the house must have contents coverage listed on the policy. A city home may have up to one rental unit and still qualify for this discount. The automobile policy must have at least one private passenger vehicle with physical damage coverage garaged in the state of Pennsylvania at that location.

~~**Portfolio discount – home with valuable articles** – Applicable for a primary, owner-occupied house, condominium, cooperative or a primary occupied rental unit when valuable articles coverage, meeting the eligibility below, is written on the same policy at the same location:~~

- ~~• the total of all itemized and/or blanket valuable articles is at least \$100,000; or~~
- ~~• the total of all itemized and/or blanket valuable articles (excluding fine arts, if any) is at least \$25,000.~~

**Payment history** – Applicable for a residence when the insured (not a mortgagee or lienholder) has paid the premium in full at least two years within the past five years. The five year eligibility period begins with the policy term immediately following the policy term where the premium was paid by the mortgagee or lienholder, if applicable.

**Lien free** (*not applicable to renters*) - Applicable if the residence has no mortgage or lien. This discount is not applied if the residence is vacant, under the course of construction or rented to others.



## Home and Contents: Rules - Discounts

### Applicable to house and contents only

The following additional discounts are applied to house and contents coverage, if applicable.

**Residential sprinkler system** - Applicable if the living areas, basement and heating system area have an approved and properly maintained sprinkler system.

**New house** (*not applicable to city homes*) – Applicable if the house was built within the last seven years.

**Renovated house** (*not applicable to city homes*) – Applicable if the house was renovated within the last six years. If this renovated house discount applies, the new house discount cannot. To qualify as renovated, the plumbing and heating systems and the electrical system must have been completely upgraded including new wiring, receptacles, circuit boxes and conduits in exposed areas. The renovation must have been inspected and approved by licensed civil authorities in compliance with the local building codes.

**Superior protection** (*not applicable to city homes*) – Applicable if one or more of the protection characteristics on the superior protection discount chart apply.

### Applicable to City home house and City home contents

The following additional discounts are applied to City home house and City home contents coverage, if applicable.

**Temperature monitoring system** – Applicable if the city home has a temperature monitoring system which reports directly into a central station or direct fire alarm.

**Restoration** – Applicable if the city home underwent restoration of its plumbing or electrical systems, heating/A.C./ventilating system, or its roof or façade repointing within the last ~~five~~ ten years.

### Applicable to condominium, cooperative, and renters

The following additional discounts are applied to condominium, cooperative, and renters coverage, if applicable.

**Building security protection** - Applicable to a condominium, cooperative, or rental unit meeting all of the following criteria:

- building entrances are at all times:
  - manned; or
  - locked and secured by a central station or direct reporting burglar alarm;
- visitors are announced; and
- elevators are either manned or key controlled or must be accessed through a locked door.

**Building fire protection** - Applicable to a condominium, cooperative, or rental unit meeting all of the following criteria:

- approved and properly maintained sprinkler systems have been installed throughout the building; and
- common areas have a central station or direct reporting fire alarm or fire alarm which alerts the building security staff.



## Home and Contents: Rules – Surcharges and Other Rating Factors

### Applicable to house and contents, condominium, cooperative, and renters

The following surcharges are applied to house and contents, condominium, cooperative, and renters coverage, if applicable.

**Claims surcharge rating factor** - Applicable for **each** residence based on claims **paid** by us to an insured or on behalf of an insured. The surcharge is based on the amount of house coverage or contents and additions and alterations coverage and the number of non-catastrophe claims if paid:

- within the last three years for houses; and
- on or after December 12, 2011 for condominiums, cooperatives and renters.

This **surcharge factor** will be applied to each policy period for the three years after a payment for a claim has been paid. We may waive this surcharge if any claim has been reimbursed in whole through salvage or subrogation.

**Cancellation surcharge – Applicable for each residence that has its insurance cancelled by us for non-payment of premium within the last three years.**

**Rented to others** (*not applicable to city homes*) – Applicable if the residence is rented to others by the insured. A home does not qualify for the Vacation Home program if it is rented for more than 15 days in any given policy term.

### Applicable to house and contents only

The following additional surcharges are applied to house and contents coverage, if applicable.

**Vacation home house nonoccupancy** – Applicable if a vacation home house is unoccupied for more than 90 consecutive days in any given policy term. This surcharge does not apply if:

- there is a full time caretaker or equivalent service with an established maintenance company, or other full time non-rental occupancy during the owner's absence; or
- the house is located in a community with guard service; or
- the house is protected by central station or direct reporting fire and burglar alarm systems, and the responding fire and police departments are within 5 miles of the house.

**Undervalue surcharge** – Applicable for each 10% of coverage (or fraction) below 80% of the amount of coverage we recommend. In this case, the payment basis for a house will be conditional replacement cost. This surcharge will be applied by the company.

**Renovation or construction** (*not applicable to city homes*) - There is a surcharge during:

- new construction of a house or other permanent structures; or
- construction of additions, alterations or renovations to the existing house or other permanent structures that result in the insured living out of the house.

This surcharge will be removed when construction is completed, the house is owner occupied, and the amount of coverage has been adjusted to reflect the proper restoration cost. A Vacant house surcharge will also apply if the house is vacant for more than 30 days. This surcharge will be applied by the company.

**Vacant house** – Applicable for a house with deluxe house coverage or City home house coverage that is vacant for more than 30 days. A renovation or construction surcharge (deluxe house coverage) or renovation surcharge (City home house coverage) may also apply if construction is in progress. A home does not qualify for the Vacation Home program if it is vacant. This surcharge will be applied by the company.

### Applicable to City home house and City home contents

The following additional surcharges are applied to City home house and City home contents coverage, if applicable.

**Rental unit** - Applicable if a unit in a city home is rented to others by the insured. A home does not qualify for the City Home program if it has more than one rental unit or if it is not owner occupied.

**Renovation** - There is a surcharge during construction of additions, alterations or renovations to the city home or other permanent structures that result in the insured living out of the city home. This surcharge will be removed when construction is completed, the city home is owner occupied, and the amount of coverage has been adjusted to reflect the proper restoration cost. A Vacant house surcharge will also apply if the city home is vacant for more than 30 days. This surcharge will be applied by the company.



# Home and Contents: Rules - Coverage Options

## Mold remediation expenses

Mold remediation expense coverage is available in increments of 10%, 25%, 50%, 75% and 100% of the amount of coverage for the house or, if a condominium, cooperative or renters, the combined amount of coverage for contents and additions and alterations. This coverage is in addition to the \$10,000 of mold remediation expense coverage provided in the policy. Mold remediation expense coverage also includes temporary relocation expenses, which is 20% of the amount of mold remediation expense coverage. The home and contents base deductible applies to mold remediation expenses but not to temporary relocation expenses.

Requests to add or increase to a higher increment of mold remediation expense coverage can only be made at new line inception or upon renewal and will be subject to underwriting acceptance. The amount of mold remediation expense coverage can be reduced to a lower increment or to \$10,000 (the amount of coverage provided in the policy) at any time.

## Sinkhole collapse coverage

Sinkhole collapse coverage is available for an extra charge in:

- Deluxe house coverage when Deluxe contents coverage or no contents coverage is purchased,
- City home house coverage when City home contents coverage or no contents coverage is purchased, or
- Vacation home house coverage when Deluxe contents coverage is purchased.

The amount of coverage available is equal to the house amount.

## Earthquake coverage

Type of coverage	Earthquake
Deluxe house, City home house, and Vacation home house	Available*
Deluxe contents, condominium, cooperative, and renters, and City home contents	Included**
Standard contents, condominium, cooperative, and renters	Not available
Fire contents	Not available

\*Earthquake coverage must meet our underwriting guidelines and is only available, for an extra charge in:

- Deluxe house coverage when Deluxe contents coverage or no contents coverage is purchased,
- City home house coverage when City home contents coverage or no contents coverage is purchased, or
- Vacation home house coverage when Deluxe contents coverage is purchased.

