

CALIFORNIA HOMEOWNERS PROGRAM UNDERWRITING GUIDELINES

ELITE QUALIFICATIONS:

Homes built in or after 1990
Maximum insured value - \$1,000,000
Minimum insured value - \$130,000
No losses in past three (3) years
Protection Class 1-7

ULTRA QUALIFICATIONS:

Homes built in or after 1980
Maximum insured value - \$1,000,000
Minimum insured value - \$120,000
Maximum one (1) loss in past three (3) years
Prior Water or Theft Loss Unacceptable
(Submit details of loss and advise what has been done to prevent further losses)
Protection Class 1-7

PREMIUM QUALIFICATIONS:

Homes built in or after 1950
Maximum insured value - \$1,000,000
Minimum insured value - \$100,000
Maximum one (1) loss in past three (3) years
Prior Water or Theft loss Unacceptable
(Submit details of loss and advise what has been done to prevent further losses)
Protection Class 1-7

REGULAR QUALIFICATIONS:

Homes built in or after 1930
If built prior to 1950 see General Underwriting section for update requirements
Maximum insured value - \$1,000,000
Minimum insured value - \$80,000
Maximum of two (2) losses in past three (3) years*
Maximum one (1) Water or Theft Loss
(Submit details of loss and advise what has been done to prevent further losses)
Protection Class 1-9

CLASSIC QUALIFICATIONS:

Homes built in or after 1900
Modified Functional Replacement Cost Loss Settlement
If built prior to 1950 see General Underwriting section for update requirements
Maximum insured value - \$1,000,000
Minimum insured value - \$80,000
Maximum of three (3) losses in past three (3) years*. Submit for prior approval
Maximum one (1) Water or Theft Loss
(Submit details of loss and advise what has been done to prevent further losses)
Protection Class 1-9

*However, if two or more losses have been caused by the same hazard in the past five (5) years, and inadequate measures have been implemented to prevent further losses from occurring again due to the same cause, the risk is unacceptable.

GENERAL UNDERWRITING

ELIGIBILITY:

- Named Insured must be an individual(s).
- Maximum of two (2) Named Insureds. If individuals are other than Husband/Wife, documentation such as copies of deed or escrow papers showing ownership may be requested. All Named Insureds must be residents of risk location.
- More than two (2) entities cannot be written.
- "Pride of Ownership" must be evident.
- One, two, three or four family, owner occupied dwellings only.

DWELLING:

- Coverage A must be written at 100% of Replacement Cost.
- Seasonal/Secondary homes qualify for Ultra, Premium, Regular or Classic Programs. Seasonal and Secondary homes may not be rented more than 50% of the time. Primary Homeowners is not required to be with Universal.
- Woodstoves must meet the following requirements
 - Must be in good condition, cleaned periodically (including the chimney and flue piping), and maintained according to the manufacturer's recommendations.
 - Must be UL listed.
 - Must be located on a non-combustible floor material extending at least 24" from sides and back, and 24" to the front where ashes are removed.
 - Submit 3 photos clearly displaying the front and side of the unit, the interior flue where it intersects with the ceiling, and the exterior chimney.
- Mountain communities, i.e., Sierra Nevada, Coastal Ranges, San Bernardino and San Jacinto Mountains:
 - Protection Class 1-8, only.
 - No wood shake roof or siding.
 - Trees must not be touching or encroaching upon the roof or other parts of the home.
 - Home must not be isolated
 - Home must be directly accessible by local fire apparatus
 - Home must have readable house number from street
 - Vents must be screened (chimney, crawlspace, basement, attic vents)
 - No over-accumulation of pine needles
 - No dead or dying trees, overgrown or dying shrubs or other vegetation
- Southern California Mountain Communities adversely effected by bark beetle infestation and/or a high population of dead trees:
 - Protection Class 1-8, only.
 - No wood shake roof or siding.
 - Trees must not be touching or encroaching upon the roof or other parts of the home.
 - Home must not be isolated
 - Home must be directly accessible by local fire apparatus
 - Home must have readable house number from street
 - Vents must be screened (chimney, crawlspace, basement, attic vents)
 - No over-accumulation of pine needles
 - No dead or dying trees, overgrown or dying shrubs or other vegetation
 - All trees must be limbed 10 ft. above the highest roof line
 - No wood decks, wood fencing, wood porches or wood patios, wood piles, or other flammable/hazardous materials attached to or within 10 feet of the structure
 - Boxed eaves required

- Dual-paned windows required
- No propane tank within 30 feet of any structure
- Portable/space heaters acceptable only when used as a secondary heat source. Heater must meet the following requirements:
 - UL listed
 - Tip proof
 - Thermostatically controlled
 - Cord must be in good condition and not plugged into outlets with other electrical appliances or used with an extension cord.
 - Not used within 24” of combustible material.
- Homes with wood shake, composition, rock or tar and gravel over 20 years of age are unacceptable
- If built prior to 1950, the following is required:
 - Wiring must be connected to circuit breakers and contain no aluminum wiring
 - Primary heating system (kerosene or coal heating unacceptable) updated within the last 30 years.
 - Plumbing and fixtures updated within the last 30 years.
 - Roof must have been replaced within the last 20 years if wood shake, composition, rock or tar and gravel. Within the last 30 years for all other roof types unless endorsed with the Roof Limitation Endorsement AHHO-64 (06/09). Roofs in poor condition are ineligible for this program
- Homes built prior to 1930 (Classic Program only), to obtain Retrofit Credit, Earthquake Hazard Retrofit Form must be submitted with application. Evidence of retrofit will be a structural engineer’s report with photos, or a licensed, bonded contractor’s invoice with photos indicating work that has been done.

LIABILITY:

- Businesses on premises are unacceptable unless incidental in nature. Businesses necessitating foot traffic and/or which store inventory over \$20,000 in value are unacceptable.

SUBMIT FOR APPROVAL

DWELLING:

- Protection Class 9, or homes over 1,000 feet from a fire hydrant; complete unprotected dwelling information required.
- If the total amount of scheduled personal property is in excess of \$50,000 or any one item is more than \$10,000.
- More than one family dwellings if bars on windows.

PREVIOUS HISTORY:

- Declined, canceled or non-renewed in previous three (3) years, except acceptable transfer business.
- Three (3) losses in previous three (3) years (**Classic program only**). Submit details of loss and advise what has been done to prevent further losses

UNACCEPTABLE RISKS

DWELLING:

- Vacant dwellings or dwellings under construction, including dwellings undergoing major remodeling.
- Mobile homes, modular homes, manufactured homes and boathouses.
- Dwellings over or near water, including beach front property within 1,000 feet of salt water.
- Dwellings of "unusual construction", i.e., cantilevered construction, log, open foundation, or homes which require knowledge of special reconstruction techniques.
- Dwellings located in Protection Class 10.
- Dwellings with fuses rather than circuit breakers.
- Dwellings with portable heaters, wood or coal burning stoves or fireplace inserts as the primary heat source.
- Any kerosene or coal heaters.
- Dwellings built on hillsides or any dwelling directly next to a 30-degree or greater slope.
- Homes with wood shake, rock, composition or tar and gravel roofs over 20 years of age unless endorsed with the Roof Limitation Endorsement AHHO-64 (06/09). Roofs in poor condition are ineligible for this program.
- Homes built prior to 1950 without updated plumbing, heating, electrical systems and roof.
- Homes built prior to 1900.

