



Randy Wipf, CIC  
Director - Underwriting/Pricing

**MEMORANDUM**

DATE: November 17, 2005

TO: ALL AGENTS

RE: **1) Commercial & Residential rate changes - 2006**  
**2) Builders Risk Program added to T.W.I.A.'s E-Quote system**

*Please read and route to interested personnel in your agency!*

**Effective 1/1/2006 T.W.I.A. rates are increasing for new and renewal policies, as follows:**

- **+ 5% / All Commercial rates, to include Farm and Ranch and all Builders Risk policies**
- **Residential rates will remain unchanged**

New rate pages can be copied from the T.W.I.A. web site along with this bulletin by clicking on 'News' from the menu list found at [www.twia.org](http://www.twia.org), then opening the bulletin entitled, "2006 rate changes & Builders Risk added to E-Quote". A revised Instructions and Guidelines manual is also available by clicking on 'Downloads' on the T.W.I.A. Home Page, then opening the bulleted and underlined item entitled, "T.W.I.A. Complete Instructions Manual". Either document can be printed from your computer once opened. If you do not have computer access, you can call your assigned underwriter at T.W.I.A. to request the revised rate pages be sent to you. The T.W.I.A. E-Quote system has been updated to reflect the new rates for policies effective January 1, 2006 or later.

**Important Note:** Renewal notices previously sent out to agents, for renewal dates of January 1 or later using the previous rates *are being resent* to reflect the new rates effective January 1, 2006. Any renewal notices previously sent are not binding or guaranteed by T.W.I.A., but meant to be a preliminary indication of forms and rates at the time notice was mailed. Forms and rates are subject to change prior to policy issuance. Renewal coverage will not be bound without a copy of the renewal notice and a check for the full net premium.

**Builders Risk Program now available on T.W.I.A. E-Quote System**

Automated rating of all policies offered by T.W.I.A. has now been completed with the addition of Builders Risk in the on-line E-Quote system available from T.W.I.A.'s home page at [www.twia.org](http://www.twia.org). You must be registered as an E-Quote agent/user to access the program for automated rating. By clicking on E-Quote in the menu on our home page, first time users can register to use the system. There is also an E-Quote Help manual available by clicking on the 'Downloads' menu item on the home page as well.

After completing the builders risk application and printing it off in your office, a submission will also include: 1) a photograph of the construction site and/or structure, 2) indication of the date construction began or is to begin, and 3) a check for the appropriate premium (total premium minus agent's commission) derived from E-Quote. (See T.W.I.A. Instructions and Guidelines manual for comprehensive details about various builders risk forms and rules).

**COMMERCIAL BUILDING AND BUSINESS PERSONAL PROPERTY  
ANNUAL EXTENDED COVERAGE RATES (per \$100)**

<b>TABLE*</b>	<b>COINSURANCE</b>	<b>BUILDING Rate Table A</b>	<b>BUSINESS PERSONAL PROPERTY Rate Table C</b>
1 Frame (F)	50%	--	--
	80%	.932	.747
	100%	.923	.737
2 Brick (M)	50%	--	--
	80%	.972	.793
	100%	.752	.604
3	50%	--	--
	80%	.793	.633
	100%	.670	.522
(HC)	50%	1.154	--
	80%	.714	.568
	100%	.683	.558
4 (WR)	50%	.461	--
	80%	.290	.228
	100%	.270	.223
(SWR)	50%	.574	--
	80%	.353	.284
	100%	.341	.277
5 Brick **	50%	--	--
	80%	.666	.331
	100%	--	--
5A Frame **	50%	--	--
	80%	.800	.403
	100%	--	--
5B Brick Veneer **	50%	--	--
	80%	.666	.331
	100%	--	--
7	50%	--	--
	80%	2.265	1.801
	100%	1.947	1.555
8	50%	--	--
	80%	2.699	2.163
	100%	2.265	1.811
9	50%	--	--
	80%	3.232	2.587
	100%	2.649	2.123
10	50%	--	--
	80%	3.879	3.104
	100%	3.232	2.587
11	50%	--	--
	80%	5.034	4.038
	100%	4.260	3.406
12	50%	--	--
	80%	7.391	5.903
	100%	6.215	4.971
13	50%	--	--
	80%	10.072	8.059
	100%	8.482	6.788
14	50%	--	--
	80%	19.985	15.992
	100%	16.780	13.421