The deductible for earthquake coverage is 2% of the amount of coverage.

\*\*Earthquake coverage is not automatically included for deluxe contents with vacation home house coverage. This coverage is only included when earthquake coverage for Vacation home house is chosen.

## Payment basis for other permanent structures

If the payment basis for the house and other permanent structures is Extended replacement cost and the amount of coverage for other permanent structures is reduced to less than 20% of the amount of coverage for the house (Deluxe house coverage or City home house coverage applies) or is reduced to less than 10% of the amount of coverage for the house (Vacation home house coverage applies), Extended replacement cost payment basis is limited for other permanent structures. We will pay up to 25% more than the amount of coverage for other permanent structures, if necessary, for the reconstruction of other permanent structures subject to all other terms and conditions.

## Homeowner or Unit assessments

The premium for deluxe house, vacation home house, city home house, condominiums and cooperatives automatically includes coverage for homeowner/unit assessments of \$50,000, but not more than \$5,000 for any assessment that results from a deductible in the homeowner, condominium or cooperative association's insurance. Homeowner ~~Unit~~ assessments coverage (for any type of house) and Unit assessments coverage (for any type of condominium or cooperative), can be increased in two ways:

- the assessments coverage can be increased in increments of \$1,000; and/or
- the amount of coverage for any assessment that results from a deductible in the homeowners, condominium, or cooperative association's insurance can be increased in increments of \$1,000, not to exceed the amount of coverage for assessments.



## Home and Contents: Rules - Coverage Options

### Landscaping

The premium for deluxe house and vacation home house automatically includes coverage for landscaping of 5% of the amount of house coverage, but not more than \$10,000 for any one tree, shrub or plant. The premium for condominiums, cooperatives and renters automatically includes coverage for landscaping of 10% of the amount of contents coverage, but not more than \$10,000 for any one tree, shrub or plant. Landscaping can be increased in two ways:

- the percentage amount of landscaping coverage can be incrementally increased up to the amount of coverage for the house, or the amount of contents for a condominium, cooperative, or rental unit; and/or
- the amount of coverage per tree, shrub or plant can be increased up to the total amount of coverage for landscaping coverage.

In addition, the following perils can be added to landscaping coverage:

- wind and hail, and/or
- sleet and weight of ice or snow.

### City garden coverage

The premium for city home house automatically includes coverage for city gardens of 5% of the amount of house coverage, but not more than \$10,000 for any one tree, shrub or plant. City garden coverage can be increased in two ways:

- the percentage amount of city garden coverage can be incrementally increased up to the amount of coverage for the city home house; and/or
- the amount of coverage per tree, shrub or plant can be increased up to the total amount of coverage for city garden coverage.

In addition, the following perils can be added to city garden coverage:

- wind and hail, and/or
- sleet and weight of ice and snow.

### Business property

The premium for contents automatically includes coverage for \$25,000 of business property. The amount of on-premises business property can be increased in increments of \$1,000 up to the amount of contents coverage on the policy.

### GreenWise<sup>®</sup> upgrade coverage

GreenWise upgrade coverage is available for Deluxe house, City home house or Vacation home house coverage if the payment basis is extended replacement cost or verified replacement cost, and for condominium and cooperative coverage if the payment basis is replacement cost. However, GreenWise upgrade coverage does not apply to personal property (contents) under fire contents coverage.

GreenWise upgrade coverage is available in increments of 10%, 25%, 50%, 75% and 100% of the amount of coverage for the house or, if condominium or cooperative, the combined amount of coverage for contents and additions and alterations. GreenWise upgrade coverage is not available for a condominium or cooperative if the amount of coverage for additions and alterations has been reduced to zero.

If GreenWise upgrade coverage applies to a location that also has earthquake coverage, then earthquake coverage will apply to GreenWise upgrade coverage and a higher earthquake premium will apply.

### Student additional living expenses coverage

Student additional living expenses coverage includes student additional living expenses and extra tuition expenses. The minimum amount of student additional living expenses coverage that can be added to a policy is \$5,000. The home and contents deductible does not apply to this coverage. [This coverage cannot be added to house coverage without contents coverage or to Vacation home house coverage.](#)

### Assisted living care

Assisted living care coverage includes coverage for contents of a relative-in-care, additional living expenses for the relative-in-care, and personal liability coverage, if personal liability coverage is on the policy. The minimum amount of contents for a relative-in-care that can be added to a policy is \$5,000. A deductible of \$500 applies to contents of a relative-in-care. [This coverage is always rated at one residence regardless of the number of residences on the policy. This coverage cannot be added to house coverage with fire contents coverage or with no contents coverage or to Vacation home house coverage.](#)



## ***Home and Contents: Rules - Coverage Options***

### **Employment practices liability coverage**

Employment practices liability coverage includes coverage for employment practices liability and reputational injury. Employment practices liability coverage is only available on a policy with a personal liability limit of \$1,000,000 or greater. The coverage is always rated at one residence regardless of the number of residences on the policy. A deductible applies to Employment practices liability. No deductible applies to Reputational injury.

### **Family Protection<sup>SM</sup> Coverage**

Family Protection Coverage is always rated at one residence regardless of the number of residences on the policy. The home and contents deductible does not apply to this coverage.

### **Tiering**

The rating tier is determined at new line only and is based upon mutually exclusive characteristics of the risk. The effect of the tiers is not duplicative of any other rating variable.

Each residence will be assigned its own tier. Existing (renewal) business will be placed in a default (neutral) tier (Tier 20). Tier placement is based on mutually exclusive underwriting criteria on file at the company's home office. No insured will be moved to a higher-rated tier at renewal. Accidents and violations used in tier placement are not used in any other rating variable.



## ~~Home and Contents: Rating Steps~~

Following are the rating steps used in calculating premium for **homes and contents**. All premium adjustments are rounded to the nearest whole dollar before being applied to the premium total, unless specified. Premiums are rounded to the nearest whole dollar at the end of each step.

~~Territory: Use the Territories chapter to obtain the rating territory for the residence location.~~

### ~~Step 1—The Base Premium~~

- ~~• Multiply the base premium from the base premium chart by the appropriate coverage type factor from the coverage type chart.~~
- ~~• If applicable, multiply the premium from above by the appropriate factor from the discount writing company chart.~~
- ~~• Multiply the premium from above by the territory factor from the territory relativity chart.~~
- ~~• If applicable, multiply the Burglar alarm factor from the burglar alarm discounts and surcharges chart to the premium from above.~~

### ~~Step 2—Coverage Adjustments~~

- ~~• If applicable, to adjust the amount of coverage for contents, other permanent structures and additions and alterations, multiply the percent of increased or reduced coverage by the factor from the coverage adjustments charts.~~
- ~~• Multiply the factor by the premium from Step 1. This is the coverage amount premium adjustment.~~
- ~~• If applicable, multiply the sum of the sinkhole collapse coverage surcharge, mold remediation expenses surcharge, the GreenWise upgrade coverage surcharge, and/or the actual cash value discount from the applicable coverage adjustments charts by the premium from Step 1. These are the additional coverage amount premium adjustments for the premium, respectively.~~
- ~~• Apply the appropriate coverage amount premium adjustments to the Step 1 premium.~~

### ~~Step 3—Fire Protection~~

- ~~• Multiply the premium from Step 2 by the fire protection factor from the fire protection chart.~~
- ~~• If applicable, multiply the fire resistive discount, the suburban rating discount, and/or the residential sprinkler discount from the applicable discounts and surcharges chart by the premium from Step 2.~~
- ~~• Subtract these discounts from the fire protection adjusted premium.~~

