

Guam Business Automobile Tariff

This manual contains the rules and classifications governing the writing of business automobile insurance under a standard Business Automobile Policy. This Guam Business Automobile Tariff combined with the Guam Private Automobile Tariff Manual together replace the Guam Automobile Tariff released and effective on June 30, 1994. These rules and rates are approved by the Insurance Commissioner of Guam

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The scope of this manual is such that any cases not provided for herein must be filed separately and approved by the Insurance Commissioner of Guam before use. Otherwise, there are no allowable deviations from the standard business automobile policy.

Rule 1: Definitions

As used in this manual the following definitions apply:

- A. Airport Bus or Airport Shuttle Bus or Airport Shuttle is a bus used to transport people to and from, or within airports. These vehicles will usually be equipped with larger luggage space, and incorporate special branding. In this manual shall be rated as a Bus when the gross vehicle weight is more than 5,000 pounds.
- B. Blind Spot Detection is defined as technology designed to alert you to cars or objects in your blind spot during driving or parking, or both. Usually, it will respond when you put on your turn signal; if it detects something in the way, it may flash a light in your mirror, cause the seat or steering wheel to vibrate, or sound an alarm.
- C. Bodily Injury is defined as bodily injury, sickness or disease, including death.
- D. Bus also known as Passenger Carrying Commercial Vehicle is defined as a large motor vehicle designed or used to transport passengers by road which weighs more than 5,000 pounds and requires a Guam Commercial Driver's License (CDL). This is one of the eight vehicle classifications in this manual.
- E. Business Use refers to the use of a private passenger vehicle being regularly involved in the occupation or profession of the Insured and any other person operating the vehicle or is owned by an entity even if used solely for the driver's personal use.
- F. Charter or Tour Bus means a bus, which is operated by or for a charter-party carrier of passengers which has anywhere from 36 to 60 seats. In this manual shall be rated as a Bus when the gross vehicle weight is more than 5,000 pounds.
- G. Classification is a defined classification for the vehicle with a correlating rate modifier.
- H. Collision Coverage refers to the upset of an auto or the impact with another vehicle or object.
- I. Combined Single Limit Liability refers to one limit of liability that covers both Bodily Injury and Property Damage Coverages. This limit makes the coverage for all components of a claim a single dollar amount.
- J. Comprehensive Coverage refers to other than collision and typhoon damage to a motor vehicle.
- K. Driver Assistance as used in this manual is a Rearview Video System (Back Up Camera) AND Rear Object Detection System (Back Up Sensor). Must have BOTH features.
- L. Emergency Brake System (EBS) as used in this manual means Dynamic Brake Support (DBS) and Crash Imminent Braking (CIB). Using cameras mounted on the front of the vehicle, this system assists a driver in avoiding or mitigating a collision with another vehicle or object in front of them. DBS provides additional braking force in addition to the driver's intentional braking action while CIB on the other hand initiates braking without input from the driver.
- M. Forklift is a vehicle with a pronged device in front for lifting and carrying heavy loads. This applies only when registered for use on Guam roads and while travelling on Guam roads. Operational use of a forklift is not covered under automobile liability.
- N. Gross Vehicle Weight as used in this manual refers to the maximum loaded weight for which a single vehicle is designed, as specified by the manufacturer.