LIABILITY:

- Unfenced pools or pools with less than a five (5) foot high fence, pools without a self-locking gate, and pools with diving boards and/or slides. Pools with a fence less than 5 feet high are acceptable only if the fence meets or exceeds existing height requirements set forth by city or county building codes.
- Hazardous animal exposures, i.e., animals generally found in the wild or in a zoo, or any vicious animals (including Pit Bulls, Chows, Rottweilers, guard dogs or any animal with a biting history), or more than two (2) horses, cows, etc.
- Business on premises unless incidental in nature, including those that necessitate foot traffic and/or which store inventory over \$20,000 in value.
- High profile occupations such as politicians, public lecturers, newspaper reporters or editors, broadcasters, professional actors or entertainers, authors and professional athletes, unless Personal Injury is excluded.
- Trampolines.
- Dwellings with bars on windows, unless all are equipped with quick release.
- Dwellings with a Day Care that:
 - are unlicensed when licensing is required.
 - care for more children than allowed by state or local law.
 - have employees.

LOSS HISTORY:

- If two or more losses have been caused by the same hazard in the past five (5) years, and inadequate measures have been implemented to prevent further losses from occurring again from the same cause.
- Four (4) or more losses in past three (3) years.
- Two water or theft losses in the past three (3) years.

FIRELINE UNDERWRITING GUIDELINES FOR BRUSH AND FOREST EXPOSURES

When available for a specific location address, ISO Fireline is a tool used to evaluate the wildfire hazards for properties by assigning a score to the risk. The score is known as a Surrounding Area Hazard Score and it reflects the overall Wildfire Risk Assessment for a particular risk location and its surrounding area. The score analyzes the three critical risk factors (fuel, slope and access) at the property and in its vicinity.

Fireline scores have been grouped into the following categories:

Surrounding Area Rating Score	Wildfire Risk Assessment
13 to 30	Extreme
4 to 12	High
2 to 3	Moderate
1	Low
0	Negligible

Eligibility:

- Risk scores in the Extreme or High categories are unacceptable.
- Risk scores in the Moderate category are Submit For Approval. Refer to the **Exceptions** section below.
- Risk Scores in the Low or Negligible categories are acceptable.
- Risks with wood shake roof or siding in the Moderate, High and Extreme categories are unacceptable. Risks with wood shake roofs or siding with a low or negligible Wildfire Risk Assessment are subject to an acceptable inspection.

Exceptions:

The company will base its final underwriting decision on additional data, including, but not limited to:

- The Hazard Rating Score for the location. Risks with a Hazard Rating Score that is greater than 3 are unacceptable.
- The location of the risk in relation to the Special Brush Hazard Interface Area, as defined by ISO. Risks located in these designated areas are unacceptable.
- The physical characteristics of the property such as roof type, siding type, etc.
- When unable to locate homes using the ISO Fireline tool, a physical inspection or examination of other visual evidence of brush may also be conducted to determine eligibility.
 - Surrounding fuel loads within a ¼ mile (1/2 mile for properties with wood siding or a wood roof), property access, slope and wind patterns to nearest moderate or greater fuel source will be considered and a risk will be eligible if:
 - fuel source is light (grasslands) and sparse or if it is contained within a small, controlled area, such as an isolated field and,
 - the risk is in flat terrain with clear defensible space around the structures and,
 - there are at least two separate paved vehicular access routes to the property.

GENERAL RULES

1. POLICY FORM AND DESCRIPTION OF COVERAGE

All Homeowner policies will be issued under **Form HO 00 03 (4/91)**. The policy form should be consulted for exact contract coverages and conditions.

a. Section I Coverages - Property Damage

- 1) Coverage A-Dwelling-Main residence insured up to stated limit, which must be 100% of the replacement cost value.
- 2) Coverage B-Other Structures-Limit is 10% of Coverage A for a one or two family dwelling and 5% of Coverage A for a three or four family dwelling.
- 3) Coverage C-Unscheduled Personal Property-Limit is 50% of Coverage A for a one or two family dwelling and 40% of Coverage A for a three or four family dwelling.
- 4) Coverage D-Loss of Use-Limit is 20% of Coverage A for a one or two family dwelling and 10% for a three or four family dwelling.

b. Section II Coverages - Liability

- 1) Coverage E - Personal Liability -Basic limit is \$100,000.
- 2) Coverage F - Medical Payments - Basic limit is \$1,000.

c. California Homeowners Enhancement Endorsement

Homeowners policies in the Elite, Ultra, Premium and Regular Programs (and in the Classic Program if built in or after 1930) will be issued with this endorsement. The following provisions apply:

- 1) Modified Replacement Cost Coverage-Coverage A, Limits of Liability are increased up to 50% in the event of a total loss.
- 2) Ordinance or Law Coverage-Loss to covered property can be settled on the basis of any ordinance or law that regulates reconstruction, repair or demolition, except for the peril of earthquake, and subject to limitations found in Section I-Modified Replacement Cost.
- 3) Personal Injury Coverage provided for libel, slander, defamation of character, etc.
ATTACH ENDORSEMENT AHHO-7 (06/09)

d. Mold, Fungus, Wet Rot, Dry Rot and Bacteria Exclusion (All Programs)

Mandatory endorsement for all policies which excludes all Mold, Fungus, Wet Rot, Dry Rot and Bacteria Losses except those losses that ensue from a covered loss. Those ensuing losses are limited to \$5,000 maximum coverage

2. ELIGIBILITY

a. A Homeowners Policy may be issued:

- 1) to an owner-occupant(s) of a 1, 2, 3 or 4 family dwelling which is used exclusively for private residential purposes and contains not more than 2 boarders or roomers in the insured's unit; or
- 2) to the purchaser-occupant(s) who has entered into a long term installment contract for the purchase of the dwelling and who occupies the dwelling but to whom title does not pass from the seller until all the terms of the installment contract have been satisfied. The seller retains title until completion of the payments and in no way acts as a mortgagee. The seller's interest in the building and premises liability may be covered using the Additional Insured Endorsement HO 04 41 04 91.
- 3) to the occupant of a dwelling under a life estate arrangement when the Coverage A amount is at least 80% of the dwelling's Replacement Cost. The owner's interest in the building and premises liability may be covered using the Additional Insured Endorsement.
- 4) to the occupant of a Seasonal or Secondary home.

- b. A Homeowner policy may not be issued:
 - 1) covering any property to which farm forms or rates apply under the rules of the Company. In no event shall a policy be issued to cover any property situated on premises used for farming purposes.
 - 2) covering any mobile home, modular home, trailer home, boathouse or house trailer whether or not set on blocks, foundations, or otherwise made stationary.
 - 3) covering any dwellings of 5 or more families.
 - 4) covering someone with a high profile occupation, unless Personal Injury is excluded.

3. CONSTRUCTION DEFINITIONS

Frame - Predominantly constructed of wood floors and wood roof with sheet metal, stucco, brick veneer or wood exterior walls.

Masonry - Predominantly constructed of wood floors or roof in either brick, concrete, concrete block exterior walls or unprotected steel frame walls and roof.

Masonry Veneer -- Exterior walls constructed of combustible construction veneered with brick or stone.

