

American Summit Insurance Company

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LOUISIANA MANUFACTURED DWELLING PROGRAM

COVERAGE INCLUDES

Comprehensive All Risk Coverage, including:

- Additional Living Expense up to 10% of dwelling
- Debris Removal Allowance up to \$500
- Emergency Removal up to \$1,000
- Fire Dept. Service Charge up to \$250
- Trees, Shrubs, Plants & Lawns up to \$200 maximum
- Food Spoilage up to \$500

Flood Coverage included by endorsement

Package Options Include:

- Manufactured Dwelling Replacement Cost Included
- Flood Included by endorsement
- Personal Effects - 30% included with options to increase
- Adjacent Structures Coverage - 10% included with options to increase
- Comprehensive Liability - \$25,000 with options to increase to \$50,000 and \$100,000

By-Line Options:

- Manufactured Dwelling Replacement Cost - \$9.00
- Flood Included by endorsement
- Comprehensive Liability - optional \$25,000; \$50,000 & \$100,000

Rental

- Manufactured Dwellings Limits from \$1,000 to \$150,000
- Flood Coverage Available by endorsement
- Tenant Contents Only Available
- Premises Liability Available

Deductible - \$500 Standard All Perils

- \$250 All Perils - Add \$25
- \$750 All Perils - Subtract \$20
- \$1,000 All Perils - Subtract \$25

COVERAGE LIMITS

- Mobile Home - \$1,000 to \$150,000
- Personal Effects - maximum of 100% of Dwelling Limit
- Adjacent Structures - maximum of 100% of Dwelling Limit

ELIGIBILITY

1. Manufactured Homes used for family habitation uses are eligible.
2. Single section, multi-sectional, seasonal, and rental manufactured homes.
3. All manufactured dwellings must be tied down (anchored) in accordance with state requirements. Manufactured dwellings that are not properly tied down are not eligible for coverage.

NO CREDIT CHECK

NO INSPECTION FEE

Policy Fee and Surplus Lines Tax Apply

SUBMIT TO COMPANY UNDERWRITER - DO NOT BIND

1. Any applicant or spouse with a bankruptcy, foreclosure or repossession within the past five years or not gainfully employed, unless retired.
2. Applicants that have had any fire, theft, flood or liability loss that payment exceeded \$5,000 in the past three years.
3. Insured with three or more losses in the past three years. Submit with loss details. (Date of loss, cause, amount of loss, carrier)
4. Applicants who have had dwelling related insurance canceled or non-renewed for cause in the past 3 years. (provide details)
5. Requests for personal property above 75% of Manufactured Home value.
6. Requests for adjacent structures above 50% of Manufactured Home value.
7. Submit to underwriter if over \$125,000.
8. Manufactured Dwelling 25 years old and older must be submitted to underwriting for review prior to binding.
9. Manufactured Dwellings that are smaller than 8 X 40.

UNACCEPTABLE RISKS

1. Policies written in the name of a business or corporation.
2. Homes located in high hazard areas such as flood plains, brush fire risk area, remote areas or within 1000 feet of a river, lake or creek.
3. Homes where any supplemental heating devices are used as the primary source of heat.
4. Homes without permanently installed water, electricity and sewage utility services.
5. Homes that have been salvaged or homes that have unrepaired damage.
6. Home that are vacant, under construction, major renovations or in foreclosure.
7. Homes or structures used to store flammable or explosive materials.
8. Applicants that have been convicted of arson or fraud.

9. Property over or under insured.
10. Risks which evidence a lack of proper maintenance and/or pride of ownership.
11. Homemade Units.
12. Homes with a secondary roof that is not self-supporting.
13. Homes that are not tied down and blocked in accordance with state and local requirements.
14. Applicants that have had two or more fire, theft, liability and/or flood losses in any combination in the last three years.
15. Homes in restricted areas. The company may add or delete restricted areas at their discretion.

CANCELLATION/NON RENEWALS

The policy may be canceled by the insured at any time during the policy period with the following documentation:

1. Lost Policy release;
2. Insured's written request signed by the insured stating the reason and the date the cancellation is to be effective.
3. Insured's surrender of their **manufactured home** policy to the agent or to the Company.

If canceled at the request of the insured, the return premium shall be calculated on a pro-rata basis, subject to any fully earned premiums.

If canceled at the request of the Company, the return premium shall be calculated on a pro-rata basis, subject to any fully earned premiums.

POLICY TERM

The Policy is written for a policy term of one year.

DIRECT BILL PAYMENT PLAN

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 service charge 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 acknowledgments 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 American Summit. **The fax number for reporting claims is (817)632-2612. Claims can be reported via the Internet.**

DETERMINE VALUE

For new or pre-owned homes at the time of sale use the purchase price or appraised value excluding the cost of land. For existing risks use the amount currently insured under an existing insurance policy, a recent appraisal excluding the cost of land, or refer to a published appraisal guide.

