

## E N E R G Y

<u>Classes Written:</u>	Propane Dealers / Distributors; Fuel Oil (Home Heating) Dealers / Distributors; Petroleum Distributors; Welding Supply Dealers; Natural Gas Utilities. Trucking – We will consider trucking for hire operations, in the above business segments, if limited to a 300-mile radius of operation and subject to underwriting guidelines.
<u>Lead Time:</u>	Propane Accounts –60 days, we pre-loss control all accounts with propane exposure and/or Acetylene Manufacturing. All Other Accounts – 30 days
<u>Minimum Premium:</u>	\$15,000 account (package & auto, excluding trucking) \$25,000 Trucking
<u>Submission Requirements:</u>	ACORD Applications for each line of business submitted Fairmont Specialty’s Supplemental Applications Currently valued Loss History for the expiring and prior 3 – 4 years Driver list, to include: Driver Name; State of License; License Number; Date of Birth and Date of Hire

Coverage/Limits:

Property	Inland Marine	Crime	General Liability
Special Form 90% Coinsurance; ACV, RC or AV (with signed statement of value) Deductible: \$1,000 Minimum	EDP; Contractor’s Equipment; Accounts Receivable; and Transportation.	ISO Forms	\$1,000,000 each occurrence \$2,000,000 General Aggregate \$2,000,000 Products Aggregate \$1,000,000 Personal / Advertising Injury \$100,000 Fire Damage (any one fire) \$5,000 Medical Payments (to any one person) \$1,000,000 Employment Benefits Liability (optional)
Automobile Liability & Physical Damage	Garage Keepers Liability	Umbrella Liability	
\$1,000,000 CSL – Liability UM/UIM (limits to \$1,000,000) PIP Medical Payments Physical Damage Coverage	Legal Liability Coverage	\$5,000,000 available in-house. Higher limits available via the facultative market. Petroleum program only eligible for \$1M Welding Supply and Trucking are not eligible	

## Special Endorsements:

MCS 90 – where required by regulation

Auto Broadened Pollution Coverage (available for most programs)

Energy Special Endorsement (enhancement endorsement) – this endorsement provides additional coverage and/or limits to the Building and Personal Property Coverage form (see form for details). A partial list of enhancements includes:

Property in the Open \$100,000

Pollutant Cleanup and Removal Coverage \$100,000

Above Ground Tank Pollution Cleanup and Removal Coverage \$100,000

Newly Acquired or Constructed Property \$1,000,000 each building /\$500,000 business personal at each building

Valuable Papers Coverage \$25,000

Accounts Receivable Coverage \$25,000

Tank Leakage Coverage \$25,000

Terminal Access Card Coverage \$25,000/50,000

Gas and Oil Contamination Coverage \$25,000/50,000

Erroneous Delivery of Liquid Products \$25,000/50,000

Property in Transit Coverage \$50,000

Various Crime Coverage/Limits (may not be available for all accounts)

Computer Equipment Coverage \$100,000

## **Propane Dealers and Distributors:**

Accounts that have bulk storage plants and/or deliver to and service or install residential, commercial or industrial customers are eligible. These risks may also have cylinder exchange and/or bottlefill operations. Incidental sales of appliances and HVAC sales/service are acceptable. Accounts must have a GAS Check (or similar) program and a written out-of-gas policy and have documented leak testing on a minimum of 20% of their customers (100% of their customers with places of large assembly [schools, churches, etc.]).

We will also provide coverage for Propane Truck Fabricators. Fabricators generally attach barrels (tanks) to a chassis, to include pumps, valves and hoses.

Combination Propane, Petroleum and/or Fuel Oil Dealers are acceptable.

Commonly used General Liability Class Codes and exposure base:

GL Class Code	Exposure Base	Definition
10042	Sales	Appliance Sales - Household type –stove; washer/dryer
13410*	Gallons	LP Gas Dealer - retail
13412*	Gallons	LP Gas Distributor – Wholesale
18434	Sales	Stores NOC – Gas grilles; fireplaces; space heaters
95648	Payroll	Heating, Ventilation and Air Conditioning Dealers –LPG including installation, service or repair.

\* If risk picks up product from a non-owned location and delivers direct to his customer or if risk brokers product (does not take physical possession / paper transaction only), please advise details and number of gallons.

