NORTH CAROLINA UNDERWRITING GUIDELINES AND BINDING AUTHORITY

Maximum insured value - $1,000,000
Minimum insured value - $90,000
Protection Class 1 – 8
Prior losses (within three years) are unacceptable for new business

GENERAL UNDERWRITING

Eligibility:

- Named Insured must be an individual(s).
- Maximum of two 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 entities cannot be written.
- One, two, three or four family, owner occupied dwellings only.

Dwelling:

- Coverage A should be written at 100% of replacement cost.
- Maximum insured value - $1,000,000. Dwellings built over 40 years ago must meet the following requirements:
  - 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.
- 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.
- 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.

SUBMIT FOR APPROVAL - DO NOT BIND

Dwellings:

- If the total amount of scheduled personal property is in excess of $35,000 or any single item exceeds $10,000.
- More than one family dwellings, if bars on windows

Liability:

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

History:

- Risks declined, canceled or non-renewed within the past three years

UNACCEPTABLE RISKS

Dwelling:

- Vacant dwellings or dwellings under construction, including dwellings undergoing major remodeling.
- Mobile homes, manufactured homes, modular homes, and boat houses.
- Dwellings of "unusual construction", i.e., cantilevered construction, log construction, or homes which require knowledge of special reconstruction techniques.
- Dwellings with flat roofs.
- Dwellings located in Protection Class 9 or 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.
- Dwellings with kerosene or coal heaters.
- Dwellings over water.
- Dwellings with in-ground oil tanks.
- Homes built over 40 years ago without updated plumbing, heating, electrical systems and roof
- Roofs not 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
- Homes built prior to 1920 and “Antique” or “one of a kind” custom residences where replacement cost values would be difficult to determine are not acceptable.
- Dwellings located within the designated coastal areas unless written with the Windstorm or Hail Exclusion

Liability:

- Unfenced pools or pools with less than a 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.
- Dwellings with a trampoline
- Hazardous animal exposures (i.e., animals generally found in the wild or in a zoo, or any vicious animals— including, but not limited to, Pit Bulls, Chows, Rottweilers, or more than two horses, cows, pigs, goats, sheep, etc.
- Business on premises unless purely incidental in nature. Businesses necessitating foot traffic and/or which store inventory over $20,000 in value are unacceptable.
- Dwellings with bars on windows, unless all are equipped with quick release.
- Dwellings with exceptionally steep stairs or stairs without railings

Loss History:

New Business

- Risks with one or more losses in the past three years, regardless of type or amount paid
- Risks with two or more losses within the past five years, regardless of type or amount paid
- Risks with a liability claim within the last five years
- Risks with any unsolved or open claim regardless of age

Renewal Business

- Risks with two or more losses in the past three years, regardless of type of amount paid
- Risks not meeting the minimum credit score threshold with any loss within the past three years.

NORTH CAROLINA HOMEOWNERS PROGRAM
GENERAL RULES

1. GENERAL INSTRUCTIONS

The homeowners program provides property and liability coverages, using the forms and endorsements in this manual. This manual contains the rules governing the writing of the Homeowners Policy. The rules, rates, forms, and endorsements filed by the Company, or on behalf of the Company for each coverage, shall govern in all cases not specifically provided within this manual.

2. POLICY FORM AND DESCRIPTION OF COVERAGE

The following is a general description of the coverages provided by the homeowners policy form. The policy form should be consulted for exact contract conditions. *Form HO 00 03 10 00 for Homeowners 3 (HO3)*.

a. **Section I Coverages - Property Damage**

The homeowners policy form provides coverage for the dwelling, other structures, unscheduled personal property, and loss of use. This coverage is subject to certain limitations and exclusions as noted in the contract.

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, 30% of Coverage A for a three family dwelling and 25% of Coverage A for a four family dwelling.
4) Coverage D-Loss of Use-Limit is 40% of Coverage A for a one, two, three or four family dwelling.

b. **Section II Coverages - Liability**

Coverage E - Personal Liability - provides coverage if a claim or suit is brought against the insured for damages because of bodily injury or property damage caused by an occurrence to which this coverage applies.

Coverage F - Medical Payments - provides coverage for the necessary medical expenses incurred arising from a covered accident causing bodily injury. This coverage does not apply to the insured or regular residents of the dwelling other than residence employees.

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

c. **Additions/Reductions in Coverage**.

The limit of liability for Coverage C of Section I and E or F of Section II may be increased.

