State: *Tennessee* ***Filing Company:*** *American Strategic Insurance Corp*
TOI/Sub-TOI: *04.0 Homeowners/04.0003 Owner Occupied Homeowners*
Product Name: *Homeowners*
Project Name/Number: *TN HO 2014-04/*

Filing at a Glance

Company:	American Strategic Insurance Corp
Product Name:	Homeowners
State:	Tennessee
TOI:	04.0 Homeowners
Sub-TOI:	04.0003 Owner Occupied Homeowners
Filing Type:	Rate/Rule
Date Submitted:	04/07/2014
SERFF Tr Num:	AMSI-129432283
SERFF Status:	Closed-Approved
State Tr Num:	141358
State Status:	Closed
Co Tr Num:	TN HO 2014-04
Effective Date Requested (New):	07/01/2014
Effective Date Requested (Renewal):	07/01/2014
Author(s):	Susan Myers, Mike Farrell
Reviewer(s):	John Duncan, CPCU (primary)
Disposition Date:	04/28/2014
Disposition Status:	Approved
Effective Date (New):	07/01/2014
Effective Date (Renewal):	07/01/2014

State: *Tennessee* ***Filing Company:*** *American Strategic Insurance Corp*
TOI/Sub-TOI: *04.0 Homeowners/04.0003 Owner Occupied Homeowners*
Product Name: *Homeowners*
Project Name/Number: *TN HO 2014-04/*

General Information

Project Name: TN HO 2014-04
Project Number:
Reference Organization:
Reference Title:
Filing Status Changed: 04/28/2014
State Status Changed: 04/28/2014
Created By: Susan Myers
Corresponding Filing Tracking Number:

Status of Filing in Domicile: Authorized
Domicile Status Comments:
Reference Number:
Advisory Org. Circular:

Deemer Date:
Submitted By: Susan Myers

Filing Description:

New Program rate and rule filing for our Homeowners HO3, HO4, HO5 and HO6 program in Tennessee. Our forms are filed separately under SERFF tracking number AMSI-129408484.

Company and Contact

Filing Contact Information

Susan Myers,
1 ASI Way
St Petersburg, FL 33702

smyers@asicorp.org
727-821-8765 [Phone] 1317 [Ext]

Filing Company Information

American Strategic Insurance Corp
1 ASI Way
St Petersburg, FL 33702
(866) 274-8765 ext. 232[Phone]

CoCode: 10872
Group Code: 1344
Group Name: ARX Holding Corp
FEIN Number: 59-3459912

State of Domicile: Florida
Company Type: P&C
State ID Number:

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

State Specific

Have you read the General Instructions?: yes
Have you read the Additional Information Requirements?: yes
If a rate filing, have you completed the Rate Information as required?: yes

SERFF Tracking #:	*AMSI-129432283*	***State Tracking #:***	*141358*	***Company Tracking #:***	*TN HO 2014-04*

State:	*Tennessee*	***Filing Company:***	*American Strategic Insurance Corp*
TOI/Sub-TOI:	*04.0 Homeowners/04.0003 Owner Occupied Homeowners*		
Product Name:	*Homeowners*		
Project Name/Number:	*TN HO 2014-04/*		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	John Duncan, CPCU	04/28/2014	04/28/2014

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	John Duncan, CPCU	04/21/2014	04/21/2014
Pending Industry Response	John Duncan, CPCU	04/15/2014	04/15/2014
Pending Industry Response	John Duncan, CPCU	04/08/2014	04/08/2014

Response Letters

Responded By	Created On	Date Submitted
Susan Myers	04/25/2014	04/25/2014
Mike Farrell	04/18/2014	04/18/2014
Susan Myers	04/14/2014	04/14/2014

SERFF Tracking #:	*AMSI-129432283*	***State Tracking #:***	*141358*	***Company Tracking #:***	*TN HO 2014-04*

State:	*Tennessee*	***Filing Company:***	*American Strategic Insurance Corp*
TOI/Sub-TOI:	*04.0 Homeowners/04.0003 Owner Occupied Homeowners*		
Product Name:	*Homeowners*		
Project Name/Number:	*TN HO 2014-04/*		

Disposition

Disposition Date: 04/28/2014
Effective Date (New): 07/01/2014
Effective Date (Renewal): 07/01/2014
Status: Approved

Comment:

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Detailed Filing Overview		Yes
Supporting Document	Third Party Authorization		Yes
Supporting Document	Filing Fees For Property and Casualty		Yes
Supporting Document	Investment Income		Yes
Supporting Document	Rate Change by Territory - Personal Lines		Yes
Supporting Document	Rate Justification for Personal Lines		Yes
Supporting Document	Side-by-Side Comparison - Form and/or Rule		Yes
Supporting Document	Additional exhibit for Response Letter 3		Yes
Rate (revised)	HO3, HO4, HO5 & HO6 Manuals		Yes
Rate	HO3, HO4, HO5 & HO6 Manuals	Replaced	Yes
Rate	HO3, HO4, HO5 & HO6 Manuals	Replaced	Yes

State:	*Tennessee*	**Filing Company:**	*American Strategic Insurance Corp*
TOI/Sub-TOI:	*04.0 Homeowners/04.0003 Owner Occupied Homeowners*		
Product Name:	*Homeowners*		
Project Name/Number:	*TN HO 2014-04/*		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	04/21/2014
Submitted Date	04/21/2014
Respond By Date	04/28/2014

Dear Susan Myers,

Introduction:

The following issues must be addressed before we can proceed:

Evidently we didn't have the same conversation. The "Certified" has to be removed as a violation of statute. A warranty credit is permissible, but you have provided no actuarial support.

Conclusion:

Please respond promptly.

Sincerely,

John Duncan, CPCU

State: *Tennessee* **Filing Company:** *American Strategic Insurance Corp*
TOI/Sub-TOI: *04.0 Homeowners/04.0003 Owner Occupied Homeowners*
Product Name: *Homeowners*
Project Name/Number: *TN HO 2014-04/*

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	04/15/2014
Submitted Date	04/15/2014
Respond By Date	04/29/2014

Dear Susan Myers,

Introduction:

The following issues must be addressed before we can proceed:
Regarding the list of preferred builders and associated credit; the Insurance Division has no confidence that the designation of particular builders as preferred can be fairly or subjectively administered for policyholders in the State of Tennessee and therefore feel that it's use would be a violation of, but not limited to TCA 56-5-303; 56-5-304(1); 56-5-304(2) and 56-8-104 (18). Please remove the credit.

Conclusion:

Please respond promptly.
Sincerely,
John Duncan, CPCU

State: Tennessee **Filing Company:** American Strategic Insurance Corp
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: Homeowners
Project Name/Number: TN HO 2014-04/

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	04/08/2014
Submitted Date	04/08/2014
Respond By Date	04/22/2014

Dear Susan Myers,

Introduction:

The following issues must be addressed before we can proceed:

Objection 1

- Rate Justification for Personal Lines (Supporting Document)

- HO3, HO4, HO5 & HO6 Manuals, null (Rate)

Comments: We need further information regarding several of the discounts as there is a possible conflict with statute or additional detail is needed.

I'm not clear on the PHA discount, please explain what PHA means.

We will need a list of Preferred Partner auto companies.

We will also need a list of the accredited builders.

We require the company file the credit model used.

Rating plans that include models for the purpose of classification or pricing of exposure must include the model itself, not model output only. TCA § 56-5-302 (13) requires this information under the definition of "Supplementary rate information".

In compliance with TCA § 56-5-305(d)(2), we are advising you that this filing is not accompanied by sufficient supporting information because of the omission of the model.

Therefore, under TCA § 56-5-305(d)(3), the filing shall not be deemed to be made until this information is furnished.

Conclusion:

Please respond promptly.

Sincerely,

John Duncan, CPCU

SERFF Tracking #:	AMSI-129432283	**State Tracking #:**	141358	**Company Tracking #:**	TN HO 2014-04

State:	Tennessee	**Filing Company:**	American Strategic Insurance Corp
TOI/Sub-TOI:	04.0 Homeowners/04.0003 Owner Occupied Homeowners		
Product Name:	Homeowners		
Project Name/Number:	TN HO 2014-04/		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/25/2014
Submitted Date	04/25/2014

Dear John Duncan, CPCU,

Introduction:

Our response to your question is listed below.

Response 1

Comments:

The word Certified has been removed from the discount. Exhibit 11 has been attached as support for the Builder Warranty Discount. In addition, an updated Manual has been attached with updated discount factors for the ACV Roof Endorsement.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Additional exhibit for Response Letter 3
Comments:	We have attached an additional exhibit to go with Response Letter 3.
Attachment(s):	Exhibit 11.pdf

No Form Schedule items changed.

Rate Schedule Item Changes

Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	HO3, HO4, HO5 & HO6 Manuals		New		04/25/2014 By: Susan Myers
Previous Version					
1	*HO3, HO4, HO5 & HO6 Manuals*		*New*		*04/18/2014* *By: Mike Farrell*
Previous Version					
1	*HO3, HO4, HO5 & HO6 Manuals*		*New*		*04/07/2014* *By: Susan Myers*

Conclusion:

SERFF Tracking #:	*AMSI-129432283*	***State Tracking #:***	*141358*	***Company Tracking #:***	*TN HO 2014-04*

State:	*Tennessee*	***Filing Company:***	*American Strategic Insurance Corp*
TOI/Sub-TOI:	*04.0 Homeowners/04.0003 Owner Occupied Homeowners*		
Product Name:	*Homeowners*		
Project Name/Number:	*TN HO 2014-04/*		

Thank you for your time, we look forward to your approval.

Regards,
Mike Farrell
Sincerely,
Susan Myers

SERFF Tracking #:	AMSI-129432283	**State Tracking #:**	141358	**Company Tracking #:**	TN HO 2014-04

State:	Tennessee	**Filing Company:**	American Strategic Insurance Corp
TOI/Sub-TOI:	04.0 Homeowners/04.0003 Owner Occupied Homeowners		
Product Name:	Homeowners		
Project Name/Number:	TN HO 2014-04/		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/18/2014
Submitted Date	04/18/2014

Dear John Duncan, CPCU,

Introduction:

Please review our comments below.

Response 1

Comments:

Per our discussion, we have amended the discount to Certified Builder Warranty Discount. The discount applies to all new construction homes in which the builder includes a 2-10 home warranty. Our updated HO3 manual has been attached to reflect the amended discount.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate Schedule Item Changes

Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	HO3, HO4, HO5 & HO6 Manuals		New		04/18/2014 By: Mike Farrell
Previous Version					
1	*HO3, HO4, HO5 & HO6 Manuals*		*New*		*04/07/2014* *By: Susan Myers*

Conclusion:

Thank you for your time. We look forward to your approval.

Regards,
Mike Farrell

Sincerely,
Mike Farrell

State: Tennessee **Filing Company:** American Strategic Insurance Corp
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: Homeowners
Project Name/Number: TN HO 2014-04/

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/14/2014
Submitted Date	04/14/2014

Dear John Duncan, CPCU,

Introduction:

Our responses to your questions are listed below.

Response 1

Comments:

We need further information regarding several of the discounts as there is a possible conflict with statute or additional detail is needed.

I'm not clear on the PHA discount, please explain what PHA means.

PHA stands for Progressive Home Advantage, it is a strategic partnership between Progressive and ASI to market bundled (Home and Auto) policies.

We will need a list of Preferred Partner auto companies.

GEICO and USAA are our Preferred Partners.

We will also need a list of the accredited builders.

Our current list of accredited builders for Tennessee is displayed in Exhibit 9. New builders may be added to the list as we grow in the state. The qualify as an accredited builder, the company must build at least 12 homes per year, offer a 2-10 home buyer warranty, and consistently construct homes which meet or exceed local building codes.

We require the company file the credit model used.

ASI uses the ChoicePoint Attract credit model. The model has been filed as Exhibit 10.

Rating plans that include models for the purpose of classification or pricing of exposure must include the model itself, not model output only. TCA § 56-5-302 (13) requires this information under the definition of "Supplementary rate information".

Modeled wind/hail results were developed using RMS RiskLink version 13.1.

Related Objection 1

Applies To:

- *Rate Justification for Personal Lines (Supporting Document)*
- *HO3, HO4, HO5 & HO6 Manuals, null (Rate)*

State: Tennessee **Filing Company:** American Strategic Insurance Corp
TOI/Sub-TOI: 04.0 Homeowners/04.0003 Owner Occupied Homeowners
Product Name: Homeowners
Project Name/Number: TN HO 2014-04/

Comments: We need further information regarding several of the discounts as there is a possible conflict with statute or additional detail is needed.

I'm not clear on the PHA discount, please explain what PHA means.

We will need a list of Preferred Partner auto companies.

We will also need a list of the accredited builders.

We require the company file the credit model used.

Rating plans that include models for the purpose of classification or pricing of exposure must include the model itself, not model output only. TCA § 56-5-302 (13) requires this information under the definition of "Supplementary rate information".

In compliance with TCA § 56-5-305(d)(2), we are advising you that this filing is not accompanied by sufficient supporting information because of the omission of the model.

Therefore, under TCA § 56-5-305(d)(3), the filing shall not be deemed to be made until this information is furnished.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thank you for your time. We look forward to your approval.

Regards,
Michael Farrell
(727)821-8765 x1338
Sincerely,
Susan Myers

SERFF Tracking #:	*AMSI-129432283*	***State Tracking #:***	*141358*	***Company Tracking #:***	*TN HO 2014-04*

State:	*Tennessee*	***Filing Company:***	*American Strategic Insurance Corp*
TOI/Sub-TOI:	*04.0 Homeowners/04.0003 Owner Occupied Homeowners*		
Product Name:	*Homeowners*		
Project Name/Number:	*TN HO 2014-04/*		

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		HO3, HO4, HO5 & HO6 Manuals		New		TN HO4 Underwriting Manual 04-2014.pdf TN HO6 Underwriting Manual 04-2014.pdf TN HO3 Underwriting Manual 04-2014.pdf TN HO5 Underwriting Manual 04-2014.pdf

ELIGIBILITY – UNDERWRITING

GENERAL UNDERWRITING ELIGIBILTY

- A risk is not bound until a policy is issued in our rating system. ASI does not accept binders.
- Home must be protected with smoke detectors in close proximity of kitchen and sleeping areas.

OCCUPANCY / USE

Residence must be:

- Occupied by the insured and insured's immediate family.
- Properties being occupied by more than two unrelated individuals must be referred to underwriting.
- Used exclusively for private residential purposes only.
- Properties with home day care exposure are eligible for this program with evidence of commercial liability coverage with a minimum limit of $500,000 for the day care operation.
- Properties used for the purpose of assisted living, nursing home or group home facilities are ineligible for coverage.
- Properties used for the purpose of college housing are ineligible for coverage.
- Properties used for business purposes, other than approved home daycares, are ineligible for coverage.

APPLICANT

- Credit is evaluated along with prior insurance, claims history, condition of property, age of property, and other risk factors.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.

PROPERTY LOCATION

- Properties must be located on a paved road easily accessible to emergency vehicles.
- Properties on landfill sites or geologically unstable areas are ineligible for coverage.
- Properties on mountainsides, cliffs or bluffs or over water are ineligible for coverage.
- Properties on more than 5 acres must be referred to underwriting.
- Properties in a commercially zoned neighborhood or adjacent to a commercial property must be submitted to underwriting for prior approval.

PROPERTY CHARACTERISTICS

- Mobile homes are ineligible for coverage.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Homes must have a professionally installed, permanent and thermostatically controlled central heat source.
- Properties with swimming pools, hot tubs or spas must be gated with a minimum of a 4 foot fence and locking gate or approved alternate enclosure. Swimming pools, hot tubs and spas must be maintained in working condition. Diving boards and slides are not permitted.

LIABILITY / PROPERTY HAZARDS

The following properties are ineligible for coverage:

- Properties where animals with dangerous propensities, or which present unusual liability exposures, are kept are ineligible for ccoverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Properties with trampoline or skateboard ramps are ineligible for coverage.
- Properties with swimming pools, hot tubs or spas must be gated with a minimum of a 4 foot fence and locking gate or approved alternate enclosure. Swimming pools, hot tubs and spas must be maintained in working condition. Diving boards and slides are not permitted.

LOSS HISTORY

Claims are evaluated both in rating and as part of the underwriting process.

Unacceptable prior loss history:

- Any loss within the last 5 years that has not been fully remedied or otherwise resolved and that continues to impact the future loss potential.
- Three or more claims reported within 3 years.

Contact Underwriting; do not bind for new business:

- Two or more claims reported within 5 years.
- Any one liability claim reported within 5 years.

Renewal Business ~ Loss incurred during the policy term that continue to impose a substantial relationship to risk of future loss and/or changes in exposure that impose a substantial risk of future loss will be considered for non-renewal.

PREVIOUS CANCELLATIONS / NON-RENEWALS / NO PRIOR COVERAGE

Risks previously canceled or non-renewed by another insurer for underwriting reasons must be referred to company prior to binding.

BINDING AUTHORITY

A risk is not bound until a policy is issued in our rating system. ASI does not accept binders. For your convenience, our system provides an immediate declarations page and application upon issuance of the policy. Policies may be bound up to 60 days prior to effective date.

Agents may bind coverage on risks meeting all underwriting criteria without contacting the company. Signed applications and supporting documentation must be maintained in Agent's office and are subject to audit at request of the company.

Minimum Coverage C : $15,000
Maximum Coverage C : $100,000

Coverage above $100,000 requires underwriting approval.

COVERAGE OVERVIEW

Coverage	Limits
A - Dwelling	N/A
B - Other Structures	N/A
C – Contents	$15,000 - $500,000*
D – Loss of Use	40% of Coverage C
E – Personal Liability	$100,000 to $500,000
F – Medical Payments	$1,000 to $5,000

- Coverage C greater than $100,000 must be referred to underwriting

Covered Perils

Fire or Lightning, Windstorm or Hail, Explosion, Riot or Civil Commotion, Aircraft, Vehicles, Smoke, Vandalism or Malicious Mischief, Theft, Volcanic Eruption, Falling Objects, Weight of Ice, Snow or Sleet, Accidental Discharge of Water or Steam, Sudden and Accidental Tearing Apart of a Heating System or Appliance, Freezing, Sudden Accidental Damage from Electrical Current.

Loss Settlement

Losses are settled at replacement cost, subject to the Loss Settlement at Replacement Cost provision.

GENERAL RULES

POLICY TERM

The standard policy term is one year and may be extended for successive policy periods by renewal.

RENEWAL

If the company elects to offer renewal, policy may be renewed by the policyholder by paying the renewal premium prior to the expiration of the current policy. Renewal policy will be issued based on the premiums, forms and endorsements in effect at time of renewal. A new declaration page as well as any revised policy forms will be sent to the insured. Copies of notices and declaration page will be sent to the mortgagee(s).

CANCELLATION OR CHANGES

- Mandatory coverages may not be canceled unless the entire policy is cancelled.
- The insured may cancel the policy at any time for any reason. Flat cancellations after the effective date will require proof of other insurance and must be made within 60 days of effective date.
- If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro-rata basis.

MULTIPLE COMPANY INSURANCE

We will not provide coverage for a dwelling that is also covered by another insurance policy.

TRANSFER OR ASSIGNMENT

No transfers or assignments are permitted. Each insured will require submission of a new application.

WAIVER OF PREMIUM

When a policy is issued or endorsed after the inception date, additional or return premium of less than $5 is waived. However, we will return unearned premium upon request.

OTHER INSURED LOCATION - NO COVERAGE

This program does not permit liability coverage for any other residences owned by the insured regardless of occupancy. We will provide property coverage for secondary/seasonal residences or residences rented to others in our Dwelling Fire program.

BUSINESS PURSUITS - NO COVERAGE

This program does not offer coverage for liability arising out of business activities.

INCIDENTAL OCCUPANCIES - NO COVERAGE

This program does not offer coverage for liability arising out of incidental occupancies.

LIABILITY COVERAGE EXCLUSIONS

ASI excludes Liability coverage for the following: Trampolines, Prohibited Animals, Fungi Wet or Dry Rot or Bacteria, Diving Boards or Slides, Fuel Systems.

PREMIUM CALCULATION

Premium is calculated separately for wind/hail and other perils. Many policy variables and the rate classifications within each are used in developing the final premium. In general, the factor for each rate class is multiplied times the factor for the rate class of the preceding variable. The following variables, rate classifications, and factors are utilized in rating.

NEW BUSINESS TIER CRITERIA

Tiered rating is utilized to broaden underwriting eligibility and properly match rate to risk. Consumer data gathered from the applicant and third party providers determines new business tier placement. Criteria used for tier placement include liability limit on prior homeowner or renter policy, credit score, and prior claims. For customers with prior insurance, proof of prior coverage in the form of a declarations page showing the prior liability limit must be retained in the agent's file. Proof of prior insurance in the form of a declarations page showing the prior liability limit must be retained in agent's file. These documents will be subject to review during an audit. Claims caused by an "Act of God" are not counted towards the number of claims in tier criteria. If an applicant can prove that an "extraordinary life event" such as catastrophic illness, temporary loss of employment, divorce, death in family, military deployment overseas, etc. negatively impacted their credit score, then the impact of this event will be removed from the score and the policy re-rated.

*Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Prior Liability Limit	Credit Score Range	Tier Placement by Prior Claims*		
		0	1	2+
>$300,000	876-999	1	4	7
>$300,000	826-875	1	6	10
>$300,000	801-825	3	7	12
>$300,000	776-800	5	10	13
>$300,000	751-775	7	11	15
>$300,000	726-750	8	13	17
>$300,000	701-725	10	14	18
>$300,000	676-700	11	15	19
>$300,000	651-675	12	17	21
>$300,000	626-650	13	18	22

>$300,000	601-625	15	19	23
>$300,000	576-600	16	20	24
>$300,000	551-575	17	21	25
>$300,000	526-550	18	23	26
>$300,000	501-525	19	24	28
>$300,000	476-500	21	25	29
>$300,000	451-475	22	26	30
>$300,000	000-450	23	28	32
>$300,000	No Score	15	19	23
$300,000	876-999	2	7	10
$300,000	826-875	4	9	13
$300,000	801-825	6	11	15
$300,000	776-800	8	13	17
$300,000	751-775	10	15	18
$300,000	726-750	12	16	20
$300,000	701-725	13	17	21
$300,000	676-700	14	19	23
$300,000	651-675	15	20	24
$300,000	626-650	17	21	25
$300,000	601-625	18	22	26
$300,000	576-600	19	23	27
$300,000	551-575	20	25	28
$300,000	526-550	21	26	30
$300,000	501-525	23	27	31
$300,000	476-500	24	28	32
$300,000	451-475	25	30	33
$300,000	000-450	26	31	35
$300,000	No Score	18	22	26
$100,000	876-999	4	8	12
$100,000	826-875	6	10	14
$100,000	801-825	8	12	16
$100,000	776-800	10	15	18
$100,000	751-775	12	16	20
$100,000	726-750	13	17	21
$100,000	701-725	15	19	23
$100,000	676-700	16	20	24
$100,000	651-675	17	21	25
$100,000	626-650	18	22	26
$100,000	601-625	19	23	27
$100,000	576-600	20	25	28
$100,000	551-575	22	26	30
$100,000	526-550	23	27	31
$100,000	501-525	24	29	33
$100,000	476-500	26	30	34
$100,000	451-475	27	31	35
$100,000	000-450	28	33	36
$100,000	No Score	19	23	27
Lapse	876-999	5	10	13
Lapse	826-875	7	12	16

Lapse	801-825	10	14	18
Lapse	776-800	11	16	20
Lapse	751-775	13	18	22
Lapse	726-750	15	19	23
Lapse	701-725	16	21	24
Lapse	676-700	17	22	26
Lapse	651-675	19	23	27
Lapse	626-650	20	24	28
Lapse	601-625	21	25	29
Lapse	576-600	22	26	30
Lapse	551-575	23	28	32
Lapse	526-550	24	29	33
Lapse	501-525	26	30	34
Lapse	476-500	27	32	35
Lapse	451-475	28	33	37
Lapse	000-450	29	34	38
Lapse	No Score	21	25	29
No Prior	876-999	6	10	15
No Prior	826-875	8	13	17
No Prior	801-825	10	15	19
No Prior	776-800	12	17	21
No Prior	751-775	14	18	22
No Prior	726-750	15	20	23
No Prior	701-725	17	21	25
No Prior	676-700	18	23	26
No Prior	651-675	19	24	28
No Prior	626-650	20	25	29
No Prior	601-625	21	26	30
No Prior	576-600	22	27	31
No Prior	551-575	24	28	32
No Prior	526-550	25	30	33
No Prior	501-525	26	31	35
No Prior	476-500	28	33	36
No Prior	451-475	29	34	37
No Prior	000-450	30	35	39
No Prior	No Score	21	26	30

TIER FACTOR

Once tier placement is determined, use the following factors for each tier:

Tier	Other Perils	Wind/Hail
1	0.325	1.000
2	0.360	1.000
3	0.396	1.000
4	0.435	1.000
5	0.476	1.000
6	0.520	1.000
7	0.566	1.000

8	0.615	1.000
9	0.668	1.000
10	0.723	1.000
11	0.781	1.000
12	0.844	1.000
13	0.910	1.000
14	0.980	1.000
15	1.054	1.054
16	1.133	1.133
17	1.215	1.215
18	1.303	1.303
19	1.396	1.396
20	1.495	1.495
21	1.600	1.600
22	1.711	1.711
23	1.829	1.829
24	1.954	1.954
25	2.086	2.086
26	2.226	2.226
27	2.375	2.375
28	2.533	2.533
29	2.700	2.700
30	2.878	2.878
31	3.065	3.065
32	3.264	3.264
33	3.475	3.475
34	3.699	3.699
35	3.936	3.936
36	4.188	4.188
37	4.454	4.454
38	4.736	4.736
39	5.035	5.035
40	5.353	5.353

Household Factor

Age of Named Insured	Marital Status	Other Perils	Wind/Hail
00-26	Married	1.225	1.000
27-31	Married	1.201	1.000
32-45	Married	1.059	1.000
46-51	Married	0.941	1.000
52-57	Married	0.877	1.000
58-66	Married	0.804	1.000
67-70	Married	0.765	1.000

71-76	Married	0.835	1.000
77 and older	Married	0.929	1.000
00-26	Single	1.385	1.000
27-31	Single	1.339	1.000
32-45	Single	1.173	1.000
46-51	Single	1.060	1.000
52-57	Single	1.006	1.000
58-66	Single	0.932	1.000
67-70	Single	0.892	1.000
71-76	Single	0.972	1.000
77 and older	Single	1.074	1.000

Coverage C (Contents) Limit		
Amount	Other Perils	Wind/Hail
10,000	0.643	0.286
11,000	0.657	0.314
12,000	0.671	0.343
13,000	0.686	0.371
14,000	0.700	0.400
15,000	0.714	0.429
16,000	0.729	0.457
17,000	0.743	0.486
18,000	0.757	0.514
19,000	0.771	0.543
20,000	0.786	0.571
21,000	0.800	0.600
22,000	0.814	0.629
23,000	0.829	0.657
24,000	0.843	0.686
25,000	0.857	0.714
26,000	0.871	0.743
27,000	0.886	0.771
28,000	0.900	0.800
29,000	0.914	0.829
30,000	0.929	0.857
31,000	0.943	0.886
32,000	0.957	0.914
33,000	0.971	0.943
34,000	0.986	0.971
35,000	1.000	1.000
36,000	1.020	1.029
37,000	1.040	1.057
38,000	1.060	1.086
39,000	1.080	1.114
40,000	1.100	1.143
41,000	1.120	1.171

42,000	1.140	1.200
43,000	1.160	1.229
44,000	1.180	1.257
45,000	1.200	1.286
46,000	1.220	1.314
47,000	1.240	1.343
48,000	1.260	1.371
49,000	1.280	1.400
50,000	1.300	1.429
51,000	1.320	1.457
52,000	1.340	1.486
53,000	1.360	1.514
54,000	1.380	1.543
55,000	1.400	1.571
56,000	1.420	1.600
57,000	1.440	1.629
58,000	1.460	1.657
59,000	1.480	1.686
60,000	1.500	1.714
61,000	1.520	1.743
62,000	1.540	1.771
63,000	1.560	1.800
64,000	1.580	1.829
65,000	1.600	1.857
66,000	1.620	1.886
67,000	1.640	1.914
68,000	1.660	1.943
69,000	1.680	1.971
70,000	1.700	2.000
71,000	1.720	2.029
72,000	1.740	2.057
73,000	1.760	2.086
74,000	1.780	2.114
75,000	1.800	2.143
76,000	1.820	2.171
77,000	1.840	2.200
78,000	1.860	2.229
79,000	1.880	2.257
80,000	1.900	2.286
81,000	1.920	2.314
82,000	1.940	2.343
83,000	1.960	2.371
84,000	1.980	2.400
85,000	2.000	2.429
86,000	2.020	2.457

87,000	2.040	2.486
88,000	2.060	2.514
89,000	2.080	2.543
90,000	2.100	2.571
91,000	2.120	2.600
92,000	2.140	2.629
93,000	2.160	2.657
94,000	2.180	2.686
95,000	2.200	2.714
96,000	2.220	2.743
97,000	2.240	2.771
98,000	2.260	2.800
99,000	2.280	2.829
100,000	2.300	2.857

For amounts over $100,000, use the following formula:

Other Perils: 1 + 0.7 x (Amount - $35,000) / $35,000
Wind/Hail: Amount / $35,000

For example, $150,000 would be 1 + 0.7 x (150,000 – 35,000) / 35,000 = 3.30 for Other Perils and $150,000 / $35,000 = 4.286 for Wind/Hail

DISCOUNTS AND SURCHARGES

SECURED COMMUNITY/BUILDING DISCOUNT

A 15% discount is applied to the Other Perils premium for homes located in a neighborhood protected by 24 hour-manned security or passkey gates protecting all entrances to community.

The factor for this discount is .85

PACKAGE POLICY DISCOUNT

A package policy discount is applied to the Other Perils premium if the policyholder has an auto policy written with the same agency as the ASI Renters policy. The agent of record must be the same as the ASI Renter's policy. The auto carrier and policy number are required at the time of application. If the auto policy cancels, the Package Policy discount is removed. The factor for each discount is in the table below.

- Auto Companion – This discount applies to an auto policy written with an auto carrier other than a preferred partner.
- Preferred Partner – This discount applies to an auto policy written through an ASI preferred auto carrier.
- PHA Discounts - for policies designated as "PHA", the discount varies by BI limit on the auto policy. If the BI limit is unknown, then the discount is equal to the Preferred Partner discount.
- Flood – This discount applies if an ASI Flood policy with written in conjunction with the ASI Renters policy.

Package Policy Discount	Other Perils
Flood	0.963
Auto	0.938
Preferred Partner	0.875
PHA (BI limits < 50/100)	0.938
PHA (BI limits > = 50/100 and < 100/300 or = 100CSL)	0.875
PHA (BI limits = 100/300)	0.813
PHA (BI limits = 250/500 or >=200CSL)	0.750

E-POLICY DISCOUNT

A $10 discount applies if the insured elects to receive policy documents via email.

PAID-IN-FULL

A discount applies to the Other Perils premium on policies which are paid in full.

Payment Method	Other Perils	Wind/Hail
Insured Pay Plan	1.000	1.000
Insured Full Pay	0.834	1.000

ADVANCE QUOTE DISCOUNT

A discount applies to the Other Perils premium on policies quoted in advance of the effective date. The discount is automatically applied based on the date the quote is initiated in the ASI rating system.

Advance Quote	Other Perils
0	1.000
1	1.000
2	1.000
3	0.960
4	0.950
5	0.940
6	0.935
7	0.930
8	0.925
9	0.920
10	0.915
11	0.910
12	0.905
13	0.900
14	0.895
15	0.890
16	0.885
17	0.880
18	0.875
19	0.870
20	0.870
21	0.870
22	0.870
23	0.870
24	0.870
25	0.870
26	0.870
27	0.870
28	0.870
29	0.870
30	0.870

CLAIMS SURCHARGE

A surcharge applies to renewal policies if a claim is submitted with ASI. Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Claims	Other Perils	Wind/Hail
0	1.000	1.000
1	1.305	1.305
2	1.584	1.584
3	1.841	1.841
4	2.500	2.500

Surcharge is for claims filed with ASI since policy originally incepted with ASI.
Claims drop off after 3 years. Claims with zero payout are to be excluded from claim count.

COVERAGE OPTIONS

DEDUCTIBLES

Deductible options are: $250, $500, $1000. Deductibles may be changed within the first 30 days of the policy or at the time of renewal.

All Perils Deductible	Factor
$250	1.100
$500	1.000
$1,000	0.850

SECTION II LIMITS

Provides coverage for Personal Liability and Medical Payments to Others.

The following limits are available:

Liability	Premium
$100,000	$25
$300,000	$35
$500,000	$45

Medical Payments	Premium
$1,000	$5
$2,500	$8
$5,000	$10

HOME COMPUTER COVERAGE

Provides coverage for computers and related equipment against additional risks of physical loss subject to certain exclusions. In addition, this endorsement permits business use of a personal computer. This coverage is available to a maximum limit of $10,000. An additional $5,000 of coverage is available as part of the Home Shield package.

Additional base premium: $6 for each $1,000. The base premium is multiplied times the tier factor and the advance quote discount factor.

INCREASED LIMIT ON JEWELRY, WATCHES AND FURS

Unscheduled (only) coverage can be added in increments of $1,000 up to a maximum of $5,000 for a base premium of $18 per $1,000. The base premium is multiplied times the tier factor and the advance quote discount factor.

WATER BACKUP / SUMP PUMP COVERAGE

The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from the sump. This endorsement is only available as a part of the Home Shield package.

PERSONAL INJURY COVERAGE

Provides liability coverage for personal injury to others for offenses such as false arrest, detention or imprisonment, libel, slander, defamation of character, invasion of privacy, and wrongful eviction or wrongful entry. This endorsement is only available as a part of the Home Shield package.

HOMESHIELD R PACKAGE

Coverage included in this package cannot be altered or duplicated. Refer to form for complete details. This package consists of:

- Water Backup / Sump Pump Coverage
- Personal Injury Coverage
- Home Computer Coverage
- Increased Special Limits – Personal Property

The rate for this endorsement is $45.00 x the tier factor x the advance quote discount factor.

SCHEDULED PERSONAL PROPERTY – JEWELRY

Scheduled personal property provides all risk coverage subject to certain exclusions. The base rate is $1.25 per $100 of coverage. The base premium is multiplied times the tier factor and the advance quote discount factor.

The following guidelines apply to scheduled items:

- ASI does not offer a blanket schedule for items.
- A complete description, including price, is require on each item. The descriptions will be entered on the last page of the quote. Description should include make, model, color, clarity, size, etc.
- Appraisals or bills of sale and a color photo must accompany single items worth $5,000 or more.
- Schedules which total over $10,000 or include individual items worth more than $5,000 should be submitted for approval prior to binding.
- Central station burglar alarm is required for schedules over $50,000.
- Loose diamonds or gemstones are not eligible for coverag

ADDITIONAL FEES & CALCULATIONS

Premium Rounding

When calculating premium, final premium is rounded to the nearest whole dollar.

Fixed Base Premium

A fixed expense constant is included as part of the final premium calculation. The amount is $50.

Minimum Earned Premium

A minimum premium of $50 is earned on each policy regardless of how long the policy is in force.

Minimum Premium

Minimum final premium per policy is $125.

PAYMENT PLANS

We do not accept Premium Finance Agreements.

The selected payment plan must be indicated on the application.
Two optional payment plans are available in this program:

Semi-Annual (2 PAY)	Quarterly (4 PAY)
55% Down	31% Down
45% Due on 180th day	23% due on the 90th day
	23% due on the 180th day
	23% due on the 270th day

Installment Fee Schedule for 2 Pay & 4 Pay Plans:

Premium Range	Installment Fee
$125-499	$4
$500-649	$5
$650-799	$6
$800-949	$7
$950-and above	$8

Add $1 fee per payment for every $150 of total premium over $1099. Installment fees are fully earned, as they are billed with each installment. There is a $29 service charge on NSF checks.

Monthly Electronic Funds Transfer (EFT)

- 25% down payment due at new business.
- Nine equal installments of 8.33% due every 30 days.
- $2 installment fee for each payment

GENERAL UNDERWRITING ELIGIBILTY

- A risk is not bound until a policy is issued in our rating system. ASI does not allow binders.
- Condominium units must be owned by the insured.
- Condominium units must be insured for 100% of replacement cost.
- Guidelines apply to new and renewal business, unless otherwise specified. If the company discovers conditions of the property that make it ineligible, whether or not disclosed on the application, the risk may be canceled or non-renewed.
- Condominium units in a Special Flood Hazard Area (Zone A or V) must be covered by an ASI Flood insurance policy with matching building limit (or maximum available). This rule only applies to units located on the 1st or 2nd floor.

OCCUPANCY / USE

Residence must be:

- Condominium units must be used exclusively for private residential purposes only.
- Condominium units with home day care exposure are eligible for coverage.
- Condominium units used for the purpose of assisted living, nursing home or group home facilities are ineligible for coverage.
- Condominium units used for the purpose of college housing are ineligible for coverage.
- Condominium units owned by more than 2 individuals must be referred to underwriting.
- Condominium units used for business purposes are ineligible for coverage.
- Condominium units that are vacant, unoccupied, under construction or undergoing major renovations are ineligible for coverage.

OWNER OCCUPIED CONDOMINIUMS

An owner occupied residence must be:

- Owner occupied by owner and the owner's immediate family.
- Occupied by the owner at least nine months per year with no rental exposure. A condominium occupied by the owner less than nine months is considered seasonal / secondary.
- Liability coverage for seasonal/secondary condominiums is limited to the premises.
- Condominium units occupied less than three months are considered ineligible.

RENTAL UNITS

- Rental properties must be rented on leases with minimum terms of 1 week.
- Risks rented for periods of less than one year must have a short term rental surcharge.
- Liability coverage for tenant occupied condominiums is limited to the premises.
- Condominium units occupied less than three months are considered ineligible.

APPLICANT

- Must hold title to the home, which has no more than two mortgages.
- Credit is evaluated along with prior insurance, claims history, condition of property, age of property, and other risk factors.
- Condominium units owned in the name of trust or IRA requires prior underwriting approval.
- With the exception of a new home purchase, applicants must provide documentation verifying continuous voluntary coverage for the property. Force-placed or lender-placed insurance is not considered voluntary coverage.
- Condominium units in the name of a business, limited liability corporation, limited partnership, corporation, land trust or estate are ineligible for coverage. Exceptions may be granted to homes written in the name of an LLC. Prior underwriting approval is required.
- Condominium units purchased as a result of a foreclosure or short sale require underwriting approval prior to binding. Underwriting will require a home inspection, which will include photographs, indicating the home is in acceptable condition.
- Condominium units listed for sale must be referred to Underwriting for prior approval.
- Condominium units in foreclosure are not eligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.

PROPERTY CHARATERSITICS

- Condominium units must be well maintained and display pride in ownership.
- Condominium units must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Properties must have a professionally installed, permanent and thermostatically controlled central heat source. Homes utilizing space heaters are ineligible for coverage.
- Condominium units must have a permanently installed central cooling system.
- Condominium units with any settlement or cracking damage are ineligible for coverage.
- Condominium units with prior sinkhole claims are ineligible for coverage.

LIABILITY/PROPERTY HAZARDS

- Condominium units must be maintained and display a pride in ownership.
- Condominium units must be free of debris, clutter or other liability hazards. This includes, but is not limited to, inoperable vehicles, appliances, tree limbs, or other items deemed unacceptable by underwriting.
- Condominium units where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American bulldogs, bull mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chow Chow, Doberman pinschers, German shepherds, Great Danes, Keeshond pit bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire terriers, wolf hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Condominium units with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Applicants that own or keep ATV's, dirt bikes, or snowmobiles. Exceptions can be made with proof of liability insurance for the vehicles

AGE OF HOME

- Condominium units must be maintained in good condition regardless of age.
- Condominiums units older than 75 years are ineligible for coverage.
- Condominiums built prior to 1978 will include a Lead Liability Exclusion. This form may be removed if the home has been certified as being free of existing lead hazards pursuant to the standards established by the Department of Community Affairs.
- Condominium units more than 40 years old will be written with Limited Water Damage coverage. Losses resulting from water damage will be limited to $10,000 unless loss caused by a "wind or hail" loss (ASI HO LWD).

