



ARBELLA[®]

INSURANCE GROUP

Homeowners Underwriting Guidelines

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1.0 Binding Authority

† 1.1 Homeowner

Homeowners (HO 0003)	
Protection Classes 1-8	\$1,000,000 --- \$500,000 Cape and Islands
Protection Class 9	\$300,000
Protection Class 10	\$150,000
Seasonal Residence	\$250,000
Secondary Residence	\$250,000
Tenants (HO 0004)	\$250,000 --- \$100,000 Cape and Islands
Condominiums (HO 0006)	\$400,000 --- \$250,000 Cape and Islands
Liability Coverage	\$1,000,000 --- Single family, no rental, no pool \$500,000 --- All Other
Medical Payments Coverage	\$ 5,000

Binders may be issued for no more than 15 days, but may be renewed for an additional 15-day term. After 30 days, a binder charge must be made or a policy issued.

Any risk that has been declined, cancelled, or non-renewed within the last 3 years by the prior carrier for any reason is ineligible and cannot be bound. Any risk or policy that is scheduled to be non-renewed upon its upcoming expiration cannot be bound and must be referred to Underwriting.

1.2 Inland Marine

<u>CLASS</u>	<u>PER ITEM</u>	<u>PER CLASS</u>
Fine Arts	\$25,000	\$75,000
Furs	15,000	50,000
Jewelry	25,000	75,000
Silverware	5,000	50,000
Cameras	2,500	10,000
Coins	1,000	5,000
Golfer's Equipment	1,000	7,500
Guns	2,500	10,000
Musical Equipment	1,000	7,500
Stamps	1,000	5,000
Computer Coverage	1,000	15,000
Collectibles (Banks, Trains, Clocks only)	2,500	<u>20,000</u>
Total Schedule		\$150,000 (or 50% of Cov C, whichever is less)

Schedules in excess of \$150,000 (or 50% of Cov C, whichever is less) require prior company approval. Schedules in excess of \$75,000 must have a central station fire and burglar alarm system in the dwelling.

1.3 Hurricanes – Storm Warnings

No new or additional windstorm liability for any risk can be accepted by you under binder, policy, or endorsement, after the National Weather Service declares a "Hurricane Watch". After the threat passes and the warnings have been withdrawn, you may resume binding activities.

† Denotes Change

2.0 New Business Submissions Requirements

New business submissions require the following:

- A fully completed and signed application.
- Most recent edition of the M&S/B replacement cost estimator.
- Property Loss Score report, if applicable.
- Property Assessment Data report.
- Coastal Check report, if applicable.
- K-9 information and questionnaire, if applicable.
- Wood-burning, Coal or Pellet stove information and questionnaire, if applicable.
- Renovation information and questionnaire, if applicable.
- Appraisals, if applicable.

The following documents may be subject to audit if applicable:

- A fully completed and signed application
- Most recent edition of the M&S/B replacement cost estimator
- Property Loss Score Decline Documentation – Notice of Declination of Insurance, Adverse Action
- Alarm discount certificates
- K-9 Questionnaire
- Scheduled Items Appraisals
- MAHA Certificate
- Proof of Prior insurance
- Wood-burning, Coal or Pellet Stove Questionnaire
- Certificate of Insurance for homes under construction