- O. Heavy Truck means motor vehicles with a truck body or panel truck weighing more than 5,000 pounds. This is one of the eight vehicle classifications in this manual.
- P. Insurable Interest is defined as a legal or financial interest by the insured person or business entity in the value of the motor vehicle.
- Q. Lane Departure Warning Systems as used in this manual utilizes sensor to visually monitor the left or right side lane markers of the traveling lane. If there is a risk of the vehicle leaving the traveling lane unintended, the system flashes an indication and sounds a warning chime. The monitoring is done via camera systems mounted on the upper windshield of the vehicle.
- R. Liability refers only to Bodily Injury and Property Damage Coverages.
- S. Light Truck means motor vehicles with a pick-up truck body or panel truck or medium truck weighing 5,000 pounds or less. This is one of the eight vehicle classifications in this manual.
- T. Limousine is a large, luxurious automobile, driven by a chauffeur who is separated from the passengers by a partition and carries a maximum of 10 passengers. In this manual, a Limousine shall be rated as Taxi Cab.
- U. Loss of Use is the compensation a person will receive for the period of time that they are without the use of their car due to covered damages sustained and the resulting repairs that need to be made. It is also referred to as Rental Reimbursement / Transportation Expense Coverage and applies to first party.
- V. Medical Payments is first party coverage and reimburses medical expenses of an insured who sustains bodily injury caused by an auto accident, without regard to fault.
- W. Minibus means a charter or tour bus which has fewer than 35 passengers. In this manual shall be rated as a Bus when the gross vehicle weight is more than 5,000 pounds. When the minibus weighs less than 5,000 pounds it then shall be rated as a taxi.
- X. Miscellaneous Types of Vehicles means vehicles that have limited coverage under the unendorsed business auto policy. Examples of these vehicles include all- terrain vehicles, dune buggies or golf carts. This is one of the eight vehicle classifications in this manual.
- Y. Mobile Equipment refers to equipment such as tractors, diggers, earthmovers, farm machinery, etc. that even when self-propelled, are not considered automobiles for insurance purposes unless they are subject to a compulsory or financial responsibility law or other motor vehicle insurance law. See **Rule 6.A. Vehicle Classification 8 - Miscellaneous Vehicles** for rating.
- Z. Motorcycle, Scooter, or a similar type of vehicle is defined as a vehicle with less than four wheels that is powered by a motor and has no pedals. This is one of the eight vehicle classifications in this manual.
- AA. Occasional Driver is defined as a person who is not classified as a principal operator and his operation of the vehicle is occasional, incidental, and unpredictable but he can usually be expected to operate the vehicle during the year.
- BB. Owned Vehicle as used in this manual includes:
- a. The registered owner of the vehicle;
 - b. An auto leased under contract for a continuous period of at least six months; or
 - c. A vehicle owned by a trust.

- CC.** Passenger Hazard Liability means the legal liability of a vehicle owner for their negligence resulting in injury or death of passengers, whether the vehicle is moving or stationary, while passengers are being carried in or upon the vehicle, boarding the vehicle or alighting from the vehicle.
- DD.** Passenger Transportation Vehicle is any vehicle registered, designed and used to carry passengers for hire or to provide service to the public at large as part of a public transit system. In this manual shall be rated as a Bus when the gross vehicle weight is more than 5,000 pounds. When a Passenger Transportation Vehicle weighs less than 5,000 pounds it shall be rated as a Taxi.
- EE.** Passive Disabling Device is a device which disables a vehicle by making the fuel, ignition or starting system inoperative. A disabling device is categorized as passive if a separate manual step is NOT required to engage the device.
- FF.** Principal Operator is a person who holds a valid driver's license to drive an auto and who regularly or customarily drives the insured vehicle.
- GG.** Principal Driver is defined as a person who is not of legal age to own a vehicle and who holds a valid driver's license to drive an auto and whose operation of the vehicle is regular.
- HH.** Private Passenger Auto is a four-wheel auto of the private passenger, station wagon or SUV type. When used for business, as defined in E. above, this is one of the eight vehicle classifications in this manual.
- II.** Property Damage is defined as damage to or loss of use of tangible property.
- JJ.** Road Sign Recognition as used in this manual is a system that notifies the driver when a speed limit sign or traffic sign is detected, keeping the driver informed of speed limit changes and other important road information. The system captures road sign information via camera. The road sign message is shown on the multi-information display to keep the driver aware of important information.
- KK.** Single Limit Liability is similar to a combined single limit. For the purposes of this tariff, Single Limit Liability shall mean that the insurer will pay up to a certain dollar amount for an entire claim, regardless of the number of injuries or the cost of injury(ies) to a single person.
- LL.** Split Limit Liability breaks your liability coverage down into three parts: 1) bodily injury liability limit per person; 2) bodily injury liability limit per accident; and 3) property damage liability coverage per accident. The most that can be paid in any one occurrence is the liability limit of bodily injury per accident plus the liability limit of property damage per accident.
- MM.** Taxi Cab is an automobile with a seating capacity for not more than six (6) passengers (excluding the driver) that carries passengers for a fare usually determined by the distance traveled but is not used to pick-up, transport and discharge passengers along a route. This is one of the eight vehicle classifications in this manual.
- NN.** Tractor is an engineering vehicle specifically designed to deliver a high tractive effort at slow speeds, for the purposes of hauling a trailer or machinery used in agriculture or construction. A tractor is considered Mobile Equipment as defined in **Rule 1 Y**.