### ~~Step 4—The Value Factor~~

- ~~• Follow the instructions in the value factor chart to obtain the value factor.~~
- ~~• Multiply the premium from Step 3 by the appropriate fire protection code value factor, using the fire protection code determined in Step 3, from the value factor chart.~~

### ~~Step 5—The Deductible Factor~~

~~Multiply the premium from Step 4 by the deductible factor from the deductible factor chart. The deductible factor may not change the premium by more than the maximum amount of change allowed.~~

### ~~Step 6a—Discounts and Surcharges~~

- ~~• Add up the applicable discounts, new house discount, gated community discount, gated community patrol discount, renovated house discount, superior protection discount, building security protection discount, and building fire protection discount from the applicable discounts and surcharges charts.~~
- ~~• Add the applicable surcharge, rented to others surcharge, from the applicable discounts and surcharges charts.~~
- ~~• Figure the difference between the discounts and surcharges, and multiply that difference by the premium from Step 5. This is the net premium discount or surcharge.~~
- ~~• If the result is a net discount, subtract it from the premium from Step 5; If the result is a net surcharge, add it to the premium from Step 5.~~



## ~~Home and Contents: Rating Steps~~

### ~~Step 6b—Discounts and Surcharges~~

- ~~• Add up the applicable discounts, portfolio discount—home with valuable articles, portfolio discount—home with auto, and premier client discount, from the applicable discounts and surcharges charts.~~
- ~~• Add up the applicable surcharges, claims surcharge, undervalue surcharge, renovation or construction surcharge, vacant house surcharge and vacation home non-occupancy surcharge, from the applicable discounts and surcharges charts.~~
- ~~• Figure the difference between the discounts and surcharges, and multiply that difference by the premium from Step 6a. This is the net premium discount or surcharge.~~
- ~~• If the result is a net discount, subtract it from the premium from Step 6a; If the result is a net surcharge, add it to the premium from Step 6a.~~

### ~~Step 7—The Tier Factor~~

~~Multiply the applicable tier factor from the tier factor chart to the premium from Step 6b.~~

### ~~Step 8—Dollar Adjustments~~

~~Subtract any applicable discounts and add any applicable surcharges to the premium from Step 7 from the dollar adjustments charts for liability, house replacement cost, homeowner or unit assessments coverage, landscaping coverage, business property coverage, student additional living expenses, assisted living care coverage, employment practices liability coverage, family protection coverage, and earthquake coverage.~~

## ~~City Home House and Contents: Rating Steps~~

Following are the rating steps used in calculating premium for ~~City home house and City home contents~~. All premium adjustments are rounded to the nearest whole dollar before being applied to the premium total, unless specified. Premiums are rounded to the nearest whole dollar at the end of each step.

~~Territory: Use the Territories chapter to obtain the rating territory for the residence location.~~

### ~~Step 1—The Base Premium~~

- ~~Obtain the City home house base premium for the appropriate writing company from the City home house base premium chart and multiply the base premium per \$100 of coverage.~~
- ~~If applicable, to adjust the amount of coverage for other permanent structures, multiply the percent of increased or reduced coverage by the factor from the coverage adjustments charts. Multiply the factor by the premium from above. This is the coverage amount premium adjustment for other permanent structures. Add the other permanent structures premium to the resulting City home house premium.~~
- ~~If applicable, for Sinkhole collapse coverage, apply the sinkhole collapse coverage factor from the coverage adjustments charts section to the City home house base premium calculated in the first bullet, above. Add this result to the City home contents premium from above.~~

### ~~Step 2a—Coverage Adjustments~~

- ~~If applicable, obtain the City home contents base premium for the appropriate writing company from the City home contents chart and multiply the premium per \$100 of coverage.~~
- ~~If applicable, multiply the actual cash value discount from the applicable coverage adjustments charts by the City home contents premium from above.~~
- ~~Apply the appropriate coverage amount premium adjustments to the Step 1 premium.~~

### ~~Step 2b—Coverage Adjustments~~

- ~~If applicable, multiply the sum of the mold remediation expenses surcharge and the GreenWise upgrade coverage surcharge from the applicable coverage adjustments chart by the premium from Step 2a. This is the additional coverage amount premium adjustment for the premium, respectively.~~
- ~~Apply the appropriate coverage amount premium adjustments to the Step 2a premium.~~

### ~~Step 3—The Deductible Factor~~

~~Multiply the premium from Step 2b by the deductible factor from the deductible factor chart. The deductible factor may not change the premium by more than the maximum amount of change allowed.~~

### ~~Step 4a—Discounts and Surcharges~~

- ~~Add up the applicable discounts, fire alarm discount, burglar alarm discount, residential sprinkler system discount, temperature monitoring system discount, fire resistive discount, and restoration discount from the applicable discounts and surcharges charts.~~
- ~~Multiply the sum of the discounts by the premium from Step 3. This is the net premium discount.~~
- ~~Subtract the net premium discount from the premium from Step 3.~~

### ~~Step 4b—Discounts and Surcharges~~

- ~~Add up the applicable discounts, portfolio discount—home with valuable articles, portfolio discount—home with auto, and premier client discount from the applicable discounts and surcharges charts.~~
- ~~Add up the applicable surcharges, claims surcharge, undervalue surcharge, renovation surcharge, vacant house surcharge, and rental unit surcharge from the applicable discounts and surcharges charts.~~
- ~~Figure the difference between the discounts and surcharges, and multiply that difference by the premium from Step 4a. This is the net premium discount or surcharge.~~
- ~~If the result is a net discount, subtract it from the premium from Step 4a; If the result is a net surcharge, add it to the premium from Step 4a.~~

### ~~Step 5—The Tier Factor~~

~~Multiply the applicable tier factor from the tier factor chart to the premium from Step 4b.~~

### ~~Step 6—Dollar Adjustments~~

~~Subtract any applicable discounts and add any applicable surcharges to the premium from Step 5 from the dollar adjustments charts for liability, house replacement cost, homeowner or unit assessments coverage, city garden coverage, business property, student additional living expenses, assisted living care, employment practices liability coverage, family protection coverage, and earthquake coverage.~~



## Home and Contents: Rating Sequence

Territory: Use the Home and Contents and Valuable Articles Territories chapter to obtain the rating territory for the residence location.

Adjust any discount to a factor by subtracting it from 1.0. Adjust any surcharge to a factor by adding it to 1.0.

Key: x means multiply, \$ means dollar amount

Base premium	\$
Coverage type factor	X
Discount writing company factor	X
Territory factor	X
Burglar alarm factor	X
Coverage adjustments	X
• Contents	
• Other permanent structures	
• Additions and alterations	
Sinkhole collapse coverage	
Mold remediation expenses	
Actual cash value	
GreenWise upgrade	
Fire protection factor	
Fire resistive factor	
Suburban rating factor	X
Residential sprinkler factor	X
Value factor	X
Base deductible factor	X
New house discount	X
Renovated house discount	X
Gated community discount	
Gated community patrol discount	
Superior protection discount	
Building security protection discount	
Building fire protection discount	
Rented to others surcharge	X
Portfolio discounts	
• Home with valuable articles	
• Home with auto	
Premier client discount	
Claims rating factor	
Undervalue surcharge	
Renovation/construction surcharge	
Vacant house surcharge	X
Vacation home non-occupancy surcharge	
Lien free discount	
Payment history discount	
Cancellation surcharge	X
Tier factor	X
Adjusted premium	\$

To the **Adjusted premium** add/subtract dollar adjustments for:

<b>Total premiums by residence</b>
Add or subtract for Liability
Add Earthquake coverage
Add Employment practices liability
Add Family protection coverage
Add Increased Homeowner/Unit assessments
Add Increased Landscaping
Add Increased business property
Add student additional living expense
Add assisted living care
Subtract House replacement cost



## City Home House and Contents: Rating Sequence

Territory: Use the Home and Contents and Valuable Articles Territories chapter to obtain the rating territory for the residence location.

