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## **Program Rules**

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### **Introduction**

Property and liability coverages for watercraft may be written on a stand alone policy, or may be endorsed to a Homeowners policy using endorsement 99-8022. In the case of endorsement the program rules applicable to the Homeowners program are also applicable to the Boat coverages described in this section.

Sail, inboard, outboard, and inboard/outboard watercraft up to 26 feet in length are eligible for coverage. Watercraft must be privately owned and used only for pleasure purposes. Coverage can only be written for the following:

- Outboards
- Inboards/Outboards
- Inboards
- Sailboats
- Pontoons
- Jet Skis, Waverunners, and Other Personal Watercraft
- Rowboats
- Canoes
- Outboard Motors
- Boat Trailers
- Boat Equipment and Accessories

A fully completed application signed by the insured is required for all coverage requests. All watercraft, outboard motors, trailers, and equipment must be separately described on the application.

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### **Underwriting**

#### **Rules for Operators**

Operators should be at least 20 years of age; however, operators under 20 years of age are also eligible if the automobile policies of their parents or legal guardians are written with Rockford Mutual. Occasional operators who do not possess a valid driver's license are not eligible for coverage.

The motor vehicle driving record history of any operator within the household must not exceed the following:

- 1 incident (moving violation or chargeable accident) in the past 3 years;
- No driver's license suspensions or revocations in the past 3 years; or
- No major violations in the past 5 years. Examples of major violations include driving under the influence of alcohol (DUI), leaving the scene of an accident, open alcohol in vehicle, reckless driving, and fleeing/eluding a police officer.

The combined motor vehicle driving record history of all operators within the household must not exceed the following:

- 2 moving violations or 1 moving violation and 1 chargeable accident in the past 3 years; or
- 1 incident (moving violation or chargeable accident) in the past 1 year.

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**Program Rules**

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**Underwriting  
Rules for Boats**

**Risks with the following characteristics require approval from your underwriter prior to binding coverage:**

- Outboard boats exceeding 150 total horsepower.
- Inboard and inboard/outboard boats exceeding 200 horsepower.
- Boats 15 years of age or older.
- Jet skis, waverunners, or other personal watercraft.

**Risks with the following characteristics are ineligible for coverage:**

- Boats exceeding \$40,000 in value.
- Boats exceeding 26 feet in length.
- Kit or homemade boats.
- Jet boats, houseboats, hydroplanes, hydrofoils, airboats, and iceboats.
- Boats installed with converted or non-marine engines.
- Boats used for racing, speed, or other performance contests.
- Boats with an advertised maximum speed exceeding 45 miles per hour.
- Boats having horsepower in excess of the manufacturer's advertised maximum.
- Boats used for commercial purposes.

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**Program Rules**

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**Primary Coverages**

**Physical Damage.** Pays for direct and accidental loss to covered watercraft and its motors and trailers, subject to certain exclusions.

**Personal Liability Coverage.** Pays damages for bodily injury or property damage which an insured becomes legally responsible arising from the ownership, maintenance, use, loading, or unloading of covered watercraft.

**Medical Payments to Others Coverage.** Covers medical expenses incurred by persons, other than an insured, who sustain bodily injury caused by an accident arising out of the ownership, maintenance, use, loading, or unloading of covered watercraft.

**Uninsured Motorists Coverage.** Pays damages which an insured is legally entitled to recover from the owner or operator of an uninsured watercraft because of bodily injury sustained by an insured and caused by an accident.

**Underinsured Motorists Coverage.**

- Pays damages which an insured is legally entitled to recover from the owner or operator of an underinsured watercraft because of bodily injury sustained by an insured and caused by an accident. An underinsured watercraft means a watercraft which has bodily injury coverage at the time of the loss but its bodily injury coverage limits are less than the limit of liability for this coverage.
- The limits for Underinsured Motorists Coverage must be equal to the Uninsured Motorists Coverage limits.

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**Loss Settlement**

All covered property losses are settled on an actual cash value basis, subject to the limit of liability shown on the Declarations.

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**Territorial Limits**

Watercraft coverage is provided while the watercraft is afloat or on land within the United States or Canada. Coverage is excluded while the watercraft is on coastal waters or oceans.