## Fuel Oil (Home Heating) Dealers:

Accounts that have bulk storage plants and/or deliver home heating fuels primarily to residential customers. Incidental sales of appliances and HVAC sales/service are acceptable. Combination Fuel Oil, Propane and/or Petroleum accounts are eligible. Dikes, constructed of impervious materials, are required for all above ground bulk storage facilities.

We are not a market for this product in: VA or VT

Commonly used General Liability Class Codes and Exposure Base:

GL Class Code	Exposure Base	Definition
10042	Sales	Appliance Sales - household type
13204*	Gallons	Fuel Oil Dealer – retail
13205*	Gallons	Fuel Oil Dealer – wholesale
95647	Payroll	Heating, Ventilation and Air Conditioning Dealers –non LPG - including installation, service or repair

\* If risk picks up product from a non-owned location and delivers direct to his customer or if risk brokers product (does not take physical possession / paper transaction only), please advise details and number of gallons.

## Petroleum Distributors (Marketers):

Accounts that have bulk storage plants and deliver gasoline or diesel (road use) fuels or lubricants to other dealers or distributors. Ancillary operations are eligible subject to the guidelines in the notes section below.

We are not a market for this product in: NJ, NY, VA or VT.

Commonly used General Liability Class Codes and Exposure Base:

GL Class Code	Exposure Base	Definition
10073	Sales	Auto repair or service shop
10367	Sales	Car Wash - full service
13453	Gallons	Gasoline Station- full-service
13454	Gallons	Gasoline Station- self-service
13455	Gallons	Gasoline Station- combined full/self-service
18435	Sales	C-Stores
44009	Rent Receipts	Gas/Oil Supply Station – Lessors Risk Only
53907*	Gallons	Gasoline Distributor
61217	Area	C-Store – Lessors Risk Only

\* If risk picks up product from a non-owned location and delivers direct to his customer or if risk brokers product (does not take physical possession / paper transaction only), please advise details and number of gallons.

## Utilities (Natural Gas)

Coverage is for both municipally owned and investor owned distributors of natural gas and for water and sewer systems.

Commonly used General Liability Class Codes and Exposure Base:

GL Class Code	Exposure Base	Definition
10042	Sales	Appliance Stores – Gas Heat; Hot water heaters,
91150	Payroll	Appliance Installation
95306	Payroll	Gas Companies – natural gas - local distribution

Payroll for class 95306 excludes payroll for clerical workers and Managers/Supervisors whose duties are inside the office.

Submissions should include:

3 years leak recap reports

3 years DOT 7100F reports

Excluded Operations: Gas/Oil well operations; Gathering/transmission systems; Processing plants; Underground storage; Pipeline contracting.

## Welding Supply Dealers

Coverage is provided for companies that supply various gases and hard-goods to the welding industry. They may also do a limited amount of repair work on welders and related equipment. In addition, they may fill bottles and provide transport via their owned vehicles.

Companies that provide medical supplies, other than medical gases, are not eligible. We will consider medical gases provided they are less than 50% of the risk's receipts.

We will consider companies that manufacture acetylene gas as an incidental part (less than 20% of total receipts) of their operations. Due to the volatility of the acetylene manufacturing process we will require a loss control survey prior to binding.

## Notes for All Programs

Personal Auto – We realize some accounts will have personal vehicles titled in the corporate name and it may be necessary to include them in our policy. In addition to the vehicles being titled in the corporate name, the use of the vehicle must be: primarily for business use; no youthful operators; no operators with unacceptable MVR's and no high-performance vehicles.

All risks should have an acceptable written "personal use of autos" policy.

C-Stores - We will consider a limited number of C-Stores provided they are: incidental to the petroleum marketer operation; do not operate 24/7; do not sell fireworks and are otherwise acceptable.

Car Washes – We will consider a limited number of full service type car washes subject to a property damage deductible. We are not a market for self-service car washes (wand type).

Service Stations – Full-service, self-service or combined full/self service – we will consider a limited number of service stations provided: they are limited to minor repair of automobiles -tune-up, oil change, etc. – no brake work or major engine/transmission service.

We are not a market for any account that fuels watercraft or aircraft.

### **Loss Control:**

We provide regular on-site loss control engineering to assist our accounts in regulatory compliance; reducing their loss exposures and providing safety action plans.

### **Claims:**

24-Hour toll-free number 1-800-392-1970.