



Anchor Specialty Insurance Company

# Louisiana Premier Homeowners Program

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Rate and Rule Manual

## Table of Contents

100. GENERAL RULES.....	1.1
100. PRODUCER APPOINTMENTS .....	1.1
101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS.....	1.1
102. DESCRIPTION OF COVERAGES.....	1.1
103. MANDATORY COVERAGES.....	1.2
104. ELIGIBILITY .....	1.2
105. SECONDARY RESIDENCE PREMISES .....	1.2
106. CONSTRUCTION DEFINITIONS.....	1.3
107. PROTECTION CLASSIFICATION CODES AND INFORMATION.....	1.3
108. SEASONAL AND SECONDARY DWELLING DEFINITIONS .....	1.3
109. SINGLE BUILDING DEFINITION.....	1.3
110. APPLICATIONS FOR INSURANCE .....	1.3
111. SUPPORTING DOCUMENTATION.....	1.4
112. POLICY PERIOD, MINIMUM PREMIUM, WAIVER OF PREMIUM AND ROUNDING .....	1.4
113. FEES AND ASSESSMENTS .....	1.4
114. CHANGES OR CANCELLATIONS .....	1.4
115. COMMISSIONS .....	1.5
116. MANUAL PREMIUM REVISION .....	1.5
117. TRANSFER OR ASSIGNMENT.....	1.5
118. MANDATORY ENDORSEMENTS.....	1.5
200. UNDERWRITING GUIDELINES.....	2.1
201. BINDING .....	2.1
202. SPECIAL HURRICANE/TROPICAL STORM RULE .....	2.1
203. EXTENT OF COVERAGE AND AUTOMATIC INCREASE IN LIMITS.....	2.1
300. PREMIUMS / RATING .....	3.1
301. WINDSTORM OR HAIL EXCLUSION.....	3.2
302. TERRITORY/ZIP CODE KEY PREMIUMS .....	3.2
303. KEY FACTORS.....	3.5
304. PROTECTION/CONSTRUCTION FACTORS.....	3.6
305. DEDUCTIBLES .....	3.6
306. AGE OF HOME ADJUSTMENT FACTORS.....	3.7
307. SECURED COMMUNITY/BUILDING (ALL FORMS).....	3.7
308. PROTECTIVE DEVICES (ALL FORMS).....	3.7
309. WINDSTORM MITIGATION AND FORTIFIED FOR SAFER LIVING®.....	3.8
310. ROOF DEBITS, CREDITS AND COVERAGE RESTRICTIONS.....	3.9
311. GENERATOR DISCOUNT .....	3.9
312. IDENTITY THEFT EXPENSE COVERAGE .....	3.9

313.	CAP ON CREDITS .....	3.9
400.	UNDERWRITING SURCHARGES .....	4.1
401.	SEASONAL/SECONDARY RESIDENCE SURCHARGE (ALL FORMS).....	4.1
402.	NO PRIOR INSURANCE (FORMS HO3 AND HO6).....	4.1
403.	EXPERIENCE RATING FACTOR.....	4.1
404.	BUILDING HEIGHT SURCHARGE .....	4.1
500.	OPTIONAL COVERAGES .....	5.1
501.	INCREASED ORDINANCE OR LAW COVERAGE .....	5.1
502.	EXTENDED REPLACEMENT COST ON DWELLING (FORM HO3).....	5.1
503.	UNIT-OWNERS COVERAGE A – SPECIAL COVERAGE (FORM HO6) .....	5.1
504.	OTHER STRUCTURES (FORM HO3).....	5.1
505.	PERSONAL PROPERTY - LIMITS (FORM HO3).....	5.2
506.	SPECIAL PERSONAL PROPERTY COVERAGE (FORM HO3) .....	5.2
507.	PERSONAL PROPERTY REPLACEMENT COST COVERAGE (ALL FORMS) .....	5.2
508.	PERSONAL PROPERTY - SCHEDULED.....	5.2
509.	PERSONAL PROPERTY – INCREASED SPECIAL LIMITS OF LIABILITY .....	5.3
510.	BUSINESS PROPERTY – INCREASED LIMITS (ALL FORMS) .....	5.3
511.	LOSS OF USE INCREASED/DECREASED LIMITS (FORM HO3) .....	5.3
512.	UNIT-OWNERS RENTAL TO OTHERS (FORM HO6) .....	5.4
513.	WATER BACK UP AND SUMP OVERFLOW (ALL FORMS).....	5.4
514.	LOSS ASSESSMENT COVERAGE .....	5.4
515.	LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE-SPECIAL SUB LIMITS.....	5.4
516.	PERMITTED INCIDENTAL OCCUPANCIES – RESIDENCE PREMISES.....	5.5
517.	PREFERRED PREMIUM PACKAGE (FORM HO3 ONLY).....	5.5
518.	EQUIPMENT BREAKDOWN COVERAGE (FORMS HO3 AND HO6).....	5.6
519.	PERSONAL LIABILITY/MEDICAL PAYMENTS.....	5.6
520.	GOLF CART PHYSICAL DAMAGE AND LIABILITY COVERAGE .....	5.6
521.	PERSONAL INJURY.....	5.6
522.	ADDITIONAL RESIDENCE RENTED TO OTHERS .....	5.6
523.	INCIDENTAL FARMING PERSONAL LIABILITY.....	5.6
600.	SPECIAL CREDITS OR ADJUSTMENTS .....	6.1
601.	PREFERRED ACCOUNT CREDIT .....	6.1
602.	RENEWAL PREMIUM ADJUSTMENT.....	6.1

## 100. GENERAL RULES

The Anchor Specialty Insurance Company (ASIC) Homeowners Policy Program provides property and liability coverages, using the forms and endorsements specified in this Manual. This Manual contains the rules and classifications governing the writing of a Homeowners Policy. The rules, rates, forms and endorsements of ASIC for each coverage shall govern in all cases specifically provided for in this Manual.

- A. This manual contains information to write the following lines of insurance on behalf of [Anchor Insurance Managers](#):
1. Homeowners Form (HO 00 03)
  2. Tenant Homeowner Contents Form (HO 00 04)
  3. Condominium Unit Owners Form (HO 00 06)
- B. These General Rules of Practice apply to all lines of insurance except where noted in the respective section.

## 100. PRODUCER APPOINTMENTS

- A. A Producer appointed to ASIC shall be a General Lines Agent of residential property and casualty insurance licensed in the state of Louisiana.
- B. An Agency Agreement shall be executed between the Agency and Anchor Specialty MGA Inc. prior to binding of coverage.
- C. The agency shall have Errors & Omissions Coverage in an amount at least equal to \$1,000,000 per occurrence, with a minimum annual aggregate of \$1,000,000 and such coverage shall be written by an insurer licensed to do business in Louisiana.

## 101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS

The limits of liability provided under the Homeowners policy are as follows:

COVERAGE	HO3	HO4	HO6
<b>SECTION I - PROPERTY COVERAGES</b>			
A - Dwelling *	Refer to UW Guidelines	N/A	Refer to UW Guidelines
B - Other Structures *	2% included; may be increased to 70% of A	N/A	N/A
C - Personal Property	25% included; may be increased to 75% of A	Refer to UW Guidelines	Refer to UW Guidelines
D - Loss of Use	10% included; 5% to 20% of A options available	10% of C	10% of C
* Limits and Coverage for In Ground Swimming Pools are Rated and Losses Adjusted Under Coverage B -Other Structures			
<b>SECTION II - LIABILITY COVERAGES (ALL FORMS)</b>			
E - Personal Liability	\$100,000 included; \$300,000 and \$500,000 options available		
F - Medical Payments to Others	\$1,000 included; \$5,000 option available with increased E, some combinations subject to Underwriting approval		

## 102. DESCRIPTION OF COVERAGES

### Section I Coverages – Property Damage

- A. The following is a general description of the coverages provided by the individual Homeowners policy forms. The policy should be consulted for exact contract conditions.

PERILS INSURED AGAINST	HO3	HO4	HO6
Fire or Lightning	Yes	Yes	Yes
Windstorm or Hail, Explosion, Riot or Civil Commotion, Aircraft, Vehicle s, or Smoke	Yes	Yes	Yes
Vandalism or malicious mischief	Yes	Yes	Yes
Theft	Yes	Yes	Yes
Volcanic eruption	Yes	Yes	Yes
Falling objects, weight of ice, snow or sleet, accidental discharge of water or steam, sudden and accidental tearing apart of heating system or appliance, freezing, sudden accidental damage from electrical current	Yes	Yes	Yes
Additional risks with certain exceptions (Special Coverage)	Yes**	No	Optional
** Coverages A, B, and D only. Optional for Coverage C.			

### B. Section II Coverages – Liability – All Forms

Coverage E Personal Liability	Covers payment on behalf of an insured, up to the limit of liability shown on the declarations page, for damages that the insured shall become legally obligated to pay because of bodily injury or property damage arising out of an insured's premises or personal activities. Day Care Liability Exclusions are standard on all policies.
Coverage F Medical Payments to Others	Covers medical expenses, up to the limit of liability shown on the declarations page, incurred by persons other than the insured who sustain bodily injury caused by an accident arising out of an insured's premises or personal activities.

### 103. MANDATORY COVERAGES

It is mandatory that insurance be written for all coverages provided under both Sections I and II of the Anchor Specialty Homeowners Policy as provided by this manual and state approved policy forms.

### 104. ELIGIBILITY

Eligible applicants shall be considered in good faith if they report all information of a material nature and do not willfully or knowingly make incorrect or misleading statements in the application form and have not, at any time previously, failed to pay earned premiums or other valid charges owed to ASIC. Inquiries may be made on applicants as to their individual claims histories utilizing third party information. ASIC will be inspecting a large majority of their insured's properties. ASIC reserves the right to inspect any risk.

#### A. FORM HO3 – A Homeowners Policy may be issued:

1. To the owner-occupant of a dwelling which is used exclusively for private residential purposes and contains not more than two (2) families and with not more than one (1) boarder or roomer per family; or
2. To the purchaser-occupant who has entered into a long term installment contract for the purchase of the dwelling and who occupies the dwelling but to whom title does not pass from the seller until all the terms of the installment contract have been satisfied. The seller retains title until completion of the payments and in no way acts as a mortgagee. The seller's interest in the building and premises liability may be covered using Endorsement **HO 04 41 – Additional Insured**; or
3. To the occupant of a dwelling under a life estate arrangement when the Coverage A amount is at least 100% of the dwelling's replacement cost. The owner's interest in the building and premises liability may be covered using Endorsement **HO 04 41 – Additional Insured**; or
4. When a two (2)-family dwelling (duplex) is occupied by co-owners, each occupying distinct living quarters with separate entrances. Given these circumstances, a Homeowners Policy providing building coverage may be issued to only one of the co-owner occupants of the dwelling. The policy may be endorsed to cover the interest of the other co-owner in the building and for premises liability. A separate Homeowners Policy **HO 00 04** may be issued to the co-owner occupying the other apartment in the dwelling.

It is permissible to extend the Homeowners Policy, without additional premium charge, to cover the interest of a non occupant joint owner in the building and for premises liability. Use Endorsement **HO 04 41 – Additional Insured – Residence Premises**.

#### B. FORM HO4 – A Tenant Homeowners Policy may be issued to:

1. The tenant (non-owner) of a dwelling or an apartment situated in any building; or
2. The owner-occupant of a dwelling, cooperative unit of a building containing an apartment not otherwise eligible for a Homeowners Policy under **Rule 104. A.** above, provided the residence premises occupied by the insured is used exclusively for residential purposes and is not occupied by more than one additional family or more than one (1) boarder or roomer.

#### C. FORM HO6 – A Unit Owners Homeowners Policy may be issued to the owner(s) of a condominium or cooperative unit which is used exclusively for residential purposes, and is not occupied by more than one (1) additional family or more than one (1) boarder or roomer.

When a condominium or Co-op unit is rented to others, endorsement form **HO 17 33** is mandatory and will be automatically attached. Please refer to **Rule 512.** for guidelines regarding Units Rented to Others.

#### D. Subject to all other sections of this rule, a Homeowners Policy may be issued to cover a seasonal dwelling.

#### E. A Homeowners Policy shall *not* be issued to cover any mobile home, trailer home, house trailer, pre-fab or travel trailer.

#### F. A Homeowners Policy shall *not* be issued to cover any property located on a farm, ranch, orchard or grove.

#### G. A Homeowners Policy may not be issued to cover any risk owned by a corporation, including Limited Liability Companies, partnerships, estates, trusts or associations.

After underwriting review and approval an exception may be granted for:

1. A property titled to a Living or Personal Trust, where the Trust holds title to the insured dwelling. A Homeowners Policy may be issued to the individual trust Grantor or beneficiaries of the Trust, provided they reside in the insured dwelling. The Trust must be included as an Additional Insured.
2. A property titled to a corporation, where the insured/applicant (and spouse, if applicable) is the sole corporate officer and resides in the dwelling, provided the corporation was established exclusively for tax purposes and does not operate a business or serve any business purpose. The policy shall be written in the name of the individual who resides in the dwelling and serves as the corporate officer.