## Program Rules

### Physical Damage Premiums

Premiums per \$100 of insurance. Determine amount of insurance based on the actual cash value of the motor, boat, trailer, or equipment. Refer to your underwriter prior to binding coverage for boats 15 years of age or older.

#### OUTBOARD MOTORS

Horsepower	Deductible			
	\$50	\$100	\$250	\$500
0 to 50	\$2.25	\$1.80	\$1.44	\$1.26
51 to 100	\$2.63	\$2.10	\$1.68	\$1.47
101 to 150	\$3.25	\$2.60	\$2.08	\$1.82
151 to 175 *	\$3.50	\$2.80	\$2.24	\$1.96
Over 175 *	\$3.75	\$3.00	\$2.40	\$2.10

#### WATERCRAFT

Type of Watercraft	Deductible			
	\$50	\$100	\$250	\$500
Outboard	\$2.50	\$2.00	\$1.60	\$1.40
Inboard & Inboard/Outboard	\$2.69	\$2.15	\$1.72	\$1.51
Personal Watercraft *	\$6.75	\$5.40	\$4.32	\$3.78
Sailboats	\$2.06	\$1.65	\$1.32	\$1.16
Non-Motorized	\$1.13	\$0.90	\$0.72	\$0.63

#### WATERCRAFT TRAILERS, EQUIPMENT, AND ACCESSORIES

Type of Property	Deductible			
	\$50	\$100	\$250	\$500
Equipment & Accessories	\$2.94	\$2.35	\$1.88	\$1.65
Trailers	\$2.31	\$1.85	\$1.48	\$1.30

\* Refer to your underwriter prior to binding coverage.

## **Program Rules**

### **Personal Liability**

#### **Premiums**

Premiums also include Medical Payments to Others Coverage (\$1,000 Limit). Refer to your underwriter prior to binding coverage for boats 15 years of age or older.

#### **OUTBOARD MOTORS/BOATS**

	<b>Personal Liability Coverage Limit (In Thousands)</b>					
<b>Horsepower</b>	<b>\$100</b>	<b>\$200</b>	<b>\$300</b>	<b>\$400</b>	<b>\$500</b>	<b>\$1,000</b>
51 to 100	\$24	\$29	\$31	\$33	\$35	\$44
101 to 150	\$26	\$31	\$34	\$36	\$37	\$48
151 to 175 *	\$34	\$41	\$44	\$47	\$49	\$63
Over 175 *	\$43	\$52	\$56	\$59	\$62	\$79

#### **INBOARD AND INBOARD/OUTBOARD BOATS**

	<b>Personal Liability Coverage Limit (In Thousands)</b>					
<b>Horsepower</b>	<b>\$100</b>	<b>\$200</b>	<b>\$300</b>	<b>\$400</b>	<b>\$500</b>	<b>\$1,000</b>
0 to 200	\$45	\$54	\$59	\$62	\$65	\$83
Over 200 *	\$56	\$68	\$73	\$77	\$81	\$103

#### **PERSONAL WATERCRAFT**

	<b>Personal Liability Coverage Limit (In Thousands)</b>					
<b>Horsepower</b>	<b>\$100</b>	<b>\$200</b>	<b>\$300</b>	<b>\$400</b>	<b>\$500</b>	<b>\$1,000</b>
0 to 90 *	\$115	\$139	\$150	\$159	\$166	\$212
Over 90 *	\$170	\$206	\$221	\$235	\$245	\$313

\* Refer to your underwriter prior to binding coverage.

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**Program Rules**


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**Medical Payments****To Others --****Increased Limits**

<u>Watercraft Endorsement</u>		<u>Watercraft Policy Rates</u>	
Limit	Premium	Limit	Premium
\$2,000	\$3	\$500	Add \$5
\$3,000	\$5	\$1,000	Add \$10
\$4,000	\$8		
\$5,000	\$10		
\$10,000	\$20		

**Uninsured/Underinsured****Motorists Coverage**

Limits	Premium
\$25,000/\$50,000	\$15
\$50,000/\$100,000	\$23
\$100,000/\$300,000	\$38

**Home/Auto Credit**

If the Home/Auto Credit applies to the underlying Homeowners policy, apply a factor of 0.75 to the premiums for all coverages under this section.

