

California



Owner Landlord/Rental and Seasonal Condominium Program

Program Manual: 77-16-CA-HO6-G (02/16)

New Business Date: 02-04-2016

Revised 06-09-2017

American Modern Insurance Company



PROGRAM COVERAGES & FEATURES

TARGET MARKET

The Resort Condominium (HO-6) Program is designed to target the owner, seasonal and short-term rental condos located in vacation hot spots. The policy will be issued to the owner(s) of a condominium unit which is used exclusively for residential purposes.

Condominiums should be in average or better condition and should show pride of ownership. A risk in average or better condition will have heating, wiring and plumbing systems in good working order. The condominium must have approved fire walls, dead bolt locks and security lighting

PACKAGE LIMITS AND COVERAGES

Condominium Unit (Coverage A)	\$1,000 to \$500,000. Refer to Condo Association's Master Policy to determine adequate coverage limit.
Personal Property (Coverage C)	\$5,000 to \$300,000
Owner Only Personal Liability (Increased Limits Available) Medical Payments (Increased Limits Available) Animal Liability	\$100,000 liability \$1,000 per Person (\$25,000 each occurrence) \$10,000
Rental and Seasonal Only Premises Liability (Increased Limits Available) Medical Payments (Increased Limits Available) Property Damage to Others	\$100,000 liability \$1,000 per Person (\$25,000 each occurrence) Up to \$1,000 Property damage to Others per Occurrence
Loss of Use (Increased Coverage Available)	40% of Coverage A (Maximum Limit of \$100,000)
Loss Assessment (Increased Limits Available)	\$1,000
Ordinance or Law (Increased Coverage Available)	Up to 10% of Coverage A
Deductible (Higher Limits Available)	\$500 All Peril (\$1,000 for Tenant caused Loss or Damage)

BASIC ELIGIBILITY & POLICY FORM

Policy Form	S6000 (04/07) Homeowners 6 Unit Owners Policy
Insurance to Value	100% Replacement Cost
Loss Settlement	Replacement on Condo Unit and Actual Cash Value on Personal Property (Personal Property Replacement Cost Optional)
Home Value	Minimum Home Value: \$1,000 Maximum Home Value: \$500,000
Age of Home	No Age Requirement
Occupancy	Owner, Rental and Seasonal Short Term and Occasional Rentals
Number of Families	One Family Unit Only
Number of Stories per Unit	Up to 3 Stories

PERILS INSURED AGAINST

Condo Unit	Named Peril
Personal Property	Named Peril

ADDITIONAL COVERAGE OPTIONS

Identity Recovery	Theft of Personal Property while Rented
Water Back-Up and Sump Overflow	Property Manager - Premises Liability
Equipment Breakdown	

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.

TERRITORY ALIGNMENT

Territory 70

Contra Costa, San Francisco
& City of Fresno

Territory 71

Fresno (Excluding City of Fresno
& Orange)

Territory 72

City of Los Angeles

Territory 73

City of Long Beach

Territory 74

Los Angeles (Excluding City of
Los Angeles & Long Beach)

Territory 75

San Mateo, Santa Clara & Sonoma

Territory 76

Marin, Napa & San Joaquin

Territory 77

Alameda (Excluding Cities of Berkeley
& Oakland), Monterey & Santa Cruz

Territory 78

City of Berkeley & Oakland

Territory 79

Placer, Sacramento & Yolo

Territory 80

Stanislaus

Territory 81

City of San Diego

Territory 82

San Diego
(Excluding City of San Diego)

Territory 83

Santa Barbara & Ventura

Territory 84

Riverside & San Bernardino

Territory 85

Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Nevada, Plumas, San Benito, San Luis Obispo, Shasta, Sierra, Siskiyou, Solano, Sutter, Tehama, Trinity, Tulare, Tuolumne, & 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 65, day 155, & day 245.
3. EZPay - 2 months downpayment required with 10 additional installments automatically deducted from a savings/checking account. Collect the downpayment and submit signed application form 00220-08-G with application and a voided check or deposit slip. The customer may choose 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, RULES AND DEFINITIONS

GENERAL RULES AND RATING INFORMATION

1. Application(s)	The agent's and applicant's signatures are required.
2. Insurance to Value	Condominium must be insured to 100% of its' replacement cost value.
3. Policy Term	All policies are written for a term of one year. Effective time - 12:01 A.M. Standard Time.
4. Whole Dollar Rule	The premium shall be rounded separately for each coverage to the nearest whole dollar.
5. Cancellation Rule	No flat cancellation is allowed if coverage has been provided under our policy.
6. Transfer or Assignment	Policies may not be transferred or assigned.
7. Minimum Written Premium	There is a \$100 minimum written premium.
8. Claims Verification	A Clue report showing past claims activity will be ordered to verify claims.
9. Inspection Fee	An inspection report may be reviewed as part of the underwriting evaluation for any applicant. A \$35 Inspection Fee will be charged when ordered.