ESTABLISHING THE RATING VALUE OF MANUFACTURED DWELLINGS

If the home was purchased in the last 12 months USE THE PURCHASE PRICE EXCLUDING THE VALUE OF LAND AS MARKET VALUE. The cost of the site improvements can be included in the purchase price. The purchase price should reflect the cost to replace the manufactured dwelling with a home of similar age, size and quality. Other factors such as geographic location of unit, upkeep and maintenance should also be considered. These factors have a large effect on the value of the unit.

Factors not related directly to the cost of replacing the manufactured dwelling, such as the amenities of the park, ocean side view and other features that may impact the market price rather than ACV or replacement cost should not be taken into consideration. Loss settlements will be handled according to the policy language.

For other homes, determine the market value by any of the following: **NADA Manufactured Appraisal Guide; Marshall/Swift/Boeckh's Cost Guide; Have the home appraised.**

ACCEPTABLE VALUE LIMITS:

Manufactured Dwellings valued over the agents binding authority and all dwellings valued in excess of \$125,000 **must be submitted with evidence of value to underwriting for review and approval.** Evidence of value can be the sales contract or a copy of the appraisal showing the appraised value of the manufactured dwelling and land cost. **Land cost must be deleted from the value of the dwelling. The cost of the land cannot be insured.**

- Structures attached to the dwelling should be listed with a value.

RATING CLASSIFICATIONS

Protected:

- Homes located in a park with 25 or more spaces.
- Homes located in a manufactured home subdivision.
- Homes located within incorporated city limits.
- Homes located within 5 miles of a responding fire department and within 1,000 ft of a fire hydrant

Unprotected:

All Others

FLOOD AREAS

A flood zone determination will be run on risks in flood prone areas.

SURCHARGE / DISCOUNT RATES

Applies to Package and By Line Programs Only

Senior Rates - Age 50 years or older; 10% Credit

Homes 11-15 years of age - 10% surcharge

Homes over 16 years of age - 20% surcharge

Regular Rate - owner occupied single wide home (less than 20 feet wide) used as a primary residence.

Multi-Sectional Rate - Owner Occupied Multi-Sectional Homes (20 or more feet wide) valued in excess of \$30,000 and used as a primary residence. Use regular program if multi-sectional does not qualify.

Seasonal Occupied - 10% Surcharge (Multi-Sectional rate not available).

RELOCATION

If the manufactured dwelling is relocated, the company/general agent must be notified within 30 days and the premium adjusted if necessary.

SCHEDULED PERSONAL PROPERTY

This coverage is only available on owner occupied manufactured dwellings. Seasonal, rentals, and commercial units are not eligible. All request for scheduled personal property must be submitted in writing and accompanied by a recent appraisal and/or a bill of sale (12 months old or less) along with a full description of the item(s). There is a maximum coverage amount of:

- A. \$5,000 for any one item;
- B. \$10,000 for any one class;
- C. \$25,000 for all classes combined.

PERSONAL EFFECTS CATEGORIES SUBJECT TO LIMITED COVERAGE

- \$500 on bullion, gold, goldware, silver, silverware, platinum, and other precious metals.
- \$1,000 on jewelry, watches, furs, precious and semiprecious stones.
- \$500 on arts, antiques, and heirlooms.
- \$2,000 on power and hand tools, garden equipment, including garden tractors, building materials, compressors and generators.
- \$2,000 on golf and sporting equipment.
- \$1,500 on cameras and camera equipment, including video camera recorders and their equipment.
- \$500 on collections of stamps or coins.
- \$3,000 on computer equipment, including its software.
- \$2,000 on musical instruments.
- \$2,000 on guns and their accessories.
- \$2,000 on audio or video recording devices and equipment, records, stereo equipment, tapes or CD's or DVD's.
- \$2,000 on business personal property including personal property used in whole or in part in business while on the insureds premises.
- \$250 on business personal property including personal property used in whole or in part in business while away from the insureds premises.

We will only pay for these categories in the event of loss caused by fire, lightning, earthquake, landslide, windstorm, robbery, burglary or theft. There must be visible signs of forced entry for a loss to be caused by burglary. These limits do not increase the personal effects amount of coverage shown on the Declarations Page.

We will pay the indicated amount for each of these categories, but not more than \$5,000 maximum for all losses from one occurrence.

If you own any of these special items with values higher than provided here, ask your agent for additional coverage.

The following items are a sample of items **not eligible** for personal effects coverage. Please refer to the policy for a complete list of items.

- Motorcycles, 4wheelers, motor vehicles, golf carts except while used for golfing.
- Boats, personal watercraft, i.e. Jetski, Sea-Doo, Wave Runner and snow mobiles.
- Tapes, two-way radios, record players, or CD or DVD players installed in or primarily used in any motor vehicle, boat or aircraft.
- Animals.
- Property separately listed and separately insured by any other insurance.

