

Although the final qualifying criteria for any applicant depends upon the particular nature of the risk, we offer the following guidelines (not meant to be all inclusive). Be sure to review our **Businessowner's Policy Product Guide** which can also be used with your clients. For a full list of BOP-eligible classes, refer to our **Commercial Lines Underwriting Appetite Guide**.

## TARGETED CLASSES

- Artisan Contractors
- Auto Services
- Habitational\*
- Hotels/Motels
- Lessor's Risks
- Professional Offices
- Restaurants
- Retail Stores
- Service Industries
- Wholesalers and Distributors

\*N/A in Florida.

## GENERAL GUIDELINES

- Typical Total Insurance Value (TIV) up to \$20 million for most classes / \$20 million gross sales
- No limit on number of stories or square footage
- Roof completely replaced or resurfaced within the last 25 years
- Coastal risks considered (see our state-specific **Businessowner's Policy Coastal Guidelines**)
- Frame and joisted-masonry risks 40+ years old and \$15 million site TIV+ will be reviewed on a case-by-case basis and may result in declination

## INDUSTRY SPECIFIC GUIDELINES

### Artisan Contractors

- Annual payroll up to \$1 million; \$750,000 in NY
- Sales unrelated to installation/service/repair up to 25%
- Subcontractor exposure up to 25%
- "New in business" risks (excluding carpentry) considered with supporting line

*Applicants with no building or business personal property exposure can be fast-tracked through the submission process by selecting our Contractors Preferred Policy.*

### Auto Services

- Protection Class 1-8
- Annual vehicles sales up to 10
- Frame construction requires 100% automatic sprinkler system or central station fire alarm
- Full compliance with NFPA standards for spray booths, flammable liquids, and welding

### Habitational

- Occupancy at least 70%
- Student housing up to 20%
- Short-term rental exposure (less than six months) up to 30%

## Habitational (continued)

- 1-2 family dwellings at a separate location will be considered when less than 20% of the total schedule on a building-count basis (not available in CA, FL, MA, OH)
- If more than 16 residential units or more than 3 stories, 100% automatic sprinkler system or central station fire alarm required; common hallway smoke detectors must be hardwired
- For TIV >\$10 million, frame and joisted masonry construction requires 100% automatic sprinkler system
- Residential Grill Use  
Frame and joisted masonry construction with a building limit >\$3 million must have an enforced policy that prohibits grills on decks. In all other cases:
  - Gas and electric grills are acceptable
  - Charcoal grills and smokers are only permitted on ground level patios IF located at least 10 feet from any building
  - Grill(s) must be used and stored at least 5 feet from all combustible materials including exterior walls, furniture, and storage and away from any overhangs including eaves, canopies, and trees
  - Grill use must comply with all local codes
  - Roof top grill use is NOT permitted unless the building construction is masonry non-combustible or better or the grill is located no higher than on a one-story garage

## Hotels/Motels

- Preferred rates –up to 40% less– are available for select franchises or risks with the characteristics cited below. (Other applicants will still be considered under our standard rates.)
- Protection Class 1-8
- Joisted/non-combustible masonry or fire-resistive construction; frame construction considered if built within the past 20 years
- Interior entrance or exterior when rated at least 2 diamonds by AAA
- 100% automatic sprinkler system

## Lessor's Risks

- Occupancy at least 70%
- Refer to our **Commercial Lines Underwriting Appetite Guide** for eligible tenants

*Applicants that lease out 90% or more of each building can be fast-tracked through the submission process by selecting Lessor's Risk BOP.*

## Restaurants

- Liquor receipts up to 50% for full cooking; up to 30% all others
- Employee delivery exposure up to 30% if Non-Owned Auto Liability is on the policy; otherwise, no limit
- Off-premise catering up to 30%
- Full compliance with NFPA Standard #96 & UL 300
- Preferred rates for select fast-food franchises (see our **Preferred Fast-Food Franchises Flyer**)

## Retail

- Liquor, drug, electronics, and jewelry stores require a central station burglar alarm
- Not a market for the sale of CBD and vape products

## TIV \$20-50 MILLION

We will consider TIVs in the \$20-\$50 million range on our Businessowner's Policy for select Habitational (N/A in FL), Hotels, and Lessor's Risk Offices and Retail when certain requirements are met. Specifically:

- Central station fire/burglar alarm and sprinkler system preferred
- Five years of loss runs required or Offering Memorandum or Property Condition Report for new purchases
- Pre-inspection may be required
- Condo rentals should be less than 15% of the total number of units for habitational risks

## PRICING TOOLS

### Safety Record Credit

Applied to the Businessowner's Policy premium, our unique Safety Record Credit is based upon an applicant's past Workers' Comp experience. Upon submission, please provide the experience mod or indicate the number of claims per year for the last three years and indicate any involving lost time from work. Not available in CA, FL, KS, ND, NY, OH, TX, or WA.

Experience Mod	When No Experience Mod is Available	Berkshire Hathaway GUARD WC Policyholder
<= 0.709	No claims within the last three years	15%
0.710 - 0.809	No lost-time claims with the last three years	12%
0.810 - 0.909	No lost-time claims within the last two years	8%
0.910 - 1.000	No lost-time claims within the last year	5%
>= 1.001	One or more lost-time claims with the last year	0%

### Individual Risk Premium Modification (IRPM) Factors

IRPM credits/debits are variable by state and applied based upon distinct characteristics of the account, such as: management, location, building features, premises and equipment, employees, and other protection.

Please note:

- NY policies must have property and liability premiums each equal to or exceeding \$2,500 to qualify.
- Florida policies must have annual manual premium equal to or greater than \$1,000 to qualify.
- Not available in HI.

### Multi-Policy Credit

In CA, FL, KS, ND, NY, OH, TX and WA, a 5% credit is applied to the Businessowner's Policy premium when an insured has also purchased certain other lines of business from us.