

# Utah



## Homeowners Program

Program Manual: H1-UT-PM-0001 (04/19)

New Business Date: 04-01-2019

*American Modern Property and Casualty Insurance Company (071)*

### Homeowners

- Owner-occupied
- Seasonal



# TABLE OF CONTENTS

<b>Contents</b>	<b>Page</b>
Program Characteristics .....	1
Eligibility and Coverages .....	2
Policy Form Comparison .....	3
Optional Coverages .....	4-5
Liability Coverages, Exclusions and Settlement Options .....	6
Discounts .....	7
Underwriting Rules .....	8-11
General Rules and Definitions .....	12
Procedures and Bill Payment .....	13
How to Reach Us .....	Back Cover

# HOMEOWNERS

- ▶ The American Modern Property and Casualty Insurance Company (American Modern) **Homeowners** program is designed for the owner occupied or seasonal home that is not eligible for coverage in the Standard Market due to age, claims, value or size of dwelling.
  
- ▶ All submittals must be OWNER-occupied or SEASONAL and in average or better condition.
  - **“Average or better condition”** means the home is structurally sound with no sagging porches or rooflines. Heating, wiring and plumbing systems are to be in good working order and the roof will be in good condition. The home must reflect pride of ownership in the maintenance and upkeep of both the dwelling and premises, including the yard, trees and shrubs.
  
  - **“Unacceptable condition”** includes, but is not limited to, broken or boarded up windows, excessive debris, appliances outside of the home, abandoned junk cars, unrepaired vandalism or damage, excessive paint peeling, missing/damaged siding, damaged, worn, lifting, curling roofs or sagging porches and roofs.
  
  - **“Excessive Debris”** means debris scattered on or around the premises showing neglect over a period of time, including garbage, appliances, tires, discarded autos, blocks, bricks, and excessive personal belongings. A small debris pile that is created from the maintenance on the home is acceptable as long as the pile appears to have been recently created and is intended to be removed shortly.



Owner-Occupied



Seasonal

ELIGIBILITY AND COVERAGES	
Coverages	Homeowners
Policy Form	H1-CW-P-0001
Policy Term	12 months, Effective 12:01 a.m. Standard Time
Deductible	\$500 All Peril Deductible
Loss Settlement	Actual Cash Value (Full Repair and Replacement Cost are Optional)
Minimum Dwelling Limit	\$50,000 (\$75,000 minimum for Replacement Cost)
Maximum Dwelling Limit	\$750,000
Maximum Dwelling Age	No age limit (ACV/Full Repair) Replacement Cost available for dwellings up to 80 years old and roof 20 years or less
Occupancy	Owner and Seasonal
Multi-Family	1 or 2 Family
Water and Mold Limit	Optional Water Coverage available up to 100% Full Water Coverage

PERILS INSURED AGAINST

Coverages	Homeowners
Dwelling and Other Structures	Named Perils (Broad Form Perils are provided when Water and Enhanced Coverage are added)
Personal Property	Named Peril including Burglary <i>from within a building on the residence premises only.</i> <i>Optional Theft available.</i>

ADDITIONAL COVERAGES AUTOMATICALLY INCLUDED

Coverages	Homeowners
Other Structures	10% of Coverage A
Personal Property	40% of Coverage A
Loss of Use	10% of Coverage A
Personal Liability	\$25,000
Medical Payments	\$500 Medical Payments each person, \$25,000 each occurrence
Debris Removal	Reasonable Expense
Reasonable Repairs	Reasonable Cost
Trees, Shrubs, and Other Plants	5%, but not more than \$100 for any one tree, shrub, or plant
Fire Department Service Charge	\$500
Credit Card, Fund Transfer Card, Forgery And Counterfeit Money	\$500