Adjust any discount to a factor by subtracting it from 1.0. Adjust any surcharge to a factor by adding it to 1.0.

Key: x means multiply, \$ means dollar amount

Base premium	\$
Coverage adjustments	
• Contents	
• Other permanent structures	X
Sinkhole collapse coverage surcharge	
Actual cash value	
Mold remediation expenses	X
GreenWise upgrade	
Base deductible factor	X
Fire alarm discount	
Burglar alarm discount	
Residential sprinkler system	
Temperature monitoring system	X
Fire resistive discount	
Restoration discount	
Portfolio discounts	
• Home with valuable articles	
• Home with auto	
Premier client discount	
Undervalue surcharge	X
Renovation surcharge	
Vacant house surcharge	
Rental unit surcharge	
Claims rating factor	
Lien free discount	X
Payment history discount	X
Cancellation surcharge	X
Tier factor	X
Adjusted premium	\$

To the **Adjusted premium** add/subtract dollar adjustments for:

<b>Total premiums by residence</b>
Add or subtract for Liability
Add Earthquake coverage
Add Employment practices liability
Add Family protection coverage
Add Increased Homeowner assessments
Add Increased City garden coverage
Add Increased business property
Add student additional living expense
Add assisted living care
Subtract House replacement cost



## Home and Contents: Charts

### Base premium chart *(not applicable to City home house)*

Type of coverage	Base premium
Deluxe house/Vacation home house	\$ 1098
Condominium/Cooperative	\$ 251
Renters	\$ 265

### Coverage type chart *(not applicable to City home house)*

Coverage	Factor
Deluxe house/deluxe contents	1.100
Deluxe house/standard contents	1.000
Deluxe house without contents or with fire contents*	0.750
Vacation home house with deluxe contents	0.990
Vacation home house with standard contents	0.900
Deluxe condominium or cooperative	1.350
Standard condominium or cooperative	1.000
Deluxe renters	1.350
Standard renters	1.000

\*There is an additional charge in Step 2 for Fire contents coverage.

### City home house base premium chart

Writing Company	Type of coverage	Rate per \$100 all territories
Federal Insurance Company, Vigilant Insurance Company, Pacific Indemnity Company	City home house	\$ 0.277
Great Northern Insurance Company, Chubb Indemnity Insurance Company, Chubb National Insurance Company	City home house	\$ 0.261

### Other permanent structures adjustment - City home house

For each 1% above 20% of house coverage:	For each 1% below 20% of house coverage:
0.50%	0.25%

### Sinkhole collapse coverage

If sinkhole collapse coverage is requested for a house, the factor is 20%.

### Discount Writing Company Charts *(not applicable to City home house)*

	Deluxe house/ vacation home house	Condominium or cooperative	Renters
Vigilant Insurance Company	0.800	0.900	0.900
Pacific Indemnity Company	0.712	0.900	0.900
Great Northern Insurance Company, Chubb National Insurance Company, Chubb Indemnity Insurance Company	0.663	0.850	0.850

## Home and Contents: Charts

Territory relativity chart (not applicable to City home house)

Territory	Deluxe house/vacation home house	Condominium or cooperative	Renters
001	1.000	1.000	1.000
005	0.720	0.519	0.519
006	0.537	0.519	0.519
007	0.512	0.519	0.519
008	0.720	0.519	0.519
009	0.756	0.519	0.519
010	0.611	0.549	0.549
012	0.537	0.519	0.519
014	1.000	1.000	1.000
021	0.676	0.549	0.549
022	0.537	0.519	0.519
023	0.512	0.519	0.519
024	0.676	0.549	0.549
025	0.512	0.519	0.519
027	0.512	0.519	0.519
031	0.570	0.519	0.519
035	0.697	0.610	0.610
037	0.756	0.519	0.519
051	0.697	0.519	0.519
052	0.697	0.519	0.519
053	0.611	0.549	0.549
054	0.720	0.519	0.519
055	0.675	0.549	0.549
056	0.756	0.519	0.519
057	0.676	0.549	0.549
058	0.570	0.519	0.519
059	0.570	0.519	0.519
061	0.611	0.549	0.549
071	0.611	0.549	0.549
073	0.707	0.519	0.519
074	0.675	0.549	0.549
075	0.697	0.519	0.519
076	0.629	0.610	0.610
077	0.697	0.519	0.519
081	0.697	0.519	0.519
082	0.697	0.519	0.519
083	0.707	0.747	0.747
086	0.910	0.747	0.747
087	0.756	0.519	0.519
088	0.697	0.519	0.519
089	0.720	0.519	0.519
090	0.537	0.519	0.519
091	0.697	0.519	0.519
092	0.715	0.549	0.549
093	0.720	0.519	0.519
094	0.697	0.519	0.519
095	0.863	0.747	0.747
096	0.697	0.519	0.519
099	0.611	0.549	0.549
100	0.512	0.519	0.519

## Home and Contents: Charts

**Territory relativity chart** (not applicable to City home house)  
 (continued)

Territory	Deluxe house/vacation home house	Condominium or cooperative	Renters
101	0.910	0.747	0.747
102	0.611	0.549	0.549
104	0.697	0.610	0.610
105	0.697	0.610	0.610
106	0.697	0.610	0.610
107	0.697	0.833	0.833
108	0.697	0.833	0.833
109	0.697	0.610	0.610
110	0.697	0.610	0.610
111	0.697	0.610	0.610
112	0.697	0.610	0.610
113	0.697	0.610	0.610
114	0.697	0.833	0.833
115	0.697	0.610	0.610
116	0.697	0.610	0.610
117	0.697	0.610	0.610
119	0.697	0.610	0.610
120	0.697	0.610	0.610
121	0.697	0.610	0.610
122	0.697	0.833	0.833
123	0.697	0.610	0.610
124	0.697	0.610	0.610
125	0.697	0.610	0.610
126	0.697	0.833	0.833
127	0.697	0.610	0.610
128	0.697	0.610	0.610
129	0.697	0.610	0.610
130	0.697	0.610	0.610
131	0.697	0.610	0.610
132	0.863	0.747	0.747
133	0.727	0.747	0.747
134	0.753	0.519	0.519
135	0.863	0.747	0.747
136	0.863	0.747	0.747
137	0.753	0.519	0.519
138	0.727	0.747	0.747
139	0.629	0.610	0.610
140	0.863	0.747	0.747
141	0.863	0.747	0.747



# Home and Contents: Charts

## Coverage adjustments charts

### Contents adjustment

<b>Additional deluxe or standard contents purchased:</b>	<b>Factor</b>	<b>Reduced deluxe or standard contents purchased:</b>	<b>Factor</b>
For each 1% of contents above 50% of deluxe house	0.40%	For each 1% of contents below 50% of deluxe house	0.35%
For each 1% of contents above 30% of vacation home house	0.40%	For each 1% of contents below 30% of vacation home house	0.35%

**Fire contents** (not applicable to City home house). For every 1% of house coverage that is requested for the fire contents amount, the factor is 0.45%

### City home contents

<b>Writing Company</b>	<b>Amount of coverage</b>	<b>Rate per \$100 all territories</b>
Federal Insurance Company, Vigilant Insurance Company, Pacific Indemnity Company	50% or more of house coverage	\$ 0.312
	40%-49% of house coverage	\$ 0.364
	30%-39% of house coverage	\$ 0.416
	20%-29% of house coverage	\$ 0.467
	10%-19% of house coverage	\$ 0.520
Great Northern Insurance Company, Chubb Indemnity Insurance Company, Chubb National Insurance Company	50% or more of house coverage	\$ 0.293
	40%-49% of house coverage	\$ 0.342
	30%-39% of house coverage	\$ 0.390
	20%-29% of house coverage	\$ 0.450
	10%-19% of house coverage	\$ 0.489

### Other permanent structures adjustment

<b>For each 1% above 20% of deluxe house and above 10% of vacation home house coverage:</b>	<b>For each 1% below 20% of deluxe house and below 10% of vacation home house coverage:</b>
0.50%	0.25%

### Additions and alterations adjustment

<b>Additional additions and alterations purchased:</b>	<b>For each 1% above 10% of additional additions and alterations purchased:</b>
First 20%	0.50%
Additional 20%+	0.53%

**Reduced additions and alterations purchased.** For every 1% of additions and alterations coverage below 10% of contents coverage, the factor is 0.50%.