Under Coverage B of Section I, an additional amount of insurance may be written on a specific structure.

3. ELIGIBILITY

a. A Homeowners Policy may be issued:

(1) 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; or

(2) 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.

(3) 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.

b. A homeowner policy shall not be issued 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.

c. A homeowner policy shall not be issued to cover any mobile home, manufactured home, modular home, trailer home or house trailer whether or not set on blocks, foundations, or otherwise made stationary.

d. A homeowner policy shall not be issued covering any dwellings of 5 or more families.

4. SECONDARY RESIDENCE PREMISES

Homeowners coverage on a secondary and seasonal 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 policy when the same company insures the primary and secondary residence.

5. MANDATORY COVERAGES

a. It is mandatory that insurance be written for all coverages provided under both Sections I and II of the Homeowners Policy.

b. Section II of the policy requires coverage for the following exposures. When such exposures exist, refer to the Rate Pages of this manual.

(1) all additional insured locations where the named insured or spouse maintain a residence other than business or farm properties;

(2) all residence employees of the named insured or spouse not covered or not required to be covered by workers compensation insurance.

c. Coverage for business property/pursuits is limited under Section I and excluded under Section II of the Homeowners Policy. If an incidental business occupancy is permitted by the Company to be covered under a Homeowners Policy, it is required that the policy be endorsed, at an additional premium charge, to cover the exposure. When a permitted exposure exists, refer to the Rate Section of this manual.

6. CHANGE ENDORSEMENT

A revised Declarations Page will provide the information requirements for any endorsement or change that takes place during the term of the policy.

7. POLICY PERIOD

The Homeowners Policy may be written for a period of one year.

8. POLICY FEE

Each new policy is subject to a $30.00 policy fee. **Exception**: If the dwelling exceeds 4,200 square feet of living area or the Coverage A amount is greater than $700,000 a onetime $100.00 higher value policy fee will apply. Each renewal policy is subject to a $30.00 policy fee. All fees are fully earned.

9. MISCELLANEOUS FEES

It is permissible to pay the annual premium in installments. Each installment payment is subject to a $3.00 installment fee. When a policy lapses and is then reinstated a $15.00 Reinstatement Fee will apply.

10. OTHER INSURANCE

Credit for existing insurance is not permitted.

11. 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.

12. 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, unless requested by the insured.

13. 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.

14. CONSTRUCTION DEFINITIONS

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

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

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.

15. FIRE PROTECTION

Residences must be located in Protection Class 8 or less and within 5 miles of a responding fire department and within 1000 feet of a hydrant to be eligible for coverage. Residences must be on a paved road and visible from other residences.

Residences located in or near a brush area (whether designated or not) are generally ineligible and may not be bound.

16. PROTECTION CLASS

Classify the risk as Protection Class 1 through 10, as defined in the appropriate Bureau Manual.

Protection Class 7 & 8 is subject to a surcharge, as outlined in the Rating Section of this manual. Properties located in **Protection Class 9 and 10 are ineligible.**

17. 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.

18. POLICY CHANGES AFTER UNDERWRITING CHANGE

If, after the Company revises it's underwriting rules, 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.

19. MINIMUM PREMIUM

All policies are subject to a $50 minimum premium.

20. 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 North America 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.

21. COASTAL DESIGNATION AND RULES

a. **Special Coastal Property Underwriting Guidelines**

Risks located in designated coastal areas are subject to the following criteria:

b. **Designated Coastal Areas:**

Beaufort County
Brunswick County
Camden County
Carteret County
Chowan County
Craven County
Currituck County
Dare County
Hyde County
Jones County
New Hanover County
Onslow County
Pamlico County

Pasquotank County
Pender County
Perquimans County
Tyrrell County
Washington County

c. **Rules for Risks Located in Designated Coastal Areas**
Risks located within the designated coastal areas must:
- Be written with the Windstorm or Hail Exclusion
- Have Wind coverage provided through the NCIUA
- Not be located on Islands, Islands commonly referred to as barrier islands, and peninsulas

22. INSURANCE SCORE

a. All applicants will have their Insurance score calculated through TransUnion as part of the underwriting and rating process. Credit history is checked through Trans Union using the Trans Union TUIRS Auto/Property Model. TUIRS utilizes the applicant(s) credit history to determine their insurance score.

b. Agents must orally advise each applicant that their credit history will be used to determine eligibility and pricing under the program prior to obtaining their credit score. The agent will be prompted by Arrowhead Exchange to read the following disclosure:

