



**AMERICAN MODERN
INSURANCE COMPANY**

(077)

New & Renewal Business 01-01-12

J. E. BROWN & ASSOCIATES

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DP-3

DP-1

DP-1 Vacant

Specialty Dwelling Program Manual

California

DP-3, DP-1 & DP-1 Vacant Programs - COVERAGES & FEATURES

Eligibility & Coverages			
	DP-3	DP-1	DP-1 Vacant
Target Market	Designed to accept individuals who have Rental/Seasonal properties that would normally qualify for coverage with a standard carrier.	Dwelling owner that does not desire and/or qualify for coverage on a homeowners form. Also includes stand alone structures like pole barns, camping structures, boat houses, etc. See Risk Characteristics section for more details.	Dwellings, Manufactured Homes, and Condominiums temporarily vacant due to renovation, lapse in tenancy, real estate closing, or being held for sale.
Condition of Home	Above average or better condition.	Fair or better condition.	Fair or better condition, exhibiting proper maintenance.
Policy Form	S2002 (07/88)	S2001 (07/88)	S2001 (07/88)
Policy Term	12 months Effective 12:01 AM Standard Time	12 months Effective 12:01 AM Standard Time	3, 6 or 12 months Effective 12:01 AM Standard Time
Loss Settlement	Replacement Cost	Full Repair Cost	Full Repair Cost
Optional Loss Settlement Options	Extended Replacement Cost	Modified Functional Replacement Cost	Modified Functional Replacement Cost
Minimum Dwelling Value	\$75,000	\$20,000 (Seasonal \$5,000)	\$20,000 (Mobile Home Vacant \$5,000, Vacant Condominium \$1,000)
Maximum Dwelling Value	\$1,000,000	\$500,000	\$1,000,000
Maximum Dwelling Age	no age limit	no age limit	no age limit
Occupancy	Owner, Rental, Seasonal	Owner, Rental, Seasonal	Vacant
Multi-Family	1,2,3 or 4 family Up to 3 stories	1,2,3 or 4 family Up to 3 stories	1,2,3 or 4 family Up to 3 stories
Location of Home	Protection Classes 1 - 10	Protection Classes 1 - 10	Protection Classes 1 - 10
Supplemental Heating Device	\$44 surcharge	\$44 surcharge	N/A
Water and Mold Limit	10% of Coverage A or \$20,000, whichever is less	N/A	N/A
Perils Insured Against			
Dwelling & Other Structures	Comprehensive Coverage Owner \$250 Deductible Rental/Seasonal \$500 Deductible (Excluding Earthquake)	Named Peril (Fire & E.C.) Owner \$250 Deductible Rental/Seasonal \$500 Deductible (Excluding Earthquake)	Named Peril (Fire & E.C.) \$500 Deductible (Excluding Earthquake)
Personal Property (optional)	Named Peril	Named Peril (Fire & E.C.)	N/A
Additional Coverages Automatically Included			
Other Structures	Up to 10% of Coverage A limit	Up to 10% of Coverage A limit (reduces amount of Coverage A)	Up to 10% of Coverage A limit (reduces amount of Coverage A)
Debris Removal	Reasonable Expense	Reasonable Expense	Reasonable Expense
Rental Value	Up to 10% of Coverage A limit	Up to 10% of Coverage A (reduces amount of Coverage A)	Up to 10% of Coverage A (reduces amount of Coverage A)
Reasonable Repairs	Reasonable and Necessary	Reasonable and Necessary	Reasonable and Necessary
Fire Department Ser. Charge	Up to \$500	Up to \$500	Up to \$500
Optional Additional Coverages			
Additional Living Expense	Up to 20% of Coverage A Owner Occupied only	Up to 20% of Coverage A Owner Occupied only	<i>not available</i>
Deductible Change Options	<u>All Other Perils</u> \$500 (Owner Only) \$1,000 \$2,500 \$5,000	<u>All Other Perils</u> \$500 (Owner Only) \$1,000 \$2,500 \$5,000	<u>All Other Perils</u> \$500 \$1,000 \$2,500 \$5,000
Personal Liability Coverage	Owner-Occupied only	Owner-Occupied only	<i>not available</i>
Premises Liability Coverage	Rental & Seasonal	Rental & Seasonal	<i>available</i>
Residence Burglary	<i>available</i>	<i>available</i>	<i>available</i>
Satellite Antenna	<i>available</i>	<i>available</i>	<i>available</i>
V&MM (excluded for rental risks if intentional act by tenant)	<i>included</i>	<i>available</i>	<i>available</i>
Structure Endorsement	<i>not available</i>	Seasonal Only	<i>not available</i>
Short Term Rental	Rental Only	Rental Only	<i>not available</i>
Occasional Rental	Owner & Seasonal	Owner & Seasonal	<i>not available</i>
Vacancy Permission	<i>available</i>	<i>available</i>	<i>included</i>
Identity Recovery	Owner & Seasonal	Owner & Seasonal	<i>not available</i>
Equipment Breakdown	<i>available</i>	<i>available</i>	<i>available</i>

RULES AND DEFINITIONS

GENERAL RULES AND RATING INFORMATION

- | | |
|---------------------------------------|---|
| 1. Application | The agent's and applicant's signatures are recommended . |
| 2. Insurance to Value | D1: Dwelling recommended to be insured to market value (excluding land value) not to exceed replacement cost .
D3: Dwelling must be insured to within 80% to 120% of replacement cost , excluding land value. Note: Replacement cost will be calculated by modernlink using the information inputted on the application. Any requested deviations from the 80% to 120% indicated by modernLINK must be explained and documented. |
| 3. Whole Dollar Rule | All premiums shall be rounded to the nearest whole dollar . |
| 4. Cancellation Rule | No flat cancellation is allowed if coverage has been provided under our policy. Request by an insured to cancel a policy prior to expiration must be received in writing and signed and dated by the Named Insured(s). |
| 5. Transfer or Assignment | Our policies may not be transferred or assigned. |
| 6. Minimum Written and Earned Premium | There is a \$50 minimum written and earned premium for all programs, except the vacant program where the following premiums apply:
<u>3, 6, and 12 month:</u> minimum written and earned \$100 |
| 7. Claims Verification | A C.L.U.E. report showing past claims history will be ordered. |