**Note:** No Homeowners policy form may be issued in the name of a corporation, partnership or association.

### 105. SECONDARY RESIDENCE PREMISES

Homeowners coverage on a secondary residence premises shall be provided under a separate policy.

## 106. CONSTRUCTION DEFINITIONS

- A. **Frame** – exterior wall of wood or other combustible construction, including wood ironclad, stucco on wood or plaster on combustible supports, aluminum, vinyl, or plaster siding over frame.
- B. **Masonry Veneer** – exterior walls of combustible construction veneered with brick, stone, or concrete fiber (Hardiplank) siding.
- C. **Masonry** – exterior walls constructed of masonry materials such as adobe, brick, concrete gypsum block, hollow concrete block, stone, tile or similar materials and floors and roof of combustible construction (disregarding floors resting directly on the ground).

**Note:** Mixed (Masonry/Frame) – a combination of both frame and masonry construction shall be classed and coded as frame when the exterior walls of frame construction (including gables) exceed 33-1/3% of the total exterior wall area; otherwise class and code as masonry.

## 107. PROTECTION CLASSIFICATION CODES AND INFORMATION

The protection classifications established by the Property Insurance Association of Louisiana also apply to risks insured under Homeowners policies. The dwelling must be located within the boundaries of the graded area: Municipality, Fire District or Protected Territory.

- A. **Protection Class 1-9** - Dwelling must be located within seven (7) road miles from a responding fire station.
  - 1. For jurisdictions listed with a single classification number, all properties within the jurisdiction should receive the listed classification number.
  - 2. For jurisdictions listed with multiple classification numbers (e.g. 6/9), known as a "split classification", the classification number applicable to individual properties is determined as follows:
    - a. Within 1000 feet of a fire hydrant\* First classification (e.g. 6)
    - b. More than 1000 feet from fire hydrant\* Second classification (e.g. 9)

\* Hydrant distance requirement may be waived if the residence is within 1000' of an alternative creditable water supply. Submit a certification of creditable water supply from the responding Fire Department.
- B. **Protection Class 10** – Location does not meet the requirements of A. (above).

## 108. SEASONAL AND SECONDARY DWELLING DEFINITIONS

- A. A seasonal dwelling is a dwelling with continuous unoccupancy of three (3) or more consecutive months or a total unoccupancy of six (6) or more months during any one (1) year period.
- B. A secondary dwelling is not the insured's primary residence. Secondary homes are typically used throughout the year, in all seasons.

## 109. SINGLE BUILDING DEFINITION

- A. All buildings or sections of buildings which are accessible through unprotected openings shall be considered as a single building.
- B. Buildings which are separated by space shall be considered separate buildings.
- C. Buildings or sections of buildings which are separated by:
  - 1. A six (6)-inch reinforced concrete or an eight (8)-inch masonry party wall; or
  - 2. A documented minimum two (2) hour non-combustible wall which has been laboratory tested for independent structural integrity under fire conditions; which pierces or rises to the underside of the roof and which pierces or extends to the inner side of the exterior wall shall be considered separate buildings. Accessibility between buildings with independent walls or through masonry, party walls described above shall be protected by at least a Class A Fire Door installed in a masonry wall section.

## 110. APPLICATIONS FOR INSURANCE

- A. All business must be submitted via: ASIC "Internet Homeowners Application".
- B. Application Submission Procedures

The Internet Homeowners Application must be signed and dated by the insured and the agent prior to the effective date/time of the policy. A check for the gross premium due along with any required documents must be mailed to the [agent or the company](#), attached to the ASIC transmittal form, within five (5) business days from the effective date of coverage or from the date the application was signed by the insured and agent and the premium received by the agent whichever comes first.

[Payments shall be made payable to the agency or Anchor Specialty Insurance Company.](#) ASIC will sweep the agency account for the full gross amount of premium due with the submission but at no time shall this amount be less than the amount paid to the agent by the insured or mortgagee. [Payments made payable to ASIC shall be mailed directly to the company.](#) *It is important that the policy number be clearly written on the check and all required documents to ensure they can be properly identified.*

### Notes:

- 1. No funds should be collected for properties that are ineligible for binding.
- 2. The five (5) business day submission requirement also applies to all endorsement requests.

3. A copy of the completed and signed application shall be given to the applicant/insured. The agent shall retain the original signed application and supporting documentation in the agency for at least seven years after coverage under the policy terminates.

## 111. SUPPORTING DOCUMENTATION

Failure to provide requested documentation for premium credits will result in the removal of the credit and an invoice to the insured.

- A. Applications for dwellings over thirty (30) years old require proof of updates and/or evidence of sound condition for electrical, heating/cooling, roof and plumbing (unless waived by underwriting).
- B. Applicants who have sustained a loss in the preceding thirty-six (36) months should submit full details of the claim and an explanation of how the cause(s) of the loss was corrected.
- C. Windstorm Mitigation Affidavits and/or other documents.
- D. For seasonal/secondary risks not located in a secured community or building, a copy of the fire and burglar alarm certificate and monitoring receipt must be submitted.
- E. Copy of Alarm system certificate and monitoring receipt if required by Underwriting Guidelines or if any alarm credits applied.
- F. Copy of Sprinkler system certificate if any sprinkler credits apply (required for form HO3 only).
- G. Copy of the prior declarations page or closing statement to avoid no prior insurance surcharge.
- H. Copy of trust documents for a property titled to a Living or Personal Trust when required.
- I. Copy of current wind only policy Declaration or other coverage document issued by the Louisiana Citizens Property Insurance Corporation (LCPIC) for the covered property, or a completed Rejection of Windstorm Coverage, when a Homeowners policy excluding wind is applied for.

## 112. POLICY PERIOD, MINIMUM PREMIUM, WAIVER OF PREMIUM AND ROUNDING

- A. All policies must be written for a period of one year, based upon premiums, forms and endorsements applicable on the effective date of the policy term.
- B. The policy may be extended for successive policy periods by renewal based upon premiums, forms and endorsement in effect at renewal effective date.
- C. The minimum written premium (excluding all fees and assessments) applicable to all policy forms shall be:  

HO3	\$600	All Others	\$200
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- D. The minimum annual premium shall include all chargeable endorsements or coverages, if written at inception of the policy.
- E. Additional or return premiums of \$5 or less shall be waived with an option by the Company to grant any return premium due if requested by the insured.
- F. The premium for each coverage shown in the policy shall be rounded to the nearest whole dollar, with \$0.50 or more rounded to the next higher whole dollar. In no event will premiums for any coverage be less than one dollar (\$1).

## 113. FEES AND ASSESSMENTS

### A. MGA Expense Fee

A \$25 Managing General Agency Fee (MGA) is added to all policies. The MGA fee is fully earned.

### B. Inspection Fee (HO3)

A fully earned inspection fee of \$25 is charged on all new business HO3 policies.

### C. Louisiana Citizens Property Insurance Corporation Assessments

The entire Citizens assessment is due at policy inception of the policy. The percentage charged is that effective on the effective date of the policy.

1. Failure to pay the entire assessment with the first installment shall be treated as non-payment of Premium.
2. The Assessment is not considered premium and is not subject to premium tax, commissions, service fees or any other charges or fees.
3. The Assessment shall be adjusted on a pro rata basis for all policy endorsements or cancellations.

## 114. CHANGES OR CANCELLATIONS

- A. It shall not be permissible to cancel any of the mandatory coverages in the policy unless the entire policy is cancelled.
- B. If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro-rata basis, subject to the minimum premium requirement.
- C. If a policy or binder is canceled, it shall be on a pro-rata basis.
  1. A copy of each cancellation notice shall be furnished to all interested parties.
  2. ASIC shall return the unearned portion of any premium paid within fifteen (15) business days of the effective date of cancellation. If a backdated cancellation is granted, the return premium will be sent within fifteen (15) business days from the date the request was granted.

- D. ASIC shall cancel a policy or binder if the insured:
1. Is not, or ceases to be, eligible or in good faith entitled to insurance;
  2. Risk does not meet Underwriting guidelines;
  3. Has obtained the insurance through fraud or willful misrepresentation, or willfully or knowingly makes incorrect or misleading statements in the prescribed application form;
  4. Has failed to pay any premium due under the policy;
  5. Fails to report all information of a material nature;
  6. Fails to provide information requested by ASIC to develop the risk further or to complete an inspection; or
  7. Fails to pay original premium payment (binder will be null and void).
- E. ASIC may non-renew a policy if a producer has their appointment terminated, except as prohibited by Law.
- F. ASIC may non-renew a policy if there is a material change in the risk insured, or if the risk no longer meets Underwriting guidelines.
- G. The Named Insured shall be given notice of cancellation in accordance with the Louisiana Insurance Code.

**Notes:**

1. ASIC shall void a binder received from a producer that is not authorized to write business with Anchor Specialty.
2. Wind/hail deductible options may only be amended effective at the normal policy renewal/anniversary date. A policy may not be rewritten to circumvent this restriction.

## 115. COMMISSIONS

The rate of commission payable to producers for all coverages shall be at the rate shown on the agreement. A producer shall not apply a service charge to an applicant for the completion of an application.

No commissions shall be payable on any fees or assessments; commission is payable only on the policy and endorsement premiums.

In the event any policy premiums are CHARGED OFF, commission shall only be paid on collected earned premiums.

## 116. MANUAL PREMIUM REVISION

A manual premium revision shall be made in accordance with the following procedures.

- A. The effective date of such revision shall be as announced.
- B. The revision shall apply to any policy or endorsement in the manner outlined in the announcement of the revision.
- C. Unless otherwise provided at the time of the announcement of the premium revision, the revision shall not affect in-force policy forms, endorsements or premium, until the policy is renewed.

## 117. TRANSFER OR ASSIGNMENT

Transfer or assignments are not available. New applications are required.

## 118. MANDATORY ENDORSEMENTS

- A. Special Provisions – LA (HO 01 17) – Mandatory on all policies.
- B. No Home Day Care Coverage – (HO 04 96) – Mandatory on all policies.
- C. Flood Notice – (ASI 231-2245) – Mandatory on all policies.
- D. Policyholder Notice – Limited Fungi Endorsement – (ASI 231-2061) – Mandatory on all policies.
- E. Limited Fungi, Wet or Dry Rot, Or Bacteria Coverage – (HO 03 41 or HO 03 42)
- F. Homeowners Disclosure – (ASI HO P 002) – Mandatory on all policies.
- G. Non-Structural Hail Loss Limitation Endorsement - (ASI HO HL) - Mandatory on all policies.
- H. Carport(s), Pool Cage(s) and Screen Enclosure(s) – HO 00 03 – (ASI 109) – Mandatory on all HO3 policies.
- I. All Perils Aggregate Deductible – Louisiana – (ASI DED) or Hurricane Deductible (HO 03 18) – Mandatory on all policies.



## 200. UNDERWRITING GUIDELINES

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Anchor Specialty Insurance Company has created a program that is designed to provide coverage for property which displays pride of ownership and has maintained a superior level of maintenance. The risk must meet all underwriting guidelines outlined below. If there is a question regarding any of the qualifications please contact a Anchor Specialty Underwriter. Additional underwriting guidelines apply to specific endorsements or optional coverages as shown.

### 201. BINDING

- A. An agent may NOT bind coverage on any risk ineligible for coverage. The producer shall review each application carefully to determine if coverage is eligible to be bound. The binding authority specified herein may not be exceeded under any circumstances.
- B. Binding Procedures
  - 1. The binder shall specifically show the hour, day, month and year of the effective date. The binder shall never have any effective time and date prior to:
    - a. The completion of the proper application and the receipt of the deposit premium prescribed by the Company.
    - b. The insured's request to add or reduce any coverage of an existing policy.
    - c. All endorsement requests must be mailed within five (5) business days of binding to be honored by the Company or the effective date will be processed as the date received.
  - 2. A producer may bind coverage for a period not to exceed thirty (30) days, subject to eligibility requirements and binding limits shown in these Guidelines and in the Rate Manuals of ASIC.
  - 3. Binding is subject to acceptance of the risk based on the ASIC Exposure Management Plan.
- C. No policy may be bound with coverage less than Replacement Cost without prior approval from ASIC.
- D. Protection class ten (10) risks may not be bound without prior approval.

### 202. SPECIAL HURRICANE/TROPICAL STORM RULE

No application for new, or endorsement for increased coverage or reduction in any deductible amount may be bound, written, or issued, or monies received, regardless of effective date, when a Tropical Storm or Hurricane Watch or Warning has been issued by the National Weather Service for any part of the State of Louisiana and for forty-eight (48) hours after the Watch or Warning has been lifted. Binding information will be available by calling customer service or at the ASIC website.