"A credit report about you will be requested in connection with this application for insurance. Your credit history is used to calculate your insurance score, which uses information from your credit report to help predict how often you are likely to file claims and how expensive those claims will be. Typical items from a credit report that could affect a score include, but are not limited to, the following: payment history, number of revolving accounts, number of new accounts, the presence of collection accounts, bankruptcies and foreclosures. Any information obtained about you or other applicants during this process is treated confidentially, and used only in connection with the rating and underwriting of your policy. If an adverse action is taken against you based on your credit history, you will be notified of your right to obtain a copy of your credit report and allowed to dispute inaccurate or incorrect information contained in your credit report. Do I have your permission to run your credit history?"

c. If the Insurance Score is acceptable, the policy is then bound by the Arrowhead Exchange system. If the score is not acceptable, the application will then be submitted to underwriting for further review. At least two photographs of the property to be insured are to be submitted to underwriting for further review. The photographs must contain an accurate depiction of the physical condition of the premises, including the front and back of the house. Any obvious risk factors should be photographed and submitted to Arrowhead General Insurance Agency for further review. Once the application is submitted, an inspection report on the house is ordered, and the applicant is notified if his application has been approved.

Insurance Scores are determined solely by the TUIRS credit based insurance score Auto/Property model**.**

23. STATE EXCEPTIONS

The following forms, endorsements and notices are mandatory for all homeowners policies:

HO 00 03 10 00	Homeowners Policy – Special Form
HO 32 32 06 10	Special Provisions – North Carolina
HO 32 18 05 03	Inflation Guard Endorsement – North Carolina
HO 32 96 05 03	No Section II Coverage for Home Day Care Business
HO 32 46 05 03	Insert – North Carolina
UI GLB 03 09	Notice Of Our Privacy Policy
USP NC 00 (09/11)	Signature Page
AHHO-ADN NC (06/09)	Advisory Notice – North Carolina
NCFN (06/09)	Flood Notice - North Carolina

NCRB PREMIUM

1. BASE CLASS PREMIUM

To determine the Base Class Premium by territory, please refer to the Rate Pages

2. PROTECTION / CONSTRUCTION FACTOR

	Frame Construction	Masonry Construction
Protection Classes 1 - 6	1.00	.95
Protection Class 7	1.25	1.00
Protection Class 8	1.40	1.10

3. WINDSTORM OR HAIL EXCLUSION CREDIT:

The Acknowledgement Of No Coverage For Windstorm Or Hail form (WH 00 01 11 03) must be signed by the insured and producer and returned. Deduct the following from the **Key Premium:**

Territory	Credit
107	$1,131
108	$1,270
148	$747
149	$626
152	$810

4. KEY FACTOR

To determine the key factor, please refer to the Rate Pages.

5. SEASONAL OCCUPANCY

To determine the NCRB charge for dwellings that are seasonally occupied, add the rate shown below to the NCRB **Base Premium**.

Charge Per Policy	- $10.00

6. DEDUCTIBLE OPTIONS

To determine the Deductible credit, please apply the applicable factor to the **Base Premium**.
If a percentage deductible results in an amount less than the all peril deductible then the percentage deductible cannot be applied.

Coverage A	$500 Deductible	$1,000 Deductible	$2,500 Deductible
$75,000 up to $99,999	.91	.79	.62
$100,000 up to $200,000	.92	.79	.62
$200,001 and over	.96	.89	.75

The premium credit for a deductible cannot exceed the premium credit that would apply if wind or hail were excluded.

7. YEAR OF CONSTRUCTION

To apply the appropriate NCRB factor based on the age of the dwelling, please refer to Rate Pages.

8. PROTECTIVE DEVICES

This discount is to be applied when the insured has installed (or has had installed by a licensed contractor) the operational protective device indicated.

These percentage discounts are to be applied to the **Base Premium** including any premium adjustment for Coverage C limits. Only one of the listed plans below can be chosen, the credits cannot be combined. Credit may not exceed $75.00.