DEFINITIONS

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| 1. Owner Occupied Dwellings | Dwellings owned by the insured that are occupied on a full-time basis as the insured's primary residence for at least five (5) consecutive months. (Dwellings may not be rented to others for any length of time unless Occasional Rental Coverage applies.) |
| 2. Seasonal/Secondary Dwellings | Dwellings owned by the insured that are occupied on an intermittent or non-continuous basis as the insured's secondary or seasonal residence for less than five (5) consecutive months. (Dwellings may not be rented to others for any length of time unless Occasional Rental Coverage applies.) |
| 3. Rental Dwellings | Dwellings owned by the insured that are rented to others for residential purposes. |
| 4. Vacant Dwellings | Dwellings, manufactured and/or modular homes or condominiums that are unoccupied, whether or not the contents have been removed. |
| 5. Supplemental Heating Device | Wood, coal or pellet burning stoves, space heaters, and any other heating device that is not centralized. The thermostatically controlled space heaters do not require the Supplemental Heating Device Surcharge.
Portable kerosene heaters or space heaters are ineligible. |
| 6. Stand Alone Structure Endorsement | Structures must have a roof and may or may not be fully enclosed and does not have living quarters. Examples include pole barns, camping structures and covered boat slips. |
| 7. Row Home / Townhome | More than 2 residences where the interior and exterior is owned by the insured and is connected by a common wall to other dwellings/units not owned by our insured. Risk should not be considered a condominium. |

TEMPORARY SUSPENSION OF WRITINGS

During Temporary Suspensions of Writing, do not accept any applications for new coverage, requests to increase coverage limits, or requests to lower deductibles on existing policies. Existing American Modern policies will renew during this time, provided there is no increase in coverage or lapse between policies.

Impending Severe Weather

Impending severe weather includes, but is not limited to:

- ◆ Tornado watches and/or warnings
- ◆ Flood watches and/or warnings
- ◆ Tropical storm or Hurricane watches and/or warnings

Earthquake

- ◆ Restrictions begin with the occurrence of an earthquake or aftershock, of 5.0 Richter (or greater), and continue for a period of 72 hours for dwellings located in counties (in their entireties) within 100 miles of the epicenter.

Wildfire

- ◆ No risks may be bound within a 25 mile radius of any existing wildfire.

For Updates Call (888) 593-3032 or LOG ON to our website: www.amig.com/agents/bindres.html

QUOTING PROCEDURE

Rate pages are not available for this program.

Quoting and issuance of policies will only be available through **modernLINK®**. If you do not have access to our Award Winning website, you may call Customer Care or your General Agent, whichever applies.

In **modernLINK**, an accurate quote will be ensured by entering all of the requested information. After the **ELIGIBLE PROGRAMS** page, you will be asked to verify some information about the applicant. On this page is our disclosure to the insured that third party reports may be ordered.

TERRITORY ALIGNMENT

ALL PERILS EXCEPT EARTHQUAKE

Territory 60

Remainder of State

Territory 61

Counties of: Butte, Lassen, Siskiyou, Solano

Territory 62

Counties of: Alameda, Calaveras, Contra Costa, El Dorado, Fresno, Humboldt, Kern, Los Angeles, Nevada, Orange, Placer, Riverside, Sacramento, San Diego, San Joaquin, San Luis Obispo, San Mateo, Santa Clara, Santa Cruz, Shasta, Sonoma, Ventura

EARTHQUAKE

Zone A

Remainder of State

Zone B

Amador	Butte	Calaveras	Colusa	El Dorado	Fresno	Glenn	Kings
Lassen	Madera	Merced	Modoc	Nevada	Placer	Plumes	Sacramento
San Joaquin	Shasta	Siskiyou	Stanislaus	Sutter	Tehama	Trinity	Tulare
Tuolumne	Yolo	Yuba					

DIRECT BILL PREMIUM PLANS

Direct Bill is American Modern Insurance Group's own automated billing and processing system. With the completion of an easy application, this system will automatically produce a declarations page, bills and renewals. All policies can be dispatched from our office to the insured. Please inquire for details.

We now accept Credit Cards and one time EFT as a method of payment.

ANNUAL POLICIES

1. Paid in Full.
2. 4-Pay Plan - 25% down with 3 installments. Collect the 25% down. We will bill in 3 installments which will be due by day 60, day 150, & day 240.
3. 10-Pay Plan - 16.3% down with 9 installments. Collect the 16.3% down. We will bill in 9 installments which will be due by day 40, day 70, day 100, day 130, day 160, day 190, day 220, day 250, & day 280.
4. EFT Plan - 2 months down payment required with 10 additional installments automatically deducted from a savings/checking account. Enter the down payment via modernLINK while inputting the application. Print form 00220-08-G, have the insured sign the completed form, and file in your records with voided check/withdraw slip attached. The customer may choose the date of automatic withdrawal.

A SERVICE CHARGE IS ASSESSED FOR EACH INSTALLMENT, INCLUDING THE DOWN PAYMENT. LATE PAYMENT FEES AND REINSTATEMENT/LAPSE CHARGES MAY APPLY.

TARGET MARKET

- DP-1**
- Designed to meet the needs of the dwelling owner that has **RENTAL** or **SEASONAL** property or **OWNER-occupied** when the owner does not desire and/or qualify for coverage on a homeowners form. Risks should be in fair or better condition.
 - “Fair condition” means the home is structurally sound with no visible sagging porches or rooflines. An fair home may also need cosmetic repairs such as paint, missing shutters, or other items that may affect the visible condition but does not affect the integrity of the structure.
 - “Unacceptable condition” includes, but is not limited to, broken or boarded up windows, unrepaired vandalism or damage, sagging porches and roofs, or excessive debris in the yard.
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- DP-1 Vacant**
- Designed for dwellings that are in fair or better condition, which exhibit proper maintenance, and are temporarily **VACANT** due to one of the following conditions:
 - Renovation or remodeling
 - Between tenancy or real estate closings
 - Dwellings held for sale and on the market
 - Investment properties

Dwellings vacant more than 12 months must be submitted for approval with 2 photos (front and back) prior to binding. Photos may be emailed to your underwriter directly or to the underwriting mailbox at underwriting@amig.com. If you are a subproducer please email your General Agent. Please include insured's name and quote number on the email.