### 203. EXTENT OF COVERAGE AND AUTOMATIC INCREASE IN LIMITS

#### A. Property

- 1. Homeowners Form (HO3) – provides replacement cost coverage on structures and actual cash value on personal property.
- 2. Condominium Unit Owners Form (HO6) – provides replacement cost coverage on additions and alterations that are not the responsibility of the condominium association and actual cash value on personal property.
- 3. Tenants Homeowner Content Form (HO4) – provides replacement cost coverage on improvements and betterments and actual cash value on personal property.

Replacement Cost Coverage on personal property may be purchased for an additional premium on all forms.

**Note:** ASIC is not required to provide coverage in excess of replacement cost to satisfy mortgage-lending requirements

#### B. Liability Including Medical Payments

- 1. Liability – providing individual named insureds with combined single limits of liability of \$100,000, \$300,000 or \$500,000.
- 2. Medical Payments – with limits of \$1,000 or \$5,000 per person.

**Note:** Valid combinations are \$100,000 liability with \$1,000 medical payments, \$300,000 liability with \$5,000 medical payments, or \$500,000 liability with \$5,000 medical payments. The option for \$500,000 liability with \$5,000 medical payments is subject to underwriting approval.

#### C. Deductibles

- 1. [The All Peril Annual deductible](#) shall apply to all losses that occur within a single policy term.
- 2. [The Traditional Deductible options](#) shall apply to each loss on a per loss basis.
- 3. The [deductible options](#) applicable to all property causes of loss is stated in **Rule 305**.

**D. Automatic Increased Limits - Coverage A**

1. General – The Section I - Coverage A limit does not apply to HO4 Tenant Named Insured policies.
2. Coverage Adjustment – The Coverage A dwelling limit may be adjusted at each renewal for inflation. For example, if the Building Cost Index increased by 3%, the Coverage A amount on a dwelling insured for \$100,000 will be automatically increased to \$103,000 at renewal. Other Section I blanket limits will be adjusted proportionately. If an adjustment is made to the Section I - Coverage A Dwelling limit, it will be indicated on the renewal Declarations Page by the following statement: "Property coverage limit may increase at renewal by an inflation factor measured by the building cost index."

## 300. PREMIUMS / RATING

- A. Separate **Base ALL OTHER PERILS (AOP), OTHER WIND (OW) AND HURRICANE (HUR) PREMIUMS** are developed as follows:
1. Select the **All Other Perils (AOP), Other Wind (OW) and Hurricane (HUR) Key Premiums** for the territory and zip code in which the risk is located and for the appropriate **HO** form, **Rule 302**.
    - a. **HO3** - Key Factor is determined by the Coverage A amount.
    - b. **HO4** - Key Factor is determined by the Coverage C amount.
    - c. **HO6** - Key Factor is determined by adding the Coverage A and Coverage C amounts.
  2. Select the **Key Factor** for the Coverage Limit that applies from the table, **Rule 303**. If the requested Coverage limit is not shown in the tables, interpolate or extrapolate as illustrated in Paragraph **B.** of this rule.
  3. Select the **Protection/Construction Factor** that applies from the table, **Rule 304**.
  4. Multiply the appropriate **Key Premium** by the appropriate **Protection/Construction Factor** and the **Key Factor** to arrive at the **All Other Perils (AOP), Other Wind (OW) and Hurricane (HUR) Base Premiums**. Round to the nearest whole dollar (\$.50 or more rounded to the nearest whole dollar).
  5. Add the **All Other Perils (AOP), Other Wind (OW) and Hurricane (HUR) Base Premiums** to derive the **Base Policy Premium**.
- B. **Interpolation/Extrapolation Examples**
- If the desired limit of liability is not shown in the Key Factor Table, and is less than the highest limit shown: interpolate using Key factors for the nearest limits shown above and below the desired limit.
- Example:** \$278,000 is the desired Form HO3 Coverage A limit of liability; the nearest limits are \$275,000 and \$280,000. For 275,000, the Key Factor is 2.422; for \$280,000, the Key Factor is 2.472. Subtract the lower Key Factor from the higher and divide by five (5). This provides a factor per \$1,000.
- $$2.422 - 2.472 = 0.050 \text{ divided by } 5 \text{ increments } 0.050 / 5 = .010 \text{ per } \$1,000$$
- Multiply the factor per \$1,000 times 3 and add 2.422, the key factor for 275,000.
- $$0.010 \times 3 = 0.030 + 2.422 = 2.452 \text{ for a coverage A limit of } 278,000.$$
- The result, 2.452 is the key factor for this example.
- The Key Factors shown in the above examples are for illustration only and are not necessarily the Key Factors shown in the Key Factor Tables of this manual.
- C. The following multiplicative adjustments are made to the **Base All Other Perils (AOP), Other Wind (OW) and Hurricane (HUR) Base Premiums** successively to develop the **Adjusted All Other Perils (AOP), Adjusted Other Wind (OW) and Adjusted Hurricane (HUR)**.
1. **Form HO3:**
    - a. Apply the appropriate modification factors in Section **300. PREMIUMS / RATING**;
    - b. Apply the appropriate surcharges in Section **400. UNDERWRITING SURCHARGES** that are applicable to the **All Other Perils (AOP), Other Wind (OW) and Hurricane (HUR) Base Premiums** (refer to the individual rules);
    - c. If applicable, apply the factors for Increased/Decreased Personal Property limits (**Rule 505.**) and Special Personal Property (**Rule 506.**).
  2. **Forms HO4/HO6:**
    - a. Apply the appropriate modification factors in Section **300. PREMIUMS / RATING**;
    - b. Apply the appropriate surcharges in Section **400. UNDERWRITING SURCHARGES** that are applicable to the **All Other Perils (AOP), Other Wind (OW) and Hurricane (HUR) Base Premiums** (refer to the individual rules);
    - c. If applicable, apply the factor for Personal Property Replacement Cost coverage (**Rule 507.**).
- D. Apply any applicable additional surcharges provided for in Section **400. UNDERWRITING SURCHARGES** and appropriate coverage and endorsement adjustments in Section **500. OPTIONAL COVERAGES** to the **Base Policy Premium**.
- E. The sum of the **Adjusted All Other Perils (AOP), Adjusted Other Wind (OW), Adjusted Hurricane Base (HUR) Premiums, Base Policy Premium, Preferred Account Credit** plus all surcharges and Optional Coverages produce the **Total Policy Premium**.
- F. Any Preferred Account Credit or Transition Rule adjustment would be applied prior to the **Total Policy Premium** before calculating any Fees or Assessments.

### 301. WINDSTORM OR HAIL EXCLUSION

Available only if the property is eligible for such coverage from the Louisiana Citizens Property Insurance Corporation (LCPIC).

Do not calculate OW and HUR BASE PREMIUMS.

Use form HO 04 94 – Windstorm or Hail Exclusion.

### 302. TERRITORY/ZIP CODE KEY PREMIUMS

#### A. 1. All Other Peril (AOP) and Other Wind (OW) Key Premiums

##### HO3

Territory	AOP	OW	Territory	AOP	OW	Territory	AOP	OW	Territory	AOP	OW	Territory	AOP	OW
1011	294	157	106	352	133	111	246	55	118	291	49	125	431	63
1012	301	157	1071	344	87	112	270	78	119	325	48	126	442	67
1021	291	156	1072	332	110	113	274	61	120	340	48	127	346	67
1022	314	150	1073	341	126	1141	276	53	121	241	46	128	474	59
1031	298	157	1081	304	77	1142	284	52	1221	305	72	129	316	49
1032	336	146	1082	266	105	115	319	53	1222	320	71			
104	317	166	109	295	86	116	359	85	123	257	38			
105	341	139	110	194	46	117	295	49	124	504	58			

##### HO4

Territory	AOP	OW	Territory	AOP	OW	Territory	AOP	OW	Territory	AOP	OW	Territory	AOP	OW
1011	63	34	106	85	32	111	67	14	118	71	12	125	103	15
1012	74	38	1071	58	15	112	61	17	119	66	10	126	105	16
1021	63	34	1072	68	23	113	62	13	120	76	11	127	64	12
1022	82	40	1073	85	32	1141	53	10	121	68	13	128	97	12
1031	68	35	1081	58	15	1142	70	13	1221	72	17	129	68	11
1032	82	35	1082	64	26	115	64	10	1222	93	21			
104	71	37	109	62	18	116	91	21	123	71	10			
105	83	34	110	64	15	117	64	11	124	97	11			

##### HO6

Territory	AOP	OW	Territory	AOP	OW	Territory	AOP	OW	Territory	AOP	OW	Territory	AOP	OW
1011	50	27	106	68	26	111	53	12	118	57	10	125	82	12
1012	60	31	1071	47	12	112	48	14	119	53	8	126	84	12
1021	50	27	1072	54	18	113	49	11	120	60	9	127	51	10
1022	66	32	1073	68	25	1141	42	8	121	55	10	128	77	10
1031	55	28	1081	47	12	1142	56	11	1221	58	13	129	55	9
1032	65	28	1082	51	21	115	51	8	1222	74	17			
104	57	29	109	49	14	116	73	17	123	57	8			
105	67	27	110	51	12	117	51	9	124	78	9			