  Systems must meet the following guidelines in order to remove the Limited Water Endorsement. All updates/replacements should be completed within the past 10 years.

  - Electrical: Installation of new approved circuit breakers, fixtures, receptacles and replacement of wiring with Romex or BX cable. ASI does not accept knob and tube wiring, aluminum wiring (unless properly modified) or fuses.
  - Heating: Installation of new heating plant including burner, boiler, fans, coupling valves, pressure relief valves, safety controls, safety switches or connectors.
  - Plumbing: Replacement of pressurized water lines, fixtures, traps, pump, holding tank & hot water heater. Copper tubing or PVC plumbing is required. ASI does not accept Polybutylene or PEX plumbing systems.
  - Roof: Completely replaced with approved roof covering & flashing.

Proof of these updates need be referred to Underwriting. We will require a four-point inspection (and/or receipts of work completed) in addition to photos. The inspection / proof of updates should address what updates have been made and the year in which they were made. Once received, Underwriting will evaluate the request based on the photos, inspection and entire history of the property and applicant.

Condominium units with the following are ineligible for coverage:

- Units deemed by the company to have a lack of maintenance or upgrades.
- Units with fuses, knob and tube, wiring or federal pacific breakers.
- Units with aluminum wiring.
- Units with polybutylene or PEX or galvanized plumbing.

ROOF/SIDING

Condominiums with the following are ineligible for coverage:

- Wood shingle, wood shake, tar and gravel, rubber membrane, tin and corrugated metal roofs
- Flat roofs are ineligible unless they are poured concrete
- T-Lock shingle
- Asbestos roof or siding
- Masonite, EIFS, Dryvit siding or wood shake siding

INSURANCE TO VALUE

Condominium units must be insured for 100% of replacement cost, or 100% of ACV for homes older than 40 years. Our system provides a replacement cost calculated by Marshall & Swift/Boeckh (M&S/B).

PREVIOUS CANCELLATIONS / NON-RENEWALS / NO PRIOR COVERAGE

Applicants previously canceled or non-renewed by another insurer must be referred to company prior to binding. If no prior coverage or a lapse in coverage, other than a first-time home buyer, the risk is ineligible.

LOSS HISTORY

Claims are evaluated both in rating and as part of the underwriting process. The company reserves the right to re-rate, cancel or non-renew based upon claim activity.

Unacceptable prior loss history:

- Three or more claims reported within 3 years.
- 1 or more liability claims within 3 years.

Contact Underwriting, do not bind:

- Two or more claims reported within 5 years.

Renewal Business ~ Losses occurring during the policy term that continue to impose a substantial relationship to risk of future loss and/or changes in exposure that impose a substantial risk of future loss will be considered for non-renewal.

PROTECTION CLASS INFORMATION

The Protection Class listings in the Public Protection Classification Manual apply. Use PC 10 for unclassified areas. Homes must have paved road access to qualify. In an unclassified area where two or more classifications are shown (e.g. 6/9), the classification is determined as follows:

Miles to Fire Station	Feet to Hydrant	Class
Less than 5	Less than 1,000	first PC
Less than 5	More than 1,000	9
More than 5		10

Homes in a PC 9 or 10 must meet the following eligibility requirements:

- Homes must be located on a paved road
- Homes must be visible to neighbors

CONSTRUCTION DEFINITIONS

- Frame / Stucco on Frame / Hardiplank over Frame – exterior wall of wood or other combustible construction, including wood-iron clad, stucco on wood or plaster on combustible supports, and aluminum or plastic siding over frame.
- Masonry Veneer – exterior walls constructed of masonry materials such as brick or stone over frame.
- Masonry / Stucco on Masonry – exterior walls constructed of masonry materials such as adobe, concrete, gypsum block, hollow concrete block, stone, tile, or similar materials, and floors and roof of combustible construction.
- Superior Construction – exterior walls, floors, and roof constructed of masonry or other non-combustible materials.

Note: Mixed (Brick/Block and Frame) – a combination of both brick/block and frame construction shall be classified as Frame when the exterior walls of frame construction (including gables) exceed 30% of total exterior wall area; otherwise classify as Brick/Block.

INELIGIBLE RISKS INDEX

- Condominiums buildings with wood shingles, T-lock shingles, flat or corrugated metal roofs.
- Condominiums buildings with wood shake, Masonite, EIFS or Dryvit siding.
- Condominiums buildings with asbestos roofs or asbestos siding.
- Units with fuses, knob and tube wiring or federal pacific breakers.
- Units with aluminum wiring (may be eligible if properly modified; inspection required).
- Units with polybutylene or PEX or galvanized plumbing.
- Units without a permanently installed central heat and air source.
- Units deemed by the company to be in poor condition or disrepair.
- Units deemed by the company to have a lack of maintenance or upgrades.
- Units with debris or other liability hazards on the premises.
- Units under construction or major renovation.
- Condominiums buildings without paved road access. .
- Units that are vacant, unoccupied, under construction or undergoing major renovations are ineligible for coverage.
- Condominium units available for rental for periods of less than one week.
- Condominium units where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. Homes with vicious dogs including Akitas, American Bulldogs, Beaucerons, Belgian Malinois, Bull Mastiffs, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Condominium units with exotic animals, farm or saddle animals.
- Condominium units with business exposure.
- Condominiums buildings with any settlement or cracking damage are ineligible for coverage.
- Condominiums buildings` with prior sinkhole claims are ineligible for coverage.
- Condominium units used for the purpose of assisted living, nursing home or group home facilities.
- Condominium units used for the purpose of college housing.
- Applicants with ATVs, snowmobiles or dirt bikes on the premises.
- Applicants with duplicate coverage.
- Applicants with more than two mortgages.
- Applicants/Units in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate.
- Applicants with no prior coverage (other than first time home buyer), a lapse in coverage, or homes with forced placed insurance.

BINDING AUTHORITY

A risk is not bound until a policy is issued in our rating system. ASI does not accept binders. For your convenience, our system provides an immediate declarations page and application upon issuance of the policy. Risks may be bound up to 60 days prior to effective date.

Agents may bind coverage on risks meeting all underwriting criteria without contacting the company. Signed applications and supporting documentation must be maintained in Agent's office and is subject to audit at request of the company.

- $500,000 Coverage A. Risks above $500,000 must be submitted to underwriting for review prior to binding coverage.
- $250,000 Coverage C. Amounts greater than $250,000 must be submitted to underwriting for review prior to binding coverage.
- Risks must meet the eligibility / underwriting guidelines. Any risk not meeting the guidelines, but judged by the agent to be a good risk, must be referred to underwriting prior to binding.

HIGH VALUE PROGRAM

Condominium units with Coverage A greater than $500,000 meeting all underwriting criteria may be eligible for coverage. Agent may not bind coverage. All applications must be submitted to the Underwriting Department for approval and binding of coverage.

GENERAL RULES

POLICY TERM

The standard policy term is one year and may be extended for successive policy periods by renewal.

RENEWAL

If the company elects to offer renewal, policy may be renewed by the policyholder by paying the renewal premium prior to the expiration of the current policy. Renewal policy will be issued based on the premiums, forms and endorsements in effect at time of renewal. A new declaration page as well as any revised policy forms will be sent to the insured. Copies of notices and declaration page will be sent to the mortgagee(s).

CANCELLATION OR CHANGE IN COVERAGE

- Mandatory coverages may not be canceled unless the entire policy is canceled.
- The insured may cancel the policy at any time for any reason. Flat cancellations after the effective date will require proof of other insurance and must be made within 60 days of effective date.
- Policyholders requesting to backdate a cancellation more than 30 days will be required to provide proof of other coverage or the sale of the home.
- If insurance is increased, canceled or reduced, the additional or return premium shall be computed on a pro-rata basis.
-

MULTIPLE COMPANY INSURANCE

We will not provide coverage for a dwelling that is also covered by another insurance policy.

MULTIPLE LOCATIONS

This program does not permit coverage for multiple locations on the same policy.

TRANSFER OR ASSIGNMENT

No transfers or assignments are permitted. Each insured and/or property will require submission of a new application.

WAIVER OF PREMIUM

When a policy is issued or endorsed after the inception date, additional or return premium of less than $5 is waived. However, we will return unearned premium upon request.

OTHER INSURED LOCATION - NO COVERAGE

This program does not permit liability coverage for any other residences owned by the insured regardless of occupancy.

BUSINESS PURSUITS - NO COVERAGE

This program does not offer coverage for liability arising out of business activities.

INCIDENTAL OCCUPANCIES - NO COVERAGE

This program does not offer coverage for liability arising out of incidental occupancies.

COVERAGE OVERVIEW

COVERAGE LIMITS

Coverage	Limits
A – Dwelling	$20,000 to $1,000,000*
C – Contents	$0 to $500,000*
D - Loss of Use	20% of Coverage A & C combined
E - Personal Liability	$100,000, $300,000 or $500,000
F - Medical Payments	$1,000, $2500 or $5,000

**Binding limits apply*

COVERED PERILS

Coverage A: All risks are covered with certain exclusions. Please read the policy for a complete list of exclusions. Further, each policy is written with ASI's Special Provisions Endorsement.

Contents (Coverage C): Fire or Lightning, Internal Explosion, Windstorm or Hail, Explosion, Riot or Civil Commotion, Aircraft, Vehicles or Smoke, Vandalism or Malicious Mischief, Volcanic Eruption, Damage by Burglars, Falling Objects, Weight of Ice, Snow or Sleet, Sudden Cracking of a Steam or Hot Water Heating System, Freezing, Sudden Damage from Electrical Current, Accidental Discharge of Water or Steam.

MANDATORY ENDORSEMENTS

COVERAGE ENDORSEMENTS / ASI SPECIAL PROVISIONS

ASI excludes Liability coverage for the following: Trampolines, Animals, Fungi Wet or Dry Rot or Bacteria, Diving Boards or Slides, and Fuel Systems.

Endorsement ASI HO TN SP is attached to all policies. Our Special Provisions endorsement amends the basic ISO Dwelling Property 3 Special. We encourage you to read our Special Provisions in its entirety. A few items of particular importance are:

- Additional Living Expense and Fair Rental Value Loss Participation – requires the policyholder to pay 20% of temporary living expenses.
- Windstorm or Hail Exclusion – excludes windstorm or hail losses to:
    - ❖ outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers;
    - ❖ Awnings, aluminum framed screened enclosures, or aluminum framed carports or aluminum sheds;
    - ❖ Solar panels; solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems; and
    - ❖ Any structure defined as part of Coverage B - Other Structures unless the structure is constructed of the same or superior construction material and methods as that of the dwelling and attached to a permanent concrete foundation.

PREMISE ONLY LIABILITY

Endorsement ASI HO PL is attached to all Dwelling policies. This ISO endorsement limits the liability coverage to “premises only”. Liability coverage will apply to losses occurring out of the ownership, maintenance or use of the residence premises. This applies to secondary or rental condo units.

LEAD LIABILITY EXCLUSION

For homes built prior to 1978, the Lead Liability Exclusion will be attached. This form may be removed if the home has been certified as being free of existing lead hazards pursuant to the standards established by the Department of Community Affairs.

LIMITED FUNGI, WET OR DRY ROT OR BACTERIA COVERAGE

This is a mandatory endorsement that limits Section I coverage for fungi, wet or dry rot or bacteria coverage to $5,000. Coverage only applies to a peril insured against.

LIMITED WATER DAMAGE COVERAGE

Homes older than 40 years of age are written with the limited water damage coverage endorsement. Limited coverage is provided for sudden and accidental discharge or overflow of water or steam from within a plumbing, heating, A/C, or automatic sprinkler system or from within a household appliance. The limit of liability for all covered property under this option is $10,000.

The factor for this endorsement is .86 and it applies to the Other Perils premium.

UNIT OWNERS SPECIAL COVERAGE A

Changes named perils to all risk coverage, subject to the policy exclusions. This endorsement is automatically added to each policy for no additional premium.

OPTIONAL COVERAGES ENDORSEMENTS

PERSONAL PROPERTY REPLACEMENT COST COVERAGE

Provides for settlement of losses for contents coverage (Coverage C) on a replacement cost basis.

The factor for this coverage is 1.15 and it applies to the Other Perils and Wind/Hail premium.

SPECIAL PERSONAL PROPERTY COVERAGE

This endorsement provides all risk coverage on contents subject to exclusions.

The factor for this coverage is 1.25 and it is applied to the other perils premium.

ORDINANCE OR LAW COVERAGE

This endorsement provides coverage for increases in cost of reconstruction, repair, or demolition of property that result from local laws or ordinances regulating such. The basic policy includes 10% of Coverage A. The coverage option provided by this endorsement is 25% of Coverage A.

		Factor
Additional Premium	25% of coverage A	1.03

WATER BACKUP/SUMP PUMP COVERAGE

The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from the sump. The limit of liability under this option is $5,000. The policy deductible or $1,000, whichever is greater, applies.

The endorsement may be added for a premium of $40.

ANIMAL LIABILITY BUYBACK ENDORSEMENT

This endorsement may be added at the option of the insured for the limits and premiums below. Endorsement provides that Coverage E (Personal Liability) and F (Medical Payments) applies to bodily injury or property damage caused by animals owned by the insured, provided the animals are not prohibited by our guidelines (see ineligible list). An insured must have an umbrella policy in order to qualify for the $300,000 or $500,000 options. A current Declarations Page for the umbrella policy will be required for audit purposes. This endorsement also provides Medical Payments coverage at the same limit as chosen for regular liability coverage.

Limit	Premium
$50,000	$25
$300,000	$35
$500,000	$45

LOSS ASSESSMENT COVERAGE

Provides increased coverage for assessments relating to the residence premises. The basic policy includes $1,000 coverage.

Additional premium:

Limit	Premium
$ 5,000	$15
$10,000	$25

SCHEDULED PERSONAL PROPERTY

Scheduled coverage may be purchased for the following classes of property.

Property Description	Rate/$100
Antiques	0.90
Bicycles	9.35
Camera/Projection Equipment (Non-professional)	1.52
Coins	1.80
Fine Art	0.50
Fine Art - With Breakage	1.00
Furs	0.40
Golfer's Equipment	1.40
Jewelry	1.25
Miscellaneous Personal Property	1.00
Musical Instruments (Non-professional)	0.60
Other Sports Equipment	2.00
Guns – Fired	3.00
Guns – Collectible	1.50
Silverware	0.45
Stamps	0.80

Underwriting Guidelines:

- ASI does not offer a blanket schedule for items.
- A complete description, including price, is require on each item.
- Description should include make, model, color, clarity, size, etc.
- Appraisals or bills of sale and a color photo must accompany single items worth $5,000 or more.
- Jewelry items worth $5,000 or more must be kept in vault when not worn.
- Schedules which total over $20,000 or include individual items worth more than $5,000 should be submitted for approval prior to binding.
- Central station burglar alarm is required for schedules over $50,000.
- Prior approval is required for Scheduled Personal Property on homes located in protection classes 9 and 10.
- Breakage coverage is limited on fine arts/antiques.

INCREASED LIMIT ON JEWELRY, WATCHES AND FURS

Unscheduled (only) coverage can be added in increments of $1,000 up to a maximum of $5,000 for a premium of $18 per $1,000.

PERSONAL INJURY COVERAGE

This endorsement provides liability coverage for personal injury to others for offenses such as false arrest, detention or imprisonment, libel, slander, defamation of character, invasion of privacy, and wrongful eviction or wrongful entry.

Additional premium: $15

HOME COMPUTER COVERAGE

This endorsement provides coverage for computers and related equipment against additional risks of physical loss subject to certain exclusions. In addition, this endorsement permits business use of a personal computer. This coverage is available to a maximum limit of $20,000.

Additional premium: $6 for each $1,000

SINKHOLE COVERAGE

The base policy covers Catastrophic Ground Cover Collapse. Sinkhole Coverage is excluded in the base policy, but may be purchased for an additional premium subject to underwriting review.

The Premium for this coverage is $0.60 per $1,000 in coverage A and C

PREMIUM CALCULATION

This section provides explanation of how premiums are determined and what adjustments are applied to price each risk.

Premium is calculated separately for "wind/hail" and "other perils". Many policy variables and the rate classifications within each are used in developing the final premium. In general, the factor for each rate class is multiplied times the factor for the rate class of the preceding variable. The following variables, rate classifications, and factors are utilized in rating.

NEW BUSINESS TIER CRITERIA

Tiered rating is utilized to broaden underwriting eligibility and properly match rate to risk. Consumer data gathered from the applicant and third party providers determines new business tier placement. Once assigned to a tier at new business, the policy remains in the same tier at renewal. Criteria used for tier placement include liability limit on prior homeowner policy, credit score, and prior claims. Proof of prior insurance in the form of a declarations page showing the prior liability limit must be retained in agent's file. These documents will be subject to review during an audit.

*Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Prior Liability Limit	Credit Score Range	Placement by Prior Claims*		
		0	1	2
$300,000 or greater	876-999	6	14	15
$300,000 or greater	826-875	7	14	16
$300,000 or greater	801-825	7	15	17
$300,000 or greater	776-800	8	16	18
$300,000 or greater	751-775	9	17	19
$300,000 or greater	726-750	11	18	20
$300,000 or greater	701-725	13	20	22
$300,000 or greater	676-700	15	21	23
$300,000 or greater	651-675	16	23	25
$300,000 or greater	626-650	17	23	25
$300,000 or greater	601-625	17	23	25
$300,000 or greater	576-600	18	25	28
$300,000 or greater	551-575	19	28	28
$300,000 or greater	000-550	22	28	28
$300,000 or greater	No Score	13	20	22
$100,000	876-999	9	17	18
$100,000	826-875	10	17	19
$100,000	801-825	10	18	20
$100,000	776-800	12	19	21
$100,000	751-775	12	20	21
$100,000	726-750	14	21	23
$100,000	701-725	16	23	25

$100,000	676-700	18	25	28
$100,000	651-675	19	25	28
$100,000	626-650	20	28	28
$100,000	601-625	20	28	28
$100,000	576-600	21	28	28
$100,000	551-575	22	28	28
$100,000	000-550	25	28	28
$100,000	No Score	16	23	25
Lapse	876-999	9	17	18
Lapse	826-875	10	17	19
Lapse	801-825	10	18	20
Lapse	776-800	12	19	21
Lapse	751-775	12	20	21
Lapse	726-750	14	21	23
Lapse	701-725	16	23	25
Lapse	676-700	18	25	28
Lapse	651-675	19	25	28
Lapse	626-650	20	28	28
Lapse	601-625	20	28	28
Lapse	576-600	21	28	28
Lapse	551-575	22	28	28
Lapse	000-550	25	28	28
Lapse	No Score	16	23	25
No Prior Liability	876-999	9	17	18
No Prior Liability	826-875	10	17	19
No Prior Liability	801-825	10	18	20
No Prior Liability	776-800	12	19	21
No Prior Liability	751-775	12	20	21
No Prior Liability	726-750	14	21	23
No Prior Liability	701-725	16	23	25
No Prior Liability	676-700	18	25	28
No Prior Liability	651-675	19	25	28
No Prior Liability	626-650	20	28	28
No Prior Liability	601-625	20	28	28
No Prior Liability	576-600	21	28	28
No Prior Liability	551-575	22	28	28
No Prior Liability	000-550	25	28	28
No Prior Liability	No Score	16	23	25
1st-time Owner	876-999	6	14	16
1st-time Owner	826-875	7	15	17
1st-time Owner	801-825	8	15	17
1st-time Owner	776-800	9	17	18
1st-time Owner	751-775	10	17	19
1st-time Owner	726-750	12	19	21
1st-time Owner	701-725	14	21	22

1st-time Owner	676-700	15	22	25
1st-time Owner	651-675	17	23	25
1st-time Owner	626-650	17	25	28
1st-time Owner	601-625	18	25	28
1st-time Owner	576-600	19	25	28
1st-time Owner	551-575	20	28	28
1st-time Owner	000-550	23	28	28
1st-time Owner	No Score	14	21	23

TIER FACTOR

Once tier placement is determined, use the following factors for each tier.

Tier	Other Perils	Wind/Hail
1	0.422	1.000
2	0.449	1.000
3	0.477	1.000
4	0.508	1.000
5	0.539	1.000
6	0.572	1.000
7	0.601	1.000
8	0.648	1.000
9	0.683	1.000
10	0.713	1.000
11	0.759	1.000
12	0.793	1.000
13	0.892	1.000
14	0.943	1.000
15	0.991	1.000
16	1.111	1.099
17	1.228	1.203
18	1.306	1.273
19	1.385	1.343
20	1.455	1.406
21	1.546	1.487
22	1.635	1.566
23	1.750	1.669
24	1.834	1.744
25	1.917	1.818
26	2.041	1.928
27	2.173	2.046
28	2.288	2.149
29	2.408	2.256
30	2.535	2.369

COVERAGE A – BUILDING ADDITIONS / ALTERATIONS AND COVERAGE C – CONTENTS

Insured may select desired coverage limit for building additions and alterations and personal property. A minimum limit of $20,000 for Coverage A applies.
The factor for coverage amounts greater than $300,000 is determined by dividing the coverage amount by $300,000 and multiplying the result x 2.216.

Cov A&C	Factor
20,000	0.531
25,000	0.556
30,000	0.581
35,000	0.606
40,000	0.635
45,000	0.665
50,000	0.695
60,000	0.756
70,000	0.817
80,000	0.877
90,000	0.939
100,000	1.000
110,000	1.060
120,000	1.121
130,000	1.183
140,000	1.243
150,000	1.304
160,000	1.365
170,000	1.425
180,000	1.486
190,000	1.548
200,000	1.608
210,000	1.669
220,000	1.730
230,000	1.790
240,000	1.851
250,000	1.913
260,000	1.973
270,000	2.034
280,000	2.095
290,000	2.155
300,000	2.216

PROTECTION CLASS / CONSTRUCTION

Use the following factors for Other Perils:

Protection Class	Frame	Masonry	Masonry Veneer	Superior
1	1.06	1.00	1.00	0.90
2	1.06	1.00	1.00	0.90
3	1.06	1.00	1.00	0.90
4	1.06	1.00	1.00	0.90
5	1.06	1.00	1.00	0.90
6	1.16	1.05	1.05	0.95
7	1.19	1.05	1.05	0.95
8	1.30	1.20	1.20	1.10
9	1.40	1.25	1.25	1.15
10	2.00	1.50	1.50	1.40

Use the following factors for the Wind/Hail premium:

Type	Wind/Hail
Frame	1.21
Masonry Veneer	1.00
Masonry	1.00
Superior	0.85

NUMBER OF FLOORS ABOVE UNIT
Use the following factors:

Floors Above Unit	Other	Wind/Hail
0	0.90	1.00
1	1.00	1.00
2	1.05	1.00
3+	1.10	1.00

AGE OF DWELLING Age is determined by subtracting the year in which construction of the residence was completed from the year in which the policy is effective.

Age of Home	Other Perils	Wind/Hail
0	0.467	0.600
1	0.495	0.620
2	0.551	0.640
3	0.579	0.660
4	0.608	0.680
5	0.664	0.700

6	0.720	0.720
7	0.748	0.740
8	0.776	0.760
9	0.804	0.780
10	0.832	0.800
11	0.888	0.850
12	0.944	0.900
13	1.000	0.950
14	1.056	1.000
15	1.056	1.000
16	1.056	1.000
17	1.056	1.000
18	1.056	1.000
19	1.056	1.000
20	1.056	1.000
21	1.112	1.000
22	1.140	1.000
23	1.168	1.000
24	1.196	1.000
25	1.224	1.000
26	1.224	1.000
27	1.224	1.000
28	1.224	1.000
29	1.224	1.000
30	1.224	1.000
31	1.168	1.000
32	1.168	1.000
33	1.168	1.000
34	1.168	1.000
35	1.168	1.000
36	1.168	1.000
37	1.168	1.000
38	1.168	1.000
39	1.168	1.000
40	1.168	1.000
41	1.224	1.000
42	1.224	1.000
43	1.224	1.000
44	1.224	1.000
45	1.224	1.000
46	1.224	1.000
47	1.224	1.000
48	1.224	1.000
49	1.224	1.000
50	1.224	1.000

51	1.224	1.000
52	1.224	1.000
53	1.224	1.000
54	1.224	1.000
55	1.224	1.000
56	1.224	1.000
57	1.224	1.000
58	1.224	1.000
59	1.224	1.000
60	1.224	1.000
61	1.224	1.000
62	1.224	1.000
63	1.224	1.000
64	1.224	1.000
65	1.224	1.000
66	1.224	1.000
67	1.224	1.000
68	1.224	1.000
69	1.224	1.000
70	1.224	1.000
71	1.224	1.000
72	1.224	1.000
73	1.224	1.000
74	1.224	1.000
75+	1.224	1.000

COVERAGE OPTIONS

DEDUCTIBLES

The standard deductible is $500 for wind/hail and other perils premium. The wind/hail deductible cannot be less than the other perils deductible. Changes in deductibles may only be made at the time of renewal.

Deductible	Coverage A ($000's)	Other Perils	Wind/Hail
$500	0-50	0.910	0.972
$1,000	0-50	0.830	0.925
$2,500	0-50	0.680	0.816
1%	0-50	0.870	0.947
2%	0-50	N/A	0.884
5%	0-50	N/A	0.745
$500	51-100	0.910	0.972
$1,000	51-100	0.830	0.925
$2,500	51-100	0.680	0.816
1%	51-100	0.870	0.947
2%	51-100	N/A	0.884
5%	51-100	N/A	0.745
$500	101-150	0.980	0.994
$1,000	101-150	0.890	0.962
%2,500	101-150	0.750	0.884
1%	101-150	0.870	0.947
2%	101-150	N/A	0.884
5%	101-150	N/A	0.745
$500	151-200	1.020	1.004
$1,000	151-200	0.940	0.980
$2,500	151-200	0.810	0.919
1%	151-200	0.870	0.947
2%	151-200	N/A	0.884
5%	151-200	N/A	0.745
$500	201-250	1.050	1.011
$1,000	201-250	0.980	0.990
$2,500	201-250	0.850	0.940
1%	201-250	0.870	0.947
2%	201-250	N/A	0.884
5%	201-250	N/A	0.745
$500	251-300	1.080	1.015
$1,000	251-300	1.000	0.997
$2,500	251-300	0.890	0.954
1%	251-300	0.870	0.947
2%	251-300	N/A	0.884
5%	251-300	N/A	0.745
$500	301-500	1.150	1.021
$1,000	301-500	1.080	1.008
$2,500	301-500	0.950	0.975

1%	301-500	0.870	0.947
2%	301-500	N/A	0.884
5%	301-500	N/A	0.745
$500	501-999	1.150	1.027
$1,000	501-999	1.080	1.020
$2,500	501-999	0.950	1.000
1%	501-999	0.870	0.947
2%	501-999	N/A	0.884
5%	501-999	N/A	0.745
$500	1000-5000	1.150	1.027
$1,000	1000-5000	1.080	1.020
$2,500	1000-5000	0.950	1.000
1%	1000-5000	0.870	0.947
2%	1000-5000	N/A	0.884
5%	1000-5000	N/A	0.745

Coverage D – Loss of Use

Base rates include loss of use coverage equal to 20% of Coverage A. Coverage D is available in the following limit:

% Coverage A	Factor
20%	1.00

SECTION II LIMITS

Provides coverage for Personal Liability and Medical Payments to Others.

The following limits are available:

Liability Limit	Premium
$100,000	$15
$300,000	$25
$500,000	$35

Med Pay Limit	Premium
$1,000	$5
$2,500	$8
$5,000	$10

DISCOUNTS & SURCHARGES

Discounts are applied to both the other perils and wind/hail premium (unless specified otherwise) as a multiplicative factor. The maximum cumulative rate impact from all discounts and surcharges combined is 55%. The maximum combined rate impact from the tier factor and all discounts and surcharges is 60%. The E-Policy and Paid in Full Discount are not subject to discount capping. Documentation supporting all discounts must be maintained in the agency file or submitted to the company.

PACKAGE POLICY DISCOUNT

A package policy discount is applied to the Other Perils premium if the policyholder has an auto policy written with the same agency as the ASI Homeowners policy. The agent of record must be the same as the ASI Homeowners policy. The auto carrier and policy number are required at the time of application. If the auto policy cancels, the Package Policy discount is removed. The factor for each discount is in the table below.

- Auto Companion – This discount applies to an auto policy written with an auto carrier other than a preferred partner.
- PHA Discounts - for policies designated as "PHA", the discount varies by BI limit on the auto policy. If the BI limit is unknown, then the discount is equal to the Preferred Partner discount.
- Flood – This discount applies if an ASI Flood policy with written in conjunction with the ASI Homeowners policy.

Package Policy Discount	Other Perils
Flood	0.966
Auto	0.944
Preferred Partner	0.888
PHA (BI limits < 50/100)	0.944
PHA (BI limits > = 50/100 and < 100/300 or = 100CSL)	0.888
PHA (BI limits = 100/300)	0.832
PHA (BI limits = 250/500 or >=200CSL)	0.776

NEW PURCHASE DISCOUNT

A 10% discount is offered to homeowners who are obtaining their policy to coincide with the purchase of a home. The discount is phased out over time (7% in Year 2, 3% in Year 3, and 0% in Year 4).

SECURED COMMUNITY/BUILDING DISCOUNT

A 10% discount is applied to the "other perils" premium for homes located in a neighborhood protected by 24 hour-manned security or passkey gates protecting all entrances to community. Only applies to Other Perils premium.

SENIOR DISCOUNT

A 5% discount is offered to applicants who have attained age of 60, or are 55 and retired. This discount applies to owner-occupied units only.

PROTECTIVE DEVICE DISCOUNT

- 5% discount for fire alarm reporting to fire or central station.
- 8% discount for complete home sprinkler system.
- 5% discount for complete local burglar alarm covering all exterior doors & windows.
- 8% discount for complete burglar alarm reporting to police/central station.

An insured cannot have both of the fire protection discounts or both of the home security discounts. If they qualify for both of either type of discount, they will receive the better credit.

E-POLICY DISCOUNT

A $10 discount applies if the insured elects to receive policy documents via email.

NON-SMOKER/SMOKER DISCOUNT/SURCHARGE

Smoker	Factor
Yes	1.30
No	0.99

To qualify for the discount all residents of the home must be non-smokers.

WOOD BURNING STOVE SURCHARGE

A 10% surcharge applies to Other Perils premium.

RENTER-OCCUPIED SURCHARGE

Risks that have any rental exposure will be rated as follows:

Renter-Occupied	Factor
No	1.00
Annual Lease	1.25
Short-term	1.40

SHORT TERM RENTAL

A 40% surcharge applies if the dwelling is rented to others on a short-term basis. Dwellings cannot be rented for less than a 1 week period of time.

CLAIMS SURCHARGE

A surcharge applies to renewal policies if a claim is submitted with ASI. Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Claims	NHR	HUR
0	1.000	1.000
1	1.305	1.305
2	1.584	1.584
3	1.841	1.841
4	2.500	2.500

Surcharge is for claims filed with ASI since policy originally incepted with ASI.
Claims drop off after 3 years. Claims with zero payout are to be excluded from claim count.

ADDITIONAL FEES & CALCULATIONS

Waiver Of Premium

When a policy is first issued or endorsed after the inception date, additional or return premium of less than $5 is waived. However, we will return unearned premium upon request.

Premium Rounding

When calculating premium, final premium is rounded to the nearest whole dollar.

Fixed Base Premium

A fixed base premium of $50 is to be charged on each new and renewal policy.

Minimum Premium

Minimum final premium per policy is $250.

Minimum Earned Premium

A minimum premium of $50 is earned on each policy regardless of how long the policy is in force.

PAYMENT PLANS

Minimum premium to qualify for payment plan: $400
We do not accept Premium Finance Agreements.

The selected payment plan must be indicated on the application.
Two optional payment plans are available in this program:

Semi-Annual (2 PAY)	Quarterly (4 PAY)
55% Down	31% Down
45% Due on 180th day	23% due on the 90th day
	23% due on the 180th day
	23% due on the 270th day

Installment Fee Schedule for 2 Pay & 4 Pay Plans:

Premium Range	Installment Fee
$400-499	$4
$500-649	$5
$650-799	$6
$800-949	$7
$950-and above	$8

Add $1 fee per payment for every $150 of total premium over $1099. Installment fees are fully earned, as they are billed with each installment. There is a $29 service charge on NSF checks.

Monthly Electronic Funds Transfer (EFT)

- 25% down payment due at new business.
- Nine equal installments of 8.33% due every 30 days.
- $2 installment fee for each payment

ELIGIBILITY – UNDERWRITING

GENERAL UNDERWRITING ELIGIBILTY

- A risk is not bound until a policy is issued in our rating system. ASI does not allow binders.
- The property must be owned and occupied by the insured as a primary residence.
- Risks must be insured for 100% of replacement cost.
- All guidelines apply to new and renewal business, unless otherwise specified. If the company discovers conditions of the property which make it ineligible, whether or not disclosed on the application, the risk may be canceled or non-renewed.
- The company reserves the right to re-rate, cancel or non-renew a policy based on the discovery of inaccurate or undisclosed information at the time of application.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Properties in a Special Flood Hazard Area (Zone A or V) must be covered by an ASI Flood insurance policy with matching building limit (or maximum available).

OCCUPANCY / USE

Residence must be:

- Occupied by the owner and owner's immediate family.
- Occupied as a primary residence.
- Used exclusively for private residential purposes only.
- Properties with home day care exposure are eligible for this program with evidence of commercial liability coverage with a minimum limit of $500,000 for the day care operation.
- Properties used for the purpose of assisted living, nursing home or group home facilities are ineligible for coverage.
- Properties used for the purpose of college housing are ineligible for coverage.
- Properties owned by more than 2 individuals must be referred to underwriting.
- Properties used for business purposes, other than approved home daycares, are ineligible for coverage.
- Properties in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Properties that are vacant, unoccupied, or under construction or major renovation are ineligible for coverage. Homes under construction may qualify for a Dwelling Fire policy.

SECONDARY/SEASONAL RESIDENCES

A dwelling occupied by owner for less than nine continuous months per year is considered seasonal. Seasonal residences are not eligible for coverage in this program.

** Secondary/seasonal residence may qualify for a Dwelling Fire policy subject to eligibility guidelines. See Dwelling Fire manual for more information

APPLICANT

- Must occupy the home as a primary residence.
- Must hold title to home with a maximum of two mortgages.
- Credit is evaluated along with prior insurance, claims history, condition of property, age of property, and other risk factors.
- Properties owned in the name of trust or IRA must be referred to underwriting for prior underwriting approval.
- Properties in the name of a business, Limited Liability corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.
- With the exception of a new home purchase, applicants must provide documentation verifying continuous voluntary coverage for the property. Force placed or lender placed insurance is not considered voluntary coverage.

PROPERTY LOCATION

- Properties must be located on a paved road easily accessible to emergency vehicles.
- Properties in a commercially zoned neighborhood or adjacent to a commercial property must be submitted to underwriting for prior approval.
- Properties on landfill sites or geologically unstable areas are ineligible for coverage.
- Properties on mountainsides, cliffs or bluffs or over water are ineligible for coverage.
- Properties in fly-in/out or airport communities are ineligible for coverage.
- Properties partial or entirely over water are ineligible for coverage.
- Properties on a farm or with farming exposure are ineligible for coverage.
- Properties on more than 5 acres must be referred to underwriting for prior underwriting approval.

PROPERTY CHARACTERISTICS

- Properties and the dwelling must be well maintained and display pride in ownership.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Porches or decks more than 2 feet off the ground or with 3 or more steps leading to them must be protected with properly installed handrails.
- Trees must be a safe distance from the dwelling and other structures on the property. All trees and brush must be trimmed and maintained. Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home may be ineligible for coverage.
- Homes must have a professionally installed, permanent and thermostatically controlled central heat source. Professional installed wood burning stoves are permitted as long as they are not the primary heat source. A wood burning surcharge is applied.
- Properties must have a permanently installed central cooling system. Homes with evaporative cooling systems are ineligible for coverage.
- Properties purchased as a result of a foreclosure or short sale requires underwriting approval prior to binding.
- Properties that are currently listed for sale must be referred to underwriting for prior approval.
- Properties in foreclosure are not eligible for coverage.
- Properties with swimming pools, hot tubs or spas must be gated with a minimum of a 4 foot fence and locking gate or approved alternate enclosure. Swimming pools, hot tubs and spas must be maintained in working condition. Diving boards or slides are not permitted.
- Homes of unconventional construction including, but not limited, to, do-it-yourself, log, dome, A –frame, shell, or homes using unconventional parts or not meeting building codes are ineligible for coverage.
- Properties with underground fuel tanks, whether or not in use are ineligible for coverage.
- Properties with historical designations are not eligible for coverage.
- Homes with burglar bars installed on the windows having no inside release are ineligible for coverage.
- Homes designated as “Green Homes” are ineligible for coverage.
- Mobile, modular, manufactured and pre-fabricated homes are ineligible for coverage.
- Properties, other structures, walkways or retaining walls, deemed by the company to be in poor condition or disrepair are ineligible for coverage.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.

AGE OF HOME/ UPDATE REQUIREMENTS

Risks older than 75 years are ineligible. Risks older than 50 years are ineligible without proof of updates. Proof of the following updates should be submitted to underwriting prior to binding coverage. We will require a 4-point inspection, and/or receipts of work completed, in addition to photos. The inspection / proof of updates should address what updates have been made and the year in which they were made. All updates/replacements should be completed within the past 10 years.

Once received, Underwriting will evaluate the request based on the photos, inspection and entire history of the risk/insured

- Electrical: Installation of new approved circuit breakers, fixtures, receptacles and replacement of wiring with Romex or BX cable. ASI does not accept knob and tube wiring, aluminum wiring (unless properly modified) or fuses.
- Heating: Installation of new heating plant including burner, boiler, fans, coupling valves, pressure relief valves, safety controls, safety switches or connectors.
- Plumbing: Replacement of pressurized water lines, fixtures, traps, pump, holding tank & hot water heater. Copper tubing or PVC plumbing is required. ASI does not accept Polybutylene or PEX plumbing systems.
- Roof: Completely replaced with approved roof covering & flashing.

Homes with the following are ineligible for coverage:

- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with fuses, knob and tube, wiring or federal pacific breakers.
- Homes with aluminum wiring (may be eligible if properly modified; inspection required).
- Homes with polybutylene or PEX or galvanized plumbing.

ROOF/SIDING

Roofs and siding must be in good condition. Roof must have at least 5 years life expectancy. Specific roof requirement include:

- Composition shingle roofs must not be more than 20 years old.
- Metal, concrete and clay tile roof must not be more than 25 years old.
- Maximum of one overlay of composition shingles.
- Metal roofs will include the Non-Structural Hail Loss Limitation Endorsement.

Homes with the following are ineligible for coverage:

- Wood shingle, wood shake, tar and gravel, rubber membrane, tin and corrugated metal roofs
- Flat roofs are ineligible unless they are poured concrete
- T-Lock shingle
- Asbestos roof or siding
- Masonite, EIFS, Dryvit siding or wood shake siding

LIABILITY/PROPERTY HAZARDS

- Properties must be maintained and display a pride in ownership.
- Properties must be free of debris, clutter or other liability hazards. This includes, but is not limited to, inoperable vehicles, appliances, tree limbs, or other items deemed unacceptable by underwriting.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Properties with trampoline or skateboard ramps are ineligible for coverage.
- Applicants and/or properties with ATV's, dirt bikes, or snowmobiles. Exceptions can be made with proof of liability insurance for the vehicles.

SWIMMING POOLS / HOT TUBS

- Swimming pools, hot tubs and spas must be maintained and in working condition.
- Must be protected by a locking fence at least 4 ft. high, or alternate approved enclosure.
- No diving boards or slides are permitted.
- Hot tubs must have a secure cover or be protected by a 4 ft. locking fence.

INSURANCE TO VALUE

Risks must be insured for at least 100% of replacement cost. Our system provides a replacement cost calculated by Marshall & Swift/Boeckh (M&S/B).