# POLICY FORM COMPARISON

Policy Form	Homeowners	Homeowners with optional Enhanced Coverage, Water and Replacement Cost	ISO-HO-3	ISO-HO-8
<b>A. DWELLING COVERAGE</b>	<b>Named Peril</b>	<b>Broad Form</b>	<b>All Risk</b>	<b>Named Perils - Basic</b>
<b>Fire, Lightning and Internal Explosion</b>	Yes	Yes	Yes	Yes
<b>Smoke</b>	Yes, but not by fireplaces or agricultural smudging	Yes, but not by fireplaces or agricultural smudging	Yes, but not by agricultural smudging	Yes, but not by fireplaces or agricultural smudging
<b>Explosion</b>	Yes	Yes	Yes	Yes
<b>Windstorm/Hail</b>	Yes	Yes	Yes	Yes
<b>Riot/Civil Commotion</b>	Yes	Yes	Yes	Yes
<b>Aircraft</b>	Yes	Yes	Yes	Yes
<b>Vehicles</b>	Yes, but not by vehicles owned by insured	Yes, but not by vehicles owned by insured	Yes, but not by vehicles owned by insured	Yes, but not by vehicles owned by insured
<b>Volcanic Eruption</b>	Yes	Yes	Yes	Yes
<b>Vandalism or Malicious Mischief</b>	Yes	Yes	Yes	Yes
<b>Burglary (Requires forced entry)</b>	Yes	Yes	Yes	Yes
<b>Theft</b>	Optional	Optional	Yes	Yes
<b>Collapse</b>	No	Yes	Yes	No
<b>Freezing</b>	No	Yes	Yes	No
<b>Water from plumbing, heating, or A/C system</b>	No	Yes	Yes	No
<b>Sudden and Accidental Damage from Artificially Generated Electrical Current</b>	No, but <i>ensuing loss</i> covered if cause of interruption occurred on premises	Yes	Yes	No, but <i>ensuing loss</i> covered if cause of interruption occurred on premises
<b>Ordinance or Law</b>	10% of Coverage A	10% of Coverage A	10% of Coverage A	No
<b>Earth Movement, Flood, Neglect, War, Nuclear Hazard, and Intentional Loss</b>	No	No	No	No
<b>B. OTHER STRUCTURES</b>	<b>Named Peril</b>	<b>Broad Form</b>	<b>All Risk</b>	<b>Named Peril</b>
	10% of Coverage A	10% of Coverage A	10% of Coverage A	10% of Coverage A
<b>C. PERSONAL PROPERTY</b>	<b>Named Perils including burglary</b> 40% of Coverage A	<b>Named Perils including burglary</b> 40% of Coverage A	<b>Named Peril</b> Including Theft	<b>Named Peril</b> Including Theft
<b>On Premises</b>	100% of Coverage C	100% of Coverage C	100% of Coverage C	100% of Coverage C
<b>Off Premises</b>	10% of Coverage C	10% of Coverage C	10% of Coverage C or \$1,000 whichever is greater	10% of Coverage C or \$1,000 whichever is greater
<b>D. LOSS OF USE</b>	10% of Coverage A	10% of Coverage A	% varies by company	% varies by company
<b>Debris Removal</b>	Reasonable Expense	Reasonable Expense	Reasonable Expense	Reasonable Expense or \$1,000 for tree
<b>Property Removed</b>	Covered for up to 30 days	Covered for up to 30 days	Covered for up to 30 days	Covered for up to 30 days
<b>Fire Dept Service Charge</b>	\$500	\$500	\$500	\$500
<b>Plants, trees, shrubs &amp; lawns</b>	5%, but not more than \$100 for any one tree, shrub, or plant	5%, but not more than \$100 for any one tree, shrub, or plant	5%, but not more than \$500 for any one tree, shrub, or plant	5%, but not more than \$250 for any one tree, shrub, or plant
<b>E. LOSS SETTLEMENT</b>				
<b>Dwelling</b>	ACV	Replacement Cost	Replacement Cost (80/20 Coinsurance Clause)	Functional Replacement (80/20 Coinsurance Clause)
<b>Other Structures</b>	ACV	Replacement Cost	Replacement Cost	Functional Replacement Cost
<b>Personal Property</b>	ACV	ACV	ACV	ACV