\* REFER TO THE SPECIAL INDEX & GENERAL INDEX OF THE T.W.I.A. MANUAL

\*\* FOR ACV BUILDERS RISK FORM 21 (DWELLINGS) USE THE 80% COINSURANCE RATE

**TOWNHOUSE ASSOCIATION BUILDINGS (3 OR MORE UNITS) AND CONDOMINIUM BUILDINGS  
ANNUAL EXTENDED COVERAGE RATES (per \$100)**

<b>TABLE*</b>	<b>COINSURANCE</b>	<b>BUILDING Rate Table B</b>
	50%	--
1	80%	.555
Frame (F)	100%	.547
	50%	--
2	80%	.584
Brick (M)	100%	.443
	50%	--
3	80%	.469
	100%	.393
	50%	.683
	80%	.429
(HC)	100%	.408
	50%	.270
4	80%	.170
(WR)	100%	.165
	50%	.341
	80%	.215
(SWR)	100%	.207

\*REFER TO THE SPECIAL INDEX & GENERAL INDEX OF THE T.W.I.A. MANUAL.

**MODIFIED EXTENDED COVERAGE RATES (per \$100)  
FOR MISCELLANEOUS FARM PROPERTY AND BARN AND OUTBUILDINGS  
TERRITORY 1**

Rates for Miscellaneous Farm Property (Commercial Standard Deductible applies)

<u>Table</u>	<u>Coinsurance</u>	<u>Rate</u>
15	.80	1.040
21	.80	2.041
22	.80	2.798
23	.80	4.053
24	.80	8.052

Rates for Barns and Outbuildings (Commercial Standard Deductible applies)

Frame	2.020
Brick Veneer	1.734
Brick	1.449

**MODIFIED EXTENDED COVERAGE RATES (per \$100)  
FOR MISCELLANEOUS FARM PROPERTY AND BARN AND OUTBUILDINGS  
TERRITORIES 8, 9, AND 10**

Rates for Miscellaneous Farm Property (Commercial Standard Deductible applies)

<u>Table</u>	<u>Coinsurance</u>	<u>Rate</u>
15	.80	1.150
21	.80	2.255
22	.80	3.086
23	.80	4.479
24	.80	8.894

Rates for Barns and Outbuildings (Commercial Standard Deductible applies)

Frame	2.229
Brick Veneer	1.916
Brick	1.601

**FARM & RANCH DWELLING BUILDING AND PERSONAL PROPERTY (TERRITORY 1)**  
**MODIFIED EXTENDED COVERAGE PREMIUMS**  
(Rates for 1% Deductible) (\$100 Minimum)