NOTE: Mixed (Masonry/Frame) -- a combination of both frame and masonry construction shall be classified as frame when the exterior walls of frame construction (including gables) exceed 33.33% of the total exterior wall area; otherwise class and code as masonry.

Superior

- 1) Non-Combustible -- exterior walls and floors and roof constructed of, and supported by metal, asbestos, gypsum, or other non-combustible materials.
- 2) Masonry Non-Combustible -- exterior walls constructed of masonry materials (as described in "masonry" above) and floors and roof of metal or other non-combustible materials.
- 3) Fire Resistive -- exterior walls and floors and roof constructed of masonry or other fire resistive materials.

4. PROTECTION CLASS DEFINITIONS

The protection class listings in the Public Protection Classification Manual also apply to risks insured under Homeowners policies.

- a. The protection class indicated applies in a municipality or classified area where a single class of fire protection is available throughout. (8, 7, 6, etc.)
- b. In a classified area where two or more classifications are shown (e.g. 6/9), the classification is determined as follows:

<u>Distance to Fire Station</u>	<u>Class</u>
5 road miles or less with hydrant within 1,000 feet	*
5 road miles or less with hydrant beyond 1,000 feet	**
Over 5 road miles, but less than 10 miles	9
10 road miles or over	10

* First Protection Class (e.g. 6/9 use Class 6)

** Second Protection Class (e.g. 6/9 use Class 9)

- c. All other properties are Class 10.

5. CHANGE IN FIRE PROTECTION CLASS

Where there is a change in the Fire Protection Class which affects the premium group applicable to the Homeowners Policy, an adjustment in premium on the existing Homeowners Policy may be made in connection with the specific change in protection class at the next renewal.

6. SUBDIVISION PROTECTION PLAN

RATING - PROTECTION CLASSES 9-10

A home located in a Protection Class 9 or 10 area and in a subdivision, platted for 10 or more homes and located within 5 miles of a Town Class 1-8 fire department that will respond, will be eligible for the Subdivision Protection Plan as follows:

- a. If the home is located within 5 miles*** travel distance of a recognized fire department and less than 1000 feet of a public fire hydrant, the home shall receive the classification of the fire department furnishing protection.
- b. If the home is located within 5 miles travel distance of a recognized fire department and more than 1000 feet from a public fire hydrant, the home shall receive the next lower protection class.

*** If a risk is located within a platted subdivision, a part of which is located within the five mile limit, the entire subdivision will be considered to be within the five mile limit.

7. CANCELLATION OR REDUCTIONS IN LIMITS OF LIABILITY OR COVERAGES

If insurance is canceled or reduced at the request of either the insured or the insurer, the earned premium shall be computed on a pro rata basis.

8. POLICY FEES

- a. Each policy is subject to a \$50.00 Policy Fee. Exception: if the dwelling exceeds 4000 square feet or the Coverage A amount is greater than \$750,000 a Higher Value Policy Fee of \$175 will apply. Each Universal Renewal policy is subject to a \$45.00 Policy Fee. Policy fees are fully earned.
- b. It is permissible to pay the annual premium in installments. Each installment payment is subject to a \$7.00 Installment Fee.
- c. When a policy lapses and is then reinstated, a \$15.00 Reinstatement Fee will apply.

9. MINIMUM PREMIUM

A minimum annual premium of \$100 shall be charged for each policy, in addition to applicable fees.

10. WAIVER OF PREMIUM

When a policy is endorsed subsequent to the inception date, any additional or return premium of \$5.00 or less may be waived. At the insured's request, any return premium of \$5.00 or less will be returned.

11. WHOLE DOLLAR PREMIUM RULE

All premiums shown on the Declarations Page and endorsements shall be rounded to the nearest whole dollar. A premium of fifty cents (\$.50) or more shall be rounded to the next higher whole dollar.

In the event of cancellation by the Company, the return premium may be carried to the next higher whole dollar.

12. POLICY CHANGES AFTER UNDERWRITING CHANGE

If, after the Company revises its Underwriting Guidelines, the Insured requests a change to the existing policy which results in an Increase in Hazard or an Unacceptable Risk, the Company may cancel the policy in accordance with state statutes. In the case where a new policy can be written with limitations, an offer must be made to rewrite on that basis.

13. TEMPORARY SUSPENSION OF WRITINGS

In the event of impending severe weather conditions, hurricane or tropical storms or civil unrest, no new applications for new coverage or increased limits to existing coverage may be accepted or bound. Renewals of existing Universal policies may be written given there is no increase in coverage provided. The weather restrictions will be removed when the National Weather Service withdraws the hurricane or storm warnings.

14. STATE EXCEPTIONS

The following forms and endorsements are mandatory for all Homeowners policies:

<i>AHHO-SP CA (06/09)</i>	<i>Special Provisions--California</i>
<i>AHHO-7 (06/09)</i>	<i>California Homeowners Endorsement**</i>
<i>AHHO-9 (06/09)</i>	<i>Lender's Loss Payable Endorsement</i>
<i>AHHO-10 (06/09)</i>	<i>California Insurance Guarantee Association</i>
<i>AHHO-40 (06/09)</i>	<i>California Homeowners Endorsement--Classic Program*</i>
<i>AHHO-50 (06/09)</i>	<i>Mold, Fungus, Wet Rot, Dry Rot and Bacteria Exclusion</i>
<i>CABOR (07/11)</i>	<i>California Residential Property Insurance Bill of Rights</i>
<i>CA OOL (06/09)</i>	<i>California Ordinance or Law Disclosure Notice</i>
<i>HO 24 90 01 93</i>	<i>Workers Compensation Residence Employees-CA</i>
<i>HO 05 31 05 96</i>	<i>Modified Functional Replacement Cost Loss Settlement*</i>
<i>UG 105c (06/09)</i>	<i>Important Information--Consumer Affairs</i>
<i>AHHO-CRID (07/11)</i>	<i>Notice to Consumers – California Residential Insurance Disclosure</i>
<i>UI GLB 03 09</i>	<i>Notice Of Our Privacy Policy</i>
<i>USP 00 06 09</i>	<i>Signature Page</i>

*Mandatory for homes built prior to 1930 in the Classic Program only, unless the home qualifies for the Complete Restoration Credit.

**Mandatory for all Elite, Ultra, Premium and Regular program policies, and for Classic program policies built on or after 1930. All risks qualifying for the Complete Restoration Credit will be issued this endorsement.

RATING PROCEDURES

- Rates are available through our online rating system, Arrowhead Exchange.
- Rates are also available through FSC rating system. You can bridge directly to Arrowhead Exchange from FSC.
- If you need your Administrator ID and Password for Arrowhead Exchange, or have other technical questions, please call Tech Support at 1-800-333-5553 ext. 6844. For all other questions, please contact your Marketing Representative.

POLICY CREDITS

1. DEDUCTIBLES

Standard Deductible

A flat \$250 deductible applies to Section I coverages except Loss of Use coverage. No deductibles apply to Section II coverages. There are no provisions for eliminating this deductible.

Optional Deductibles

Optional flat deductibles are available. Refer to the table below. To determine the additional premium or premium credit, multiply the percentage charge or credit corresponding to the desired deductible by the **Basic Annual Premium**. The premium credit is limited by the maximum dollar amount reflected in the table.