Coverages	Important Information	Included Limits	Optional Limits	Homeowners	
				O	S
<b>Earthquake</b>	Provides coverage for direct physical loss to property covered under Coverages A, B, and C caused by an earthquake. A 10% (\$1,000 minimum for Coverage A) deductible will apply separately to each coverage.		Equal to Coverage limits minus Earthquake deductible amount	<b>X</b>	<b>X</b>
<b>Enhanced Coverage</b>	This coverage adds the following additional perils: Falling Objects, Collapse, Power Surge, Breakage of Glass, Weight of Ice and Snow, Sudden & Accidental Tearing Apart. Not available for Row Homes, Town Homes or Twin Homes with flat roofs.		Provides policy limits for additional perils	<b>X</b>	<b>X</b>
<b>Hobby Farming</b>	Adds coverage for personal property used in hobby farming up to 10% of Coverage C. Also adds Coverage E - Personal Liability and Coverage F - Medical Payments, but will pay no more than \$10,000 for any claim. This endorsement is strictly for crop farming and animal grazing. It is NOT for exposures such as dog breeding, share cropping, community gardening, farmland rental to others, slaughtering, rendering, bee keeping, tractor repair, or any other business exposure.		See Form for Details	<b>X</b>	<b>X</b>
<b>Home Equipment Breakdown Protection</b>	Provides equipment breakdown protection for systems and appliances in the home. Subject to a \$500 deductible.		\$25,000	<b>X</b>	<b>X</b>
<b>Identity Recovery</b>	Covers identity recovery extra expense insurance and case management services.		\$15,000	<b>X</b>	<b>X</b>
<b>Loss of Use</b>	Provides coverage if the home is unfit to live in because of a covered loss while the home is repaired or rebuilt.	10% of Coverage A limit	Up to 40% of Coverage A limit	<b>X</b>	<b>X</b>
<b>Optional All Other Perils Deductibles</b>	The included All Other Peril Deductible may be changed to higher optional amounts listed. The change does not apply to any coverages with specific deductible limits listed in the endorsement.	\$500	\$1,000 \$2,500 \$5,000	<b>X</b>	<b>X</b>
<b>Ordinance or Law</b>	Provides coverage for any repair or construction required to comply with any ordinance or law, after a covered loss.	10% of Coverage A included		<b>X</b>	<b>X</b>
<b>Other Structures</b>	Limits may be increased up to 50% of coverage A. Higher limits may be referred for underwriting approval.	10% of Coverage A limit	Up to 50% Coverage A limit	<b>X</b>	<b>X</b>
<b>Personal Property</b>	Limits available up to 100% of Coverage A.	40% of Coverage A limit	Up to 100% Coverage A limit	<b>X</b>	<b>X</b>
<b>Scheduled Personal Property</b>	<p>Due to internal policy limits the following items may be scheduled: Jewelry, Furs, Musical Instruments, Silverware, Golfer's Equipment, Fine Arts, Rare Coins, Cameras, Stamps, Computers, Guns, Tools, and other personal property.</p> <p>Coverage limits less than \$20,000 in aggregate, or \$2,500 for any single item require:</p> <ol style="list-style-type: none"> <li>1. A detailed description;</li> <li>2. Serial or model number;</li> <li>3. Bill of sale or receipt showing the date of purchase along with the purchase price.</li> </ol> <p>Coverage limits in excess of \$20,000 in the aggregate, or \$2,500 for any single item require</p> <ol style="list-style-type: none"> <li>1. A suitable explanation for total limits in excess of \$20,000;</li> <li>2. An appraisal, no older than 3 years, for each item, set, or collection valued over \$2,500.</li> </ol>		<p>Up to \$10,000 per item - Jewelry, Fine Art, and Furs</p> <p>Up to \$5,000 per item - Excluding Jewelry, Fine Art and Furs</p>	<b>X</b>	<b>X</b>
<b>Service Line</b>	Covers damage or expense caused by service line failure. Subject to \$500 Deductible.		\$10,000	<b>X</b>	<b>X</b>

OPTIONAL COVERAGES (continued)

Coverages	Important Information	Included Limits	Optional Limits	Homeowners	
				O	S
<b>Theft</b>	Adds Theft coverage for losses to household or personal property. Theft limit cannot exceed 25% if any prior Theft loss. Risks with 2 or more Theft losses are not eligible for Theft coverage.		10% of Coverage C limit 25% 50% 75% 100%	<b>X</b>	<b>X</b>
<b>Water Backup and Sump Overflow</b>	Provides coverage for losses caused by water which backs up through sewers or drains. Subject to a \$250 deductible.		\$5,000	<b>X</b>	<b>X</b>
<b>Water Damage</b>	Water Coverage may be purchased up to 100% of Coverage A. -10% option includes a \$5,000 Mold and Remediation Sub-limit. All other options include a \$10,000 Mold and Remediation Sub-limit.  For risks with 2 or more water losses, Water limit cannot exceed 10%. If prior loss greater than \$10,000, Refer to Underwriting with explanation, Do Not Bind.		10% of Coverage A limit 25% 50% 75% 100%	<b>X</b>	<b>X</b>