 - Special attention must be given to the upkeep of the property and the reason the home remains vacant. For vacant homes, the dwelling must show signs of continued maintenance such as mowed lawns and yards relatively clean of debris.

Vacant Manufactured Homes and Vacant Condominiums are eligible for this program.
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- DP-3**
- Designed to accept individuals who have **RENTAL** or **SEASONAL** properties or who may not desire full **HO-3** coverage on their full-time **OWNER** occupied home but would otherwise qualify for coverage through a standard carrier.
 - The program may also be used to accept individuals who may have difficulty obtaining homeowner insurance with standard carriers due to unfavorable liability exposures, such as a swimming pool, trampoline, business exposure, or animals.
 - Risks must be in above average to excellent condition and reflect responsible ownership in the maintenance and upkeep of the property.

UNDERWRITING REQUIREMENTS

A **CLUE** report will be obtained for all new business risks. A Brush Report may be obtained for new business. **Inspections may be ordered for new business risks.** Photos are acceptable when there is a locked gate that prohibits a full inspection.

PRIOR LOSS HISTORY

	DP-1 (DP-1 & Vacant)	DP-3
LOSSES IN THE PAST 3 YEARS	<p>Maximum 3 losses.</p> <p>No more than 1 fire or liability loss. No more than 2 of any other single cause of loss excluding weather.</p>	Up to 1 non-weather loss and 2 weather losses.
SUBMIT, DO NOT BIND	If the applicant has more than 5 rental properties and incurred losses exceed these guidelines then, Submit, Do Not Bind.	
FIRE LOSSES > \$10,000	Provide details of fire, including preventative measures taken to prevent future fires. A copy of the fire report is required. Arson, or intentional act by applicant NOT acceptable.	
ALL LIABILITY LOSSES	Maximum coverage available \$100,000 Liability and \$1,000 Med Pay	
THEFT LOSSES > \$5,000	Provide preventative measures taken.	
WATER LOSSES > \$5,000	N/A	Mold inspection from applicant may be required.
GENERAL GUIDELINES	Prior losses include any loss incurred on any property and/or structure owned, rented, or leased by the applicant. Complete details regarding the loss such as cause, location, date, and the amount paid for the loss are required. All repairs from prior losses must be complete.	

RISKS CHARACTERISTICS

Animals	<ul style="list-style-type: none"> ◆ Applicants with large, unusual, exotic, vicious, or potentially vicious animals are ONLY acceptable with the Animal Liability Exclusion, or if the policy is written without liability coverage. Animals in this category include, but are not limited to: <ul style="list-style-type: none"> Animals with a previous bite history or vicious propensities Dobermans, Chows, Rottweilers, Akitas, American Staffordshire Terriers (Pit Bulls), attack dogs and Wolf Hybrids, (or any mix thereof) Ostriches, Emus, Horses, Farm or Ranch animals, or any type of wild exotic animals or pets.
Swimming Pools	<ul style="list-style-type: none"> ◆ In-ground pools must have a fence, at least four feet high with a locking gate that encloses the pool. ◆ Above-ground pools must have either a fence, at least four feet high with a locking gate that encloses the pool or steps and ladders that can be secured, locked, or removed when the pool is not in use. ◆ Risks not meeting this criteria are acceptable if liability coverage is NOT included.
Roof	<ul style="list-style-type: none"> ◆ DP-1: No age restriction. Roof exclusion may be applied at the option of the underwriter. ◆ DP-3: Must be 20 years of age or newer. Roof exclusion may be applied at the option of the underwriter. ◆ Tile roofs over 20 years of age may be SUBMITTED UNBOUND with photos of roof.
Wiring	<ul style="list-style-type: none"> ◆ DP-1 & DP-3: Knob & tube wiring is NOT acceptable. ◆ DP-3: Must have circuit breakers. Fuse boxes (full or partial) are NOT acceptable.
Heating	<ul style="list-style-type: none"> ◆ Primary heat source must be thermostatically controlled and NOT a supplemental heating device unless written as Seasonal DP-1.
Supplemental Heating	<ul style="list-style-type: none"> ◆ Supplemental heating devices include wood/coal/pellet or any other solid fuel burning device. <ul style="list-style-type: none"> ○ Kerosene and other portable space heaters are NOT acceptable. ◆ Note: Fireplaces are NOT considered supplemental heating devices unless equipped with a fireplace insert.
Business on Premises	<ul style="list-style-type: none"> ◆ Applicants with employees are acceptable if liability coverage is NOT included.
Farming on Premises	<ul style="list-style-type: none"> ◆ Acceptable if liability coverage is NOT included.
In Name of Corporation	<ul style="list-style-type: none"> ◆ Owner-occupied acceptable if Personal Liability coverage is NOT included. ◆ Premises liability coverage is available for Rental and Seasonal risks.
Non-Renewed Or Canceled	<ul style="list-style-type: none"> ◆ Applicants non-renewed or canceled by the prior carrier due to excess losses, large losses, payment problems or physical hazards must provide reason for non-renewal or cancellation. Submit, Do Not Bind applicants with this characteristic.
Steps, Porches and Decks	<ul style="list-style-type: none"> ◆ Must have secured handrails if 3 feet or more above the ground. ◆ Risks not meeting this criteria are acceptable if liability coverage is NOT included.
Uninsured Properties	<ul style="list-style-type: none"> ◆ The following applies for Seasonal DP-1: <ul style="list-style-type: none"> ○ If dwelling value is greater than or equal to \$30,000 and dwelling has been uninsured for more than 30 days, DO NOT BIND/SUBMIT for approval with explanation. ○ If the dwelling value is less than \$30,000, there is no prior insurance requirement. ◆ For all DP-3 and Owner, Rental and Vacant DP-1: <ul style="list-style-type: none"> ○ If the risk has been uninsured for 31-90 days DO NOT BIND/SUBMIT with explanation. ○ If the risk has been uninsured for more than 90 days then DO NOT BIND/DO NOT SUBMIT. Special exceptions may be made for extenuating circumstances. Please contact your underwriter for consideration with full details.
Occasional Rental	<ul style="list-style-type: none"> ◆ Home must be occupied for at least 4 months and only occasionally rented. ◆ Vandalism and Malicious Mischief Tenant exclusions will not apply.
Short Term Rental	<p>The following applies to Rental DP-1 and DP-3.</p> <ul style="list-style-type: none"> ◆ The Lease Term must be less than 3 months and can be a weekly rental. ◆ Insured lives within 100 miles of the property or the property is managed by a property manager. ◆ Vandalism and Malicious Mischief Tenant exclusions will not apply. ◆ DF003 (03/91) Reduction in Coverage when Vacant or Unoccupied will not apply.
Row Homes or Town Homes	<ul style="list-style-type: none"> ◆ Roof and electric must be updated within last 20 years. ◆ Must have firewalls separating each unit. ◆ Contain 8 units or less in a row.

