

Department of Consumer & Business Services
Oregon Insurance Division – 5
 350 Winter St. NE, Rm. 440
 Salem, Oregon 97301-3883
 Phone (503) 947-7983

STANDARDS FOR CROP/HAIL AND AIRCRAFT

This checklist must be submitted with your filing in compliance with OAR 836-010-0011(2). It will help insurers make a complete filing. The checklist includes relevant statutes, rules, and bulletins. The standards, in some cases, are summaries. Review of the entire statute or rule may be necessary. By each statement, on the line provided, identify the page and paragraph in the form, rate, rule or exhibit that satisfies the requirement or check the box to verify compliance. Not including required information or policy provision may result in disapproval of the filing. If the statement is not included and is not required to be included, an “N/A” may be indicated. *(If submitting your filing electronically, bookmark the provision in the policy, rules, or exhibits that satisfies the requirement.)*

Market: Personal Commercial
TOI (type of Insurance) code: 02.1 Crop 02.1001 Crop/Hail 22.0 Aircraft
 Sub-type code: _____ name of code: _____

Review requirements	Reference	Description of review standards requirements	Location of standard in filing (or check the box)																
GENERAL REQUIREMENTS (FOR ALL FILINGS)																			
Filing submission	OAR 836-010-0011 As required on SERFF or our Web site	Required forms are located on SERFF or on our Web site: www.oregoninsurance.org/docs/serff/filing_requirements.htm . These must be submitted for your filing to be accepted as complete: 1. Transmittal form. 2. Cover letter (See transmittal form for instructions.) 3. Third-party filer’s letter of authorization. 4. Certificate of compliance form. 5. Product standards (this document). 6. Rates, rules, and actuarial memorandum stating the reasons and procedures used to derive the rate change. Does not apply to aircraft. 7. Forms filed for approval. 8. For mail filings, two self-addressed stamped envelopes, one in which the division can return approved forms.	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Yes</td> <td style="width: 50%;">N/A</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	Yes	N/A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Review	ORS 742.003(1) and 737.205	Included in this filing for review: 1. New policy or program 2. Endorsements amending an existing program that include additional coverages in these standards need only attach the pages addressing that area. 3. Rates and rules (Crop/hail only)	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
Applicability	ORS 742.048(2)	No policy has been issued or will be issued upon the forms in this filing until approved.	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
FORMS				
Access to courts	ORS 742.061	Attorney fees - If a claim settlement is not made within six months and action is brought to court, should the plaintiff's recovery exceed the amount of payment made by the defendant, the court will set attorney fees to be paid as part of the costs of legal action and any appeal, unless the parties agree to binding arbitration.		
Arbitration	ORS 36.600-36.740	If a provision to settle a controversy by arbitration is included, it provides that arbitration occurs within the State of Oregon.		
Bankruptcy	ORS 742.031	Aircraft - The policy includes a bankruptcy provision similar to that in ORS 742.031.		
Cancellation & nonrenewal	OAR 836-085-0010	Crop/hail - Effective date of cancellation for cause is no less than 10 working days after the insured receives notice. A policy in effect for 60 or more days may be cancelled prior to policy expiration only for specified reasons: (a) Nonpayment of premium. (b) Fraud or material misrepresentation made by or with the knowledge of the named insured in obtaining the policy, continuing the policy, or in presenting a claim under the policy. (c) Substantial increase in the risk of loss after insurance coverage has been issued or renewed, including but not limited to an increase in exposure due to rules, legislation or court decision. (d) Failure to comply with reasonable loss-control recommendations. (e) Substantial breach of contractual duties, conditions, or warranties. (f) Determination that the continuation of a line of insurance or class of business will jeopardize a company's solvency, or will place the insurer in violation of the insurance laws of Oregon or any other state. (g) Loss or decrease in reinsurance covering the risk. (h) Any other reason approved by the director by rule.		

	OAR 836-085-0025	Crop/hail - If an insurer offers to renew a policy on terms less favorable or at higher rates, the new terms or rates may take effect on the renewal date with 30 days' written notice. If the insurer does not provide such notice, the insured may cancel the renewal policy within 30 days. Earned premium for the period of time the renewal policy was in force shall be calculated pro rata at the lower of the current or previous year's rate. If the insured accepts the renewal, changes shall be effective immediately following the prior policy's expiration date.	
Defense costs	ORS 742.063	Aircraft - A liability form providing that defense costs are included within the stated policy limits contains a statement disclosing that these costs are included within policy limits.	
Legibility of forms	ORS 742.005(2)	The forms are clear and understandable in the presentation of premiums, labels, descriptions of contents, title, headings, backing, and other indication (including restrictions) in the provisions. The information is clear and understandable to the consumer and is not unintelligible, uncertain, ambiguous, abstruse, or likely to mislead.	Yes <input type="checkbox"/> No <input type="checkbox"/>
Loss settlements	ORS 742.053	Proof of loss forms are available from an insurer upon request by an insured.	
Policy period	ORS 742.048	The policy states that coverage commences at 12:01 a.m. on the policy effective date, unless a binder states otherwise.	
CROP/HAIL ONLY: RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS			
Discrimination	ORS 746.015, OAR 836-081-0010	Rates, rating plans, and rating systems do not discriminate unfairly in the availability of insurance and application of rates.	Yes <input type="checkbox"/> No <input type="checkbox"/>
Fictitious groups	ORS 737.600	If filing a fictitious group for rate purposes, the group meets the requirements of ORS 737.600(3)(b) for mass-marketing plans.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
Rebates	ORS 746.035 and 746.045	Are inducements or rebates specified in the policy? (If "yes," explain in the cover letter and identify the location in the rule.)	Yes <input type="checkbox"/> No <input type="checkbox"/>
Ratemaking generally			
Credibility	ORS 737.310 and OAR 836-010-0021	1. Provide all data used and judgments made. 2. Provide description of methodology used.	
Fees, service charges, taxes	ORS 737.310 and OAR 836-010-0021	Provide cost-accounting justification on initial filings and subsequent changes.	

Loss valuation	ORS 737.310 and OAR 836-010-0021	Premiums: 1. Earned premium and earned premium at present rates for each coverage or combined coverages using the extension of exposures or on level factors. 2. A rate level history. 3. Adjustment for inflation. 4. State whether data is on a basic or total-limits basis.	
	ORS 737.310 and OAR 836-010-0021	Loss data: 1. Each year and coverage includes: 2. Earned exposures. 3. Incurred losses. 4. Loss development factors. 5. Description of the methodology used to derive the loss development factors. 6. Unallocated loss adjustment expense. 7. Allocated loss adjustment expenses. 8. Ultimate incurred losses and loss adjustment expenses. 9. Trend factors. Trended ultimate incurred losses and loss adjustment expense.	
		If losses are separated into catastrophic and non-catastrophic, a description of the method used to separate losses.	
Investment income	ORS 737.310 and OAR 836-010-0021	1. Cash flow method <i>or</i> 2. Alternative method showing amount of investment income earned on loss, LAE, and unearned premium reserve to earned premium.	
Underwriting profit & contingencies	ORS 737.310 and OAR 836-010-0021	1. Oregon data for commission and brokerage.	
		2. Countrywide data for general and other acquisition expenses as reported in the <i>Insurance Expense Exhibit</i> .	
		3. Oregon data for taxes, licenses, and fees.	
		4. Expense trend.	
		5. Historic experience.	