## LIABILITY COVERAGES

Liability Coverages	Important Information	Optional Limits	Homeowners	
			O	S
<b>Personal Liability</b>	<b>Includes when purchased</b> Medical Payments - \$500 Each Person / \$25,000 Each Occurrence. Damage to Property of Others - \$1,000 Each Occurrence. Animal Liability Sub-limit - \$10,000.	\$50,000 \$100,000 \$300,000 \$500,000 \$1,000,000	<b>X</b>	<b>X</b>
<b>Medical Payments</b>	\$500 each person/\$25,000 each occurrence included when Personal or Premises Liability is present.	\$1,000 to \$10,000	<b>X</b>	<b>X</b>
<b>Additional Residences Rented to Others Liability</b>	Selected limits must equal Personal Liability and Medical Payments limits. <b>Includes when purchased</b> Medical Payments - \$500 Each Person / \$25,000 Each Occurrence. Damage to Property of Others - \$1,000 Each Occurrence. Animal Liability Sub-limit - \$10,000.	\$25,000 \$50,000 \$100,000 \$300,000 \$500,000 \$1,000,000	<b>X</b>	<b>X</b>

## EXCLUSIONS

Liability Coverages	Important Information	Homeowners	
		O	S
<b>Animal Liability Exclusion</b>	This exclusion is used to remove Animal Liability when necessary for risk acceptance. Please refer to the Underwriting section for more detail.	<b>X</b>	<b>X</b>
<b>Specific Building/ Structure Exclusion</b>	This exclusion removes coverage for a specific structure when the structure is in disrepair or there are other underwriting concerns that would make the risk ineligible. The specific structure to be excluded must be provided.	<b>X</b>	<b>X</b>

## SETTLEMENT OPTIONS

Dwelling and Other Structures	Important Information	Insurance Value	Included/ Optional	Homeowners	
				O	S
<b>Actual Cash Value</b>	The actual cash value at the time of loss, but not more than the amount required to repair or replace the damaged property.	Home must be insured to 100% Market Value less land value.	Included	<b>X</b>	<b>X</b>
<b>Replacement Cost</b>	The cost to repair or replace, subject to conditions set in the policy form.	Home must be insured to 100% replacement cost less land value.	Optional	<b>X</b>	<b>X</b>
<b>Full Repair Cost</b>	Full Repair includes the full cost of repair without deduction for depreciation of the Structure. Available for all ages of home.	Home must be insured to 100% Market Value less land value.	Optional	<b>X</b>	<b>X</b>
Personal Property	Important Information		Included/ Optional	Homeowners	
				O	S
<b>Actual Cash Value</b>	The actual cash value at the time of loss, but not more than the amount required to repair or replace the damaged property.		Included	<b>X</b>	<b>X</b>
<b>Personal Property Replacement Cost</b>	The cost to repair or replace, subject to conditions set in the policy form. When adding this coverage to an existing policy with 2 or more losses, Refer, Do Not Bind.		Optional	<b>X</b>	<b>X</b>



## DISCOUNTS

Protective Devices	Important Information	Homeowners	
		O	S
<b>Central Station Fire &amp; Smoke Alarm</b>	This system is connected to an independent and fully staffed security agent from which trained operators are available to act in case of a fire.	<b>X</b>	<b>X</b>
<b>Central Station Burglar Alarm</b>	This system is connected to an independent and fully staffed security agent from which trained operators are available to act in case of a break in.	<b>X</b>	<b>X</b>
<b>Local Smoke and/or Burglar Alarm</b>	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.	<b>X</b>	<b>X</b>
<b>Deadbolts, Smoke Alarm &amp; Fire Extinguisher</b>	This discount is available when the dwelling has deadbolts, smoke alarms and a fire extinguisher.	<b>X</b>	<b>X</b>

\* The Protective Devices discounts apply only to the perils to which they help mitigate losses. Copies of alarm system certificates are required for a discount.

