

TopBop

INDIVIDUAL RISK PREMIUM MODIFICATION (IRPM) DOCUMENTATION

Insured Name: _____

DBA: _____

Effective Date: _____

<u>Credit Grading</u>		<u>No Grading</u>		<u>Debit Grading</u>	
S	Superior	A	Average	P	Poor
E	Excellent			VP	Very Poor
VG	Very Good			I	Inferior
G	Good				

IRPM Rating Application Procedures	Credits				Debits			
(Circle % applicable)	S	E	VG	G	A	P	VP	I
Management	-7	-5	-3	-1	0	1	3	5
Location	-7	-5	-3	-1	0	1	3	5
Building Features	-8	-4	-2	-1	0	1	2	4
Premises and Equipment	-8	-4	-2	-1	0	1	2	4
Employees	-7	-5	-3	-1	0	1	3	5
Protection	-3	-2	-1	-1	0	1	1	2

Total Credit/Debits Used: _____ %

Modification Applied by: _____ Date: _____

TopBop

TopBop Policy

Administered by Commodore Insurance, Inc.
Underwritten by TOPA Insurance Company

Use of IRPM Credits and Debits:

- California law requires insurers to ensure that their rates are applied in a fair and non-discriminatory manner. It also requires proper documentation maintained in their files to support the rating decisions.
- We must recognize that an Insured may be engaged in *more or less hazardous* operations than what would be anticipated for the “average” risk within a Rating Classification.
- Once the exposures for an “average” risk are determined, the Insured’s exposures must be evaluated to determine if they are relatively *greater or less* than the average. If greater exposure (below-average Insured), use *debits* so that a risk can be made acceptable by some additional pricing consideration. If less exposure (above-average Insured with, for instance, recent risk improvements made to reduce loss potential), use *credits*.

Applicable Item: “Average Risk” features (= 0% credit and 0% debit):

1. Management
 - *** Management exhibits *cooperative attitude* with Insurer towards Loss Prevention.
 - *** Management has *>5 years of experience* in similar type of business.
 - *** *Good housekeeping/storage* conditions to minimize exposures to fire, smoke, water damage, slip & fall etc.
2. Location
 - *** Business has *easy access* to emergency (fire/police) services.
 - *** *No undesirable adjacent properties* e.g. abandoned buildings.
3. Building features
 - *** Building is *<40 years old* unless rewired/upgraded within *last 15 years*.
 - *** No obstructed aisles/stairs or unsafe add-on features.
4. Premises & Equipment
 - *** *Clean* premises & good condition of equipment.
 - *** Have *scheduled professional* cleaning/maintenance services
 - *** Premise has *adequate safety features*, including emergency exits/lighting, fire detection/fighting system.
 - *** Existence of *safeguards* for equipment operation.
5. Employees
 - *** Majority of employees is *experienced* in this line of business.
 - *** Management has *formal training* procedures for new employees.
 - *** Business does not have a history of rapid *employee turnover*.
6. Protection
 - *** Management’s safety consciousness/extra efforts to safeguard property as evidenced by an excellent Loss History.
 - *** Location may benefit from local association/neighborhood crime watch; area security or frequent police patrol etc.