Deductible	Charge/Credit	Maximum Dollar Amount
\$ 250	Inc	--
\$ 500	-9%	\$100
\$1,000	-17%	\$250
\$2,500	-25%	\$500

2. PROTECTIVE DEVICES

To determine the premium credit, multiply the percentage credit corresponding to the applicable protective device by the **Basic Annual Premium**.

	Local Alarm	Fire/Police Station Hook-Up	Central Station
Burglar Alarm		-3%	-5%
Fire or smoke alarm, fire extinguisher, or dead bolt locks	-2%	-3%	-5%
Automatic sprinklers in all areas			-13%
Automatic sprinkler in all areas except attics, bathrooms, closets, & attached structures that are protected by a fire detector			-8%

ATTACH ENDORSEMENT HO 04 16 04 91

Note: Please provide documentation for central station alarm or sprinkler credits. Documentation includes a copy of the installation certificate or a copy of a current bill showing monthly monitoring charges. (Bill must be current within the last 30 days)

3. NEW HOME CREDIT

To determine the premium credit, multiply the percentage credit corresponding to the dwelling age by the **Basic Annual Premium**.

Dwelling Age (years) During Inception Year of Policy	Annual Premium Credit
New	-30%
1 Year	-27%
2 Years	-25%
3 Years	-23%
4 Years	-21%
5 Years	-18%
6 Years	-15%
7 Years	-13%
8 Years	-11%
9 Years	-8%
10 Years	-5%

4. TILE ROOF CREDIT

Apply a 3% credit to the **Basic Annual Premium** if the dwelling has a tile roof.

5. RETROFIT CREDIT (Classic Program, only)

Apply a 5% credit to the **Basic Annual Premium** if the dwelling has been retrofitted. Retrofitting must meet company guidelines, including bolting, adding shear walls, photos and engineering documents.

6. 5 YEAR CLAIM FREE CREDIT

Apply a 5% credit to the **Basic Annual Premium** for any policyholder that has been claim free and continuously insured for the past five years. (Insured must have been claim free with their prior carrier over the past 5 years.)

7. ANIMAL LIABILITY – Reduced Limit Option

Apply a 2% credit to the **Basic Annual Premium** on any policy that adopts a \$50,000 sub-limit for animal liability. This credit is an option and not mandatory for all policies.

ATTACH ENDORSEMENT AHHO-26 (06/09).

8. RENEWAL CREDIT

Apply a 5% credit to the **Basic Annual Premium** on any Universal North America Insurance Company’s Homeowner renewal policy written under this program.

9. GUARDED GATE OR LIMITED ACCESS COMMUNITY CREDIT

Apply a 5% credit to the **Basic Annual Premium** on any policy that is located in a Guarded Gate Community or a self contained Retirement or Planned Community. This community must have perimeter fencing with guards at the gates and pass arrangements or paid security patrols. The dwelling must be equipped with door and window alarms.

ATTACH ENDORSEMENT AHHO-61 (06/09)

10. MATURE HOMEOWNER CREDIT

Apply a 5% credit to the Basic Annual Premium if the insured is 55 years of age or older. This credit is only available for the primary residence.

11. HOME INSPECTION CREDIT

Apply the following credit to the Basic Annual Premium when a comprehensive home inspection has been completed by a professional appraiser or home inspector within the previous 12 months. The credit for an inspection completed during a policy period will be applied effective the date the inspection is received by the Company. The first year policy period credit will apply to the remainder of the current policy period.

A copy of the inspection must be maintained by the producer/agency and will be subject to audit by the company. Underwriting reserves the right to obtain a copy of the inspection or appraisal upon request. Inspections completed by the Company do not qualify for this credit.

Policy Period	Credit
1st	-10%
2nd	-7.5%
3rd	-5%
4th	-2.5%

12. RENOVATION CREDIT

Apply the following credit to the Basic Annual Premium on any policy if the home has been renovated. The Renovation Credit cannot be combined with the Complete Restoration Credit. To qualify, the home must have met the following minimum requirements:

- a. All composition, rock, tar and gravel or wood shake roofing must have been replaced within the last 20 years and 30 years for all other roof types.
- b. All pressurized water supply lines must be made of copper.
- c. All furnaces or heating units must have been replaced within the last 20 years.
- d. All wiring must be made of copper with a minimum of 150-ampere power supply. Entire home must be equipped with circuit breakers.

Original Year of Construction	Credit
1950 or older	-21%
1979 to 1951	-15%
1980 to 1989	-7%

13. COMPLETE RESTORATION CREDIT

Apply the following credit to the Basic Annual Premium on any policy if the home has been essentially torn down and reconstructed with current building materials and methods. Evidence that the dwelling has undergone complete restoration is required. Acceptable evidence of the restoration can be in the form of building plans, contractor's receipts or building permits. The Complete Restoration Credit cannot be combined with the Renovation Credit. Please submit proof of complete restoration to underwriting within 14 days of the effective date. To qualify, the home must have met the following minimum requirements:

- a. Complete replacement of entire roof structure including rafters, trusses and roof covering within the last 10 years.
- b. Complete replacement of all heating and air conditioning systems within the last 10 years.

- c. Complete replacement of all wiring and electrical systems within the past 10 years with a minimum of 150-amperage power supply. Entire home must be equipped with circuit breakers.
- d. Complete replacement of all plumbing systems including all fixtures (sinks, toilets, bathtubs, showers etc.) within the last 10 years.
- e. Majority of all exterior and interior walls have been replaced.
- f. Dwelling has been completely brought up to current building codes.

Original Year of Construction	Credit
1950 or older	-35%
1979 to 1951	-25%

POLICY SURCHARGES

- 1. SUPPLEMENTAL HEATING SURCHARGE**
Apply a 5% surcharge to the **Basic Annual Premium** when the home is equipped with a woodstove, a woodstove insert, or other supplemental heating device.

- 2. THREE OR FOUR FAMILY DWELLING SURCHARGE**
Apply a 5% surcharge to the **Basic Annual Premium** if the dwelling is a three or four family dwelling. The Coverage for a 3 or 4 family dwelling includes Coverage B at 5% of the Coverage A limit of Liability, Coverage C at 40% of the Coverage A limit of Liability and Coverage D at 10% of the Coverage A limit of Liability.
ATTACH ENDORSEMENT HO 04 44 04 91

- 3. WOOD SHAKE ROOF SURCHARGE**
Apply a 10% surcharge to the **Basic Annual Premium** if the dwelling has a wood shake roof.

- 4. UPSTAIRS LAUNDRY SURCHARGE**
Apply a 5% surcharge to the **Basic Annual Premium** if the dwelling has laundry facilities above the ground floor level.