LOSS HISTORY

Claims are evaluated both in rating and as part of the underwriting process. The company reserves the right to re-rate, cancel or non-renew based upon claim activity.

Unacceptable prior loss history:

- Three or more claims reported within 3 years.
- 1 or more liability claims within 3 years
- Risks with prior sinkhole damage are ineligible for coverage.

Contact Underwriting, do not bind:

- Two or more claims reported within 5 years.

PREVIOUS CANCELLATIONS / NON-RENEWALS / NO PRIOR COVERAGE

Risks previously canceled or non-renewed by another insurer must be referred to company prior to binding. If no prior coverage or a lapse in coverage, other than a first time home buyer, the risk is ineligible.

INSPECTIONS

At the company's discretion, a home inspection will be performed after coverage is bound and paid. Policyholders that do not permit the inspection may be subject to cancellation of the policy.

A home inspection consists of the examination and review of the interior, exterior or both (interior and exterior) of the dwelling, other structures and surrounding property to determine condition and acceptability. The inspection will be used to verify rating factors, underwriting eligibility and condition of the property.

If the inspection indicates differences in rating factors, discounts, coverage or condition of the property one or more of the following actions may occur:

Within the first 60 days of the new business policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Cancellation of the policy

After the first 60 days of the policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Non-renewal of the policy

Pre-binding inspections and/or photos may be required in cases where the applicant, home or property do not meet the eligibility requirements. The agent or policyholder will be responsible for obtaining and submitting the requested documentation.

FOUNDATION

You can automatically bind a policy subject to the following guidelines.

- Pilings (8'-10' elevations) – please submit photos to underwriting prior to binding.
- Crawl space – (foundation is enclosed with a permanent material; i.e. block, brick, siding, etc.) is acceptable. Homes on open foundations enclosed by lattice do not qualify as crawl space.
- Concrete slabs are acceptable.
- Homes built on an open foundation are ineligible.

If you have questions regarding the foundation guidelines, please contact Underwriting.

SINGLE BUILDING DEFINITION

Buildings that are separated by space shall be considered separate buildings. Buildings or sections of buildings, which are separated by a 6-inch reinforced concrete or 8-inch masonry party wall that pierces or rises to the underside of the roof and pierces or extends to the inner side of the exterior wall, shall be considered a separate building. 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.

TOWNHOUSE OR ROWHOUSE

Determine the total number of individual family units within a Fire Division. For example, a 2 family dwelling attached to a 1 family dwelling is considered 3 individual family units within a Fire Division if both dwellings are not separated by a firewall. Four attached 2 family dwellings are considered 8 family units within a Fire Division if they are not separated by firewalls (and thus ineligible).
A policy may be issued for:

- Coverage A when a dwelling contains 4 or less family units within a Fire Division.
- Coverage C in a dwelling with 1 or more individual family units within a Fire Division.

PROTECTION CLASS INFORMATION

The Protection Class listings in the Public Protection Classification Manual apply. Use PC 10 for unclassified areas. Homes must have paved road access to qualify. In an unclassified area where two or more classifications are shown (e.g. 6/9), the classification is determined as follows:

Miles to Fire Station	Feet to Hydrant	Class
Less than 5	Less than 1,000	first PC
Less than 5	More than 1,000	9
More than 5		10

Homes located in a PC 9 or 10 must meet the following eligibility requirements:

- Homes must be located on a paved road
- Homes must be visible to neighbors

CONSTRUCTION DEFINITIONS

- Frame / Stucco on Frame / Hardiplank over Frame – exterior wall of wood or other combustible construction, including wood-iron clad, stucco on wood or plaster on combustible supports, and aluminum or plastic siding over frame.
- Masonry Veneer – exterior walls constructed of masonry materials such as brick or stone over frame.
- Masonry / Stucco on Masonry – exterior walls constructed of masonry materials such as adobe, concrete, gypsum block, hollow concrete block, stone, tile, or similar materials, and floors and roof of combustible construction.
- Superior Construction - exterior walls, floors, and roof constructed of masonry or other non-combustible materials.

Note: Mixed (Brick/Block and Frame) – a combination of both brick/block and frame construction shall be classified as Frame when the exterior walls of frame construction (including gables) exceed 30% of total exterior wall area; otherwise classify as Brick/Block.

INELIGIBLE RISKS INDEX

- Homes older than 75 years.
- Homes with wood shingles, T-lock shingles, flat or corrugated metal roofs.
- Homes with more than one overlay of shingles (cannot be over wood shingles).
- Homes with wood shake, Masonite, EIFS or Dryvit siding.
- Homes with asbestos roofs or asbestos siding.
- Homes with fuses, knob and tube wiring or federal pacific breakers.
- Homes with aluminum wiring (may be eligible if properly modified; inspection required).
- Homes with polybutylene or PEX or galvanized plumbing.
- Homes designated as “Green Homes”.
- Homes without a permanently installed central heat and air source.
- Homes with evaporative coolers.
- Homes with underground fuel tanks, whether or not in use.
- Homes of unconventional construction including log, do-it-yourself, dome, shell, A-frame or homes using unconventional parts or not meeting building codes.
- Mobile, modular, manufactured and pre-fabricated homes.
- Homes deemed by the company to be in poor condition or disrepair.
- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with retaining walls deemed by the company to be in poor condition.
- Homes with other structures on the premises deemed by the company to be in poor condition.
- Homes with roofs deemed by the company to be in poor condition or having less than five years life expectancy.
- Properties that are vacant, unoccupied, under construction or undergoing major renovations are ineligible for coverage.
- Homes with debris or other liability hazards on the premises.
- Homes under construction or major renovation.
- Homes with trampolines.
- Homes having swimming pools with diving boards or slides.

- Homes having unprotected swimming pools or hot tubs.
- Town homes or duplexes unless meeting single building definition.
- Homes on more than 5 acres.
- Homes without paved road access.
- Homes entirely or partially over water.
- Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home.
- Homes in fly in – fly out / airpark communities.
- Seasonal, unoccupied, vacant or rental homes.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Homes with business or farm exposure.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.
- Homes used for the purpose of assisted living, nursing home or group home facilities.
- Homes used for the purpose of college housing.
- Homes with ATVs, snowmobiles or dirt bikes on the premises.
- Homes with burglar bars installed on the windows having no inside release.
- Homes with historical designations.
- Homes with duplicate coverage.
- Homes with more than two mortgages.
- Homes not occupied by the owner.
- Homes in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate.
- Homes that the company is not permitted by the insured to inspect.
- Homes with no prior coverage (other than first time home buyer), a lapse in coverage, or homes with forced placed insurance.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.

BINDING AUTHORITY

A risk is not bound until a policy is issued in our rating system. ASI does not accept binders. For your convenience, our system provides an immediate declarations page and application upon issuance of the policy. Risks may be bound up to 60 days prior to effective date.

Agents may bind coverage on risks meeting all underwriting criteria without contacting the company. Signed applications and supporting documentation must be maintained in Agent's office and is subject to audit at request of the company.

- $500,000 Coverage A ($750,000 for current year construction). Risks above $500,000 must be submitted to underwriting for review prior to binding coverage.
- Homes with Coverage A under $100,000 require 2 photos (front and back) of the home and must be submitted to underwriting prior to binding coverage.
- Risks must meet the eligibility / underwriting guidelines. Any risk not meeting the guidelines, but judged by the agent to be a good risk, must be referred to underwriting prior to binding.

HIGH VALUE PROGRAM

Single-family homes with Coverage A greater than $500,000 ($750,000 for current year construction) meeting all underwriting criteria may be eligible for coverage. Agent may not bind coverage. All applications must be submitted to the Underwriting Department for approval and binding of coverage.

GENERAL RULES

POLICY TERM

The standard policy term is one year and may be extended for successive policy periods by renewal.

RENEWAL

If the company elects to offer renewal, policy may be renewed by the policyholder by paying the renewal premium prior to the expiration of the current policy. Renewal policy will be issued based on the premiums, forms and endorsements in effect at time of renewal. A new declaration page as well as any revised policy forms will be sent to the insured. Copies of notices and declaration page will be sent to the mortgagee(s).

CANCELLATION OR CHANGES

- Mandatory coverages may not be canceled unless the entire policy is cancelled.
- The insured may cancel the policy at any time for any reason.
- Flat cancellations after the effective date will require proof of other insurance and must be made within 60 days of effective date.
- If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro-rata basis.

MULTIPLE COMPANY INSURANCE

We will not provide coverage for a dwelling that is also covered by another insurance policy.

TRANSFER OR ASSIGNMENT

No transfers or assignments are permitted. Each insured and/or property will require submission of a new application.

WAIVER OF PREMIUM

When a policy is issued or endorsed after the inception date, additional or return premium of less than $5 is waived. However, we will return unearned premium upon request.

OTHER INSURED LOCATION - NO COVERAGE

This program does not permit liability coverage for any other residences owned by the insured regardless of occupancy. We will provide property coverage for secondary/seasonal residences or residences rented to others in our Dwelling Fire program.

BUSINESS PURSUITS - NO COVERAGE

This program does not offer coverage for liability arising out of business activities.

INCIDENTAL OCCUPANCIES - NO COVERAGE

This program does not offer coverage for liability arising out of incidental occupancies.

COVERAGE OVERVIEW

COVERAGE LIMITS

Coverage	Limits
A – Dwelling	$100,000 to $5,000,000*
B - Other Structures	2%, 10% or 20% of Coverage A
C – Contents	0%, 25%, 50% or 70% of Coverage A
D - Loss of Use	10% or 20% of Coverage A
E - Personal Liability	$100,000, $300,000 or $500,000
F - Medical Payments	$1,000, $2,500 or $5,000

* Coverage A greater than $500,000 ($750,000 for current year construction) must be submitted to underwriting for review prior to binding.

LOSS SETTLEMENT

Coverage A, B	Loss Settlement
1960 and newer	Replacement Cost
Older than 1960	Functional Replacement Cost
Coverage C	Actual Cash Value

COVERED PERILS

Coverage A: All risks are covered with certain exclusions. Please read the policy for a complete list of exclusions. Further, each policy is written with ASI's Special Provisions Endorsement.

Coverage C: Fire or Lightning, Windstorm or Hail, Explosion, Riot or Civil Commotion, Aircraft, Vehicles or Smoke, Vandalism or Malicious Mischief, Theft, Volcanic Eruption, Falling Objects, Weight of Ice, Snow or Sleet, Accidental Discharge of Water or Steam, Sudden and Accidental Tearing Apart of a Heating System or Appliance, Freezing, Sudden Accidental Damage from Electrical Current.

MANDATORY ENDORSEMENTS

COVERAGE ENDORSEMENTS / ASI SPECIAL PROVISIONS

ASI excludes Liability coverage for the following: Trampolines, Animals, Fungi Wet or Dry Rot or Bacteria, Diving Boards or Slides, Fuel Systems.

Endorsement ASI HO TN SP is attached to all policies. Our Special Provisions endorsement amends the basic ISO Homeowners 3 Special form. We encourage you to read our Special Provisions in its entirety. A few items of particular importance are:

- Special Limit of Liability of $10,000 per policy term for Cosmetic and Aesthetic Damage to Floors.
- Coverage C – Personal Property additional Special Limits of Liability are added: $2500 on personal computers, $500 on collections, 5% of the Coverage C limit for any one unscheduled item.
    - Windstorm or Hail Exclusion – excludes windstorm or hail losses to:
        - ❖ outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers;
        - ❖ Awnings, aluminum framed screened enclosures, or aluminum framed carports or aluminum sheds;
        - ❖ Solar panels; solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems; and
        - ❖ Any structure defined as part of Coverage B - Other Structures unless the structure is constructed of the same or superior construction material and methods as that of the dwelling and attached to a permanent concrete foundation.

FUNCTIONAL REPLACEMENT COST LOSS SETTLEMENT

For homes older than 1960, the loss settlement provisions will be changed to Functional Replacement Cost. This means losses would be paid at the amount which it would cost to repair or replace the damaged building with less costly common construction materials and methods which are functionally equivalent to obsolete, antique or custom construction materials and methods used in the original construction of the building.

NON-STRUCTURAL HAIL LOSS LIMITATION

This endorsement is mandatory for properties with metal roofs and/or aluminum siding. In all other instances, it may be added at the option of the insured. The endorsement provides that when damage from hail consists only of dents to the exterior surface of a home or other structure, not causing structural damage, we will pay the lowest of the cost of repairing or replacing the damaged portion of the property; or 2% of the amount of insurance provided under Coverage A (Dwelling).

The factor for this endorsement is .97 and it applies to the Other Perils premium.

LIMITED WATER DAMAGE COVERAGE

Limited coverage for sudden and accidental discharge or overflow of water or steam from within a plumbing, heating, A/C, or automatic sprinkler system or from within a household appliance is available for a reduction in premium and may be used at the underwriter's discretion. The limit of liability for all covered property under this option is $10,000.

The factor for this endorsement is .95 and it applies to the Other Perils premium.

LIMITED FUNGI, WET OR DRY ROT OR BACTERIA COVERAGE

This is a mandatory endorsement that limits Section I coverage for fungi, wet or dry rot or bacteria coverage to $5,000. Coverage only applies to a peril insured against.

OPTIONAL COVERAGES ENDORSEMENTS

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT

This endorsement provides replacement cost loss settlement on Coverage C.

The factor for this coverage is 1.10 and it applies to the Other Perils and Wind/Hail premium.

SPECIAL PERSONAL PROPERTY COVERAGE

This endorsement provides all risk coverage on contents subject to exclusions.

The factor for this coverage is 1.15 and it is applied to the Other Perils premium.

INCREASED REPLACEMENT COST ON DWELLING

This endorsement is intended to cover additional costs of construction that are incurred due to increases in the cost of construction that occur during the policy period. Increased construction cost is normally the result of increased demand relative to supply of labor and materials that can occur subsequent to a catastrophic loss that impacts a substantial number of properties in a region. Additional coverage options provided by this endorsement are 25% of Coverage A and 50% of Coverage A.

Coverage must be written for 100% of replacement cost.

This endorsement does not cover increased construction costs attributable to laws or ordinances governing construction.

The factor for this coverage is 1.04 for 25% of Coverage A and 1.06 for 50% of Coverage A and it applies to the Other Perils and Wind/Hail premium.

ANIMAL LIABILITY BUYBACK ENDORSEMENT

This endorsement may be added at the option of the insured for the limits and premiums below. Endorsement provides that Coverage E (Personal Liability) and F (Medical Payments) applies to bodily injury or property damage caused by animals owned by the insured, provided the animals are not prohibited by our guidelines (see ineligible list). An insured must have an umbrella policy in order to qualify for the $300,000 or $500,000 options. A current Declarations Page for the umbrella policy will be required for audit purposes. This endorsement also provides Medical Payments coverage at the same limit as chosen for regular liability coverage.

Limit	Premium
$50,000	$25
$300,000	$35
$500,000	$45

ORDINANCE OR LAW COVERAGE

This endorsement provides coverage for increases in cost of reconstruction, repair, or demolition of property that result from local laws or ordinances regulating such. The basic policy includes 10% of Coverage A. The coverage option provided by this endorsement is 25% of Coverage A.

		Factor
Additional Premium	25% of coverage A	1.05

WATER BACKUP/SUMP PUMP COVERAGE

The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from the sump. A $1,000 deductible applies to this coverage.
The endorsement may be added for the following limits:

Basement	Limit	Premium
None	$5,000	$30
None	$10,000	$50
None	$25,000	$80
Unfinished	$5,000	$40
Unfinished	$10,000	$60
Unfinished	$25,000	$110
Partially Finished	$5,000	$50
Partially Finished	$10,000	$70
Partially Finished	$25,000	$145
Finished	$5,000	$60
Finished	$10,000	$90
Finished	$25,000	$175

Basement status

- None - no basement exists at the property
- Unfinished Basement - non modified area used primarily for storage
- Partially-finished basement - slightly modified area which, in addition to providing storage, usually has some improvements and an additional purpose (exercise room, music room, etc.)
- Finished basement - modified area which is a fully habitable addition to the house. This space is frequently converted into a bedroom, home theater, gym, etc.

LOSS ASSESSMENT COVERAGE

Provides increased coverage for assessments relating to the residence premises. The basic policy includes $1,000 coverage.

Additional premium:

Limit	Premium
$ 5,000	$15
$10,000	$25

INCREASED LIMIT ON JEWELRY, WATCHES AND FURS

Unscheduled (only) coverage can be added in increments of $1,000 up to a maximum of $5,000 for a premium of $18 per $1,000.

PERSONAL INJURY COVERAGE

This endorsement provides liability coverage for personal injury to others for offenses such as false arrest, detention or imprisonment, libel, slander, defamation of character, invasion of privacy, and wrongful eviction or wrongful entry.

Additional premium: $15

HOME COMPUTER COVERAGE

This endorsement provides coverage for computers and related equipment against additional risks of physical loss subject to certain exclusions. In addition, this endorsement permits business use of a personal computer. This coverage is available to a maximum limit of $20,000.

Additional premium: $6 for each $1,000

SCHEDULED PERSONAL PROPERTY

Scheduled coverage may be purchased for the following classes of property.

Property Description	Rate/$100
Antiques	0.90
Bicycles	9.35
Camera/Projection Equipment (Non-professional)	1.52
Coins	1.80
Fine Art	0.50
Fine Art - With Breakage	1.00
Furs	0.40
Golfer's Equipment	1.40
Jewelry	1.25
Miscellaneous Personal Property	1.00
Musical Instruments (Non-professional)	0.60
Other Sports Equipment	2.00
Guns – Fired	3.00
Guns – Collectible	1.50
Silverware	0.45
Stamps	0.80

Underwriting Guidelines:

- ASI does not offer a blanket schedule for items.
- A complete description, including price, is require on each item.
- Description should include make, model, color, clarity, size, etc.
- Appraisals or bills of sale and a color photo must accompany single items worth $5,000 or more.
- Jewelry items worth $5,000 or more must be kept in vault when not worn.
- Schedules which total over $20,000 or include individual items worth more than $5,000 should be submitted for approval prior to binding.
- Central station burglar alarm is required for schedules over $50,000.
- Prior approval is required for Scheduled Personal Property on homes located in protection classes 9 and 10.
- Breakage coverage is limited on fine arts/antiques.

ACTUAL CASH VALUE LOSS SETTLEMENT – WINDSTORM OR HAIL LOSSES TO ROOF SURFACING

This endorsement provides a reduced premium for actual cash value settlement on the roof surface.

		Roof Material					
Roof Valuation	Roof Age	Composition Shingle	Slate	Tile	Wood Shingle	Metal	All Other
RC	All	1.000	1.000	1.000	1.000	1.000	1.000
ACV	0	0.944	0.963	0.963	0.944	0.963	0.944
ACV	1	0.944	0.963	0.963	0.944	0.963	0.944
ACV	2	0.944	0.963	0.963	0.944	0.963	0.944
ACV	3	0.944	0.963	0.963	0.944	0.963	0.944
ACV	4	0.944	0.963	0.963	0.944	0.963	0.944
ACV	5	0.944	0.963	0.963	0.944	0.963	0.944
ACV	6	0.843	0.895	0.895	0.843	0.895	0.843
ACV	7	0.843	0.895	0.895	0.843	0.895	0.843
ACV	8	0.843	0.895	0.895	0.843	0.895	0.843
ACV	9	0.775	0.850	0.850	0.775	0.850	0.775
ACV	10	0.775	0.850	0.850	0.775	0.850	0.775
ACV	11	0.775	0.850	0.850	0.775	0.850	0.775
ACV	12	0.708	0.805	0.805	0.708	0.805	0.708
ACV	13	0.708	0.805	0.805	0.708	0.805	0.708
ACV	14	0.708	0.805	0.805	0.708	0.805	0.708
ACV	15	0.640	0.760	0.760	0.640	0.760	0.640
ACV	16	0.640	0.760	0.760	0.640	0.760	0.640
ACV	17	0.640	0.760	0.760	0.640	0.760	0.640
ACV	18	0.573	0.715	0.715	0.573	0.715	0.573
ACV	19	0.573	0.715	0.715	0.573	0.715	0.573
ACV	20	0.573	0.715	0.715	0.573	0.715	0.573
ACV	21	0.550	0.700	0.700	0.550	0.700	0.550
ACV	22	0.550	0.700	0.700	0.550	0.700	0.550

ACV	23	0.550	0.700	0.700	0.550	0.700	0.550
ACV	24	0.550	0.700	0.700	0.550	0.700	0.550
ACV	25	0.550	0.700	0.700	0.550	0.700	0.550
ACV	26	0.550	0.700	0.700	0.550	0.700	0.550
ACV	27	0.550	0.700	0.700	0.550	0.700	0.550
ACV	28	0.550	0.700	0.700	0.550	0.700	0.550
ACV	29	0.550	0.700	0.700	0.550	0.700	0.550
ACV	30+	0.550	0.700	0.700	0.550	0.700	0.550

SPECIAL STRUCTURES WIND/HAIL BUYBACK (SSB)

This endorsement will provide coverage for direct physical damage caused by Windstorm or Hail to the following structures located on the "residence premises":

- Aluminum framed screened enclosures;
- Aluminum framed screened carports;
- Fences; and
- Other structures defined as part of Coverage B that are not constructed of the same or superior construction materials/methods as that of the dwelling and / or not attached to a permanent concrete foundation.

Losses are settled at Actual Cash Value. Please see the complete form for more details.
Statewide SSB base rate = $3.00 per thousand of coverage

Additional premium = (Amount of coverage desired / 1,000) x $3.00 x the filed territory relativity for wind/hail.

Example: $10,000 of coverage in 38117 (Memphis).

$10,000 / $1,000 x $3.00 x 1.230 = $36.90 premium

HOMESHIELD PACKAGE

The insured must be claims free for the last three years to qualify (Act of God claims excluded). Coverage included in this package cannot be altered or duplicated. This package consists of:

a. Personal Property Replacement Cost
b. 25% of Coverage A for Increased Replacement Cost
c. $5,000 limit on Water Backup/Sump Pump Overflow
d. Personal Injury Coverage
e. 50% Coverage C limit
f. $2,500 Loss Assessment Coverage
g. $1,000 limit for Credit Card, Fund Transfer Card, Forgery and Counterfeit Money
h. $250 for Lock Replacement Coverage
i. $750 limit for Fire Department Service Charge
j. $3,000 ($1,500 limit per item) limit for loss by theft of Jewelry, Watches, Furs, Precious and semiprecious stones

The factor for this coverage is 1.15 for Other Perils and Wind/Hail.

HOMESHIELD PLUS PACKAGE

The insured must be claims free for the last three years to qualify (Act of God claims excluded). Coverage included in this package cannot be altered or duplicated. This package consists of:

a. Personal Property Replacement Cost
b. 50% of Coverage A for Increased Replacement Cost
c. $10,000 limit on Water Backup/Sump Pump Overflow
d. 25% of Coverage A for Ordinance or Law Coverage
e. Special Personal Property Coverage
f. Personal Injury Coverage
g. 70% Coverage C limit
h. $5,000 for Loss Assessment
i. $2,000 limit for Credit Card, Fund Transfer Card, Forgery, and Counterfeit Money
j. $500 for Lock Replacement Coverage
k. $1,000 Limit for Fire Department Service Charge
l. Increased Special Limits:
    a. $5,000 ($2,500 per item limit) on Jewelry, Watches, Furs, Precious and Semiprecious stones
    b. $300 on money, bank notes, gold, etc.
    c. $2,500 on Securities, deeds, letters of Credit, etc.
    d. $3,500 on Firearms
    e. $4,000 on Silverware, pewterware, tea sets, etc.

f. $3,000 on Business property on the residence premises
g. $750 on Business property away from the residence premises

The factor for this coverage is 1.25 for Other Perils and Wind/Hail.

SINKHOLE COVERAGE

The base policy covers Catastrophic Ground Cover Collapse. Sinkhole Coverage is excluded in the base policy, but may be purchased for an additional premium subject to underwriting review.

The Premium for this coverage is $0.60 per $1,000 in coverage A

PREMIUM CALCULATION

Premium is calculated separately for "wind/hail" and "other perils". Many policy variables and the rate classifications within each are used in developing the final premium. In general, the factor for each rate class is multiplied times the factor for the rate class of the preceding variable. The following variables, rate classifications, and factors are utilized in rating.

NEW BUSINESS TIER CRITERIA

Tiered rating is utilized to broaden underwriting eligibility and properly match rate to risk. Consumer data gathered from the applicant and third party providers determines new business tier placement. Once assigned to a tier at new business, the policy remains in the same tier at renewal. Criteria used for tier placement include liability limit on prior homeowner policy, credit score, and prior claims. Proof of prior insurance in the form of a declarations page showing the prior liability limit must be retained in agent's file. These documents will be subject to review during an audit.

*Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Prior Liability Limit	Credit Score Range	Placement by Prior Claims*		
		0	1	2
$300,000 or greater	876-999	6	14	15
$300,000 or greater	826-875	7	14	16
$300,000 or greater	801-825	7	15	17
$300,000 or greater	776-800	8	16	18
$300,000 or greater	751-775	9	17	19
$300,000 or greater	726-750	11	18	20
$300,000 or greater	701-725	13	20	22
$300,000 or greater	676-700	15	21	23
$300,000 or greater	651-675	16	23	25
$300,000 or greater	626-650	17	23	25
$300,000 or greater	601-625	17	23	25
$300,000 or greater	576-600	18	25	28
$300,000 or greater	551-575	19	28	28
$300,000 or greater	000-550	22	28	28
$300,000 or greater	No Score	13	20	22
$100,000	876-999	9	17	18
$100,000	826-875	10	17	19
$100,000	801-825	10	18	20
$100,000	776-800	12	19	21
$100,000	751-775	12	20	21
$100,000	726-750	14	21	23
$100,000	701-725	16	23	25
$100,000	676-700	18	25	28
$100,000	651-675	19	25	28

$100,000	626-650	20	28	28
$100,000	601-625	20	28	28
$100,000	576-600	21	28	28
$100,000	551-575	22	28	28
$100,000	000-550	25	28	28
$100,000	No Score	16	23	25
Lapse	876-999	9	17	18
Lapse	826-875	10	17	19
Lapse	801-825	10	18	20
Lapse	776-800	12	19	21
Lapse	751-775	12	20	21
Lapse	726-750	14	21	23
Lapse	701-725	16	23	25
Lapse	676-700	18	25	28
Lapse	651-675	19	25	28
Lapse	626-650	20	28	28
Lapse	601-625	20	28	28
Lapse	576-600	21	28	28
Lapse	551-575	22	28	28
Lapse	000-550	25	28	28
Lapse	No Score	16	23	25
No Prior Liability	876-999	9	17	18
No Prior Liability	826-875	10	17	19
No Prior Liability	801-825	10	18	20
No Prior Liability	776-800	12	19	21
No Prior Liability	751-775	12	20	21
No Prior Liability	726-750	14	21	23
No Prior Liability	701-725	16	23	25
No Prior Liability	676-700	18	25	28
No Prior Liability	651-675	19	25	28
No Prior Liability	626-650	20	28	28
No Prior Liability	601-625	20	28	28
No Prior Liability	576-600	21	28	28
No Prior Liability	551-575	22	28	28
No Prior Liability	000-550	25	28	28
No Prior Liability	No Score	16	23	25
1st-time Owner	876-999	6	14	16
1st-time Owner	826-875	7	15	17
1st-time Owner	801-825	8	15	17
1st-time Owner	776-800	9	17	18
1st-time Owner	751-775	10	17	19
1st-time Owner	726-750	12	19	21
1st-time Owner	701-725	14	21	22
1st-time Owner	676-700	15	22	25
1st-time Owner	651-675	17	23	25

1st-time Owner	626-650	17	25	28
1st-time Owner	601-625	18	25	28
1st-time Owner	576-600	19	25	28
1st-time Owner	551-575	20	28	28
1st-time Owner	000-550	23	28	28
1st-time Owner	No Score	14	21	23

TIER FACTOR

Once tier placement is determined, use the following factors for each tier.

Tier	Other Perils	Wind/Hail
1	0.452	1.000
2	0.478	1.000
3	0.504	1.000
4	0.533	1.000
5	0.563	1.000
6	0.594	1.000
7	0.621	1.000
8	0.666	1.000
9	0.699	1.000
10	0.728	1.000
11	0.771	1.000
12	0.803	1.000
13	0.898	1.000
14	0.946	1.000
15	0.991	1.000
16	1.105	1.099
17	1.216	1.203
18	1.290	1.273
19	1.365	1.343
20	1.432	1.406
21	1.518	1.487
22	1.602	1.566
23	1.712	1.669
24	1.791	1.744
25	1.870	1.818
26	1.987	1.928
27	2.113	2.046
28	2.222	2.149
29	2.336	2.256
30	2.456	2.369

HOUSEHOLD FACTOR

The Household Factor is a combination of the age of named insured, marital status, and presence of children in the household.

Household Factor

Age of Named Insured	Marital Status	Children	Other Perils	Wind/Hail
00-26	Married	Yes	1.275	1.000
27-31	Married	Yes	1.234	1.000
32-45	Married	Yes	1.089	1.000
46-51	Married	Yes	1.006	1.000
52-57	Married	Yes	0.975	1.000
58-66	Married	Yes	0.923	1.000
67-70	Married	Yes	0.892	1.000
71-76	Married	Yes	0.954	1.000
77 and older	Married	Yes	1.037	1.000
00-26	Married	No	1.157	1.000
27-31	Married	No	1.120	1.000
32-45	Married	No	0.988	1.000
46-51	Married	No	0.913	1.000
52-57	Married	No	0.884	1.000
58-66	Married	No	0.837	1.000
67-70	Married	No	0.809	1.000
71-76	Married	No	0.866	1.000
77 and older	Married	No	0.941	1.000
00-26	Single	Yes	1.435	1.000
27-31	Single	Yes	1.388	1.000
32-45	Single	Yes	1.225	1.000
46-51	Single	Yes	1.131	1.000
52-57	Single	Yes	1.096	1.000
58-66	Single	Yes	1.038	1.000
67-70	Single	Yes	1.003	1.000
71-76	Single	Yes	1.073	1.000
77 and older	Single	Yes	1.166	1.000
00-26	Single	No	1.302	1.000
27-31	Single	No	1.259	1.000
32-45	Single	No	1.111	1.000
46-51	Single	No	1.027	1.000
52-57	Single	No	0.995	1.000
58-66	Single	No	0.942	1.000
67-70	Single	No	0.910	1.000
71-76	Single	No	0.974	1.000
77 and older	Single	No	1.058	1.000

LENGTH OF RESIDENCE

Number of years that the named insured has occupied the insured residence. This will be calculated as the inception date of the policy minus the effective date of the purchase. Factors below apply to homes older than 10 years only.

Length of Residence	Other Perils	Wind/Hail
Unknown	1.000	1.000
0	1.000	1.000
1-9	1.050	1.000
10-20	0.950	1.000
21+	0.920	0.900

AMOUNT OF INSURANCE

The factor for coverage amounts greater than $300,000 is determined by adding .467% to the $300,000 Coverage A factor for each additional $1,000 in coverage.

Coverage A	Factor
$75,000	0.800
$80,000	0.813
$85,000	0.827
$90,000	0.840
$95,000	0.853
$100,000	0.867
$105,000	0.880
$110,000	0.893
$115,000	0.907
$120,000	0.920
$125,000	0.933
$130,000	0.947
$135,000	0.960
$140,000	0.973
$145,000	0.987
$150,000	1.000
$155,000	1.023
$160,000	1.047
$165,000	1.070
$170,000	1.093
$175,000	1.117
$180,000	1.140
$185,000	1.163
$190,000	1.187
$195,000	1.210
$200,000	1.233
$205,000	1.257
$210,000	1.280
$215,000	1.303

$220,000	1.327
$225,000	1.350
$230,000	1.373
$235,000	1.397
$240,000	1.420
$245,000	1.443
$250,000	1.467
$255,000	1.490
$260,000	1.513
$265,000	1.537
$270,000	1.560
$275,000	1.583
$280,000	1.607
$285,000	1.630
$290,000	1.653
$295,000	1.677
$300,000	1.700

PROTECTION CLASS / CONSTRUCTION

Use the following factors for Other Perils:

Protection Class	Frame	Masonry	Masonry Veneer	Superior
1	1.06	1.00	1.00	1.00
2	1.06	1.00	1.00	1.00
3	1.06	1.00	1.00	1.00
4	1.06	1.00	1.00	1.00
5	1.06	1.00	1.00	1.00
6	1.16	1.05	1.05	1.05
7	1.19	1.05	1.05	1.05
8	1.30	1.20	1.20	1.20
9	1.40	1.25	1.25	1.25
10	2.00	1.50	1.50	1.50

Use the following factors for the Wind/Hail premium:

Type	Wind/Hail
Frame	1.21
Masonry Veneer	1.00
Masonry	1.00
Superior	1.00

Number of Stories	Other Perils	Wind/Hail
1	0.950	1.000
1.5	1.000	1.000
2	1.040	1.000
2.5	1.050	1.000
3	1.069	1.000
Bi-Level	1.040	1.000
Tri-Level	1.069	1.000

ROOF TYPE

	< 10 Years		>= 10 Years	
Roof Material	Other Perils	Wind/Hail	Other Perils	Wind/Hail
Tar Shingle	0.961	0.961	1.079	1.079
Superior w/Poured Concrete	0.895	0.895	1.005	1.005
Asbestos	0.942	0.942	1.058	1.058
Wood Shake	1.083	1.083	1.216	1.216
Slate	0.895	0.895	1.005	1.005
Wood Shingle	1.083	1.083	1.216	1.216
Other	0.942	0.942	1.058	1.058
Composite Shingle	0.961	0.961	1.079	1.079
Barrel Tile	0.895	0.895	1.005	1.005
Flat Tile	0.895	0.895	1.005	1.005
Tile	0.895	0.895	1.005	1.005
Metal	0.848	0.848	0.952	0.952
Tar & Gravel	0.895	0.895	1.005	1.005
Poured Concrete	0.895	0.895	1.005	1.005
Shingles, Architectural	0.961	0.961	1.079	1.079
Concrete Tile	0.895	0.895	1.005	1.005
Rolled Roof	0.942	0.942	1.058	1.058
Aluminum Corrugated	0.942	0.942	1.058	1.058

AGE OF DWELLING

Age is determined by subtracting the year in which construction of the residence was completed from the year in which the policy is effective.

Age of Home	Other Perils	Wind/Hail
0	0.495	0.600
1	0.521	0.620
2	0.574	0.640
3	0.601	0.660
4	0.628	0.680
5	0.681	0.700
6	0.734	0.720
7	0.761	0.740
8	0.787	0.760
9	0.814	0.780
10	0.840	0.800
11	0.894	0.850
12	0.947	0.900
13	1.000	0.950
14	1.053	1.000
15	1.053	1.000
16	1.053	1.000
17	1.053	1.000
18	1.053	1.000
19	1.053	1.000
20	1.053	1.000
21	1.106	1.000
22	1.133	1.000
23	1.160	1.000
24	1.186	1.000
25	1.213	1.000
26	1.213	1.000
27	1.213	1.000
28	1.213	1.000
29	1.213	1.000
30	1.213	1.000
31	1.160	1.000
32	1.160	1.000
33	1.160	1.000
34	1.160	1.000
35	1.160	1.000
36	1.160	1.000
37	1.160	1.000
38	1.160	1.000
39	1.160	1.000
40	1.160	1.000
41	1.213	1.000
42	1.213	1.000

43	1.213	1.000
44	1.213	1.000
45	1.213	1.000
46	1.213	1.000
47	1.213	1.000
48	1.213	1.000
49	1.213	1.000
50	1.213	1.000
51	1.213	1.000
52	1.213	1.000
53	1.213	1.000
54	1.213	1.000
55	1.213	1.000
56	1.213	1.000
57	1.213	1.000
58	1.213	1.000
59	1.213	1.000
60	1.213	1.000
61	1.213	1.000
62	1.213	1.000
63	1.213	1.000
64	1.213	1.000
65	1.213	1.000
66	1.213	1.000
67	1.213	1.000
68	1.213	1.000
69	1.213	1.000
70	1.213	1.000
71	1.213	1.000
72	1.213	1.000
73	1.213	1.000
74	1.213	1.000
75+	1.213	1.000

COVERAGE OPTIONS

DEDUCTIBLES

The standard deductible is $500 for wind/hail and other perils premium. The wind/hail deductible cannot be less than the other perils deductible. Changes in deductibles may only be made at the time of renewal.

Deductible	Coverage A ($000's)	Other Perils	Wind/Hail
$500	51-100	0.910	0.967
$1,000	51-100	0.830	0.914
$2,500	51-100	0.680	0.792

1%	51-100	0.870	0.939
2%	51-100	N/A	0.868
5%	51-100	N/A	0.715
$500	101-150	0.980	0.993
$1,000	101-150	0.890	0.956
$2,500	101-150	0.750	0.868
1%	101-150	0.870	0.939
2%	101-150	N/A	0.868
5%	101-150	N/A	0.715
$500	151-200	1.020	1.005
$1,000	151-200	0.940	0.976
%2,500	151-200	0.810	0.907
1%	151-200	0.870	0.939
2%	151-200	N/A	0.868
5%	151-200	N/A	0.715
$500	201-250	1.050	1.012
$1,000	201-250	0.980	0.988
$2,500	201-250	0.850	0.930
1%	201-250	0.870	0.939
2%	201-250	N/A	0.868
5%	201-250	N/A	0.715
$500	251-300	1.080	1.017
$1,000	251-300	1.000	0.997
$2,500	251-300	0.890	0.947
1%	251-300	0.870	0.939
2%	251-300	N/A	0.868
5%	251-300	N/A	0.715
$500	301-500	1.150	1.024
$1,000	301-500	1.080	1.009
$2,500	301-500	0.950	0.971
1%	301-500	0.870	0.939
2%	301-500	N/A	0.868
5%	301-500	N/A	0.715
$500	501-999	1.150	1.032
$1,000	501-999	1.080	1.023
$2,500	501-999	0.950	1.000
1%	501-999	0.870	0.939
2%	501-999	N/A	0.868
5%	501-999	N/A	0.715
$500	1000-5000	1.150	1.032
$1,000	1000-5000	1.080	1.023
$2,500	1000-5000	0.950	1.000
1%	1000-5000	0.870	0.939
2%	1000-5000	N/A	0.868
5%	1000-5000	N/A	0.715

LIMITS OF COVERAGES B, C & D

Coverage B - Other Structures

Insured may select desired coverage limit for other structures located on the residence premises. Other structures may not be rented to others, or used by non-related persons for residence purposes. Base rates include other structures coverage equal to 2% of Coverage A. The factor applies to wind/hail and other perils premium.

% Coverage A	Factor
2%	1.00
10%	1.02
20%	1.05

Coverage C - Contents

Base rates include contents coverage equal to 50% of Coverage A. The Insured may select a desired coverage limit for loss of use. Coverage C is available in the following limits:

% of Cov A	Other Perils	Wind/Hail
0%	0.800	0.700
25%	0.915	0.850
50%	1.000	1.000
70%	1.100	1.120

Coverage D – Loss of Use

Base rates include loss of use coverage equal to 20% of Coverage A. The Insured may select a desired coverage limit for loss of use. Coverage D is available in the following limits:

% Coverage A	Factor
10%	0.98
20%	1.00

SECTION II LIMITS

Provides coverage for Personal Liability and Medical Payments to Others.

The following limits are available:

Liability Limit	Premium
$100,000	$15
$300,000	$25
$500,000	$35

Med Pay Limit	Premium
$1,000	$5
$2,500	$8
$5,000	$10

DISCOUNTS & SURCHARGES

Discounts are applied to both the other perils and wind/hail premium (unless specified otherwise) as a multiplicative factor. The maximum cumulative rate impact from all discounts and surcharges combined is 55%. The maximum combined rate impact from the tier factor and all discounts and surcharges is 60%. The E-Policy and Paid in Full Discount are not subject to discount capping. Documentation supporting all discounts must be maintained in the agency file or submitted to the company.