RATE SECTION

OPTIONAL COVERAGES

Manufactured Dwelling Replacement Cost - Add \$9.00. Available on Manufactured Dwellings 15 years or newer. (By Line Only)

Remove Replacement Cost from Dwelling - Subtract \$9.00 (For Package Program Only)

Personal Effects Replacement Cost - \$0.17 per \$100 of coverage plus \$20 per annum.

Scheduled Personal Effects - \$1.58 per \$100 of coverage. Maximum limits apply, refer to Scheduled Personal Property Section of Guidelines.

Mobile Home Agreed Value - \$9.00 per annum. This endorsement means that in the event of a total loss the policy will pay the limits of liability shown on the declarations page. This endorsement is available for manufactured dwellings up to 25 years of age. **This is not available if Replacement Cost is chosen.**

Trip Collision - \$ 50 for Singlewide

Valid for 30 Days Only	\$100 for Doublewide
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Remove Flood Coverage - Subtract \$30

Deductible Options:

- \$250 All Perils - Add \$25
- \$500 Standard All Perils - Included
- \$750 All Perils - Deduct \$20
- \$1,000 All Perils - Deduct \$25

Increase Personal Effects Coverage
Additional \$0.80 per \$100 of coverage

Increase Adjacent Structures Coverage
Additional \$0.75 per \$100 of coverage

LIABILITY SECTION

<u>Liability / MED PAY (per occurrence)</u>	<u>Premium</u>
\$ 25,000 / \$500 (Included in Package)	\$35
\$ 50,000 / \$500	\$42
\$100,000 / \$1,000	\$53

Premises Liability (per occurrence)
(Rental/Tenant occupied dwellings only)

\$25,000	\$45
\$50,000	\$60

Liability is Not Available For:

1. Any premises with a swimming pool or Jacuzzi that does not have a four-foot fence with self-latching gate or an automatic pool cover.
2. Any premises with a trampoline or a swimming pool with a diving board or slide unless the MDP14 and/or MPD16 are used..
3. Homes with no permanently installed steps at all entrances.
4. Any risk that has a day care exposure.
5. Any risk that has a dog trained to attack or guard the premises.
6. Any risk that has an animal that has caused bodily harm or injury in the past.
7. If the insured owns more than two horses or livestock, submit to underwriter - DO NOT BIND.
8. Vacant Buildings.
9. Content Only Coverage Policies

RENTAL COVERAGE

Territory A - \$1.75 per \$100
Territory B - \$2.40 per \$100

Flood Coverage for Rental - add \$60.00

Tenant Contents Only - \$0.60 per \$100. Replacement Cost and Liability is not available for Contents Only Coverage.

TERRITORY DEFINITIONS

TERRITORY A

Allen, Beauregard, Bienville, Bossier, Caddo, Caldwell, Claiborne, De Soto, Evangeline, Franklin, Grant, Jackson, La Salle, Lincoln, Morehouse, Natchitoches, Ouachita, Rapides, Red River, Richland, Sabine, Union, Vernon, Webster, West Carroll, Winn

TERRITORY B

Avoyelles, Catahoula, Concordia, East Baton Rouge, East Carroll, East Feliciana, Livingston, Madison, Pointe Coupee, Saint Helena, Saint Landry, Saint Tammany, Tangipahoa, Tensas, Washington, West Baton Rouge, West Feliciana

TERRITORY C (NO NEW BUSINESS)

Remainder of State

A WORD ABOUT BINDING COVERAGE

As our agent, you are authorized to bind coverage on risks meeting the eligibility requirements defined in these guidelines and any other directives communicated to you by our company. We trust that you will exercise this authority thoughtfully, putting our corporate assets at risk just as if it were your personal assets being pledged to pay any covered losses.

When hazardous weather conditions arise, you may be approached by potential customers driven to purchase insurance by the impending danger. Just as you would never "insure a burning building," common sense and basic business ethics should keep you from writing flood or wind coverages when flood, hurricane, wildfire or tornado warnings are issued.

WILDFIRE BINDING RESTRICTIONS

In the event of an impending Wildfire, binding authority is suspended when the impending threat is within 50 miles of the risk. Binding authority resumes when the fire is 80% contained.

HURRICANE BINDING RESTRICTIONS

Binding authority for new business/increased 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 SECTION

Mandatory Forms

ASLA23 - Special Provisions

Optional Forms

MDP01 - Additional Insured (property)
MDP02 - Additional Insured (liability)
MDP03 - Trip Collision
MDP04 - Scheduled Personal Property
MDP05 - Seasonal Dwelling
MDP06 - Rental Manufactured Dwelling
MDP07 - Personal Effects Replacement Cost Coverage
MDP09 - Replacement Cost Coverage
MDP10 - Flood Coverage
MDP11 - Agreed Value Endorsement
MDP12 - Outbuilding Exclusion
MDP13 - Roof Exclusion
MDP14 - Swimming Pool, Spa or Pond Exclusion
MDP15 - Animal Injury Exclusion
MDP16 - Trampoline Exclusion
MDP17 - Premises Liability