- OO.** Trailer an unpowered vehicle towed by another designed for transporting something. See Miscellaneous Types of Vehicles for rating.
- PP.** Transit Bus is a type of bus used on shorter-distance public transport bus services. Several configurations are used, including low-floor buses, high-floor buses, double-decker buses, articulated buses and minibuses. It is one of many passenger transportation vehicles. In this manual it shall be rated as a Bus when the gross vehicle weight is more than 5,000 pounds.
- QQ.** Tractor-Trailer is a large truck with a long trailer attached to the back of it. For the purposes of this manual, it shall be considered and rated as a Heavy Truck.
- RR.** Trolley Bus is a trolley style bus that runs under the power of its own engine and is not electric. In this manual shall be rated as a Bus when the gross vehicle weight is more than 5,000 pounds.
- SS.** Typhoon for purposes of providing Typhoon insurance shall refer to those windstorms which the Governor of Guam has announced a change from Typhoon Condition IV, Guam's normal weather conditions, to Typhoon Condition III until such time as the Typhoon Condition is returned to IV.
- Guam Typhoon Conditions according to Guam Homeland Security:**
- **Condition IV:** *Guam is always in Condition IV. A typhoon may develop and hit the island within 72 hours.*
 - **Condition III:** *A typhoon may possibly hit the island within 48 hours.*
 - **Condition II:** *A typhoon is expected to hit the island within 24 hours.*
 - **Condition I:** *A typhoon is expected to hit the island within 12 hours.*
- TT.** U-Drive means a vehicle which is offered to be rented, leased or loaned to a customer without a driver. This is one of the eight vehicle classifications in this manual.
- UU.** Uninsured Motorist refers to an at-fault driver or vehicle owner who has no third-party auto liability insurance or has insurance that does not meet the Guam bodily injury liability minimum amounts.

Rule 2: Eligibility

- A. Private passenger autos used in business that are owned by sole proprietors; corporations, partnerships, unincorporated associations, government agencies, or rated as part of a fleet.
- B. Light Trucks
- C. Heavy Trucks
- D. Passenger Transportation Vehicles
- E. Taxicabs
- F. Rental Vehicles (U-Drive)
- G. Motorcycles, Scooters, or Similar Type Vehicle used in business
- H. Miscellaneous Vehicles used in business

Rule 3: Classifications

- A. Determine the eligibility through ownership and use of the vehicle.
- B. Determine the classification of the vehicle as follows:
 - 1) Private Passenger Auto
 - 2) Light Truck
 - 3) Heavy Truck
 - 4) Bus, as defined in **Rule 1**:
 - a. Charter or Tour Bus;
 - b. Minibus;
 - c. Transit Bus;
 - d. Trolley Bus;
 - e. Airport Bus;
 - f. Passenger Transportation Vehicle.
 - 5) Taxi Cab including Limousine
 - 6) U-Drive or Rental Vehicle
 - 7) Motorcycle, Scooter or Similar Type Vehicle used for business
 - 8) Miscellaneous Vehicles:
 - a. Forklift;
 - b. Trailer; and
 - c. Mobile Equipment subject to a compulsory insurance law.

Rule 4: Mandatory Limits

In accordance with Title 16, Chapter 19 of the Guam Code Annotated, it is required that each owner of a motor vehicle required to be registered must purchase insurance pursuant to the following limits:

- (a) Third Party Bodily Injury Liability coverage shall provide that any liability of an insured to pay for injury arising from an accident within Guam for the minimum amount of **\$25,000 for each person injured in any one accident and \$50,000 in aggregate for all persons injured in any one accident;**
- (b) Third Party Property Damage Liability Insurance shall provide any liability to an insured to pay for property damage to any vehicle or other property not owned or controlled by the insured for the minimum amount of **\$20,000 for property damage in any one accident.**

Rule 5: Optional Insurance Coverages

All eligible vehicles, subject to **Rules 2 and 3**, have the option of purchasing the following coverages. Optional Insurance Coverages are not mandatory or required to be purchased, nor is an Insurance Carrier required to provide such coverage.

The base premium charge for these optional coverages will be outlined in **Rule 6** of this manual.

- **Physical Damage Coverages:**
 - **Collision** - covers loss to a covered automobile due to its colliding with another vehicle or object or the overturn of the automobile;
 - **Comprehensive** - covers against loss or damage resulting from any cause except those covered by Collision and specifically excluded;
 - **Typhoon** – may be deleted from Comprehensive Coverage and refers to windstorms that are assigned a name by the National Weather Service only.

- **Uninsured Motorists Coverage** - covers injury sustained by an insured when an accident is caused by a motorist that does not have insurance. Coverage applies to **Bodily Injury only**.

- **Medical Payments Coverage** - first party coverage. Reimburses medical expenses of an insured who sustains bodily injury caused by an auto accident, without regard to fault.

- **Towing and Labor Coverage** - pays for the costs incurred for towing and labor each time a covered auto is disabled. Labor must be performed at the place of disablement.