3.0 Program Summary

† 3.1 Eligibility

New Business Underwriting Guidelines –Quick Reference

	<i>Elite</i>	<i>Preferred</i>	<i>Standard</i>	<i>Bridge</i>
Cov A min/max (HO3)	\$650,000/\$1,500,000	\$150,000/\$1,500,000	\$100,000/\$1,500,000	\$100,000/\$1,000,000
All Peril Deductible Minimum	\$1,000	\$500 HO3 \$250 HO4, HO6	\$500 HO3 1&2 Family \$1,000 HO3 3 Family \$250 HO4, HO6	\$500 HO3 1&2 Family \$1,000 3&4 Family \$250 HO4, HO6
Minimum Liability Limit	\$300,000	\$100,000	\$100,000	\$300,000
Cov C min/max (HO4&6)	NA	HO4- \$12k/\$250k HO6- \$25k/\$500k	HO4- \$12k/\$250k HO6- \$25k/\$500k	HO4- \$12k/\$250k HO6- \$25k/\$500k
Year of Construction	≥1925 All systems updated in last 25 years, Consideration given to <1925 if substantially updated. Prior approval required	All systems updated in last 25 yrs.	All systems updated in last 25 yrs	All systems updated in last 25 yrs
Electrical	100 amp minimum circuit breakers required	100 amp minimum circuit breakers required.	100 amp minimum per unit Circuit breakers are required	Fuses with at least 100 amps per unit
Property Loss Score (HO3&6)	Must be acceptable	Must be acceptable	Must be acceptable	Must be acceptable.
# of Families	1	1	1 – 3	1-3 (4 families on exception)
Protection Class	1 thru 7	1 thru 9	1 thru 9	1-9 (PC 10 Refer)
Losses	0 in last 5 years for insured or location	0 in last 3 years for insured or location	1 in last 3 years for insured or location	1 in last 3 years for insured or location
Prior declination, cancellation, or non-renewal	Ineligible if within the last 3 years	Ineligible if within the last 3 years	Ineligible if within the last 3 years	Ineligible if within the last 3 years
Forms eligibility	HO-3	HO-3,HO-4,HO-6 (owner occupied)	HO-3,HO-4,HO-6	HO-3,HO-4,HO-6
Occupancy	Primary	Primary	Primary, Secondary	Primary, Secondary, Seasonal
ITV	100%	100%	100%	At least 90%
Business exposure	Yes, office only, no traffic	Yes, office only, no traffic	Yes, refer to underwriting	Yes, refer to underwriting
Dogs	Refer to Dog List	Refer to Dog List	Refer to Dog List	Refer to Dog List
Horses and other animals	Refer to underwriting	Refer to underwriting	Refer to underwriting	Refer to underwriting
Wood/Coal/Pellet stove	No wood/coal (pellet stoves - professionally installed/inspected)	Yes (professionally installed/inspected)	Yes (professionally installed/inspected)	Yes (professionally installed/inspected)
Pools	All pools (including inflatable) must be secured. No diving boards or slides Refer to detailed guidelines	All pools (including inflatable) must be secured. No diving boards or slides. Refer to detailed guidelines	All pools (including inflatable) must be secured. Refer to detailed guidelines	All pools (including inflatable) must be secured. Refer to detailed guidelines
Alarm systems (all programs)	650K – 1MM Cov A: Minimum of deadbolts, smoke detectors and fire ext. 1MM –1.5MM Cov A: Minimum central station fire and burglar alarms	400K – 1MM Cov A: Minimum of deadbolts, smoke detectors and fire ext. 1MM –1.5MM Cov A: Minimum central station fire and burglar alarms	400K – 1MM Cov A: Minimum of deadbolts, smoke detectors and fire ext. 1MM –1.5MM Cov A: Minimum central station fire and burglar alarms	400K – 1MM Cov A: Minimum of deadbolts, smoke detectors and fire ext. 1MM – 1.5MM Cov A: Minimum central station fire and burglar alarms

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Payment History	If direct bill policy, no cancellation notices or lapse in coverage within 3 yrs	No lapse in coverage for last 3 yrs	No lapse in coverage for last 3 yrs	Refer to underwriting
Stability <i>(all programs)</i>	2 yrs of home ownership No foreclosure, repossession, bankruptcy, judgment, or lien within 5 years	2 yrs employment or home ownership No foreclosure, repossession, bankruptcy, judgment, or lien within 5 years	No foreclosure, repossession, bankruptcy, judgment, or lien within 5 years	No foreclosure, repossession, bankruptcy, judgment, or lien within 5 years
Prior Carrier	Must be standard carrier	Must be standard carrier	Must be standard carrier, refer if MPIUA	Non standard carrier refer
Coastal	Coastal guidelines apply; however, no property less than 1 mile from coast in any territory.	Coastal guidelines apply	Coastal guidelines apply	Coastal guidelines apply
Historic Homes	Ineligible	Ineligible	Ineligible	Ineligible

3.2 Secondary/Seasonal Minimum/Maximum Limits by Form and Program

Secondary homes are eligible in Standard only. Seasonal homes are eligible in Bridge Program only. Must be constructed in 1945 or newer. The Primary Dwelling is required.