DEFINITIONS

1. Condominium	A condominium is a home in a shared building or development. The buyer gets the title of the space inside the unit, shares the common areas with other unit owners and pays a maintenance fee to the condominium association to pay for needed maintenance, repairs and improvements to the property.
2. Owner	A dwelling used as the insured's primary residence.
3. Seasonal/Secondary	Condo Units 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. Occasional Rentals are eligible.
4. Rental	Condo Units owned by the insured that are rented to others for residential purposes. Short Term Rentals have a lease term of less than 3 months
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. Central Station Burglar and/or Fire Alarm	This system is connected to an independent and fully staffed security agent from whom trained operators are available to act in case of a break in or fire.
7. Local Burglar and/or Fire Alarm	This system sets off a loud alarm on the premises if there is a break in or fire. It is designed to alert the inhabitants and neighbors of the break in or fire.
8. Limited Access Community	When a risk is located in a building or gated community/neighborhood, where access is restricted and controlled for residents 24 hours a day. Access can be restricted by one or a combination of any of the following: operational gate(s), uniformed guard(s), keycard access, coded locking mechanism, or similar access restriction device.

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 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 (This only applies when Earthquake Coverage is provided.)

- ◆ 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 information on current binding restrictions please check the **My News** section on the home page of modernLINK.

UNDERWRITING GUIDELINES

A Clue Report will be ordered for all new business ♦ Inspections may be ordered ♦ A Brush Fire Report may be ordered

PRIOR LOSS HISTORY

		SPECIALTY HOMEOWNER
SUBMIT, DO NOT BIND	LOSSES IN THE PAST 3 YEARS	Maximum 3 losses. No more than 1 fire or liability loss. No more than 2 of any other single cause of loss excluding weather.
		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	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. Exceptions will be made for claims resulting from Property Claims Services (PCS - a Verisk company) designated Catastrophe Events and claims for Med Pay.	

RISK CHARACTERISTICS

Animals	♦ Applicants with large, unusual, exotic, vicious, or potentially vicious animals are ONLY acceptable with the Animal Liability Exclusion. Animals in this category include, but are not limited to: 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
Business on Premises	♦ Business with employees must be submitted. Risk must not be bound.
Wiring	♦ Fuse box (full or partial) and knob & tube wiring are NOT acceptable.
Heating	♦ Primary heat source must be thermostatically controlled and CANNOT be a supplemental heating device.
Supplemental Heating	♦ Supplemental heating devices include wood/coal/pellet or any other solid fuel burning device. ○ Kerosene and other portable space heaters are NOT acceptable. Note: Fireplaces are NOT considered supplemental heating devices unless equipped with a fireplace insert.
Steps, Porches and Decks	♦ Must have secured handrails if 3 feet or more above the ground. ♦ Risks not meeting this criteria are not acceptable.
Uninsured Properties	♦ If the risk has been uninsured for more than 30 days DO NOT BIND/SUBMIT with explanation.
1,000 Feet of Rising Water	♦ Within 1,000 feet of rising water, or in an area prone to flooding must be submitted. Risk must not be bound.
Converted Commercial Risk	♦ Attached to, occupied as, or converted from a commercial risk must be submitted. Risk must not be bound

RISK CHARACTERISTICS (continued)

Non-Renewed Or Canceled

- ◆ Applicants non-renewed or canceled by the prior carrier due to underwriting reasons must provide reason for non-renewal or cancellation.
Submit, Do Not Bind applicants with this characteristic.

RISK THAT ARE NOT ACCEPTABLE ● DO NOT BIND ● DO NOT SUBMIT

Applicants

With these characteristics:

- ◆ Currently unemployed, other than retired or disabled
- ◆ Past conviction for arson, fraud, or other insurance-related offenses
- ◆ Retaining a residence employee who works over 20 hours per week inside the home or 10 hours per week outside the home

Dwellings

With these characteristics:

- ◆ Dwellings in poor physical condition and not properly maintained
- ◆ Condemned
- ◆ Vacant or unoccupied
- ◆ Under construction, or undergoing major renovations (minor renovations are acceptable and include painting, roof repairs, carpeting and plastering)
- ◆ Unrepaired damage or boarded up windows
- ◆ Hand-hewn log condominiums
- ◆ Non-conventional construction or design (*Shell homes, Do-It-Yourself construction, or homemade homes*)
- ◆ Primary heat source that is **NOT** thermostatically controlled or is a supplemental heat source
- ◆ Kerosene or portable space heaters
- ◆ Without smoke detectors
- ◆ Dwellings with water leaks or plumbing in disrepair
- ◆ Without utilities such as natural gas, electric, or water
- ◆ In a landslide area
- ◆ Fraternity, sorority, student housing or other similar occupancy
- ◆ Located in a high or very high forest fire, brush 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.