## B. 2. Zip Codes for AOP and OW Territories

Zip Code	AOP/OW Territory	Zip Code	AOP/OW Territory	Zip Code	AOP/OW Territory	Zip Code	AOP/OW Territory	Zip Code	AOP/OW Territory	Zip Code	AOP/OW Territory	Zip Code	AOP/OW Territory	Zip Code	AOP/OW Territory
70001	125	70339	119	70465	1141	70611	1221	70760	113	71044	1011	71260	105	71411	1073
70002	125	70341	119	70466	1141	70615	1222	70761	115	71045	104	71261	105	71414	1073
70003	125	70342	129	70467	115	70630	1221	70762	113	71046	1012	71263	106	71415	1073
70005	125	70343	123	70471	116	70631	129	70763	120	71047	1011	71264	105	71416	1073
70006	125	70344	123	70501	110	70632	129	70764	117	71048	104	71266	106	71417	1072
70030	123	70345	129	70503	110	70633	1222	70767	113	71049	1012	71268	1073	71418	1073
70031	123	70346	118	70506	110	70634	109	70769	118	71051	1011	71269	106	71419	1073
70032	127	70352	123	70507	110	70637	109	70770	1141	71052	1012	71270	1032	71422	1072
70036	129	70353	129	70508	110	70638	109	70772	117	71055	104	71275	1032	71423	1072
70037	129	70354	129	70510	129	70639	1073	70773	113	71060	1011	71276	106	71424	1081
70038	129	70355	129	70512	112	70640	111	70774	118	71061	1012	71277	105	71425	1072
70039	123	70356	123	70513	121	70643	129	70775	113	71063	1012	71280	1031	71426	1073
70040	129	70357	129	70514	123	70644	109	70776	117	71064	1011	71281	1031	71427	1081
70041	129	70358	129	70515	112	70645	129	70777	115	71065	1073	71282	106	71429	1073
70043	127	70359	123	70516	111	70646	1222	70778	118	71066	1073	71286	106	71430	1081
70047	123	70360	123	70517	121	70647	1221	70780	117	71067	1011	71291	1031	71432	1072
70049	123	70363	123	70518	110	70648	109	70782	113	71068	104	71292	1031	71433	1081
70050	129	70364	129	70520	110	70650	111	70783	113	71069	1012	71295	1073	71434	1073
70051	123	70372	119	70521	121	70651	109	70785	1142	71070	104	71301	1081	71435	1073
70052	120	70373	129	70522	129	70652	109	70787	113	71071	104	71302	1081	71438	1071
70053	126	70374	129	70523	129	70653	109	70788	117	71072	104	71303	1081	71439	1073
70056	126	70375	123	70524	112	70654	109	70789	115	71073	104	71316	1072	71441	1073
70057	123	70377	129	70525	111	70655	109	70791	1141	71075	104	71320	1082	71443	1073
70058	126	70380	129	70526	111	70656	1073	70801	1141	71078	1012	71322	1082	71446	1073
70062	125	70390	119	70528	129	70657	109	70802	1142	71079	104	71323	1082	71447	1071
70065	125	70391	119	70529	110	70658	109	70805	1142	71082	1012	71325	1081	71449	1073
70067	128	70392	129	70531	111	70659	1073	70806	1142	71101	1022	71326	1072	71450	1073
70068	123	70393	119	70532	111	70660	109	70807	1142	71103	1022	71327	1082	71452	1073
70070	123	70394	123	70533	123	70661	1221	70808	1141	71104	1021	71328	1081	71454	1072
70071	120	70395	123	70534	111	70662	109	70809	1141	71105	1021	71330	1081	71455	1071
70072	126	70397	129	70535	111	70663	1222	70810	1141	71106	1021	71331	1082	71456	1073
70075	127	70401	115	70537	111	70665	1221	70811	1142	71107	1021	71333	1082	71457	1073
70076	123	70403	115	70538	129	70668	1222	70812	1142	71108	1022	71334	1072	71459	1073
70079	123	70420	116	70540	129	70669	1222	70814	1141	71109	1022	71336	1073	71461	1073
70080	123	70421	115	70541	112	70706	1141	70815	1141	71110	1012	71339	1082	71462	1073
70082	129	70422	115	70542	123	70710	113	70816	1142	71111	1011	71340	1072	71463	109
70083	129	70426	115	70543	111	70711	115	70817	1141	71112	1011	71341	1082	71465	1072
70084	123	70427	1141	70544	129	70712	113	70818	1141	71115	1021	71342	1072	71466	1081
70085	127	70429	115	70546	111	70714	1141	70819	1141	71118	1021	71343	1072	71467	1072
70086	120	70431	116	70548	121	70715	113	70820	1142	71119	1021	71345	112	71468	1073
70087	123	70433	116	70549	111	70719	113	70836	1141	71129	1021	71346	1081	71469	1073
70090	120	70435	116	70550	112	70721	117	71001	104	71201	1031	71350	1082	71472	1081
70091	129	70436	115	70552	121	70722	115	71002	1073	71202	1031	71351	1082	71473	1072
70092	127	70437	116	70554	112	70723	120	71003	104	71203	1031	71353	112	71474	1073
70094	126	70438	115	70555	123	70725	118	71004	1012	71218	106	71354	1072	71479	1072
70112	124	70441	115	70556	111	70726	1142	71006	1011	71219	1073	71355	1082	71480	1072
70113	124	70442	115	70558	110	70729	113	71007	1011	71220	105	71356	112	71483	1072
70114	125	70443	115	70559	111	70730	115	71008	104	71222	105	71357	1072	71485	1081
70115	124	70444	1141	70560	121	70732	113	71009	1011	71223	105	71358	112	71486	1073
70116	124	70445	116	70563	121	70733	115	71016	104	71225	1031	71360	1081		
70117	124	70446	115	70570	112	70734	118	71018	104	71226	1073	71362	1082		
70118	124	70447	116	70575	123	70736	113	71019	1012	71227	1032	71366	1072		
70119	124	70448	116	70576	112	70737	118	71021	104	71229	105	71367	112		
70121	125	70449	115	70577	112	70739	1141	71023	104	71232	106	71368	1072		
70122	124	70450	1141	70578	111	70740	117	71024	104	71234	105	71369	1082		
70123	125	70451	115	70580	112	70743	120	71027	1012	71235	1032	71371	1072		
70124	124	70452	116	70581	111	70744	115	71028	104	71237	106	71373	1072		
70125	124	70453	115	70582	121	70747	113	71029	1012	71238	1072	71375	1072		
70126	128	70454	115	70583	110	70748	115	71030	1012	71241	105	71377	1072		
70127	128	70455	115	70584	112	70749	113	71031	1073	71243	1073	71378	1073		
70128	128	70456	115	70585	112	70750	112	71032	1012	71245	1032	71401	1072		
70129	128	70458	116	70586	112	70752	113	71033	1011	71247	1073	71403	1073		
70130	124	70459	116	70589	112	70753	113	71034	1012	71250	105	71404	1072		
70131	125	70460	116	70591	111	70754	115	71037	1011	71251	1073	71405	1081		
70139	124	70461	116	70592	110	70755	113	71038	104	71253	106	71406	1073		
70163	124	70462	115	70601	1222	70756	113	71039	104	71254	106	71407	1072		
70170	124	70463	116	70605	1221	70757	117	71040	104	71256	105	71409	1081		
70301	123	70464	116	70607	1222	70759	113	71043	1011	71259	106	71410	1072		

## C. Hurricane (HUR) Base Rates by Zip Code

Zip Code	HO3	HO4	HO6	Zip Code	HO3	HO4	HO6	Zip Code	HO3	HO4	HO6	Zip Code	HO3	HO4	HO6	Zip Code	HO3	HO4	HO6
70001	891	97	78	70301	833	90	72	70463	429	16	13	70601	475	47	38	70755	234	22	18
70002	1,151	161	129	70339	928	75	60	70464	446	41	33	70605	535	58	46	70756	232	24	19
70003	1,021	109	87	70341	640	60	48	70465	163	15	12	70607	656	74	59	70757	400	28	22
70005	1,099	127	102	70342	1,076	130	104	70466	214	20	16	70611	402	42	34	70759	227	25	20
70006	1,151	164	131	70343	1,481	164	131	70467	172	21	17	70615	518	50	40	70760	225	21	17
70030	1,100	100	80	70344	2,120	240	192	70471	631	80	64	70630	751	83	66	70761	110	9	7
70031	894	94	75	70345	1,931	201	161	70501	415	37	30	70631	2,102	289	231	70762	232	27	22
70032	911	90	72	70346	526	54	43	70503	398	43	34	70632	1,993	267	214	70763	755	69	55
70036	2,239	241	193	70352	1,691	203	162	70506	391	39	31	70633	381	30	24	70764	501	37	30
70037	1,326	119	95	70353	2,644	317	254	70507	386	42	34	70634	160	16	13	70767	239	23	18
70038	4,876	662	530	70354	2,021	260	208	70508	406	50	40	70637	166	15	12	70769	287	28	22
70039	877	83	66	70355	1,073	130	104	70510	709	90	72	70638	152	9	7	70770	198	15	12
70040	3,979	297	238	70356	1,262	114	91	70512	351	36	29	70639	110	11	9	70772	401	29	23
70041	4,792	662	530	70357	2,564	380	304	70513	830	108	86	70640	558	41	33	70773	238	23	18
70043	921	102	82	70358	5,281	1,077	862	70514	845	98	78	70643	1,955	251	201	70774	369	43	34
70047	868	74	59	70359	968	103	82	70515	277	33	26	70644	159	16	13	70775	114	15	12
70049	803	68	54	70360	1,064	126	101	70516	413	43	34	70645	1,428	184	147	70776	507	42	34
70050	4,740	568	454	70363	1,112	142	114	70517	482	45	36	70646	699	66	53	70777	124	14	11
70051	590	53	42	70364	1,206	137	110	70518	482	65	52	70647	598	68	54	70778	515	36	29
70052	644	61	49	70372	797	87	70	70520	383	45	36	70648	292	41	33	70780	504	42	34
70053	989	96	77	70373	1,988	186	149	70521	539	45	36	70650	821	104	83	70782	115	10	8
70056	1,010	101	81	70374	1,261	154	123	70522	822	98	78	70651	230	30	24	70783	226	21	17
70057	855	70	56	70375	1,237	140	112	70523	786	92	74	70652	226	22	18	70785	174	17	14
70058	996	95	76	70377	1,753	200	160	70524	265	16	13	70653	165	14	11	70787	115	10	8
70062	981	106	85	70380	1,079	134	107	70525	399	38	30	70654	213	25	20	70788	515	51	41
70065	1,128	138	110	70390	719	74	59	70526	428	48	38	70655	222	25	20	70789	111	13	10
70067	2,070	221	177	70391	682	74	59	70528	866	117	94	70656	107	12	10	70791	195	15	12
70068	617	62	50	70392	1,336	114	91	70529	462	58	46	70657	376	40	32	70801	216	13	10
70070	842	74	59	70393	625	74	59	70531	411	58	46	70658	230	30	24	70802	229	18	14
70071	619	59	47	70394	998	117	94	70532	427	33	26	70659	100	12	10	70805	202	13	10
70072	1,015	105	84	70395	870	102	82	70533	868	116	93	70660	236	22	18	70806	205	15	12
70075	1,168	121	97	70397	1,876	234	187	70534	523	71	57	70661	483	41	33	70807	202	16	13
70076	571	53	42	70401	226	20	16	70535	313	30	24	70662	160	16	13	70808	253	18	14
70079	878	79	63	70403	227	20	16	70537	422	52	42	70663	504	49	39	70809	210	20	16
70080	866	77	62	70420	343	52	42	70538	986	107	86	70665	536	62	50	70810	271	22	18
70082	2,916	297	238	70421	214	26	21	70540	1,072	128	102	70668	540	62	50	70811	199	13	10
70083	2,906	367	294	70422	163	13	10	70541	223	27	22	70669	505	51	41	70812	200	13	10
70084	675	61	49	70426	167	15	12	70542	700	96	77	70706	170	14	11	70814	199	14	11
70085	1,439	155	124	70427	219	22	18	70543	420	48	38	70710	391	34	27	70815	201	16	13
70086	649	64	51	70429	203	24	19	70544	590	94	75	70711	214	19	15	70816	261	18	14
70087	884	87	70	70431	341	58	46	70546	540	52	42	70712	113	12	10	70817	264	22	18
70090	772	72	58	70433	353	55	44	70548	1,164	106	85	70714	196	15	12	70818	199	14	11
70091	5,048	1,001	801	70435	334	47	38	70549	804	97	78	70715	168	18	14	70819	202	15	12
70092	1,397	163	130	70436	158	15	12	70550	280	27	22	70719	301	29	23	70820	271	27	22
70094	1,003	102	82	70437	327	42	34	70552	655	67	54	70721	520	40	32	70836	257	31	25
70112	785	107	86	70438	160	17	14	70554	211	24	19	70722	106	10	8	71001	10	9	7
70113	774	102	82	70441	141	13	10	70555	636	76	61	70723	638	59	47	71002	16	9	7
70114	1,023	132	106	70442	171	18	14	70556	597	71	57	70725	523	51	41	71003	10	9	7
70115	863	89	71	70443	168	18	14	70558	531	68	54	70726	226	19	15	71004	10	12	10
70116	889	112	90	70444	150	15	12	70559	570	71	57	70729	257	23	18	71006	10	10	8
70117	1,024	138	110	70445	490	86	69	70560	657	73	58	70730	117	16	13	71007	10	10	8
70118	874	96	77	70446	226	20	16	70563	650	71	57	70732	227	25	20	71008	10	10	8
70119	899	113	90	70447	460	72	58	70570	216	27	22	70733	240	25	20	71009	12	13	10
70121	881	93	74	70448	516	86	69	70575	892	116	93	70734	320	34	27	71016	13	11	9
70122	1,110	149	119	70449	370	41	33	70576	163	16	13	70736	232	21	17	71018	9	9	7
70123	921	89	71	70450	157	14	11	70577	208	32	26	70737	315	29	23	71019	17	9	7
70124	1,134	150	120	70451	222	14	11	70578	418	51	41	70739	200	17	14	71021	9	19	15
70125	771	88	70	70452	604	68	54	70580	223	16	13	70740	404	30	24	71023	10	15	12
70126	1,109	147	118	70453	149	10	8	70581	634	61	49	70743	720	69	55	71024	10	12	10
70127	1,114	160	128	70454	237	24	19	70582	509	56	45	70744	163	16	13	71027	14	8	6
70128	1,399	190	152	70455	233	22	18	70583	396	51	41	70747	174	12	10	71028	10	10	8
70129	1,799	179	143	70456	162	19	15	70584	278	35	28	70748	119	11	9	71029	9	10	8
70130	1,008	108	86	70458	690	86	69	70585	281	16	13	70749	232	23	18	71030	13	11	9
70131	1,072	131	105	70459	740	86	69	70586	195	22	18	70750	206	23	18	71031	16	8	6
70139	909	109	87	70460	630	70	56	70589	200	21	17	70752	238	22	18	71032	14	9	7
70163	909	109	87	70461	766	97	78	70591	639	64	51	70753	164	17	14	71033	10	15	12
70170	1,056	127	102	70462	226	27	22	70592	570	68	54	70754	214	18	14	71034	13	7	6