Discounts	Important Information	Homeowners	
		O	S
<b>Auto-Home</b>	This discount is available for insureds who have an auto policy that is directly written by an American Modern agency partner.	<b>X</b>	<b>X</b>
<b>Association</b>	This discount is available for insureds who are a member of an approved association. Retain proof of membership.	<b>X</b>	<b>X</b>
<b>Claims Free</b>	This discount applies when an insured does not have any claims with a dollar amount paid above \$500 within the past 3 years evaluated as of the effective date of the policy.	<b>X</b>	<b>X</b>
<b>Paperless</b>	This discount is available when electronic delivery of policy documents is selected.	<b>X</b>	<b>X</b>
<b>Paid in Full</b>	This discount is available when Paid in Full payment plan is selected. This discount is only available when the insured is direct-billed.	<b>X</b>	<b>X</b>
<b>Multi-Policy</b>	This discount is available when the insured has two or more of a different policy form, under the same account within AMsuite®.	<b>X</b>	<b>X</b>

# PRIOR LOSS HISTORY

**A CLUE report will be obtained for all new business risks.  
 Inspections may be ordered for new business risks, to confirm repairs have been  
 made following a loss or to address agency profitability issues.  
 A report may be ordered at renewal at our discretion.**

		<b>Homeowners</b>
<b>LOSSES** IN THE PAST 3 YEARS</b>		<b>Maximum 3 losses*</b> No more than 1 fire, liability, or theft/burglary loss. No more than 2 of any other single cause of loss excluding weather.
		*4 or more losses when insured owns 6 or more dwellings, <b>Refer to Underwriting.</b>
<b>REFER, DO NOT BIND</b>	<b>FIRE LOSSES &gt; \$10,000</b>	Provide details of fire, including preventative measures taken to prevent future fires. A copy of the fire report is required. Arson or an intentional act by applicant <b>NOT</b> acceptable.
	<b>ALL LIABILITY LOSSES</b>	Maximum available \$100,000 Liability and \$1,000 Med Pay with any paid liability loss of \$500 or more.
	<b>THEFT LOSSES &gt; \$5,000</b>	Provide preventative measures taken.
	<b>EXCLUDING A CLUE LOSS</b>	Applicable when excluding a loss greater than \$500 reported by CLUE and loss is within 3 years of the policy effective date.

\*\*Losses are valid if \$500 or more paid and loss occurred within 3 years of the policy effective date.

# 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, Llamas, Alpacas, Emus, Horses, Farm or Ranch animals, or any type of wild exotic animals or pets.

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- Business on Premises**
  - ▶ Some incidental businesses on premises may be eligible.
    - This could include home offices, and other small businesses with very light or no foot traffic. Depending on the nature of the business, it may be at the underwriter's discretion.
    - **Ineligible businesses** include, but are not limited to: home day care, beauty salons, automotive repair, welding, dog kennels, retail stores, businesses with increased liability hazards and any business where potentially dangerous chemicals, pollutants, extreme heat/flame or dangerous activities may be involved.
  - ▶ **Refer to Underwriting** for approval: Incidental Businesses with any foot traffic. Dwellings with business employees are ineligible.

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- Farming on Premises**
  - ▶ Not acceptable unless Hobby Farming applies.

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- Heating**
  - ▶ Primary heat source must be thermostatically controlled and **NOT** a supplemental heating device unless written as Seasonal.

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- Hobby Farming**
  - ▶ Applicants with employees are not acceptable.
  - ▶ Applicants must have Hobby Farm with gross receipts under \$5,000.
  - ▶ Farm animals may be acceptable when purchasing Hobby Farm coverage. If there are any horses or other animals with less than 6 combined number of horses and cows/donkeys and no emus, ostriches, or llamas then **Refer to Underwriting** for approval.
  - ▶ If Hobby Farm coverage is requested and the combined number of horses and cows/donkeys is greater than 5, OR there are any emus, ostriches or llamas, then Animal Liability Exclusion is required

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- Non-Renewed or Canceled**
  - ▶ Applicants non-renewed or canceled by the prior carrier due to excess losses, large losses, payment problems or physical hazards must provide additional explanation for non-renewal or cancellation and **Refer to Underwriting** for approval.