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.

OPTIONAL COVERAGES

Coverage	Available Occup.	Limits	Rates	Included Coverages	Important Information	Codes
Condo Unit Coverage A	Owner Rental Seasonal		modernLINK will calculate			OB6 OC6 OD6
Personal Property Coverage C	Owner Rental Seasonal		modernLINK will calculate			7B6 7C6 7D6
Premises Liability	Rental Seasonal	\$200,000 \$300,000 \$500,000	\$30.00 \$50.00 \$75.00	\$100,000 Liability. \$1,000 Med Pay each person, \$25,000 each occurrence, \$1,000 Damage to Property of others.		LY
Medical Payments	Owner Rental Seasonal	\$2,000 \$3,000 \$4,000 \$5,000	\$4.00 \$8.00 \$11.00 \$14.00	\$1,000 per person \$25,000 each occurrence		1M
Optional Deductibles	Owner Rental Seasonal	\$1,000 \$1,500 \$2,500 \$5,000	-10% -15% -25% -30%	\$500 All Perils (\$1,000 for Tenant caused Damage or Loss)		H9
Personal Liability	Owner	\$200,000 \$300,000 \$500,000	\$30.00 \$50.00 \$75.00	\$100,000 Liability \$1,000 Med Pay Each Person/\$25,000 Each Occurrence, Animal Liability \$10,000		
Personal Property Replacement Cost	Owner Rental Seasonal		\$1.00 per \$1,000		Limit must be equal to Coverage C	NV
Loss Assessment	Owner Rental Seasonal	\$5,000 \$10,000 \$15,000 \$20,000 \$25,000 \$30,000 \$35,000 \$40,000 \$45,000 \$50,000	\$6.00 \$9.00 \$12.00 \$15.00 \$20.00 \$25.00 \$30.00 \$35.00 \$40.00 \$45.00	\$1,000		LW
Ordinance or Law	Owner Rental Seasonal	Max: 100% of Coverage A	\$3.00 per \$1,000	10% of Coverage A		CK
Theft of Personal Property While Rented	Owner Rental Seasonal	Max: \$5,000	\$10.00 per \$1,000		Not available if prior theft claim within the last 3 years. Owner and Seasonal must have Occasional Rental present.	QK
Identity Recovery (Not subject to a deductible)	Owner Seasonal	\$15,000	\$20.00		Offers coverage for expenses incurred by an insured as a result of an identity theft discovered during the policy period.	RZ
Property Manager - Premises Liability	Rental Seasonal		\$50.00		Property Manager must be listed as additional insured	SK
Loss of Use	Owner Rental Seasonal	Max: \$100,000	\$4.00 per \$1,000	40% of Coverage A		HJ
Earthquake Coverage	Owner Rental Seasonal		Frame \$6.96 per \$1,000 Masonry \$10.44 per \$1,000		Limit must be equal to Coverage A & C. 10% Deductible (\$1,000 minimum)	OA OC

OPTIONAL COVERAGES (con't)

Coverage	Available Occup.	Limits	Rates	Included Coverages	Important Information	Codes
Equipment Breakdown	Owner Rental Seasonal	\$25,000	\$500 Ded. - \$35.00		Provides equipment breakdown protection for systems and appliances in the home.	E0
Water Back-Up and Sump Discharge or Overflow Coverage (\$250 Deductible)	Owner Rental Seasonal	\$5,000	\$50,000			WS

CREDITS/SURCHARGES

Credit / Surcharge	Premium	Important Information	Code
Supplemental Heating Device	\$25		H3
Protective Device Credits (see page 3 for more information):		Maximum credit available is 10%	Risk Code
Local Fire & Smoke Alarm	-2%		13
Local Burglar Alarm	-2%		E6
Central Station Fire & Smoke Alarm	-5%		02
Central Station Burglar Alarm	-5%		01
Limited Access Community	-10%		03
Multi-Claim Surcharge			Risk Code
	0 Claims 0%		L0
	1 Claim 20%		L1
	2 Claims 30%		L2
	3 Claims 40%		L3
	4 Claims 50%		L4
Short Term Rental	No charge	Rental Units	Risk Code S4
Occasional Rental	No charge	Owner and Seasonal Units	Risk Code CR
Mature Owner Credit	-5%	Age 50 or Older	

SETTLEMENT OPTIONS

Options	Definitions	Rates	
	Codes		
Replacement Cost	The full cost to repair or replace property,	Included	2

FORMS LISTING (For Reference Only)