RISK CHARACTERISTICS (Continued)

Stand Alone Other Structures

- ◆ **Structure Endorsement –DPB00 (06/08)**
 - The Structure Endorsement will provide coverage for structures used for seasonal purposes such as camping structures, casitas, boat houses (no living quarters) or covered boat slips and also structures like pole barns.
 - Coverage A will be provided on these risks with the same options available in our Seasonal DP-1 Program.
 - When the Structure Endorsement is attached, we allow boat house structures and covered boat slips to be written. No liability is available for boat houses/covered slips. Please note: For mechanical lift coverage, please see our First Choice Watercraft Program for coverage availability. We also permit the open pier and stilt structures for these risk.
 - When 2 or more structures need to be insured on the same premise and neither is a dwelling, the largest structure should be insured as the Coverage A with the Structure Endorsement. The 2nd structure should be written as Other Structure Coverage on the same policy.
- ◆ **How to Bind Stand Alone Other Structures**
 - Select Seasonal Occupancy DP-1 in modernLINK
 - On Coverage Page, answer yes to either of these risk code questions:
 - Is the dwelling Coverage A amount being requested for an Other Structures only policy such as a pole barn, storage building or camping structure?
 - Is the structure a boathouse or covered slip without living quarters?
 - Finally, provide a description in the memo field of the risk.
- ◆ **Risk Code OS - Other Structure or SB - Boat Slip**

Vacant Home Builder's Risk Renovation Coverage

Builder's Risk Renovation is intended for Vacant Homes that are undergoing major renovations or completion of new construction (home must be fully enclosed). The endorsement will allow you to insure the renovation amount prior to completion. The renovation amount should equal the value of improvements, alterations or repairs to buildings or structures under renovation. When entering the dwelling limit in modernLINK, the limit should include the dwelling value plus the renovation amount. (For example, if the dwelling value is \$60,000 and the renovation amount is \$15,000, then enter \$75,000.) A separate question will be asked for the renovation amount as this will be used for underwriting and claims purposes.

The endorsement includes coverage for scaffolding or temporary building constructions. Theft of Building Materials is covered up to a \$5,000 limit. If Premises Liability is purchased, Independent Contractor's liability is excluded.

Upon completion of renovations, the Builder's Risk Coverage must be requested to be removed by the insured.

- ◆ **Examples of when the Builder's Risk Renovation could be endorsed:**
 - Homes that have just been purchased undergoing major renovation.
 - Unfinished newly constructed homes that have been purchased out of foreclosure or bankruptcy prior to the home being 100% complete by the builder. The endorsement would cover the home while undergoing its final construction. The home must be fully enclosed.

Vacancy Permission Endorsement DP-1 and DP-3

Vacancy Permission allows an owner, rental, or seasonal home to be temporarily written as a vacant home. When an owner, rental, or seasonal home goes temporarily vacant this endorsement can be added to prevent having to cancel and rewrite the policy. Once the home is no longer vacant the endorsement just has to be removed and the policy will switch back to the original owner, rental, or seasonal dwelling.

- ◆ **DP-1** – The agent is writing a new policy for an insured and the home is currently vacant, perhaps being renovated or in the process of trying to rent it out, and the plan is for it to be either a rental, owner, or seasonal in the future.
- ◆ **DP-3** – This option is available for DP-3 as long as the risk itself qualifies for a DP-3 per the Underwriting guidelines (in other words, no homes under renovation, home must be in above average condition, age of roof and home quality, etc.)
- ◆ **DP-3** – In modernLINK, simply enter a quote like a typical DP-3 Owner, Rental, or Seasonal. Then on the Coverage page select the Vacancy Surcharge coverage. This coverage will treat the policy as a DP-3 vacant.

RISKS THAT ARE NOT ACCEPTABLE DO NOT BIND • DO NOT SUBMIT

Applicants <i>With these characteristics</i>	<ul style="list-style-type: none">◆ Currently unemployed, other than retired or disabled◆ Four or more losses of any kind in the last three years (<i>For additional guidelines see "Prior Loss History"</i>)◆ Past conviction for arson, fraud, or other insurance-related offenses◆ Mortgage payments 60 days or more past due or currently in foreclosure◆ More than two lienholders and/or mortgagees◆ Retaining a residence employee who works over 20 hours per week inside the home or 10 hours per week outside the home
Dwellings <i>With these characteristics</i>	<ul style="list-style-type: none">◆ Attached to, occupied as, or converted from a commercial risk◆ Condemned◆ Under construction, undergoing major renovations that require the dwelling to be unoccupied (unless written in the Vacant Dwelling program) <i>(Minor renovations are acceptable and include painting, roof repairs, carpeting, and plastering)</i>◆ Unrepaired or existing damage such as broken or boarded up windows (unless written in the Vacant Dwelling program and undergoing renovations)◆ Hand hewn log homes, earth homes, dome homes, open pier homes (post and pier up to 6ft. eligible for DP-1 only), stilt homes, (unless the risk is a covered boat slip on stilts or poles and the Structure Endorsement applies)◆ Manufactured homes, modified manufactured homes, condominiums or trailers (if vacant, manufactured homes or condominiums may be eligible for the Vacant Dwelling Program)◆ Open foundations (DP-3 only)◆ Non-conventional construction or design (<i>Shell homes, Do-It-Yourself construction, or homemade homes</i>)◆ Primary heat source NOT thermostatically controlled or a supplemental heat source, unless risk is DP-1 Seasonal.◆ Kerosene or portable space heaters◆ Underground fuel tank on premises if liability coverage is included on policy◆ Without smoke detectors unless written in Seasonal or Vacant◆ Aluminum, metal (specific type unknown), tin and flat roofs (DP-3 only)◆ Without utilities such as natural gas, electric, or water unless dwelling is Seasonal or Vacant◆ In the name of a corporation if personal liability coverage is included on policy◆ Within 1,000 feet of rising water, or in an area that is prone to flooding except for nonresidential boat houses and covered boat slips if the Structure Endorsement is applied◆ With farming conducted on premises, if liability coverage is included on policy◆ Fraternities, sororities, student housing or other similar types of occupancies◆ In a landslide area◆ In an isolated area, not accessible by road unless Seasonal DP-1◆ Located in or near a high or very high forest fire or fuel rank zone◆ Located in low, low urban, low agricultural and moderate zones that are within a 350 ft. radius of a high or very high forest fire, brush fire or fuel rank zone.◆ Rented out for less than 3 months including weekly rentals unless the Short Term Rental Coverage is purchased◆ Owner and seasonally occupied dwellings that are rented out for any length of time unless the Occasional Rental Coverage is purchased◆ Homes that are not fully enclosed
Other Structures <i>With these characteristics</i>	<ul style="list-style-type: none">◆ In poor physical condition and not properly maintained (unless the Other Structures Exclusion is attached)◆ Kerosene or portable space heaters (unless the Other Structures Exclusion is attached)