**Secondary Policy
by Form**

	<u>Minimum</u>	<u>Maximum</u>
HO 0003	\$100,000	\$ 500,000
HO 0006	\$25,000	\$ 500,000

**Seasonal Policy
by Form**

HO 0003	\$100,000	\$500,000
HO 0006	\$25,000	\$250,000

4.0 Unacceptable Exposures

4.1 Daycare

Risks where daycare is provided on the residence premises are unacceptable.

4.2 Animals

Dogs:

The completion of our K-9 Questionnaire is required for every dog that a resident of the home(s) owns, keeps or cares for.

The following breeds, or a mixed breed that includes one of the following types of dogs, are unacceptable: Akita, Alaskan Malamute, American Staffordshire Terrier, Bullmastiff, Chow, Dalmatian, Doberman Pinscher, Eskimo Spitz, German Shepherd, Giant Schnauzer, Great Dane, Husky, Pit Bull, Portuguese Fila,

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Presa Canario, Rottweiler, Saint Bernard, or Wolf Hybrid. In addition to these specific breeds, any dog that has exhibited an aggressive or protective behavior or with a previous biting incident is unacceptable.

A surcharge will apply should one of the above breeds or a mixed breed that includes one of the above breeds be written on an exception basis.

Saddle Animals – A risk on a property where horses are boarded, raised, trained, kept or used for show purposes must be referred to Underwriting prior to binding coverage.

Risks with 3 or more of the same type of animal – please refer to underwriting prior to binding.

4.3 Electrical

Dwellings with the following electrical systems are unacceptable: knob & tube wiring, service with less than 100 amps per unit, aluminum wiring. Circuit breakers are required in Elite, Preferred and Standard. Fuses and circuit breakers are acceptable in Bridge. Homes with Federal Pacific (Pioneer) or Zinsco panels are ineligible.

4.4 Farm Properties and Farmer's Liability

Farm properties require specialized underwriting and inspection facilities. Arbella is not a market for such risks.

4.5 Heating Information

Dwellings without a central heating system except for seasonal dwellings are unacceptable. (Space heaters, even though vented and permanently installed, do not qualify as a central heating system.)

4.6 Location

All homes must be on stable land and visible from a public road. Homes located in Protection Class 1 – 9 are acceptable. Any home located in a Protection Class 10 requires prior approval by Underwriting. Properties over 5 acres should be discussed with Underwriting prior to binding.

4.7 Log Homes

Dwellings constructed using log materials are not acceptable.

4.8 Mobile Homes/Manufactured Homes

Mobile and manufactured homes, are not acceptable and should be written under a mobile homeowners program. These homes are constructed to the HUD codes. Modular homes, or pre fabricated homes, differ from mobile and manufactured homes. Please refer to the Modular Home section 5.8 for more details.

4.9 Oil Tanks

Any risk with an underground oil tank is unacceptable.

4.10 Historic Homes

Historic Homes which require approval of a historic society for maintaining, rebuilding, fixing or renovating are not acceptable.

4.11 Townhouse or Row house

Dwellings constructed as townhouses or row houses are unacceptable unless the building contains a continuous, masonry, firewall between each unit extending from the basement through the roofline.

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4.12 Trampolines/Skateboard Ramps/Bicycle ramps and or jumps

Dwellings with trampolines (with or without safety netting), skateboard or bicycle ramp/jump exposures are not acceptable.

4.13 Vacant Dwellings

Vacant dwellings are not acceptable. This includes dwellings presently insured which become vacant.

4.14 Asbestos

Any presence of asbestos including siding or insulation is ineligible.