#	Plan	Discount
1	Central Reporting Burglar Alarm Discount (Requires a burglar alarm, which is connected to all ground floor doors and windows and alerts either a central reporting station or police department).	5%
2	Central Reporting Fire Alarm (Requires a fire alarm, which alerts either a central reporting Station or fire department).	5%
3	Plans 1 and 2	9%
4	Fire Station connected to fire alarm (Direct fire)	3%
5	Police Station connected to burglar alarm (Direct burglar)	3%
6	Both 4 and 5	4%
7	Local Fire Alarm System	2%
8	Local Burglar Alarm System	2%
9	Combination of plans 7 & 8	2%
10	Automatic Smoke Detectors	1%
11	Residential Sprinkler System Discount (Requires an approved residential sprinkler system in all areas except attics, bathrooms, closets and attached structures).	7%
12	Residential Sprinkler System Discount (Requires an approved residential sprinkler system in all areas including attics, bathrooms, closets and attached structures).	13%

SECTION I – NCRB OPTIONAL COVERAGES

1. SPECIFIED ADDITIONAL AMOUNT OF COVERAGE

Provides an additional amount of insurance up to 25% above the Coverage A dwelling amount. Apply to the **Base Premium**:

Annual Premium Factor	1.02

ATTACH ENDORSEMENT HO 32 20 05 03

2. INCREASED COVERAGE – OTHER STRUCTURES & PERSONAL PROPERTY

Coverage B and C may be increased up to the Coverage A limit of liability. Use the Other Structures – Increased Limits endorsement to specify the structure covered under Coverage B. The standard Coverage D limit is 40% of the coverage A limit and cannot be increased.

	Coverage B	**Coverage B (with Wind Exclusion**	**Coverage C**
Coverage Amount	Per $1,000	Per $1,000	Per $1,000
Premium	$4.00	$2.00	$2.00
Maximum Limit	Coverage A Limit	Coverage A Limit	Coverage A Limit

ATTACH ENDORSEMENT HO 04 48 10 00

DECREASED COVERAGE – PERSONAL PROPERTY

The limit of liability for Coverage C – Unscheduled Personal Property may be reduced as follows:

Credit per $1,000 of Insurance	$1.00

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.

3. LOSS ASSESSMENT

This endorsement provides protection to the insured for special assessments for which the insured is liable as a result of membership in a property owners association. Coverage may be increased to a maximum of $25,000

$10,000 Limit	$7.00
$25,000 Limit	$13.00

ATTACH ENDORSEMENT HO 04 35 10 00

4. PERSONAL PROPERTY REPLACEMENT COST

This coverage changes the loss settlement provisions for Coverage C from Actual Cash Value to Replacement Cost. The Coverage C limit will be increased to 70% of Coverage A when this optional coverage is selected. Multiply the factor below by the **Base Premium**, including any premium adjustment for increased Coverage C limits:

Annual Premium Factor	1.05

ATTACH ENDORSEMENT HO 04 90 10 00

5. REFRIGERATED PROPERTY COVERAGE

Limited coverage may be provided for covered property stored in freezers and refrigerators. Charge the additional premium indicated below.

Charge Per Policy	$10.00

ATTACH ENDORSEMENT HO 04 98 10 00

6. WATER BACK UP AND SUMP OVER FLOW

This endorsement provides coverage for direct physical loss (not caused by the negligence of any insured) to property covered under Section I caused by water which backs up through sewers or drains or water which overflows from a sump. A special deductible of $250 applies. Refer to table below for available limits and additional premium.

Coverage	Annual Premium
$5,000	$22.00
$10,000	$30.00
$15,000	$35.00
$25,000	$40.00

ATTACH ENDORSEMENT HO 04 84 01 09

7. ADDITIONAL INSURED

An additional insured who has a financial interest in the insured property may be added for no additional premium. This endorsement provides Section I (Coverage A and B) and Section II (Coverage E and F – residence premises only) for the named person or organization.

Annual Premium	Included

ATTACH ENDORSEMENT HO 04 41 10 00

8. ADDITIONAL INTERESTS

Additional parties who have an interest in the property may be added for the purpose of receiving notice in the event of cancellation or non-renewal. There is no additional premium for this endorsement.

Annual Premium	Included

ATTACH ENDORSEMENT HO 04 10 10 00

9. ORDINANCE OR LAW

10% of the Coverage A limit of liability is included on all policies.

Annual Premium	Included

10. INCREASED COVERAGE – JEWELRY, WATCHES & FURS

Coverage may be increased up to $5,000. This endorsement replaces the special limit of liability, which applies to theft of jewelry, watches and furs. Coverage is limited to $1,500 per item. The $2,000 and $2,500 per item option is not available. Increase must be in increments of $100.

Rate per $500	$9.00

ATTACH ENDORSEMENT HO 32 88 12 05

11. INCREASED COVERAGE – SILVERWARE AND GOLDWARE

Coverage may be increased by up to $5,000 above the special limit in the policy. This endorsement increases the special limit, which is applicable to silverware or goldware. Coverage may be increased in increments of $5,00 up to $5,000 over the limit in the policy.