## RISK CHARACTERISTICS (continued)

<b>Occasional Rental</b>	<ul style="list-style-type: none"><li>▶ Owner or seasonally occupied homes rented out for any length of time must purchase the Occasional Rental coverage for acceptability.</li><li>▶ The home should not be intended to be a weekly rental during a high peak rental season. If this home is intended for weekly rental during a high peak rental season, the risk should be written in the Dwelling program as a Rental with Short Term Rental Coverage.</li></ul>
<b>Roof</b>	<ul style="list-style-type: none"><li>▶ Must be 20 years of age or newer and in good condition with no missing, lifting or curling shingles. Exceptions to the roof age rule are tile and concrete tile roofs, steel or heavy gauge metal roofs. Aluminum, tin, and flat roofs are <b>NOT</b> acceptable.</li></ul>
<b>Row Homes or Town Homes</b>	<ul style="list-style-type: none"><li>▶ Must have firewalls that extend to the roof separating each unit and not be considered to be a condominium.</li><li>▶ <b>Refer to Underwriting</b> for approval: Row home or town home attached to a commercial risk.</li></ul>
<b>Steps, Porches, and Decks</b>	<ul style="list-style-type: none"><li>▶ Must have secured handrails if 3 feet or more above the ground.</li></ul>
<b>Supplemental Heating</b>	<ul style="list-style-type: none"><li>▶ Supplemental heating devices include wood/coal/pellet or any other solid fuel burning device. <b>Note:</b> Permanently attached thermostatically controlled space heaters and fireplaces without fireplace inserts do not require Supplemental Heating Device Surcharge.</li></ul>
<b>Swimming Pools</b>	<ul style="list-style-type: none"><li>▶ In-ground pools must have a fence, at least four feet high with a locking gate that encloses the pool.</li><li>▶ 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.</li></ul>
<b>Uninsured Properties</b>	<ul style="list-style-type: none"><li>▶ If the risk has been uninsured for 31-90 days <b>Refer to Underwriting</b> with explanation.</li><li>▶ If the risk has been uninsured for more than 90 days then <b>DO NOT BIND/DO NOT REFER</b>. Special exceptions may be made for extenuating circumstances. Please contact your underwriter for consideration with full details.</li></ul>
<b>Wiring</b>	<ul style="list-style-type: none"><li>▶ Knob &amp; tube wiring is <b>NOT</b> acceptable.</li><li>▶ <b>Must</b> have circuit breakers. Fuse boxes (full or partial) are <b>NOT</b> acceptable.</li></ul>

## REFER FOR UNDERWRITING APPROVAL - DO NOT BIND

- ▶ Adding liability coverage to an existing policy
- ▶ Additional insureds when:
  - More than three
  - More than one additional Insured is added as the Primary Named
  - Relationship to primary named insured is "other"
- ▶ Backdating policy changes and rewrite transactions when there is an open claim on the policy
- ▶ More than one property manager per unit
- ▶ More than two mortgagees
- ▶ Primary heat source--- other
- ▶ Purchase price of \$0 or \$1.00
- ▶ Total living area less than 100 sq ft or greater than 9950 sq ft

# RISKS THAT ARE NOT ACCEPTABLE - DO NOT BIND - DO NOT REFER TO UNDERWRITING

- Applicant with these Characteristics:**
- ▶ Four or more losses of any kind in the last three years (For additional guidelines see “Prior Loss History”).
  - ▶ If an Additional Insured is a minor.
  - ▶ Mortgage payments 60 days or more past due or currently in foreclosure.
  - ▶ Past conviction for arson, fraud, or other insurance-related offenses.

- Liability Concerns:**
- ▶ Animals on the premises that have a previous bite history or vicious propensities, or wild or exotic animals or farm animals (unless Hobby Farm) when Personal Liability is purchased unless the Animal Liability Exclusion is selected.
  - ▶ If Hobby Farm coverage is requested and the combined number of horses and cows/ donkeys is greater than 5, OR there are any emus, ostriches, or llamas, then Animal Liability Exclusion is required.
  - ▶ Akitas, Dobermans, Chows, Rottweilers, Pit Bulls, wolves or wolf hybrids or any mix of these breeds on the premises unless the Animal Liability Exclusion is selected.
  - ▶ Business employees who work on the premises.
  - ▶ Business on the premises which increases the property or liability hazard, for example (but not limited to): hazardous chemicals, pollutants, extreme heat or flame, riding stable or dog kennel.
  - ▶ Farming on the premises.
  - ▶ Pools that are not enclosed by a fence at least 4 feet tall that has a locked gate, or the steps and ladders to the pool cannot be secured or removed when it is not being used.
  - ▶ Primary named insured is a company other than a trust.
  - ▶ Underground fuel storage tank.