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\* 12 MONTH NAVIGATION PERIOD – INCREASE TOTAL PREMIUM BY 25%

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## Program Rules

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### Introduction

Property and liability coverage may be written on a stand alone policy, or may be endorsed to a Homeowners policy using endorsement 99-8023. In the case of endorsement the program rules applicable to the Homeowners program are also applicable to the Recreational Vehicle coverages described in this section.

Recreational vehicles eligible for coverage include the following:

- **All-Terrain Vehicles** with 4 or more wheels used primarily off public roads, utilizing wheels or balloon tires for movement.
- **Golf Carts** used primarily for golfing purposes or within the boundaries of a private residential community.
- **Snowmobiles** designed for use primarily on snow or ice, using crawler-type treads or belts for locomotion.
- **Trailers** designed for the transport of recreational vehicles.

A fully completed application signed by the insured is required for all coverage requests. All recreational vehicles and trailers must be separately described on the application.

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### Underwriting Rules for Operators

Operators should be at least 20 years of age; however, operators under 20 years of age are also eligible if the automobile policies of their parents or legal guardians are written with Rockford Mutual. Occasional operators who do not possess a valid driver's license are not eligible for coverage.

The motor vehicle driving record history of any operator within the household must not exceed the following:

- 1 incident (moving violation or chargeable accident) in the past 3 years;
- No driver's license suspensions or revocations in the past 3 years; or
- No major violations in the past 5 years. Examples of major violations include driving under the influence of alcohol (DUI), leaving the scene of an accident, open alcohol in vehicle, reckless driving, and fleeing/eluding a police officer.

The combined motor vehicle driving record history of all operators within the household must not exceed the following:

- 2 moving violations or 1 moving violation and 1 chargeable accident in the past 3 years; or
- 1 incident (moving violation or chargeable accident) in the past 1 year.

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### Underwriting Rules for Vehicles

Vehicles 15 years of age or older must be submitted to your underwriter prior to binding coverage.

**Risks with the following characteristics are ineligible for coverage:**

- Vehicles used for racing, speed, licensed for road use or other performance contests.
- Snowmobiles with an engine size exceeding 800cc
- All-terrain vehicles with an engine size exceeding 600cc.
- All-terrain vehicles with fewer than 4 wheels.

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## Program Rules

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### Primary Coverages

**Physical Damage.** Pays for direct and accidental loss to a covered recreational vehicle, their trailers, and related equipment, subject to certain exclusions.

**Personal Liability Coverage.** Pays damages for bodily injury or property damage which an insured becomes legally responsible arising from the ownership, maintenance, use, loading, or unloading of covered recreational vehicles.

**Medical Payments to Others Coverage.** Covers medical expenses incurred by persons, other than an insured, who sustain bodily injury caused by an accident arising out of the ownership, maintenance, use, loading, or unloading of covered recreational vehicles.

**Uninsured Motorists Coverage.** Pays damages which an insured is legally entitled to recover from the owner or operator of an uninsured recreational vehicle because of bodily injury sustained by an insured and caused by an accident.

**Underinsured Motorists Coverage.**

- Pays damages which an insured is legally entitled to recover from the owner or operator of an underinsured recreational vehicle because of bodily injury sustained by an insured and caused by an accident. An underinsured recreational vehicle means a vehicle which has bodily injury coverage at the time of the loss but its bodily injury coverage limits are less than the limit of liability for this coverage.
- The limits for Underinsured Motorists Coverage must be equal to the Uninsured Motorists Coverage limits.

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### Loss Settlement

All covered property losses to recreational vehicles are settled on an actual cash value basis, subject to the limit of liability shown on the Declarations.

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### Territorial Limits

Recreational vehicle coverage is provided while the vehicle is within the United States and Canada.

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### Physical Damage Premiums

Premiums per \$100 of insurance. Determine amount of insurance based on the actual cash value of the recreational vehicle, including the cost of any original factory equipment.

Vehicle Type	Deductible			
	\$50	\$100	\$250	\$500
All-Terrain Vehicles (ATV's)	\$5.00	\$4.00	\$3.20	\$2.80
Golf Carts	\$3.88	\$3.10	\$2.48	\$2.17
Snowmobiles	\$5.00	\$4.00	\$3.20	\$2.80
Trailers	\$2.31	\$1.85	\$1.48	\$1.30



# FARM LIABILITY PROGRAM

## General Information

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### POLICY AVAILABILITY

Farm personal liability (Section II) coverage is available only when packaged with a property (Section I) policy written through an affiliated mutual company.