- **Loss of Use as defined in Rule 1 or Rental Reimbursement/Transportation Expense Coverage**- covers rental car charges incurred in connection when a covered comprehensive or collision loss is payable, up to a specified amount.

- **Non-Owned Auto Coverage** – provides coverage for an automobile that is used in connection with the business, but is not owned, leased, hired, rented or borrowed by the insured.

- **Hired Auto Coverage** – provides coverage for vehicles that are rented, hired without a driver, loaned, leased or borrowed by the insured.

- **Passenger Hazard Liability Coverage** – provides coverage for the legal liability of a vehicle owner for their negligence resulting in injury or death of passengers, whether the vehicle is moving or stationary, while passengers are being carried in or upon the vehicle, boarding the vehicle or alighting from the vehicle. Coverage may also be extended to provide property damage to the personal belongings of passengers.

Rule 6: Part A - Base Premium Determination

The Bodily Injury, Property Damage, Collision, and Comprehensive premiums of a Business Automobile shall be determined as follows:

1. Refer to **Table A** and **Table B** for each classification to develop the base premium charges.
2. If Typhoon coverage is to be excluded from Comprehensive coverage apply the “Modifier to Exclude Typhoon” to get the *Comprehensive excluding Typhoon* base rate.
3. To apply a Deductible modifier, refer to **Table C** for each classification and multiply base premiums by the appropriate modifier. Modifiers are percentages shown of the Standard Comprehensive and Collision premiums.
4. Refer to the individual companies for limits not shown in **Table A** for each classification or for Single Liability Limits.

Vehicle Classification 1 - PRIVATE PASSENGER AUTO USED IN BUSINESS

See **Rule 1. HH.** for the definition of Private Passenger Auto.

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$96	\$25,000 per person \$50,000 per accident	\$113	\$20,000 per accident

Table B – Physical Damage Standard Premium Calculations

To calculate the base premium for each of the following coverages use the vehicle value for \$1,000 - \$6,000 and charge against the appropriate rate. For any vehicle valued at greater than \$6,000 take the remaining value (i.e. Vehicle Value - \$6,000 = Remaining Value) and charge against the appropriate rate. Add these two premiums together to get the base premium for the Coverage.

<u>Vehicle Value</u>	<u>Comprehensive Premium Rate</u>	<u>Modifier to Exclude Typhoon</u>	<u>Collision Premium Rate</u>
\$1,000 - \$6,000	4.88%	.666	7.42%
\$6,001 or greater	4.27%	.618	5.36%

Table C – Deductible Standard Premium Calculations

<u>Deductible Amount</u>	<u>Comprehensive/Typhoon Modifier</u>	<u>Collision Modifier</u>
\$100	Standard	Not Available
\$200	.90	Standard
\$250	.85	.985
\$300	.80	.97
\$400	.75	.94
\$500	.70	.90
\$1,000	.55	.85

Vehicle Classification 2 - LIGHT TRUCK USED IN BUSINESS

See **Rule 1. S.** for the definition of Light Truck.

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$118	\$25,000 per person \$50,000 per accident	\$134	\$20,000 per accident

Table B – Physical Damage Standard Premium Calculations

To calculate the base premium for each of the following coverages use the vehicle value for \$1,000 - \$6,000 and charge against the appropriate rate. For any vehicle valued at greater than \$6,000 take the remaining value (i.e. Vehicle Value - \$6,000 = Remaining Value) and charge against the appropriate rate. Add these two premiums together to get the base premium for the Coverage.

<u>Vehicle Value</u>	<u>Comprehensive Premium Rate</u>	<u>Modifier to Exclude Typhoon</u>	<u>Collision Premium Rate</u>
\$1,000 - \$6,000	4.81%	.661	7.12%
\$6,001 or greater	4.20%	.611	5.28%

Table C – Deductible Standard Premium Calculations

<u>Deductible Amount</u>	<u>Comprehensive/Typhoon Modifier</u>	<u>Collision Modifier</u>
\$100	Standard	Not Available
\$200	.90	Standard
\$250	.85	.985
\$300	.80	.97
\$400	.75	.94
\$500	.70	.90
\$1,000	.55	.85

Vehicle Classification 3 - HEAVY TRUCK

See **Rule 1. O.** for the definition of Heavy Truck.

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$145	\$25,000 per person \$50,000 per accident	\$154	\$20,000 per accident

Table B – Physical Damage Standard Premium Calculations

To calculate the base premium for each of the following coverages use the vehicle value for \$1,000 - \$6,000 and charge against the appropriate rate. For any vehicle valued at greater than \$6,000 take the remaining value (i.e. Vehicle Value - \$6,000 = Remaining Value) and charge against the appropriate rate. Add these two premiums together to get the base premium for the Coverage.