- Construction/Condition/Use:**
- ▶ Attached to a commercial risk (except for row homes or town homes, subject to underwriting approval).
  - ▶ Condemned or abandoned.
  - ▶ Daycare on the premises.
  - ▶ Earth homes, dome homes, floating homes or any other non-conventional design.
  - ▶ Fraternity, sorority, student housing, group home, halfway home, or other similar occupancy.
  - ▶ Hand hewn log homes unless written in Dwelling Basic, year built is 1999 or later and ACV/ Market Value Loss Settlement applies.
  - ▶ Homes that are not fully enclosed, under construction or undergoing a major renovation (Minor renovations are acceptable and include painting, roof repairs, carpeting, and plastering).
  - ▶ If the dwelling has the following characteristics:
    - Any unrepaired damage from prior paid claims
    - Any water leaks or unrepaired water damage
    - Any windows that are broken or boarded-up, or any other unrepaired damage
    - Aluminum, Tin or Flat roof slope/style (All except AZ and NM)
  - ▶ Manufactured homes, condominiums, stationary travel trailers, 3 or 4 Family Dwelling.
  - ▶ Open foundations or supported by raised poles or pilings that are over 6 feet tall.
  - ▶ Other structures in poor physical condition and not properly maintained (unless the Specific Other Structure Exclusion is attached).
  - ▶ Rented out for any length of time unless the Occasional Rental Coverage is purchased.
  - ▶ Roofs over 20 years of age unless tile, concrete tile, steel or heavy gauge metal roofs when Replacement Cost Loss Settlement option is selected.  
Roofs in need of repair or replacement including but not limited to roofs with curling, lifting or missing shingles. Roofs must be in good condition.

- Utilities**
- ▶ Active Knob and Tube wiring.
  - ▶ Fuse Boxes- partial or full.
  - ▶ Primary heat source is not thermostatically controlled unless Seasonal occupancy.
  - ▶ Without utilities unless Seasonal occupancy.

## RISKS THAT ARE NOT ACCEPTABLE - DO NOT BIND - DO NOT REFER TO UNDERWRITING (continued)

### Location and Other:

- ▶ Dwelling located on an island with no Fire Protection Service.
- ▶ If the dwelling cannot be reached by a road.
- ▶ Located in an area that is prone to or has had a prior occurrence of landslide, forest fires, or brush fire.
- ▶ Located in an area that is designated as having a High or Very High risk for brush (wildfire) fires (CA, AK, CO).
- ▶ Located less than 350 feet from an area that is designated as having a High or Very High risk for brush (wildfires) fires (CA).
- ▶ Located less than 500 feet from an area that is designated as having a High or Very High risk for brush (wildfires) fires (AK).
- ▶ Located in Protection Class 5 – 10 and it is less than 350 feet from an area that is designated as having a High or Very High risk for brush (wildfires) fires (CO).
- ▶ Uninsured more than 90 days.

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

## GENERAL RULES AND RATING INFORMATION

1. **Application**

The application and all forms should be completed in AMsuite and printed or electronically signed. The agent's and applicant's signatures are required. For any documents that require a signature, AMsuite offers the ability to electronically sign documents. An e-mail and a mobile phone number is required from the insured to complete the process. Not all situations will allow for e-signature, AMsuite will determine the eligibility to electronically sign the documents.
2. **Binding**
  - a. All applications should be entered completely into AMsuite. Rules in AMsuite will determine if coverage can be bound.
  - b. If the quote is required to be referred to underwriting for review, it is the agent's responsibility to notify the customer at the time of referral that the risk is not bound.
  - c. Unbound referred applications in AMsuite that do not meet our underwriting guidelines will be rejected and the agent will be notified by an assigned activity in AMsuite or by email.
  - d. If an issue is rejected, a notice will not go out to the customer so it is the agent's responsibility to notify the customer that a policy will not be issued. A declination notice may be produced upon request.
3. **Cancellation Rule**

**No flat cancellation** is allowed if coverage has been provided under our policy.
4. **Claims Verification**

A C.L.U.E. report showing past claims history will be ordered.
5. **Inspection Fee**