Circumstances reflecting an unusual exposure or increase in hazard not addressed above are unacceptable.

CANCELLATION PROCEDURES

American Modern Insurance Group, Inc. will accept a request to cancel a policy when we receive that request within 90 days of the requested cancellation date, and the request is accompanied by proper documentation. If the request is received more than 90 days after the requested cancellation date, the effective date of the cancellation will be the date the request was received at American Modern Insurance Group, Inc. unless:

- ◆ Insured no longer had a financial interest in the risk as of the requested cancellation date;
- ◆ The request to cancel is due to a total loss;
- ◆ Duplicate American Modern policy providing coverage for the same risk exists.

DP-1 VACANT OPTIONAL COVERAGES

Coverage	Available Occup.	Limits	Rates	Included Coverages	Important Information	Codes
Premises Liability	Vacant	\$25,000 \$50,000 \$100,000 \$300,000 \$500,000	<u>1 Fam</u> <u>2 Fam</u> <u>3 Fam</u> <u>4 Fam</u> \$50.00 \$50.00 \$50.00 \$50.00 \$78.00 \$78.00 \$78.00 \$78.00 \$85.00 \$85.00 \$85.00 \$85.00 \$132.00 \$132.00 \$132.00 \$132.00 \$182.00 \$182.00 \$182.00 \$182.00	\$500 Medical Payments each person, \$10,000 each occurrence	3 and 6 month rates are pro-rata.	L2
Premises Liability Mold Coverage Buy-Back	Vacant	\$25,000 \$50,000 \$100,000 \$300,000 \$500,000	<u>12-Month</u> <u>1 Fam</u> <u>2,3&4Fam</u> \$20.00 \$40.00 \$36.00 \$72.00 \$40.00 \$80.00 \$80.00 \$160.00 \$160.00 \$320.00		3 and 6 month rates are pro-rata.	YW
Optional Deductibles	Vacant	\$1,000 \$2,500 \$5,000 \$1,000 \$2,500 \$5,000	<u>3 Month</u> <u>6 Month</u> 10% 10% 10% Credit 15% Credit 20% Credit 20% Credit <u>12 Month</u> 10% 15% 20%			H8
Increased Medical Payments	Vacant	\$1,000 \$3,000 \$5,000 \$10,000	<u>12 Month</u> \$5.00 \$8.00 \$12.00 \$24.00		3 and 6 month rates are pro-rata.	BA
Other Structures Coverage	Vacant	Max: 50% of Coverage A	<u>12 Month Fire & EC</u> <u>PC 1-10</u> \$5.14 per \$1,000	10% of Coverage A (Reduces Cov A Limit)	3 and 6 month rates are pro-rata.	A1
Earthquake Coverage	Vacant		<u>Zone A & B</u> <u>Coverage A (Dwelling)</u> Rates per \$1,000 <u>12 Month</u> \$13.00 <u>Zone A & B</u> <u>Coverage B (Other Str.)</u> Rates per \$1,000 <u>12 Month</u> \$9.60		Rate must be equal to Dw. (Coverage A) amount. 10% Earthquake Deductible applies to each applicable Coverage. *Masonry Veneer is not covered. 3 and 6 month rate are pro-rata.	2H 2J
Satellite Antenna Coverage	Vacant		<u>12 Month</u> Rates per \$100 \$3.00		A \$100 deductible will apply. 3 and 6 month rates are pro-rata.	H6
Vandalism or Malious Mischief	Vacant		<u>12 Month</u> Rates per \$100 \$0.10		DP-1 Only Coverage Limit must equal Dwelling (Coverage A) amount. 3 and 6 month rates are pro-rata.	B2
Equipment Breakdown	Vacant	\$25,000	\$250 Ded. - \$30.00 \$500 Ded. - \$15.00		Provides equipment breakdown protection for systems and appliances in the home.	RW F0
Builders Risk Renovation Cov.	Vacant		5% Surcharge			SX
Personal Property	Vacant	Max. 100% of Coverage A	\$4.20 per \$1,000		3 and 6 month is pro-rata	784 785 774 775 744 745
Residence Burglary	Vacant	\$1,000 \$2,000 \$5,000 \$10,000	\$30.00 \$45.00 \$90.00 \$180.00			B1

***Builder's Risk Renovation** is intended for Vacant Homes that need major renovations or completion of new construction. The endorsement will allow you to insure the renovation amount prior to completion. The total dwelling limit requested in mLINK should include the amount of renovation. A separate question will be asked for the renovation limit. The renovation limit will be used for underwriting and claim purposes.

The endorsement includes Theft of Building Materials as well as coverage for Scaffolding or Temporary Building Constructions.

If Premises Liability is purchased, Independent Contractor's liability is excluded.

Upon completion of renovations, the Builder's Risk Coverage must be requested to be removed by the insured.

Examples of when the Builder's Risk Renovation could be endorsed:

- 1) Homes that have just been purchased undergoing major renovation.
- 2) Unfinished newly constructed homes that have been purchased out of foreclosure or bankruptcy prior to the home being 100% complete by the builder. The builder may have gone bankrupt, etc. The endorsement would cover the home while undergoing its final construction. The home must be fully enclosed.