<u>Vehicle Value</u>	<u>Comprehensive Premium Rate</u>	<u>Modifier to Exclude Typhoon</u>	<u>Collision Premium Rate</u>
\$1,000 - \$6,000	3.91%	.583	8.53%
\$6,001 or greater	3.60%	.547	6.40%

Table C – Deductible Standard Premium Calculations

<u>Deductible Amount</u>	<u>Comprehensive/Typhoon Modifier</u>	<u>Collision Modifier</u>
\$100	Standard	Not Available
\$200	.90	Standard
\$250	.85	.985
\$300	.80	.97
\$400	.75	.94
\$500	.70	.90
\$1,000	.55	.85

Vehicle Classification 4 – TAXI CAB

See **Rule 1. MM.** for the definition of Taxi Cab.

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$276	\$25,000 per person \$50,000 per accident	\$232	\$20,000 per accident

Table B – Physical Damage Standard Premium Calculations

To calculate the base premium for each of the following coverages use the vehicle value for \$1,000 - \$6,000 and charge against the appropriate rate. For any vehicle valued at greater than \$6,000 take the remaining value (i.e. Vehicle Value - \$6,000 = Remaining Value) and charge against the appropriate rate. Add these two premiums together to get the base premium for the Coverage.

<u>Vehicle Value</u>	<u>Comprehensive Premium Rate</u>	<u>Modifier to Exclude Typhoon</u>	<u>Collision Premium Rate</u>
\$1,000 - \$6,000	4.35%	.625	12.67%
\$6,001 or greater	4.07%	.600	8.61%

Table C – Deductible Standard Premium Calculations

<u>Deductible Amount</u>	<u>Comprehensive/Typhoon Modifier</u>	<u>Collision Modifier</u>
\$100	Standard	Not Available
\$200	.90	Standard
\$250	.85	.985
\$300	.80	.97
\$400	.75	.94
\$500	.70	.90
\$1,000	.55	.85

Vehicle Classification 5 – Bus

See **Rule 1. D.** for the definition of Bus.

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$145	\$25,000 per person \$50,000 per accident	\$154	\$20,000 per accident

Table B – Physical Damage Standard Premium Calculations

To calculate the base premium for each of the following coverages use the vehicle value for \$1,000 - \$6,000 and charge against the appropriate rate. For any vehicle valued at greater than \$6,000 take the remaining value (i.e. Vehicle Value - \$6,000 = Remaining Value) and charge against the appropriate rate. Add these two premiums together to get the base premium for the Coverage.

<u>Vehicle Value</u>	<u>Comprehensive Premium Rate</u>	<u>Modifier to Exclude Typhoon</u>	<u>Collision Premium Rate</u>
\$1,000 - \$6,000	3.91%	.583	8.53%
\$6,001 or greater	3.60%	.547	6.40%

Table C – Deductible Standard Premium Calculations

<u>Deductible Amount</u>	<u>Comprehensive/Typhoon Modifier</u>	<u>Collision Modifier</u>
\$100	Standard	Not Available
\$200	.90	Standard
\$250	.85	.985
\$300	.80	.97
\$400	.75	.94
\$500	.70	.90
\$1,000	.55	.85

Classification 6 – U-DRIVE

See **Rule 1. TT.** for the definition of U-Drive.

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$345	\$25,000 per person \$50,000 per accident	\$290	\$20,000 per accident

Table B – Physical Damage Standard Premium Calculations

To calculate the base premium for each of the following coverages use the vehicle value for \$1,000 - \$6,000 and charge against the appropriate rate. For any vehicle valued at greater than \$6,000 take the remaining value (i.e., Vehicle Value - \$6,000 = Remaining Value) and charge against the appropriate rate. Add these two premiums together to get the base premium for the Coverage.

<u>Vehicle Value</u>	<u>Comprehensive Premium Rate</u>	<u>Modifier to Exclude Typhoon</u>	<u>Collision Premium Rate</u>
\$1,000 - \$6,000	4.35%	.624	12.67%
\$6,001 or greater	4.07%	.600	8.61%

Table C – Deductible Standard Premium Calculations

<u>Deductible Amount</u>	<u>Comprehensive/Typhoon Modifier</u>	<u>Collision Modifier</u>
\$100	Standard	Not Available
\$200	.90	Standard
\$250	.85	.985
\$300	.80	.97
\$400	.75	.94
\$500	.70	.90
\$1,000	.55	.85

Classification 7 – MOTORCYCLE, SCOOTER OR SIMILAR TYPE OF VEHICLE USED FOR BUSINESS

See **Rule 1. Z.** for the definition of Motorcycle, Scooter or Similar Type of Vehicle.