SECTION I – OPTIONAL PROPERTY COVERAGES

1. CREDIT CARD, FUND TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY – INCREASED LIMITS

The limit of \$500 may be increased. Charge the additional rate shown below:

New Limit of Liability	Premium
\$1,000	\$2.00
\$2,500	\$4.00
\$5,000	\$5.00
\$7,500	\$7.00
\$10,000	\$8.00

ATTACH ENDORSEMENT HO 04 53 01 93

2. ADDITIONAL INSURED – REISDENCE PREMISES

There is no charge for an Additional Insured who is an individual. For an Additional Insured that is not an individual, such as a governmental body or corporation, charge the additional rate below:

Additional Insured	\$20.00
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ATTACH ENDORSEMENT HO 04 41 04 91

3. DEBRIS REMOVAL-BROADENED TREE REMOVAL

The limit of \$500 provided under the Homeowners policy may be increased to \$1,000. To determine the additional premium, multiply the percentage charge shown below by the sum the **Basic Annual Premium**:

Annual Premium Charge	+5%
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ATTACH ENDORSEMENT AHHO-371 (06/09)

4. PERMITTED INCIDENTAL OCCUPANCIES - RESIDENCE PREMISES

The policy may be endorsed to provide expanded Sections I and II coverage on a permitted incidental occupancy in the dwelling or in another structure on the residence premises.

This coverage provides that property of the permitted business is covered up to the Coverage C limit. However, it does not increase the Coverage C limit. (If increased Coverage C limits are desired, see **PERSONAL PROPERTY** rule).

If the permitted business is located in an other structure, Coverage B does not apply to that structure. See below for charge for specific insurance on the structure.

The additional premium shall be as follows:

Section I:

- 1) If the permitted incidental occupancy is located in the dwelling, no additional charge is made.
- 2) If the permitted incidental occupancy is located in an other structure, charge the following amount of specific insurance on the structure:

Rate per \$1,000 of coverage	\$3.90
------------------------------	--------

ATTACH ENDORSEMENT HO 04 42 04 91

Section II:

Refer to the **Permitted Incidental Occupancies - Residence Premises and Other Residences (page 21)** rule to develop the premium for the increased Coverage E and F exposure.

5. OTHER STRUCTURES

When insurance is written on a specific structure on the residence premises:

- for increased limits, or
- rented to others for dwelling purposes,

the rates per \$1,000 of insurance, noted below, shall apply separately to each structure.

Increased Limits

Charge the additional premium as shown below:

Per \$1,000 of Insurance for Personal Use	\$2.60
---	--------

ATTACH ENDORSEMENT HO 04 48 04 91

Rented To Others - Residence Premises

The premium will be the sum of:

1. \$ 3.90 per \$1,000 of insurance, and
2. the premium for the increased Coverages E and F liability exposures as developed from Other Structures Rented To Others - Residence Premises.

ATTACH ENDORSEMENT HO 04 40 04 91

6. PERSONAL PROPERTY REPLACEMENT COST - COVERAGE C

To determine the additional premium, multiply the percentage charge shown below by the sum of the **Basic Annual Premium** and the premium for any increase/decrease in Coverage C:

Annual Premium Charge	+10%
-----------------------	------

ATTACH ENDORSEMENT HO 04 90 04 91

7. PERSONAL PROPERTY

Increased Limits

When the limit of liability for Coverage C is increased, the additional premium shall be developed as follows:

Per \$1,000 of Additional Insurance	\$1.00
-------------------------------------	--------

The increased limit will be indicated on the Declarations Page. The maximum limit may not exceed 75% of Coverage A.

Reduction in Limit

The limit of liability for Coverage C may be reduced as follows:

Per \$1,000 of Additional Insurance	\$.90
-------------------------------------	-------

The Coverage C limit may not be reduced to a limit less than 40% of the Coverage A limit of liability. The reduced limit will be indicated on the Declarations Page.

Increased Limits - Other Residences

Coverage for Personal Property at Other Residences is limited in the policy form to 10% of Coverage C or \$1,000, whichever is greater. This limit may be increased. The additional premium shall be:

Per \$1,000 of Additional Insurance	\$8.70
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ATTACH ENDORSEMENT HO 04 50 04 91

Increased Special Limits of Liability

a) **Money and Securities**

The special limit of \$200 on money may be increased to a maximum of \$1,000. The \$1,000 limit on securities may be increased to a maximum of \$2,000. The additional premium will be developed as follows:

Premium per \$100 of additional insurance:	
Money	Securities
\$ 8.40	\$ 5.60

ATTACH ENDORSEMENT HO 04 65 04 91

b) **Jewelry, Watches, Furs, Precious and Semi-Precious Stones**

The special limit of liability of \$1,000 for theft of jewelry, watches, furs and precious and semi-precious stones may be increased to a maximum of \$5,000 but not exceeding \$1,000 for any one article. The additional premium will be developed as follows:

For each \$1,000 additional coverage	Rate
County of Los Angeles and City of Palm Springs	\$14.20
Remainder of the State	\$8.50

ATTACH ENDORSEMENT HO 04 65 04 91

c) **Firearms**

The special limit of liability of \$2,000 for loss by theft of firearms may be increased to a maximum of \$6,000 in increments of \$100. Charge the additional rate as shown below:

For each \$100 additional coverage	\$2.84
------------------------------------	--------

ATTACH ENDORSEMENT HO 04 65 04 91

d) **Silverware, Goldware and Pewterware**

The special limit of liability of \$2,500 for loss by theft of silverware, etc., may be increased to a maximum of \$10,000 in increments of \$500. The additional premium will be developed as follows:

For each \$500 additional coverage	\$3.08
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ATTACH ENDORSEMENT HO 04 65 04 91

8. BUSINESS PROPERTY - INCREASED LIMITS

The \$2,500 limit of Liability for business property on the residence premises may be increased to a maximum of \$10,000 in increments of \$2,500. The additional premium will be developed as shown:

For each \$2,500 increase in premium	\$25.00
--------------------------------------	---------

The limit of Liability in excess of \$2,500 does not apply to:

- 1) business property in storage or held as a sample or for sale or delivery after sale;
- 2) business property pertaining to a business actually conducted on the residence premises. (This exposure is addressed by the Permitted Incidental Occupancies coverage).

When the on-premises limit is increased, the off-premises limit of \$250 is automatically increased at no additional charge, to an amount that is 10 percent of the total on-premises limit of Liability.

ATTACH ENDORSEMENT HO 04 12 04 91

9. SECONDARY/SEASONAL RESIDENCE PREMISES

- a) Homeowners coverage on a Secondary Residence Premises shall be provided under a separate policy. The rules of this manual apply except that Section II Coverage is not mandatory for the Secondary Residence.
- b) When coverage is provided on the initial and secondary residence premises under separate policies in the same company, the following premium adjustments should be made:

The premium will be developed as follows:

a) Reduce the premium for the policy covering the Secondary Residence by applying the following credit: \$28.00.
b) Add the Section II charge for Other Insured Location Occupied by Insured to the policy covering the initial residence.

10. MORTGAGE PAYMENT PROTECTION

The Homeowners Policy may be endorsed to provide Mortgage Payment Coverage in the event an insured dwelling is rendered uninhabitable by a covered peril (other than earthquake) after a minimum of 45 days from the date of covered loss. Coverage is up to \$1,000 per month, not to exceed six months. Charge the premium as shown below:

Additional Premium	\$20.00
--------------------	---------

ATTACH ENDORSEMENT AHHO-12 (06/09)

11. LOCK REPLACEMENT COVERAGE

The Homeowners Policy may be endorsed to provide coverage for Lock Replacement in the event an Insured's keys are stolen. Charge the premium as shown below:

Additional Premium	\$10.00
--------------------	---------

ATTACH ENDORSEMENT AHHO-13 (06/09)

12. WATER BACK UP & SUMP OVERFLOW

Coverage may be added for water back up and sump overflow of \$5,000. The additional premium will be developed as shown:

Annual Premium Charge	\$30
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ATTACH ENDORSEMENT HO 04 95 11 92

13. REFRIGERATED PROPERTY COVERAGE

Coverage may be provided for covered property stored in freezers and refrigerators. To determine the additional premium, multiply the percentage charge shown below by the **Basic Annual Premium**:

Annual Premium Charge	+5%
-----------------------	-----

ATTACH ENDORSEMENT HO 04 98 04 91

14. DIFFERENCE IN CONDITIONS

A risk located in a brush hazard area is eligible for the Difference in Conditions (DIC) option.