~~CERTIFIED~~ BUILDER WARRANTY DISCOUNT

A 10% discount is offered for newly constructed homes in which the builder includes a 2-10 home warranty. The discount is only available for new construction and not for re-sales. The discount remains on the policy at renewal.

NEW PURCHASE DISCOUNT

A 10% discount is offered to homeowners who are obtaining their policy to coincide with the purchase of a home. The discount is phased out over time (7% in Year 2, 3% in Year 3, and 0% in Year 4).

A policy cannot have both the Certified Warranty Builder Discount and New Purchase Discount.

PACKAGE POLICY DISCOUNT

A package policy discount is applied to the Other Perils premium if the policyholder has an auto policy written with the same agency as the ASI Renters policy. The agent of record must be the same as the ASI Renter's policy. The auto carrier and policy number are required at the time of application. If the auto policy cancels, the Package Policy discount is removed. The factor for each discount is in the table below.

- Auto Companion – This discount applies to an auto policy written with an auto carrier other than a preferred partner.

- PHA Discounts - for policies designated as "PHA", the discount varies by BI limit on the auto policy. If the BI limit is unknown, then the discount is equal to the Preferred Partner discount.
- Flood – This discount applies if an ASI Flood policy with written in conjunction with the ASI Renters policy.

Package Policy Discount	Other Perils
Flood	0.968
Auto	0.947
Preferred Partner	0.894
PHA (BI limits < 50/100)	0.947
PHA (BI limits > = 50/100 and < 100/300 or = 100CSL)	0.894
PHA (BI limits = 100/300)	0.840
PHA (BI limits = 250/500 or >=200CSL)	0.787

SECURED COMMUNITY/BUILDING DISCOUNT

A 10% discount is applied to the "other perils" premium for homes located in a neighborhood protected by 24 hour-manned security or passkey gates protecting all entrances to community. Only applies to Other Perils premium.

PROTECTIVE DEVICE DISCOUNT

- 5% discount for fire alarm reporting to fire or central station.
- 8% discount for complete home sprinkler system.
- 5% discount for complete local burglar alarm covering all exterior doors & windows.
- 8% discount for complete burglar alarm reporting to police/central station.

All protective device discounts only apply to Other Perils premium.

E-POLICY DISCOUNT

A $10 discount applies if the insured elects to receive policy documents via email.

PAID-IN-FULL DISCOUNT

A discount applies to policies which are paid in full.

Payment Method	Other Perils	Wind/Hail
Insured Pay Plan	1.000	1.000
Mortgage Billed	0.876	1.000
Insured Full Pay	0.834	1.000

NON-SMOKER/SMOKER DISCOUNT/SURCHARGE

Use the following factors:

Only applies to Other Perils premium.

Smoker	Factor
Yes	1.30
No	0.99

To qualify for the discount all residents of the home must be non-smokers.

UMBRELLA DISCOUNT

A discount applies to insureds who maintain umbrella coverage. Proof of coverage should be maintained in the agent's file for audit purposes.

Presence of Umbrella Policy	Other Perils	Wind/Hail
No	1.000	1.000
Yes	0.900	0.950

WOOD BURNING STOVE SURCHARGE

A 10% surcharge applies to Other Perils premium.

*Evidence and supporting documentation of all optional discounts must be retained in agent's file. These documents will be subject to review during an audit.

CLAIMS SURCHARGE

A surcharge applies to renewal policies if a claim is submitted with ASI. Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Claims	NHR	HUR
0	1.000	1.000
1	1.305	1.305
2	1.584	1.584

3	1.841	1.841
4	2.500	2.500

Surcharge is for claims filed with ASI since policy originally incepted with ASI.
Claims drop off after 3 years. Claims with zero payout are to be excluded from claim count.

ADDITIONAL FEES & CALCULATIONS

Inspection Fee

An inspection fee of $25 is charged on policies for homes more than 20 years old. The inspection fee is fully earned.

Premium Rounding

When calculating premium, final premium is rounded to the nearest whole dollar.

Fixed Base Premium

A $75 fixed base premium is included as part of the final premium calculation.

Minimum Premium

Minimum final premium per policy is $250.

Minimum Earned Premium

A minimum premium of $50 is earned on each policy regardless of how long the policy is in force.

PAYMENT PLANS

Minimum premium to qualify for payment plan: $400
We do not accept Premium Finance Agreements.

The selected payment plan must be indicated on the application.
Two optional payment plans are available in this program:

Semi-Annual (2 PAY)	Quarterly (4 PAY)
55% Down	31% Down
45% Due on 180th day	23% due on the 90th day
	23% due on the 180th day
	23% due on the 270th day

Installment Fee Schedule for 2 Pay & 4 Pay Plans:

Premium Range	Installment Fee
$400-499	$4
$500-649	$5
$650-799	$6
$800-949	$7
$950-and above	$8

Add $1 fee per payment for every $150 of total premium over $1099. Installment fees are fully earned, as they are billed with each installment. There is a $29 service charge on NSF checks.

Monthly Electronic Funds Transfer (EFT)

- 25% down payment due at new business.
- Nine equal installments of 8.33% due every 30 days.
- $2 installment fee for each payment

ELIGIBILITY – UNDERWRITING

GENERAL UNDERWRITING ELIGIBILTY

- A risk is not bound until a policy is issued in our rating system. ASI does not allow binders.
- The HO-5 program is for new home construction.
- The property must be owned and occupied by the insured as a primary residence.
- Risks must be insured for 100% of replacement cost.
- All guidelines apply to new and renewal business, unless otherwise specified. If the company discovers conditions of the property which make it ineligible, whether or not disclosed on the application, the risk may be canceled or non-renewed.
- The company reserves the right to re-rate, cancel or non-renew a policy based on the discovery of inaccurate or undisclosed information at the time of application.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Properties located in a Special Flood Hazard Area (Zone A or V) must be covered by an ASI Flood insurance policy with matching building limit (or maximum available).

OCCUPANCY / USE

Residence must be:

- Occupied by the owner and owner's immediate family.
- Occupied as a primary residence.
- Used exclusively for private residential purposes only.
- Properties with home day care exposure are eligible for this program with evidence of commercial liability coverage with a minimum limit of $500,000 for the day care operation.
- Properties used for the purpose of assisted living, nursing home or group home facilities are ineligible for coverage.
- Properties used for the purpose of college housing are ineligible for coverage.
- Properties owned by more than 2 individuals must be referred to underwriting.
- Properties used for business purposes, other than approved home daycares, are ineligible for coverage.
- Properties in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Properties that are vacant, unoccupied, or under construction or major renovation are ineligible for coverage. Homes under construction may qualify for a Dwelling Fire policy.

SECONDARY/SEASONAL RESIDENCES

A dwelling occupied by owner for less than nine continuous months per year is considered seasonal. Seasonal residences are not eligible for coverage in this program.

** Secondary/seasonal residence may qualify for a Dwelling Fire policy subject to eligibility guidelines. See Dwelling Fire manual for more information.

APPLICANT

- Must occupy the home as a primary residence.
- Must hold title to home with a maximum of two mortgages.
- Credit is evaluated along with prior insurance, claims history, condition of property, age of property, and other risk factors.
- Properties owned in the name of trust or IRA must be referred to underwriting for prior underwriting approval.
- Properties in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.
- With the exception of a new home purchase, applicants must provide documentation verifying continuous voluntary coverage for the property. Force placed or lender placed insurance is not considered voluntary coverage.

PROPERTY LOCATION

- Properties must be located on a paved road easily accessible to emergency vehicles.
- Properties located in a commercially zoned neighborhood or adjacent to a commercial property must be submitted to underwriting for prior approval.
- Properties located on landfill sites or geologically unstable areas are ineligible for coverage.
- Properties located on mountainsides, cliffs or bluffs or over water are ineligible for coverage.
- Properties located in fly-in/out or airport communities are ineligible for coverage.
- Properties located partial or entirely over water are ineligible for coverage.
- Properties located on a farm or with farming exposure are ineligible for coverage.
- Properties located on more than 5 acres must be referred to underwriting for prior underwriting approval.

PROPERTY CHARATERSITICS

- Properties and the dwelling must be well maintained and display pride in ownership.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Porches or decks more than 2 feet off the ground or with 3 or more steps leading to them must be protected with properly installed handrails.
- Trees must be a safe distance from the dwelling and other structures on the property. All trees and brush must be trimmed and maintained. Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home may be ineligible for coverage.
- Homes must have a professionally installed, permanent and thermostatically controlled central heat source. Professional installed wood burning stoves are permitted as long as they are not the primary heat source. A wood burning surcharge is applied.
- Properties must have a permanently installed central cooling system. Homes with evaporative cooling systems are ineligible for coverage.
- Properties purchased as a result of a foreclosure or short sale requires underwriting approval prior to binding.
- Properties that are currently listed for sale must be referred to underwriting for prior approval.
- Properties in foreclosure are not eligible for coverage.
- Properties with swimming pools, hot tubs or spas must be gated with a minimum of a 4 foot fence and locking gate or approved alternate enclosure. Swimming pools, hot tubs and spas must be maintained in working condition. Diving boards or slides are not permitted.
- Homes of unconventional construction including, but not limited, to, do-it-yourself, log, dome, A – frame, shell, or homes using unconventional parts or not meeting building codes are ineligible for coverage.
- Properties with underground fuel tanks, whether or not in use are ineligible for coverage.
- Properties with historical designations are not eligible for coverage.
- Homes with burglar bars installed on the windows having no inside release are ineligible for coverage.
- Homes designated as “Green Homes” are ineligible for coverage.
- Mobile, modular, manufactured and pre-fabricated homes are ineligible for coverage.
- Properties, other structures, walkways or retaining walls, deemed by the company to be in poor condition or disrepair are ineligible for coverage.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.

AGE OF HOME/ UPDATE REQUIREMENTS

The HO-5 program is for new home construction. The following rules apply as the home ages.

Risks older than 50 years are ineligible without proof of updates. Proof of the following updates should be submitted to underwriting prior to binding coverage. We will require a 4-point inspection, and/or receipts of work completed, in addition to photos. The inspection / proof of updates should address what updates have been made and the year in which they were made. All updates/replacements should be completed within the past 10 years.

Once received, Underwriting will evaluate the request based on the photos, inspection and entire history of the risk/insured

- **Electrical:** Installation of new approved circuit breakers, fixtures, receptacles and replacement of wiring with Romex or BX cable. ASI does not accept knob and tube wiring, aluminum wiring (unless properly modified) or fuses.
- **Heating:** Installation of new heating plant including burner, boiler, fans, coupling valves, pressure relief valves, safety controls, safety switches or connectors.
- **Plumbing:** Replacement of pressurized water lines, fixtures, traps, pump, holding tank & hot water heater. Copper tubing or PVC plumbing is required. ASI does not accept Polybutylene or PEX plumbing systems.
- **Roof**: Completely replaced with approved roof covering & flashing.

Homes with the following are ineligible for coverage:

- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with polybutylene or PEX or galvanized plumbing.

ROOF/SIDING

Roofs and siding must be in good condition. Roof must have at least 5 years life expectancy. Specific roof requirement include:

- Composition shingle roofs must not be more than 20 years old.
- Metal, concrete and clay tile roof must not be more than 25 years old.
- Maximum of one overlay of composition shingles.
- Metal roofs will include the Non-Structural Hail Loss Limitation Endorsement.

Homes with the following are ineligible for coverage:

- Wood shingle, wood shake, tar and gravel, rubber membrane, tin and corrugated metal roofs
- Flat roofs are ineligible unless they are poured concrete
- T-Lock shingle
- Asbestos roof or siding
- Masonite, EIFS, Dryvit siding or wood shake siding

LIABILITY/PROPERTY HAZARDS

- Properties must be maintained and display a pride in ownership.
- Properties must be free of debris, clutter or other liability hazards. This includes, but is not limited to, inoperable vehicles, appliances, tree limbs, or other items deemed unacceptable by underwriting.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Properties with trampoline or skateboard ramps are ineligible for coverage.
- Applicants and/or properties with ATV's, dirt bikes, or snowmobiles. Exceptions can be made with proof of liability insurance for the vehicles.

SWIMMING POOLS / HOT TUBS

- Swimming pools, hot tubs and spas must be maintained and in working condition.
- Must be protected by a locking fence at least 4 ft. high, or alternate approved enclosure.
- No diving boards or slides are permitted.
- Hot tubs must have a secure cover or be protected by a 4 ft. locking fence.

INSURANCE TO VALUE

Risks must be insured for at least 100% of replacement cost. Our system provides a replacement cost calculated by Marshall & Swift/Boeckh (M&S/B).

INSPECTIONS

At the company's discretion, a home inspection will be performed after coverage is bound and paid. Policyholders that do not permit the inspection may be subject to cancellation of the policy.

A home inspection consists of the examination and review of the interior, exterior or both (interior and exterior) of the dwelling, other structures and surrounding property to determine condition and acceptability. The inspection will be used to verify rating factors, underwriting eligibility and condition of the property.

If the inspection indicates differences in rating factors, discounts, coverage or condition of the property one or more of the following actions may occur:

Within the first 60 days of the new business policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Cancellation of the policy

After the first 60 days of the policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Non-renewal of the policy

Pre-binding inspections and/or photos may be required in cases where the applicant, home or property do not meet the eligibility requirements. The agent or policyholder will be responsible for obtaining and submitting the requested documentation.

LOSS HISTORY

Claims are evaluated both in rating and as part of the underwriting process.

Unacceptable prior loss history:

- Any loss within the last 5 years that has not been fully remedied or otherwise resolved and that continues to impact the future loss potential.
- Three or more claims reported within 3 years.

Contact Underwriting; do not bind for new business:

- Two or more claims reported within 5 years.
- Any one liability claim reported within 5 years.

Renewal Business ~ Loss incurred during the policy term that continue to impose a substantial relationship to risk of future loss and/or changes in exposure that impose a substantial risk of future loss will be considered for non-renewal.

PREVIOUS CANCELLATIONS / NON-RENEWALS / NO PRIOR COVERAGE

Risks previously canceled or non-renewed by another insurer must be referred to company prior to binding. If no prior coverage or a lapse in coverage, other than a first time home buyer, the risk is ineligible.

FOUNDATION

You can automatically bind a policy subject to the following guidelines.

- Pilings (8'-10' elevations) – please submit photos to underwriting prior to binding.
- Crawl space – (foundation is enclosed with a permanent material; i.e. block, brick, siding, etc.) is acceptable. Homes on open foundations enclosed by lattice do not qualify as crawl space.
- Concrete slabs are acceptable.
- Homes built on an open foundation are ineligible.

SINGLE BUILDING DEFINITION

Buildings that are separated by space shall be considered separate buildings. Buildings or sections of buildings, which are separated by a 6-inch reinforced concrete or 8-inch masonry party wall that pierces or rises to the underside of the roof and pierces or extends to the inner side of the exterior wall, shall be considered a separate building. 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.

TOWNHOUSE OR ROWHOUSE

Determine the total number of individual family units within a Fire Division. For example, a 2 family dwelling attached to a 1 family dwelling is considered 3 individual family units within a Fire Division if both dwellings are not separated by a firewall. Four attached 2 family dwellings are considered 8 family units within a Fire Division if they are not separated by firewalls (and thus ineligible).
A policy may be issued for:

- Coverage A when a dwelling contains 4 or less family units within a Fire Division.
- Coverage C in a dwelling with 1 or more individual family units within a Fire Division.

PROTECTION CLASS INFORMATION

The Protection Class listings in the Public Protection Classification Manual apply. Use PC 10 for unclassified areas. Homes must have paved road access to qualify. In an unclassified area where two or more classifications are shown (e.g. 6/9), the classification is determined as follows:

Miles to Fire Station	Feet to Hydrant	Class
Less than 5	Less than 1,000	first PC
Less than 5	More than 1,000	9
More than 5		10

Homes located in a PC 9 or 10 must meet the following eligibility requirements:

- Homes must be located on a paved road
- Homes must be visible to neighbors

CONSTRUCTION DEFINITIONS

- Frame / Stucco on Frame / Hardiplank over Frame – exterior wall of wood or other combustible construction, including wood-iron clad, stucco on wood or plaster on combustible supports, and aluminum or plastic siding over frame.
- Masonry Veneer – exterior walls constructed of masonry materials such as brick or stone over frame.
- Masonry / Stucco on Masonry – exterior walls constructed of masonry materials such as adobe, concrete, gypsum block, hollow concrete block, stone, tile, or similar materials, and floors and roof of combustible construction.
- Superior Construction - exterior walls, floors, and roof constructed of masonry or other non-combustible materials.

Note: Mixed (Brick/Block and Frame) – a combination of both brick/block and frame construction shall be classified as Frame when the exterior walls of frame construction (including gables) exceed 30% of total exterior wall area; otherwise classify as Brick/Block.

INELIGIBLE RISKS INDEX

- Homes older than 75 years.
- Homes with wood shingles, T-lock shingles, flat or corrugated metal roofs.
- Homes with more than one overlay of shingles (cannot be over wood shingles).
- Homes with wood shake, Masonite, EIFS or Dryvit siding.
- Homes with asbestos roofs or asbestos siding.
- Homes with fuses, knob and tube wiring or federal pacific breakers.
- Homes with aluminum wiring (may be eligible if properly modified; inspection required).
- Homes with polybutylene or PEX or galvanized plumbing.
- Homes designated as “Green Homes”.
- Homes built on an open foundation.
- Homes without a permanently installed central heat and air source.
- Homes with evaporative coolers.
- Homes with underground fuel tanks, whether or not in use.
- Homes of unconventional construction including log, do-it-yourself, dome, shell, A-frame or homes using unconventional parts or not meeting building codes.
- Mobile, modular, manufactured and pre-fabricated homes.
- Homes deemed by the company to be in poor condition or disrepair.
- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with retaining walls deemed by the company to be in poor condition.
- Homes with other structures on the premises deemed by the company to be in poor condition.
- Homes with roofs deemed by the company to be in poor condition or having less than five years life expectancy.
- Homes with debris or other liability hazards on the premises.
- Homes under construction or major renovation.
- Homes with trampolines.
- Homes having swimming pools with diving boards or slides.
- Homes having unprotected swimming pools or hot tubs.
- Town homes or duplexes unless meeting single building definition.
- Homes located on more than 5 acres.
- Homes without paved road access.
- Homes located entirely or partially over water.
- Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home.
- Homes located in fly in – fly out / airpark communities.
- Seasonal, unoccupied, vacant or rental homes.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Homes with business or farm exposure.
- Homes used for the purpose of assisted living, nursing home or group home facilities.
- Homes used for the purpose of college housing.
- Homes with ATVs, snowmobiles or dirt bikes on the premises.
- Homes with burglar bars installed on the windows having no inside release.
- Homes with historical designations.
- Homes with duplicate coverage.
- Homes with more than two mortgages.
- Homes not occupied by the owner.

- Homes in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate.
- Homes that the company is not permitted by the insured to inspect.
- Homes with no prior coverage (other than first time home buyer), a lapse in coverage, or homes with forced placed insurance.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.

GENERAL RULES

POLICY TERM

The standard policy term is one year and may be extended for successive policy periods by renewal.

RENEWAL

If the company elects to offer renewal, policy may be renewed by the policyholder by paying the renewal premium prior to the expiration of the current policy. Renewal policy will be issued based on the premiums, forms and endorsements in effect at time of renewal. A new declaration page as well as any revised policy forms will be sent to the insured. Copies of notices and declaration page will be sent to the mortgagee(s).

CANCELLATION OR CHANGES

- Mandatory coverages may not be canceled unless the entire policy is cancelled.
- The insured may cancel the policy at any time for any reason.
- Flat cancellations after the effective date will require proof of other insurance and must be made within 60 days of effective date.
- If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro-rata basis.

MULTIPLE COMPANY INSURANCE

We will not provide coverage for a dwelling that is also covered by another insurance policy.

TRANSFER OR ASSIGNMENT

No transfers or assignments are permitted. Each insured and/or property will require submission of a new application.

WAIVER OF PREMIUM

When a policy is issued or endorsed after the inception date, additional or return premium of less than $5 is waived. However, we will return unearned premium upon request.

OTHER INSURED LOCATION - NO COVERAGE

This program does not permit liability coverage for any other residences owned by the insured regardless of occupancy. We will provide property coverage for secondary/seasonal residences or residences rented to others in our Dwelling Fire program.

BUSINESS PURSUITS - NO COVERAGE

This program does not offer coverage for liability arising out of business activities.

INCIDENTAL OCCUPANCIES - NO COVERAGE

This program does not offer coverage for liability arising out of incidental occupancies.

BINDING AUTHORITY

A risk is not bound until a policy is issued in our rating system. ASI does not accept binders. For your convenience, our system provides an immediate declarations page and application upon issuance of the policy. Risks may be bound up to 60 days prior to effective date.

Agents may bind coverage on risks meeting all underwriting criteria without contacting the company. Signed applications and supporting documentation must be maintained in Agent's office and is subject to audit at request of the company.

- **$750,000 Coverage A.** Risks above $750,000 must be submitted to underwriting for review prior to binding coverage.
- Homes with Coverage A under $100,000 require 2 photos (front and back) of the home and must be submitted to underwriting prior to binding coverage.
- Risks must meet the eligibility / underwriting guidelines. Any risk not meeting the guidelines, but judged by the agent to be a good risk, must be referred to underwriting prior to binding.

HIGH VALUE PROGRAM

Single-family homes with Coverage A greater than $750,000 meeting all underwriting criteria may be eligible for coverage. Agent may not bind coverage. All applications must be submitted to the Underwriting Department for approval and binding of coverage.

MANDATORY ENDORSEMENTS

COVERAGE ENDORSEMENTS / ASI SPECIAL PROVISIONS

ASI excludes Liability coverage for the following: Trampolines, Animals, Fungi Wet or Dry Rot or Bacteria, Diving Boards or Slides, Fuel Systems.

Endorsement **ASI HO TN SP** is attached to all policies. Our Special Provisions endorsement amends the basic ISO Homeowners 3 Special form. We encourage you to read our Special Provisions in its entirety. A few items of particular importance are:

- Special Limit of Liability of $10,000 per policy term for Cosmetic and Aesthetic Damage to Floors.
- Coverage C – Personal Property additional Special Limits of Liability are added: $2500 on personal computers, $500 on collections, 5% of the Coverage C limit for any one unscheduled item.
    - Windstorm or Hail Exclusion – excludes windstorm or hail losses to:
        - ❖ outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers;
        - ❖ Awnings, aluminum framed screened enclosures, or aluminum framed carports or aluminum sheds;
        - ❖ Solar panels; solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems; and
        - ❖ Any structure defined as part of Coverage B - Other Structures unless the structure is constructed of the same or superior construction material and methods as that of the dwelling and attached to a permanent concrete foundation.

LIMITED FUNGI, WET OR DRY ROT OR BACTERIA COVERAGE

This is a mandatory endorsement that limits Section I coverage for fungi, wet or dry rot or bacteria coverage to $5,000. Coverage only applies to a peril insured against.

NON-STRUCTURAL HAIL LOSS LIMITATION

This endorsement is mandatory for properties with metal roofs and/or aluminum siding. In all other instances, it may be added at the option of the insured. The endorsement provides that when damage from hail consists only of dents to the exterior surface of a home or other structure, not causing structural damage, we will pay the lowest of the cost of repairing or replacing the damaged portion of the property; or 2% of the amount of insurance provided under Coverage A (Dwelling).

The factor for this endorsement is .97 and it applies to the other perils premium.

OPTIONAL COVERAGES ENDORSEMENTS

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT

Provides replacement cost loss settlement on Coverage C.

The factor for this coverage is 1.10 and it applies to the wind/hail and other perils premium.

INCREASED REPLACEMENT COST ON DWELLING

This endorsement is intended to cover additional costs of construction that are incurred due to increases in the cost of construction that occur during the policy period. Increased construction cost is normally the result of increased demand relative to supply of labor and materials that can occur subsequent to a catastrophic loss that impacts a substantial number of properties in a region. Additional coverage options provided by this endorsement are 25% of Coverage A and 50% of Coverage A.

Coverage must be written for 100% of replacement cost.

This endorsement does not cover increased construction costs attributable to laws or ordinances governing construction.

The factor for this coverage is 1.04 for 25% of Coverage A and 1.06 for 50% of Coverage A and it applies to the Other Perils and Wind/Hail premium.

ANIMAL LIABILITY BUYBACK ENDORSEMENT

This endorsement may be added at the option of the insured for the limits and premiums below. Endorsement provides that Coverage E (Personal Liability) and F (Medical Payments) applies to bodily injury or property damage caused by animals owned by the insured, provided the animals are not prohibited by our guidelines (see ineligible list). **An insured must have an umbrella policy in order to qualify for the $300,000 or $500,000 options.** A current Declarations Page for the umbrella policy will be required for audit purposes. This endorsement also provides Medical Payments coverage at the same limit as chosen for regular liability coverage.

Limit	Premium
50,000	$25
300,000	$35
500,000	$45

ORDINANCE OR LAW COVERAGE

Provides coverage for increases in cost of reconstruction, repair, or demolition of property that result from local laws or ordinances regulating such. Coverage options provided by this endorsement are 50% of Coverage A. The basic policy includes 10% of Coverage A.

		Factor
Additional Premium	25% of coverage A	1.05

WATER BACKUP/SUMP PUMP COVERAGE

The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from the sump. A $1,000 deductible applies to this coverage.

The endorsement may be added for the following limits:

Basement	Limit	Premium
None	$5,000	$30
None	$10,000	$50
None	$25,000	$80
Unfinished	$5,000	$40
Unfinished	$10,000	$60
Unfinished	$25,000	$110
Partially Finished	$5,000	$50
Partially Finished	$10,000	$70
Partially Finished	$25,000	$145
Finished	$5,000	$60
Finished	$10,000	$90
Finished	$25,000	$175

Basement status

- None - no basement exists at the property
- Unfinished Basement - non modified area used primarily for storage
- Partially-finished basement - slightly modified area which, in addition to providing storage, usually has some improvements and an additional purpose (exercise room, music room, etc.)
- Finished basement - modified area which is a fully habitable addition to the house. This space is frequently converted into a bedroom, home theater, gym, etc.

LOSS ASSESSMENT COVERAGE

Provides increased coverage for assessments relating to the residence premises. The basic policy includes $1,000 coverage.

Additional premium:

Limit	Premium
$ 5,000	$15
$10,000	$25

PERSONAL INJURY COVERAGE

This endorsement provides liability coverage for personal injury to others for offenses such as false arrest, detention or imprisonment, libel, slander, defamation of character, invasion of privacy, and wrongful eviction or wrongful entry.

Additional premium: $15

HOME COMPUTER COVERAGE

This endorsement provides coverage for computers and related equipment against additional risks of physical loss subject to certain exclusions. In addition, this endorsement permits business use of a personal computer. This coverage is available to a maximum limit of $20,000.

Additional premium: $6 for each $1,000

INCREASED LIMIT ON JEWELRY, WATCHES AND FURS

Unscheduled (only) coverage can be added in increments of $1,000 up to a maximum of $5,000 for a premium of $18 per $1,000.

SCHEDULED PERSONAL PROPERTY

Scheduled coverage may be purchased for the following classes of property.

Property Description	Rate/$100
Antiques	0.90
Bicycles	9.35
Camera/Projection Equipment (Non-professional)	1.52
Coins	1.80
Fine Art	0.50
Fine Art - With Breakage	1.00
Furs	0.40
Golfer's Equipment	1.40
Jewelry	1.25
Miscellaneous Personal Property	1.00
Musical Instruments (Non-professional)	0.60
Other Sports Equipment	2.00
Guns – Fired	3.00
Guns – Collectible	1.50
Silverware	0.45
Stamps	0.80

Underwriting Guidelines:

- ASI does not offer a blanket schedule for items.
- A complete description, including price, is require on each item.
- Description should include make, model, color, clarity, size, etc.
- Appraisals or bills of sale and a color photo must accompany single items worth $5,000 or more.
- Jewelry items worth $5,000 or more must be kept in vault when not worn.
- Schedules which total over $20,000 or include individual items worth more than $5,000 should be submitted for approval prior to binding.
- Central station burglar alarm is required for schedules over $50,000.
- Prior approval is required for Scheduled Personal Property on homes located in protection classes 9 and 10.
- Breakage coverage is limited on fine arts/antiques.

SPECIAL STRUCTURES WIND/HAIL BUYBACK (SSB)

This endorsement will provide coverage for direct physical damage caused by Windstorm or Hail to the following structures located on the "residence premises":

- Fences;
- Aluminum framed screened enclosures;
- Aluminum framed carports;
- Other structures defined as part of Coverage B that are not constructed of the same or superior construction materials/methods as that of the dwelling and / or not attached to a permanent concrete foundation.

Losses are settled at Actual Cash Value. Please see the complete form for more details.

Statewide SSB base rate = $3.00 per thousand of coverage

Additional premium = (Amount of coverage desired / 1,000) x $3.00 x the filed territory relativity for wind/hail.

Example: $10,000 of coverage in 38117 (Memphis).

$10,000 / $1,000 x $3.00 x 1.230 = $36.90 premium

SINKHOLE COVERAGE

The base policy covers Catastrophic Ground Cover Collapse. Sinkhole Coverage is excluded in the base policy, but may be purchased for an additional premium subject to underwriting review.

The Premium for this coverage is $0.60 per $1,000 in coverage A

PREMIUM CALCULATION

Premium is calculated separately for “wind/hail” and “other perils”. Many policy variables and the rate classifications within each are used in developing the final premium. In general, the factor for each rate class is multiplied times the factor for the rate class of the preceding variable. The following variables, rate classifications, and factors are utilized in rating.

AMOUNT OF INSURANCE

The factor for coverage amounts greater than $300,000 is determined by adding .467% to the $300,000 Coverage A factor for each additional $1,000 in coverage.

Coverage A	Factor
$75,000	0.800
$80,000	0.813
$85,000	0.827
$90,000	0.840
$95,000	0.853
$100,000	0.867
$105,000	0.880
$110,000	0.893
$115,000	0.907
$120,000	0.920
$125,000	0.933
$130,000	0.947
$135,000	0.960
$140,000	0.973
$145,000	0.987
$150,000	1.000
$155,000	1.023
$160,000	1.047
$165,000	1.070
$170,000	1.093
$175,000	1.117
$180,000	1.140
$185,000	1.163
$190,000	1.187
$195,000	1.210
$200,000	1.233
$205,000	1.257
$210,000	1.280
$215,000	1.303
$220,000	1.327
$225,000	1.350
$230,000	1.373
$235,000	1.397
$240,000	1.420
$245,000	1.443
$250,000	1.467

$255,000	1.490
$260,000	1.513
$265,000	1.537
$270,000	1.560
$275,000	1.583
$280,000	1.607
$285,000	1.630
$290,000	1.653
$295,000	1.677
$300,000	1.700

PROTECTION CLASS / CONSTRUCTION

Use the following factors for other perils premium:

Protection Class	Frame	Masonry	Masonry Veneer	Superior
1	1.06	1.00	1.00	1.00
2	1.06	1.00	1.00	1.00
3	1.06	1.00	1.00	1.00
4	1.06	1.00	1.00	1.00
5	1.06	1.00	1.00	1.00
6	1.16	1.05	1.05	1.05
7	1.19	1.05	1.05	1.05
8	1.30	1.20	1.20	1.20
9	1.40	1.25	1.25	1.25
10	2.00	1.50	1.50	1.50

Use the following factors for wind/hail premium:

Type	Wind/Hail
Frame	1.21
Masonry Veneer	1.00
Masonry	1.00
Superior	1.00

AGE OF DWELLING

Age is determined by subtracting the year in which construction of the residence was completed from the year in which the policy is effective.

Age of Home	Other Perils	Wind/Hail
0	0.495	0.600
1	0.521	0.620
2	0.574	0.640
3	0.601	0.660
4	0.628	0.680
5	0.681	0.700
6	0.734	0.720

7	0.761	0.740
8	0.787	0.760
9	0.814	0.780
10	0.840	0.800
11	0.894	0.850
12	0.947	0.900
13	1.000	0.950
14	1.053	1.000
15	1.053	1.000
16	1.053	1.000
17	1.053	1.000
18	1.053	1.000
19	1.053	1.000
20	1.053	1.000
21	1.106	1.000
22	1.133	1.000
23	1.160	1.000
24	1.186	1.000
25	1.213	1.000
26	1.213	1.000
27	1.213	1.000
28	1.213	1.000
29	1.213	1.000
30	1.213	1.000
31	1.160	1.000
32	1.160	1.000
33	1.160	1.000
34	1.160	1.000
35	1.160	1.000
36	1.160	1.000
37	1.160	1.000
38	1.160	1.000
39	1.160	1.000
40	1.160	1.000
41	1.213	1.000
42	1.213	1.000
43	1.213	1.000
44	1.213	1.000
45	1.213	1.000
46	1.213	1.000
47	1.213	1.000
48	1.213	1.000
49	1.213	1.000
50	1.213	1.000
51	1.213	1.000
52	1.213	1.000
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56	1.213	1.000
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65	1.213	1.000
66	1.213	1.000
67	1.213	1.000
68	1.213	1.000
69	1.213	1.000
70	1.213	1.000
71	1.213	1.000
72	1.213	1.000
73	1.213	1.000
74	1.213	1.000
75+	1.213	1.000

COVERAGE OPTIONS

DEDUCTIBLES

The standard deductible is $500 for wind/hail and other perils premium. The wind/hail deductible cannot be less than the other perils deductible. **Changes in deductibles may only be made at the time of renewal**.

Deductible	Coverage A ($000's)	Other Perils	Wind/Hail
$500	51-100	0.910	0.967
$1,000	51-100	0.830	0.914
$2,500	51-100	0.680	0.792
1%	51-100	0.870	0.939
2%	51-100	N/A	0.868
5%	51-100	N/A	0.715
$500	101-150	0.980	0.993
$1,000	101-150	0.890	0.956
$2,500	101-150	0.750	0.868
1%	101-150	0.870	0.939
2%	101-150	N/A	0.868
5%	101-150	N/A	0.715
$500	151-200	1.020	1.005
$1,000	151-200	0.940	0.976
%2,500	151-200	0.810	0.907
1%	151-200	0.870	0.939
2%	151-200	N/A	0.868
5%	151-200	N/A	0.715
$500	201-250	1.050	1.012

$1,000	201-250	0.980	0.988
$2,500	201-250	0.850	0.930
1%	201-250	0.870	0.939
2%	201-250	N/A	0.868
5%	201-250	N/A	0.715
$500	251-300	1.080	1.017
$1,000	251-300	1.000	0.997
$2,500	251-300	0.890	0.947
1%	251-300	0.870	0.939
2%	251-300	N/A	0.868
5%	251-300	N/A	0.715
$500	301-500	1.150	1.024
$1,000	301-500	1.080	1.009
$2,500	301-500	0.950	0.971
1%	301-500	0.870	0.939
2%	301-500	N/A	0.868
5%	301-500	N/A	0.715
$500	501-999	1.150	1.032
$1,000	501-999	1.080	1.023
$2,500	501-999	0.950	1.000
1%	501-999	0.870	0.939
2%	501-999	N/A	0.868
5%	501-999	N/A	0.715
$500	1000-5000	1.150	1.032
$1,000	1000-5000	1.080	1.023
$2,500	1000-5000	0.950	1.000
1%	1000-5000	0.870	0.939
2%	1000-5000	N/A	0.868
5%	1000-5000	N/A	0.715

LIMITS OF COVERAGES B, C & D

Coverage B - Other Structures

Insured may select desired coverage limit for other structures located on the residence premises. Other structures may not be rented to others, or used by non-related persons for residence purposes. Base rates include other structures coverage equal to 2% of Coverage A. The factor applies to wind/hail and other perils premium.

% Coverage A	Factor
2%	1.00
10%	1.02
20%	1.05

Coverage C - Contents

Insured may select desired coverage limit for personal property. Base rates include contents coverage equal to 50% of Coverage A.

% of Cov A	Other Perils	Wind/Hail
0%	0.800	0.700
25%	0.915	0.850
50%	1.000	1.000
70%	1.100	1.120

Coverage D – Loss of Use

Base rates include loss of use coverage equal to 20% of Coverage A.

% Coverage A	Factor
10%	0.98
20%	1.00

SECTION II LIMITS

Provides coverage for Personal Liability and Medical Payments to Others.

The following limits are available:

Liability Limit	Premium
$100,000	$15
$300,000	$25
$500,000	$35

Med Pay Limit	Premium
$1,000	$5
$2,500	$8
$5,000	$10

DISCOUNTS & SURCHARGES

Discounts are applied to both the other perils and wind/hail premium (unless specified otherwise) as a multiplicative factor. The maximum cumulative rate impact from all discounts and surcharges combined is 55%. The maximum combined rate impact from the tier factor and all discounts and surcharges is 60%. The E-Policy Discount is not subject to discount capping. **Documentation supporting all discounts must be maintained in the agency file or submitted to the company.**

~~CERTIFIED~~ BUILDER WARRANTY DISCOUNT

A 10% discount is offered for new homes built by established builders recognized for their volume and willingness to stand behind their product. These builders are listed on the company website. The discount is only available for new construction and not for re-sales. The discount remains on the policy at renewal.

PACKAGE POLICY DISCOUNT

A discount is offered for an Auto companion policy or a Preferred Partner auto companion policy. The discount applies if the policyholder has an auto policy with the agent who wrote the ASI homeowner policy. Agent must list auto insurance company and policy number on application. If the auto policy cancels, the Package Policy discount is removed. A discount is also offered for homes with an ASI flood policy in effect.

Package Policy Discount	Other Perils
Flood	0.968
Auto	0.947
Preferred Partner	0.894

SECURED COMMUNITY/BUILDING DISCOUNT

A 10% discount is applied to the “other perils” premium for homes located in a neighborhood protected by 24 hour-manned security or passkey gates protecting all entrances to community. Only applies to Other Perils premium.

SENIOR DISCOUNT

A 5% discount is offered to an applicant who has attained the age of 60, or is 55 and retired.

PROTECTIVE DEVICE DISCOUNT

- 5% discount for fire alarm reporting to fire or central station.
- 8% discount for complete home sprinkler system.
- 5% discount for complete local burglar alarm covering all exterior doors & windows.
- 8% discount for complete burglar alarm reporting to police/central station.

All protective device discounts only apply to Other Perils premium.

E-POLICY DISCOUNT

A $10 discount applies if the insured elects to receive policy documents via email.

NON-SMOKER/SMOKER DISCOUNT/SURCHARGE

Use the following factors:

Smoker	Factor
Yes	1.30
No	0.99

Only applies to Other Perils premium.

To qualify for the discount all residents of the home must be non-smokers.

*Evidence and supporting documentation of all optional discounts must be retained in agent's file. These documents will be subject to review during an audit.

WOOD BURNING STOVE SURCHARGE

A 10% surcharge applies to Other Perils premium.

CLAIMS SURCHARGE

A surcharge applies to renewal policies if a claim is submitted with ASI. Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Claims	NHR	HUR
0	1.000	1.000
1	1.305	1.305
2	1.584	1.584
3	1.841	1.841
4	2.500	2.500

Surcharge is for claims filed with ASI since policy originally incepted with ASI.
Claims drop off after 3 years. Claims with zero payout are to be excluded from claim count.

ADDITIONAL FEES & CALCULATIONS

Inspection Fee

An inspection fee of $25 is charged on policies for homes more than 20 years old. The inspection fee is fully earned.

Premium Rounding

When calculating premium, final premium is rounded to the nearest whole dollar.

Fixed Base Premium

A $75 fixed base premium is included as part of the final premium calculation.

Minimum Premium

Minimum final premium per policy is $250.

Minimum Earned Premium

A minimum premium of $50 is earned on each policy regardless of how long the policy is in force.

PAYMENT PLANS

Minimum premium to qualify for payment plan: $400
We do not accept Premium Finance Agreements.

The selected payment plan must be indicated on the application.
Two optional payment plans are available in this program:

Semi-Annual (2 PAY)	Quarterly (4 PAY)
55% Down	31% Down
45% Due on 180th day	23% due on the 90th day
	23% due on the 180th day
	23% due on the 270th day

Installment Fee Schedule for 2 Pay & 4 Pay Plans:

Premium Range	Installment Fee
$400-499	$4
$500-649	$5
$650-799	$6
$800-949	$7
$950-and above	$8

Add $1 fee per payment for every $150 of total premium over $1099. Installment fees are fully earned, as they are billed with each installment. There is a $29 service charge on NSF checks.