Rate per $500	$3.25

ATTACH ENDORSEMENT HO 32 88 12 05

SECTION II – NCRB OPTIONAL COVERAGES
PERSONAL LIABILITY

The minimum limit of liability for Coverage E – Personal Liability is $100,000, and the minimum limit of liability for Coverage F – Medical Payments to Others is $1,000.

1. RESIDENCE PREMISES – BASIC AND INCREASED LIMITS

Coverage E - Liability		
Limit	**1 or 2 Family Rate**	**3 or 4 Family Rate**
$100,000	Inc	Inc
$300,000	$8.00	$16.00
$500,000	$12.00	$23.00

Coverage F - Medical Payments	
Limit	Rate
$ 1,000	Inc
$ 2,000	$ 3.00
$ 5,000	$12.00

2. OTHER INSURED LOCATION OCCUPIED BY INSURED

Limits	One Family	Two Family	Three Family	Four Family
100,000 / 1,000	$7.00	$14.00	$27.00	$29.00
100,000 / 2,000	$8.00	$15.00	$28.00	$30.00
100,000 / 5,000	$11.00	$18.00	$31.00	$33.00
300,000 / 1,000	$9.00	$17.00	$33.00	$36.00
300,000 / 2,000	$10.00	$18.00	$34.00	$37.00
300,000 / 5,000	$13.00	$21.00	$37.00	$40.00
500,000 / 1,000	$9.00	$19.00	$36.00	$39.00
500,000 / 2,000	$10.00	$20.00	$37.00	$40.00
500,000 / 5,000	$13.00	$23.00	$40.00	$43.00

3. INCIDENTAL OFFICE OCCUPANCY

This endorsement extends Coverage C to apply to equipment, supplies and furnishings associated with a permissible incidental occupancy (office, studio, etc.) located on the residence premises. All policy exclusions and the Coverage C deductible are still applicable. This endorsement also extends Personal Liability and Medical Payments to Others to the incidental office located on the premises.

Liability Limit	Premium	Liability Limit	Premium	Liability Limit	Premium
100,000/1,000	$17.00	300,000/1,000	$21.00	500,000/1,000	$23.00
100,000/2,000	$22.00	300,000/2,000	$26.00	500,000/2,000	$28.00
100,000/5,000	$36.00	300,000/5,000	$40.00	500,000/5,000	$42.00

ATTACH ENDORSEMENT HO 04 42 10 00

4. ADDITIONAL RESIDENCE RENTED TO OTHERS

Limits	One Family	Two Family	Three Family	Four Family
100,000 / 1,000	$32.00	$51.00	$86.00	$93.00
100,000 / 2,000	$33.00	$52.00	$87.00	$94.00
100,000 / 5,000	$36.00	$55.00	$90.00	$97.00
300,000 / 1,000	$40.00	$63.00	$107.00	$115.00
300,000 / 2,000	$41.00	$64.00	$108.00	$116.00
300,000 / 5,000	$44.00	$67.00	$111.00	$119.00
500,000 / 1,000	$43.00	$69.00	$116.00	$126.00
500,000 / 2,000	$44.00	$70.00	$117.00	$127.00
500,000 / 5,000	$47.00	$73.00	$120.00	$130.00

ATTACH ENDORSEMENT HO 24 70 10 00

5. PERSONAL INJURY LIABILITY

This coverage amends the policy provisions to cover Personal Injury Liability for offenses such as libel, slander false arrest, etc.

Liability Limit	Annual Premium
$100,000	$13.00
$300,000	$16.00
$500,000	$18.00

ATTACH ENDORSEMENT HO 32 82 05 03

6. BUSINESS PURSUITS

This coverage amends Section II to apply to business pursuits of an insured. Coverage is not available to self-employed individuals or members of a partnership. Coverage is not available for corporal punishment.

Limits	Clerical / Sales	Teacher Athletics / Lab	Teacher All Other
100,000 / 1,000	$5.00	$13.00	$6.00
100,000 / 2,000	$6.00	$15.00	$7.00
100,000 / 5,000	$9.00	$20.00	$10.00
300,000 / 1,000	$6.00	$16.00	$7.00
300,000 / 2,000	$7.00	$18.00	$8.00
300,000 / 5,000	$10.00	$23.00	$11.00
500,000 / 1,000	$7.00	$18.00	$8.00
500,000 / 2,000	$8.00	$20.00	$9.00
500,000 / 5,000	$11.00	$25.00	$12.00

ATTACH ENDORSEMENT HO 24 71 10 00

COMPANY RATES

1. PRIOR CLAIM HISTORY

Please refer to the Rate Pages for the appropriate company factor.