Hurricane (HUR) Base Rates by Zip Code continued

Zip Code	HO3	HO4	HO6	Zip Code	HO3	HO4	HO6	Zip Code	HO3	HO4	HO6	Zip Code	HO3	HO4	HO6	Zip Code	HO3	HO4	HO6
71037	10	14	11	71110	11	10	8	71268	11	9	7	71354	79	11	9	71432	21	8	6
71038	8	9	7	71111	10	16	13	71269	17	7	6	71355	108	13	10	71433	86	10	8
71039	11	14	11	71112	11	16	13	71270	10	15	12	71356	148	14	11	71434	25	10	8
71040	9	10	8	71115	12	9	7	71275	10	12	10	71357	23	8	6	71435	18	9	7
71043	9	16	13	71118	10	12	10	71276	19	7	6	71358	196	18	14	71438	41	10	8
71044	8	11	9	71119	10	11	9	71277	9	9	7	71360	33	13	10	71439	49	10	8
71045	11	10	8	71129	10	19	15	71280	10	9	7	71362	115	15	12	71441	18	15	12
71046	13	14	11	71201	12	10	8	71281	5	1	1	71366	24	8	6	71443	33	4	3
71047	10	9	7	71202	12	10	8	71282	20	7	6	71367	145	18	14	71446	56	8	6
71048	9	8	6	71203	12	9	7	71286	18	10	8	71368	26	8	6	71447	32	9	7
71049	15	13	10	71218	24	7	6	71291	11	9	7	71369	114	15	12	71449	26	8	6
71051	13	15	12	71219	20	10	8	71292	12	10	8	71371	20	11	9	71450	22	9	7
71052	14	14	11	71220	12	12	10	71295	21	9	7	71373	28	8	6	71452	30	11	9
71055	10	11	9	71222	9	10	8	71301	37	7	6	71375	27	15	12	71454	24	8	6
71060	10	11	9	71223	15	7	6	71302	38	10	8	71377	58	12	10	71455	35	11	9
71061	10	17	14	71225	11	8	6	71303	37	8	6	71378	26	6	5	71456	27	11	9
71063	17	9	7	71226	11	10	8	71316	33	10	8	71401	22	12	10	71457	26	13	10
71064	8	10	8	71227	10	10	8	71320	100	12	10	71403	52	9	7	71459	59	13	10
71065	21	8	6	71229	15	8	6	71322	116	14	11	71404	20	8	6	71461	55	9	7
71066	29	13	10	71232	18	6	5	71323	102	10	8	71405	33	4	3	71462	28	9	7
71067	10	18	14	71234	10	9	7	71325	88	15	12	71406	22	15	12	71463	155	12	10
71068	11	9	7	71235	10	12	10	71326	28	8	6	71407	26	6	5	71465	19	15	12
71069	8	15	12	71237	17	10	8	71327	114	15	12	71409	38	13	10	71466	39	12	10
71070	15	10	8	71238	11	10	8	71328	33	8	6	71410	19	9	7	71467	23	10	8
71071	8	12	10	71241	10	7	6	71330	82	10	8	71411	22	11	9	71468	27	10	8
71072	9	10	8	71243	23	8	6	71331	107	10	8	71414	29	13	10	71469	23	7	6
71073	10	10	8	71245	10	9	7	71333	116	17	14	71415	18	9	7	71472	39	11	9
71075	8	19	15	71247	12	10	8	71334	27	8	6	71416	28	7	6	71473	17	8	6
71078	11	12	10	71250	15	8	6	71336	25	8	6	71417	27	12	10	71474	55	7	6
71079	8	8	6	71251	11	10	8	71339	121	12	10	71418	19	8	6	71479	19	8	6
71082	8	12	10	71253	18	9	7	71340	23	9	7	71419	22	11	9	71480	17	8	6
71101	10	12	10	71254	16	7	6	71341	111	14	11	71422	17	12	10	71483	18	9	7
71103	10	10	8	71256	9	10	8	71342	21	8	6	71423	24	7	6	71485	41	10	8
71104	10	14	11	71259	20	7	6	71343	28	12	10	71424	38	8	6	71486	26	8	6
71105	11	8	6	71260	10	11	9	71345	204	26	21	71425	22	8	6				
71106	12	9	7	71261	15	8	6	71346	86	12	10	71426	28	7	6				
71107	10	13	10	71263	14	9	7	71350	110	16	13	71427	32	10	8				
71108	10	14	11	71264	16	9	7	71351	106	12	10	71429	32	8	6				
71109	10	12	10	71266	17	8	6	71353	197	23	18	71430	85	10	8				

303. KEY FACTORS

HO3

Cov A Amount	Key Factor	Cov A Amount	Key Factor	Cov A Amount	Key Factor	Cov A Amount	Key Factor	Cov A Amount	Key Factor	Cov A Amount	Key Factor
100,000	1.000	175,000	1.706	250,000	2.197	325,000	2.572	400,000	2.947	475,000	3.322
105,000	1.048	180,000	1.752	255,000	2.222	330,000	2.597	405,000	2.972	480,000	3.347
110,000	1.095	185,000	1.802	260,000	2.247	335,000	2.622	410,000	2.997	485,000	3.372
115,000	1.143	190,000	1.852	265,000	2.272	340,000	2.647	415,000	3.022	490,000	3.397
120,000	1.190	195,000	1.902	270,000	2.297	345,000	2.672	420,000	3.047	495,000	3.422
125,000	1.238	200,000	1.932	275,000	2.322	350,000	2.697	425,000	3.072	500,000	3.447
130,000	1.286	205,000	1.962	280,000	2.347	355,000	2.722	430,000	3.097	505,000	3.484
135,000	1.334	210,000	1.992	285,000	2.372	360,000	2.747	435,000	3.122	510,000	3.522
140,000	1.381	215,000	2.022	290,000	2.397	365,000	2.772	440,000	3.147	515,000	3.560
145,000	1.428	220,000	2.047	295,000	2.422	370,000	2.797	445,000	3.172	520,000	3.597
150,000	1.475	225,000	2.072	300,000	2.447	375,000	2.822	450,000	3.197	525,000	3.635
155,000	1.522	230,000	2.097	305,000	2.472	380,000	2.847	455,000	3.222	530,000	3.672
160,000	1.568	235,000	2.122	310,000	2.497	385,000	2.872	460,000	3.247	535,000	3.710
165,000	1.614	240,000	2.147	315,000	2.522	390,000	2.897	465,000	3.272	Each Additional \$1000	.00375
170,000	1.660	245,000	2.172	320,000	2.547	395,000	2.922	470,000	3.297		

HO4 & HO6

Coverage Amount	AOP & OW	HUR	Coverage Amount	AOP & OW	HUR	Coverage Amount	AOP & OW	HUR	Coverage Amount	AOP & OW	HUR
25,000	0.821	0.714	55,000	1.400	1.571	100,000	2.300	2.858	160,000	3.500	4.574
30,000	0.907	0.857	60,000	1.500	1.714	110,000	2.500	3.144	170,000	3.700	4.860
35,000	1.000	1.000	65,000	1.600	1.857	120,000	2.700	3.430	180,000	3.900	5.146
40,000	1.100	1.143	70,000	1.700	2.000	130,000	2.900	3.716	190,000	4.100	5.432
45,000	1.200	1.286	80,000	1.900	2.286	140,000	3.100	4.002	Each Additional \$1000	0.020	0.0286
50,000	1.300	1.429	90,000	2.100	2.572	150,000	3.300	4.288			

304. PROTECTION/CONSTRUCTION FACTORS

A. Apply the following factors to the AOP PREMIUM:

Protection Class	Construction / Policy Form		
	Frame All Forms	Masonry Veneer All Forms	Masonry All Forms
1	1.06	1.02	1.00
2 – 5	1.08	1.04	1.02
6	1.18	1.10	1.07
7	1.21	1.11	1.07
8	1.33	1.25	1.22
9	1.43	1.32	1.28
10	2.04	1.66	1.53

B. Apply the following factors to the OW and HUR PREMIUMS:

Frame	Masonry Veneer	Masonry
1.21	1.05	1.00

305. DEDUCTIBLES

All policies are subject to either an Aggregate Annual All Perils or Traditional Deductible applicable to all Section I losses occurring within the policy term. The Aggregate Annual All Perils Deductible option and the Traditional Deductible option cannot be combined.

A. HO3 - Annual Deductibles – All Perils: 1% of Coverage A (minimum). Factors for higher All Perils Annual deductibles are shown below.

1. Non-Hurricane Deductible Factors - Applied to AOP and OW BASE PREMIUM.

Coverage A Limit	1%	2%	5%	10%	Coverage A Limit	1%	2%	5%	10%
\$150,000 or less	1.000	0.897	0.655	0.455	\$250,001 - \$300,000	1.000	0.839	0.598	0.398
\$150,001 - \$200,000	1.000	0.862	0.621	0.421	\$300,001 - \$500,000	1.000	0.839	0.598	0.398
\$200,001 - \$250,000	1.000	0.839	0.598	0.398	Over \$500,000	1.000	0.839	0.598	0.398

2. Hurricane Deductible Factors - Applied to HUR BASE PREMIUM.

Coverage A Limit	1%	2%	5%	10%	Coverage A Limit	1%	2%	5%	10%
\$150,000 or less	1.000	0.875	0.787	0.667	\$250,001 - \$300,000	1.000	0.875	0.787	0.667
\$150,001 - \$200,000	1.000	0.875	0.787	0.667	\$300,001 - \$500,000	1.000	0.875	0.787	0.667
\$200,001 - \$250,000	1.000	0.875	0.787	0.667	Over \$500,000	1.000	0.875	0.787	0.667

3. HO4 Annual Deductible: \$500      HO6 Annual Deductible: \$500

4. In the event of more than one Hurricane in a calendar year a single aggregate deductible will apply.

5. Deductible options may only be amended at the normal policy renewal date; mid-term changes are not permitted.

Use Endorsement ASI DED – All Perils Aggregate Deductible – Louisiana.

B. HO3 - Traditional Deductibles - Factors for Traditional Deductibles are shown below.

1. Non-Hurricane Deductible Factors - Applied to AOP and OW BASE PREMIUM.

Coverage A Limit	1,000	2,500	5,000	Coverage A Limit	1,000	2,500	5,000
\$150,000 or less	1.020	0.894	0.844	\$250,001 - \$300,000	1.124	1.016	0.924
\$150,001 - \$200,000	1.063	0.944	0.874	\$300,001 - \$500,000	1.192	1.071	0.965
\$200,001 - \$250,000	1.101	0.982	0.902	Over \$500,000	1.233	1.117	1.060



## 2. Hurricane Deductible Factors - Applied to HUR BASE PREMIUM.

Coverage A Limit	1,000	2%	3%	5%	Coverage A Limit	1,000	2%	3%	5%
\$150,000 or less	1.018	0.875	0.846	0.787	\$250,001 - \$300,000	1.071	0.875	0.846	0.787
\$150,001 - \$200,000	1.043	0.875	0.846	0.787	\$300,001 - \$500,000	1.091	0.875	0.846	0.787
\$200,001 - \$250,000	1.060	0.875	0.846	0.787	Over \$500,000	1.182	0.875	0.846	0.787

- HO4 Traditional Deductible: \$500 HO6 Annual Traditional: \$500
- In the event of more than one Hurricane in a calendar year a single aggregate deductible will apply.
- Deductible options may only be amended at the normal policy renewal date; mid-term changes are not permitted.  
Use Endorsement HO 03 18 - Hurricane Deductible.

## 306. AGE OF HOME ADJUSTMENT FACTORS

The premium is adjusted to account for the year of construction. The age of a home is calculated by subtracting the year the building was first built and occupied as a residence from the current year. Apply the appropriate factor to the AOP, OW and HUR BASE PREMIUMS.

AGE	0	1	2	3	4	5	6	7	8	9	
Credit Factor	0.80	0.81	0.82	0.83	0.84	0.85	0.86	0.87	0.88	0.89	
AGE	10	11	12	13	14	15	16	17	18	19	
Credit factor	0.90	0.91	0.92	0.93	0.94	0.95	0.96	0.97	0.98	0.99	
AGE	20	21	22	23	24	25	26	27	28	29	
Surcharge Factor	1.00	1.01	1.02	1.03	1.04	1.05	1.06	1.07	1.08	1.09	
AGE	30	31	32	33	34	35	36	37	38	39	40 +
Surcharge Factor	1.10	1.11	1.12	1.13	1.14	1.15	1.16	1.17	1.18	1.19	1.20

If a residence has been *totally renovated* to include *all new* electrical, plumbing, heating/cooling systems, roof and all exterior windows, the year in which the total renovation was begun may be used as the date of construction. However, documentation by a certified inspector verifying the residence has been totally renovated to current state and local building code standards along with documentation from the Parish evidencing that the year built has been adjusted must be submitted to the Company prior to binding any change in the date of construction.

## 307. SECURED COMMUNITY/BUILDING (All Forms)

Dwellings and condos located in guarded and/or gated communities are eligible for a discount provided the following conditions are met. Seasonal homes are not eligible for this discount.

- Gated Community/Building Discount (5% Credit)** – All of the following must apply:
  - Community/building must have at least 30 residences, paved streets and street lights; and
  - Community/building must be in protection class 1 – 6; and
  - Community/building must be completely surrounded by 6 foot high fence with limited access gates controlled by access key or password.
  - Multiply the AOP BASE PREMIUM by a factor of 0.95.
- Guarded Community/Building Discount (5% Credit)** – All of the following must apply:
  - Community/building must have at least 30 residences, paved streets and street lights; and
  - Community/building must be in protection class 1 – 6; and
  - Community/building must have uniformed employed security guards 24 hours a day.
  - Multiply the AOP BASE PREMIUM by a factor of 0.95.
- Gated and Guarded Community/Building Discount (10% Credit)** – Must meet all criteria for both A. and B. above.  
Multiply the AOP BASE PREMIUM by a factor of 0.90.