Monthly Electronic Funds Transfer (EFT)

- 25% down payment due at new business.
- Nine equal installments of 8.33% due every 30 days.
- $2 installment fee for each payment

SERFF Tracking #:	*AMSI-129432283*	***State Tracking #:***	*141358*	***Company Tracking #:***	*TN HO 2014-04*

State:	*Tennessee*	***Filing Company:***	*American Strategic Insurance Corp*
TOI/Sub-TOI:	*04.0 Homeowners/04.0003 Owner Occupied Homeowners*		
Product Name:	*Homeowners*		
Project Name/Number:	*TN HO 2014-04/*		

Supporting Document Schedules

Satisfied - Item:	Detailed Filing Overview
Comments:	Our transmittal, cover letter and filing memorandum are attached.
Attachment(s):	industry_rates_09_pc_interactive_trans.pdf TN HO 2014-04 Cover Letter.pdf TN HO 2014-04 Filing Memorandum.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Third Party Authorization
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Filing Fees For Property and Casualty
Comments:	Our fee transmittal is attached.
Attachment(s):	Retaliatory Fee.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Investment Income
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Rate Change by Territory - Personal Lines
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Rate Justification for Personal Lines
Comments:	Our supporting exhibits are attached.

SERFF Tracking #:	*AMSI-129432283*	***State Tracking #:***	*141358*	***Company Tracking #:***	*TN HO 2014-04*

State:	*Tennessee*	***Filing Company:***	*American Strategic Insurance Corp*
TOI/Sub-TOI:	*04.0 Homeowners/04.0003 Owner Occupied Homeowners*		
Product Name:	*Homeowners*		
Project Name/Number:	*TN HO 2014-04/*		

Attachment(s):	Exhibit 1.pdf Exhibit 2.pdf Exhibit 3.pdf Exhibit 4.pdf Exhibit 5.pdf Exhibit 6.pdf Exhibit 7.pdf Exhibit 8.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Side-by-Side Comparison - Form and/or Rule
Comments:	Our manuals are attached under the rate/rule tab.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Additional exhibit for Response Letter 3
Comments:	We have attached an additional exhibit to go with Response Letter 3.
Attachment(s):	Exhibit 11.pdf
Item Status:	
Status Date:	

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
	h. Subject Codes	

3.	Group Name	Group NAIC #

4.	Company Name(s)	Domicile	NAIC #	FEIN #	State #

5.	Company Tracking Number	

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail

7.	Signature of authorized filer	
8.	Please print name of authorized filer	

Filing information (see General Instructions for descriptions of these fields)

9.	**Type of Insurance (TOI)**	
10.	**Sub-Type of Insurance (Sub-TOI)**	
11.	**State Specific Product code(s)(if applicable)[See State Specific Requirements]**	
12.	**Company Program Title (**Marketing title)	
13.	**Filing Type**	[ ] Rate/Loss Cost [ ] Rules [ ] Rates/Rules [ ] Forms [ ] Combination Rates/Rules/Forms [ ] Withdrawal[ ] Other (give description)
14.	**Effective Date(s) Requested**	New: Renewal:
15.	**Reference Filing?**	[ ] Yes [ ] No
16.	**Reference Organization (**if applicable)	
17.	**Reference Organization # & Title**	
18.	**Company's Date of Filing**	
19.	**Status of filing in domicile**	[ ] Not Filed [ ] Pending [ ] Authorized [ ] Disapproved

Property & Casualty Transmittal Document—

20.	**This filing transmittal is part of Company Tracking #**	

21.	**Filing Description** [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

22.	**Filing Fees** (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #:
Amount:

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

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Effective January 1, 2009

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	**This filing transmittal is part of Company Tracking #**	
2.	**This filing corresponds to rate/rule filing number** (Company tracking number of rate/rule filing, if applicable)	

3.	**Form Name /Description/Synopsis**	**Form # Include edition date**	**Replacement Or withdrawn?**	**If replacement, give form # it replaces**	**Previous state filing number,** if required by state
01			[ ] New [ ] Replacement [ ] Withdrawn		
02			[ ] New [ ] Replacement [ ] Withdrawn		
03			[ ] New [ ] Replacement [ ] Withdrawn		
04			[ ] New [ ] Replacement [ ] Withdrawn		
05			[ ] New [ ] Replacement [ ] Withdrawn		
06			[ ] New [ ] Replacement [ ] Withdrawn		
07			[ ] New [ ] Replacement [ ] Withdrawn		
08			[ ] New [ ] Replacement [ ] Withdrawn		
09			[ ] New [ ] Replacement [ ] Withdrawn		
10			[ ] New [ ] Replacement [ ] Withdrawn		

PC FFS-1

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RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	**This filing transmittal is part of Company Tracking #**	

2.	**This filing corresponds to form filing number** (Company tracking number of form filing, if applicable)	

☐ Rate Increase ☐ Rate Decrease ☐ Rate Neutral (0%)

3.	**Filing Method (Prior Approval, File & Use, Flex Band, etc.)**	

4a. Rate Change by Company (As Proposed)

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

4b. Rate Change by Company (As Accepted) For State Use Only

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)

		COMPANY USE	STATE USE
5a	**Overall percentage rate indication (when applicable)**		
5b	**Overall percentage rate impact for this filing**		
5c	**Effect of Rate Filing – Written premium change for this program**		
5d	**Effect of Rate Filing – Number of policyholders affected**		

6.	**Overall percentage of last rate revision**	
7.	**Effective Date of last rate revision**	
8.	**Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)**	

9.	**Rule # or Page # Submitted for Review**	**Replacement or withdrawn?**	**Previous state filing number, if required by state**
01		[ ] New [ ] Replacement [ ] Withdrawn	
02		[ ] New [ ] Replacement [ ] Withdrawn	
03		[ ] New [ ] Replacement [ ] Withdrawn	

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American Strategic Insurance
1 ASI Way
St. Petersburg, Florida 33702
www.AmericanStrategic.com

April 7, 2014

Department of Commerce and Insurance
500 James Robertson Parkway
Davy Crockett Tower
Nashville, TN 37243-0565

RE: American Strategic Insurance Corp.
NAIC No. 10872
Company Filing Number TN HO 2014-04
Homeowners Program HO3, HO4, HO5, & HO6
Rates & Rules – New Program

Dear Commissioner:

Enclosed is our initial filing of our rates and rules for our new Homeowners program for the state of Tennessee. American Strategic Insurance Corp. has recently received its Certificate of Authority and we are excited to offer our new program for homeowners in Tennessee. Our forms are filed separately under SERFF tracking number AMSI-129408484.

Enclosed are copies of the Transmittal, filing memorandum, manuals and our other supporting documentation.

In order to provide our program to agents and homeowners as quickly as possible, we are respectfully requesting an effective date of July 1, 2014.

If you have any questions, please contact me at 866-274-8765 Ext. 1317 or via email at smyers@asicorp.org.

Sincerely,

Susan Myers
Rate & Filing Analyst
American Strategic Insurance Corp.

ASIC Homeowners HO3-4-5-6
Filing Memorandum

Proposed Effective Date – We are respectfully requesting an effective date of July 1, 2014.

Overview – The attached rating algorithm, base rates, and rating factors are based on our countrywide HO3 program and experience. We use a similar algorithm in all of our states including Florida, Texas, Louisiana, South Carolina, Arizona, Colorado, Delaware, Virginia, New Jersey, Alabama, Pennsylvania, Maryland, Georgia, Oregon, Connecticut, Nevada, Ohio, and The District of Columbia. Territory base rates were developed using actual Tennessee industry losses and modeled losses. We compared elements of our program with Hartford, Travelers and State Farm, but our program design does not copy any single competitor. Rating factors are contained in the attached manual and rating exhibits.

Policy Forms – We are offering separate rates for HO3, HO4, HO5, and HO6 forms in this filing.

Rating Algorithm – Our rating algorithm is based on our countrywide algorithm. Because of the unique impact that Wind/Hail risk has on losses, we have separate rating algorithms for Wind/Hail premium and Other Perils premium. This is commonly used in other states and we have determined it is the best way to match premium to the underlying loss costs. Our rating algorithm is included in Exhibit 8.

Territories – These were developed by looking at a combination of other companies' territories and premium and loss data reported to ISO. As a result of this analysis, we decided to split Tennessee into multiple territories to better match the underlying loss costs. A zip-to-territory table is included in Exhibit 7.

Base Rates – Other Peril base rates were developed by looking at premium and loss data reported to ISO for all non-Wind/Hail perils for calendar years 2008-12, with losses trended and adjusted for different dwelling coverage limits and average year built. For example, because we use a base dwelling limit of $150,000, we would reduce the average loss per exposure if the average limit was above our base limit and we would increase the average loss per exposure if it was below our base limit. We used our dwelling limit factors to make this adjustment. We performed a similar analysis and adjustment for average year built and Protection Class. Wind/Hail base rates were developed by using RMS modeled average annual loss for each zip code. Our base rates and territory relativities for all policy forms are included in Exhibits 1-6.

Coverage Limits – We are using our countrywide dwelling, other structures, contents, and loss of use factors. These do not differ significantly from average factors used by other companies.

Building Characteristics – We have included a factor for the HO3 based on a combination Roof Material and Roof Age, which results in a discounted Fire, Other Perils and Wind/Hail premium for newer roofs except wood shake/shingle. Roofs over 10 years old will result in an increase in premium. The Number of Stories is also a rating variable for HO3 policies, with single story homes getting a discounted Fire and Other Perils premium.

Insured Characteristics – We have included rating variables based on certain insured characteristics for the HO3 which are based largely on our own loss experience. Length of Residence is a rating variable, and provides discounts for homeowners residing in the location for more than 10 years. Length or Residence does not apply to home less than 10 years old. Our Household Factor is based on a combination of Insured Age, Marital Status, and Presence of Children Residents. The Household Factor for HO4 uses only Insured Age and Marital Status in order to streamline the quoting process. The Household Factor affects Fire and Other Perils Premium.

Tier Criteria – In order to offer a rate to any homeowner in Ohio, we use underwriting rules to place applicants in one of 30 tiers, each with mutually-exclusive, objective, non-discriminatory criteria. The criteria include credit score, prior liability limits, and prior claims. The absence of credit score is a neutral factor in this process. We have 270 different combinations of the three criteria which we then group into 30 tiers. These criteria have been proven to have direct correlation to expected losses and are used by many other companies in the industry. The HO4 Renters product has 40 tiers with additional segmentation that included 380 mutually exclusive combinations of the same criteria as the other HO products.

Age of Home – Our Other Perils age of home factors are based on a combination of our own loss experience, competitor factors (primarily Travelers Quantum), and ISO loss data by year of construction. We heavily discount newer homes based on this experience and as a result, we have been able to offer significant cost savings to a large percentage of homeowners. Our Wind/Hail age of home factors are based on modeled RMS losses that we "smoothed" so the change from year-to-year was more gradual.

Deductibles – We have separate deductibles for Other Perils and Wind/Hail. The Wind/Hail deductibles are based on RMS modeled losses.

Discounts/Surcharges – We use several industry-standard discounts and several discounts unique to ASI that allow us to offer a better rate for many homeowners. We offer discounts for both fire alarm and burglary protection as well as a secured community discount. Because we are a mono-line homeowner company competing against multi-line companies with large multi-policy discounts, we offer several levels of Package Policy discounts, a 10% "Preferred Partner" discount, a regular 5% companion auto discount, and a PHA discount that is segmented by the Bodily Injury limit on the auto policy. Payment in full is a discount affecting the Other Perils premium in the HO3 and HO4. We are also offering an Accredited Builder discount for homes constructed by builders meeting certain standards, a New Purchase discount for applicants purchasing

insurance at the same time they are closing on a home, and small discounts for non-smokers and applicants who agree to have their policy documents sent electronically. We have a Claims surcharge for policies that have a claim while in force with ASI, these follow a three year cycle and exclude weather, medical payments, and zero payment claims. We include a surcharge for wood burning stove on the Other Perils premium. The HO6 has a renter-occupied surcharge applied to both the other perils and wind/hail premiums. If the Insured has an Umbrella policy, the Other Perils premium will be discounted 10%. The maximum combined rate effect from all discounts and surcharges, including age of home, is 55% and from all discounts and tier factor combined is 60%.

Floors Above Unit – The HO6 uses this rating variable due to the large amount of water losses caused by water from units higher in the building.

Endorsements – Coverage can be added for replacement cost on contents, all peril coverage on contents, increased replacement cost on dwelling (for unexpected increases in the cost of material due to "demand surge"), water backup, ordinance and law, association loss assessment, home computer coverage, personal injury, animal liability, increased limits on jewelry, sinkhole collapse coverage and scheduled personal property. The premium for these endorsements is similar to that charged by other companies. We offer an ACV roof loss settlement endorsement for wind hail losses, which discounts the premium. Additionally, we offer endorsement packages, HomeShield and HomeShield Plus for the HO3 and HomeShield R for the HO4. These endorsement packages combine several individual endorsements into a single endorsement. Coverage can be subtracted for non-structural hail loss damage to roof.

Liability/Medical Payments – Liability limits up to $500,000 and Medical Payment limits up to $5,000 are offered for an additional premium.

Fixed Base Premium – A fixed base premium is included with each of the three programs to cover the average fixed expense per policy. This premium is not subject to increase or decrease due to other rating variables. The amount is $75 for the HO3 & HO5 and $50 for the HO4 & HO6.

PROPERTY AND CASUALTY
FILING FEE FORM FOR TENNESSEE

_____ Domicilary state does not have a filing fee.

_____ Domicilary state has a filing fee for filings of this type. Please submit a copy of a completed filing fee form and your check to the following address:

Cashier's Office
Department of Commerce & Insurance
500 James Robertson Parkway
Nashville, TN 37243

Please list each company below in which the filing is to be made, and the corresponding required filing fee for the domicilary state, if any.

Company	Filing Fee
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Check # _____ Total Amount $ _____

S.E.R.F.F. Tracking Number _____

RATING	ALLOTMENT CODE	COST CENTER
23	335.02	1000

122/553

American Strategic Insurance Corp. **Exhibit 1**
Tennessee Homeowners HO3 and HO5
Other Perils Base Rates & Territory Relativities
Effective July 1, 2014

HO3 Base Rate	468
HO5 Base Rate	412

Territory	**Relativity**
101	0.906
102	0.923
103	1.008
104	1.100
105	1.227
201	0.717
202	0.953
203	0.941
211	0.768
212	0.742
221	0.764
301	0.741
302	0.996
303	1.269
401	0.702
402	0.954
411	0.759
412	0.883
500	1.041
501	0.850
502	1.061
503	1.150
504	1.477
505	1.765
601	0.636
602	0.950
603	0.964
611	0.526
612	0.783
613	1.015
701	0.630
702	0.697
703	0.790
711	0.642
801	1.193
802	1.229
803	1.552
811	1.210

American Strategic Insurance Corp. **Exhibit 2**
Tennessee Homeowners HO3 and HO5
Wind/Hail Base Rates & Territory Relativities
Effective July 1, 2014

HO3 Base Rate	236
HO5 Base Rate	276

Territory	**Relativity**
101	0.904
102	0.927
103	0.884
104	0.928
105	0.896
201	0.906
202	0.857
203	0.846
211	1.026
212	1.035
221	0.823
301	0.735
302	0.739
303	0.750
401	0.750
402	0.737
411	0.832
412	0.922
500	1.225
501	1.307
502	1.230
503	1.347
504	1.567
505	1.478
601	1.259
602	0.944
603	1.045
611	1.244
612	1.345
613	1.116
701	0.556
702	0.556
703	0.571
711	0.562
801	1.071
802	1.004
803	0.994
811	1.004

American Strategic Insurance Corp. **Exhibit 3**
Tennessee Homeowners HO4
Other Perils Base Rates & Territory Relativities
Effective July 1, 2014

Base Rate	123
Territory	**Relativity**
101	0.656
102	0.783
103	0.971
104	1.150
105	1.233
201	0.564
202	1.004
203	0.816
211	0.688
212	0.829
221	0.754
301	0.618
302	1.006
303	1.314
401	0.715
402	0.926
411	0.666
412	0.907
500	1.071
501	0.993
502	1.127
503	1.631
504	2.355
505	1.435
601	0.627
602	0.933
603	1.016
611	0.772
612	0.885
613	1.063
701	0.679
702	0.827
703	0.810
711	0.694
801	0.669
802	1.085
803	1.657
811	1.094

American Strategic Insurance Corp. **Exhibit 4**
Tennessee Homeowners HO4
Wind/Hail Base Rates & Territory Relativities
Effective July 1, 2014

Base Rate	11
Territory	**Relativity**
101	0.545
102	0.490
103	0.518
104	0.519
105	0.506
201	0.571
202	0.490
203	0.473
211	0.891
212	0.925
221	0.444
301	0.391
302	0.407
303	0.420
401	0.450
402	0.414
411	0.712
412	0.896
500	1.175
501	1.614
502	1.618
503	1.715
504	2.082
505	1.842
601	1.317
602	0.674
603	0.926
611	1.291
612	1.623
613	1.121
701	0.266
702	0.245
703	0.233
711	0.311
801	0.859
802	0.736
803	0.739
811	0.740

American Strategic Insurance Corp. **Exhibit 5**
Tennessee Homeowners HO6
Other Perils Base Rates & Territory Relativities
Effective July 1, 2014

Base Rate	310
Territory	**Relativity**
101	0.865
102	0.807
103	0.897
104	1.093
105	1.226
201	0.627
202	0.960
203	0.964
211	0.727
212	0.737
221	0.666
301	0.653
302	0.970
303	1.238
401	0.634
402	0.932
411	0.843
412	0.792
500	1.065
501	1.035
502	1.069
503	1.174
504	1.513
505	1.836
601	0.835
602	1.005
603	0.922
611	0.863
612	0.917
613	0.997
701	0.569
702	0.649
703	0.723
711	0.670
801	1.480
802	1.324
803	1.620
811	1.252

American Strategic Insurance Corp. **Exhibit 6**
Tennessee Homeowners HO6
Wind/Hail Base Rates & Territory Relativities
Effective July 1, 2014

Base Rate	59
Territory	**Relativity**
101	0.907
102	0.915
103	0.895
104	0.928
105	0.905
201	0.925
202	0.859
203	0.847
211	1.075
212	1.097
221	0.816
301	0.733
302	0.731
303	0.749
401	0.761
402	0.748
411	0.875
412	0.983
500	1.294
501	1.382
502	1.299
503	1.428
504	1.706
505	1.586
601	1.396
602	0.984
603	1.100
611	1.340
612	1.445
613	1.176
701	0.526
702	0.530
703	0.550
711	0.548
801	1.129
802	1.039
803	1.028
811	1.035

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
37143	Cheatham	101
37174	Maury	101
37082	Cheatham	101
38569	Smith	101
37010	Robertson	101
37146	Cheatham	101
37375	Franklin	102
37188	Robertson	102
37032	Robertson	102
37029	Dickson	102
38564	Jackson	102
37043	Montgomery	102
38563	Smith	102
38451	Maury	102
37047	Marshall	102
37020	Bedford	102
37073	Robertson	102
37034	Marshall	102
38547	Smith	102
37140	Hickman	102
37035	Cheatham	102
37141	Robertson	102
37191	Montgomery	102
38567	Smith	102
38548	Putnam	102
38552	Smith	102
37352	Moore	102
38487	Maury	102
37383	Franklin	102
37330	Franklin	103
38587	White	103
37183	Bedford	103
37348	Lincoln	103
37342	Coffee	103
38482	Maury	103
38542	Overton	103
37187	Dickson	103
37019	Marshall	103
37049	Robertson	103
38472	Giles	103
37181	Dickson	103
38401	Maury	103
37015	Cheatham	103
38560	Smith	103
38473	Giles	103
37175	Houston	103
37355	Coffee	103
37398	Franklin	103
38453	Lincoln	103
38506	Putnam	103
37388	Coffee	103
37036	Dickson	103
37051	Dickson	103
37144	Lincoln	103
37078	Humphreys	103
38459	Lincoln	103
37360	Coffee	103
37345	Franklin	103
38582	Putnam	103
38478	Giles	103
37101	Humphreys	103
37171	Montgomery	103
38477	Giles	103
37172	Robertson	103
37018	Coffee	103

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
37052	Montgomery	103
37079	Stewart	103
38449	Giles	103
38575	Clay	103
38581	Warren	103
37016	Cannon	103
37058	Stewart	103
38573	Overton	103
38460	Giles	103
38501	Putnam	103
37160	Bedford	103
38559	White	103
37055	Dickson	103
37134	Humphreys	103
37097	Perry	103
37366	Grundy	103
38580	Overton	103
38579	White	103
37334	Lincoln	103
37145	Smith	103
37306	Franklin	103
38461	Maury	103
38474	Maury	103
38505	Putnam	103
37185	Humphreys	104
38468	Lawrence	104
38549	Pickett	104
37142	Montgomery	104
38545	Jackson	104
38488	Lincoln	104
37091	Marshall	104
38541	Overton	104
37376	Franklin	104
37324	Franklin	104
38469	Lawrence	104
38583	White	104
37180	Bedford	104
37012	Dekalb	104
37042	Montgomery	104
38483	Lawrence	104
37359	Moore	104
37335	Lincoln	104
37096	Perry	105
37357	Warren	105
38471	Wayne	105
37166	Dekalb	105
37026	Cannon	105
37178	Houston	105
38464	Lawrence	105
37083	Macon	105
38562	Jackson	105
37050	Stewart	105
38504	Fentress	105
37151	Smith	105
37030	Smith	105
38425	Wayne	105
38554	Overton	105
38589	Fentress	105
37190	Cannon	105
37033	Hickman	105
37110	Warren	105
37059	Dekalb	105
38544	Putnam	105
37061	Houston	105
38456	Lawrence	105

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
37023	Stewart	105
37328	Lincoln	105
37025	Hickman	105
38481	Lawrence	105
37137	Hickman	105
37098	Hickman	105
38577	Fentress	105
38457	Lawrence	105
38588	Jackson	105
37040	Montgomery	105
37095	Dekalb	105
38574	Putnam	105
37318	Franklin	105
38570	Overton	105
38452	Wayne	105
37028	Stewart	105
37150	Macon	105
38450	Wayne	105
38462	Lewis	105
38568	Overton	105
38551	Clay	105
38454	Hickman	105
38553	Fentress	105
38485	Wayne	105
38463	Lawrence	105
38585	Van Buren	105
37301	Grundy	105
38486	Lawrence	105
38543	Overton	105
38565	Fentress	105
37305	Grundy	105
38556	Fentress	105
37339	Grundy	105
37313	Grundy	105
37365	Grundy	105
42223	Montgomery	105
37350	Hamilton	201
37377	Hamilton	201
37363	Hamilton	201
37302	Hamilton	201
37343	Hamilton	202
37341	Hamilton	202
37310	Bradley	203
37379	Hamilton	203
37373	Hamilton	203
37353	Bradley	203
37362	Bradley	203
37308	Hamilton	203
37421	Hamilton	211
37415	Hamilton	211
37416	Hamilton	211
37405	Hamilton	211
37412	Hamilton	211
37411	Hamilton	211
37409	Hamilton	212
37419	Hamilton	212
37402	Hamilton	212
37403	Hamilton	212
37406	Hamilton	212
37404	Hamilton	212
37408	Hamilton	212
37410	Hamilton	212
37407	Hamilton	212
37312	Bradley	221
37323	Bradley	221

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
37311	Bradley	221
37772	Loudon	301
38558	Cumberland	301
37774	Loudon	301
37742	Loudon	301
37370	Mcminn	301
37877	Hamblen	301
37860	Hamblen	301
37361	Polk	301
37325	Polk	301
37846	Loudon	301
37840	Roane	301
37391	Polk	301
37332	Rhea	301
37753	Cocke	301
37880	Roane	301
37779	Union	301
37369	Polk	301
37337	Cumberland	301
37814	Hamblen	301
37347	Marion	301
37336	Meigs	301
37307	Polk	301
37848	Union	302
37763	Roane	302
37885	Monroe	302
37890	Jefferson	302
37709	Grainger	302
37820	Jefferson	302
37385	Monroe	302
37891	Hamblen	302
37329	Mcminn	302
37331	Mcminn	302
37881	Grainger	302
37714	Campbell	302
37303	Mcminn	302
37843	Cocke	302
37381	Rhea	302
37725	Jefferson	302
37760	Jefferson	302
37771	Loudon	302
37723	Cumberland	302
37374	Marion	302
37829	Morgan	302
37866	Union	302
37317	Polk	303
37713	Cocke	303
38555	Cumberland	303
37826	Mcminn	303
37327	Sequatchie	303
37367	Bledsoe	303
37874	Monroe	303
37757	Campbell	303
37854	Roane	303
37887	Morgan	303
37309	Mcminn	303
37770	Morgan	303
37340	Marion	303
37748	Roane	303
37841	Scott	303
37765	Hancock	303
37356	Marion	303
37321	Rhea	303
37752	Claiborne	303
37397	Marion	303

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
37861	Grainger	303
37380	Marion	303
37724	Claiborne	303
37879	Claiborne	303
37396	Marion	303
38571	Cumberland	303
38572	Cumberland	303
38578	Cumberland	303
37825	Claiborne	303
37354	Monroe	303
37322	Meigs	303
37722	Cocke	303
37708	Grainger	303
37813	Hamblen	303
37821	Cocke	303
37807	Union	303
37870	Claiborne	303
37766	Campbell	303
37755	Scott	303
37872	Morgan	303
37727	Cocke	303
37726	Morgan	303
37387	Marion	303
37892	Scott	303
37888	Grainger	303
37852	Scott	303
37338	Rhea	303
37333	Polk	303
37819	Campbell	303
37869	Hancock	303
37762	Campbell	303
37847	Scott	303
37756	Scott	303
37729	Campbell	303
37715	Claiborne	303
37778	Hamblen	303
37803	Blount	401
37738	Sevier	401
37882	Blount	401
37737	Blount	401
37849	Knox	401
37830	Anderson	401
37777	Blount	401
37804	Blount	401
37801	Blount	401
37865	Sevier	402
37721	Knox	402
37701	Blount	402
37754	Anderson	402
37853	Blount	402
37886	Blount	402
37705	Anderson	402
37876	Sevier	402
37878	Blount	402
37806	Knox	402
37862	Sevier	402
37764	Sevier	402
37716	Anderson	402
37710	Anderson	402
37863	Sevier	402
37871	Knox	402
37769	Anderson	402
37922	Knox	411
37932	Knox	411
37923	Knox	411

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
37919	Knox	411
37931	Knox	411
37934	Knox	411
37938	Knox	412
37909	Knox	412
37924	Knox	412
37916	Knox	412
37918	Knox	412
37902	Knox	412
37912	Knox	412
37920	Knox	412
37921	Knox	412
37914	Knox	412
37917	Knox	412
37915	Knox	412
37996	Knox	412
37998	Knox	412
38018	Shelby	500
38016	Shelby	500
38139	Shelby	501
38138	Shelby	501
38017	Shelby	501
38120	Shelby	501
38119	Shelby	501
38125	Shelby	502
38135	Shelby	502
38002	Shelby	502
38117	Shelby	502
38103	Shelby	502
38133	Shelby	502
38134	Shelby	503
38141	Shelby	503
38132	Shelby	503
38115	Shelby	503
38104	Shelby	503
38053	Shelby	503
38111	Shelby	503
38128	Shelby	503
38122	Shelby	503
38112	Shelby	503
38131	Shelby	503
38152	Shelby	503
38118	Shelby	504
38116	Shelby	504
38107	Shelby	504
38127	Shelby	505
38109	Shelby	505
38114	Shelby	505
38108	Shelby	505
38106	Shelby	505
38105	Shelby	505
38126	Shelby	505
38113	Shelby	505
37027	Williamson	601
37069	Williamson	601
37067	Williamson	601
37064	Williamson	601
37135	Williamson	602
37014	Williamson	602
37122	Wilson	602
37179	Williamson	602
37075	Sumner	602
37138	Davidson	602
37085	Rutherford	602
37118	Rutherford	602

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
38476	Williamson	602
37128	Rutherford	602
37129	Rutherford	602
37046	Williamson	602
37153	Rutherford	602
37080	Davidson	602
37060	Rutherford	602
37127	Rutherford	602
37048	Sumner	602
37090	Wilson	602
37076	Davidson	602
37072	Davidson	602
37062	Williamson	602
37189	Davidson	602
37086	Rutherford	603
37031	Sumner	603
37167	Rutherford	603
37013	Davidson	603
37087	Wilson	603
37037	Rutherford	603
37066	Sumner	603
37149	Rutherford	603
37148	Sumner	603
37130	Rutherford	603
37184	Wilson	603
37022	Sumner	603
37186	Sumner	603
37057	Trousdale	603
37074	Trousdale	603
37132	Rutherford	603
37205	Davidson	611
37220	Davidson	611
37215	Davidson	611
37221	Davidson	611
37204	Davidson	611
37212	Davidson	611
37240	Davidson	611
37201	Davidson	612
37214	Davidson	612
37217	Davidson	612
37211	Davidson	612
37219	Davidson	613
37228	Davidson	613
37209	Davidson	613
37218	Davidson	613
37216	Davidson	613
37213	Davidson	613
37115	Davidson	613
37206	Davidson	613
37210	Davidson	613
37203	Davidson	613
37207	Davidson	613
37208	Davidson	613
37663	Sullivan	701
37615	Washington	701
37686	Sullivan	701
37664	Sullivan	701
37656	Greene	701
37688	Johnson	702
37617	Sullivan	702
37659	Washington	702
37645	Hawkins	702
37616	Greene	702
37873	Hawkins	702
37642	Hawkins	702

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
37681	Greene	702
37691	Johnson	702
37618	Sullivan	702
37657	Unicoi	702
37694	Carter	703
37692	Unicoi	703
37818	Greene	703
37731	Hawkins	703
37810	Greene	703
37809	Greene	703
37650	Unicoi	703
37745	Greene	703
37620	Sullivan	703
37743	Greene	703
37660	Sullivan	703
37857	Hawkins	703
37711	Greene	703
37658	Carter	703
37687	Carter	703
37680	Johnson	703
37690	Washington	703
37641	Greene	703
37643	Carter	703
37683	Johnson	703
37665	Sullivan	703
37811	Hawkins	703
37640	Johnson	703
37604	Washington	711
37614	Washington	711
37601	Washington	711
38028	Fayette	801
38076	Fayette	801
38004	Tipton	801
38060	Fayette	801
38387	Carroll	801
38355	Gibson	801
38058	Tipton	801
38318	Carroll	802
38011	Tipton	802
38328	Henderson	802
38257	Obion	802
38376	Hardin	802
38326	Hardin	802
38057	Fayette	802
38222	Henry	802
38347	Chester	802
38225	Weakley	802
38352	Chester	802
38337	Crockett	802
38241	Weakley	802
38340	Chester	802
38253	Obion	802
38359	Chester	802
38237	Weakley	802
38256	Henry	802
38052	Hardeman	802
38357	Mcnairy	802
38369	Gibson	802
38030	Dyer	802
38345	Henderson	802
38255	Weakley	802
38044	Hardeman	802
38015	Tipton	802
38201	Carroll	802
38006	Crockett	802

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
38251	Henry	802
38260	Obion	802
38236	Henry	802
38380	Decatur	802
38370	Hardin	802
38230	Weakley	802
38330	Gibson	802
38233	Gibson	802
38049	Fayette	802
38259	Dyer	802
38231	Henry	802
38023	Tipton	802
38221	Benton	802
38379	Mcnairy	802
38317	Carroll	802
38034	Crockett	802
38358	Gibson	802
38343	Gibson	802
38261	Obion	802
38351	Henderson	802
38310	Mcnairy	802
38238	Weakley	802
72395	Tipton	802
38375	Mcnairy	803
38240	Obion	803
38059	Dyer	803
38321	Carroll	803
38367	Mcnairy	803
38068	Fayette	803
38363	Decatur	803
38329	Decatur	803
38066	Fayette	803
38348	Carroll	803
38371	Hardin	803
38382	Gibson	803
38242	Henry	803
38344	Carroll	803
38320	Benton	803
38019	Tipton	803
38332	Chester	803
38232	Obion	803
38061	Hardeman	803
38001	Crockett	803
38224	Henry	803
38374	Decatur	803
38316	Gibson	803
38040	Lauderdale	803
38220	Carroll	803
38334	Mcnairy	803
38024	Dyer	803
38229	Weakley	803
38388	Henderson	803
38311	Decatur	803
38012	Haywood	803
38372	Hardin	803
38063	Lauderdale	803
38381	Hardeman	803
38008	Hardeman	803
38067	Hardeman	803
38258	Carroll	803
38339	Mcnairy	803
38368	Henderson	803
38226	Weakley	803
38342	Carroll	803
38327	Hardin	803

American Strategic Insurance Corporation **Exhibit 7**
Homeowners HO3, HO4, HO5 and HO6
Zip to Territory
Effective July 1, 2014

Zip Code	County	Territory
38080	Lake	803
38037	Lauderdale	803
38042	Hardeman	803
38361	Hardin	803
38315	Mcnairy	803
38341	Benton	803
38075	Hardeman	803
38041	Lauderdale	803
38069	Haywood	803
38079	Lake	803
38390	Carroll	803
38333	Benton	803
38475	Hardin	803
38039	Hardeman	803
38305	Madison	811
38362	Madison	811
38366	Madison	811
38313	Madison	811
38391	Madison	811
38356	Madison	811
38392	Madison	811
38301	Madison	811

American Strategic Insurance Corp.
TN Homeowners HO3 HO4 HO5 HO6
Order of Rate Calculation
Effective July 1, 2014

Exhibit 8

	HO3		HO5		HO6		HO4	
Variable	Other Perils	Wind/Hail	Other Perils	Wind/Hail	Other Perils	Wind/Hail	Other Perils	Wind/Hail
Base Rate	468	236	412	276	310	59	123	11
Territory Factor	x	x	x	x	x	x	x	x
Amount of Insurance - Coverage A	x	x	x	x	**	**		
Protection Class/Construction Type	x	x	x	x	x	x		
Non-structural Hail Loss Limitation		x		x				
Increased Replacement Cost	x	x	x	x				
Limited Water Damage	x				x			
Ordinance or Law	x	x	x	x	x	x		
Roof Settlement (Wind Hail)		x						
Coverage B Limit (Other Structures)	x	x	x	x				
Coverage C Limit (Contents)	x	x	x	x	x	x	x	x
Roof Age / Material	x	x						
Number of Stories	x	x						
Personal Property Replacement Cost	x	x	x	x	x	x	***	***
Special Personal Property	x	x			x	x		
Household Factor	x						x	
Paid in Full Discount	x						x	
Umbrella	x							
Length of Residence	x							
Number of Floors Above Unit					x			
Coverage D Limit (Loss of Use)	x		x		x			
Renter Occupied					x			
Tier	x	x			x	x	x	x
Package Policy Discount	x		x		x		x	
New Purchase	x				x			
Accredited Builder	x		x					
Non-smoker	x		x		x			
Protective Device - Fire	x		x		x			
Protective Device - Burglar	x		x		x			
Senior/Retiree Discount			x		x			
Secured Community/Building	x		x		x		x	
Advance Quote							x	
Wood Burning Stove	x		x		x			
Claims Surcharge	x	x	x	x	x	x	x	x
Age of Dwelling	x		x		x			

Maximum Adjustment - Disc/Surc	x	x	x	x	x	x		
Maximum Adjustment - Tier/Disc-Surc	x	x			x	x		
Deductible	x	x	x	x	x	x	x	x
HomeShield/HomeShield Plus	x						+	
E-Policy	-		-		-		-	
Liability	+		+		+		+	
Medical Payments	+		+		+		+	
Animal Liability	+		+		+		***	
Water Backup/Sump Pump	+		+		+			
Scheduled Personal Property	+		+		+		+	
Increased Limit on Jewelry, Watches & Furs	+		+		+			
Loss Assessment	+		+		+			
Personal Injury	+		+		+			
Home Computer	+		+		+		+	
Special Structure Buyback	+		+					
Sinkhole Collapse Coverage	+		+		+			
Fixed Base Premium	75		75		50		50	
Sub: Premium	0		0		0		0	
Inspection	25		25		25			
Total Premium	0	0	0	0	0	0	0	0

**Cov A&C combined limit

*** Included in base policy

American Strategic Insurance Corp (ASIC) Exhibit 11
Builder Warranty Discount Support
Tennessee Homeowners

Builder Warranty Discount

(1)	(2)	(3)	(4)
		ASI Indicated	Selected
Builder Warranty	Exposures	Amount	Amount
Y	95,575	0.79	0.90
N	1,697,809	1.00	1.00

Notes:
(3) Pure Premium relativities using Countrywide GLM for Accredited Builder discount. The Builder Home Warranty is a requirement for the discount
(4) Selected Builder Warranty Discount

SERFF Tracking #:	*AMSI-129432283*	***State Tracking #:***	*141358*	***Company Tracking #:***	*TN HO 2014-04*

State:	*Tennessee*	***Filing Company:***	*American Strategic Insurance Corp*
TOI/Sub-TOI:	*04.0 Homeowners/04.0003 Owner Occupied Homeowners*		
Product Name:	*Homeowners*		
Project Name/Number:	*TN HO 2014-04/*		

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
04/18/2014	Replaced 04/28/2014	Rate	HO3, HO4, HO5 & HO6 Manuals	04/25/2014	TN HO4 Underwriting Manual 04-2014.pdf TN HO5 Underwriting Manual 04-2014.pdf (Superceded) TN HO6 Underwriting Manual 04-2014.pdf TN HO3 Underwriting Manual 04-2014.pdf (Superceded)
04/07/2014	Replaced 04/28/2014	Rate	HO3, HO4, HO5 & HO6 Manuals	04/18/2014	TN HO3 Underwriting Manual 04-2014.pdf (Superceded) TN HO4 Underwriting Manual 04-2014.pdf TN HO5 Underwriting Manual 04-2014.pdf TN HO6 Underwriting Manual 04-2014.pdf

ELIGIBILITY – UNDERWRITING

GENERAL UNDERWRITING ELIGIBILTY

- A risk is not bound until a policy is issued in our rating system. ASI does not allow binders.
- The HO-5 program is for new home construction.
- The property must be owned and occupied by the insured as a primary residence.
- Risks must be insured for 100% of replacement cost.
- All guidelines apply to new and renewal business, unless otherwise specified. If the company discovers conditions of the property which make it ineligible, whether or not disclosed on the application, the risk may be canceled or non-renewed.
- The company reserves the right to re-rate, cancel or non-renew a policy based on the discovery of inaccurate or undisclosed information at the time of application.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Properties located in a Special Flood Hazard Area (Zone A or V) must be covered by an ASI Flood insurance policy with matching building limit (or maximum available).

OCCUPANCY / USE

Residence must be:

- Occupied by the owner and owner's immediate family.
- Occupied as a primary residence.
- Used exclusively for private residential purposes only.
- Properties with home day care exposure are eligible for this program with evidence of commercial liability coverage with a minimum limit of $500,000 for the day care operation.
- Properties used for the purpose of assisted living, nursing home or group home facilities are ineligible for coverage.
- Properties used for the purpose of college housing are ineligible for coverage.
- Properties owned by more than 2 individuals must be referred to underwriting.
- Properties used for business purposes, other than approved home daycares, are ineligible for coverage.
- Properties in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Properties that are vacant, unoccupied, or under construction or major renovation are ineligible for coverage. Homes under construction may qualify for a Dwelling Fire policy.

SECONDARY/SEASONAL RESIDENCES

A dwelling occupied by owner for less than nine continuous months per year is considered seasonal. Seasonal residences are not eligible for coverage in this program.

** Secondary/seasonal residence may qualify for a Dwelling Fire policy subject to eligibility guidelines. See Dwelling Fire manual for more information.

