

**A. ACCEPTABLE RISK**

1. Property must be in an insurable condition
2. Owner Occupied (including Seasonal and Secondary dwellings)
3. Tenant Occupied
4. Vacant Property

**B. UNACCEPTABLE RISK**

1. Commercial Property
2. Mobile Homes
3. CPL on Vacant Dwellings
4. Private Dwelling converted from Commercial Property
5. Apartment Houses
6. Portable Building, i.e., Morgan Building, Pacific Yurts
7. Risk in high vandalism areas
8. Unprotected risk that is not visible from another dwelling
9. Substandard Electrical service (i.e. “tube & knob”, fuse boxes & aluminum wiring)
10. Properties without utilities connected.
11. Roofs with following characteristics (may be acceptable with additional underwriting):
  - a. Roofs over 20 years in age and/or in disrepair
  - b. More than 1 layer
  - c. Tar & Gravel
  - d. Slate, Wood Shingle, Clay Tiles, Expensive Metal, or any Roofing over Wood Shingle
12. Primary Heat Source:
  - a. Fireplace
  - b. Wood burning stove

13. Individuals that are delinquent on mortgage payments.
14. Dwellings over 80 years old unless submitted with an “Older Home Questionnaire” reflecting updates ensuring the structure qualifies for coverage under this program. Risks may be submitted to an underwriter if agent questions structures eligibility.
15. Risks with other/adjacent structures on the property that are in disrepair and/or are uninsurable due to condition (unless SC-XADJ001 Building Exclusion is attached)

## **B. SUBMIT FOR APPROVAL**

Risks that have been uninsured greater than 30 days (agent must first inspect inside/outside of property prior to risk being bound). This does not apply to new purchases.

1. Individuals having a Bankruptcy within the past 5 years.
2. Any individual with more that 1 weather related & 1 non-weather related loss within the past 3 years.
3. Any individual with any Fire and/or Liability Loss

## **C. CLAIMS HISTORY**

Applicants with the following claims history are UNACCEPTABLE RISKS:

1. History of habitual claims filing
2. If applicant has ever had insurance cancelled due to claims or moral hazard

## **D. AGE OF DWELLING**

1. Property that is 80 years or older must be approved by Managing Underwriter
2. Older Home Questionnaire must be attached to application

## **E. WINDSTORM EXCLUSION**

1. Properties located in Tier 1 are ACCEPTABLE only if Windstorm Coverage is excluded
2. Application must have signed DP 05 51 12 03– Windstorm, & Hail Exclusion

Agreement Form attached.

**F. COVERAGE LIMITS**

- 1. DWELLING MAXIMUM \$100,000
- 2. CONTENTS
  - a. Maximum (owner occupied) 40% of Dwelling
  - b. Maximum (tenant occupied) \$1500 (appliances only)
- 3. DEDUCTIBLE
  - a. Minimum Deductible: 1%
  - b. Options for Higher Deductibles 2% through 5%
  - c. Min. Ded. for dwellings located in 2<sup>nd</sup> Tier 2%
- 4. SUPPLEMENTAL HEATING UNIT SURCHARGE
- 5. Age of Dwelling Surcharge
- 6. Lapse in Coverage Surcharge
- 7. **Unrepaired prior damage Surcharge**
- 8. Age of Roof
- 9. PREMIUM
  - a. Minimum premium is \$150, plus policy and/or inspection fees
  - b. Credits cannot reduce premiums below the \$150 minimum premium
- 10. POLICY FEE: \$85.00 (Fully Earned)
- 11. CATASTROPHE FEE: \$50 (Fully Earned) – Only applicable if risk is located in 2nd Tier Counties

**G. ENDORSEMENTS**

- 1. DP 05 51 12 03– Windstorm, & Hail Exclusion (Tier 1 only)
- 2. DP 01 42 12 03 – Special Provisions – Texas (Mandatory)
- 3. SC-DP-VAC01- Revised Vacancy Conditions - (Mandatory)
- 4. SC-DP-VAC02- Vacancy Clause (Optional)

Underwriting Guidelines – ISO DP-1

- 5. SC-XR001 – Roof Exclusion
- 6. SC-XADJ001 – Building Exclusion
- 7. SC-XHM01 – Exclusion of Cosmetic Damage to Non Hail Resistant Metal Roofs Coverings Caused by Hail
- 8. SC-ORL01 – Overlay Roof Limitation
- 9. SC-XTRAM0001 – Trampoline Exclusion
- 10. SC-ATV001 – ATV Exclusion
- 11. SC-XP-HO1001 – Pool/Pond Exclusion
- 12. SC-XAL-H001 – Animal Liability Exclusion
- 13. SC-FAL-0001 – Firearm & Animal Liability Limitation
- 14. SC-CPL-0001 - Comprehensive Personal Liability

Liability Limit

25,000

50,000

100,000

300,000

Medical payments to others is \$500

- 15. DP 05 52 12 03 – Mold, Fungi or Other Microbes Coverage (Remediation)

<u>Option</u>	<u>Coverage Percent</u>
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One	25%
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Two	50%
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Three	100%
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