DP-1 & DP-3 OPTIONAL COVERAGES

Coverage	Available Occup.	Limits	Rates	Included Coverages	Important Information	Codes	
Personal Liability	Owner	\$25,000	1 Fam. 2, 3, & 4 Fam. \$44.00 \$83.00	\$500 Medical Payments each person, \$25,000 each occurrence.	\$10,000 Animal Liability Sub-Limit applies.	K3	
		\$50,000	\$68.00 \$103.00				
		\$100,000	\$74.00 \$115.00				
		\$300,000	\$100.00 \$130.00				
		\$500,000	\$182.00 \$273.00				
Personal Liability Mold Coverage Buy-Back	Owner	\$25,000	1 Fam. 2, 3, & 4 Fam. \$10.00 \$20.00			YV	
		\$50,000	\$15.00 \$30.00				
		\$100,000	\$20.00 \$40.00				
		\$300,000	\$40.00 \$80.00				
		\$500,000	\$80.00 \$160.00				
Premises Liability	Rental Seasonal	\$25,000	1 Fam. 2 Fam. \$50.00 \$80.00	\$500 Medical Payments each person, \$10,000 each occurrence.		L2	
		\$50,000	\$78.00 \$117.00				
		\$100,000	\$85.00 \$125.00				
		\$300,000	\$132.00 \$160.00				
		\$500,000	\$182.00 \$273.00				
			\$25,000	3-4 Fam. \$100.00			
			\$50,000	\$125.00			
			\$100,000	\$140.00			
			\$300,000	\$165.00			
			\$500,000	\$290.00			
Premises Liability Mold Coverage Buy-Back	Rental Seasonal	\$25,000	1 Fam. 2, 3, & 4 Fam. \$20.00 \$40.00			YW	
		\$50,000	\$35.00 \$70.00				
		\$100,000	\$40.00 \$80.00				
		\$300,000	\$80.00 \$160.00				
		\$500,000	\$160.00 \$220.00				
Increased Medical Payments	Owner	\$1,000	\$5.00			BA	
	Rental	\$3,000	\$8.00				
	Seasonal	\$5,000	\$12.00				
		\$10,000	\$24.00				
Optional Deductibles	Owner	\$250	Owner Included 5% Credit 10% Credit 15% Credit 20% Credit			H8	
		\$500					
		\$1,000					
		\$2,500					
		\$5,000					
	Rental Seasonal	\$250	Rental/Seasonal/ N/A Included 10% Credit 15% Credit 20% Credit				
		\$500					
		\$1,000					
		\$2,500					
		\$5,000					
Other Structures Coverage	Owner Rental Seasonal	Submit if over 50% of Coverage A.	Rates per \$1,000 PC 1-7 PC 8-10 O - \$2.96 \$5.38 R - \$3.95 \$6.90 S - \$3.95 \$6.90	10% of Coverage A.	(DP-1 Reduces Coverage A Limit)	A1	
		Max. 100% of Coverage A					
Personal Property (DP-1)	Owner	Max. 100% of Coverage A	O - \$2.69 per \$1,000 R - \$2.74 per \$1,000 S - \$2.74 per \$1,000		DP-1	7M1	
	Rental					7M2	
	Seasonal					7M3	
Personal Property (DP-3)	Owner	Max. 100% of Coverage A	\$2.74 per \$1,000		DP-3	7O7	
	Rental					7O8	
	Seasonal					7O9	
Personal Property Replacement Cost	Owner Rental Seasonal		10% surcharge applied to the Personal Property Premium		DP-3 Only	BK	
Additional Living Expense	Owner	Max. 20% of Coverage A	\$5.00 per \$1,000	10% of Coverage A		46	
Satellite Antenna Cov.	Owner Rental Seasonal		\$2.61 per \$100		A \$100 Deductible will apply.	H6	

O = Owner, R = Rental, S = Seasonal

DP-1 & DP-3 OPTIONAL COVERAGES (Continued)

Coverage	Available Occup.	Limits	Rates	Included Coverages	Important Information	Codes
Vandalism or Malicious Mischief	Owner Rental Seasonal		\$0.10 per \$100	Coverage included in DP3	DP-1 Only Coverage Limit must equal Dwelling (Coverage A) amount	B2
Loss Assessment Coverage	Owner Rental Seasonal	\$5,000 \$10,000 Up to \$50,000	\$4.00 \$7.00 add \$2.00 for each additional \$5,000		DP-3 Only	LT
Residence Burglary	Owner Rental Seasonal	\$1,000 \$2,000 \$5,000 \$10,000	\$30.00 \$45.00 \$90.00 \$180.00			B1
Earthquake Coverage	Owner Rental Seasonal		Rates per \$1,000 Zone A Frame Masonry* \$6.96 \$10.44 Zone B Frame Masonry* \$5.22 \$8.70		Rate must be equal to Dwelling (Cov. A) amount. 10% Earthquake Deductible applies to each applicable Coverage. *Masonry Veneer is not covered.	H4
Identity Recovery	Owner Seasonal	\$15,000	\$20.00		Offers coverage for expenses incurred by an insured as a direct result of an identity theft discovered during the policy period.	RY
Equipment Breakdown	Owner Rental Seasonal	\$25,000	\$250 Ded. - \$30.00 \$500 Ded. - \$15.00		Provides equipment breakdown protection for systems and appliances in the home.	RW F0
Fair Rental Value	Owner Rental Seasonal	Max: 20% of Coverage A	\$3.00 per \$1,000			49
Water Back-Up	Owner Rental Seasonal	\$5,000 Sub Limit	\$75.00		DP-3 Only	BB
Property Manager Premises Liability	Rental Seasonal		\$50.00		Property Manager must be listed as additional insured	MM
Ordinance or Law	Owner Rental Seasonal		15% of Coverage A base premium		DP-3 Only	W2