5.0 Arbella Standards

Competitive rates are made possible by good underwriting results which depend on adherence to Arbella underwriting philosophy and requirements. In the selection of residential properties, the following characteristics should be considered when evaluating a risk:

5.1 Additional Residence Rented to Others

The addition of the HO 24 70 Endorsement should be discussed with underwriting prior to binding.

5.2 Coastal Properties

New Business:

All new risks that are one-half to five miles from the coast must not have had any losses in the past three years.

Bristol & Plymouth Counties

Miles from defined coastline	<u>Bristol</u>	<u>Plymouth County</u>	
	Mandatory Named Storm Deductibles	All Other Towns	Marion / Mattapoisett / Wareham
0 -< 1 mi	Ineligible	Ineligible	Ineligible
1-<2 mi	2%	2%	2%
2+ -< 3 mi	0%	0%	1%
3+	0%	0%	0%

Barnstable, Dukes & Nantucket Counties

New Business is limited to those agents whose primary office location is in territory 37, 55, 56. We will accept a new risk only when it replaces one previously written with us; Cape agents may not increase the number of Cape policies they have with us, unless reviewed for an exception by underwriting.

Miles from defined coastline	<u>Barnstable</u>	<u>Dukes / Nantucket</u>
	Mandatory Named Storm Deductibles	Mandatory Named Storm Deductibles
0 - <2mi	Ineligible	Ineligible
2+	3%	3%

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Norfolk and Coastal Essex Counties*

Miles from defined coastline	<u>Norfolk</u> Mandatory Named Storm Deductibles	<u>Coastal Essex</u> Mandatory Named Storm Deductibles
0 – <1 mi	Ineligible	Ineligible
1 - <2 mi	2%	0%

Coastal Essex is defined as Beverly, Gloucester, Ipswich, Essex, Swampscott, Lynn, Marblehead, Manchester, Nahant, Rockport, Rowley, Salem, Salisbury, Newbury, and Newburyport.

Essex, Suffolk and Middlesex Counties

Miles from defined coastline	<u>Essex</u> Mandatory Named Storm Deductibles	<u>Suffolk</u> Mandatory Named Storm Deductibles	<u>Middlesex</u> Mandatory Named Storm Deductibles
0 - < .5 mi	Ineligible	Ineligible	Ineligible
.5 – <1 mi	2%	2%	2%

Renewal Business written prior to 6/1/2014, shall be subject to the following ‘Named Storm Deductible’ guidelines, if risk meets all other Underwriting renewal requirements;

	<u>Bristol</u>	<u>Plymouth County</u> Mandatory Named Storm Deductibles		<u>Barnstable</u> Mandatory Named Storm Deductibles	<u>Dukes / Nantucket</u> Mandatory Named Storm Deductibles	<u>Coastal Essex</u> Mandatory Named Storm Deductibles
		All Other Towns	Marion / Mattapoisett / Wareham			
< .5 mi	2%	2 %	2 %	3%	3%	2%
0.5 - <1.0 mi	2%	2 %	2 %	3%	3%	1%
1-<2 mi	2%	2%	2%	3%	3%	0%
2-<3 mi	0%	0 %	1 %	3%	3%	0%
3-<4 mi	0%	0%	0 %	3%	3%	0%
4-<5 mi	0%	0%	0 %	3%	3%	0%
5 + mi	0%	0%	0 %	3%	3%	0%

Renewals in all other territories:

- There are no changes.
- As a reminder the application of the Named Storm Deductible may be a conditional requirement based on underwriter discretion,

If you are aware of characteristics of a property that would make a risk more acceptable, and would like an exception to this guideline, please discuss with your underwriter prior to binding.

† Denotes Change

5.3 Condominium Program

Condominiums that are rented are acceptable in Standard and Bridge program. Add the HO 1733 (Unit Owners Rental to Others) endorsement.

5.4 Higher Value Dwellings

For homes with replacement values above \$1,000,000, please refer to your underwriter. Higher value dwellings must meet all coastal guide-lines; however, no property may be less than 1 mile from the coast and not in territories 37, 55, or 56. Homes ranging from \$1,000,000 to \$1,500,000 will require, at a minimum, a central station fire and burglar alarm system.