An inspection report may be reviewed as part of the underwriting evaluation for any applicant. A \$26 Inspection Fee will be charged when ordered. The fee is waived when an inspection ordered is a duplicate of a recent inspection and no changes to the risk have occurred, or in cases where a policy is rewritten and the inspection is cancelled due to being a duplicate of a recent inspection.
6. **Insurance to Value**

**See Dwelling Settlement Options.**
7. **Insurance Score**

Will be used to determine financial responsibility.
8. **Minimum Written and Earned Premium**

There is a \$100 **minimum written** and **earned** premium for all programs.
9. **Transfer or Assignment**

Policies may **not** be transferred or assigned.
10. **Whole Dollar Premium**

The premium shall be rounded separately for each coverage to the nearest **whole dollar**.
11. **Mailing Address**

Any mailing address must be located within the United States of America. Canadian Customers - A policy may be written on an eligible dwelling located in the United States for a Canadian customer. All mailings to the insured must be sent to a mailing address within the United States (other than the mailing address of the producing agent).

## 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.

Binding Restrictions and updates are posted in AMsuite. Producers are encouraged to monitor information resources such as the news when there are impending severe weather or catastrophic events in the area.

For information on current binding restrictions please check the **My News** section on the home page.

## CANCELLATION PROCEDURES

A request to cancel a policy with American Modern should be made within 90 days of the requested cancellation date. If the request is received more than 90 days after the requested cancellation date, the request must also be accompanied by the following:

- ▶ A declaration page from another carrier showing coverage in force from that date; or
- ▶ A bill of sale or other proof that the insured no longer had an interest in the home from the date.

Other acceptable reasons for backdating a cancellation request:

- ▶ Duplicate American Modern policy providing coverage for the same risk exists – valid American Modern policy number must be provided.
- ▶ The request to cancel is due to a total loss to the home and the cancellation date is after the total loss.

## DEFINITIONS

1. Owner-Occupied  
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  
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 the Occasional Rental Coverage applies.)
3. Other Structures  
Structures on the dwelling premises which are **not attached** to the dwelling (including septic tanks).
4. Supplemental Heating Device  
Wood, coal or pellet burning stoves, space heaters, fireplace inserts or any other solid fuel burning device that is not centralized. Thermostatically controlled space heaters do not require the Supplemental Heating Device Surcharge.  
**Portable kerosene heaters or space heaters that are not thermostatically controlled are ineligible.**
5. Row Home / Town Home  
Residences where more than 2 units are connected by a common wall to the other dwellings/units not owned by our insured. The interior and exterior walls must be owned by the insured and should not be considered a condominium. The surcharge still applies to end units of row homes/town homes.
6. Occasional Rental  
The home may be intermittently rented for less than a three month period on an annual basis as long as the home continues to meet the underwriting guidelines set for the appropriate owner or seasonal programs. In addition, the home should not be intended to be a weekly rental during a high peak rental season.

## QUOTING PROCEDURE

Quoting and issuance of policies will only be available through AMsuite. If you do not have access to our website, please call your Account Manager or General Agent, whichever applies.

In AMsuite, an accurate quote will be ensured by entering all of the requested information. On the QUALIFICATION page, you will be asked to verify some information about the applicant before reports can be ordered. On the QUALIFICATION page are our disclosures to the insured that third party reports may be ordered. **You must read the disclosure statement(s) to the insured before proceeding.**

## PAYMENT PLANS

Payment plan availability varies based on the premium of the policy. AMsuite will only display payment plans that are available based on the policy premium.

### ANNUAL POLICIES

1. Paid in Full - 100% down with no remaining installments.
2. 2 - Pay Plan - 50% down with 1 remaining installment. EFT available for this plan.
3. 4 - Pay Plan - 25% down with 3 remaining installments. EFT available for this plan.
4. 6 - Pay Plan - 20% down with 5 remaining installments. EFT available for this plan.
5. Monthly - 20% down with up to 10 remaining installments. **MUST** be recurring electronically.

**A service fee will be assessed for each remaining installment. Late fees, reinstatement fees and insufficient fund fees may apply.**



# How To Reach Us

## Policy or billing questions

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**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

## AMsuite support

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**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](mailto:systemsupport@amig.com)**

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

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

## Report a claim.

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**Online:** In AMsuite, 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

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



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