The coverage form excludes the following perils:

- Fire and lightning
- Wind and Hail
- Explosion
- Aircraft
- Vandalism & Malicious Mischief
- Smoke
- Riot and Civil Commotion
- Removal when loss or damage is a result of any of the above mentioned perils
- Debris removal and additional living expense resulting from any of the above perils.

To determine the premium credit, multiply the **Basic Annual Premium** by the percentage credit shown below:

Annual Premium Credit	-30%
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ATTACH ENDORSEMENT AHHO-2 (06/09)

15. ORDINANCE OR LAW - ADDITIONAL COVERAGE

Additional Ordinance or Law coverage, up to 100% of Coverage A may be provided. Multiply the **Basic Annual Premium** by the percentage charge below:

Additional Premium	+10%
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ATTACH ENDORSEMENT HO 04 77 06 94

* Classic program customers with homes built prior to 1930 are not eligible

16. UNIT OWNERS RENTAL TO OTHERS COVERAGE

For an additional premium, policy coverages will apply while the "Residence Premises" is regularly rented or held for rental to others, subject to the terms of the endorsement. Charge the premium as shown below:

Additional Premium	\$150.00
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ATTACH ENDORSEMENT HO 17 33 04 91

17. SPECIAL PERSONAL PROPERTY COVERAGE

Coverage may be provided for covered Personal Property against all risks except those specifically excluded in the policy. To determine the additional premium, multiply the percentage charge shown below by the **Basic Annual Premium**:

Annual Premium Charge	+5%
-----------------------	-----

ATTACH ENDORSEMENT HO 00 15 04 91 and ENDORSEMENT AHHO-3 (06/09)

18. PREMIER SPECIAL COVERAGE ENDORSEMENT

For an additional premium, the following coverages will apply when this endorsement is added:

- 1) Personal Property Replacement Cost
- 2) Unscheduled Personal Property – Increased to 70% of Coverage A limit
- 3) Loss of Use increased to 40% of Coverage A limit
- 4) Section 1, Coverage C Personal Limits Increased to;
 - \$250 on money
 - \$2,500 on securities, accounts, deeds, manuscripts
 - \$2,500 on watercraft, including trailers, furnishings and equipment
 - \$2,500 for trailers not used watercraft
 - \$2,500 on grave-markers
 - \$2,500 for loss by theft of jewelry, watches, furs but not exceeding \$1,000 for any one item
 - \$2,500 for loss by theft of firearms
 - \$5,000 for loss by theft of silverware
- 5) Fire Dept Service Charge increased to \$1,000
- 6) Credit Card, Funds Transfer Card, Forgery and Counterfeit Money Coverage increased to \$1,000
- 7) Key and Lock Replacement – Up to \$250 coverage provided due to theft
- 8) Arson Rewards up to \$2,500
- 9) Refrigerated Property Coverage - \$500 limit
- 10) Damage to Property of Others increased to \$1,000

Annual Premium Charge	+11%
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ATTACH ENDORSEMENT AHHO 60 (06/09)

19. ROOF LIMITATION ENDORSEMENT

This endorsement limits roof coverings to the perils of fire and lightning only. Interior dwelling damage or personal property damage caused by the failure of the roof is excluded unless the failure is caused by the perils of fire or lightning. See actual endorsement for coverage limitations. This endorsement will be automatically added to any home with a composition / asphalt shingle, tar and gravel, wood-shake, or rock roof and all other roof types over 30 years of age that has not been replaced within the last 20 years. Underwriting reserves the right to add this endorsement upon inspection and determination that a roof is past its useful life expectancy. **Roofs in poor condition will remain ineligible for this program.**

This endorsement will be removed by Underwriting with proof that the roof has been replaced. Acceptable proof includes contractor's receipts with photos of completed work, or a signed contractor's statement that includes 1) Contractor's Name 2) Contractors Business Address 3) Phone Number 4) Business or Organization Name 5) Contractors License Number 5) Date Work Completed and 6) Photos of completed work. Multiply the percentage shown by the **Basic Annual Premium:**

Annual Premium Credit	-2%
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ATTACH ENDORSEMENT AHHO-64 (06/09)

20. IDENTITY THEFT EXPENSE COVERAGE

A limit of \$25,000 is available for expenses incurred by an insured as a direct result of any single identity theft or identity fraud first discovered or learned of during the policy period. A \$250 deductible applies:

Annual Premium Charge	\$25
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ATTACH ENDORSEMENT UI 04 55 01 06 (06/09)

21. EQUIPMENT BREAKDOWN COVERAGE

For an additional premium, the Homeowners coverage forms are modified to include loss resulting from Equipment Breakdown.

Equipment Breakdown means:

- (1) Physical loss or damage both originating within:
 - (a) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:
 - 1. waste disposal piping;
 - 2. any piping forming part of a fire protective system;
 - 3. furnaces; and
 - 4. any water piping other than:
 - a. boiler feed water piping between the feed pump and the boiler;
 - b. boiler condensate return piping; or
 - c. water piping forming part of refrigerator or air conditioning system used for cooling, humidifying or space heating process.
 - (b) All mechanical, electrical, electronic or fiber optic equipment; and
- (2) Caused by, resulting from, or consisting of:
 - a. Mechanical breakdown
 - b. Electrical or electronic breakdown; or
 - c. Rupture, bursting, bulging, implosion, or steam implosion.

The limit of liability for this coverage will equal a flat \$25,000 per occurrence, subject to a \$50,000 annual aggregate limit. All policies subject to a \$500 flat deductible:

Annual Premium Charge	\$25
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ATTACH ENDORSEMENT UI EBEE 06 06

SECTION II – OPTIONAL LIABILITY COVERAGES

Coverage E limits indicated below are on “an occurrence” basis.
Coverage F limits indicated below are “each person” limits.

