

**STANDARD CASUALTY  
Manual Rules – HO-B (Texas Form)**

**A. ACCEPTABLE RISK**

1. Dwelling must be Owner Occupied (Primary Residence Only, No Secondary)
2. Property must be in an insurable condition, well maintained, and show "*Pride of Ownership*".
3. PPC must be 1 - 6.
4. Submit homes over 15 years old

**B. UNACCEPTABLE RISK**

1. Individuals which are delinquent on mortgage payments.
2. Vacant Property
3. Asbestos Siding
4. Elevated Porch/Deck without Hand-Rails
5. Property with any type of business on the premises, including farming
6. Commercial Risk, or Commercial property converted to private dwelling
7. Apartment/ Boarding houses and/or Tri or Four-Plexes
8. Mobile or Modular Homes
9. Swimming Pool, Spa or Pond unless completely surrounded by at least a five foot locked, gated fence or a Swimming Pool with a Diving Board and/or Slide Unprotected property not visible from another dwelling
10. Dwellings with Aluminum wiring, Tube & Knob wiring and/or Fuse Box
11. Dwellings without connected utilities
12. Dwellings with Wood Shingles or Any Roofing over Wood Shingles
13. Roofs with the following characteristics (may be written with Roof Exclusion Endorsement; submit for approval)
  - a. Slate, Clay Tiles, or Expensive Metal Roofing
  - b. Flat or Low Pitch Roof
  - c. Older than 12 years (unless submitted w/ inspection)

**STANDARD CASUALTY  
Manual Rules – HO-B (Texas Form)**

14. Homes without Central HVAC

15. The following type of animals are unacceptable:

- a. No exotic or venomous animals
- b. Horses or Livestock
- c. No animal with a bite history, regardless of size.
- d. Canines
  - i. Pit Bulls, Chows, Dobermans, Rottweiler's, German Shepherds, and other breeds developed for aggressive behavior.
  - ii. Application must include species, breed, and weight of any dog over 30 pounds.

A signed SC-AL-H001 - Animal Exclusion Endorsement may bypass the canine restrictions.

**C. SUBMIT FOR APPROVAL**

- 1. Risks that have been previously uninsured (agent must first inspect inside/outside of property prior to risk being bound). This does not apply to new purchases if effective date of coverage is the purchase date.
- 2. Risks previously insured under "Forced Placed" or "Single Interest" Coverage. This type of coverage does not constitute "Prior Coverage" since coverage only applies to interest of the lending institution; not the property owner.
- 3. Individuals having a Bankruptcy and/or Repossession within the past 5 years.
- 4. Any individual with more that 1 weather related & 1 non-weather related loss within the past 3 years.
- 5. Any individual with any Fire and/or Liability Loss
- 6. Dwellings with Metal Siding and/or Metal Construction
- 7. Accounts where Applicants request a value either greater or lower than the dwelling's RCV and/or where the RCV is greater than 2X's the Market Value less Land Value.
- 8. Risks that fall outside Underwriting Guidelines parameters.

**D. INSPECTIONS**

All properties will be inspected within 30-60 days of the policy's effective date to ensure acceptability and the cost will be charged to the applicant. If deficiencies are discovered

**STANDARD CASUALTY  
Manual Rules – HO-B (Texas Form)**

that make the risk unacceptable, the underwriter will endeavor to offer a solution(s) to address the deficiencies so to avoid cancellation.

Inspections will be reordered every 4 years or as needed.

**E. 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

**F. WINDSTORM EXCLUSION**

1. Property located in Tier One are ACCEPTABLE RISK only if Windstorm Coverage is excluded
2. Application must have signed HO-140 Windstorm, Hurricane, and Hail Exclusion Agreement form attached.

**G. COVERAGE LIMITS**

- |   |                            |
|---|----------------------------|
| 1. DWELLING MAXIMUM   | \$350,000                  |
| 2. ADJACENT STRUCTURES  | 10% (MIN) TO 50% OF COV. A |
| 3. CONTENTS   |                            |
| a. without Replacement Cost                                     | 40% of Dwelling            |
| b. with Replacement Cost  | 60% of Dwelling            |
| 4. LIABILITY  |                            |
| a. Maximum  | \$300,000                  |
| b. Medical Payments Maximum                                     | \$5,000                    |
| 5. DEDUCTIBLE   |                            |
| a. Minimum  | 1%                         |
| b. Discount for Higher Deductibles                              |                            |
| c. Min. Ded. for dwellings located in 2 <sup>nd</sup> Tier      | 2%                         |
| 6. PREMIUM  |                            |
| a. Minimum premium is \$250, plus Policy and/or Inspection Fees |                            |