5.5 Homes Under Renovation

Must be occupied within 30 days from the policy inception date and is subject to prior underwriting approval.

5.6 Incidental Business

If the home contains a business, contact your underwriter. High-traffic, primary businesses present an unacceptable liability risk.

5.7 Insurance – to – Value (ITV) Requirements:

All dwellings must be insured to 100% of replacement in Elite, Preferred and Standard tiers.

Policies that have the *IIAR 1126, Specified Additional Amount of Insurance* endorsement, are required to be written at 100% of Replacement Cost throughout the life of the policy.

All dwellings must be insured to at least 90% of replacement cost in our Bridge tier.

- Policies with the *HO 0530 Functional Replacement Cost* endorsement must be written to at least 90 % of the *Functional Replacement Cost* (only available for 2-4 family homes).

5.8 Modular Homes

Modular homes are sectional prefabricated houses that are manufactured offsite then delivered to the intended premises. This construction type is acceptable provided all major work, including wiring and plumbing, has been performed by the manufacturer or by licensed contractors. The codes that govern the construction of modular homes are the typically the same codes that govern the construction of site-constructed homes. Mobile homes/manufactured homes are different from modular homes and are unacceptable. Please refer to the Mobile Homes/Manufactured Homes section 4.8 for more detail.

5.9 Multi-Family Dwellings

New Homeowners policies covering 2-4 family dwellings are not eligible for the *Elite* or *Preferred* Programs. Homeowner policies covering 1-3 family homes may be written in the *Standard* or *Bridge* Programs if acceptable. Policies for 4 family dwellings may be eligible for Bridge subject to prior underwriting approval.

The Producer must notify the insured that an inspector will soon contact them to make an appointment to examine the property, including the electrical and heating systems.

5.10 New Homes Under Construction

New homes under construction may be written on a Homeowners Policy provided the construction will be completed and the home occupied by the owner within 180 days. In order to write coverage on a home under construction, a certificate of insurance must be obtained and retained in agent file from the general contractor at the time of the request for the 11AR 1091 Dwelling Under Construction Coverage Endorsement. Risks where the insured is acting as the general contractor are ineligible. Policy must be written at inception with completed Coverage A limit. Maximum Coverage A is \$750,000. 11AR1126 cannot be added to the policy until the construction is complete.

5.11 Number of Families

The maximum number of acceptable units per structure is 4.

- Elite and Preferred Program: 1 family only
- Standard Program: 1-3 families
- Bridge Program: 1-3 families (4 families with prior approval)

5.12 Physical Condition/Characteristics of the Property:

All homes must have updated wiring, heating, plumbing and roofing. The electrical system must have a minimum of 100 amps per unit.

For dwellings more than 50 years old, the agent must verify the updating of all systems within the past 25 years.

Homes with “green roofs” are unacceptable. A green roof is a roof that is partially or completely covered with vegetation and a growing medium planted over a waterproofing membrane. These are also known as ‘living roofs’. This guideline is not referring to roofs that have ‘green’ technology such as solar thermal collectors or panels.

5.13 Pools

Property that includes an **in-ground** pool is not acceptable unless the pool is enclosed by a fence a minimum of four feet high with a gate that locks. Property that includes an **above-ground** pool (including inflatables) is not acceptable unless the pool is enclosed by a fence a minimum of four feet high and protected from easy access (e.g. a removable or retractable ladder). Diving boards, spring boards, diving rocks and/or slides are not eligible in Elite or Preferred programs. A surcharge for the pool will be added to the policy.

† 5.14 Prior Company Cancellation or Non Renewal

Any risk that has been declined, cancelled, or non-renewed within the last 3 years by the prior carrier for any reason is ineligible. Any risk or policy that is scheduled to be non-renewed upon its upcoming expiration cannot be bound and must be referred to Underwriting. Any lapse in coverage within last three years is ineligible.

If the condition prompting the termination no longer exists, the risk may be referred to your underwriter, along with an explanation and the name of the previous carrier. Do not bind coverage.