AMOUNT OF INSURANCE	DWELLING CHART 1A 80% COINSURANCE REQUIRED			PERSONAL PROPERTY CHART 1B		
	FRAME	BV	BRICK	FRAME	BV	BRICK
1,000	16	17	14	17	17	14
1,500	21	17	14	17	17	14
2,000	25	21	18	17	17	14
2,500	29	25	21	17	17	14
3,000	33	30	25	17	17	14
3,500	37	30	25	17	17	14
4,000	41	34	28	17	17	14
5,000	45	38	32	17	17	14
6,000	49	42	35	17	17	14
7,000	54	47	39	21	17	14
7,500	58	51	42	21	17	14
8,000	62	51	42	21	17	14
9,000	70	59	50	25	22	18
10,000	78	68	57	29	22	18
11,000	82	72	60	29	26	22
12,000	91	80	67	33	26	22
13,000	99	85	71	33	30	25
14,000	107	93	78	37	34	29
15,000	115	97	81	41	34	29
16,000	124	106	88	41	39	32
17,000	132	110	92	45	39	32
18,000	136	118	99	50	43	36
19,000	144	123	103	50	43	36
20,000	153	131	110	54	47	39
21,000	161	140	117	58	47	39
22,000	169	144	120	58	52	43
23,000	177	152	127	62	52	43
24,000	186	157	131	66	56	47
25,000	194	165	138	66	60	50
26,000	198	169	141	70	60	50
27,000	206	178	149	74	65	54
28,000	214	182	152	74	65	54
29,000	223	190	159	78	69	57
30,000	231	199	166	83	69	57
35,000	268	229	191	95	82	68
40,000	305	262	219	107	95	79
45,000	346	296	248	120	103	86
50,000	384	330	276	136	116	97
55,000	421	360	301	149	129	108
60,000	462	394	329	161	138	115
65,000	499	427	357	173	151	126
70,000	536	461	386	190	164	136
75,000	577	491	410	202	177	147
80,000	614	525	439	215	185	154
85,000	652	559	467	227	198	165
90,000	689	592	495	243	211	176
95,000	730	622	520	256	220	183
100,000	767	656	548	268	233	194
Each Add'l 1,000	7.67	6.56	5.48	2.68	2.33	1.94

\*\* TO OBTAIN PREMIUMS OTHER THAN 1% DEDUCTIBLE, REFER TO DEDUCTIBLE ADJUSTMENT PERCENTAGE SCHEDULE

**FARM & RANCH DWELLING BUILDING AND PERSONAL PROPERTY (TERRITORIES 8, 9, AND 10)**  
**MODIFIED EXTENDED COVERAGE PREMIUMS**  
**(Rates for 1% Deductible) (\$100 Minimum)**

AMOUNT OF INSURANCE	DWELLING CHART 1A			PERSONAL PROPERTY CHART 1B		
	80% COINSURANCE REQUIRED					
	FRAME	BV	BRICK	FRAME	BV	BRICK
1000	18	19	16	18	19	16
1500	23	19	16	18	19	16
2000	27	23	20	18	19	16
2500	32	28	23	18	19	16
3000	36	33	27	18	19	16
3500	41	33	27	18	19	16
4000	46	37	31	18	19	16
5000	50	42	35	18	19	16
6000	55	47	39	18	19	16
7000	59	51	43	23	19	16
7500	64	56	47	23	19	16
8000	68	56	47	23	19	16
9000	77	65	55	27	24	20
10000	86	75	63	32	24	20
11000	91	79	66	32	29	24
12000	100	89	74	36	29	24
13000	109	94	78	36	33	28
14000	118	103	86	41	38	32
15000	127	108	90	46	38	32
16000	137	117	98	46	43	36
17000	146	122	102	50	43	36
18000	150	131	109	55	48	40
19000	159	136	113	55	48	40
20000	168	145	121	59	52	44
21000	178	154	129	64	52	44
22000	187	159	133	64	57	48
23000	196	168	141	68	57	48
24000	205	173	145	73	62	52
25000	214	182	152	73	67	56
26000	219	187	156	77	67	56
27000	228	196	164	82	71	60
28000	237	201	168	82	71	60
29000	246	210	176	87	76	64
30000	255	220	184	91	76	64
35000	296	252	211	105	90	75
40000	337	290	242	119	105	87
45000	382	327	274	132	114	95
50000	423	365	305	150	128	107
55000	464	397	332	164	143	119
60000	510	435	363	178	152	127
65000	551	472	395	191	167	139
70000	592	510	426	210	181	151
75000	637	542	453	223	195	163
80000	678	580	485	237	205	171
85000	719	617	516	251	219	183
90000	760	655	547	269	233	195
95000	806	687	574	283	243	202
100000	847	725	606	296	257	214
Each Add'l 1,000	8.47	7.25	6.06	2.96	2.57	2.14

\*\* TO OBTAIN PREMIUMS OTHER THAN 1% DEDUCTIBLE, REFER TO DEDUCTIBLE ADJUSTMENT PERCENTAGE SCHEDULE