# Home and Contents: Charts

## Actual cash value adjustment

Apply if actual cash value payment basis applies in lieu of replacement cost payment basis

Actual cash value discount		
Deluxe house/ vacation home house with deluxe or standard contents	City home house with City home contents	Condominium, cooperative, or renters
9%	9%	23%

## Mold remediation expenses chart

Mold remediation expenses coverage		Condominiums, cooperatives, or renters	
Percentage of house coverage	House Surcharge	Percentage of combined amount of contents and additions and alterations	Surcharge
10%	28%	10%	17.5%
25%	36%	25%	22.5%
50%	44%	50%	27.5%
75%	52%	75%	32.5%
100%	60%	100%	37.5%

### GreenWise upgrade coverage - houses

Percentage of house coverage	Surcharge
10%	1%
25%	2%
50%	3%
75%	4%
100%	5%

### GreenWise upgrade coverage – condominium or cooperatives

Percentage of combined amount of contents and additions and alterations	Surcharge
10%	1%
25%	2%
50%	3%
75%	4%
100%	5%

## Fire protection chart (not applicable to City home house)

### Fire protection factor

Fire station within five miles of residence?	Fire hydrant within 1,000 feet of the residence?*	Central station or direct reporting fire alarm?	Deluxe house or vacation home house	Condominium, cooperative, or renters	Fire protection code
Yes	Yes	Yes	0.95	0.95	A
		No	1.00	1.00	A
	No	Yes	1.06	1.10	A
		No	1.18	1.26	B
No	Yes	Yes	1.10	1.15	A
		No	1.26	1.31	B
	No	Yes	1.13	1.18	B
		No	1.38	1.40	B

\*A 10,000 gallon water source (private hydrant, pool, etc.) which is accessible year-round is also acceptable.



# Home and Contents: Charts

## Value factor chart (not applicable to City Home House)

**Fire protection code.** Use the fire protection chart to determine whether a residence is fire protection code A or B.

**Value of building or contents.** For a house, use the value of the highest valued building at the location (excluding contents) to determine the coverage amount. For a condominium, cooperative, or rental unit, use the value of contents to determine the amount of coverage. **Round the value to the nearest \$1,000.**

If the building or contents value is not in the chart, calculate your value factor using the nearest value factor and the factor increase per \$1,000.

**EXAMPLE: \$153,000 deluxe house or vacation home house with deluxe contents, fire protection code A**

**For \$150,000 the value factor is 1.4500; the value factor per \$1,000 is 0.00900.**

Figure the difference between the value of the building or contents and the nearest value in the chart (less than or equal to) and divide by 1,000. This provides the number of thousands between the values.

$$\begin{array}{r}
 \$153,000 \\
 -\$150,000 \\
 \hline
 \$ 3,000 \div \$1,000 = 3
 \end{array}$$

Multiply the value factor per 1,000 by the number of thousands between values  
 $3 \times 0.0090 = 0.027$

Add this amount to the \$150,000 value factor 1.4500  
 $1.4500 + 0.0270 = 1.4770$   
 The result, 1.4770, is the value factor for this example.

Value of building	Deluxe house or vacation home house			
	Fire protection code A		Fire protection code B	
	Value factor	Value factor per \$1,000	Value factor	Value factor per \$1,000
\$ 50,000	0.5000	0.01000	0.5000	0.01000
\$ 55,000	0.5500	0.01000	0.5500	0.01000
\$ 60,000	0.6000	0.01000	0.6000	0.01000
\$ 65,000	0.6500	0.01000	0.6500	0.01000
\$ 70,000	0.7000	0.01000	0.7000	0.01000
\$ 75,000	0.7500	0.01000	0.7500	0.01000
\$ 80,000	0.8000	0.01000	0.8000	0.01000
\$ 85,000	0.8500	0.01000	0.8500	0.01000
\$ 90,000	0.9000	0.01000	0.9000	0.01000
\$ 95,000	0.9500	0.01000	0.9500	0.01000
\$ 100,000	1.0000	0.00900	1.0000	0.01134
\$ 150,000	1.4500	0.00900	1.5670	0.01134
\$ 250,000	2.3500	0.00760	2.7010	0.00958
\$ 500,000	4.2500	0.00700	5.0960	0.00882
\$ 700,000	5.6500	0.00600	6.8600	0.00756
\$ 1,000,000	7.4500	0.00600	9.1280	0.00756
\$ 1,500,000	10.4500	0.00600	12.9080	0.00756
\$ 3,000,000	19.4500	0.00620	24.2480	0.00782
\$ 5,000,000	31.8500	0.00640	39.8880	0.00806
\$ 7,500,000	47.8500	0.00640	60.0380	0.00806
\$10,000,000	63.8500	0.00640	80.1880	0.00806
\$20,000,000+	127.8500	0.00640	160.7880	0.00806



# Home and Contents: Charts

## Value factor chart

(continued)

Condominium, cooperative, or renters Fire protection codes A and B		
Value of contents	Value factor	Value factor per \$1,000
\$ 15,000	0.3550	0.02580
\$ 30,000	0.7420	0.02580
\$ 40,000	1.0000	0.02800
\$ 150,000	4.0800	0.02580
\$ 1,000,000	26.0100	0.02580
\$ 1,500,000	38.9100	0.02580
\$ 3,000,000	77.6100	0.02580
\$ 5,000,000	129.2100	0.02580

## Deductible factor charts

### Deluxe house, Vacation home house, Condominium, Cooperative, or Renters:

~~Deductible factor. Determine factors for values not listed by interpolating between the closest lower and higher listed values where applicable.~~

~~EXAMPLE: For a \$4,250,000 house with a base deductible of \$ 2,500~~

#### ~~Base deductible:~~

~~Find the difference between the factors listed for values higher and lower than the house value:~~

~~Factor for a \$ 5,000,000 house with a \$ 2,500 deductible is **0.900**~~

~~Factor for a \$ 2,500,000 house with a \$ 2,500 deductible is **0.835**~~

~~The difference is **0.065** (Amount A).~~

~~Find the fraction of the difference to be applied:~~

~~$\frac{\text{House value minus lower listed value}}{\text{Higher listed value minus lower listed value}}$~~

~~$\frac{(4,250,000 - 2,500,000)}{(5,000,000 - 2,500,000)}$~~

~~$= 0.700$  (Amount B).~~

~~$= 0.700$  (Amount B).~~

~~Multiply Amount A by Amount B. Add the result to the lower listed value to determine the appropriate deductible factor:~~

~~$0.835 + (0.065 * 0.700) = 0.881$  (base deductible factor).~~

### Deluxe House, Vacation Home House Base deductible

Value of building	\$250	\$500	\$1,000	\$2,500	\$5,000	\$7,500	\$10,000	\$25,000	\$50,000
\$ 15,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 50,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 500,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 1,000,000	1.200	1.150	0.950	0.800	0.625	0.550	0.520	0.450	0.400
\$ 2,500,000	1.200	1.150	1.100	0.835	0.750	0.650	0.545	0.490	0.425
\$ 5,000,000	1.500	1.250	1.100	0.900	0.800	0.750	0.620	0.535	0.450
\$ 7,500,000 and greater	1.500	1.300	1.250	0.950	0.900	0.850	0.800	0.750	0.564