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$46	\$25,000 per person \$50,000 per accident	\$44	\$20,000 per accident

The above shall be subject to the following Passenger Exclusion Clause:

It is hereby understood and agreed that this policy does not apply:

- i. For Bodily Injury Liability, to bodily injury or death of any individual riding as a passenger on the vehicle insured hereunder;
- ii. For Property Damage Liability, to injury to or destruction of property owned by and/or covered by any individual riding as a passenger on the vehicle insured hereunder.

Table B – Physical Damage Standard Premium Calculations

To calculate the base premium for each of the following coverages use the vehicle value for \$1,000 and below and charge against the appropriate rate. For any vehicle valued at more than \$1,000 take the remaining value (i.e., Vehicle Value - \$1,000 = Remaining Value) and charge against the appropriate rate. Add these two premiums together to get the base premium for the Coverage.

<u>Vehicle Value</u>	<u>Comprehensive Premium Rate</u>	<u>Modifier to Exclude Typhoon</u>	<u>Collision Premium Rate</u>
\$1,000 and below	4.36%	.488	7.28%
More than \$1,000	4.11%	.475	6.60%

Table C – Deductible Standard Premium Calculations

<u>Deductible Amount</u>	<u>Comprehensive/Typhoon Modifier</u>	<u>Collision Modifier</u>
\$100	Standard	Not Available
\$200	.90	Standard
\$250	.85	.985
\$300	.80	.97
\$400	.75	.94
\$500	.70	.90
\$1,000	.55	.85

Vehicle Classification 8 – MISCELLANEOUS VEHICLES

The following rates are for bodily injury or property damage arising out of the operation of the vehicle when travelling from one location to another. Any other operation of that vehicle is not considered in the rating below.

- A. Forklift, as defined in **Rule 1. M.**, shall charge a liability rate according to the **Table A – Third Party Liability Standard Premium** below:

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$73	\$25,000 per person \$50,000 per accident	\$77	\$20,000 per accident

- B. Trailer, as defined in **Rule 1. OO**, shall charge a liability rate according to the **Table A – Third Party Liability Standard Premium** below:

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$36	\$25,000 per person \$50,000 per accident	\$39	\$20,000 per accident

- C. Mobile Equipment subject to a compulsory insurance law, as defined in **Rule 1. Y.**, shall charge a liability rate according to the **Table A – Third Party Liability Standard Premium** below:

Table A – Third Party Liability Standard Premium

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$73	\$25,000 per person \$50,000 per accident	\$77	\$20,000 per accident

OPTIONAL COVERAGES SECTION

The Uninsured Motorists, Medical Payments, Loss of Use and Towing & Labor optional coverages shall use the following base premiums. No credit modifiers shall be applied however, surcharges may be applicable. These are per vehicle charges.

<u>Type of Optional Coverage:</u>	<u>Premium Charge</u>	<u>Minimum Limits for Coverage:</u>
Physical Damage	Refer to Table B of the applicable classification	Standard Deductibles apply
Uninsured Motorists	\$11	\$25,000 bodily injury per person \$50,000 bodily injury per accident
Medical Payment	\$15	\$2,000 per person
Loss of Use/Rental Reimbursement/ Transportation Expense Coverage	\$25	\$40 per day with a maximum of \$1,200
Towing & Labor Coverage	\$10	\$50 per tow
Passenger Hazard Liability Coverage	See Tables D & E	See Rule 6A. Table D
Non-Owned Auto Liability Coverage	See Table F	See Rule 6A. Table F
Hired Auto Liability Coverage	See Table G	\$25,000 bodily injury per person \$50,000 bodily injury per accident \$20,000 per accident

Table D – Passenger Hazard Liability (PHL) Premium

PHL premium is in addition to third party liability standard premium.

<u>Bodily Injury Base Premium</u>	<u>Bodily Injury Limit</u>	<u>Property Damage Base Premium</u>	<u>Property Damage Limit</u>
\$331	\$25,000 per person \$50,000 per accident	\$278	\$20,000 per accident

There is an increased charge based on the seating capacity of the vehicle purchasing PHL coverage. See **Table E – PHL Seating Capacity Modifier** to identify the modifier to be applied. This modifier is to be applied against the Passenger Hazard Liability premium in **Table D** above.