APPLICANT

- Must occupy the home as a primary residence.
- Must hold title to home with a maximum of two mortgages.
- Credit is evaluated along with prior insurance, claims history, condition of property, age of property, and other risk factors.
- Properties owned in the name of trust or IRA must be referred to underwriting for prior underwriting approval.
- Properties in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.
- With the exception of a new home purchase, applicants must provide documentation verifying continuous voluntary coverage for the property. Force placed or lender placed insurance is not considered voluntary coverage.

PROPERTY LOCATION

- Properties must be located on a paved road easily accessible to emergency vehicles.
- Properties located in a commercially zoned neighborhood or adjacent to a commercial property must be submitted to underwriting for prior approval.
- Properties located on landfill sites or geologically unstable areas are ineligible for coverage.
- Properties located on mountainsides, cliffs or bluffs or over water are ineligible for coverage.
- Properties located in fly-in/out or airport communities are ineligible for coverage.
- Properties located partial or entirely over water are ineligible for coverage.
- Properties located on a farm or with farming exposure are ineligible for coverage.
- Properties located on more than 5 acres must be referred to underwriting for prior underwriting approval.

PROPERTY CHARATERSITICS

- Properties and the dwelling must be well maintained and display pride in ownership.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Porches or decks more than 2 feet off the ground or with 3 or more steps leading to them must be protected with properly installed handrails.
- Trees must be a safe distance from the dwelling and other structures on the property. All trees and brush must be trimmed and maintained. Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home may be ineligible for coverage.
- Homes must have a professionally installed, permanent and thermostatically controlled central heat source. Professional installed wood burning stoves are permitted as long as they are not the primary heat source. A wood burning surcharge is applied.
- Properties must have a permanently installed central cooling system. Homes with evaporative cooling systems are ineligible for coverage.
- Properties purchased as a result of a foreclosure or short sale requires underwriting approval prior to binding.
- Properties that are currently listed for sale must be referred to underwriting for prior approval.
- Properties in foreclosure are not eligible for coverage.
- Properties with swimming pools, hot tubs or spas must be gated with a minimum of a 4 foot fence and locking gate or approved alternate enclosure. Swimming pools, hot tubs and spas must be maintained in working condition. Diving boards or slides are not permitted.
- Homes of unconventional construction including, but not limited, to, do-it-yourself, log, dome, A – frame, shell, or homes using unconventional parts or not meeting building codes are ineligible for coverage.
- Properties with underground fuel tanks, whether or not in use are ineligible for coverage.
- Properties with historical designations are not eligible for coverage.
- Homes with burglar bars installed on the windows having no inside release are ineligible for coverage.
- Homes designated as “Green Homes” are ineligible for coverage.
- Mobile, modular, manufactured and pre-fabricated homes are ineligible for coverage.
- Properties, other structures, walkways or retaining walls, deemed by the company to be in poor condition or disrepair are ineligible for coverage.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.

AGE OF HOME/ UPDATE REQUIREMENTS

The HO-5 program is for new home construction. The following rules apply as the home ages.

Risks older than 50 years are ineligible without proof of updates. Proof of the following updates should be submitted to underwriting prior to binding coverage. We will require a 4-point inspection, and/or receipts of work completed, in addition to photos. The inspection / proof of updates should address what updates have been made and the year in which they were made. All updates/replacements should be completed within the past 10 years.

Once received, Underwriting will evaluate the request based on the photos, inspection and entire history of the risk/insured

- **Electrical:** Installation of new approved circuit breakers, fixtures, receptacles and replacement of wiring with Romex or BX cable. ASI does not accept knob and tube wiring, aluminum wiring (unless properly modified) or fuses.
- **Heating:** Installation of new heating plant including burner, boiler, fans, coupling valves, pressure relief valves, safety controls, safety switches or connectors.
- **Plumbing:** Replacement of pressurized water lines, fixtures, traps, pump, holding tank & hot water heater. Copper tubing or PVC plumbing is required. ASI does not accept Polybutylene or PEX plumbing systems.
- **Roof**: Completely replaced with approved roof covering & flashing.

Homes with the following are ineligible for coverage:

- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with polybutylene or PEX or galvanized plumbing.

ROOF/SIDING

Roofs and siding must be in good condition. Roof must have at least 5 years life expectancy. Specific roof requirement include:

- Composition shingle roofs must not be more than 20 years old.
- Metal, concrete and clay tile roof must not be more than 25 years old.
- Maximum of one overlay of composition shingles.
- Metal roofs will include the Non-Structural Hail Loss Limitation Endorsement.

Homes with the following are ineligible for coverage:

- Wood shingle, wood shake, tar and gravel, rubber membrane, tin and corrugated metal roofs
- Flat roofs are ineligible unless they are poured concrete
- T-Lock shingle
- Asbestos roof or siding
- Masonite, EIFS, Dryvit siding or wood shake siding

LIABILITY/PROPERTY HAZARDS

- Properties must be maintained and display a pride in ownership.
- Properties must be free of debris, clutter or other liability hazards. This includes, but is not limited to, inoperable vehicles, appliances, tree limbs, or other items deemed unacceptable by underwriting.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Properties with trampoline or skateboard ramps are ineligible for coverage.
- Applicants and/or properties with ATV's, dirt bikes, or snowmobiles. Exceptions can be made with proof of liability insurance for the vehicles.

SWIMMING POOLS / HOT TUBS

- Swimming pools, hot tubs and spas must be maintained and in working condition.
- Must be protected by a locking fence at least 4 ft. high, or alternate approved enclosure.
- No diving boards or slides are permitted.
- Hot tubs must have a secure cover or be protected by a 4 ft. locking fence.

INSURANCE TO VALUE

Risks must be insured for at least 100% of replacement cost. Our system provides a replacement cost calculated by Marshall & Swift/Boeckh (M&S/B).

INSPECTIONS

At the company's discretion, a home inspection will be performed after coverage is bound and paid. Policyholders that do not permit the inspection may be subject to cancellation of the policy.

A home inspection consists of the examination and review of the interior, exterior or both (interior and exterior) of the dwelling, other structures and surrounding property to determine condition and acceptability. The inspection will be used to verify rating factors, underwriting eligibility and condition of the property.

If the inspection indicates differences in rating factors, discounts, coverage or condition of the property one or more of the following actions may occur:

Within the first 60 days of the new business policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Cancellation of the policy

After the first 60 days of the policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Non-renewal of the policy

Pre-binding inspections and/or photos may be required in cases where the applicant, home or property do not meet the eligibility requirements. The agent or policyholder will be responsible for obtaining and submitting the requested documentation.

LOSS HISTORY

Claims are evaluated both in rating and as part of the underwriting process.

Unacceptable prior loss history:

- Any loss within the last 5 years that has not been fully remedied or otherwise resolved and that continues to impact the future loss potential.
- Three or more claims reported within 3 years.

Contact Underwriting; do not bind for new business:

- Two or more claims reported within 5 years.
- Any one liability claim reported within 5 years.

Renewal Business ~ Loss incurred during the policy term that continue to impose a substantial relationship to risk of future loss and/or changes in exposure that impose a substantial risk of future loss will be considered for non-renewal.

PREVIOUS CANCELLATIONS / NON-RENEWALS / NO PRIOR COVERAGE

Risks previously canceled or non-renewed by another insurer must be referred to company prior to binding. If no prior coverage or a lapse in coverage, other than a first time home buyer, the risk is ineligible.

FOUNDATION

You can automatically bind a policy subject to the following guidelines.

- Pilings (8'-10' elevations) – please submit photos to underwriting prior to binding.
- Crawl space – (foundation is enclosed with a permanent material; i.e. block, brick, siding, etc.) is acceptable. Homes on open foundations enclosed by lattice do not qualify as crawl space.
- Concrete slabs are acceptable.
- Homes built on an open foundation are ineligible.

SINGLE BUILDING DEFINITION

Buildings that are separated by space shall be considered separate buildings. Buildings or sections of buildings, which are separated by a 6-inch reinforced concrete or 8-inch masonry party wall that pierces or rises to the underside of the roof and pierces or extends to the inner side of the exterior wall, shall be considered a separate building. 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.

TOWNHOUSE OR ROWHOUSE

Determine the total number of individual family units within a Fire Division. For example, a 2 family dwelling attached to a 1 family dwelling is considered 3 individual family units within a Fire Division if both dwellings are not separated by a firewall. Four attached 2 family dwellings are considered 8 family units within a Fire Division if they are not separated by firewalls (and thus ineligible).
A policy may be issued for:

- Coverage A when a dwelling contains 4 or less family units within a Fire Division.
- Coverage C in a dwelling with 1 or more individual family units within a Fire Division.

PROTECTION CLASS INFORMATION

The Protection Class listings in the Public Protection Classification Manual apply. Use PC 10 for unclassified areas. Homes must have paved road access to qualify. In an unclassified area where two or more classifications are shown (e.g. 6/9), the classification is determined as follows:

Miles to Fire Station	Feet to Hydrant	Class
Less than 5	Less than 1,000	first PC
Less than 5	More than 1,000	9
More than 5		10

Homes located in a PC 9 or 10 must meet the following eligibility requirements:

- Homes must be located on a paved road
- Homes must be visible to neighbors

CONSTRUCTION DEFINITIONS

- Frame / Stucco on Frame / Hardiplank over Frame – exterior wall of wood or other combustible construction, including wood-iron clad, stucco on wood or plaster on combustible supports, and aluminum or plastic siding over frame.
- Masonry Veneer – exterior walls constructed of masonry materials such as brick or stone over frame.
- Masonry / Stucco on Masonry – exterior walls constructed of masonry materials such as adobe, concrete, gypsum block, hollow concrete block, stone, tile, or similar materials, and floors and roof of combustible construction.
- Superior Construction - exterior walls, floors, and roof constructed of masonry or other non-combustible materials.

Note: Mixed (Brick/Block and Frame) – a combination of both brick/block and frame construction shall be classified as Frame when the exterior walls of frame construction (including gables) exceed 30% of total exterior wall area; otherwise classify as Brick/Block.

INELIGIBLE RISKS INDEX

- Homes older than 75 years.
- Homes with wood shingles, T-lock shingles, flat or corrugated metal roofs.
- Homes with more than one overlay of shingles (cannot be over wood shingles).
- Homes with wood shake, Masonite, EIFS or Dryvit siding.
- Homes with asbestos roofs or asbestos siding.
- Homes with fuses, knob and tube wiring or federal pacific breakers.
- Homes with aluminum wiring (may be eligible if properly modified; inspection required).
- Homes with polybutylene or PEX or galvanized plumbing.
- Homes designated as “Green Homes”.
- Homes built on an open foundation.
- Homes without a permanently installed central heat and air source.
- Homes with evaporative coolers.
- Homes with underground fuel tanks, whether or not in use.
- Homes of unconventional construction including log, do-it-yourself, dome, shell, A-frame or homes using unconventional parts or not meeting building codes.
- Mobile, modular, manufactured and pre-fabricated homes.
- Homes deemed by the company to be in poor condition or disrepair.
- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with retaining walls deemed by the company to be in poor condition.
- Homes with other structures on the premises deemed by the company to be in poor condition.
- Homes with roofs deemed by the company to be in poor condition or having less than five years life expectancy.
- Homes with debris or other liability hazards on the premises.
- Homes under construction or major renovation.
- Homes with trampolines.
- Homes having swimming pools with diving boards or slides.
- Homes having unprotected swimming pools or hot tubs.
- Town homes or duplexes unless meeting single building definition.
- Homes located on more than 5 acres.
- Homes without paved road access.
- Homes located entirely or partially over water.
- Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home.
- Homes located in fly in – fly out / airpark communities.
- Seasonal, unoccupied, vacant or rental homes.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Homes with business or farm exposure.
- Homes used for the purpose of assisted living, nursing home or group home facilities.
- Homes used for the purpose of college housing.
- Homes with ATVs, snowmobiles or dirt bikes on the premises.
- Homes with burglar bars installed on the windows having no inside release.
- Homes with historical designations.
- Homes with duplicate coverage.
- Homes with more than two mortgages.
- Homes not occupied by the owner.

- Homes in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate.
- Homes that the company is not permitted by the insured to inspect.
- Homes with no prior coverage (other than first time home buyer), a lapse in coverage, or homes with forced placed insurance.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.

GENERAL RULES

POLICY TERM

The standard policy term is one year and may be extended for successive policy periods by renewal.

RENEWAL

If the company elects to offer renewal, policy may be renewed by the policyholder by paying the renewal premium prior to the expiration of the current policy. Renewal policy will be issued based on the premiums, forms and endorsements in effect at time of renewal. A new declaration page as well as any revised policy forms will be sent to the insured. Copies of notices and declaration page will be sent to the mortgagee(s).

CANCELLATION OR CHANGES

- Mandatory coverages may not be canceled unless the entire policy is cancelled.
- The insured may cancel the policy at any time for any reason.
- Flat cancellations after the effective date will require proof of other insurance and must be made within 60 days of effective date.
- If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro-rata basis.

MULTIPLE COMPANY INSURANCE

We will not provide coverage for a dwelling that is also covered by another insurance policy.

TRANSFER OR ASSIGNMENT

No transfers or assignments are permitted. Each insured and/or property will require submission of a new application.

WAIVER OF PREMIUM

When a policy is issued or endorsed after the inception date, additional or return premium of less than $5 is waived. However, we will return unearned premium upon request.

OTHER INSURED LOCATION - NO COVERAGE

This program does not permit liability coverage for any other residences owned by the insured regardless of occupancy. We will provide property coverage for secondary/seasonal residences or residences rented to others in our Dwelling Fire program.

BUSINESS PURSUITS - NO COVERAGE

This program does not offer coverage for liability arising out of business activities.

INCIDENTAL OCCUPANCIES - NO COVERAGE

This program does not offer coverage for liability arising out of incidental occupancies.

BINDING AUTHORITY

A risk is not bound until a policy is issued in our rating system. ASI does not accept binders. For your convenience, our system provides an immediate declarations page and application upon issuance of the policy. Risks may be bound up to 60 days prior to effective date.

Agents may bind coverage on risks meeting all underwriting criteria without contacting the company. Signed applications and supporting documentation must be maintained in Agent's office and is subject to audit at request of the company.

- **$750,000 Coverage A.** Risks above $750,000 must be submitted to underwriting for review prior to binding coverage.
- Homes with Coverage A under $100,000 require 2 photos (front and back) of the home and must be submitted to underwriting prior to binding coverage.
- Risks must meet the eligibility / underwriting guidelines. Any risk not meeting the guidelines, but judged by the agent to be a good risk, must be referred to underwriting prior to binding.

HIGH VALUE PROGRAM

Single-family homes with Coverage A greater than $750,000 meeting all underwriting criteria may be eligible for coverage. Agent may not bind coverage. All applications must be submitted to the Underwriting Department for approval and binding of coverage.

MANDATORY ENDORSEMENTS

COVERAGE ENDORSEMENTS / ASI SPECIAL PROVISIONS

ASI excludes Liability coverage for the following: Trampolines, Animals, Fungi Wet or Dry Rot or Bacteria, Diving Boards or Slides, Fuel Systems.

Endorsement **ASI HO TN SP** is attached to all policies. Our Special Provisions endorsement amends the basic ISO Homeowners 3 Special form. We encourage you to read our Special Provisions in its entirety. A few items of particular importance are:

- Special Limit of Liability of $10,000 per policy term for Cosmetic and Aesthetic Damage to Floors.
- Coverage C – Personal Property additional Special Limits of Liability are added: $2500 on personal computers, $500 on collections, 5% of the Coverage C limit for any one unscheduled item.
    - Windstorm or Hail Exclusion – excludes windstorm or hail losses to:
        - ❖ outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers;
        - ❖ Awnings, aluminum framed screened enclosures, or aluminum framed carports or aluminum sheds;
        - ❖ Solar panels; solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems; and
        - ❖ Any structure defined as part of Coverage B - Other Structures unless the structure is constructed of the same or superior construction material and methods as that of the dwelling and attached to a permanent concrete foundation.

LIMITED FUNGI, WET OR DRY ROT OR BACTERIA COVERAGE

This is a mandatory endorsement that limits Section I coverage for fungi, wet or dry rot or bacteria coverage to $5,000. Coverage only applies to a peril insured against.

NON-STRUCTURAL HAIL LOSS LIMITATION

This endorsement is mandatory for properties with metal roofs and/or aluminum siding. In all other instances, it may be added at the option of the insured. The endorsement provides that when damage from hail consists only of dents to the exterior surface of a home or other structure, not causing structural damage, we will pay the lowest of the cost of repairing or replacing the damaged portion of the property; or 2% of the amount of insurance provided under Coverage A (Dwelling).

The factor for this endorsement is .97 and it applies to the other perils premium.

OPTIONAL COVERAGES ENDORSEMENTS

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT

Provides replacement cost loss settlement on Coverage C.

The factor for this coverage is 1.10 and it applies to the wind/hail and other perils premium.

INCREASED REPLACEMENT COST ON DWELLING

This endorsement is intended to cover additional costs of construction that are incurred due to increases in the cost of construction that occur during the policy period. Increased construction cost is normally the result of increased demand relative to supply of labor and materials that can occur subsequent to a catastrophic loss that impacts a substantial number of properties in a region. Additional coverage options provided by this endorsement are 25% of Coverage A and 50% of Coverage A.

Coverage must be written for 100% of replacement cost.

This endorsement does not cover increased construction costs attributable to laws or ordinances governing construction.

The factor for this coverage is 1.04 for 25% of Coverage A and 1.06 for 50% of Coverage A and it applies to the Other Perils and Wind/Hail premium.

ANIMAL LIABILITY BUYBACK ENDORSEMENT

This endorsement may be added at the option of the insured for the limits and premiums below. Endorsement provides that Coverage E (Personal Liability) and F (Medical Payments) applies to bodily injury or property damage caused by animals owned by the insured, provided the animals are not prohibited by our guidelines (see ineligible list). **An insured must have an umbrella policy in order to qualify for the $300,000 or $500,000 options.** A current Declarations Page for the umbrella policy will be required for audit purposes. This endorsement also provides Medical Payments coverage at the same limit as chosen for regular liability coverage.

Limit	Premium
50,000	$25
300,000	$35
500,000	$45

ORDINANCE OR LAW COVERAGE

Provides coverage for increases in cost of reconstruction, repair, or demolition of property that result from local laws or ordinances regulating such. Coverage options provided by this endorsement are 50% of Coverage A. The basic policy includes 10% of Coverage A.

		Factor
Additional Premium	25% of coverage A	1.05

WATER BACKUP/SUMP PUMP COVERAGE

The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from the sump. A $1,000 deductible applies to this coverage.

The endorsement may be added for the following limits:

Basement	Limit	Premium
None	$5,000	$30
None	$10,000	$50
None	$25,000	$80
Unfinished	$5,000	$40
Unfinished	$10,000	$60
Unfinished	$25,000	$110
Partially Finished	$5,000	$50
Partially Finished	$10,000	$70
Partially Finished	$25,000	$145
Finished	$5,000	$60
Finished	$10,000	$90
Finished	$25,000	$175

Basement status

- None - no basement exists at the property
- Unfinished Basement - non modified area used primarily for storage
- Partially-finished basement - slightly modified area which, in addition to providing storage, usually has some improvements and an additional purpose (exercise room, music room, etc.)
- Finished basement - modified area which is a fully habitable addition to the house. This space is frequently converted into a bedroom, home theater, gym, etc.

LOSS ASSESSMENT COVERAGE

Provides increased coverage for assessments relating to the residence premises. The basic policy includes $1,000 coverage.

Additional premium:

Limit	Premium
$ 5,000	$15
$10,000	$25

PERSONAL INJURY COVERAGE

This endorsement provides liability coverage for personal injury to others for offenses such as false arrest, detention or imprisonment, libel, slander, defamation of character, invasion of privacy, and wrongful eviction or wrongful entry.

Additional premium: $15

HOME COMPUTER COVERAGE

This endorsement provides coverage for computers and related equipment against additional risks of physical loss subject to certain exclusions. In addition, this endorsement permits business use of a personal computer. This coverage is available to a maximum limit of $20,000.

Additional premium: $6 for each $1,000

INCREASED LIMIT ON JEWELRY, WATCHES AND FURS

Unscheduled (only) coverage can be added in increments of $1,000 up to a maximum of $5,000 for a premium of $18 per $1,000.

SCHEDULED PERSONAL PROPERTY

Scheduled coverage may be purchased for the following classes of property.

Property Description	Rate/$100
Antiques	0.90
Bicycles	9.35
Camera/Projection Equipment (Non-professional)	1.52
Coins	1.80
Fine Art	0.50
Fine Art - With Breakage	1.00
Furs	0.40
Golfer's Equipment	1.40
Jewelry	1.25
Miscellaneous Personal Property	1.00
Musical Instruments (Non-professional)	0.60
Other Sports Equipment	2.00
Guns – Fired	3.00
Guns – Collectible	1.50
Silverware	0.45
Stamps	0.80

Underwriting Guidelines:

- ASI does not offer a blanket schedule for items.
- A complete description, including price, is require on each item.
- Description should include make, model, color, clarity, size, etc.
- Appraisals or bills of sale and a color photo must accompany single items worth $5,000 or more.
- Jewelry items worth $5,000 or more must be kept in vault when not worn.
- Schedules which total over $20,000 or include individual items worth more than $5,000 should be submitted for approval prior to binding.
- Central station burglar alarm is required for schedules over $50,000.
- Prior approval is required for Scheduled Personal Property on homes located in protection classes 9 and 10.
- Breakage coverage is limited on fine arts/antiques.

SPECIAL STRUCTURES WIND/HAIL BUYBACK (SSB)

This endorsement will provide coverage for direct physical damage caused by Windstorm or Hail to the following structures located on the "residence premises":

- Fences;
- Aluminum framed screened enclosures;
- Aluminum framed carports;
- Other structures defined as part of Coverage B that are not constructed of the same or superior construction materials/methods as that of the dwelling and / or not attached to a permanent concrete foundation.

Losses are settled at Actual Cash Value. Please see the complete form for more details.

Statewide SSB base rate = $3.00 per thousand of coverage

Additional premium = (Amount of coverage desired / 1,000) x $3.00 x the filed territory relativity for wind/hail.

Example: $10,000 of coverage in 38117 (Memphis).

$10,000 / $1,000 x $3.00 x 1.230 = $36.90 premium

SINKHOLE COVERAGE

The base policy covers Catastrophic Ground Cover Collapse. Sinkhole Coverage is excluded in the base policy, but may be purchased for an additional premium subject to underwriting review.

The Premium for this coverage is $0.60 per $1,000 in coverage A

PREMIUM CALCULATION

Premium is calculated separately for “wind/hail” and “other perils”. Many policy variables and the rate classifications within each are used in developing the final premium. In general, the factor for each rate class is multiplied times the factor for the rate class of the preceding variable. The following variables, rate classifications, and factors are utilized in rating.

AMOUNT OF INSURANCE

The factor for coverage amounts greater than $300,000 is determined by adding .467% to the $300,000 Coverage A factor for each additional $1,000 in coverage.

Coverage A	Factor
$75,000	0.800
$80,000	0.813
$85,000	0.827
$90,000	0.840
$95,000	0.853
$100,000	0.867
$105,000	0.880
$110,000	0.893
$115,000	0.907
$120,000	0.920
$125,000	0.933
$130,000	0.947
$135,000	0.960
$140,000	0.973
$145,000	0.987
$150,000	1.000
$155,000	1.023
$160,000	1.047
$165,000	1.070
$170,000	1.093
$175,000	1.117
$180,000	1.140
$185,000	1.163
$190,000	1.187
$195,000	1.210
$200,000	1.233
$205,000	1.257
$210,000	1.280
$215,000	1.303
$220,000	1.327
$225,000	1.350
$230,000	1.373
$235,000	1.397
$240,000	1.420
$245,000	1.443
$250,000	1.467

$255,000	1.490
$260,000	1.513
$265,000	1.537
$270,000	1.560
$275,000	1.583
$280,000	1.607
$285,000	1.630
$290,000	1.653
$295,000	1.677
$300,000	1.700

PROTECTION CLASS / CONSTRUCTION

Use the following factors for other perils premium:

Protection Class	Frame	Masonry	Masonry Veneer	Superior
1	1.06	1.00	1.00	1.00
2	1.06	1.00	1.00	1.00
3	1.06	1.00	1.00	1.00
4	1.06	1.00	1.00	1.00
5	1.06	1.00	1.00	1.00
6	1.16	1.05	1.05	1.05
7	1.19	1.05	1.05	1.05
8	1.30	1.20	1.20	1.20
9	1.40	1.25	1.25	1.25
10	2.00	1.50	1.50	1.50

Use the following factors for wind/hail premium:

Type	Wind/Hail
Frame	1.21
Masonry Veneer	1.00
Masonry	1.00
Superior	1.00

AGE OF DWELLING

Age is determined by subtracting the year in which construction of the residence was completed from the year in which the policy is effective.

Age of Home	Other Perils	Wind/Hail
0	0.495	0.600
1	0.521	0.620
2	0.574	0.640
3	0.601	0.660
4	0.628	0.680
5	0.681	0.700
6	0.734	0.720

7	0.761	0.740
8	0.787	0.760
9	0.814	0.780
10	0.840	0.800
11	0.894	0.850
12	0.947	0.900
13	1.000	0.950
14	1.053	1.000
15	1.053	1.000
16	1.053	1.000
17	1.053	1.000
18	1.053	1.000
19	1.053	1.000
20	1.053	1.000
21	1.106	1.000
22	1.133	1.000
23	1.160	1.000
24	1.186	1.000
25	1.213	1.000
26	1.213	1.000
27	1.213	1.000
28	1.213	1.000
29	1.213	1.000
30	1.213	1.000
31	1.160	1.000
32	1.160	1.000
33	1.160	1.000
34	1.160	1.000
35	1.160	1.000
36	1.160	1.000
37	1.160	1.000
38	1.160	1.000
39	1.160	1.000
40	1.160	1.000
41	1.213	1.000
42	1.213	1.000
43	1.213	1.000
44	1.213	1.000
45	1.213	1.000
46	1.213	1.000
47	1.213	1.000
48	1.213	1.000
49	1.213	1.000
50	1.213	1.000
51	1.213	1.000
52	1.213	1.000
53	1.213	1.000
54	1.213	1.000
55	1.213	1.000

56	1.213	1.000
57	1.213	1.000
58	1.213	1.000
59	1.213	1.000
60	1.213	1.000
61	1.213	1.000
62	1.213	1.000
63	1.213	1.000
64	1.213	1.000
65	1.213	1.000
66	1.213	1.000
67	1.213	1.000
68	1.213	1.000
69	1.213	1.000
70	1.213	1.000
71	1.213	1.000
72	1.213	1.000
73	1.213	1.000
74	1.213	1.000
75+	1.213	1.000

COVERAGE OPTIONS

DEDUCTIBLES

The standard deductible is $500 for wind/hail and other perils premium. The wind/hail deductible cannot be less than the other perils deductible. **Changes in deductibles may only be made at the time of renewal**.

Deductible	Coverage A ($000's)	Other Perils	Wind/Hail
$500	51-100	0.910	0.967
$1,000	51-100	0.830	0.914
$2,500	51-100	0.680	0.792
1%	51-100	0.870	0.939
2%	51-100	N/A	0.868
5%	51-100	N/A	0.715
$500	101-150	0.980	0.993
$1,000	101-150	0.890	0.956
$2,500	101-150	0.750	0.868
1%	101-150	0.870	0.939
2%	101-150	N/A	0.868
5%	101-150	N/A	0.715
$500	151-200	1.020	1.005
$1,000	151-200	0.940	0.976
%2,500	151-200	0.810	0.907
1%	151-200	0.870	0.939
2%	151-200	N/A	0.868
5%	151-200	N/A	0.715
$500	201-250	1.050	1.012

$1,000	201-250	0.980	0.988
$2,500	201-250	0.850	0.930
1%	201-250	0.870	0.939
2%	201-250	N/A	0.868
5%	201-250	N/A	0.715
$500	251-300	1.080	1.017
$1,000	251-300	1.000	0.997
$2,500	251-300	0.890	0.947
1%	251-300	0.870	0.939
2%	251-300	N/A	0.868
5%	251-300	N/A	0.715
$500	301-500	1.150	1.024
$1,000	301-500	1.080	1.009
$2,500	301-500	0.950	0.971
1%	301-500	0.870	0.939
2%	301-500	N/A	0.868
5%	301-500	N/A	0.715
$500	501-999	1.150	1.032
$1,000	501-999	1.080	1.023
$2,500	501-999	0.950	1.000
1%	501-999	0.870	0.939
2%	501-999	N/A	0.868
5%	501-999	N/A	0.715
$500	1000-5000	1.150	1.032
$1,000	1000-5000	1.080	1.023
$2,500	1000-5000	0.950	1.000
1%	1000-5000	0.870	0.939
2%	1000-5000	N/A	0.868
5%	1000-5000	N/A	0.715

LIMITS OF COVERAGES B, C & D

Coverage B - Other Structures

Insured may select desired coverage limit for other structures located on the residence premises. Other structures may not be rented to others, or used by non-related persons for residence purposes. Base rates include other structures coverage equal to 2% of Coverage A. The factor applies to wind/hail and other perils premium.

% Coverage A	Factor
2%	1.00
10%	1.02
20%	1.05

Coverage C - Contents

Insured may select desired coverage limit for personal property. Base rates include contents coverage equal to 50% of Coverage A.

% of Cov A	Other Perils	Wind/Hail
0%	0.800	0.700
25%	0.915	0.850
50%	1.000	1.000
70%	1.100	1.120

Coverage D – Loss of Use

Base rates include loss of use coverage equal to 20% of Coverage A.

% Coverage A	Factor
10%	0.98
20%	1.00

SECTION II LIMITS

Provides coverage for Personal Liability and Medical Payments to Others.

The following limits are available:

Liability Limit	Premium
$100,000	$15
$300,000	$25
$500,000	$35

Med Pay Limit	Premium
$1,000	$5
$2,500	$8
$5,000	$10

DISCOUNTS & SURCHARGES

Discounts are applied to both the other perils and wind/hail premium (unless specified otherwise) as a multiplicative factor. The maximum cumulative rate impact from all discounts and surcharges combined is 55%. The maximum combined rate impact from the tier factor and all discounts and surcharges is 60%. The E-Policy Discount is not subject to discount capping. **Documentation supporting all discounts must be maintained in the agency file or submitted to the company.**

ACCREDITED BUILDER DISCOUNT

A 10% discount is offered for new homes built by established builders recognized for their volume and willingness to stand behind their product. These builders are listed on the company website. The discount is only available for new construction and not for re-sales. The discount remains on the policy at renewal.

PACKAGE POLICY DISCOUNT

A discount is offered for an Auto companion policy or a Preferred Partner auto companion policy. The discount applies if the policyholder has an auto policy with the agent who wrote the ASI homeowner policy. Agent must list auto insurance company and policy number on application. If the auto policy cancels, the Package Policy discount is removed. A discount is also offered for homes with an ASI flood policy in effect.

Package Policy Discount	Other Perils
Flood	0.968
Auto	0.947
Preferred Partner	0.894

SECURED COMMUNITY/BUILDING DISCOUNT

A 10% discount is applied to the “other perils” premium for homes located in a neighborhood protected by 24 hour-manned security or passkey gates protecting all entrances to community. Only applies to Other Perils premium.

SENIOR DISCOUNT

A 5% discount is offered to an applicant who has attained the age of 60, or is 55 and retired.

PROTECTIVE DEVICE DISCOUNT

- 5% discount for fire alarm reporting to fire or central station.
- 8% discount for complete home sprinkler system.
- 5% discount for complete local burglar alarm covering all exterior doors & windows.
- 8% discount for complete burglar alarm reporting to police/central station.

All protective device discounts only apply to Other Perils premium.

E-POLICY DISCOUNT

A $10 discount applies if the insured elects to receive policy documents via email.

NON-SMOKER/SMOKER DISCOUNT/SURCHARGE

Use the following factors:

Smoker	Factor
Yes	1.30
No	0.99

Only applies to Other Perils premium.

To qualify for the discount all residents of the home must be non-smokers.

*Evidence and supporting documentation of all optional discounts must be retained in agent's file. These documents will be subject to review during an audit.

WOOD BURNING STOVE SURCHARGE

A 10% surcharge applies to Other Perils premium.

CLAIMS SURCHARGE

A surcharge applies to renewal policies if a claim is submitted with ASI. Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Claims	NHR	HUR
0	1.000	1.000
1	1.305	1.305
2	1.584	1.584
3	1.841	1.841
4	2.500	2.500

Surcharge is for claims filed with ASI since policy originally incepted with ASI.
Claims drop off after 3 years. Claims with zero payout are to be excluded from claim count.

ADDITIONAL FEES & CALCULATIONS

Inspection Fee

An inspection fee of $25 is charged on policies for homes more than 20 years old. The inspection fee is fully earned.

Premium Rounding

When calculating premium, final premium is rounded to the nearest whole dollar.

Fixed Base Premium

A $75 fixed base premium is included as part of the final premium calculation.

Minimum Premium

Minimum final premium per policy is $250.

Minimum Earned Premium

A minimum premium of $50 is earned on each policy regardless of how long the policy is in force.

PAYMENT PLANS

Minimum premium to qualify for payment plan: $400
We do not accept Premium Finance Agreements.

The selected payment plan must be indicated on the application.
Two optional payment plans are available in this program:

Semi-Annual (2 PAY)	Quarterly (4 PAY)
55% Down	31% Down
45% Due on 180th day	23% due on the 90th day
	23% due on the 180th day
	23% due on the 270th day

Installment Fee Schedule for 2 Pay & 4 Pay Plans:

Premium Range	Installment Fee
$400-499	$4
$500-649	$5
$650-799	$6
$800-949	$7
$950-and above	$8

Add $1 fee per payment for every $150 of total premium over $1099. Installment fees are fully earned, as they are billed with each installment. There is a $29 service charge on NSF checks.

Monthly Electronic Funds Transfer (EFT)

- 25% down payment due at new business.
- Nine equal installments of 8.33% due every 30 days.
- $2 installment fee for each payment

ELIGIBILITY – UNDERWRITING

GENERAL UNDERWRITING ELIGIBILTY

- A risk is not bound until a policy is issued in our rating system. ASI does not allow binders.
- The property must be owned and occupied by the insured as a primary residence.
- Risks must be insured for 100% of replacement cost.
- All guidelines apply to new and renewal business, unless otherwise specified. If the company discovers conditions of the property which make it ineligible, whether or not disclosed on the application, the risk may be canceled or non-renewed.
- The company reserves the right to re-rate, cancel or non-renew a policy based on the discovery of inaccurate or undisclosed information at the time of application.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Properties in a Special Flood Hazard Area (Zone A or V) must be covered by an ASI Flood insurance policy with matching building limit (or maximum available).

OCCUPANCY / USE

Residence must be:

- Occupied by the owner and owner's immediate family.
- Occupied as a primary residence.
- Used exclusively for private residential purposes only.
- Properties with home day care exposure are eligible for this program with evidence of commercial liability coverage with a minimum limit of $500,000 for the day care operation.
- Properties used for the purpose of assisted living, nursing home or group home facilities are ineligible for coverage.
- Properties used for the purpose of college housing are ineligible for coverage.
- Properties owned by more than 2 individuals must be referred to underwriting.
- Properties used for business purposes, other than approved home daycares, are ineligible for coverage.
- Properties in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Properties that are vacant, unoccupied, or under construction or major renovation are ineligible for coverage. Homes under construction may qualify for a Dwelling Fire policy.

SECONDARY/SEASONAL RESIDENCES

A dwelling occupied by owner for less than nine continuous months per year is considered seasonal. Seasonal residences are not eligible for coverage in this program.

** Secondary/seasonal residence may qualify for a Dwelling Fire policy subject to eligibility guidelines. See Dwelling Fire manual for more information

APPLICANT

- Must occupy the home as a primary residence.
- Must hold title to home with a maximum of two mortgages.
- Credit is evaluated along with prior insurance, claims history, condition of property, age of property, and other risk factors.
- Properties owned in the name of trust or IRA must be referred to underwriting for prior underwriting approval.
- Properties in the name of a business, Limited Liability corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.
- With the exception of a new home purchase, applicants must provide documentation verifying continuous voluntary coverage for the property. Force placed or lender placed insurance is not considered voluntary coverage.

PROPERTY LOCATION

- Properties must be located on a paved road easily accessible to emergency vehicles.
- Properties in a commercially zoned neighborhood or adjacent to a commercial property must be submitted to underwriting for prior approval.
- Properties on landfill sites or geologically unstable areas are ineligible for coverage.
- Properties on mountainsides, cliffs or bluffs or over water are ineligible for coverage.
- Properties in fly-in/out or airport communities are ineligible for coverage.
- Properties partial or entirely over water are ineligible for coverage.
- Properties on a farm or with farming exposure are ineligible for coverage.
- Properties on more than 5 acres must be referred to underwriting for prior underwriting approval.

PROPERTY CHARACTERISTICS

- Properties and the dwelling must be well maintained and display pride in ownership.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Porches or decks more than 2 feet off the ground or with 3 or more steps leading to them must be protected with properly installed handrails.
- Trees must be a safe distance from the dwelling and other structures on the property. All trees and brush must be trimmed and maintained. Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home may be ineligible for coverage.
- Homes must have a professionally installed, permanent and thermostatically controlled central heat source. Professional installed wood burning stoves are permitted as long as they are not the primary heat source. A wood burning surcharge is applied.
- Properties must have a permanently installed central cooling system. Homes with evaporative cooling systems are ineligible for coverage.
- Properties purchased as a result of a foreclosure or short sale requires underwriting approval prior to binding.
- Properties that are currently listed for sale must be referred to underwriting for prior approval.
- Properties in foreclosure are not eligible for coverage.
- Properties with swimming pools, hot tubs or spas must be gated with a minimum of a 4 foot fence and locking gate or approved alternate enclosure. Swimming pools, hot tubs and spas must be maintained in working condition. Diving boards or slides are not permitted.
- Homes of unconventional construction including, but not limited, to, do-it-yourself, log, dome, A –frame, shell, or homes using unconventional parts or not meeting building codes are ineligible for coverage.
- Properties with underground fuel tanks, whether or not in use are ineligible for coverage.
- Properties with historical designations are not eligible for coverage.
- Homes with burglar bars installed on the windows having no inside release are ineligible for coverage.
- Homes designated as “Green Homes” are ineligible for coverage.
- Mobile, modular, manufactured and pre-fabricated homes are ineligible for coverage.
- Properties, other structures, walkways or retaining walls, deemed by the company to be in poor condition or disrepair are ineligible for coverage.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.

AGE OF HOME/ UPDATE REQUIREMENTS

Risks older than 75 years are ineligible. Risks older than 50 years are ineligible without proof of updates. Proof of the following updates should be submitted to underwriting prior to binding coverage. We will require a 4-point inspection, and/or receipts of work completed, in addition to photos. The inspection / proof of updates should address what updates have been made and the year in which they were made. All updates/replacements should be completed within the past 10 years.

Once received, Underwriting will evaluate the request based on the photos, inspection and entire history of the risk/insured

- **Electrical:** Installation of new approved circuit breakers, fixtures, receptacles and replacement of wiring with Romex or BX cable. ASI does not accept knob and tube wiring, aluminum wiring (unless properly modified) or fuses.
- **Heating:** Installation of new heating plant including burner, boiler, fans, coupling valves, pressure relief valves, safety controls, safety switches or connectors.
- **Plumbing:** Replacement of pressurized water lines, fixtures, traps, pump, holding tank & hot water heater. Copper tubing or PVC plumbing is required. ASI does not accept Polybutylene or PEX plumbing systems.
- **Roof**: Completely replaced with approved roof covering & flashing.

Homes with the following are ineligible for coverage:

- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with fuses, knob and tube, wiring or federal pacific breakers.
- Homes with aluminum wiring (may be eligible if properly modified; inspection required).
- Homes with polybutylene or PEX or galvanized plumbing.

ROOF/SIDING

Roofs and siding must be in good condition. Roof must have at least 5 years life expectancy. Specific roof requirement include:

- Composition shingle roofs must not be more than 20 years old.
- Metal, concrete and clay tile roof must not be more than 25 years old.
- Maximum of one overlay of composition shingles.
- Metal roofs will include the Non-Structural Hail Loss Limitation Endorsement.