[We interpolate between the closest lower and higher listed values where applicable.](#)



# Home and Contents: Charts

## Deductible factor charts

(continued)

Value of Contents and A&A combined	Condominium, cooperative, or renters Base deductible								
	\$250	\$500	\$1,000	\$2,500	\$5,000	\$7,500	\$10,000	\$25,000	\$50,000
\$ 15,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 50,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 500,000	1.150	1.050	0.900	0.735	0.600	0.550	0.500	0.450	0.400
\$ 1,000,000	1.200	1.150	0.950	0.800	0.625	0.550	0.520	0.450	0.400
\$ 2,500,000	1.200	1.150	1.100	0.835	0.750	0.650	0.545	0.490	0.425
\$ 5,000,000	1.500	1.250	1.100	0.900	0.800	0.750	0.620	0.535	0.450
\$ 7,500,000 and greater	1.500	1.300	1.250	0.950	0.900	0.850	0.800	0.750	0.564

[We interpolate between the closest lower and higher listed values where applicable.](#)

### City home house

Base deductible	Deductible factors	Maximum amount of change
\$ 250	1.250	No Maximum
\$ 500	1.120	No Maximum
\$ 1,000	1.000	--
\$ 2,500	0.875	\$ 1,500
\$ 5,000	0.750	\$ 3,000
\$ 7,500	0.688	\$ 4,500
\$ 10,000	0.625	\$ 7,000
\$ 25,000	0.563	\$ 9,000
\$ 50,000	0.500	\$13,000

## Discounts and surcharges charts

Burglar alarm	Factor
Deluxe house or vacation home house with deluxe or standard contents	0.95
Deluxe house with fire contents or no contents	1.00
Deluxe or standard condominium, cooperative, or renters	0.95

Discounts	Deluxe house or vacation home house	Condominium, cooperative, or renters
Gated community	5%	5%
Gated community patrol service	5%	5%
Residential sprinkler system	10%	N/A
Fire resistive	15%	15%
Suburban rating discount	10%	10%
<del>Portfolio discount — home with valuable articles</del>	<del>10%</del>	<del>10%</del>
<del>Portfolio discount — home with auto</del>	<del>10%</del>	<del>10%</del>
Payment history		
• 2 years paid in full; or	X	X
• 3+ years paid in full.	X	X
Lien free*	X	X
Building security protection	N/A	5%
Building fire protection	N/A	5%

\* [Not applicable to Renters policies.](#)



# Home and Contents: Charts

## Discounts and surcharges charts (continued)

### Portfolio discounts

	House	Condominium, cooperative, or renters
Home with auto	XX%	XX%
Home with valuable articles	<b>Minimum eligible amount of coverage</b>	
<ul style="list-style-type: none"> <li>the total of all itemized and/or blanket valuable articles is at least \$250,000; or</li> <li>the total of all itemized and/or blanket valuable articles (excluding fine arts, if any) is at least \$50,000.</li> </ul>	XX%	XX%
<ul style="list-style-type: none"> <li>the total of all itemized and/or blanket valuable articles is at least \$100,000; or</li> <li>the total of all itemized and/or blanket valuable articles (excluding fine arts, if any) is at least \$25,000.</li> </ul>	XX%	XX%

We will apply the highest percentage of discount for which the residence qualifies.

\* Portfolio discounts are **not** applied to the 25% maximum total discount for City home house.

Discounts	City home house (A maximum total discount of 25% applies to City home house)*
Fire alarm	5%
Burglar alarm	5%
Temperature monitoring system	5%
Residential sprinkler system	10%
Fire resistive	15%
<del>Portfolio discount — home with valuable articles</del>	<del>10%</del>
<del>Portfolio discount — home with auto</del>	<del>10%</del>
Payment history	
<ul style="list-style-type: none"> <li>2 years paid in full; or</li> <li>3+ years paid in full.</li> </ul>	X
Lien free	X

\* ~~Portfolio discounts are not applied to the 25% maximum total discount for City home house.~~

\* Lien free is not applied to the 25% maximum total discount for City home house.

### Restoration discount for City home house \*

	Restoration completed within 5 years	Restoration completed within 6-10 years
Plumbing system	2%	1%
Electrical system	2%	1%
Heating/A.C./ventilating system	2%	1%
Roof	2%	1%
Façade repointing	2%	1%

\* Restoration discounts are included in the 25% maximum total discount for City home house.



# Home and Contents: Charts

## Superior protection

Superior protection discounts	Deluxe house	Vacation home house
Security protection for the entire external perimeter of the house consisting of any one or more of the following: <ul style="list-style-type: none"> <li>closed circuit TV cameras monitored 24 hours a day;</li> <li>detection system, external to the residence which is motion activated and monitored 24 hours per day;</li> <li>24 hour on site security guard.</li> </ul>	5%	5%
Full time caretaker who lives at the residence year round. This discount applies only if a 24 hour on site security guard is not present.	2%	4%
24 hour signal continuity protection for central station or direct fire and burglar alarm systems which activates the alarm when interrupted.	2%	2%
Perimeter gate where vehicular and pedestrian access is limited to entrances controlled by locked or electronic gates. This discount does not apply if any other Gated community discount applies.	2%	2%
Sprinkler system water flow alarm which activates a central station or direct alarm.	2%	2%
Temperature monitoring system, to protect against freezing, which activates a central station alarm.	2%	4%
Permanently installed, electrical power back-up generator capable of servicing heat, light, alarm and sprinkler systems.	5%	5%
Explosive gas leakage detector which activates a central station or direct fire alarm.	2%	2%
Automatic seismic shut-off valve to gas lines which activates automatically in the event of an earthquake.	2%	2%
Lightning protection system having a U.L. Master Label and installed by a certified Lightning Protection Institute installer. The system must include lightning rods and lightning arresters protecting the electrical wiring and all electronic devices of the entire house.	2%	2%
Water leak detection and control system having a U.L. Master Label. The system must monitor all areas containing plumbing devices and outlets. In the event of a leak, this system must: <ul style="list-style-type: none"> <li>close the master plumbing valve; or</li> <li>close the master plumbing valve and activate a central station or</li> <li>direct alarm.</li> </ul>	3%	3%
	5%	5%
The maximum total discount for Superior protection is 15%.		



## Home and Contents: Charts

### New house and Renovated house discounts *(not applicable to City home house)*

New house	Age of dwelling	Renovated house	Years since oldest renovation
21%	0	17%	0
21%	1	17%	1
18%	2	15%	2
15%	3	12%	3
12%	4	9%	4
9%	5	6%	5
6%	6	3%	6
3%	7		

### Premier Client Discount

Risk tenure	Customer tenure	Loss free	
		No	Yes
0 years	1 year	0.0%	0.0%
0 years	2 years	0.0%	0.0%
0 years	3 years	-1.0%	-1.0%
0 years	4 years	-1.5%	-1.5%
0 years	5 years	-2.0%	-2.0%
0 years	6 years	-2.5%	-2.5%
0 years	7 years	-3.0%	-3.0%
0 years	8 years	-4.0%	-4.0%
0 years	9+ years	-5.0%	-5.0%
1 year	1 year	0.0%	0.0%
1 year	2 years	0.0%	0.0%
1 year	3 years	-1.0%	-1.0%
1 year	4 years	-1.5%	-1.5%
1 year	5 years	-2.0%	-2.0%
1 year	6 years	-2.5%	-2.5%
1 year	7 years	-3.0%	-3.0%
1 year	8 years	-4.0%	-4.0%
1 year	9+ years	-5.0%	-5.0%