Form Number	Title			
S6000 (04/07)	Homeowners 6 Policy Form			
PEX00 (03/09)	Policy Execution Endorsement			
0110-4269 (5/92)	Declaration Page			
HO6-CA (07/15)	HO-6 Application			
MANDATORY ENDORSEMENTS		HO6		
		O	R	S
H6S00 (02/09)	Swimming Pool Exclusion - Premises Liability	X	X	X
H6U00 (08/09)	Unit-Owners Rental to Others	X	X	
PLY00 (02/14)	Certified Acts of Terrorism		X	
S6A04 (01/12)	Special Provisions - California	X	X	X
S6C00 (08/13)	Criminal Acts Exclusion	X	X	X
S6E00 (03/10)	Tenant Caused Loss Deductible		X	
S6G04 (04/10)	Workers Compensation	X		
S6M00 (06/09)	Mold Liability Exclusion	X	X	X
S6P00 (01/10)	Premises Liability		X	X
S6T00 (05/09)	Total Pollution, Asbestos, and Lead Exclusion	X	X	X
S6X00 (01/10)	Water Exclusion	X	X	X
OPTIONAL ENDORSEMENTS				
DPN02 (07/09)	Occasional & Short Term Rental (Risk Codes CR & S4)	X	X	X
H6500 (08/13)	Equipment Breakdown Enhancement - \$500 Deductible	X	X	X
H6U00 (08/09)	Unit-Owners Rental to Others (Risk Code CR)	X		X
S6E00 (03/10)	Tenant Caused Loss Deductible	X		X
S6H00 (01/10)	Theft by Tenant	X	X	X
S6I00 (01/10)	Property Manager - Additional Insured - Premises Liability		X	X
S6J04 (04/10)	Homeowners Earthquake Endorsement - California	X	X	X
S6L00 (01/10)	Personal Property Replacement Cost Loss Settlement	X	X	X
S6W00 (01/10)	Water Sump Back-Up and Sump Discharge or Overflow	X	X	X
S3X00 (12/09)	Identity Recovery	X		X
IMPORTANT NOTICES				
3PD04 (01/16)	Important Notice to Insureds Third Party Notification - California			
73859 (02/01)	Important Notice - Your Privacy and its Protection, California Insurance Guarantee Association and Consumer Affairs - California	X	X	X
CA-GEN-P (07/15)	California Dept. of Insurance - Race, National Origin, & Gender Form	X	X	X
CBR00 (07/11)	California Residential Property Insurance Bill of Rights	X	X	X
H6N01 (05/09)	Important Notice - Regarding Valuation	X	X	X
IDR01 (04/11)	Important Notice - Identity Recovery Coverage (now available)	X	X	X
IN149 (08/12)	Important Notice - Equipment Breakdown Deductible Change	X	X	X
IN150	Billing Notice		X	X
IN327 (08/14)	Important Notice of Premium Discounts	X	X	X
IN614 (04/09)	Important Notice - Flood & Earthquake Exclusion	X	X	X
PVS00	Privacy Statement and Notice of Information Practice	X	X	X
RPD04 (07/11)	Residential Property Insurance Disclosure - California (modernLINK Application Only)	X	X	X
S6Q04 (04/10)	Earthquake Offer - California	X	X	X
S6K04 (07/11)	Residential Property Insurance Disclosure - California (Renewal Only)	X	X	X
SHN06 (07/06)	California Residential Property Insurance Bill of Rights	X	X	X
V9295 (11/05)	Summary of Rights	X	X	X
73272 (07/98)	Consumer Affairs - California	X	X	X

How To Reach Us

Policy or billing questions

Call: 1-800-543-2644

Hours: Monday to Friday, 8 a.m. to 8 p.m. Eastern

Payment Lockbox Address: PO Box 740167, Cincinnati, OH 45274-0167

modernLINK support

Call: 1-866-527-9583

Hours: Monday to Friday, 7 a.m. to 12 a.m. Eastern
Saturday and Sunday, 8 a.m.- 9 p.m.

After hours support handled by voicemail return call.

E-mail: systemsupport@amig.com

Hours: Monday to Friday, 7 a.m. to 12 a.m. Eastern

Need Help? Talk to your office's modernLINK Profile Administrator *OR* Click the Help Link at the upper right of the modernLINK screen.

Report a claim.

Online: In modernLINK, under the Quotes and Policies tab click the Claims link.

Call: 1-800-543-2644

Fax: 513-947-4046

Mail Address:

American Modern Insurance Group, Inc.

Attn: Claims Processing

PO Box 5323

Cincinnati, OH 45201-5323

Ordering sales or marketing materials

Access the Marketing Center Quick Link on the modernLINK home page.



77-16-CA-HO6-G (02/16)