† Denotes Change

5.15 Prior Carrier

- Elite Program: Must be standard carrier.
- Preferred Program: Must be standard carrier.
- Standard Program: Must be standard carrier, refer if MPIUA
- Bridge: Must be standard carrier all other refer to company

5.16 Seasonal Dwellings

(Left unoccupied for more than 90 consecutive days)

Seasonal dwellings are acceptable under the following conditions:

- Arbella must write the primary residence.
- Must be written in the Bridge Program (not eligible for Elite, Preferred or Standard Program).
- Minimum limit of \$100,000.
- Maximum limit of \$500,000.
- Owner-occupied dwelling with only occasional renting.
- Dwelling location not in a congested area.
- Dwelling built in 1945 or later.
- Accessible year-round road exists to accommodate fire department vehicles.
- A minimum \$500 all-perils deductible applies.
- Exposure meets Arbella's "Beach and Coastal Properties" guidelines.

5.17 Secondary Dwellings

(Never left unoccupied for more than 90 consecutive days)

Acceptable conditions for secondary dwellings include:

- Arbella must write the primary residence.
- Must be written in the Standard or Bridge Program (not eligible for Preferred or Elite Program).
- Minimum limit of \$100,000.
- Maximum limit of \$500,000.
- Owner-occupied dwelling with only occasional renting.
- Dwelling has central heating system
- Dwelling location not in a congested area.
- Dwelling built in 1945 or later.
- Accessible year-round road exists to accommodate fire department vehicles.
- A minimum \$500 all-perils deductible applies.
- Exposure meets Arbella's "Beach and Coastal Properties" guidelines.

5.18 Solar Homes

Solar homes are acceptable if installed by a professional contractor. Solar energy systems are insured as part of the home and should be reflected in the Coverage A limit.

5.19 Stability

Risks with a foreclosure, repossession, bankruptcy, judgment, or lien within 5 years are ineligible

- Elite Program: Must be a homeowner for minimum of two years.
- Preferred Program: Must be a homeowner or employed for minimum of two years.
- Standard Program: Not applicable.
- Bridge - Refer

5.20 Specified Additional Amount of Insurance for Coverage A – Dwelling – HO 0003

Underwriting criteria includes the following:

- Only available for one- and two-family dwellings.
- Dwelling must be written at 100 percent replacement cost.
- Homes built before 1925 are subject to underwriting approval and require the completion of the Home Renovation Questionnaire.
- Mandatory Peace of Mind increases at renewal may not be removed or declined.
- M&S/B Replacement Cost Estimator required when the endorsement is first written.

5.21 Tenants Program

- Ground-floor units are acceptable. Exterior doors must have deadbolt locks.
- 11AR1293 Renters Protection Package only available with Coverage C = < \$50,000.
- A minimum \$250 all-perils deductible is available
-

5.22 Watercraft

Under our homeowners policy, outboard motors and watercraft are only eligible for liability coverage. Coverage for watercraft not covered by the basic policy may be covered with the HO 2475 Watercraft Liability endorsement. Requests for this endorsement are subject to the following guidelines:

- Age of boat must be \leq 10 years if wood, \leq 15 years all other.
- Risks with a DWI or DUI in past 5 years are ineligible.
- Risks with more than one at fault accident or violation must be discussed with underwriting.
- Principal operator must be 21 or older.
- Principal operator must have 3+ years of boat experience unless Coast Guard Safety course was completed.
- Maximum length 30 feet
- Maximum horsepower 200, Outboard motors over 100 HP are not acceptable with watercraft less than 15 feet.
- Conventional watercraft designs only.

5.23 Secondary Heating Source

Professional installation and/or inspection and proper maintenance are required. A surcharge will be added to homes with a wood burning, coal or pellet stove.

All new exposures require the completion of a Woodburning, Coal or Pellet Stove Questionnaire and documentation from the local fire department or building inspector certifying that the stove was installed properly.