## 308. PROTECTIVE DEVICES (All Forms)

Approved and properly maintained installations of burglar alarms, fire alarms, automatic sprinklers and other protective devices in the dwelling may be recognized for a reduced premium by multiplying the ALL OTHER PERILS BASE PREMIUM by the following Protective Device factors:

Type of Installation	Credit	Factor
Central Station Monitored Burglar Alarm	5%	0.95
Central Station Monitored Fire Alarm	5%	0.95
Smoke detectors inside or outside <i>each</i> bedroom and on each additional story of the dwelling, a fire extinguisher on each story, and dead bolt locks on all exterior doors.	2%	0.98
Automatic fire sprinklers - all areas, <i>including</i> attics, bathrooms, closets, and attached structures.	18%	0.82
Automatic fire sprinklers - all areas <i>except</i> attics, bathrooms, closets, and attached structures.	10%	0.90

**Note:** Combination of credits is permitted. However, no more than one credit from each of three categories of Protective Devices (Burglar, Fire or Sprinkler System) is permitted. A copy of the fire and burglar alarm certificate and monitoring receipt must be submitted.

Use Endorsement: **ASI 04 16** – Premises Alarm or Fire Protection System.

### 309. WINDSTORM MITIGATION and FORTIFIED FOR SAFER LIVING®

**A. A Hip roof**, with no other roof shapes greater than 10% of the total roof system perimeter, will receive a **20% credit** (a factor of **0.80**).  
The Hip roof credit applies only to the **OW** and **HUR BASE PREMIUMS**.

#### **B. Windstorm Mitigation Construction Features**

Additional credits are available to dwellings built or retrofitted to comply with certain windstorm mitigation requirements of the State Uniform Construction code **OR** the Institute for Business and Home Safety's (IBHS) *Fortified for Safer Living®* program.

##### 1. Definitions

- a. **Roof Covering** – the type of roof covering (such as shingles) and the method of attaching the roof covering to the roof deck. To be eligible for a credit, the roof covering must be tested and certified to withstand the minimum wind speeds shown in the table below and the attachment method must meet the wind mitigation elements of the 2003 International Residential Code.
- b. **Secondary Water Resistance** – Typically a *self-adhering* underlayment or foam adhesive (not foamed-on insulation) applied directly to the roof sheathing as a supplemental water barrier to protect the dwelling from water intrusion in the event of roof covering loss. Standard underlayments (tar paper, felt paper) do not qualify.
- c. **Roof Deck Attachment** – Nail size, type, spacing, and penetration depth into the truss or rafters determines the uplift resistance of the deck. The difference in uplift capacity of 8d (2 ½ inch) nails at a typical nail spacing and 6d (2 inch) nails at the same spacing is a factor of about two times stronger, which makes a significant difference in deck performance in hurricanes. Roof deck attachment must meet one of the following requirements:
  - (1) Plywood/OSB nailed with eight (8) penny common nails at six (6) inch spacing on the edge and six (6) inch spacing in the field on twenty-four (24) inch truss spacing. Within four (4) feet of a gable end the nail spacing is four (4) inch. This provides for a mean uplift resistance of one hundred eight-two (182) lbs per sq ft for non-gable end locations and two hundred nineteen (219) lbs per sq ft for gable end locations.
  - (2) Dimensional lumber or tongue and groove decks with at least two 8d or greater nails. The case of two 8d nails per board produces a mean uplift resistance of three hundred thirty-eight (338) lbs per sq ft.
- d. **Opening Protection** – The protection of openings is perhaps the greatest single loss mitigation strategy for a building. Once a window or door fails, the pressure inside the structure increases. The positive pressure inside the building produces an additive load on the building envelope which can be up to twice the load the building would experience without the breach. All exterior wall and roof openings in the buildings must be fully protected with impact resistant coverings (e.g. shutters), impact resistant doors, and/or impact resistant glazing that meet the requirements of one of the following:
  - (1) SSTD12;
  - (2) ASTM E 1886 and ASTM E 1996 (Missile Level C – 9 lb);

Openings in the wall and roof include windows, doors, sliding glass doors, skylights, and garage doors. Gable end vents and other roof vents are not considered openings for purposes of this program.
- e. **Roof Anchor** – Roof anchors act to transfer the uplift loads into the vertical walls help keep the roof on the building. Verification of roof anchors requires access to the attic to inspect the roof to wall connection. Double wraps are defined as:
  - (1) Metal Connectors consisting of 2 separate straps that are attached to the wall frame, or embedded in the bond beam, on either side of the truss/rafter where each strap wraps over the top of the truss/rafter and is secured with a minimum of 2 nails on the front side, and a minimum of 1 nail on the opposing side, **or**
  - (2) Metal connectors consisting of a single strap that wraps over the top of the truss/rafter, is secured to the wall on both sides, and is secured to the top plate with a minimum of three nails on each side.

Apply a credit from Mitigation Credit Table (a) **OR** (b) below to the **OW** and **HURRICANE BASE PREMIUMS**. Credits from the two tables cannot be combined and at a minimum must meet the standards below.

##### 2. Mitigation Credit Tables

###### a. Dwellings built or retrofitted in accordance with certain windstorm mitigation requirements

The company will require an inspection confirming the existence of the windstorm mitigation features required for the credit. The inspection must be completed on form **HO A 001** and signed by a licensed contractor, certified building inspector, or approved inspection service. An "Approved" inspection service is one that has been designated by us as competent to perform the evaluation. The cost for the inspection and certification shall be the insured's responsibility.

Select the **weakest** level of protection applicable from the table below and multiply the **OW** and **HURRICANE BASE PREMIUMS** by the factor shown:

Credit Level:	Bronze	Silver	Gold
Roof Covering	55 mph w/secondary water resistance <i>OR</i> 110 mph	55 mph w/secondary water resistance <i>OR</i> 110 mph	55 mph w/secondary water resistance <i>OR</i> 110 mph
Roof Deck Attachment	8d nails high wind nail schedule (6" spacing)	8d nails high wind nail schedule (6" spacing)	8d nails high wind nail schedule (6" spacing)
Opening Protection		All openings protected against large missiles	All openings protected against large missiles
Roof Anchor			Double Wraps
Credit	20%	30%	40%
Factor	0.80	0.70	0.60

**b. Fortified For Safer Living®**

Dwellings that are certified by the Institute for Business and Home Safety (IBHS) as meeting the requirements of the Fortified For Safer Living® program are eligible for a credit on their wind and hurricane premiums.

The policyholder must provide a copy of the IBHS certificate which is presented to the homeowner upon completion of the *Fortified for Safer Living®* construction or inspection.

IBHS Fortified®	
Roof Covering	110 mph w/SWR
Roof Deck Attachment	10d nails high wind nail schedule
Opening Protection	All openings protected against large missiles
Roof Anchor	Double Wraps
Frame-foundation connection	Bolted
Flashing and Coping	Compliant with ES1
Year of Construction	2002 or later*
Age of Roof	0-5 yrs*

Multiply the OW and HURRICANE BASE PREMIUMS by a factor of 0.55.

\*Dwellings that exceed the maximum ate requirements will be given the Gold credit from table a. above, provided all of the other requirements of the IBHS Fortified® for Safer Living designation are met.

**310. ROOF DEBITS, CREDITS AND COVERAGE RESTRICTIONS**

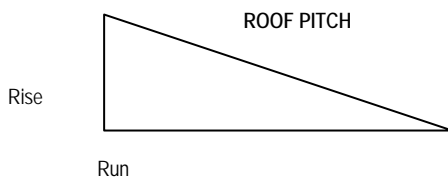
**A. New Roof Credit**

Homeowners who can definitively prove that the roof of the dwelling has been completely replaced within the last 10 (ten) years are eligible for a discount. The age of the roof is calculated by subtracting the year the roof was replaced from the current year.

Multiply the AOP, OW and HUR BASE PREMIUMS by the following factors:

Age of Roof	Credit	Factor	Age of Roof	Credit	Factor
0-1	15%	.85	6-7	7.5%	.925
2-3	12.5%	.875	8-9	5%	.95
4-5	10%	.90	10	2.5	.975

**B. Roof Pitch Credit**



Roof pitch is stated as the increase in rise (height) over a 12' span (run).

Roof pitch of 6:12 or greater (regardless of geometry) will receive a 5% credit (a factor of 0.95).

The Roof pitch credit applies to the AOP, OW and HUR BASE PREMIUMS.

**C. Roof Covering Credit**

Metal Roofs meeting the material and installation standards of the 2006 or later International Residential Code are eligible for a 5% credit (a factor of 0.95).

Architectural Composite (two or three ply) Shingles meeting the material and installation standards of the 2006 or later International Residential Code are eligible for a 5% credit (a factor of 0.95).

**D. Roof Pitch Surcharge**

Roof pitch of 2:12 or less will be surcharged \$25. Roof pitch of 2:12 or less covering more than 20% of the living area are ineligible.

**311. GENERATOR DISCOUNT**

Homes that are equipped with a whole-house standby generator with transfer switch are eligible for a 10% discount. Documentation from a qualified electrician confirming the installation is required.

Multiply the AOP, OW and HUR BASE PREMIUMS by 0.90.

**312. IDENTITY THEFT EXPENSE COVERAGE**

- A. The policy may be endorsed to provide coverage for expenses incurred by an insured as the direct result of any one identity theft first discovered or which reasonably should have been discovered by the insured on or after the effective date of the endorsement and during the policy period.
- B. The Endorsement provides coverage for:
1. **Identity Theft Expenses:** Pays up to \$25,000 for expenses incurred by an insured as the direct result of identity theft.
  2. **Monitoring and Support:** Document recovery, lost wallet assistance, postal junk mail reduction service, security freeze assistance, and fraud alert.
  3. **Restoration:** Includes an assigned restoration specialist to provide research and assistance, in the event of an identity theft, to review credit reports, notify reporting agencies, and prepare and manage disputed fraudulent items.
- C. By endorsement, coverage is extended to the policyholder, spouse, domestic partner, children living at home (up to age 21 or full time student up to age 26), and grandparents living at the insured premises.
- D. The annual premium for this coverage is \$25.

Use Endorsement HO 04 55 – Identity Fraud Expense Coverage.

**313. CAP ON CREDITS**

Total premium credits in this Section (Rules 306 – 311) shall not exceed 50% of the All Other Perils (AOP), Other Wind (OW) and Hurricane (HUR) Premiums. Capping applies to all new and renewal business. The individual credits / discounts will be shown on the declarations page until the cap is reached and a notice will print on the declaration indicating the maximum allowable premium credits have been applied to this policy.

## 400. UNDERWRITING SURCHARGES

Underwriting adjustments are applied to the **BASE POLICY PREMIUM**.

### 401. SEASONAL/SECONDARY RESIDENCE SURCHARGE (All Forms)

A residence that is unoccupied for three (3) or more consecutive months or a total of six (6) or more months during any one (1) year period may be written, subject to the following:

- A. Secured, Professionally Managed, or Central Station Monitored Fire and Burglar Alarm (10% Surcharge).
  1. Located in a Secured Community/Building; or
  2. Managed by a professional management firm that provides exterior maintenance and/or provides regularly scheduled inspection service; or
  3. Has a central station alarm that is currently monitored for both burglary and fire. A copy of the current alarm certificate must be submitted.
  4. The additional premium is computed by multiplying the **BASE POLICY PREMIUM** by a factor of 0.10.
- B. If the Primary Residence is written by Anchor Specialty, Endorsement **ASI SSR - Seasonal / Secondary Premises Liability Limitation**, must be attached.
- C. A seasonal residence that does not meet the criteria of paragraph **A.** above, is unoccupied more than 9 months, or is rented to others is not eligible. See **Rule 512.** for exception to rental for risks written on form **HO6.**

### 402. NO PRIOR INSURANCE (Forms HO3 and HO6)

- A. All applicants not providing proof of prior insurance shall be subject to a 10% surcharge. This surcharge will also be applicable if there has been a lapse in coverage which exceeds thirty (30) days from the effective date of the ASIC policy.
- B. This surcharge will remain in effect for one year from the policy effective date to which this surcharge applies. Any lapse, or short term coverage, during the compliance period will cause the mandatory surcharge period to begin anew.
- C. Proof of prior insurance shall be in the form of a copy of a declarations page or other acceptable documentation as determined by ASIC.
- D. Multiply the **BASE POLICY PREMIUM** by a factor of 0.10.

**Notes:**

1. Not applicable to a new purchase.
2. Forced placed insurance shall be considered "No Prior Insurance" and the 10% surcharge will apply.

### 403. EXPERIENCE RATING FACTOR (Only applies to those policies with an Annual Aggregate Deductible)

- A. If an insured or applicant has had two or more non-weather losses in the last 3 years, at the current or previous residence, the following surcharge will be applied to:

# of claims	Surcharge Factor
2	1.50
3	2.00
4 or more	3.00

- B. See Underwriting Guide for eligibility requirements. Please contact underwriting with any questions.
- C. The three year experience period will be calculated from the new business or renewal effective date.
- D. The surcharge is not applicable to catastrophic, weather-related, successfully subrogated, or claims closed without payment.
- E. To calculate the amount of the surcharge, multiply the **AOP BASE PREMIUM** by the factor shown above.