### COVERAGE AVAILABILITY

Farm personal liability (FCPL) coverage may be issued to the following:

- Owner occupant and operator of a farm premises; or
- Tenant occupant and operator of a farm premises.

Farm premises only liability (OLT) coverage may be issued to owners of a farm premises who do not reside on the farm.

### BINDING AUTHORITY

An agent may bind coverage in accordance with the eligibility rules described in this manual. **Do not bind coverage when a risk or any portion of a risk does not satisfy these eligibility requirements.**

### AVAILABLE LIMITS OF LIABILITY

Coverage L (Farm personal Liability) is available in the following limits:

\$ 50,000  
\$ 100,000 (standard)  
\$ 300,000  
\$ 500,000  
\$ 1,000,000

Coverage M (Medical Payments to Others) is available in the following limits:

\$ 1,000 (standard)  
\$ 2,000  
\$ 5,000  
\$ 10,000

The limit of liability for Coverage L (Farm Personal Liability) and Coverage M (Medical Payments to Others) must be uniform for all exposures covered by the policy. All Coverage L limits are per occurrence. All Coverage M limits are per person.

# FARM LIABILITY PROGRAM

## General Information

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### POLICY TERM

All policies are written with a 12-month policy term.

### PREMIUMS

- When the Coverage L limit of liability is \$100,000 or greater, the following minimum premiums apply:
  - (1) \$70 if farm liability coverage is written on:
    - (a) A farmette (Code 19052); or
    - (b) A farm rented to others *and* that farm is located in the same state which the named insured principally resides (Codes 12050A, 12060A, 12070A, 12071A, 12072A, 12073A, and 12074A).
  - (2) \$100 in all other situations.
- All premiums for each coverage will be rounded to the nearest whole dollar. A premium involving 50 cents or more will be rounded to the next higher whole dollar.
- Premium changes or return premium resulting from any change or cancellation will be computed on a pro-rata basis.

### APPLICATIONS

- Fully completed applications signed by the insured need to be received by the mutual company within 10 working days from the effective date of the policy.
- Two photos of the dwelling (front and back) and photos of all outbuildings on the premises (whether insured or not) are required with the application.
- Any additional information the agent can supply about the risk should also be included with the application.

### DECLINATIONS

If it is necessary to decline a risk, we will issue a notice of cancellation.

### CANCELLATIONS

Policy cancellations can be requested with either an insured's declaration page, signed lost policy release, or a signed request from the insured.

**Program Rules**

**Personal Liability**

**Premiums**

Premiums also include the following coverages:

- Passenger Liability Coverage;
- Uninsured/Underinsured Motorists Coverage (Limits: \$25,000 per person/\$50,000 per accident); and
- Medical Payments to Others Coverage (\$1,000 Limit).

Vehicle Type	Personal Liability Coverage Limit (In Thousands)					
	\$100	\$200	\$300	\$400	\$500	\$1,000
ATV's (0-500cc)	\$75	\$91	\$98	\$104	\$108	\$138
ATV's (501-600cc)	\$95	\$115	\$123	\$131	\$136	\$174
Golf Carts	\$65	\$79	\$85	\$90	\$94	\$120
Snowmobiles (0-500cc)	\$75	\$91	\$98	\$104	\$108	\$138
Snowmobiles (501-800cc)	\$95	\$115	\$123	\$131	\$136	\$174

**Medical Payments**

**To Others --**

**Increased Limits**

<u>Recreational Vehicle Endorsement</u>		<u>Recreational Vehicle Policy Rates</u>	
Limit	Premium	Limit	Premium
\$2,000	\$3	\$500	Add \$5
\$3,000	\$5	\$1,000	Add \$10
\$4,000	\$8		
\$5,000	\$10		
\$10,000	\$20		

**Uninsured/Underinsured Motorists -- Increased**

**Limits**

Limits	Premium
\$50,000/\$100,000	\$10
\$100,000/\$300,000	\$20

**Lay Up Period**

3 Month – apply a factor of .80 to liability & physical damage base premium

6 Month – apply a factor of .60 to liability & physical damage base premium

**Home/Auto Credit**

If the Home/Auto Credit applies to the underlying Homeowners policy, apply a factor of 0.75 to the premiums for all coverages under this section.