5.24 Inspection Criteria

We generally inspect the following:

- Multi-family homes
- Coverage A of \$800,000 or higher
- Homes if possible historical home or architecturally significant.
- Homes with underwriting concerns

5.25 Water Back Up and Sump Discharge or Overflow 11AR1278

- No water related losses in the past 3 years
- Battery backup required

6.0 Personal Inland Marine

6.1 Standards

Insurance may be provided only by endorsement to the Homeowners policy. Theft is the principal exposure and must be conscientiously evaluated. Avoid risks with prior theft losses, high value jewelry items, isolated dwellings, persons who frequently travel or frequently in the public eye, students at school and risks terminated for uncorrected underwriting reasons.

A complete description of every scheduled item is essential in order to:

- Determine the current value for replacement purposes in the event of a loss.
- Enable authorities to attempt recovery.
- Establish proper insurance to value at 100 percent of market value.
-

For example, in addition to the value, the description of a gem should include the number, cut, weight, clarity, color, and the type of gem (i.e. one round, 1.25 ct, VVS1, H, diamond).

6.2 Evidence of Value Requirements

The following evidence is required to establish the value of the more expensive items in each of the classes listed. In all cases, regardless of insured amount, Arbella requires a complete and accurate description of each item.

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<u>Class</u>	<u>Amount per Item</u>	<u>Evidence Required</u>
Cameras	\$ 2,500 or more	Appraisal or Bill of Sale (not more than three years old).
Coins	\$ 5,000 (collection) or more	Appraisal not more than three years old.
Fine Arts	\$ 5,000 or more	Appraisal not more than three years old.
Furs	\$ 5,000 or more	Appraisal or Bill of Sale (not more than three years old).
Guns	\$ 2,500 or more	Appraisal or Bill of Sale (not more than three years old).
Jewelry	\$ 5,000 or more	Appraisal or Bill of Sale (not more than three years old).
Musical Instruments	\$ 2,500 or more	Appraisal or Bill of Sale (not more than three years old).
Silverware	\$ 5,000 (item or set) or more	Appraisal or Bill of Sale (not more than three years old).
Stamps	\$ 5,000 (collection) or more	Appraisal not more than three years old.

6.3 Guide to Acceptable Appraisals

CHECKLIST

- | | |
|---|---|
| <input type="checkbox"/> Appraiser's name, address, and phone number
<input type="checkbox"/> Insured's Name
<input type="checkbox"/> Appraisal Date – should be current. | <input type="checkbox"/> Clarity of stone(s) – grade as follows: IF, VVS1, VVS2, VS1, VS2, S1, S12, 11, 12, 13
*One of these symbols is necessary. “Fine or good” clarity is not an acceptable description.

<input type="checkbox"/> Color of stone(s) – grade as follows: D, E, F, G, H, I, J, K, L, M, N.....Z. Color is graded with a letter; “high or fine” color is not an acceptable description. |
|---|---|

DIAMOND ITEMS:

- | | |
|---|--|
| <input type="checkbox"/> Shape of stone(s) – round (rd), pear shape (ps), marquise (mq), etc.

<input type="checkbox"/> Weight of stone(s) in carats (cts) – decimal is accurate and preferred (i.e., .50 cts); fraction is less desirable (i.e. ½ cts); items with more than one stone have total weight (TW). | <input type="checkbox"/> Number of stone(s) – actual number of stones in the item.

<input type="checkbox"/> Mounting description – includes number of prongs and karat of gold (10k, 14k, 18k, etc.). |
|---|--|

COLORED STONES: RUBY-EMERALD-SAPPHIRE

- Shape of stone(s) – round, marquise, oval, etc.
- Weight of stone(s) – measurements in millimeter (mm) or carats are acceptable.
- Description of stone(s) – stones usually described as “light, dark, medium, or strong.” These words help determine value.

GOLD ITEMS: RINGS-CHARMS-CHAINS-EARRINGS-BRACELETS

- Weight in grams (gms) or pennyweight (dwt) – most important for gold items.
- Chain length – standard is 16”, 18”, 20”, 24”, 30”; bracelets – men’s 8”, women’s 7”.
- Karat of gold – 10k, 14k, 18k, etc.
- Men’s or Ladies’.