**STANDARD CASUALTY  
Manual Rules – HO-B (Texas Form)**

- b. Credits cannot reduce premium below \$250
- 7. POLICY FEE: \$85.00 (Fully Earned)
- 8. CATASTROPHE FEE: \$50 (Fully Earned) – Only applicable if risk is located in 2nd Tier Counties
- 9. RURAL FIRE DEPARTMENT FEE: \$1.50 (Fully Earned)

**H. ENDORSEMENTS**

- 1. HO-160 - Scheduled Personal Property - \$2000 Per Property Classification
- 2. HO-162 - Mold, Fungi or Other Microbes Coverage

<u>Option</u>	<u>Coverage Percent</u>	<u>Premium</u>
One	25%	20% of Base
Two	50%	40% of Base
Three	100%	55% of Base

- 3. SC-XAL-H001 - Animal Exclusion (No Charge)
- 4. SC-ORL01 – Overlay Roof Limitation (No Charge)
- 5. SC-XHM01 – Exclusion of Cosmetic Damage to Non Hail Resistant Metal Roofs Coverings Caused by Hail (No Charge)
- 6. SC-XR001 – Roof Exclusion (No Charge)
- 7. SC-ATV001 – ATV Exclusion (No Charge)
- 8. SC-XP-HOAB001 – Pool Pond Exclusion (No Charge)
- 9. SCM-06-84929 - Mandatory Special Provisions for Texas

This **mandatory** endorsement **must** be shown on the policy declarations.

- 10. SC-06-84929 - Limited Slab or Foundation Access Endorsement

This **mandatory** endorsement **must** be shown on the policy declarations.

- 11. SC-ERC-HOB001 – Extended Replacement Cost 10% of Base  
(Cov. A cannot be over \$275,000)

- 12. SC-IG-HOB001 – Inflation Guard (Increase percentage set by company on 12/31 each year.)

- 13. SC-FAL-0001 – Firearm & Animal Liability Limitation 10% Liability Credit

- 14. **TAME-HO – Mandatory Appraisal Endorsement (no charge)**

**STANDARD CASUALTY  
Manual Rules – HO-B (Texas Form)**

**The following is a list of Acceptable State Endorsements:**

HO-101, HO-105, HO-110, HO-111, HO-112, HO-113, HO-120, HO-126, HO-135, HO-140, HO-145,  
HO-160, HO-162, HO-225, HO-145, HO-305, HO-330 & HO-712

**Please note that final acceptance of the risk is determined by the Underwriter**

**STANDARD CASUALTY**  
**Optional Credits**

**Optional Credits for HO-B**

**A. ALARMS:**

1. Central Station Alarms must have an In-Force Certificate every renewal.
  - a. Single Function: (Burglar or Fire/Smoke)

Local	2%
Central	12%
  - b. Multi-Function: (Burglar and Fire/Smoke)

Local	4%
Central	15%
2. Credit for Age of Risk: Up to 40%  
To determine credit, subtract age of dwelling from 40% (New construction = 0)
3. Credit for Automatic Sprinkler System: 8.00%  
Tested annually & Certificate of Testing provide every renewal.
4. Credit for Fire Extinguisher: 2.00%
5. Credit for Loss Experience: 5.00%
6. Credit for Noncombustible Roof: 2.00%  
Metal roofs only.
7. Credit for Senior Citizens Discount: 5.00%  
Oldest Named insured must be 50 years or more.

**Total of above state credits CANNOT exceed 50%.**

**B. PREFERRED CREDIT:** 10%

Insured has companion Personal Auto Policy w/ Preferred Carrier (Credit Scored)

**C. MANDATORY CREDITS**

1. Credit for Hail Resistant Roofs
  - a. Must be allowed on existing business which qualifies. SCC will follow the State Guidelines. Please see the Personal Lines Manual for more information.
  - b. Must be accompanied by the HO-145- Exclusion of Cosmetic Damage to Roof Coverings Caused by Hail.

**D. Surcharges for HO-B**

1. **Age of Roof: 1% per year of Roof Age**
2. Lapse in Coverage Surcharge: 31-90 days = +10%; 91+ days = +20%
3. Unrepaired prior damage Surcharge: +60%
4. **Misrepresentation Surcharge: +100%**