OPTIONAL EXCLUSIONS FOR RISK ACCEPTANCE

Coverage	Available Occup.	Limits	Rates	Important Information	Codes
Animal Liability Exclusion	Owner	N/A	\$3.00 Credit per home, per year.	This exclusion will remove all Animal Liability Coverage.	LE
Other Structures Exclusion	Owner Rental Seasonal Vacant	N/A	\$3.00 Credit per home, per year.	This exclusion will remove all Other Structures Coverage at the insured premises.	AZ
Roof Exclusion	Owner Rental Seasonal Vacant			Applicable to roofs with unrepaired damage. Roof Exclusion endorsement may be applied at underwriters discretion.	<u>Risk Code</u> 1A

CREDITS/SURCHARGES

Premium surcharges and/or credits may apply for the following:	Important Information	Rates				Code
Supplemental Heating Device		\$44.00				H2
Multi Family Surcharge	Owner, Rental & Seasonal	<u>2 Family</u> 10% 50%	<u>3-4 Family</u> 20% 50%			<u>Risk Code</u> 2F - 28 3F - 29 4F - 43
Age of Home Credit/Surcharge	DP-3 Only	0-15 -15% 16-25 -9% 26-60 0 % 61-75 0% 76-90 +10% 91+ +20%				
Vacancy Permission - (Owner, Rental & Seasonal)	Add when a risk becomes vacant to avoid cancellation/rewrite. Limit matches dwelling Coverage A limit.	DP-1 (Rate per \$100) Owner \$0.73 Rental \$0.70 Seasonal \$0.70	PC 1-7 \$0.56 PC 8 \$0.50 PC 9-10 \$0.64			VS
Occasional Rental	To provide coverage for occasional rentals for Owner or Seasonal Properties.	15% Surcharge				PP
Short Term Rental	To provide coverage for short term rental (less than 3 months) of Rental Properties.	15% Surcharge				<u>Risk Code</u> ST
Protective Device Credits	Maximum Credit 10%	Central Station Fire & Smoke -5% Burglar -5% Local Smoke and/or Burglar -2% Dead Bolts, Smoke Alarm & Fire Extinguisher -2%				72 73 E6 D6
Age of Insured Maturity Discount	DP-3 Only	55 Years + 5% Credit				
Row Home / Town Home Surcharge (see page 5 for more information)		25% Surcharge				U3

SETTLEMENT OPTIONS

Options	Definition	Rates		Codes
		DP-1	DP-3	
Full Repair Cost (ACV in modernLINK)	Agreed upon amount the insurer will pay the insured to repair or replace damaged property in the event of a total loss of the property insured without any adjustment for depreciation or appreciation. Partial losses settled at the functional replacement cost up to the policy limit. Home must be insured to 100% Market Value (excluding land).	Included	N/A	1
Replacement Cost*	The full cost to repair or replace property, with no deduction for depreciation.	N/A	Included	2
Modified Functional Replacement Cost*	The cost to repair or replace property with less costly common construction materials and methods, which are functionally equivalent to obsolete, antique, or custom construction materials and methods used in the original construction of the building.	10%	N/A	3
Extended Replacement Cost*	Provides an additional amount of insurance up to 20% of the Coverage A limit of liability. Must be insured to 100% of Replacement Cost.	N/A	8%	6

*Replacement Cost subject to modernLINK value calculation.

FORMS LISTING (For Reference Only)

Form Number	Title							
S2001 (07/88)	Dwelling Property - Basic Form							
S2002 (07/88)	Dwelling Property - Special Form							
0110-4269 (05/92)	Declarations Page							
D1D3APP-CA (01/12)	Application							
BASIC PROGRAM - MANDATORY ENDORSEMENTS		DP-1				DP-3		
		O	R	S	V	O	R	S
73262 (12/07)	Special Provisions - California	X	X	X	X	X	X	X
72539 (12/06)	Log Building Endorsement	X	X	X	X	X	X	X
73339 (07/02)	Condemnation Endorsement	X	X	X	X	X	X	X
73252 (06/98)	Dwelling Antenna Amendatory Endorsement	X	X	X	X	X	X	X
DF003 (05/06)	Reduction in Coverage when Vacant or Unoccupied	X	X			X	X	
D1V00 (10/10)	Vacant Unit-Owners Endorsement (Mandatory when Vacant Condominium is chosen)				X			
DPV00 (11/05)	Vandalism and Malicious Mischief Exclusion						X	
71884 (11/09)	Permitted Vacancy Clause				X			
73191 (04/98)	Dwelling Property Basic Form Amendatory	X	X	X	X			
SD3ML (03/11)	Mold Damage Sub Unit					X	X	X
SD504 (12/07)	Dwelling Property Special Form Water Damage Sublimit					X	X	X
SDC00 (03/03)	Dwelling Property Basic Form Criminal Acts Endorsement	X	X	X	X			
SDY00 (02/08)	Dwelling Property Cap on Losses from Certified Acts of Terrorism		X				X	
BASIC PROGRAM - OPTIONAL ENDORSEMENTS								
73259 (04/03)	Lender's Loss Payable Endorsement	X	X	X	X	X	X	X
71486 (07/98)	California Dwelling Fire Earthquake Endorsement	X	X	X	X	X	X	X
71487 (01/03)	Vandalism and Malicious Mischief Exclusion (DP-1 only)		X					
D3884 (03/11)	Permitted Vacancy Clause (Special Form)					X	X	X
71884 (11/09)	Permitted Vacancy Clause (Basic Form)	X	X	X				
72677 (02/06)	Additional Living Expense	X				X		
72900 (05/06)	Fair Rental Value	X	X	X		X	X	X
DF001 (01/09)	Residence Burglary Coverage	X	X	X	X	X	X	X
DBR00 (10/08)	Builders Risk Renovation and/or New Construction Coverage				X			
SFR00 (10/05)	Personal Property Replacement Cost (Available DP3 only)					X	X	X
DLA00 (11/06)	Loss Assessment (Available DP3 only)					X	X	X
S3227 (12/05)	Property Special Form Specified Additional Amount of Insurance for Coverage A Dwelling (Available DP3 only)					X	X	X
DPB00 (06/08)	Structure Endorsement			X				
SD3OL (03/11)	Ordinance or Law Coverage					X	X	X
SD900 (12/06)	Dwelling Property Other Structures Exclusion	X	X	X	X	X	X	X
73187 (02/98)	Roof Exclusion	X	X	X	X	X	X	X
SDF00 (01/06)	Dwelling Modified Functional Replacement Cost Loss Settlement (Available DP1 only)	X	X	X	X			
SDS00 (09/10)	Water Backup & Sump Discharge Overflow Special Form					X	X	X
S3D00 (12/09)	Identity Recovery	X		X		X		X
DB200 (03/09)	Equipment Breakdown - \$250 Deductible	X	X	X	X	X	X	X
DB500 (03/09)	Equipment Breakdown - \$500 Deductible	X	X	X	X	X	X	X
PERSONAL LIABILITY - MANDATORY ENDORSEMENTS								
S2005 (07/88)	Personal Liability	X				X		
73264 (04/02)	Special Provisions - California	X				X		
71476 (05/99)	Personal Liability Total Pollution Exclusion	X				X		
73183 (05/06)	Special Limit for Animal Liability	X				X		
73184 (05/99)	Business, Commercial or Farming Enterprise Exclusion	X				X		
73185 (05/99)	Home Day Care Exclusion	X				X		
73186 (03/00)	Personal Liability Lead Contamination Exclusion	X				X		
DLB00 (02/00)	Assault and Battery Exclusion	X				X		
DLE00 (03/00)	Punitive or Exemplary Damages Exclusion	X				X		
73263 (07/98)	Workers Compensation Residence Employees - California	X				X		
SDM00 (06/02)	Personal Liability Mold Exclusion	X				X		
SLS00 (08/06)	Personal Liability Swimming Pool Slide and Diving Board Exclusion	X				X		
PERSONAL LIABILITY - OPTIONAL ENDORSEMENTS								
SLM04 (02/03)	Personal Liability Special Limit for Mold Coverage	X				X		
73182 (05/99)	Animal Liability Exclusion	X				X		