Claim Free Credit

Qualifying policies

- Have been continuously insured and claim free through 5 years (4 renewals) with Arrowhead General Insurance Agency

Exceptions

- Homes with a single claim that did NOT result in a net paid loss during the 5 period
- Homes with catastrophe related claim

Claim History Surcharge

A surcharge will apply to each policy that has had a qualifying claim within the past 3 years. Qualifying claims are claims that:

- Occurred within the last 3 years
- Are non catastrophe related and;
- Result in a net paid loss during the 3 year period.

2. YEAR OF CONSTRUCTION

To apply the appropriate company factor based on the age of the dwelling, please refer to Rate Pages.

3. TERRITORY DEVIATION FACTORS

To apply the appropriate company factor based on location of the dwelling, please refer to the Rate Pages.

4. OTHER THAN PRIMARY RESIDENCE

To determine the company charge for dwellings that are not primarily occupied by the insured, such as a seasonal or secondary residence, please refer to the Rate Pages.

5. THREE- OR FOUR-FAMILY DWELLING SURCHARGE

To determine the company charge for three or four family dwellings, please refer to the Rate Pages.

SCHEDULED PERSONAL PROPERTY

SCHEDULED PERSONAL PROPERTY

This endorsement provides “all risk” coverage for certain classes of property under a floater form. Recent appraisals (completed within the last two years) must be submitted on all jewelry, furs or fine arts. Sales receipts are acceptable on other scheduled items, but must include or be accompanied by a complete description of the item including model number and serial number where appropriate.

Total Scheduled Property limit cannot exceed 25% of the Coverage A Limit or $35,000 (whichever is less). Receipts are required for all items valued under $10,000. An appraisal completed within the last 24 months is required for all items over $10,000 in value.

Category	**Rate per $100**
Cameras	$1.75
Fine Arts (Breakage is not covered)	$0 .75
Furs	$0.40
Golfers Equipment	$1.40
Jewelry - Note: There is a $10,000 aggregate limit for women’s jewelry and a $5,000 aggregate limit for men’s jewelry.	$1.75
Musical Instruments (non-professional use only)	$.60
Silverware	$.60

ATTACH ENDORSEMENT HO 04 61 10 00

FORMS LIST - STATE OF NORTH CAROLINA

Mandatory Forms, Notices	Form Number
Homeowners Policy – Special Form	HO 00 03 10 00
Inflation Guard Endorsement-North Carolina	HO 32 18 05 03
Special Provisions – North Carolina	HO 32 32 06 10
Insert – North Carolina	HO 32 46 05 03
No Section II Coverage for Home Day Care Business	HO 32 96 05 03
Advisory Notice – North Carolina	AHHO-ADN NC (06/09)
Application	AHHO-NCA (04/10)
Flood Notice – North Carolina	NCFN (06/09)
Notice of Our Privacy Policy	UI GLB 03 09
Signature Page	USP NC 00 (09/11)

Optional Forms	Form Number
Additional Interests	HO 04 10 10 00
Loss Assessment	HO 04 35 10 00
Additional Insured	HO 04 41 10 00
Permitted Incidental Occupancies (commonly referred to as Incidental Office Occupancy)	HO 04 42 10 00
Other Structures (Coverage B) – Increased Limits	HO 04 48 10 00
Scheduled Personal Property Endorsement	HO 04 61 10 00
Water Back Up and Sump Overflow	HO 04 84 01 09
Personal Property Replacement Cost	HO 04 90 10 00
Refrigerated Property Coverage	HO 04 98 10 00
Additional Residence Rented to Others 1,2,3 or 4 Families	HO 24 70 10 00
Business Pursuits	HO 24 71 10 00
Specified Additional Amount of Insurance for Coverage A – Dwelling (Extended Replacement Cost) - North Carolina	HO 32 20 05 03
Personal Injury	HO 32 82 05 03
Coverage C Increased Special Limits	HO 32 88 12 05
Absolute Windstorm or Hail Exclusion – North Carolina	HO 32 94 05 03
Acknowledgement Of No Coverage For Windstorm Or Hail	WH 00 01 11 03