### 404. BUILDING HEIGHT SURCHARGE

- A. A low-profile dwelling is less vulnerable to wind; therefore a surcharge will be applied to any dwelling with more than one story at or above ground level.  
This includes stilt homes, 1 ½ story homes, split levels, and homes with finished attics and/or walkout basements. Basements that are 100% below ground should not be considered.
- B. To calculate the surcharge, multiply the **HURRICANE** and **OTHER WIND BASE PREMIUMS** by the factor of 1.12.

## 500. OPTIONAL COVERAGES

Coverages listed in this section may be added to the basic policy for an additional charge. Not all options are available for every form. Please see the descriptions for each additional and optional coverage for specific rules and eligibility.

### 501. INCREASED ORDINANCE OR LAW COVERAGE

The policy as amended by Special Provisions (ASI 01 17) automatically provides up to 10% of Coverage A limit, as an additional amount of insurance, for increased costs necessary to comply with the enforcement of any ordinance or law which requires or regulates construction, repair or demolition of damaged property.

Ordinance or Law Coverage may be increased to 25% or 50% of the Coverage A limit. The rate for this increased coverage is calculated as:

Limit	Factor
25%	0.10
50%	0.20

Multiply appropriate factor by **BASE POLICY PREMIUM**.

Use Endorsement **HO 04 77**– Ordinance or Law Increased Amount of Coverage.

### 502. EXTENDED REPLACEMENT COST ON DWELLING (Form HO3)

A. The policy may be endorsed to provide additional insurance for Coverage A only when the loss to the dwelling exceeds the limit of liability shown in the declarations. The Specified Additional Amount of Insurance will equal 25% of the Coverage A limit of liability. This additional amount of insurance is provided subject to the following conditions:

1. The Coverage A limit of liability must be written to at least 100% of the full replacement cost of the dwelling at policy inception or at the time the endorsement is added; and
2. The Insured allows us to adjust the Coverage A limit and the premium in accordance with property evaluations we make and any increases in inflation; and
3. Insured notifies the Company, within thirty (30) days of completion, of any improvements, alterations or additions to the dwelling which increase the replacement cost, and
4. The damaged property must be repaired or replaced.

B. The premium for this option is calculated by multiplying **BASE POLICY PREMIUM** by a factor of **0.03**.

Use Endorsement **ASI 04 20** – Extended Replacement Cost on Dwelling.

### 503. UNIT-OWNERS COVERAGE A – SPECIAL COVERAGE (Form HO6)

**Special Coverage** – The Section I - Perils Insured Against may be broadened to cover additional risks of loss. The additional premium is developed as follows: Charge \$2 per policy for \$1,000 in basic form plus \$1 per each additional \$1,000 for Coverage A.

Use Endorsement **HO 17 32** - Unit-Owners Coverage A – Special Coverage (HO6).

### 504. OTHER STRUCTURES (Form HO3)

The basic/default limit for Coverage B is 2% of the Coverage A limit. This limit may be increased to a maximum of 70% of the Coverage A limit of liability using any combination of the options below.

A. **Blanket Limit** – To increase the blanket limit (10% maximum), compute the additional premium by multiplying the **BASE POLICY PREMIUM** by **.03 to increase the limit to 5% and an additional .03 for each 5% increased limit**.

B. **Swimming Pools** – Shall be rated within the blanket limit; use Endorsement **HO 04 48 - Other Structures - Increased Limits only when Coverage B increases greater than 10% of the Coverage A limit are desired**.

C. **Specific Other Structures** – Each structure covered by this endorsement must be specifically described and separately insured for 100% of replacement value

Section I - \$4 per \$1,000

Use Endorsement **HO 04 48** – Other Structures – Increased Limits.

E. **Rented to Others – Residence Premises** – Covers a one-family structure on the residence premises rented to others for dwelling purposes. The structure must be insured for 100% of replacement value. No more than one structure rented to others is permitted.

1. Section I - \$6 per \$1,000

2. Add the appropriate premium to the **BASE POLICY PREMIUM**.

Section II Coverage Limits	\$100,000/1,000	\$300,000/5,000	\$500,000/5,000
Premium Amount	\$14	\$38	\$76

Use Endorsement **HO 04 40** – Structures Rented to Others – Residence Premises.

## 505. PERSONAL PROPERTY - LIMITS (Form HO3)

The basic/default limit for Coverage C is 25% of the Coverage A limit. This limit may be increased to a maximum of 75% of the Coverage A limit, or decreased to 10% of the Coverage A limit. Calculate adjustment by multiplying the **AOP, OTHER WIND, AND HURRICANE BASE PREMIUMS** by the appropriate factor below.

% of Cov A	AOP	Other Wind	Hurricane	% of Cov A	AOP	Other Wind	Hurricane
10%	0.929	0.929	0.894	45%	1.071	1.071	1.141
15%	0.956	0.956	0.929	50%	1.093	1.093	1.176
20%	0.984	0.984	0.965	55%	1.115	1.115	1.212
25%	1.000	1.000	1.000	60%	1.137	1.137	1.247
30%	1.016	1.016	1.035	65%	1.169	1.169	1.282
35%	1.033	1.033	1.071	70%	1.202	1.202	1.318
40%	1.049	1.049	1.106	75%	1.215	1.215	1.353

## 506. SPECIAL PERSONAL PROPERTY COVERAGE (Form HO3)

The **HO3** Section I - Coverage C Perils Insured Against may be broadened to cover additional risks of loss. The additional premium is developed as follows:

Apply a factor of 1.15 to the **AOP BASE PREMIUM**.

A minimum Personal Property limit of 25% of Coverage A is required for this coverage.

Use Endorsement **ASI SPC** – Special Personal Property Coverage.

## 507. PERSONAL PROPERTY REPLACEMENT COST COVERAGE (All Forms)

The additional premium to extend the limit for Coverage C to include Replacement Cost Coverage is computed by multiplying the **BASE POLICY PREMIUM** by the appropriate factor below:

<u>Policy Form</u>	<u>Factor</u>	
<b>HO3</b>	.10	(A minimum Personal Property limit of 25% of Coverage A is required for this coverage for HO3)
<b>HO4 or HO6</b>	1.35	Include the factor in the computation of the <b>Base All Other Perils, Other Wind and Hurricane Base Premiums</b>

Use Endorsement **HO 04 90** – Personal Property Replacement Cost.

## 508. PERSONAL PROPERTY - SCHEDULED

Additional coverage may be added to the Homeowners policy for specifically scheduled items of personal property subject to the following requirements:

- A. Each item must be individually described, including manufacturer, model, and serial # (if applicable), and valued.
- B. Covers property of an individual or spouses who reside together, or members of the Insured's family of the same household.
- C. An appraisal or bill of sale no older than five (5) years must accompany the application or endorsement request for each single item worth \$5,000 or more, and for each set insured for \$15,000 or more.
- D. Any single item exceeding \$25,000 or total schedule exceeding the lesser of 25% of the Coverage A amount or \$100,000 must be submitted unbound along with dated photos and appraisals to the company for approval.
- E. Central Station burglar alarm is also required for schedules over \$50,000.
- F. Minimum values of \$500 for any one item, pair (jewelry), set (silverware), or grouping of collectables (with detailed schedules).
- G. Golf Carts may not be scheduled as Golf Equipment.
- H. Jewelry in Vaults rate applies to jewelry kept in a bank safe deposit box or commercial vault. Jewelry stored in a personal safe is not eligible for this rate unless approved by underwriting.

**Note 1:** Personal property items used in a trade or business are not eligible for scheduled personal property coverage except where noted.

**Note 2:** Dealers or auctioneers, museums, art galleries, or art institutions, or property in the custody of such, are not eligible for scheduled personal property coverage.

**Note 3:** Property on public display or as part of a trade and/or hobby show is not eligible for scheduled personal property coverage.

**Note 4:** Scheduled Personal Property is not available on Form **HO4** *unless submitted unbound for prior approval*.

	Category		Rate/\$100
1	Jewelry	Not in vaults	1.25
		Jewelry in vaults	0.25
2	Furs and fur garments		0.40
3	Cameras & projection equipment	Personal	1.75
		Professional	2.75
4	Musical Instruments	Personal	0.60
		Professional	1.55
5	Silver		0.60
6	Golfer's Equipment		1.40
7a	Fine Arts and antiques	No breakage	0.70
7b		Breakage included	1.20
8	Postage Stamps		0.60
9	Rare and Collectible Coins		1.80
10	Firearms	Fired	3.00
		Collectible	1.50

**Note:** Breakage coverage is limited on Fine Arts/Antiques and may be better covered under a personal lines floater (ASIC does not offer).

Use Endorsement **HO 04 61** – Scheduled Personal Property Endorsement.

### 509. PERSONAL PROPERTY – INCREASED SPECIAL LIMITS OF LIABILITY

Increased Special Limits of Liability – The special limits of liability provided in Homeowners Forms **HO3**, **HO4** and **HO6** may be increased to no more than \$5000 for the following rates and increments:

	Unscheduled Property Subject to Special Limits of Liability	Included Special Limit	Incremental Increase	Rate per Increment
a.	Money, bank notes, coins, etc	\$200	\$1000	\$6 / \$1000
b.	Securities	\$1500	\$100	\$4 / \$100
e.	Jewelry, Watches and Furs (loss by theft)*	\$1500	\$500	\$9 / \$500
f.	Firearms (Loss by Theft)	\$2500	\$500	\$3 / \$100
g.	Silverware, Goldware & Pewterware (loss by theft)**	\$2500	\$500	\$2 / \$500
j./k.	Electronic Apparatus	\$1500	\$500	\$10/\$500

\*Not to exceed \$1,500 per item.

\*\*Not to exceed \$2,000 per item.

Use Endorsement **HO 04 65** – Coverage C Increased Special Limits of Liability.

### 510. BUSINESS PROPERTY – INCREASED LIMITS (All Forms)

- A.** The \$2,500 limit of liability for business property on the residence premises may be increased in \$2,500 increments up to \$10,000. The premium for each \$2,500 increase is \$25. The increased limit of liability does not apply to:
- Business property in storage or held as a sample or for sale or delivery after sale;
  - Business property pertaining to a business actually conducted on the residence premises. (This exposure is addressed by **HO 04 42** – Permitted Incidental Occupancies.)
- B.** When the on-premises limit is increased, the off-premises limit of \$250 is automatically increased at no additional charge, to an amount that is 20% of the total on-premises limit of liability.

Use Endorsement **HO 04 12** – Business Property Increased Limits.

### 511. LOSS OF USE INCREASED/DECREASED LIMITS (Form HO3)

- A.** The standard 10% coverage limit of liability for Coverage D – for Loss of Use may be decreased to 5%, or increased to a maximum of 20% of the Coverage A amount.
- B.** The premium for this option is calculated by multiplying the **BASE POLICY PREMIUM** by a factor of 0.0075 for each increment of 1% of **Coverage A** above (+) or below (-) the base 10% of Coverage A. Apply the product as a debit or credit as appropriate.
- C.** When Coverage D is reduced, submit an **ASI DRE** - Coverage D – Loss of Use Reduction Request form.



## 512. UNIT-OWNERS RENTAL TO OTHERS (Form HO6)

A. There is no coverage for theft under Coverage C – Personal Property or Section II Liability when the residence premises is regularly rented or held for rental to others. If the property is rented, then the policy may be endorsed to provide such coverage, including theft if the following requirements are met:

1. Condominium unit is located in a limited access complex or building with local management or supervision;
2. Unit is rented on a long-term basis of three (3) months or more OR on a regular basis to individuals related or personally known by the Insured.

B. Additional Premium – Multiply the **BASE POLICY PREMIUM** by a Factor of 0.25.

Use Endorsement **HO 17 33** - Unit-Owners Rental to Others (HO6).

## 513. WATER BACK UP AND SUMP OVERFLOW (All Forms)

The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from a sump. The Coverage is subject to a \$500 deductible.

A. Assumption, Jefferson, Orleans, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Mary, St. Tammany, Terrebonne parishes, and PIAL Zone 5:

Limit	Premium
\$5,000	\$50
\$10,000	Not available

B. All other parishes:

Limit	Premium
\$5,000	\$30
\$10,000	\$45

Use Endorsement **ASI 04 95** – Water Back Up and Sump Coverage.

## 514. LOSS ASSESSMENT COVERAGE

A. **Residence Premises** – The policy automatically provides at no additional charge, \$1,000 of loss assessment coverage for assessments relating to the residence premises. This limit may be increased if no association losses have occurred to which this coverage may apply.