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FORMS LISTING (For Reference Only) (Continued)

PREMISES LIABILITY - MANDATORY ENDORSEMENTS

		DP-1				DP-3		
		O	R	S	V	O	R	S
715CA (06/10)	Premises Liability Insurance - California		X	X	X		X	X
73253 (03/00)	Premises Liability Lead Poisoning Exclusion		X	X	X		X	X
PLS00 (08/06)	Premises Liability Swimming Pool Slide and Diving Board Exclusion		X	X	X		X	X
PLM00 (04/02)	Premises Liability Mold Exclusion		X	X	X		X	X
PLY00 (02/08)	Premises Liability Cap on Losses from Certified Acts of Terrorism		X				X	
PREMISES LIABILITY - OPTIONAL ENDORSEMENTS								
PLA00 (01/11)	Premises Liability Additional Insured - Property Manager		X	X			X	X
PLM04 (02/03)	Premises Liability Special Limit for Mold Coverage		X	X	X		X	X
IMPORTANT NOTICES AND FORMS NOT REQUIRED TO BE FILED, but are attached systematically								
71484 (05/99)	Your Privacy and Its' Protection	X	X	X	X	X	X	X
73271 (07/98)	Important Information - California Insurance Guarantee Association	X	X	X	X	X	X	X
71885 (09/09)	Dwelling Property Basic Form DP-1 07/88 Residential Property Insurance Disclosure - CA (Renewal Only)	X	X	X	X			
7188R (09/09)	Dwelling Property Basic Form DP-1 07/88 Residential Property Insurance Disclosure (Functional Replacement Cost must be purchased) (Renewal Only)	X	X	X	X			
7488R (09/09)	Dwelling Property Special Form Residential Property Disclosure- CA (Renewal Only)					X	X	X
7488E (09/09)	Dwelling Property Special Form Residential Property Disclosure- CA (Extended Replacement Cost must be purchased) (Renewal Only)					X	X	X
73272 (07/98)	Important Information - Consumer Affairs - CA	X	X	X	X	X	X	X
73574 (05/99)	Dwelling Property Earthquake Offer - CA	X	X	X	X	X	X	X
73610 (06/99)	Construction Cost Index Notice (DP-3 only)					X	X	X
IN091 (08/05)	Important Notice Regarding Dwelling (DP-3 only)					X	X	X
IN176 (08/10)	Important Notice Regarding Dwelling Limit	X	X	X	X			
IN188 (03/11)	Important Notice Regarding Water Damage					X	X	X
IN189 (03/11)	Important Notice Regarding Your Dwelling Coverage				X			
CAGEN (03/03)	California Department of Insurance, Race, National Origin and Gender Form	X	X	X	X	X	X	X
V9295 (11/05)	Summary of Rights	X	X	X	X	X	X	X
SDN30 (02/08)	Provisions of Terrorism Coverage		X				X	
SDN40 (04/05)	Important Notice Regarding Flood Coverage	X	X	X	X	X	X	X
SHN06 (07/06)	California Residential Property Insurance - Bill of Rights	X	X	X	X	X	X	X
RPD04 (09/09)	Residential Property Insurance Disclosure - California (Attaches to modernLINK application)	X	X	X	X	X	X	X

O = Owner, R = Rental, S = Seasonal

HOW TO REACH US WHEN YOU NEED US

REPORT A CLAIM:

- Online:** In modernLINK®, under the Quotes and Policies tab click the Claims link.
- Phone:** 1-800-375-2075
- Fax:** Varies by state. Check the list on modernLINK.
- Mail:** American Modern Insurance Group, Inc.
Attn: Claims Processing
PO Box 5323
Cincinnati, OH 45201-5323

BILLING OR POLICY QUESTION:

- Phone:** 1-800-955-8213

modernLINK SUPPORT:

- Hours:** Monday to Friday, 7 a.m. to midnight Eastern
Saturday and Sunday, 8 a.m. to 9 p.m.
- Help:** Talk to your office's modernLINK Profile Administrator
Click the Help link at the upper right of the modernLINK screen.
Systems Support: 1-866-527-9583 or systemsupport@amig.com
Monday to Friday, 8 a.m. to 6 p.m. Eastern
After hours support handled by voicemail return call.

BINDING RESTRICTIONS:

Check modernLINK for current binding restrictions.

ORDER SALES MATERIALS:

Please **call:**
1-925-947-2990
or
1-800-955-8213
or Fax:
1-925-947-3978

Supply orders may be sent to:

J. E. Brown & Associates
303 Lennon Lane
Walnut Creek, CA 94598

When ordering, please refer to the form number at the lower left hand corner of this page.



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