SEMI-PRECIOUS STONES: AMETHYST-TOPAZ- GARNETS

- Shape of stone(s) – round, oval, marquise, etc.
- Weight in carats – measurement in millimeters (mm) acceptable.

PEARLS

- Length – in inches.
- Size in millimeters – 3mm to 8mm standard
- Luster – “low, medium, or high” commonly used.
- Color – “cream, white, or pink” commonly used.
- Clarity – “blemish-free, slightly blemished” commonly used.
- Clasp – type and make.

WATCHES

- Men’s or Ladies’
- Brand Name
- Style Number – If no style number, then further details are needed:
 - Face Shape – round, square, etc.
 - Features – day, date, sweep hand
 - Dial Color
 - Strap – leather, metal, color

6.4 Underwriting Considerations (Inland Marine)

Cameras

Coverage is available for cameras, camcorders, projection machines, binoculars, telescopes, microscopes, tape recorders and similar equipment. Equipment owned by newspaper or studio photographers or persons who travel extensively is not acceptable.

Coins

Collections of \$5,000 or more must be secured in a U.L. labeled class TL-30 or TRTL-15X6 safe with a reloading device or a bank vault. Collectors who frequently exhibit their collections are not acceptable.

Fine Arts

Intended primarily for paintings, tapestries and rugs. An item must possess the quality of rarity, antiquity, historical value or artistic merit. Avoid writing dinnerware or glassware used in service on a regular basis as 'fine arts' items.

Furs

Insure new furs for the full purchase price. A reliable furrier should appraise renovated furs. Values must be carefully and accurately established.

Golfer's Equipment

Coverage intended for the clubs, clothing and other golf equipment of the non-professional.

Guns

Establish a separate value for each item. You can provide coverage for accessories on a blanket-basis up to 10 percent of the total schedule. Collections of more than \$10,000, or individual guns with values attributed to rarity or historic significance, are considered undesirable. Scheduled and unscheduled guns must be stored in a locked cabinet or receptacle in accordance with Massachusetts Law when not in use.

Jewelry

A detailed description or appraisal of all scheduled items is required. Descriptions of diamonds must include the color, clarity, cut, carat weight and type of mounting.

Unset stones are not eligible for coverage. Declare which items, if any, are subject to "in-vault" rating.

Musical Instruments

Musical instruments valued in excess of \$1,000 or collector's items or antiques, are to be referred to the company. Coverage involving a professional musician is not acceptable.

Silverware

Individual items may be specifically scheduled or blanket amounts may be provided. Insurance intended to cover silverware, goldware, and pewterware. Coverage is not acceptable for articles of personal adornment or property pertaining to a business.

Stamps

Coverage will state by type of collection, such as German or Afghan, with individual stamps in excess of \$250 specifically scheduled. Arbella requires evidence that collections in excess of \$10,000 are secured in a U.L. labeled class TL-30 or TRTL-15X6 safe or bank vault. Collectors who frequently exhibit their collections are not acceptable

6.5 Standards - Blanket Personal Property

Coverage is available on all policy forms and provides special blanket coverage for certain classes of personal property. Coverage is available in increments of \$1,000 subject to per-item and per-class . maximums. This coverage is primary over any coverage provided by the basic policy. No deductible applies. The following is a list of eligible classes, available coverage limits and premiums.

Class of Personal Property	Jewelry	Fine Arts without Breakage	Fine Arts with Breakage	Furs	Silverware	Cameras	Musical Instruments	Golf Equipment	Banks, Trains & Clocks
Rate per \$1,000	\$15.50	\$3.00	\$6.00	\$6.00	\$5.00	\$18.00	\$6.00	\$12.00	\$5.00
Minimum Class Limit	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Maximum Class Limit	\$50,000	\$20,000	\$20,000	\$20,000	\$20,000	\$5,000	\$5,000	\$5,000	\$20,000
Maximum per item limit	\$10,000	\$10,000	\$10,000	\$10,000	\$1,000	\$1,000	\$1,000	\$1,000	\$2,500