Table E – PHL Seating Capacity Modifier

<u>Seating Capacity (SC)</u>	<u>Liability SC Surcharge</u>
1-5 pax	No Charge
6-10 pax	1.05
11-20 pax	1.10
21-30 pax	1.15
31-40 pax	1.20
41 pax or more	1.25

Examples:

1. A 50 passenger Charter Bus requests coverage for bodily injury to their passengers. This is calculated by taking the base PHL Bodily Injury premium of \$331 and multiplying that against the seating capacity modifier of 1.25 for 41 pax or more seating capacity. $\$331 \times 1.25 = \underline{\$414}$. This is the Passenger Hazard Liability Bodily Injury Premium which will be added to the Third Party Liability Standard Premium provided in Table A of Classification 5 – Bus. $\underline{\$414 + \$145 = \$559}$
2. A 5 passenger sedan requests coverage for bodily injury and property damage to their passengers. The bodily injury charge is \$331 and the Property Damage charge is \$278. Since there is no surcharge for a seating capacity of 1-5 passengers the total PHL Premium will be $\underline{\$331 + \$278 = \$609}$. This is the Passenger Hazard Liability Property Damage Premium which will be added to the Third Party Liability Standard Premium provided in Table A of Classification 5 – Bus. $\underline{\$609 + \$154 = \$763}$

Table F - Non-Owned Auto Liability Premium Table

All employees of an insured are rated based on their assigned employee class.

<u>*Employee Class</u>	<u>Premium Charge</u>	<u>Coverage</u>	<u>Limits</u>
Class I	\$16 per person	Bodily Injury	\$25,000 per person \$50,000 per accident
	\$23 per person	Property Damage	\$20,000 per accident
Class II	\$1 per person	Bodily Injury	\$25,000 per person \$50,000 per accident
	\$1 per person	Property Damage	\$20,000 per accident

*Employee Class Definitions:

- Class I Employee uses their own vehicle on a regular basis, in the business of their employer. A regular basis would be considered a permanently assigned task (such as bank deposit runs) which requires the employee to use their own vehicle more.
- Class II Any employee not qualifying as Class I

Table G – Hired Auto Coverage Table

<u>Hired for less than 6 months</u>	<u>*Rate</u>	<u>Premium Basis</u>
Bodily Injury	3.06%	Per \$100 of Cost of Hire**
Property Damage	1.50%	Per \$100 of Cost of Hire**

To extend coverage to also cover the owner of the auto apply a **1.10** modifier against the calculated Hired premium.

- *Subject to a coverage minimum premium of **\$25.00** the following rating methodology applies to hired autos.
- **Cost of Hire is the annual cost of renting/hiring vehicles with or without drivers. When without drivers, the cost includes the actual wages of drivers, when applicable.

Hired autos which are rented or hired by the insured for **six (6) months or longer** shall be rated as though owned by the insured lessee or renter using the appropriate vehicle classification **Table A - Third Party Liability Standard Premium** and shall be subject to **Rule 8**.

Rule 6: Part B - Premium Modifier

The Circumstantial Modifiers shall apply to premiums calculated in **Rule 6. A.** above and shall be applied to the applicable base premium.

Use of all circumstantial rate modifiers are subject to the below rules:

1. Are at the discretion of the Insurance Carrier;
2. Shall be applied one after the other and NOT as an aggregate;
3. The Maximum amount of all Modifiers applied **shall not exceed fifty-percent (50%)** of the base premium after applying **Table C-Deductible Standard Premium Calculations.**

Circumstantial Modifiers available for use as appropriate:

I. No-Claim Modifier

The following modifiers shall apply in the event of no claim made, nor any claim arising during the preceding:

Table H – No-Claim Modifier Scale

<u>Number of Years</u>	<u>Modifier</u>
(a) 1 year of insurance	.90
(b) 2 consecutive years	.85
(c) 3 consecutive years	.80

The above modifiers apply to only physical damage coverage(s). Where the prior year(s) coverage was provided by a different Insurer, the appropriate No-Claim Modifier shall only be applied upon submission by the applicant for Auto Insurance of a written statement from the prior underwriter on the Insurance Company's/General Agent's official stationery, attesting to the period of coverage without a claim.

- II. Multiple Vehicle Modifier** shall apply as reflected in **Table I** below, to both third party liability and physical damage premiums, only when the Named Insured owns and insures with the same Carrier all autos.

Table I – *Multiple Vehicle Modifier Scale

<u>Number of Autos</u>	<u>*Applicable Modifier</u>
5 – 10	.95
11 – 20	.90
21 – 50	.85
51 – 100	.80
101 – 200	.75
201 or more	.70

*The Multiple Vehicle modifier shall not be computed on the inclusion of premium for Vehicle Classification 6, 7 or 8, each as defined in **Rule 1.**

- III. Multiple Policy Modifier** of **.85** shall apply to both third party liability and physical damage premiums, where the same Named Insured has more than one policy with the same Insurance Carrier.