Homes with the following are ineligible for coverage:

- Wood shingle, wood shake, tar and gravel, rubber membrane, tin and corrugated metal roofs
- Flat roofs are ineligible unless they are poured concrete
- T-Lock shingle
- Asbestos roof or siding
- Masonite, EIFS, Dryvit siding or wood shake siding

LIABILITY/PROPERTY HAZARDS

- Properties must be maintained and display a pride in ownership.
- Properties must be free of debris, clutter or other liability hazards. This includes, but is not limited to, inoperable vehicles, appliances, tree limbs, or other items deemed unacceptable by underwriting.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Properties with trampoline or skateboard ramps are ineligible for coverage.
- Applicants and/or properties with ATV's, dirt bikes, or snowmobiles. Exceptions can be made with proof of liability insurance for the vehicles.

SWIMMING POOLS / HOT TUBS

- Swimming pools, hot tubs and spas must be maintained and in working condition.
- Must be protected by a locking fence at least 4 ft. high, or alternate approved enclosure.
- No diving boards or slides are permitted.
- Hot tubs must have a secure cover or be protected by a 4 ft. locking fence.

INSURANCE TO VALUE

Risks must be insured for at least 100% of replacement cost. Our system provides a replacement cost calculated by Marshall & Swift/Boeckh (M&S/B).

LOSS HISTORY

Claims are evaluated both in rating and as part of the underwriting process. The company reserves the right to re-rate, cancel or non-renew based upon claim activity.

Unacceptable prior loss history:

- Three or more claims reported within 3 years.
- 1 or more liability claims within 3 years
- Risks with prior sinkhole damage are ineligible for coverage.

Contact Underwriting, do not bind:

- Two or more claims reported within 5 years.

PREVIOUS CANCELLATIONS / NON-RENEWALS / NO PRIOR COVERAGE

Risks previously canceled or non-renewed by another insurer must be referred to company prior to binding. If no prior coverage or a lapse in coverage, other than a first time home buyer, the risk is ineligible.

INSPECTIONS

At the company's discretion, a home inspection will be performed after coverage is bound and paid. Policyholders that do not permit the inspection may be subject to cancellation of the policy.

A home inspection consists of the examination and review of the interior, exterior or both (interior and exterior) of the dwelling, other structures and surrounding property to determine condition and acceptability. The inspection will be used to verify rating factors, underwriting eligibility and condition of the property.

If the inspection indicates differences in rating factors, discounts, coverage or condition of the property one or more of the following actions may occur:

Within the first 60 days of the new business policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Cancellation of the policy

After the first 60 days of the policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Non-renewal of the policy

Pre-binding inspections and/or photos may be required in cases where the applicant, home or property do not meet the eligibility requirements. The agent or policyholder will be responsible for obtaining and submitting the requested documentation.

FOUNDATION

You can automatically bind a policy subject to the following guidelines.

- Pilings (8'-10' elevations) – please submit photos to underwriting prior to binding.
- Crawl space – (foundation is enclosed with a permanent material; i.e. block, brick, siding, etc.) is acceptable. Homes on open foundations enclosed by lattice do not qualify as crawl space.
- Concrete slabs are acceptable.
- Homes built on an open foundation are ineligible.

If you have questions regarding the foundation guidelines, please contact Underwriting.

SINGLE BUILDING DEFINITION

Buildings that are separated by space shall be considered separate buildings. Buildings or sections of buildings, which are separated by a 6-inch reinforced concrete or 8-inch masonry party wall that pierces or rises to the underside of the roof and pierces or extends to the inner side of the exterior wall, shall be considered a separate building. 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.

TOWNHOUSE OR ROWHOUSE

Determine the total number of individual family units within a Fire Division. For example, a 2 family dwelling attached to a 1 family dwelling is considered 3 individual family units within a Fire Division if both dwellings are not separated by a firewall. Four attached 2 family dwellings are considered 8 family units within a Fire Division if they are not separated by firewalls (and thus ineligible).
A policy may be issued for:

- Coverage A when a dwelling contains 4 or less family units within a Fire Division.
- Coverage C in a dwelling with 1 or more individual family units within a Fire Division.

PROTECTION CLASS INFORMATION

The Protection Class listings in the Public Protection Classification Manual apply. Use PC 10 for unclassified areas. Homes must have paved road access to qualify. In an unclassified area where two or more classifications are shown (e.g. 6/9), the classification is determined as follows:

Miles to Fire Station	Feet to Hydrant	Class
Less than 5	Less than 1,000	first PC
Less than 5	More than 1,000	9
More than 5		10

Homes located in a PC 9 or 10 must meet the following eligibility requirements:

- Homes must be located on a paved road
- Homes must be visible to neighbors

CONSTRUCTION DEFINITIONS

- Frame / Stucco on Frame / Hardiplank over Frame – exterior wall of wood or other combustible construction, including wood-iron clad, stucco on wood or plaster on combustible supports, and aluminum or plastic siding over frame.
- Masonry Veneer – exterior walls constructed of masonry materials such as brick or stone over frame.
- Masonry / Stucco on Masonry – exterior walls constructed of masonry materials such as adobe, concrete, gypsum block, hollow concrete block, stone, tile, or similar materials, and floors and roof of combustible construction.
- Superior Construction - exterior walls, floors, and roof constructed of masonry or other non-combustible materials.

Note: Mixed (Brick/Block and Frame) – a combination of both brick/block and frame construction shall be classified as Frame when the exterior walls of frame construction (including gables) exceed 30% of total exterior wall area; otherwise classify as Brick/Block.

INELIGIBLE RISKS INDEX

- Homes older than 75 years.
- Homes with wood shingles, T-lock shingles, flat or corrugated metal roofs.
- Homes with more than one overlay of shingles (cannot be over wood shingles).
- Homes with wood shake, Masonite, EIFS or Dryvit siding.
- Homes with asbestos roofs or asbestos siding.
- Homes with fuses, knob and tube wiring or federal pacific breakers.
- Homes with aluminum wiring (may be eligible if properly modified; inspection required).
- Homes with polybutylene or PEX or galvanized plumbing.
- Homes designated as “Green Homes”.
- Homes without a permanently installed central heat and air source.
- Homes with evaporative coolers.
- Homes with underground fuel tanks, whether or not in use.
- Homes of unconventional construction including log, do-it-yourself, dome, shell, A-frame or homes using unconventional parts or not meeting building codes.
- Mobile, modular, manufactured and pre-fabricated homes.
- Homes deemed by the company to be in poor condition or disrepair.
- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with retaining walls deemed by the company to be in poor condition.
- Homes with other structures on the premises deemed by the company to be in poor condition.
- Homes with roofs deemed by the company to be in poor condition or having less than five years life expectancy.
- Properties that are vacant, unoccupied, under construction or undergoing major renovations are ineligible for coverage.
- Homes with debris or other liability hazards on the premises.
- Homes under construction or major renovation.
- Homes with trampolines.
- Homes having swimming pools with diving boards or slides.
- Homes having unprotected swimming pools or hot tubs.

- Town homes or duplexes unless meeting single building definition.
- Homes on more than 5 acres.
- Homes without paved road access.
- Homes entirely or partially over water.
- Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home.
- Homes in fly in – fly out / airpark communities.
- Seasonal, unoccupied, vacant or rental homes.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Homes with business or farm exposure.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.
- Homes used for the purpose of assisted living, nursing home or group home facilities.
- Homes used for the purpose of college housing.
- Homes with ATVs, snowmobiles or dirt bikes on the premises.
- Homes with burglar bars installed on the windows having no inside release.
- Homes with historical designations.
- Homes with duplicate coverage.
- Homes with more than two mortgages.
- Homes not occupied by the owner.
- Homes in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate.
- Homes that the company is not permitted by the insured to inspect.
- Homes with no prior coverage (other than first time home buyer), a lapse in coverage, or homes with forced placed insurance.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.

BINDING AUTHORITY

A risk is not bound until a policy is issued in our rating system. ASI does not accept binders. For your convenience, our system provides an immediate declarations page and application upon issuance of the policy. Risks may be bound up to 60 days prior to effective date.

Agents may bind coverage on risks meeting all underwriting criteria without contacting the company. **Signed applications and supporting documentation must be maintained in Agent's office and is subject to audit at request of the company.**

- **$500,000 Coverage A ($750,000 for current year construction).** Risks above $500,000 must be submitted to underwriting for review prior to binding coverage.
- Homes with Coverage A under $100,000 require 2 photos (front and back) of the home and must be submitted to underwriting prior to binding coverage.
- Risks must meet the eligibility / underwriting guidelines. Any risk not meeting the guidelines, but judged by the agent to be a good risk, must be referred to underwriting prior to binding.

HIGH VALUE PROGRAM

Single-family homes with Coverage A greater than $500,000 ($750,000 for current year construction) meeting all underwriting criteria may be eligible for coverage. Agent may not bind coverage. All applications must be submitted to the Underwriting Department for approval and binding of coverage.

GENERAL RULES

POLICY TERM

The standard policy term is one year and may be extended for successive policy periods by renewal.

RENEWAL

If the company elects to offer renewal, policy may be renewed by the policyholder by paying the renewal premium prior to the expiration of the current policy. Renewal policy will be issued based on the premiums, forms and endorsements in effect at time of renewal. A new declaration page as well as any revised policy forms will be sent to the insured. Copies of notices and declaration page will be sent to the mortgagee(s).

CANCELLATION OR CHANGES

- Mandatory coverages may not be canceled unless the entire policy is cancelled.
- The insured may cancel the policy at any time for any reason.
- Flat cancellations after the effective date will require proof of other insurance and must be made within 60 days of effective date.
- If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro-rata basis.

MULTIPLE COMPANY INSURANCE

We will not provide coverage for a dwelling that is also covered by another insurance policy.

TRANSFER OR ASSIGNMENT

No transfers or assignments are permitted. Each insured and/or property will require submission of a new application.

WAIVER OF PREMIUM

When a policy is issued or endorsed after the inception date, additional or return premium of less than $5 is waived. However, we will return unearned premium upon request.

OTHER INSURED LOCATION - NO COVERAGE

This program does not permit liability coverage for any other residences owned by the insured regardless of occupancy. We will provide property coverage for secondary/seasonal residences or residences rented to others in our Dwelling Fire program.

BUSINESS PURSUITS - NO COVERAGE

This program does not offer coverage for liability arising out of business activities.

INCIDENTAL OCCUPANCIES - NO COVERAGE

This program does not offer coverage for liability arising out of incidental occupancies.

COVERAGE OVERVIEW

COVERAGE LIMITS

Coverage	Limits
A – Dwelling	$100,000 to $5,000,000*
B - Other Structures	2%, 10% or 20% of Coverage A
C – Contents	0%, 25%, 50% or 70% of Coverage A
D - Loss of Use	10% or 20% of Coverage A
E - Personal Liability	$100,000, $300,000 or $500,000
F - Medical Payments	$1,000, $2,500 or $5,000

* Coverage A greater than $500,000 ($750,000 for current year construction) must be submitted to underwriting for review prior to binding.

LOSS SETTLEMENT

Coverage A, B	Loss Settlement
1960 and newer	Replacement Cost
Older than 1960	Functional Replacement Cost
Coverage C	Actual Cash Value

COVERED PERILS

Coverage A: All risks are covered with certain exclusions. Please read the policy for a complete list of exclusions. Further, each policy is written with ASI's Special Provisions Endorsement.

Coverage C: Fire or Lightning, Windstorm or Hail, Explosion, Riot or Civil Commotion, Aircraft, Vehicles or Smoke, Vandalism or Malicious Mischief, Theft, Volcanic Eruption, Falling Objects, Weight of Ice, Snow or Sleet, Accidental Discharge of Water or Steam, Sudden and Accidental Tearing Apart of a Heating System or Appliance, Freezing, Sudden Accidental Damage from Electrical Current.

MANDATORY ENDORSEMENTS

COVERAGE ENDORSEMENTS / ASI SPECIAL PROVISIONS

ASI excludes Liability coverage for the following: Trampolines, Animals, Fungi Wet or Dry Rot or Bacteria, Diving Boards or Slides, Fuel Systems.

Endorsement **ASI HO TN SP** is attached to all policies. Our Special Provisions endorsement amends the basic ISO Homeowners 3 Special form. We encourage you to read our Special Provisions in its entirety. A few items of particular importance are:

- Special Limit of Liability of $10,000 per policy term for Cosmetic and Aesthetic Damage to Floors.
- Coverage C – Personal Property additional Special Limits of Liability are added: $2500 on personal computers, $500 on collections, 5% of the Coverage C limit for any one unscheduled item.
    - Windstorm or Hail Exclusion – excludes windstorm or hail losses to:
        - ❖ outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers;
        - ❖ Awnings, aluminum framed screened enclosures, or aluminum framed carports or aluminum sheds;
        - ❖ Solar panels; solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems; and
        - ❖ Any structure defined as part of Coverage B - Other Structures unless the structure is constructed of the same or superior construction material and methods as that of the dwelling and attached to a permanent concrete foundation.

FUNCTIONAL REPLACEMENT COST LOSS SETTLEMENT

For homes older than 1960, the loss settlement provisions will be changed to Functional Replacement Cost. This means losses would be paid at the amount which it would cost to repair or replace the damaged building with less costly common construction materials and methods which are functionally equivalent to obsolete, antique or custom construction materials and methods used in the original construction of the building.

NON-STRUCTURAL HAIL LOSS LIMITATION

This endorsement is mandatory for properties with metal roofs and/or aluminum siding. In all other instances, it may be added at the option of the insured. The endorsement provides that when damage from hail consists only of dents to the exterior surface of a home or other structure, not causing structural damage, we will pay the lowest of the cost of repairing or replacing the damaged portion of the property; or 2% of the amount of insurance provided under Coverage A (Dwelling).

The factor for this endorsement is .97 and it applies to the Other Perils premium.

LIMITED WATER DAMAGE COVERAGE

Limited coverage for sudden and accidental discharge or overflow of water or steam from within a plumbing, heating, A/C, or automatic sprinkler system or from within a household appliance is available for a reduction in premium **and may be used at the underwriter's discretion.** The limit of liability for all covered property under this option is $10,000.

The factor for this endorsement is .95 and it applies to the Other Perils premium.

LIMITED FUNGI, WET OR DRY ROT OR BACTERIA COVERAGE

This is a mandatory endorsement that limits Section I coverage for fungi, wet or dry rot or bacteria coverage to $5,000. Coverage only applies to a peril insured against.

OPTIONAL COVERAGES ENDORSEMENTS

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT

This endorsement provides replacement cost loss settlement on Coverage C.

The factor for this coverage is 1.10 and it applies to the Other Perils and Wind/Hail premium.

SPECIAL PERSONAL PROPERTY COVERAGE

This endorsement provides all risk coverage on contents subject to exclusions.

The factor for this coverage is 1.15 and it is applied to the Other Perils premium.

INCREASED REPLACEMENT COST ON DWELLING

This endorsement is intended to cover additional costs of construction that are incurred due to increases in the cost of construction that occur during the policy period. Increased construction cost is normally the result of increased demand relative to supply of labor and materials that can occur subsequent to a catastrophic loss that impacts a substantial number of properties in a region. Additional coverage options provided by this endorsement are 25% of Coverage A and 50% of Coverage A.

Coverage must be written for 100% of replacement cost.

This endorsement does not cover increased construction costs attributable to laws or ordinances governing construction.

The factor for this coverage is 1.04 for 25% of Coverage A and 1.06 for 50% of Coverage A and it applies to the Other Perils and Wind/Hail premium.

ANIMAL LIABILITY BUYBACK ENDORSEMENT

This endorsement may be added at the option of the insured for the limits and premiums below. Endorsement provides that Coverage E (Personal Liability) and F (Medical Payments) applies to bodily injury or property damage caused by animals owned by the insured, provided the animals are not prohibited by our guidelines (see ineligible list). **An insured must have an umbrella policy in order to qualify for the $300,000 or $500,000 options.** A current Declarations Page for the umbrella policy will be required for audit purposes. This endorsement also provides Medical Payments coverage at the same limit as chosen for regular liability coverage.

Limit	Premium
$50,000	$25
$300,000	$35
$500,000	$45

ORDINANCE OR LAW COVERAGE

This endorsement provides coverage for increases in cost of reconstruction, repair, or demolition of property that result from local laws or ordinances regulating such. The basic policy includes 10% of Coverage A. The coverage option provided by this endorsement is 25% of Coverage A.

		Factor
Additional Premium	25% of coverage A	1.05

WATER BACKUP/SUMP PUMP COVERAGE

The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from the sump. A $1,000 deductible applies to this coverage.
The endorsement may be added for the following limits:

Basement	Limit	Premium
None	$5,000	$30
None	$10,000	$50
None	$25,000	$80
Unfinished	$5,000	$40
Unfinished	$10,000	$60
Unfinished	$25,000	$110
Partially Finished	$5,000	$50
Partially Finished	$10,000	$70
Partially Finished	$25,000	$145
Finished	$5,000	$60
Finished	$10,000	$90
Finished	$25,000	$175

Basement status

- None - no basement exists at the property
- Unfinished Basement - non modified area used primarily for storage
- Partially-finished basement - slightly modified area which, in addition to providing storage, usually has some improvements and an additional purpose (exercise room, music room, etc.)
- Finished basement - modified area which is a fully habitable addition to the house. This space is frequently converted into a bedroom, home theater, gym, etc.

LOSS ASSESSMENT COVERAGE

Provides increased coverage for assessments relating to the residence premises. The basic policy includes $1,000 coverage.

Additional premium:

Limit	Premium
$ 5,000	$15
$10,000	$25

INCREASED LIMIT ON JEWELRY, WATCHES AND FURS

Unscheduled (only) coverage can be added in increments of $1,000 up to a maximum of $5,000 for a premium of $18 per $1,000.

PERSONAL INJURY COVERAGE

This endorsement provides liability coverage for personal injury to others for offenses such as false arrest, detention or imprisonment, libel, slander, defamation of character, invasion of privacy, and wrongful eviction or wrongful entry.

Additional premium: $15

HOME COMPUTER COVERAGE

This endorsement provides coverage for computers and related equipment against additional risks of physical loss subject to certain exclusions. In addition, this endorsement permits business use of a personal computer. This coverage is available to a maximum limit of $20,000.

Additional premium: $6 for each $1,000

SCHEDULED PERSONAL PROPERTY

Scheduled coverage may be purchased for the following classes of property.

Property Description	Rate/$100
Antiques	0.90
Bicycles	9.35
Camera/Projection Equipment (Non-professional)	1.52
Coins	1.80
Fine Art	0.50
Fine Art - With Breakage	1.00
Furs	0.40
Golfer's Equipment	1.40
Jewelry	1.25
Miscellaneous Personal Property	1.00
Musical Instruments (Non-professional)	0.60
Other Sports Equipment	2.00
Guns – Fired	3.00
Guns – Collectible	1.50
Silverware	0.45
Stamps	0.80

Underwriting Guidelines:

- ASI does not offer a blanket schedule for items.
- A complete description, including price, is require on each item.
- Description should include make, model, color, clarity, size, etc.
- Appraisals or bills of sale and a color photo must accompany single items worth $5,000 or more.
- Jewelry items worth $5,000 or more must be kept in vault when not worn.
- Schedules which total over $20,000 or include individual items worth more than $5,000 should be submitted for approval prior to binding.
- Central station burglar alarm is required for schedules over $50,000.
- Prior approval is required for Scheduled Personal Property on homes located in protection classes 9 and 10.
- Breakage coverage is limited on fine arts/antiques.

ACTUAL CASH VALUE LOSS SETTLEMENT – WINDSTORM OR HAIL LOSSES TO ROOF SURFACING

This endorsement provides a reduced premium for actual cash value settlement on the roof surface.

		Roof Material					
Roof Valuation	Roof Age	Composition Shingle	Slate	Tile	Wood Shingle	Metal	All Other
RC	All	1.000	1.000	1.000	1.000	1.000	1.000
ACV	0	0.970	0.970	0.970	0.970	0.970	0.970
ACV	1	0.970	0.970	0.970	0.970	0.970	0.970
ACV	2	0.970	0.970	0.970	0.970	0.970	0.970
ACV	3	0.970	0.970	0.970	0.970	0.970	0.970
ACV	4	0.970	0.970	0.970	0.970	0.970	0.970
ACV	5	0.970	0.970	0.970	0.970	0.970	0.970
ACV	6	0.970	0.970	0.970	0.970	0.970	0.970
ACV	7	0.970	0.970	0.970	0.970	0.970	0.970
ACV	8	0.970	0.970	0.970	0.970	0.970	0.970
ACV	9	0.970	0.970	0.970	0.970	0.970	0.970
ACV	10	0.970	0.970	0.970	0.970	0.970	0.970
ACV	11	0.970	0.970	0.970	0.970	0.970	0.970
ACV	12	0.970	0.970	0.970	0.970	0.970	0.970
ACV	13	0.970	0.970	0.970	0.970	0.970	0.970
ACV	14	0.970	0.970	0.970	0.970	0.970	0.970
ACV	15	0.970	0.970	0.970	0.970	0.970	0.970
ACV	16	0.970	0.970	0.970	0.970	0.970	0.970
ACV	17	0.970	0.970	0.970	0.970	0.970	0.970
ACV	18	0.970	0.970	0.970	0.970	0.970	0.970

ACV	19	0.970	0.970	0.970	0.970	0.970	0.970
ACV	20	0.970	0.970	0.970	0.970	0.970	0.970
ACV	21	0.970	0.970	0.970	0.970	0.970	0.970
ACV	22	0.970	0.970	0.970	0.970	0.970	0.970
ACV	23	0.970	0.970	0.970	0.970	0.970	0.970
ACV	24	0.970	0.970	0.970	0.970	0.970	0.970
ACV	25	0.970	0.970	0.970	0.970	0.970	0.970
ACV	26	0.970	0.970	0.970	0.970	0.970	0.970
ACV	27	0.970	0.970	0.970	0.970	0.970	0.970
ACV	28	0.970	0.970	0.970	0.970	0.970	0.970
ACV	29	0.970	0.970	0.970	0.970	0.970	0.970
ACV	30+	0.970	0.970	0.970	0.970	0.970	0.970

SPECIAL STRUCTURES WIND/HAIL BUYBACK (SSB)

This endorsement will provide coverage for direct physical damage caused by Windstorm or Hail to the following structures located on the "residence premises":

- Aluminum framed screened enclosures;
- Aluminum framed screened carports;
- Fences; and
- Other structures defined as part of Coverage B that are not constructed of the same or superior construction materials/methods as that of the dwelling and / or not attached to a permanent concrete foundation.

Losses are settled at Actual Cash Value. Please see the complete form for more details.
Statewide SSB base rate = $3.00 per thousand of coverage

Additional premium = (Amount of coverage desired / 1,000) x $3.00 x the filed territory relativity for wind/hail.

Example: $10,000 of coverage in 38117 (Memphis).

$10,000 / $1,000 x $3.00 x 1.230 = $36.90 premium

HOMESHIELD PACKAGE

The insured must be claims free for the last three years to qualify (Act of God claims excluded). Coverage included in this package cannot be altered or duplicated. This package consists of:

a. Personal Property Replacement Cost
b. 25% of Coverage A for Increased Replacement Cost
c. $5,000 limit on Water Backup/Sump Pump Overflow
d. Personal Injury Coverage
e. 50% Coverage C limit
f. $2,500 Loss Assessment Coverage
g. $1,000 limit for Credit Card, Fund Transfer Card, Forgery and Counterfeit Money
h. $250 for Lock Replacement Coverage
i. $750 limit for Fire Department Service Charge
j. $3,000 ($1,500 limit per item) limit for loss by theft of Jewelry, Watches, Furs, Precious and semiprecious stones

The factor for this coverage is 1.15 for Other Perils and Wind/Hail.

HOMESHIELD PLUS PACKAGE

The insured must be claims free for the last three years to qualify (Act of God claims excluded). Coverage included in this package cannot be altered or duplicated. This package consists of:

a. Personal Property Replacement Cost
b. 50% of Coverage A for Increased Replacement Cost
c. $10,000 limit on Water Backup/Sump Pump Overflow
d. 25% of Coverage A for Ordinance or Law Coverage
e. Special Personal Property Coverage
f. Personal Injury Coverage
g. 70% Coverage C limit
h. $5,000 for Loss Assessment
i. $2,000 limit for Credit Card, Fund Transfer Card, Forgery, and Counterfeit Money
j. $500 for Lock Replacement Coverage
k. $1,000 Limit for Fire Department Service Charge
l. Increased Special Limits:
    a. $5,000 ($2,500 per item limit) on Jewelry, Watches, Furs, Precious and Semiprecious stones
    b. $300 on money, bank notes, gold, etc.
    c. $2,500 on Securities, deeds, letters of Credit, etc.
    d. $3,500 on Firearms
    e. $4,000 on Silverware, pewterware, tea sets, etc.
    f. $3,000 on Business property on the residence premises

g. $750 on Business property away from the residence premises

The factor for this coverage is 1.25 for Other Perils and Wind/Hail.

SINKHOLE COVERAGE

The base policy covers Catastrophic Ground Cover Collapse. Sinkhole Coverage is excluded in the base policy, but may be purchased for an additional premium subject to underwriting review.

The Premium for this coverage is $0.60 per $1,000 in coverage A

PREMIUM CALCULATION

Premium is calculated separately for "wind/hail" and "other perils". Many policy variables and the rate classifications within each are used in developing the final premium. In general, the factor for each rate class is multiplied times the factor for the rate class of the preceding variable. The following variables, rate classifications, and factors are utilized in rating.

NEW BUSINESS TIER CRITERIA

Tiered rating is utilized to broaden underwriting eligibility and properly match rate to risk. Consumer data gathered from the applicant and third party providers determines new business tier placement. Once assigned to a tier at new business, the policy remains in the same tier at renewal. Criteria used for tier placement include liability limit on prior homeowner policy, credit score, and prior claims. Proof of prior insurance in the form of a declarations page showing the prior liability limit must be retained in agent's file. These documents will be subject to review during an audit.

*Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Prior Liability Limit	Credit Score Range	Placement by Prior Claims*		
		0	1	2
$300,000 or greater	876-999	6	14	15
$300,000 or greater	826-875	7	14	16
$300,000 or greater	801-825	7	15	17
$300,000 or greater	776-800	8	16	18
$300,000 or greater	751-775	9	17	19
$300,000 or greater	726-750	11	18	20
$300,000 or greater	701-725	13	20	22
$300,000 or greater	676-700	15	21	23
$300,000 or greater	651-675	16	23	25
$300,000 or greater	626-650	17	23	25
$300,000 or greater	601-625	17	23	25
$300,000 or greater	576-600	18	25	28
$300,000 or greater	551-575	19	28	28
$300,000 or greater	000-550	22	28	28
$300,000 or greater	No Score	13	20	22
$100,000	876-999	9	17	18
$100,000	826-875	10	17	19
$100,000	801-825	10	18	20
$100,000	776-800	12	19	21
$100,000	751-775	12	20	21
$100,000	726-750	14	21	23
$100,000	701-725	16	23	25
$100,000	676-700	18	25	28
$100,000	651-675	19	25	28
$100,000	626-650	20	28	28

$100,000	601-625	20	28	28
$100,000	576-600	21	28	28
$100,000	551-575	22	28	28
$100,000	000-550	25	28	28
$100,000	No Score	16	23	25
Lapse	876-999	9	17	18
Lapse	826-875	10	17	19
Lapse	801-825	10	18	20
Lapse	776-800	12	19	21
Lapse	751-775	12	20	21
Lapse	726-750	14	21	23
Lapse	701-725	16	23	25
Lapse	676-700	18	25	28
Lapse	651-675	19	25	28
Lapse	626-650	20	28	28
Lapse	601-625	20	28	28
Lapse	576-600	21	28	28
Lapse	551-575	22	28	28
Lapse	000-550	25	28	28
Lapse	No Score	16	23	25
No Prior Liability	876-999	9	17	18
No Prior Liability	826-875	10	17	19
No Prior Liability	801-825	10	18	20
No Prior Liability	776-800	12	19	21
No Prior Liability	751-775	12	20	21
No Prior Liability	726-750	14	21	23
No Prior Liability	701-725	16	23	25
No Prior Liability	676-700	18	25	28
No Prior Liability	651-675	19	25	28
No Prior Liability	626-650	20	28	28
No Prior Liability	601-625	20	28	28
No Prior Liability	576-600	21	28	28
No Prior Liability	551-575	22	28	28
No Prior Liability	000-550	25	28	28
No Prior Liability	No Score	16	23	25
1st-time Owner	876-999	6	14	16
1st-time Owner	826-875	7	15	17
1st-time Owner	801-825	8	15	17
1st-time Owner	776-800	9	17	18
1st-time Owner	751-775	10	17	19
1st-time Owner	726-750	12	19	21
1st-time Owner	701-725	14	21	22
1st-time Owner	676-700	15	22	25
1st-time Owner	651-675	17	23	25
1st-time Owner	626-650	17	25	28
1st-time Owner	601-625	18	25	28

1st-time Owner	576-600	19	25	28
1st-time Owner	551-575	20	28	28
1st-time Owner	000-550	23	28	28
1st-time Owner	No Score	14	21	23

TIER FACTOR

Once tier placement is determined, use the following factors for each tier.

Tier	Other Perils	Wind/Hail
1	0.452	1.000
2	0.478	1.000
3	0.504	1.000
4	0.533	1.000
5	0.563	1.000
6	0.594	1.000
7	0.621	1.000
8	0.666	1.000
9	0.699	1.000
10	0.728	1.000
11	0.771	1.000
12	0.803	1.000
13	0.898	1.000
14	0.946	1.000
15	0.991	1.000
16	1.105	1.099
17	1.216	1.203
18	1.290	1.273
19	1.365	1.343
20	1.432	1.406
21	1.518	1.487
22	1.602	1.566
23	1.712	1.669
24	1.791	1.744
25	1.870	1.818
26	1.987	1.928
27	2.113	2.046
28	2.222	2.149
29	2.336	2.256
30	2.456	2.369

HOUSEHOLD FACTOR

The Household Factor is a combination of the age of named insured, marital status, and presence of children in the household.

Household Factor

Age of Named Insured	Marital Status	Children	Other Perils	Wind/Hail
00-26	Married	Yes	1.275	1.000
27-31	Married	Yes	1.234	1.000
32-45	Married	Yes	1.089	1.000
46-51	Married	Yes	1.006	1.000
52-57	Married	Yes	0.975	1.000
58-66	Married	Yes	0.923	1.000
67-70	Married	Yes	0.892	1.000
71-76	Married	Yes	0.954	1.000
77 and older	Married	Yes	1.037	1.000
00-26	Married	No	1.157	1.000
27-31	Married	No	1.120	1.000
32-45	Married	No	0.988	1.000
46-51	Married	No	0.913	1.000
52-57	Married	No	0.884	1.000
58-66	Married	No	0.837	1.000
67-70	Married	No	0.809	1.000
71-76	Married	No	0.866	1.000
77 and older	Married	No	0.941	1.000
00-26	Single	Yes	1.435	1.000
27-31	Single	Yes	1.388	1.000
32-45	Single	Yes	1.225	1.000
46-51	Single	Yes	1.131	1.000
52-57	Single	Yes	1.096	1.000
58-66	Single	Yes	1.038	1.000
67-70	Single	Yes	1.003	1.000
71-76	Single	Yes	1.073	1.000
77 and older	Single	Yes	1.166	1.000
00-26	Single	No	1.302	1.000
27-31	Single	No	1.259	1.000
32-45	Single	No	1.111	1.000
46-51	Single	No	1.027	1.000
52-57	Single	No	0.995	1.000
58-66	Single	No	0.942	1.000
67-70	Single	No	0.910	1.000
71-76	Single	No	0.974	1.000
77 and older	Single	No	1.058	1.000

LENGTH OF RESIDENCE

Number of years that the named insured has occupied the insured residence. This will be calculated as the inception date of the policy minus the effective date of the purchase. Factors below apply to homes older than 10 years only.

Length of Residence	Other Perils	Wind/Hail
Unknown	1.000	1.000
0	1.000	1.000
1-9	1.050	1.000
10-20	0.950	1.000
21+	0.920	0.900

AMOUNT OF INSURANCE

The factor for coverage amounts greater than $300,000 is determined by adding .467% to the $300,000 Coverage A factor for each additional $1,000 in coverage.

Coverage A	Factor
$75,000	0.800
$80,000	0.813
$85,000	0.827
$90,000	0.840
$95,000	0.853
$100,000	0.867
$105,000	0.880
$110,000	0.893
$115,000	0.907
$120,000	0.920
$125,000	0.933
$130,000	0.947
$135,000	0.960
$140,000	0.973
$145,000	0.987
$150,000	1.000
$155,000	1.023
$160,000	1.047
$165,000	1.070
$170,000	1.093
$175,000	1.117
$180,000	1.140
$185,000	1.163
$190,000	1.187
$195,000	1.210
$200,000	1.233
$205,000	1.257
$210,000	1.280
$215,000	1.303
$220,000	1.327
$225,000	1.350

$230,000	1.373
$235,000	1.397
$240,000	1.420
$245,000	1.443
$250,000	1.467
$255,000	1.490
$260,000	1.513
$265,000	1.537
$270,000	1.560
$275,000	1.583
$280,000	1.607
$285,000	1.630
$290,000	1.653
$295,000	1.677
$300,000	1.700

PROTECTION CLASS / CONSTRUCTION

Use the following factors for Other Perils:

Protection Class	Frame	Masonry	Masonry Veneer	Superior
1	1.06	1.00	1.00	1.00
2	1.06	1.00	1.00	1.00
3	1.06	1.00	1.00	1.00
4	1.06	1.00	1.00	1.00
5	1.06	1.00	1.00	1.00
6	1.16	1.05	1.05	1.05
7	1.19	1.05	1.05	1.05
8	1.30	1.20	1.20	1.20
9	1.40	1.25	1.25	1.25
10	2.00	1.50	1.50	1.50

Use the following factors for the Wind/Hail premium:

Type	Wind/Hail
Frame	1.21
Masonry Veneer	1.00
Masonry	1.00
Superior	1.00

Number of Stories	Other Perils	Wind/Hail
1	0.950	1.000
1.5	1.000	1.000
2	1.040	1.000
2.5	1.050	1.000
3	1.069	1.000
Bi-Level	1.040	1.000
Tri-Level	1.069	1.000

ROOF TYPE

	< 10 Years		>= 10 Years	
Roof Material	**Other Perils**	**Wind/Hail**	**Other Perils**	**Wind/Hail**
Tar Shingle	0.961	0.961	1.079	1.079
Superior w/Poured Concrete	0.895	0.895	1.005	1.005
Asbestos	0.942	0.942	1.058	1.058
Wood Shake	1.083	1.083	1.216	1.216
Slate	0.895	0.895	1.005	1.005
Wood Shingle	1.083	1.083	1.216	1.216
Other	0.942	0.942	1.058	1.058
Composite Shingle	0.961	0.961	1.079	1.079
Barrel Tile	0.895	0.895	1.005	1.005
Flat Tile	0.895	0.895	1.005	1.005
Tile	0.895	0.895	1.005	1.005
Metal	0.848	0.848	0.952	0.952
Tar & Gravel	0.895	0.895	1.005	1.005
Poured Concrete	0.895	0.895	1.005	1.005
Shingles, Architectural	0.961	0.961	1.079	1.079
Concrete Tile	0.895	0.895	1.005	1.005
Rolled Roof	0.942	0.942	1.058	1.058
Aluminum Corrugated	0.942	0.942	1.058	1.058

AGE OF DWELLING

Age is determined by subtracting the year in which construction of the residence was completed from the year in which the policy is effective.

Age of Home	Other Perils	Wind/Hail
0	0.495	0.600
1	0.521	0.620
2	0.574	0.640

3	0.601	0.660
4	0.628	0.680
5	0.681	0.700
6	0.734	0.720
7	0.761	0.740
8	0.787	0.760
9	0.814	0.780
10	0.840	0.800
11	0.894	0.850
12	0.947	0.900
13	1.000	0.950
14	1.053	1.000
15	1.053	1.000
16	1.053	1.000
17	1.053	1.000
18	1.053	1.000
19	1.053	1.000
20	1.053	1.000
21	1.106	1.000
22	1.133	1.000
23	1.160	1.000
24	1.186	1.000
25	1.213	1.000
26	1.213	1.000
27	1.213	1.000
28	1.213	1.000
29	1.213	1.000
30	1.213	1.000
31	1.160	1.000
32	1.160	1.000
33	1.160	1.000
34	1.160	1.000
35	1.160	1.000
36	1.160	1.000
37	1.160	1.000
38	1.160	1.000
39	1.160	1.000
40	1.160	1.000
41	1.213	1.000
42	1.213	1.000
43	1.213	1.000
44	1.213	1.000
45	1.213	1.000
46	1.213	1.000
47	1.213	1.000
48	1.213	1.000

49	1.213	1.000
50	1.213	1.000
51	1.213	1.000
52	1.213	1.000
53	1.213	1.000
54	1.213	1.000
55	1.213	1.000
56	1.213	1.000
57	1.213	1.000
58	1.213	1.000
59	1.213	1.000
60	1.213	1.000
61	1.213	1.000
62	1.213	1.000
63	1.213	1.000
64	1.213	1.000
65	1.213	1.000
66	1.213	1.000
67	1.213	1.000
68	1.213	1.000
69	1.213	1.000
70	1.213	1.000
71	1.213	1.000
72	1.213	1.000
73	1.213	1.000
74	1.213	1.000
75+	1.213	1.000

COVERAGE OPTIONS

DEDUCTIBLES

The standard deductible is $500 for wind/hail and other perils premium. The wind/hail deductible cannot be less than the other perils deductible. **Changes in deductibles may only be made at the time of renewal**.

Deductible	Coverage A ($000's)	Other Perils	Wind/Hail
$500	51-100	0.910	0.967
$1,000	51-100	0.830	0.914
$2,500	51-100	0.680	0.792
1%	51-100	0.870	0.939
2%	51-100	N/A	0.868
5%	51-100	N/A	0.715
$500	101-150	0.980	0.993
$1,000	101-150	0.890	0.956
$2,500	101-150	0.750	0.868
1%	101-150	0.870	0.939

2%	101-150	N/A	0.868
5%	101-150	N/A	0.715
$500	151-200	1.020	1.005
$1,000	151-200	0.940	0.976
%2,500	151-200	0.810	0.907
1%	151-200	0.870	0.939
2%	151-200	N/A	0.868
5%	151-200	N/A	0.715
$500	201-250	1.050	1.012
$1,000	201-250	0.980	0.988
$2,500	201-250	0.850	0.930
1%	201-250	0.870	0.939
2%	201-250	N/A	0.868
5%	201-250	N/A	0.715
$500	251-300	1.080	1.017
$1,000	251-300	1.000	0.997
$2,500	251-300	0.890	0.947
1%	251-300	0.870	0.939
2%	251-300	N/A	0.868
5%	251-300	N/A	0.715
$500	301-500	1.150	1.024
$1,000	301-500	1.080	1.009
$2,500	301-500	0.950	0.971
1%	301-500	0.870	0.939
2%	301-500	N/A	0.868
5%	301-500	N/A	0.715
$500	501-999	1.150	1.032
$1,000	501-999	1.080	1.023
$2,500	501-999	0.950	1.000
1%	501-999	0.870	0.939
2%	501-999	N/A	0.868
5%	501-999	N/A	0.715
$500	1000-5000	1.150	1.032
$1,000	1000-5000	1.080	1.023
$2,500	1000-5000	0.950	1.000
1%	1000-5000	0.870	0.939
2%	1000-5000	N/A	0.868
5%	1000-5000	N/A	0.715

LIMITS OF COVERAGES B, C & D

Coverage B - Other Structures

Insured may select desired coverage limit for other structures located on the residence premises. Other structures may not be rented to others, or used by non-related persons for residence purposes. Base rates

include other structures coverage equal to 2% of Coverage A. The factor applies to wind/hail and other perils premium.