## Home and Contents: Charts

### Discounts and surcharges charts (continued)

#### Premier Client Discount (continued)

Risk tenure	Customer tenure	Loss free	
		No	Yes
2 years	2 years	0.0%	0.0%
2 years	3 years	-1.0%	-1.0%
2 years	4 years	-1.5%	-1.5%
2 years	5 years	-2.0%	-2.0%
2 years	6 years	-2.5%	-2.5%
2 years	7 years	-3.0%	-3.0%
2 years	8 years	-4.0%	-4.0%
2 years	9+ years	-5.0%	-5.0%
3 years	3+ years	0.0%	-5.0%
4 years	4+ years	0.0%	-5.8%
5 years	5+ years	0.0%	-6.6%
6 years	6+ years	0.0%	-7.5%
7 years	7+ years	0.0%	-8.3%
8 years	8+ years	0.0%	-9.1%
9+ years	9+ years	0.0%	-10.0%

Surcharges	Deluxe house or vacation home house	City home house	Condominium, cooperative, or renters
<a href="#">Cancellation surcharge</a>	X	X	X
Rented to others surcharge	25%	N/A	25%
Rental unit	N/A	5%	N/A
Vacation home house nonoccupancy surcharge*	10%	N/A	N/A
Undervalue surcharge*	20%	20%	N/A
Renovation or construction surcharge*	25%	N/A	N/A
Renovation surcharge*	N/A	25%	N/A
Vacant house surcharge (Deluxe house only)*	25%	25%	N/A

\*Applied by Company.



## Home and Contents: Charts

### Discounts and surcharges charts

(continued)

#### Claims **rating factor** **surcharges**

Amount of house coverage \$1,000,000 or less						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	20.0%	44.0%	72.5%	107.5%	150.0%
2 years	0.0%	16.0%	39.2%	66.8%	100.5%	141.3%
3 years	-2.5%	12.0%	34.3%	61.2%	93.5%	132.7%
4 years	-3.3%	8.0%	29.5%	55.5%	86.5%	124.0%
5 years	-4.2%	5.3%	24.7%	49.7%	79.5%	115.5%
6 years	-5.0%	2.7%	19.8%	43.8%	72.5%	107.0%
7 years	-5.8%	0.0%	15.0%	38.0%	65.5%	98.5%
8 years	-6.7%	-2.5%	12.3%	32.0%	58.3%	89.8%
9+ years	-7.5%	-5.0%	9.5%	26.0%	51.0%	81.0%

Amount of house coverage equal to \$2,000,000						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	15.0%	35.5%	60.0%	89.0%	123.0%
2 years	0.0%	10.8%	30.7%	54.2%	82.2%	115.0%
3 years	-2.5%	6.7%	25.8%	48.3%	75.3%	107.0%
4 years	-3.3%	2.5%	21.0%	42.5%	68.5%	99.0%
5 years	-4.2%	0.8%	17.0%	37.8%	62.8%	92.3%
6 years	-5.0%	-0.8%	13.0%	33.2%	57.2%	85.7%
7 years	-5.8%	-2.5%	9.0%	28.5%	51.5%	79.0%
8 years	-6.7%	-3.8%	5.8%	24.8%	47.0%	73.8%
9+ years	-7.5%	-5.0%	2.5%	21.0%	42.5%	68.5%

We interpolate for house coverage amounts between \$1,000,001 and \$1,999,999.

Amount of house coverage \$5,000,000 or greater						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	10.0%	26.5%	45.5%	67.5%	92.5%
2 years	0.0%	6.7%	22.7%	41.2%	62.5%	86.8%
3 years	-5.0%	3.3%	18.8%	36.8%	57.5%	81.2%
4 years	-5.8%	0.0%	15.0%	32.5%	52.5%	75.5%
5 years	-6.6%	-1.7%	11.7%	28.7%	48.0%	70.3%
6 years	-7.5%	-3.3%	8.3%	24.8%	43.5%	65.2%
7 years	-8.3%	-5.0%	5.0%	21.0%	39.0%	60.0%
8 years	-9.1%	-6.2%	2.5%	18.0%	35.5%	56.0%
9+ years	-10.0%	-7.5%	0.0%	15.0%	32.0%	52.0%

We interpolate for house coverage amounts between \$2,000,001 and \$4,999,999.



## Home and Contents: Charts

### Discounts and surcharges charts (continued)

### Claims **rating factor** **surcharges** (continued)

Amount of contents and additions and alterations coverage \$250,000 or less						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	20.0%	44.0%	72.5%	107.5%	150.0%
2 years	0.0%	16.0%	39.2%	66.8%	100.5%	141.3%
3 years	-2.5%	12.0%	34.3%	61.2%	93.5%	132.7%
4 years	-3.3%	8.0%	29.5%	55.5%	86.5%	124.0%
5 years	-4.2%	5.3%	24.7%	49.7%	79.5%	115.5%
6 years	-5.0%	2.7%	19.8%	43.8%	72.5%	107.0%
7 years	-5.8%	0.0%	15.0%	38.0%	65.5%	98.5%
8 years	-6.7%	-2.5%	12.3%	32.0%	58.3%	89.8%
9+ years	-7.5%	-5.0%	9.5%	26.0%	51.0%	81.0%

Amount of contents and additions and alterations coverage equal to \$500,000						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	15.0%	35.5%	60.0%	89.0%	123.0%
2 years	0.0%	10.8%	30.7%	54.2%	82.2%	115.0%
3 years	-2.5%	6.7%	25.8%	48.3%	75.3%	107.0%
4 years	-3.3%	2.5%	21.0%	42.5%	68.5%	99.0%
5 years	-4.2%	0.8%	17.0%	37.8%	62.8%	92.3%
6 years	-5.0%	-0.8%	13.0%	33.2%	57.2%	85.7%
7 years	-5.8%	-2.5%	9.0%	28.5%	51.5%	79.0%
8 years	-6.7%	-3.8%	5.8%	24.8%	47.0%	73.8%
9+ years	-7.5%	-5.0%	2.5%	21.0%	42.5%	68.5%

We interpolate for contents and additions and alterations coverage amounts between \$250,001 and \$499,999.

Amount of contents and additions and alterations coverage \$1,000,000 or greater						
Risk tenure	Number of losses					
	0	1	2	3	4	5+
1 year	0.0%	10.0%	26.5%	45.5%	67.5%	92.5%
2 years	0.0%	6.7%	22.7%	41.2%	62.5%	86.8%
3 years	-5.0%	3.3%	18.8%	36.8%	57.5%	81.2%
4 years	-5.8%	0.0%	15.0%	32.5%	52.5%	75.5%
5 years	-6.6%	-1.7%	11.7%	28.7%	48.0%	70.3%
6 years	-7.5%	-3.3%	8.3%	24.8%	43.5%	65.2%
7 years	-8.3%	-5.0%	5.0%	21.0%	39.0%	60.0%
8 years	-9.1%	-6.2%	2.5%	18.0%	35.5%	56.0%
9+ years	-10.0%	-7.5%	0.0%	15.0%	32.0%	52.0%

We interpolate for contents and additions and alterations coverage amounts between \$500,001 and \$999,999.



## Home and Contents: Charts

### Tier factor chart

Tier	House factor	Condominium, cooperative, or renters factor
1	0.62890	0.72900
2	0.66680	0.76370
3	0.70710	0.79990
4	0.75050	0.83800
5	0.79760	0.87850
6	0.84530	0.92060
7	0.89680	0.96430
8	0.95060	1.01020
9	1.00770	1.05820
10	1.06960	1.10870
11	1.13410	1.16160
12	1.20320	1.21700
13	1.28630	1.27980
14	1.36580	1.34170
15	1.44970	1.40570
16	1.53710	1.47330
17	1.66510	1.57620
18	1.76530	1.64440
19	2.17950	1.96620
20	1.00000	1.00000



# Home and Contents: Charts

## Dollar adjustments charts

### Liability

Liability is rated in the state where the Primary residence (first location with liability) is located.