B. Refer to the Premium Table shown below for additional rate.

Limit of Liability	HO-00-03	HO-00-06	HO6 with HO 17 32
\$2000	\$6	\$9	\$11
\$3000	\$10	\$15	\$18
\$5,000	\$15	\$23	\$27

Use Endorsement **HO 04 35** – Loss Assessment Coverage.

## 515. LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE-SPECIAL SUB LIMITS

A. **Basic Special Sub Limits:**

Endorsement **HO 03 41 (HO4 or HO6) or HO 03 42 (HO3)** – Limited Fungi, Wet or Dry Rot, Or Bacteria Coverage extends coverage by mandatory endorsement to the sub-limits below:

**Section I:** \$10,000 for each covered loss  
\$20,000 Policy Aggregate

**Section II:** Coverage E \$50,000 Policy Aggregate

B. **Increased Sub Limits:**

1. For an additional premium and subject to additional underwriting an insured may request increased Section I sub limits, Section II Coverage E limits are limited to \$50,000.

<u>Section I Coverage Level</u>	<u>Additional Premium</u>
<b>Option 1</b>	
\$25,000 for each covered loss	
\$50,000 Policy Aggregate	\$80
<b>Option 2</b>	
\$50,000 for each covered loss	
\$50,000 Policy Aggregate	\$115

2. Increased Section I limits are subject to underwriting review and must be submitted unbound.
3. The named insured may request increased limits with a signed and dated request specifying the level of coverage desired.

Use Endorsement **HO 03 41 (HO4 or HO6)** or **HO 03 42 (HO3)** – Limited Fungi, Wet or Dry Rot, Or Bacteria Coverage.

**Note:** The appropriate endorsement at the basic coverage level will automatically attach to all new policies, and subsequent renewals.

## 516. PERMITTED INCIDENTAL OCCUPANCIES – RESIDENCE PREMISES

- A. Coverage for a permitted incidental occupancy is limited under Section I and excluded under Section II. The policy may be endorsed to provide expanded Section I Coverage and Section II Coverage on a permitted incidental occupancy in the dwelling or in another structure on the residence premises.
- B. The only permitted Incidental Occupancies are incidental offices.
- C. If the permitted incidental occupancy is located in another structure, Coverage B does not apply to that structure. See E. below for charge for specific insurance on the structure.
- D. The permitted incidental occupancies endorsement also covers personal property pertaining to the permitted incidental occupancy up to \$2,500 within the Coverage C limits stated in the declarations.

### E. Premium

#### 1. Section I Coverages

- a. If the permitted incidental occupancy is located in the dwelling, no additional charge is made.
- b. If the permitted incidental occupancy is located in another structure, an additional premium is required.
- c. Premium: \$6 per \$1,000\* for the subject structure.

\*Maximum of 50% of Coverage A.

#### 2. Section II Coverages

- a. The policy may be endorsed to provide Coverages E and F for the increased exposure arising from a permitted incidental occupancy on the residence premises only. Coverage must match Personal Liability and Medical Payment limits selected per **Rule 519**.
- b. Premiums:

Coverage: Personal Liability / Med Pay	\$100,000/1,000	\$300,000/5,000	\$500,000/5,000
Premium Amount	\$21	\$30	\$34

Use Endorsement **HO 04 42** – Permitted Incidental Occupancies – Residence Premises.

## 517. PREFERRED PREMIUM PACKAGE (Form HO3 Only)

The policy may be endorsed to provide package coverage for additional protection, including higher limits on selected coverages.

### A. Preferred Premium Coverages

1. Section I Coverages	Policy Sub Limit	Preferred Premium Limit
Personal Property Replacement Cost	Not Included	Included
Money	\$200	\$1,000
Securities	\$1,500	\$5,000
Watercraft	\$1,500	\$5,000
Trailers	\$1,500	\$5,000
Jewelry & Furs	\$1,500	\$5,000*
Firearms	\$2,500	\$5,000
Silverware	\$2,500	\$5,000
Business Property on Premises	\$2,500	\$10,000
Business Property off Premises	\$500	\$1,000
Loss of Use due to power shortage	Not Included	Included
Fire Dept. Service Charge	\$500	\$1,000
Credit Card	\$500	\$10,000
Refrigerated Property	Not Included	\$500
Lock Replacement	Not Included	\$500
Special Personal Property Coverage	Not Included	Included
Wind or hail damage to carports and screened enclosures	Not Covered	\$10,000
Equipment Breakdown	Not Included	\$50,000

\*\$5,000 for loss by theft, \$2,500 for loss by misplacing or losing of jewelry, watches, furs, precious and semi-precious stones, and firearms, but not exceeding \$1,500 for any one article.

2. Section II coverages	Base Policy Limit	Preferred Premium Limit
Personal Liability (Cov E)	\$100,000	\$300,000
Medical Payments (Cov F)	\$ 1,000	\$5,000
Watercraft Liability	25 HP	50 HP
Damage to Property of Others	\$1,000	\$1,000
Personal Injury Coverage	Not Included	Included

B. Develop the Premium by multiplying the **BASE POLICY PREMIUM** by the appropriate factor below.

Coverage A limit	Factor
0-299,999	0.24
300,000-399,999	0.22
400,000 and up	0.20

Attach Endorsement **ASI 0061** – Preferred Premium Package Endorsement - LA.

## 518. EQUIPMENT BREAKDOWN COVERAGE (Forms HO3 and HO6)

- A. This endorsement provides for the inclusion of equipment breakdown as a covered peril under either an **HO3** or **HO6** form.
- B. The limit of coverage is \$50,000 per occurrence. This limit is separate from and does not reduce any other coverage contained within Section I – Property Coverages. The endorsement has a separate deductible of \$500.
- C. Optional Equipment Breakdown Coverage is available for a flat fee of \$25.

Use Endorsement **ASI EB** – Equipment Breakdown Coverage.

## 519. PERSONAL LIABILITY/MEDICAL PAYMENTS

Basic and Increased Section II Limits: (All Optional Liability endorsements must match the limits selected here.)

Coverage	Basic Limit	Option 1	Option 2	Option 3
E – Personal Liability (each occurrence)	\$100,000	\$300,000	\$500,000	\$500,000
F – Medical Payments to Others (each person)	\$1000	\$5000	\$5000	\$5000
Premium Amount	Included	\$30	\$45	\$15 with Preferred Premium Package

Note: The option for \$500,000 liability with \$5,000 medical payments is subject to underwriting approval.

## 520. GOLF CART PHYSICAL DAMAGE AND LIABILITY COVERAGE

- A. The policy may be endorsed to provide Actual Cash Value Physical Damage coverage for an owned golf cart and coverage for the liability of the insured arising out of the use of a golf cart.
- B. Coverage does not apply to any golf cart while being used to carry persons for hire; for any business activity; rented to others; being operated in races; or being operated outside the boundaries of a recognized retirement community or limited access community unless such use is for golfing.
- C. Losses will be settled at actual cash value at the time of loss up to maximum of \$5,000.
- D. Coverage level must be equal to the Section II coverages as selected in **Rule 519**.

Coverage: Personal Liability / Med Pay	\$100,000/1,000	\$300,000/5,000	\$500,000/5,000
Premium Amount	\$45	\$62	\$75

Note: All owned golf carts must be covered. The premium amount indicated applies to each covered golf cart up to a maximum of two (2) per household. Risks with more than two (2) golf carts are ineligible.

Use Endorsement **ASI 151** – Golf Cart Physical Damage and Liability Endorsement.

## 521. PERSONAL INJURY

- A. Liability Coverage for personal injury to others, such as false arrest, libel or invasion of privacy, may be added to the policy.
- B. Coverage level must be equal to the Section II coverage as selected in **Rule 519**.
- C. The annual premium for this coverage is:

Coverage Personal Liability	\$100,000	\$300,000	\$500,000
Premium Amount	\$15	\$18	\$20

Use Endorsement **HO 24 81** – Personal Injury – Louisiana.

**522. ADDITIONAL RESIDENCE RENTED TO OTHERS**

Limited to one additional location use only as residence, no other occupancies are permitted.

Coverage E - Personal Liability Limit	Rates
\$100,000	\$19
\$300,000	\$24
\$500,000	\$26

Use Endorsement **HO 24 70** - Additional Residence Rented to Others.

**523. INCIDENTAL FARMING PERSONAL LIABILITY**

Coverage may be provided for the liability of the insured when hobby farming is conducted on the residence premises and is incidental to the use of the premises as a dwelling, and the income derived from the farming operation is no more than 5% of the insured's household income.

Coverage may also be provided when the residence premises is used for the sheltering and grazing of animals. However, coverage is not available if the residence premises is used for racing purposes.

Coverage	Limits of Liability											
	\$100,000			\$200,000			\$300,000			\$500,000		
F	\$1,000	\$2,000	\$5,000	\$1,000	\$2,000	\$5,000	\$1,000	\$2,000	\$5,000	\$1,000	\$2,000	\$5,000
Premium	20	21	25	22	23	27	25	26	30	27	28	32

Use Endorsement **HO 24 72** - Incidental Farming Personal Liability.

**524. CARPORTS, POOL CAGES and SCREEN ENCLOSURES (Form HO3)**

There is no coverage in the base policy for loss due to wind/hail for pool cages, screen enclosures and carports. Coverage for this peril may be purchased separately according to the rates and limits below:

**Coverage Limit Minimum:** \$1,000 **Maximum:** \$50,000

The additional premium is \$10 per \$1,000 in coverage.

**Note:** The limit of coverage is reflected on the Declarations Page.

Use Endorsement **ASI 109** – Carport(s), Pool Cage(s) and Screen Enclosure(s).

**Note:** Coverage does not increase the Coverage A Limit of the policy.

## 600. SPECIAL CREDITS OR ADJUSTMENTS

### 601. PREFERRED ACCOUNT CREDIT

- A. Anchor Specialty will give up to a 10% credit to applicants/insureds who have automobile coverage within the same agency that is writing the property coverage. Only one of the following credits will apply:

Policy type	Credit
Auto coverage through a ASIC partner company	2.5%
with 100/300 limits	5%
with 250/500 limits or higher	10%

- B. Credits may not be combined. Multiply the **BASE POLICY PREMIUM** by the appropriate factor for the highest applicable credit.
- C. The Preferred Account Credit is not subject to the Cap on Credits (**Rule 313**).

### 602. ROLLOVER/TRANSITION RULE

Anchor Specialty will periodically work with agents to transfer a book of business from another carrier to Anchor Specialty. The intent of this rule is to reduce the rate disruption to policyholders whose policies are being converted into our rating program from another company's rating plan.

#### A. Eligibility

Policies being converted into our rating program from another company's rating plan under a formal rollover agreement when Anchor Specialty's premium\* for the same coverage exceeds the premium\* on the expiring policy by more than 10%.

- Example 1: Expiring Premium\* (EP) = \$1000; ASIC Premium\* (RFP) = \$1200  
 $\$1200 - \$1000 = \$200$ ;  $\$200/\$1000 = 20\%$ ; transition rule **will** apply
- Example 2: Expiring Premium\* (EP) = \$1000; ASIC Premium\* (RFP) = \$1100  
 $\$1100 - \$1000 = \$100$ ;  $\$100/\$1000 = 10\%$ ; transition rule **will NOT** apply

#### B. Premium Determination:

- The premium\* for the initial Anchor Specialty policy term will be up to 110% of the prior company's expiring policy premium\*.
- Subsequent premium\* increases will be capped at 10% per year until the premium reaches Anchor Specialty's **current** approved rates. The cap shall be administered in accordance with LDOI rate capping rules.
  - The premiums\* for the first and second renewals will be the lesser of:
    - 110% of the expiring premium\* for the same coverage, or
    - The premium\* at Anchor Specialty's **current** approved rates.
  - The 3<sup>rd</sup> renewal will be issued at Anchor Specialty's **current** approved rates.

\*Excluding fees and assessments

Rating Examples below are based on an expiring (rollover) policy premium of \$1000

Example 1	Transition calculation	RF filed rate	Apply transition rule?	Transition premium**
Initial RF Term	$1000 \times 1.10 = 1100$	1200	Yes	\$1100
2 <sup>nd</sup> year	$1100 \times 1.10 = 1210$	1300	Yes	\$1210
3 <sup>rd</sup> year	$1210 \times 1.10 = 1331$	1400	Yes	\$1331
4 <sup>th</sup> year	N/A	1500	N/A	\$1500

Example 2	Transition calculation	RF filed rate	Apply transition rule?	Transition premium**
Initial RF Term	$1000 \times 1.10 = 1100$	1200	Yes	\$1100
2 <sup>nd</sup> year	$1100 \times 1.10 = 1210$	1250	Yes	\$1210
3 <sup>rd</sup> year	$1210 \times 1.10 = 1331$	1300	No	\$1300

\*\* Transition premium does **not** represent the total amount due. The total amount due reflected on the policy declarations and invoice will also include:

- Fees & assessments
- The difference in premium resulting from any changes in exposure