

1. **Can the liability be increased to \$1 million mid-term under the current Safeguard Dwelling Fire policy before it renews to the Landlord program?**

Answer: No, the new \$1 million liability limit is not available until 2/15/16. This limit, and all new Landlord coverage features, can be added to new business and policies renewing effective on or after 2/15/16 (which includes mid-term).

2. **What are the main differences between the three tiers?**

Landlord

This selection offers standard coverages typically seen with any dwelling fire program in California. In addition, however, numerous optional coverages not offered from any other carrier are made available by CSE Insurance.

Landlord Plus

150% replacement cost
Coverage D - extended fair rental value - 60 days
Sewer backup - \$3,000
Medical payments to others - \$5,000

Landlord Premier

175% replacement cost
Coverage D - extended fair rental value - 60 days
Sewer backup - \$3,000
Medical payments to others - \$5,000
Personal property coverage - \$2,500 Theft coverage
Loss assessment - \$2,500
Premises liability & personal injury - \$1,000,000
Ordinance or law - 10% of Coverage A
Bed bug coverage - \$2,500
Landscape coverage - 10% of Coverage A
Fair rental income value & additional living expenses - 20% of Coverage A

3. **Can discounts be added mid-term or on renewal without documentation?**

Answer: Discounts can be added mid-term and on renewal. Proper documentation is required for various discounts as stated in the underwriting guidelines.

4. **Does personal property coverage have to be provided under all tiers? Can it be removed?**

Answer: No, personal property is an optional coverage and can be added or removed. \$2,500 of personal property coverage is included in the Landlord Premier endorsement and cannot be removed.

5. **Do the insureds have to switch over to the new Landlord program? Can they retain their current dwelling fire policy instead of switching to a landlord policy?**

Answer: Current Safeguard Dwelling Fire policyholders will be renewed into the new Landlord program, however, existing coverages will not change unless new options are selected. One exception exists for current policyholders who have personal property limits below \$20,000. For those policyholders, their Coverage C will renew to the minimum limit available of \$20,000. If lower limits are requested in order to eliminate premiums associated with the stand-alone personal property coverage option, it is advisable to purchase the premier endorsement, which includes \$2,500 of personal property coverage.

Policyholders currently in our Civil Service Employees Insurance Company (“ICO”) Dwelling Fire may be rewritten in the Safeguard Landlord program or remain in ICO.

6. **Why can't they have Coverage C below \$20,000?**

Answer: Currently, the minimum Coverage C personal property limit selection is \$20,000. Higher limits are also available. If a policyholder wishes to have a lower limit, they can purchase the Landlord Premier endorsement which provides \$2,500. Policies can be written without personal property coverage as well.

7. **Why was Coverage C increased? Can they keep the same coverage?**

Answer: A decision was made to have a higher minimum limit which is having some unintended premium circumstances when Coverage C – Personal Property is selected. We are investigating how to offer more flexible limits in the future. For now, a good option for most insureds is to eliminate this coverage and select the Premier endorsement which includes \$2,500 of Coverage C and many other valuable coverages.

8. **Can you please explain the water damage deductible showing as “none?”**

Answer: This issue has been resolved. A water deductible field will appear only if the deductible is selected.

9. **What is the loss threshold to cause a surcharge in the Landlord program? Does that apply to all loss types including weather-related losses?**

Answer: Any loss over \$500, regardless of cause, will be surcharged. The surcharge, however, does NOT apply to eviction expense reimbursement, service line, equipment breakdown losses, or any losses unrelated to the insured(s).

10. **What is the “catastrophe fee?”**

Answer: The catastrophe fee is part of our new rating program and rating logic, calculated based on the Coverage A dwelling amount and zip code. This fee neither broadens nor restricts coverage and is applied to the total premium to account for any future catastrophic event (i.e. acts of nature, wind damage, or wildfires).

The CSE Landlord policy does not provide coverage for flood or earthquake.

11. **What are the requirements for the renters insurance verification discount?**

Answer: A copy of the tenant’s HO4 Renters Policy Declaration must be attached to the document tab in SPInn (information specific to the tenant must be omitted).

12. **During the application process, if I select “yes” for central fire alarm, are supporting trailing documents required?**

Answer: Yes, supporting documentation is required to qualify for central alarm discounts. Information pertaining to smoke detectors is required for underwriting purposes, but does not require any supporting documentation at this time, nor do they qualify for a discount.

13. **What if the tenant caused the bed bugs? Should the tenant be liable?**

Answer: Yes, but this is to be determined on a case-by-case basis through an investigation. The “bed bug remediation coverage” included with the Premier endorsement is designed to cover the remediation costs incurred by the landlord. We may, like any other loss, subrogate if another party is found liable.

14. **What type of LLC qualifies as a named insured?**

Answer: The owner, managing member, or partner is limited to an individual, or an individual and his/her spouse/domestic partner and family members. This rule is identical for both the Landlord policy and the Landlord – Condo policy. The LLC cannot participate in any commercial venture other than the rental of investment property. A copy of the “statement of information, Form LLC-12” must be submitted for underwriting review to determine the purpose of the LLC.

15. **What types of water detection devices qualify for the protective device discount?**

Answer: Any central alarm that reports to an alarm company such as (but not limited to) ADT. These alarms are often used in or around basements, computer rooms, drain areas and document storage areas. The water sensor reports any water leak to the alarm company.

Please see the following website for details: <http://www.adt.com/water-alarm>.

16. **Does the CSE Umbrella policy have a limit on the number of landlord policies?**

Answer: No.

17. **What type of property manager qualifies for the discount?**

Answer: The property must be managed by a licensed professional management firm that:

- is in the business of managing rental properties for others full time
- is a member of a professional management association or has property management certifications