Amount of coverage	Primary location Any liability		Each additional location Personal liability		Excess only*
	Is coverage provided for Building and/or contents?		Is coverage provided for Building and/or contents?		
	Yes	No	Yes	No	
\$ 50,000	\$ 0	\$ 15	\$ 0	\$ 15	N/A
\$ 100,000	\$ 39	\$ 54	\$ 9	\$ 24	N/A
\$ 200,000	\$ 65	\$ 80	\$ 14	\$ 29	N/A
\$ 300,000	\$ 88	\$ 103	\$ 17	\$ 32	N/A
\$ 500,000	\$ 116	\$ 131	\$ 22	\$ 37	N/A
\$ 1,000,000	\$ 128	\$ 143	\$ 25	\$ 40	\$ 20
\$ 2,000,000	\$ 152	\$ 167	\$ 29	\$ 44	\$ 24
\$ 3,000,000	\$ 167	\$ 182	\$ 30	\$ 45	\$ 26
\$ 5,000,000	\$ 187	\$ 202	\$ 36	\$ 51	\$ 29
\$10,000,000	\$ 266	\$ 281	\$ 42	\$ 57	\$ 41

\*These premiums only apply when the insured requests building and/or contents coverage for one or more locations.

**No personal liability coverage.** Subtract \$15 for each location that building and/or contents coverage is provided if no personal liability coverage is provided.

### House replacement cost

Subtract \$5 if verified or conditional replacement cost payment basis applies in lieu of extended replacement cost payment basis. House replacement cost can only be applied by the Company.

### Employment practices liability

Add the amount from the following chart based on the amount of coverage selected. The coverage is always rated at one residence and the residence must be listed for Personal liability coverage.

Charge for Employment practices liability coverage with a \$10,000 deductible					
Code	Employment practices liability		Reputational injury		
	Amount of coverage	Maximum annual amount of coverage	Amount of coverage	Maximum annual amount of coverage	Additional premium
A	\$250,000	\$500,000	\$25,000	\$25,000	\$ 650
B	\$500,000	\$500,000	\$50,000	\$50,000	\$ 975



# Home and Contents: Charts

## Dollar adjustments charts

(continued)

### Homeowner/unit assessments

	For each additional \$1,000 homeowner/unit assessments coverage over \$50,000, add:	For each additional \$1,000 coverage for an assessment due to a deductible in the homeowner, condominium, or cooperative association's insurance over \$5,000, add:
Deluxe house	\$2	\$2
Vacation home house	\$2	\$2
City home house	\$2	\$2
Deluxe condominium or cooperative	\$2	\$2
Standard condominium or cooperative	\$2	\$2

Refer to Company for:

- a total amount of homeowner or unit assessments coverage greater than \$500,000 or greater than the amount of coverage for house, or the combined amount of coverage for additions and alterations and contents; or
- for an amount exceeding \$50,000 for coverage for an assessment due to a deductible in the homeowners , condominium, or cooperative association's insurance.

### Landscaping

	For each additional \$1,000 landscaping coverage over 5% of the amount of house coverage and 10% of the amount of contents coverage, add:	For each additional \$5,000 over \$10,000 for any one tree, shrub, or plant, add:
Deluxe house	\$4	\$50
Vacation home house	\$4	\$50
Deluxe and standard condominium, cooperative, or renters	\$4	\$50

Refer to company to increase coverage for landscaping:

- over \$250,000 for the total amount of landscaping coverage; or
- over \$50,000 for the amount of coverage for any tree, shrub or plant.

### Landscaping

	For each additional \$1,000 landscaping coverage over \$250,000, add:	For each additional \$5,000 over \$50,000 for any one tree, shrub, or plant, add:
Deluxe house	\$4	\$50
Vacation home house	\$4	\$50
Deluxe and standard condominium, cooperative, or renters	\$4	\$50



# Home and Contents: Charts

## Dollar Adjustments charts

(continued)

### Landscaping – wind and hail coverage

	For each \$1,000 landscaping coverage with the perils of wind and hail included, add:
Deluxe house	\$15
Vacation home house	\$15
Deluxe and standard condominium, cooperative, or renters	\$15

This increased coverage will be added by the Company.

### Landscaping – sleet and weight of ice and snow coverage

	For each \$1,000 landscaping coverage with the perils of sleet and weight of ice and snow included, add:
Deluxe house	\$15
Vacation home house	\$15
Deluxe and standard condominium, cooperative, or renters	\$15

This increased coverage will be added by the Company.

### City garden coverage

	For each additional \$1,000 city garden coverage over 5% of the amount of city home house coverage, add:	For each additional \$5,000 over \$10,000 for any tree, shrub, or plant, add:
City home house	\$4	\$50

Refer to company to increase coverage for landscaping:

- over \$250,000 for the total amount of landscaping coverage; or
- over \$50,000 for the amount of coverage for any tree, shrub or plant.

### ~~City garden coverage~~

	<del>For each additional \$1,000 city garden coverage over \$500,000 add:</del>	<del>For each additional \$5,000 over \$50,000 for any one tree, shrub, or plant, add:</del>
<del>City home house</del>	<del>\$4</del>	<del>\$50</del>

### City garden coverage – wind and hail coverage

	For each \$1,000 city garden coverage with the perils of wind and hail included, add:
City home house	\$15

This increased coverage will be added by the Company.



# Home and Contents: Charts

## Dollar Adjustments charts

(continued)

### City garden coverage – sleet and weight of ice and snow coverage

For each \$1,000 city garden coverage with the perils of sleet and weight of ice and snow included, add:

City home house	\$15
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This increased coverage will be added by the Company.

### Business property

For each additional \$1,000 on premises business property coverage over \$25,000, add:

Deluxe contents	\$5
Standard contents	\$5
Fire contents	\$5
City home contents	\$5
Deluxe condominium, cooperative, or renters	\$5
Standard condominium, cooperative, or renters	\$5

For a total amount of business property coverage greater than \$250,000, refer to Company. The increased coverage will be applied by the Company.

### Student additional living expenses

For \$5,000 student additional living expenses coverage, add:

For each \$1,000 student additional living expenses coverage, greater than \$5,000, add:

Deluxe contents	\$25	\$1.50
Standard contents	\$25	\$1.50
Fire contents	\$25	\$1.50
City home contents	\$25	\$1.50
Deluxe condominium, cooperative, or renters	\$25	\$1.50
Standard condominium, cooperative, or renters	\$25	\$1.50

For a total amount of student additional living expenses coverage greater than \$250,000, refer to Company. The increased coverage will be applied by the Company.



## Home and Contents: Charts

### Dollar Adjustments charts

(continued)

#### Assisted living care coverage – contents of a relative-in-care

	For the first \$5,000 assisted living care coverage – contents of a relative-in-care, add:	For each \$1,000 assisted living care coverage – contents of a relative-in-care, greater than \$5,000, add:
Deluxe contents	\$50	\$5
Standard contents	\$50	\$5
City home contents	\$50	\$5
Deluxe condominium, cooperative, or renters	\$50	\$5
Standard condominium, cooperative, or renters	\$50	\$5

For a total amount of assisted living care coverage greater than \$250,000, refer to Company. The increased coverage will be applied by the Company.

#### Family protection coverage

The premium for Family protection coverage is \$110.

#### Earthquake coverage

For a house add \$0.60 for every \$1,000 of house coverage. For a house with GreenWise upgrade coverage, multiply the earthquake rate by 1.05.