

LOUISIANA DP-1 DWELLING UNDERWRITING GUIDELINES

PERILS INSURED AGAINST (DWG-1 Ed. 1/93)

1. Fire, Lightning and Internal Explosion.
2. Sudden and Accidental Damage from Smoke, Windstorm, Hail, Explosion, Aircraft, Vehicles, Volcanic Eruption, Riot and Civil Commotion.

POLICY FORM

Dwelling Property 1 – Basic Form DWG-1 (ed. 1/93)

PROHIBITED BUSINESS

1. Property that is vacant, unoccupied, dilapidated or abandoned.
2. Apartment houses and/or personal property (even when the personal property is owned by the tenant).
3. Townhouses or multi-unit dwellings. Duplexes are acceptable.
4. Dwellings attached to, or occupied as, commercial risks.
5. Portable buildings, camp and waterfront locations.
6. Barns and other farm outbuildings.
7. Personal property owned by the landlord in tenant dwellings.
8. Property belonging to persons of known bad character.
9. Dwellings that are not maintained in an insurable condition. Dwellings must show pride of ownership.
10. Dwellings on stilts in flood areas.
11. Dwellings with more than two (2) mortgages.
12. Dwellings with wood burning stoves not correctly installed and that are the primary heat source.
13. Dwellings with aluminum, or unsafe wiring.
14. Dwellings 50 years or older with heating and wiring that has not been updated.
15. Dwellings with non-operable utilities, such as natural gas, electricity and water.
16. White Elephant – Generally defined as an older home with a great deal of square footage. These homes are very difficult to insure due to the fact a small partial loss could result in a total loss to the dwelling. There is also a vast difference in market value and replacement cost.
17. Dwellings with other insurance in force.
18. Mobile homes converted to dwellings.
19. Home Day Care Providers.

SUBMIT ONLY BUSINESS

1. Five or more tenant dwellings scheduled on the same policy. We must have photos and a diagram of locations, if all located in the same area.

2. Any risk with a prior fire loss or any risk with three or more losses in the past five years. A full explanation of all losses should be given along with a fire report and a photo.
3. All risks described above, and that are determined as a submit-only risk must be received in the Home Office on a fact data sheet.
4. The risks are not bound for coverage.
5. No money is required or will be accepted.

INSURABLE VALUE

Dwellings should be insured for market value (the value a prudent buyer would pay).

*****Do Not Insure For Replacement Cost*****

POLICY LIMITS

1. Maximum Insurance per Dwelling \$70,000
2. Maximum Insurance Per Personal Property – 50% of the value of the dwelling, not to exceed \$20,000.
3. Maximum Insurance Per Risk\$ 90,000

DEDUCTIBLE

1. \$250 Standard
2. \$500 (Credit total fire/extended coverage premium by 5%. Liability premium is excluded).

CANCELLATION GUIDELINES

1. Flat cancellation will be allowed if the Policy is received in Home Office within 30 days of the Effective Date of the Policy.
2. No flat cancellation will be allowed if a Direct Notice of Cancellation is issued.
3. Evidence of cancellation must be received within 10 days from requested date of cancellation.
4. All other rules must adhere to the Insurance Services Offices – Dwelling Property 1 Basic Form.

DIRECT BILLING

The full premium, or a **minimum down payment of 25%** of the total policy premium, must be submitted with all applications. After issuance, the policy will be billed monthly. A \$5.00 installment premium is included in each monthly payment. **Do not retain agent's commission – remit FULL** down payment, or total premium. If the premium is to be paid by the Mortgagee, this must be clearly indicated on the application and the loan number must be shown. Only **“Mortgagee Billed”** applications will be accepted without premium attached.

CLAIM PROCEDURE

Due to prompt claim acknowledgements provided by policy contract, it is necessary that all claims be reported immediately to the Home Office. Do not assign to any adjuster without prior written permission from the company. **The fax number for reporting claims is (817) 632-2612.**

SUBMITTED APPLICATIONS

1. Coverage will be bound only when applications are fully completed and received in Home Office within 5 working days of requested effective date.
2. Incomplete Applications will be returned to the agent.
3. The agent name, number and office address must be shown on all applications.

INSPECTIONS

All properties are subject to inspection by the Company.

Please forward exact driving directions, unless property location is a street address.

LIABILITY COVERAGE

Personal Liability

Available on owner and seasonal/secondary occupied dwellings.

\$25,000 BI / \$500 Medical - \$45.00

Premises Liability (Non-Owner Occupied)

Available on tenant occupied dwellings

\$25,000 BI / \$500 Medical - \$50.00

All Liability coverage subject to the following guidelines:

Animals with a previous bite history or potentially fierce breed of dogs are **ineligible**. These breeds include, but are not limited to Doberman Pinscher, Chow, Rottweiler, Pit Bull and Wolf Hybrid. Also dwellings where the insureds own large, unusual or exotic animals (**unless an ASLA17 Animal Exclusion is attached**).

Liability is not available on contents only policies, or if a swimming pool or trampoline are on the premises and are not surrounded by a 4 foot fence with a locking gate and/or the yard (unless ASLA13 Pool Exclusion or ASLA14 Trampoline Exclusion is attached).

CONTENTS ONLY COVERAGE

Use tenant rates. No liability available.

OPTIONAL COVERAGE

Vandalism and Malicious Mischief can be added to owner, seasonal and secondary occupied dwellings only. Coverage limit must be the same as Dwelling Coverage A. \$1.25 per \$1,000 of coverage.

HURRICANE BINDING RESTRICTIONS

Binding Authority for new business/increase liability is suspended once a tropical disturbance or storm has entered or is approaching the Gulf of Mexico or within the boundaries of 75 west longitude and 15 north latitude. This restriction will remain in force until 24 hours after the storm warnings go down, regardless of where they are posted on the Gulf Coast.

FORMS

Mandatory Forms

ASLA21 – Hurricane Deductible

ASLA22 – Special Provisions

Optional Forms

ASLA09 – Roof Exclusion

ASLA13 – Swimming Pool, Spa or Pond Exclusion

ASLA14 – Trampoline Exclusion

ASLA15 – All Terrain Vehicle Exclusion

ASLA16 – Building Exclusion

ASLA17 – Animal Exclusion

ASLA18 – Lead Exclusion

RATING TERRITORIES

Territory A

Bienville, Bossier, Caddo, Claiborne, De Soto, East Carroll, Jackson, Lincoln, Madison, Morehouse, Ouachita, Red River, Richland, Union, Webster, West Carroll

Territory B

Allen, Avoyelles, Beauregard, Caldwell, Catahoula, Concordia, East Baton Rouge, East Feliciana, Evangeline, Franklin, Grant, La Salle, Natchitoches, Pointe Coupee, Rapides, Sabine, Saint Helena, Saint Landry, Tensas, Vernon, West Baton Rouge, West Feliciana, Winn

Territory C

Calcasieu, Iberville, Jefferson Davis

Territory D

Acadia, Lafayette, Saint Martin (upper)

Territory E

Ascension, Assumption, Cameron, Iberia, Jefferson, Lafourche, Livingston, Orleans, Plaquemines, Saint Bernard, Saint Charles, Saint James, Saint Mary, Saint Tammany, St John the Baptist, Saint Martin (lower), Tangipahoa, Terrebonne, Vermilion, Washington