IV. Motor Vehicles that are Ten Years and Older AND pass the annual vehicle inspection are subject to a 1.15 modifier charged against the applicable standard third party liability premiums.

V. Payment Methods Modifier

When an insured pays their premium using any of the following payment methods a modifier of .95 shall be applied to the physical damage premiums.

1. Automatic ACH
2. Automatic Payroll Deduction
3. Payment in Full

VI. Safety Devices Modifier the following vehicle safety devices qualify for a modified **Collision** premium (only) on the subject auto with the safety device:

Table J – Safety Devices

<u>Type of Device</u>	<u>Modifier</u>
Daytime Running Lights	.97
Emergency Brake System (EBA)	.90
Driver Assistance	.90
Lane Departure Warning	.90
Blind Spot Detection	.90
Road Sign Recognition	.90

Only one modifier under **Table J - Safety Devices** may be applied to a single vehicle, allowing for a maximum of a 10% deviation from the base Collision premium.

VII. New Vehicle Modifier of .90 shall apply to physical damage premium for vehicles that are in the current model year plus (2) two subsequent years, a total of (3) three years from the current year.

VIII. Multi-Year Modifier of .85 shall apply to physical damage premium for a three (3) year policy term. Premium shall be billed per annum.

IX. Loyalty, as defined in **Rule 1**, may be used to extend the following modifiers to physical damage premium as classified in **Table K** below:

Table K – Years of Loyalty Modifier Table

<u>Consecutive Years Insured with same Carrier</u>	<u>Modifier</u>
5 Years	.95
10 Years	.90
15 Years	.85

X. Driver or Defensive Training Modifier

With a certificate showing that either Driver Training or Defensive Training courses have been completed by all listed drivers a .95 modifier may be applied to physical damage premium.

XI. Passive Disabling Device Modifier of .85 may be applied to the **Comprehensive** premium (only).

XII. Anti-Theft Devices Modifier

When a vehicle includes a permanently installed theft device a modifier of **.95** may be applied to the **Comprehensive** premium (only).

Qualified theft devices include:

1. Audible Alarm;
2. Keyless Entry with Key Fob;
3. GPS Tracking device; or
4. External Steering Wheel Lock.

Regardless of the number of qualified Anti-theft devices in one vehicle, only one modifier shall apply per vehicle.

Rule 7: Fees applicable to Business Automobile Liability

Environmental Protection Fee:

A two percent (2%) assessment fee shall be assessed on commercial liability insurance premiums paid in Guam. Commercial Liability insurance is defined as, indemnity insurance against injury to third persons. Such fees shall be calculated using the **Table A** bodily injury and property damage premiums, will be billed in addition to the annual premium and collected from the insurance companies providing automobile liability coverage on Guam as required by the Insurance Commissioners Office.

SOURCE: Title 10 GCA Health and Safety; Ch. 45 Guam Environmental Protection Act; Article 2; § 45200. Guam Environmental Trust Fund.

Rule 8: Minimum Premium

A **minimum earned annual premium** charge of **\$209** shall be made for each policy.

The only exception to this rule is a policy insuring only a Motorcycle, Scooter or Similar Type of Vehicle. In that case the minimum premium will be equal to the Third Party Liability Standard Premium applicable to this vehicle classification.

Rule 9: Policy Period

A policy period shall be a minimum of 12 months in term.

No policy may be written for a period longer than three (3) years, subject to **Rule 6 Part B VIII. Multi-Year Modifier.**

Rule 10: Changes

1. All changes requiring premium adjustments shall be computed pro rata.
2. If an auto or a form of coverage that was cancelled from a policy at the request of the insured is reinstated within 30 days, the premium shall be the same as the amount that was returned at the time of cancellation.

Rule 11: Cancellation

If a policy, vehicle or form of coverage is cancelled:

1. By the Insurance Carrier, compute return premium pro-rata.
2. By the insured, compute return premium pro-rata or short-rate at the discretion of each Insurance Carrier.

Rule 12: Whole Dollar Premium

The premium for each exposure shall be rounded to the nearest whole dollar, separately for each coverage provided by the policy. A premium involving \$0.50 - \$0.99 shall be rounded to the next highest dollar; \$0.01 - \$0.49 shall be rounded to the preceding lower dollar figure.

The procedure shall apply to all interim premium adjustments, including endorsement or cancellation at the request of the Insured. In the case of cancellation by the company, the return premium may be carried to the next higher whole dollar.