1. RESIDENCE PREMISES - BASIC AND INCREASED LIMITS

Coverage E – Liability	
Limit	Rate
\$100,000	Inc
\$300,000	\$16.00
\$500,000	\$30.00

Coverage F - Medical Payments	
Limit	Rate
\$1,000	Inc.
\$2,000	\$4.00
\$5,000	\$13.00

2. OTHER INSURED LOCATION OCCUPIED BY INSURED

Premium: Rate per residence - Charge the additional premium shown below:

Coverage E – Liability		
Limit	1 Family Rate	2 Family Rate
\$100,000	\$8.00	\$16.00
\$300,000	\$10.00	\$21.00
\$500,000	\$12.00	\$23.00

Coverage F - Medical Payments		
Limit	1 Family Rate	2 Family Rate
\$1,000	Inc.	Inc.
\$2,000	\$1.00	\$1.00
\$5,000	\$5.00	\$5.00

3. ADDITIONAL RESIDENCE RENTED TO OTHERS

Premium: Rate per residence - Charge the additional premium shown below:

Coverage E – Liability		
Limit	1 Family Rate	2 Family Rate
\$100,000	\$13.00	\$21.00
\$300,000	\$17.00	\$27.00
\$500,000	\$20.00	\$31.00

Coverage F - Medical Payments		
Limit	1 Family Rate	2 Family Rate
\$1,000	Inc.	Inc.
\$2,000	\$1.00	\$1.00
\$5,000	\$5.00	\$5.00

ATTACH ENDORSEMENT HO 24 70 04 91

4. OTHER STRUCTURES RENTED TO OTHERS - RESIDENCE PREMISES

	Coverage E-Liability		
	\$100,000	\$300,000	\$500,000
Rate per Structure	\$13.00	\$17.00	\$20.00

Coverage F- Medical Payments		
\$1,000	\$2,000	\$5,000
Included	\$1.00	\$5.00

ATTACH ENDORSEMENT HO 04 40 04 91

Refer to **Other Structures (page 15)** for rating Section I Coverage.

5. PERMITTED INCIDENTAL OCCUPANCIES - RESIDENCE PREMISES AND OTHER RESIDENCES

Premium: Rate per residence - Charge the additional premium shown below:

Coverage E – Liability		
Limit	Residence Premises	Other Residence
\$100,000	\$25.00	\$25.00
\$300,000	\$33.00	\$33.00
\$500,000	\$36.00	\$36.00

Coverage F - Medical Payments	
Limit	Rate
\$1,000	Inc.
\$2,000	\$7.00
\$5,000	\$25.00

ATTACH ENDORSEMENT HO 24 43 04 91

Refer to **Permitted Incidental Occupancies-Residence Premises (page 14)** for rating Section I Coverage.

6. BUSINESS PURSUITS

The policy may be endorsed to provide coverage for the Liability of the Insured arising out of business activities. Coverage is excluded if the Insured owns the business, is a partner, or maintains financial control in the business. \$1,000 Medical Payments is included at no charge.

	Coverage E-Liability			Coverage F-Medical Payments	
	\$100,000	\$300,000	\$500,000	\$2,000	\$5,000
1. Clerical Employees	\$5.00	\$7.00	\$8.00	\$1.00	\$5.00
2. Sales person, Collector, Messenger					
- Installation, emonstration, or Servicing Operation, Included	\$8.00	\$10.00	\$12.00	\$1.00	\$5.00
- Installation, Demonstration, or Servicing Operation, Excluded	\$5.00	\$7.00	\$8.00	\$1.00	\$5.00
3. Teachers					
- Laboratory, athletic, manual or physical training	\$12.00	\$20.00	\$21.00	\$3.00	\$9.00
- Not otherwise classified	\$7.00	\$9.00	\$9.00	\$1.00	\$5.00
- Corporal punishment	Coverage Not Available				

ATTACH ENDORSEMENT HO 24 71 04 91

The policy may also be endorsed to provide coverage for the Liability of the Insured arising out of business pursuits of an Insured minor. \$1,000 Medical Payment is included at no charge. Charge the additional premium shown below:

Rate:	Coverage E- Liability			Coverage F- Medical Payments	
	\$100,000	\$300,000	\$500,000	\$2,000	\$5,000
	\$ 5.00	\$10.00	\$20.00	\$1.00	\$5.00

ATTACH ENDORSEMENT AHHO-14 (06/09)

7. WATERCRAFT

- 1) Coverage is included in the policy form, at no additional charge, for watercraft powered by an outboard engine, or motor, or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power. For watercraft exceeding these limits, additional coverage may be provided.
- 2) Coverage must be written for the term of the policy.
- 3) Include a copy of the current Motor Vehicle Report for Named Insured and Each Operator.
- 4) \$1,000 Medical Payment is included at no charge.
- 5) No watercraft over 90hp under five feet in length (jet skis, jet boats, wave runners etc.).

Charge the additional premium shown below:

Outboard, Inboard, or Inboard-Outdrive Engines or Motors - Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by Insured.

Length	Horsepower	Coverage E-Liability			Coverage F- Medical Payments	
		\$100,000	\$300,000	\$500,000	\$2,000	\$5,000
Up to 15 ft.	Up to 50	\$20	\$26	\$30	\$4	\$14
	51-100	\$26	\$34	\$39	\$5	\$15
	101-150	\$112	\$148	\$166	\$8	\$27
	Over 150	Coverage Not Available				
16 to 26 ft.	Up to 50	\$20	\$26	\$37	\$5	\$18
	51-100	\$21	\$34	\$39	\$8	\$27
	101-150	\$138	\$183	\$195	\$10	\$36
	151-200	\$170	\$226	\$254	\$16	\$55
	Over 200	Coverage Not Available				

Outboard engines or motors of up to 25 horsepower or sailboats less than 26 feet in overall length with or without auxiliary power are covered in the policy form.

Sailboats With or Without Auxiliary Power

Overall Length/Feet	Coverage E - Liability			Coverage F – Medical Payments	
	\$100,000	\$300,000	\$500,000	\$2,000	\$5,000
26 to 40 Feet	\$23	\$31	\$35	\$4	\$14
Over 40 Feet	Coverage Not Available				

ATTACH ENDORSEMENT HO 24 75 04 91

8. PERSONAL INJURY EXCLUSION (Not Applicable to the Classic Program)

Personal Injury coverage, provided by mandatory endorsement AHHO-7, California Homeowners Endorsement, may be excluded. Credit the premium as shown below:

Annual Premium Credit	-\$5.00
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ATTACH ENDORSEMENT AHHO-15 (06/09)

9. WORKERS COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE

Charge the additional premium shown below:

Occasional Employees as defined by Statute	Included
Outservant (each) – An employee whose principal duties occur outside the Insured's residence, over 10 hours per week	\$137
Inservant (each) – An employee whose principal duties occur inside the Insured's residence, over 20 hours per week	\$170

ATTACH ENDORSEMENT HO 24 90 01 93

SCHEDULED PERSONAL PROPERTY
ATTACH ENDORSEMENT HO 04 61 04 91

Personal articles may be scheduled on all Homeowners forms subject to the underwriting rules of the Company. Minimum premium is \$50.00. Any limit in excess of the stated limits should be submitted to your underwriter for review.

- a. **JEWELRY** - Individually owned personal jewelry, defined as articles of personal adornment composed in whole or in part of silver, gold, platinum, or other precious metals and alloys, whether or not containing pearls, jewels, precious, or semi-precious stones. **The standard limit is \$10,000 per item, \$50,000 total. Submit for approval if you need higher limits.**

Per \$100 of Coverage	Rate
Los Angeles County and Palm Springs	\$3.66
Remainder of State	\$1.85

Scheduling Limits	Total Available	
Limit per Item	\$10,000	\$25,000
Total Limit	\$50,000	\$100,000

Requirements

We do not insure loose stones as they are easily lost or misplaced. We will not write damaged or chipped stones unless the Bill of Sale/Appraisal clearly shows a reduced value.
An "adequate description" must contain information typically found on an appraisal (i.e. weight, mounting, distinguishing characteristics, characteristics of the stones, serial numbers, etc.).
An "acceptable appraisal" must be dated and signed by a qualified appraiser and show the "Four C's" (Carat, Cut, Color, Clarity) by scale. Appraisals on all items must have been made within the last three years. An appraisal from a certified gemologist is required on all items over \$10,000.
Verification of where the item is kept when not worn and how often the item is worn.
If jewelry contains "soft stones", you must determine that they are being properly maintained. Soft stones are defined as gemstones rated on the hardness scale 8 or less; i.e. Amethyst, Opal, Turquoise and Pearl.

- b. **FURS**

Per \$100 of Coverage	Rate
Los Angeles County and Palm Springs	\$1.94
Remainder of State	\$0.86

Scheduling Limits	
Limit per Item	\$15,000
Total Limit	\$50,000

Requirements

We will not schedule damaged or deteriorating furs.
A “descriptive appraisal” which must include the type of fur, length, color, origin, and value. Appraisals on furs are often inflated. We prefer a sales slip noting the purchase price if the item was purchased within the last three years. If the item was purchased over three years ago, we will accept an appraisal from a qualified appraiser.
Verification of where the item is stored.

- c. **CAMERAS** - Cameras, projection machines, films, sound equipment, binoculars, telescopes, microscopes, etc., not utilized for professional purposes.

Rate per \$100 (Non-Professional Only)	\$2.15
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Scheduling Limits

Limit per Item	\$2,500
Total Limit	\$5,000

Requirements

Description of camera items must include make, model numbers, and serial numbers. Lens descriptions must include make, “F”-stop, and focal length.
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- d. **MUSICAL INSTRUMENTS** - Not utilized for professional purposes.

Rate per \$100 (Non-Professional Only)	\$.75
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Scheduling Limits

Limit per Item	\$ 7,500
Total Limit	\$15,000

Requirements

Description of musical instruments must include make, model numbers and serial numbers, if any. We prefer a sales slip noting the purchase price if the item was purchased within the last three years. If the item was purchased over three years ago, we will accept an appraisal from a qualified appraiser.

- e. **SILVERWARE** - Silverware, silverplated ware, goldware, goldplated ware, and pewterware.

Rate per \$100	\$.75
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Scheduling Limits

Limit per Item	\$2,500
Total Limit	\$50,000

Requirements

We require sales receipts or documentation of value within last three years or an itemized manufacturer’s listing showing brand, pattern, price and description.
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f. GOLFER'S EQUIPMENT

Rate per \$100	\$1.40
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Scheduling Limits

Limit per Item	\$2,000
Total Limit	\$5,000

Requirements

Documentation of value within the last three years.
Description of items must include make, model numbers and serial numbers, if any, as well as distinguishing characteristics. We prefer a sales slip noting the purchase price.

g. FINE ARTS - Paintings, etchings, pictures, tapestries, art glass windows, fine china, and other bona fide works of art (such as valuable rugs and statuary) of rarity, historical value or artistic merit.

Rate per \$100 BREAKAGE COVERAGE NOT AVAILABLE	\$.43
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Scheduling Limits

Limit per Item	\$10,000
Total Limit	\$50,000

Requirements

Documentation of value within the last three years.
We do not provide breakage coverage.
Rugs cannot be scheduled under Fine Arts.
Rugs can be scheduled under Valuable Rugs (section k)
For paintings, verification is required for where they are kept, how and where they are displayed, and if an alarm is connected to the item.

h. POSTAGE STAMPS

Rate per \$100	\$.65
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Scheduling Limits

Limit per Item	\$1,000
Total Limit	\$5,000

Requirements

Description of items must include year of issue, condition, denomination, and place of origin. We prefer a sales slip noting the purchase price.
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- i. **COINS** - Rare and current coins, medals, paper money, bank notes, tokens of money and other numismatic property including albums, containers, and display cabinets in use with such collections.

Rate per \$100	\$ 2.69
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Scheduling Limits

Limit per Item	\$ 2,000
Total Limit	\$ 5,000

Requirements

Description of items must include year of issue, condition, denomination, and place of origin. We prefer a sales slip noting the purchase price.

- j. **FIREARMS**

Rate per \$100	\$4.50
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Scheduling Limits

Limit per Item	\$2,000
Total Limit	\$5,000

Requirements

A description must include year manufactured, make, model, serial number, caliber, barrel length, etc. We require a sales slip noting the purchase price and date.

- k. **VALUABLE RUGS**

Rate per \$100

Entire State	\$2.50
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Scheduling Limits

Limit per Item	\$2,500
Total Limit	\$5,000

Requirements

Appraisals on Oriental rugs and tapestries are often inflated. We prefer a sales slip noting the purchase price if the item was purchased within the last three years. If the item was purchased over three years ago, we will accept an appraisal from a qualified appraiser.

For Oriental rugs, verification of how they are displayed (on floor, rolled up, or on the wall) is required. If on floor, are they in a heavy traffic area? If on wall, we require the method of mounting.

I. ALL OTHERS *

Rate per \$100	\$2.15
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* Refer to Company for Scheduling Limits and Requirements.

PROPERTY WHICH IS NOT ELIGIBLE FOR COVERAGE

- a. Property held by merchants or dealers.
- b. Property held by or on loan to museums, art galleries, or art institutions ordinarily open to the public.
- c. Items used in the Insured's business(es) or profession(s).

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HO 04 77 06 94	Ordinance or Law—Increased Amount of Coverage (100%)
HO 04 90 04 91	Personal Property Replacement Cost
HO 04 95 11 92	Water Backup and Sump Overflow
HO 04 98 04 91	Refrigerated Property Coverage
HO 05 31 05 96	Modified Functional Replacement Cost Loss Settlement
HO 17 33 04 91	Unit Owners Rental to Others
HO 24 70 04 91	Additional Residence Rented To Others (1,2, 3 or 4 Families)
HO 24 71 04 91	Business Pursuits
HO 24 75 04 91	Watercraft
HO 24 90 01 93	Workers Compensation Residence Employees-California
UG 105c (06/09)	Important Information-Consumer Affairs
UI EBEE (06 06)	Equipment Breakdown Enhancement Endorsement
UI 04 55 01 06	Identity Theft Expense Coverage
AHHO-CRID (07/11)	Notice to Consumers – California Residential Insurance
CABOR (07/11)	California Residential Property Insurance Bill of Rights
CA OOL (06/09)	California Ordinance or Law Disclosure Notice
CA HO3 HPD (06/09)	Property Premium Discount Availability
UI GLB 03 09	Notice Of Our Privacy Policy
USP 00 06 09	Signature Page

FORMS PAGE - CONTINUED

The following forms may be required on existing business or with applications not submitted through Arrowhead Exchange:

Older Home Questionnaire - Dwellings built prior to 1950

Earthquake Hazard Retrofit Form - Dwellings built prior to 1930 that qualify for the Retrofit Credit.

Woodstove Questionnaire - Dwellings with woodstoves.

Unprotected Dwelling Questionnaire - Protection Class 9 or homes over 1,000 feet from a fire hydrant.

Renovation Credit Questionnaire – Renovated dwellings qualifying for the Renovation Credit.

Complete Restoration Questionnaire – Completely restored dwellings qualifying for the Complete Restoration Credit.