% Coverage A	Factor
2%	1.00
10%	1.02
20%	1.05

Coverage C - Contents

Base rates include contents coverage equal to 50% of Coverage A. The Insured may select a desired coverage limit for loss of use. Coverage C is available in the following limits:

% of Cov A	Other Perils	Wind/Hail
0%	0.800	0.700
25%	0.915	0.850
50%	1.000	1.000
70%	1.100	1.120

Coverage D – Loss of Use

Base rates include loss of use coverage equal to 20% of Coverage A. The Insured may select a desired coverage limit for loss of use. Coverage D is available in the following limits:

% Coverage A	Factor
10%	0.98
20%	1.00

SECTION II LIMITS

Provides coverage for Personal Liability and Medical Payments to Others.

The following limits are available:

Liability Limit	Premium
$100,000	$15

$300,000	$25
$500,000	$35

Med Pay Limit	Premium
$1,000	$5
$2,500	$8
$5,000	$10

DISCOUNTS & SURCHARGES

Discounts are applied to both the other perils and wind/hail premium (unless specified otherwise) as a multiplicative factor. The maximum cumulative rate impact from all discounts and surcharges combined is 55%. The maximum combined rate impact from the tier factor and all discounts and surcharges is 60%. The E-Policy and Paid in Full Discount are not subject to discount capping. **Documentation supporting all discounts must be maintained in the agency file or submitted to the company.**

CERTIFIED BUILDER WARRANTY DISCOUNT

A 10% discount is offered for newly constructed homes in which the builder includes a 2-10 home warranty. The discount is only available for new construction and not for re-sales. The discount remains on the policy at renewal.

NEW PURCHASE DISCOUNT

A 10% discount is offered to homeowners who are obtaining their policy to coincide with the purchase of a home. The discount is phased out over time (7% in Year 2, 3% in Year 3, and 0% in Year 4).

A policy cannot have both the Certified Warranty Builder Discount and New Purchase Discount.

PACKAGE POLICY DISCOUNT

A package policy discount is applied to the Other Perils premium if the policyholder has an auto policy written with the same agency as the ASI Renters policy. The agent of record must be the same as the ASI Renter's policy. **The auto carrier and policy number are required at the time of application.** If the auto policy cancels, the Package Policy discount is removed. The factor for each discount is in the table below.

- Auto Companion – This discount applies to an auto policy written with an auto carrier other than a preferred partner.
- PHA Discounts - for policies designated as "PHA", the discount varies by BI limit on the auto policy. If the BI limit is unknown, then the discount is equal to the Preferred Partner discount.
- Flood – This discount applies if an ASI Flood policy with written in conjunction with the ASI Renters policy.

Package Policy Discount	Other Perils
Flood	0.968

Auto	0.947
Preferred Partner	0.894
PHA (BI limits < 50/100)	0.947
PHA (BI limits > = 50/100 and < 100/300 or = 100CSL)	0.894
PHA (BI limits = 100/300)	0.840
PHA (BI limits = 250/500 or >=200CSL)	0.787

SECURED COMMUNITY/BUILDING DISCOUNT

A 10% discount is applied to the "other perils" premium for homes located in a neighborhood protected by 24 hour-manned security or passkey gates protecting all entrances to community. Only applies to Other Perils premium.

PROTECTIVE DEVICE DISCOUNT

- 5% discount for fire alarm reporting to fire or central station.
- 8% discount for complete home sprinkler system.
- 5% discount for complete local burglar alarm covering all exterior doors & windows.
- 8% discount for complete burglar alarm reporting to police/central station.

All protective device discounts only apply to Other Perils premium.

E-POLICY DISCOUNT

A $10 discount applies if the insured elects to receive policy documents via email.

PAID-IN-FULL DISCOUNT

A discount applies to policies which are paid in full.

Payment Method	Other Perils	Wind/Hail
Insured Pay Plan	1.000	1.000
Mortgage Billed	0.876	1.000
Insured Full Pay	0.834	1.000

NON-SMOKER/SMOKER DISCOUNT/SURCHARGE

Use the following factors:

Only applies to Other Perils premium.

Smoker	Factor
Yes	1.30
No	0.99

To qualify for the discount all residents of the home must be non-smokers.

UMBRELLA DISCOUNT

A discount applies to insureds who maintain umbrella coverage. Proof of coverage should be maintained in the agent's file for audit purposes.

Presence of Umbrella Policy	Other Perils	Wind/Hail
No	1.000	1.000
Yes	0.900	0.950

WOOD BURNING STOVE SURCHARGE

A 10% surcharge applies to Other Perils premium.

*Evidence and supporting documentation of **all optional discounts** must be retained in agent's file. These documents will be subject to review during an audit.

CLAIMS SURCHARGE

A surcharge applies to renewal policies if a claim is submitted with ASI. Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Claims	NHR	HUR
0	1.000	1.000
1	1.305	1.305
2	1.584	1.584
3	1.841	1.841
4	2.500	2.500

Surcharge is for claims filed with ASI since policy originally incepted with ASI.
Claims drop off after 3 years. Claims with zero payout are to be excluded from claim count.

ADDITIONAL FEES & CALCULATIONS

Inspection Fee

An inspection fee of $25 is charged on policies for homes more than 20 years old. The inspection fee is fully earned.

Premium Rounding

When calculating premium, final premium is rounded to the nearest whole dollar.

Fixed Base Premium

A $75 fixed base premium is included as part of the final premium calculation.

Minimum Premium

Minimum final premium per policy is $250.

Minimum Earned Premium

A minimum premium of $50 is earned on each policy regardless of how long the policy is in force.

PAYMENT PLANS

Minimum premium to qualify for payment plan: $400
We do not accept Premium Finance Agreements.

The selected payment plan must be indicated on the application.
Two optional payment plans are available in this program:

Semi-Annual (2 PAY)	Quarterly (4 PAY)
55% Down	31% Down
45% Due on 180th day	23% due on the 90th day
	23% due on the 180th day
	23% due on the 270th day

Installment Fee Schedule for 2 Pay & 4 Pay Plans:

Premium Range	Installment Fee
$400-499	$4
$500-649	$5
$650-799	$6
$800-949	$7
$950-and above	$8

Add $1 fee per payment for every $150 of total premium over $1099. Installment fees are fully earned, as they are billed with each installment. There is a $29 service charge on NSF checks.

Monthly Electronic Funds Transfer (EFT)

- 25% down payment due at new business.
- Nine equal installments of 8.33% due every 30 days.
- $2 installment fee for each payment

ELIGIBILITY – UNDERWRITING

GENERAL UNDERWRITING ELIGIBILTY

- A risk is not bound until a policy is issued in our rating system. ASI does not allow binders.
- The property must be owned and occupied by the insured as a primary residence.
- Risks must be insured for 100% of replacement cost.
- All guidelines apply to new and renewal business, unless otherwise specified. If the company discovers conditions of the property which make it ineligible, whether or not disclosed on the application, the risk may be canceled or non-renewed.
- The company reserves the right to re-rate, cancel or non-renew a policy based on the discovery of inaccurate or undisclosed information at the time of application.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Properties in a Special Flood Hazard Area (Zone A or V) must be covered by an ASI Flood insurance policy with matching building limit (or maximum available).

OCCUPANCY / USE

Residence must be:

- Occupied by the owner and owner's immediate family.
- Occupied as a primary residence.
- Used exclusively for private residential purposes only.
- Properties with home day care exposure are eligible for this program with evidence of commercial liability coverage with a minimum limit of $500,000 for the day care operation.
- Properties used for the purpose of assisted living, nursing home or group home facilities are ineligible for coverage.
- Properties used for the purpose of college housing are ineligible for coverage.
- Properties owned by more than 2 individuals must be referred to underwriting.
- Properties used for business purposes, other than approved home daycares, are ineligible for coverage.
- Properties in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Properties that are vacant, unoccupied, or under construction or major renovation are ineligible for coverage. Homes under construction may qualify for a Dwelling Fire policy.

SECONDARY/SEASONAL RESIDENCES

A dwelling occupied by owner for less than nine continuous months per year is considered seasonal. Seasonal residences are not eligible for coverage in this program.

** Secondary/seasonal residence may qualify for a Dwelling Fire policy subject to eligibility guidelines. See Dwelling Fire manual for more information

APPLICANT

- Must occupy the home as a primary residence.
- Must hold title to home with a maximum of two mortgages.
- Credit is evaluated along with prior insurance, claims history, condition of property, age of property, and other risk factors.
- Properties owned in the name of trust or IRA must be referred to underwriting for prior underwriting approval.
- Properties in the name of a business, Limited Liability corporation, Limited Partnership, Corporation, land trust or estate are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.
- With the exception of a new home purchase, applicants must provide documentation verifying continuous voluntary coverage for the property. Force placed or lender placed insurance is not considered voluntary coverage.

PROPERTY LOCATION

- Properties must be located on a paved road easily accessible to emergency vehicles.
- Properties in a commercially zoned neighborhood or adjacent to a commercial property must be submitted to underwriting for prior approval.
- Properties on landfill sites or geologically unstable areas are ineligible for coverage.
- Properties on mountainsides, cliffs or bluffs or over water are ineligible for coverage.
- Properties in fly-in/out or airport communities are ineligible for coverage.
- Properties partial or entirely over water are ineligible for coverage.
- Properties on a farm or with farming exposure are ineligible for coverage.
- Properties on more than 5 acres must be referred to underwriting for prior underwriting approval.

PROPERTY CHARACTERISTICS

- Properties and the dwelling must be well maintained and display pride in ownership.
- Homes must be protected with smoke detectors in close proximity of kitchen and sleeping areas.
- Porches or decks more than 2 feet off the ground or with 3 or more steps leading to them must be protected with properly installed handrails.
- Trees must be a safe distance from the dwelling and other structures on the property. All trees and brush must be trimmed and maintained. Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home may be ineligible for coverage.
- Homes must have a professionally installed, permanent and thermostatically controlled central heat source. Professional installed wood burning stoves are permitted as long as they are not the primary heat source. A wood burning surcharge is applied.
- Properties must have a permanently installed central cooling system. Homes with evaporative cooling systems are ineligible for coverage.
- Properties purchased as a result of a foreclosure or short sale requires underwriting approval prior to binding.
- Properties that are currently listed for sale must be referred to underwriting for prior approval.
- Properties in foreclosure are not eligible for coverage.
- Properties with swimming pools, hot tubs or spas must be gated with a minimum of a 4 foot fence and locking gate or approved alternate enclosure. Swimming pools, hot tubs and spas must be maintained in working condition. Diving boards or slides are not permitted.
- Homes of unconventional construction including, but not limited, to, do-it-yourself, log, dome, A –frame, shell, or homes using unconventional parts or not meeting building codes are ineligible for coverage.
- Properties with underground fuel tanks, whether or not in use are ineligible for coverage.
- Properties with historical designations are not eligible for coverage.
- Homes with burglar bars installed on the windows having no inside release are ineligible for coverage.
- Homes designated as “Green Homes” are ineligible for coverage.
- Mobile, modular, manufactured and pre-fabricated homes are ineligible for coverage.
- Properties, other structures, walkways or retaining walls, deemed by the company to be in poor condition or disrepair are ineligible for coverage.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.

AGE OF HOME/ UPDATE REQUIREMENTS

Risks older than 75 years are ineligible. Risks older than 50 years are ineligible without proof of updates. Proof of the following updates should be submitted to underwriting prior to binding coverage. We will require a 4-point inspection, and/or receipts of work completed, in addition to photos. The inspection / proof of updates should address what updates have been made and the year in which they were made. All updates/replacements should be completed within the past 10 years.

Once received, Underwriting will evaluate the request based on the photos, inspection and entire history of the risk/insured

- Electrical: Installation of new approved circuit breakers, fixtures, receptacles and replacement of wiring with Romex or BX cable. ASI does not accept knob and tube wiring, aluminum wiring (unless properly modified) or fuses.
- Heating: Installation of new heating plant including burner, boiler, fans, coupling valves, pressure relief valves, safety controls, safety switches or connectors.
- Plumbing: Replacement of pressurized water lines, fixtures, traps, pump, holding tank & hot water heater. Copper tubing or PVC plumbing is required. ASI does not accept Polybutylene or PEX plumbing systems.
- Roof: Completely replaced with approved roof covering & flashing.

Homes with the following are ineligible for coverage:

- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with fuses, knob and tube, wiring or federal pacific breakers.
- Homes with aluminum wiring (may be eligible if properly modified; inspection required).
- Homes with polybutylene or PEX or galvanized plumbing.

ROOF/SIDING

Roofs and siding must be in good condition. Roof must have at least 5 years life expectancy. Specific roof requirement include:

- Composition shingle roofs must not be more than 20 years old.
- Metal, concrete and clay tile roof must not be more than 25 years old.
- Maximum of one overlay of composition shingles.
- Metal roofs will include the Non-Structural Hail Loss Limitation Endorsement.

Homes with the following are ineligible for coverage:

- Wood shingle, wood shake, tar and gravel, rubber membrane, tin and corrugated metal roofs
- Flat roofs are ineligible unless they are poured concrete
- T-Lock shingle
- Asbestos roof or siding
- Masonite, EIFS, Dryvit siding or wood shake siding

LIABILITY/PROPERTY HAZARDS

- Properties must be maintained and display a pride in ownership.
- Properties must be free of debris, clutter or other liability hazards. This includes, but is not limited to, inoperable vehicles, appliances, tree limbs, or other items deemed unacceptable by underwriting.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Properties with trampoline or skateboard ramps are ineligible for coverage.
- Applicants and/or properties with ATV's, dirt bikes, or snowmobiles. Exceptions can be made with proof of liability insurance for the vehicles.

SWIMMING POOLS / HOT TUBS

- Swimming pools, hot tubs and spas must be maintained and in working condition.
- Must be protected by a locking fence at least 4 ft. high, or alternate approved enclosure.
- No diving boards or slides are permitted.
- Hot tubs must have a secure cover or be protected by a 4 ft. locking fence.

INSURANCE TO VALUE

Risks must be insured for at least 100% of replacement cost. Our system provides a replacement cost calculated by Marshall & Swift/Boeckh (M&S/B).

LOSS HISTORY

Claims are evaluated both in rating and as part of the underwriting process. The company reserves the right to re-rate, cancel or non-renew based upon claim activity.

Unacceptable prior loss history:

- Three or more claims reported within 3 years.
- 1 or more liability claims within 3 years
- Risks with prior sinkhole damage are ineligible for coverage.

Contact Underwriting, do not bind:

- Two or more claims reported within 5 years.

PREVIOUS CANCELLATIONS / NON-RENEWALS / NO PRIOR COVERAGE

Risks previously canceled or non-renewed by another insurer must be referred to company prior to binding. If no prior coverage or a lapse in coverage, other than a first time home buyer, the risk is ineligible.

INSPECTIONS

At the company's discretion, a home inspection will be performed after coverage is bound and paid. Policyholders that do not permit the inspection may be subject to cancellation of the policy.

A home inspection consists of the examination and review of the interior, exterior or both (interior and exterior) of the dwelling, other structures and surrounding property to determine condition and acceptability. The inspection will be used to verify rating factors, underwriting eligibility and condition of the property.

If the inspection indicates differences in rating factors, discounts, coverage or condition of the property one or more of the following actions may occur:

Within the first 60 days of the new business policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Cancellation of the policy

After the first 60 days of the policy:

- Notification to the agent of record requesting amendments to the policy or condition of the dwelling, other structures and/or surrounding property.
- Correcting incorrect information, including but not limited to, policy characteristics, rating factors, and discount factors.
- Non-renewal of the policy

Pre-binding inspections and/or photos may be required in cases where the applicant, home or property do not meet the eligibility requirements. The agent or policyholder will be responsible for obtaining and submitting the requested documentation.

FOUNDATION

You can automatically bind a policy subject to the following guidelines.

- Pilings (8'-10' elevations) – please submit photos to underwriting prior to binding.
- Crawl space – (foundation is enclosed with a permanent material; i.e. block, brick, siding, etc.) is acceptable. Homes on open foundations enclosed by lattice do not qualify as crawl space.
- Concrete slabs are acceptable.
- Homes built on an open foundation are ineligible.

If you have questions regarding the foundation guidelines, please contact Underwriting.

SINGLE BUILDING DEFINITION

Buildings that are separated by space shall be considered separate buildings. Buildings or sections of buildings, which are separated by a 6-inch reinforced concrete or 8-inch masonry party wall that pierces or rises to the underside of the roof and pierces or extends to the inner side of the exterior wall, shall be considered a separate building. 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.

TOWNHOUSE OR ROWHOUSE

Determine the total number of individual family units within a Fire Division. For example, a 2 family dwelling attached to a 1 family dwelling is considered 3 individual family units within a Fire Division if both dwellings are not separated by a firewall. Four attached 2 family dwellings are considered 8 family units within a Fire Division if they are not separated by firewalls (and thus ineligible).
A policy may be issued for:

- Coverage A when a dwelling contains 4 or less family units within a Fire Division.
- Coverage C in a dwelling with 1 or more individual family units within a Fire Division.

PROTECTION CLASS INFORMATION

The Protection Class listings in the Public Protection Classification Manual apply. Use PC 10 for unclassified areas. Homes must have paved road access to qualify. In an unclassified area where two or more classifications are shown (e.g. 6/9), the classification is determined as follows:

Miles to Fire Station	Feet to Hydrant	Class
Less than 5	Less than 1,000	first PC
Less than 5	More than 1,000	9
More than 5		10

Homes located in a PC 9 or 10 must meet the following eligibility requirements:

- Homes must be located on a paved road
- Homes must be visible to neighbors

CONSTRUCTION DEFINITIONS

- Frame / Stucco on Frame / Hardiplank over Frame – exterior wall of wood or other combustible construction, including wood-iron clad, stucco on wood or plaster on combustible supports, and aluminum or plastic siding over frame.
- Masonry Veneer – exterior walls constructed of masonry materials such as brick or stone over frame.
- Masonry / Stucco on Masonry – exterior walls constructed of masonry materials such as adobe, concrete, gypsum block, hollow concrete block, stone, tile, or similar materials, and floors and roof of combustible construction.
- Superior Construction - exterior walls, floors, and roof constructed of masonry or other non-combustible materials.

Note: Mixed (Brick/Block and Frame) – a combination of both brick/block and frame construction shall be classified as Frame when the exterior walls of frame construction (including gables) exceed 30% of total exterior wall area; otherwise classify as Brick/Block.

INELIGIBLE RISKS INDEX

- Homes older than 75 years.
- Homes with wood shingles, T-lock shingles, flat or corrugated metal roofs.
- Homes with more than one overlay of shingles (cannot be over wood shingles).
- Homes with wood shake, Masonite, EIFS or Dryvit siding.
- Homes with asbestos roofs or asbestos siding.
- Homes with fuses, knob and tube wiring or federal pacific breakers.
- Homes with aluminum wiring (may be eligible if properly modified; inspection required).
- Homes with polybutylene or PEX or galvanized plumbing.
- Homes designated as “Green Homes”.
- Homes without a permanently installed central heat and air source.
- Homes with evaporative coolers.
- Homes with underground fuel tanks, whether or not in use.
- Homes of unconventional construction including log, do-it-yourself, dome, shell, A-frame or homes using unconventional parts or not meeting building codes.
- Mobile, modular, manufactured and pre-fabricated homes.
- Homes deemed by the company to be in poor condition or disrepair.
- Homes deemed by the company to have a lack of maintenance or upgrades.
- Homes with retaining walls deemed by the company to be in poor condition.
- Homes with other structures on the premises deemed by the company to be in poor condition.
- Homes with roofs deemed by the company to be in poor condition or having less than five years life expectancy.
- Properties that are vacant, unoccupied, under construction or undergoing major renovations are ineligible for coverage.
- Homes with debris or other liability hazards on the premises.
- Homes under construction or major renovation.
- Homes with trampolines.
- Homes having swimming pools with diving boards or slides.

- Homes having unprotected swimming pools or hot tubs.
- Town homes or duplexes unless meeting single building definition.
- Homes on more than 5 acres.
- Homes without paved road access.
- Homes entirely or partially over water.
- Homes with trees overhanging the roof or deemed by the company to be in dangerous proximity to the home.
- Homes in fly in – fly out / airpark communities.
- Seasonal, unoccupied, vacant or rental homes.
- Properties where animals with dangerous propensities or which present unusual liability exposures are kept are ineligible for coverage. This includes, but is not limited to, Akitas, American Bulldogs, Bull Mastiffs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chows, Doberman Pinschers, German Shepherds, Great Danes, Pit Bulls, Rottweilers, Rhodesian Ridgeback, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds, any dog with a history of biting, or any dog underwriting deems ineligible.
- Properties with exotic animals, farm, saddle or hooved animals are ineligible for coverage.
- Homes with business or farm exposure.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.
- Homes used for the purpose of assisted living, nursing home or group home facilities.
- Homes used for the purpose of college housing.
- Homes with ATVs, snowmobiles or dirt bikes on the premises.
- Homes with burglar bars installed on the windows having no inside release.
- Homes with historical designations.
- Homes with duplicate coverage.
- Homes with more than two mortgages.
- Homes not occupied by the owner.
- Homes in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, land trust or estate.
- Homes that the company is not permitted by the insured to inspect.
- Homes with no prior coverage (other than first time home buyer), a lapse in coverage, or homes with forced placed insurance.
- Homes with any settlement or cracking damage are ineligible for coverage.
- Homes with prior sinkhole claims are ineligible for coverage.
- Applicants who have been convicted of insurance fraud, arson or material misrepresentation are ineligible for coverage.

BINDING AUTHORITY

A risk is not bound until a policy is issued in our rating system. ASI does not accept binders. For your convenience, our system provides an immediate declarations page and application upon issuance of the policy. Risks may be bound up to 60 days prior to effective date.

Agents may bind coverage on risks meeting all underwriting criteria without contacting the company. Signed applications and supporting documentation must be maintained in Agent's office and is subject to audit at request of the company.

- $500,000 Coverage A ($750,000 for current year construction). Risks above $500,000 must be submitted to underwriting for review prior to binding coverage.
- Homes with Coverage A under $100,000 require 2 photos (front and back) of the home and must be submitted to underwriting prior to binding coverage.
- Risks must meet the eligibility / underwriting guidelines. Any risk not meeting the guidelines, but judged by the agent to be a good risk, must be referred to underwriting prior to binding.

HIGH VALUE PROGRAM

Single-family homes with Coverage A greater than $500,000 ($750,000 for current year construction) meeting all underwriting criteria may be eligible for coverage. Agent may not bind coverage. All applications must be submitted to the Underwriting Department for approval and binding of coverage.

GENERAL RULES

POLICY TERM

The standard policy term is one year and may be extended for successive policy periods by renewal.

RENEWAL

If the company elects to offer renewal, policy may be renewed by the policyholder by paying the renewal premium prior to the expiration of the current policy. Renewal policy will be issued based on the premiums, forms and endorsements in effect at time of renewal. A new declaration page as well as any revised policy forms will be sent to the insured. Copies of notices and declaration page will be sent to the mortgagee(s).

CANCELLATION OR CHANGES

- Mandatory coverages may not be canceled unless the entire policy is cancelled.
- The insured may cancel the policy at any time for any reason.
- Flat cancellations after the effective date will require proof of other insurance and must be made within 60 days of effective date.
- If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro-rata basis.

MULTIPLE COMPANY INSURANCE

We will not provide coverage for a dwelling that is also covered by another insurance policy.

TRANSFER OR ASSIGNMENT

No transfers or assignments are permitted. Each insured and/or property will require submission of a new application.

WAIVER OF PREMIUM

When a policy is issued or endorsed after the inception date, additional or return premium of less than $5 is waived. However, we will return unearned premium upon request.

OTHER INSURED LOCATION - NO COVERAGE

This program does not permit liability coverage for any other residences owned by the insured regardless of occupancy. We will provide property coverage for secondary/seasonal residences or residences rented to others in our Dwelling Fire program.

BUSINESS PURSUITS - NO COVERAGE

This program does not offer coverage for liability arising out of business activities.

INCIDENTAL OCCUPANCIES - NO COVERAGE

This program does not offer coverage for liability arising out of incidental occupancies.

COVERAGE OVERVIEW

COVERAGE LIMITS

Coverage	Limits
A – Dwelling	$100,000 to $5,000,000*
B - Other Structures	2%, 10% or 20% of Coverage A
C – Contents	0%, 25%, 50% or 70% of Coverage A
D - Loss of Use	10% or 20% of Coverage A
E - Personal Liability	$100,000, $300,000 or $500,000
F - Medical Payments	$1,000, $2,500 or $5,000

* Coverage A greater than $500,000 ($750,000 for current year construction) must be submitted to underwriting for review prior to binding.

LOSS SETTLEMENT

Coverage A, B	Loss Settlement
1960 and newer	Replacement Cost
Older than 1960	Functional Replacement Cost
Coverage C	Actual Cash Value

COVERED PERILS

Coverage A: All risks are covered with certain exclusions. Please read the policy for a complete list of exclusions. Further, each policy is written with ASI's Special Provisions Endorsement.

Coverage C: Fire or Lightning, Windstorm or Hail, Explosion, Riot or Civil Commotion, Aircraft, Vehicles or Smoke, Vandalism or Malicious Mischief, Theft, Volcanic Eruption, Falling Objects, Weight of Ice, Snow or Sleet, Accidental Discharge of Water or Steam, Sudden and Accidental Tearing Apart of a Heating System or Appliance, Freezing, Sudden Accidental Damage from Electrical Current.

MANDATORY ENDORSEMENTS

COVERAGE ENDORSEMENTS / ASI SPECIAL PROVISIONS

ASI excludes Liability coverage for the following: Trampolines, Animals, Fungi Wet or Dry Rot or Bacteria, Diving Boards or Slides, Fuel Systems.

Endorsement ASI HO TN SP is attached to all policies. Our Special Provisions endorsement amends the basic ISO Homeowners 3 Special form. We encourage you to read our Special Provisions in its entirety. A few items of particular importance are:

- Special Limit of Liability of $10,000 per policy term for Cosmetic and Aesthetic Damage to Floors.
- Coverage C – Personal Property additional Special Limits of Liability are added: $2500 on personal computers, $500 on collections, 5% of the Coverage C limit for any one unscheduled item.
    - Windstorm or Hail Exclusion – excludes windstorm or hail losses to:
        - ❖ outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers;
        - ❖ Awnings, aluminum framed screened enclosures, or aluminum framed carports or aluminum sheds;
        - ❖ Solar panels; solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems; and
        - ❖ Any structure defined as part of Coverage B - Other Structures unless the structure is constructed of the same or superior construction material and methods as that of the dwelling and attached to a permanent concrete foundation.

FUNCTIONAL REPLACEMENT COST LOSS SETTLEMENT

For homes older than 1960, the loss settlement provisions will be changed to Functional Replacement Cost. This means losses would be paid at the amount which it would cost to repair or replace the damaged building with less costly common construction materials and methods which are functionally equivalent to obsolete, antique or custom construction materials and methods used in the original construction of the building.

NON-STRUCTURAL HAIL LOSS LIMITATION

This endorsement is mandatory for properties with metal roofs and/or aluminum siding. In all other instances, it may be added at the option of the insured. The endorsement provides that when damage from hail consists only of dents to the exterior surface of a home or other structure, not causing structural damage, we will pay the lowest of the cost of repairing or replacing the damaged portion of the property; or 2% of the amount of insurance provided under Coverage A (Dwelling).

The factor for this endorsement is .97 and it applies to the Other Perils premium.

LIMITED WATER DAMAGE COVERAGE

Limited coverage for sudden and accidental discharge or overflow of water or steam from within a plumbing, heating, A/C, or automatic sprinkler system or from within a household appliance is available for a reduction in premium and may be used at the underwriter's discretion. The limit of liability for all covered property under this option is $10,000.

The factor for this endorsement is .95 and it applies to the Other Perils premium.

LIMITED FUNGI, WET OR DRY ROT OR BACTERIA COVERAGE

This is a mandatory endorsement that limits Section I coverage for fungi, wet or dry rot or bacteria coverage to $5,000. Coverage only applies to a peril insured against.

OPTIONAL COVERAGES ENDORSEMENTS

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT

This endorsement provides replacement cost loss settlement on Coverage C.

The factor for this coverage is 1.10 and it applies to the Other Perils and Wind/Hail premium.

SPECIAL PERSONAL PROPERTY COVERAGE

This endorsement provides all risk coverage on contents subject to exclusions.

The factor for this coverage is 1.15 and it is applied to the Other Perils premium.

INCREASED REPLACEMENT COST ON DWELLING

This endorsement is intended to cover additional costs of construction that are incurred due to increases in the cost of construction that occur during the policy period. Increased construction cost is normally the result of increased demand relative to supply of labor and materials that can occur subsequent to a catastrophic loss that impacts a substantial number of properties in a region. Additional coverage options provided by this endorsement are 25% of Coverage A and 50% of Coverage A.

Coverage must be written for 100% of replacement cost.

This endorsement does not cover increased construction costs attributable to laws or ordinances governing construction.

The factor for this coverage is 1.04 for 25% of Coverage A and 1.06 for 50% of Coverage A and it applies to the Other Perils and Wind/Hail premium.

ANIMAL LIABILITY BUYBACK ENDORSEMENT

This endorsement may be added at the option of the insured for the limits and premiums below. Endorsement provides that Coverage E (Personal Liability) and F (Medical Payments) applies to bodily injury or property damage caused by animals owned by the insured, provided the animals are not prohibited by our guidelines (see ineligible list). An insured must have an umbrella policy in order to qualify for the $300,000 or $500,000 options. A current Declarations Page for the umbrella policy will be required for audit purposes. This endorsement also provides Medical Payments coverage at the same limit as chosen for regular liability coverage.

Limit	Premium
$50,000	$25
$300,000	$35
$500,000	$45

ORDINANCE OR LAW COVERAGE

This endorsement provides coverage for increases in cost of reconstruction, repair, or demolition of property that result from local laws or ordinances regulating such. The basic policy includes 10% of Coverage A. The coverage option provided by this endorsement is 25% of Coverage A.

		Factor
Additional Premium	25% of coverage A	1.05

WATER BACKUP/SUMP PUMP COVERAGE

The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from the sump. A $1,000 deductible applies to this coverage.
The endorsement may be added for the following limits:

Basement	Limit	Premium
None	$5,000	$30
None	$10,000	$50
None	$25,000	$80
Unfinished	$5,000	$40
Unfinished	$10,000	$60
Unfinished	$25,000	$110
Partially Finished	$5,000	$50
Partially Finished	$10,000	$70
Partially Finished	$25,000	$145
Finished	$5,000	$60
Finished	$10,000	$90
Finished	$25,000	$175

Basement status

- None - no basement exists at the property
- Unfinished Basement - non modified area used primarily for storage
- Partially-finished basement - slightly modified area which, in addition to providing storage, usually has some improvements and an additional purpose (exercise room, music room, etc.)
- Finished basement - modified area which is a fully habitable addition to the house. This space is frequently converted into a bedroom, home theater, gym, etc.

LOSS ASSESSMENT COVERAGE

Provides increased coverage for assessments relating to the residence premises. The basic policy includes $1,000 coverage.

Additional premium:

Limit	Premium
$ 5,000	$15
$10,000	$25

INCREASED LIMIT ON JEWELRY, WATCHES AND FURS

Unscheduled (only) coverage can be added in increments of $1,000 up to a maximum of $5,000 for a premium of $18 per $1,000.

PERSONAL INJURY COVERAGE

This endorsement provides liability coverage for personal injury to others for offenses such as false arrest, detention or imprisonment, libel, slander, defamation of character, invasion of privacy, and wrongful eviction or wrongful entry.

Additional premium: $15

HOME COMPUTER COVERAGE

This endorsement provides coverage for computers and related equipment against additional risks of physical loss subject to certain exclusions. In addition, this endorsement permits business use of a personal computer. This coverage is available to a maximum limit of $20,000.

Additional premium: $6 for each $1,000

SCHEDULED PERSONAL PROPERTY

Scheduled coverage may be purchased for the following classes of property.

Property Description	Rate/$100
Antiques	0.90
Bicycles	9.35
Camera/Projection Equipment (Non-professional)	1.52
Coins	1.80
Fine Art	0.50
Fine Art - With Breakage	1.00
Furs	0.40
Golfer's Equipment	1.40
Jewelry	1.25
Miscellaneous Personal Property	1.00
Musical Instruments (Non-professional)	0.60
Other Sports Equipment	2.00
Guns – Fired	3.00
Guns – Collectible	1.50
Silverware	0.45
Stamps	0.80

Underwriting Guidelines:

- ASI does not offer a blanket schedule for items.
- A complete description, including price, is require on each item.
- Description should include make, model, color, clarity, size, etc.
- Appraisals or bills of sale and a color photo must accompany single items worth $5,000 or more.
- Jewelry items worth $5,000 or more must be kept in vault when not worn.
- Schedules which total over $20,000 or include individual items worth more than $5,000 should be submitted for approval prior to binding.
- Central station burglar alarm is required for schedules over $50,000.
- Prior approval is required for Scheduled Personal Property on homes located in protection classes 9 and 10.
- Breakage coverage is limited on fine arts/antiques.

ACTUAL CASH VALUE LOSS SETTLEMENT – WINDSTORM OR HAIL LOSSES TO ROOF SURFACING

This endorsement provides a reduced premium for actual cash value settlement on the roof surface.

		Roof Material					
Roof Valuation	Roof Age	Composition Shingle	Slate	Tile	Wood Shingle	Metal	All Other
RC	All	1.000	1.000	1.000	1.000	1.000	1.000
ACV	0	0.970	0.970	0.970	0.970	0.970	0.970
ACV	1	0.970	0.970	0.970	0.970	0.970	0.970
ACV	2	0.970	0.970	0.970	0.970	0.970	0.970
ACV	3	0.970	0.970	0.970	0.970	0.970	0.970
ACV	4	0.970	0.970	0.970	0.970	0.970	0.970
ACV	5	0.970	0.970	0.970	0.970	0.970	0.970
ACV	6	0.970	0.970	0.970	0.970	0.970	0.970
ACV	7	0.970	0.970	0.970	0.970	0.970	0.970
ACV	8	0.970	0.970	0.970	0.970	0.970	0.970
ACV	9	0.970	0.970	0.970	0.970	0.970	0.970
ACV	10	0.970	0.970	0.970	0.970	0.970	0.970
ACV	11	0.970	0.970	0.970	0.970	0.970	0.970
ACV	12	0.970	0.970	0.970	0.970	0.970	0.970
ACV	13	0.970	0.970	0.970	0.970	0.970	0.970
ACV	14	0.970	0.970	0.970	0.970	0.970	0.970
ACV	15	0.970	0.970	0.970	0.970	0.970	0.970
ACV	16	0.970	0.970	0.970	0.970	0.970	0.970
ACV	17	0.970	0.970	0.970	0.970	0.970	0.970
ACV	18	0.970			0.970		

			0.970	0.970		0.970	0.970
ACV	19	0.970	0.970	0.970	0.970	0.970	0.970
ACV	20	0.970	0.970	0.970	0.970	0.970	0.970
ACV	21	0.970	0.970	0.970	0.970	0.970	0.970
ACV	22	0.970	0.970	0.970	0.970	0.970	0.970
ACV	23	0.970	0.970	0.970	0.970	0.970	0.970
ACV	24	0.970	0.970	0.970	0.970	0.970	0.970
ACV	25	0.970	0.970	0.970	0.970	0.970	0.970
ACV	26	0.970	0.970	0.970	0.970	0.970	0.970
ACV	27	0.970	0.970	0.970	0.970	0.970	0.970
ACV	28	0.970	0.970	0.970	0.970	0.970	0.970
ACV	29	0.970	0.970	0.970	0.970	0.970	0.970
ACV	30+	0.970	0.970	0.970	0.970	0.970	0.970

SPECIAL STRUCTURES WIND/HAIL BUYBACK (SSB)

This endorsement will provide coverage for direct physical damage caused by Windstorm or Hail to the following structures located on the “residence premises”:

- Aluminum framed screened enclosures;
- Aluminum framed screened carports;
- Fences; and
- Other structures defined as part of Coverage B that are not constructed of the same or superior construction materials/methods as that of the dwelling and / or not attached to a permanent concrete foundation.

Losses are settled at Actual Cash Value. Please see the complete form for more details.
Statewide SSB base rate = $3.00 per thousand of coverage

Additional premium = (Amount of coverage desired / 1,000) x $3.00 x the filed territory relativity for wind/hail.

Example: $10,000 of coverage in 38117 (Memphis).

$10,000 / $1,000 x $3.00 x 1.230 = $36.90 premium

HOMESHIELD PACKAGE

The insured must be claims free for the last three years to qualify (Act of God claims excluded). Coverage included in this package cannot be altered or duplicated. This package consists of:

a. Personal Property Replacement Cost
b. 25% of Coverage A for Increased Replacement Cost
c. $5,000 limit on Water Backup/Sump Pump Overflow
d. Personal Injury Coverage
e. 50% Coverage C limit
f. $2,500 Loss Assessment Coverage
g. $1,000 limit for Credit Card, Fund Transfer Card, Forgery and Counterfeit Money
h. $250 for Lock Replacement Coverage
i. $750 limit for Fire Department Service Charge
j. $3,000 ($1,500 limit per item) limit for loss by theft of Jewelry, Watches, Furs, Precious and semiprecious stones

The factor for this coverage is 1.15 for Other Perils and Wind/Hail.

HOMESHIELD PLUS PACKAGE

The insured must be claims free for the last three years to qualify (Act of God claims excluded). Coverage included in this package cannot be altered or duplicated. This package consists of:

a. Personal Property Replacement Cost
b. 50% of Coverage A for Increased Replacement Cost
c. $10,000 limit on Water Backup/Sump Pump Overflow
d. 25% of Coverage A for Ordinance or Law Coverage
e. Special Personal Property Coverage
f. Personal Injury Coverage
g. 70% Coverage C limit
h. $5,000 for Loss Assessment
i. $2,000 limit for Credit Card, Fund Transfer Card, Forgery, and Counterfeit Money
j. $500 for Lock Replacement Coverage
k. $1,000 Limit for Fire Department Service Charge
l. Increased Special Limits:
    a. $5,000 ($2,500 per item limit) on Jewelry, Watches, Furs, Precious and Semiprecious stones
    b. $300 on money, bank notes, gold, etc.
    c. $2,500 on Securities, deeds, letters of Credit, etc.
    d. $3,500 on Firearms
    e. $4,000 on Silverware, pewterware, tea sets, etc.

f. $3,000 on Business property on the residence premises
g. $750 on Business property away from the residence premises

The factor for this coverage is 1.25 for Other Perils and Wind/Hail.

SINKHOLE COVERAGE

The base policy covers Catastrophic Ground Cover Collapse. Sinkhole Coverage is excluded in the base policy, but may be purchased for an additional premium subject to underwriting review.

The Premium for this coverage is $0.60 per $1,000 in coverage A

PREMIUM CALCULATION

Premium is calculated separately for "wind/hail" and "other perils". Many policy variables and the rate classifications within each are used in developing the final premium. In general, the factor for each rate class is multiplied times the factor for the rate class of the preceding variable. The following variables, rate classifications, and factors are utilized in rating.

NEW BUSINESS TIER CRITERIA

Tiered rating is utilized to broaden underwriting eligibility and properly match rate to risk. Consumer data gathered from the applicant and third party providers determines new business tier placement. Once assigned to a tier at new business, the policy remains in the same tier at renewal. Criteria used for tier placement include liability limit on prior homeowner policy, credit score, and prior claims. Proof of prior insurance in the form of a declarations page showing the prior liability limit must be retained in agent's file. These documents will be subject to review during an audit.

*Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Prior Liability Limit	Credit Score Range	Placement by Prior Claims*		
		0	1	2
$300,000 or greater	876-999	6	14	15
$300,000 or greater	826-875	7	14	16
$300,000 or greater	801-825	7	15	17
$300,000 or greater	776-800	8	16	18
$300,000 or greater	751-775	9	17	19
$300,000 or greater	726-750	11	18	20
$300,000 or greater	701-725	13	20	22
$300,000 or greater	676-700	15	21	23
$300,000 or greater	651-675	16	23	25
$300,000 or greater	626-650	17	23	25
$300,000 or greater	601-625	17	23	25
$300,000 or greater	576-600	18	25	28
$300,000 or greater	551-575	19	28	28
$300,000 or greater	000-550	22	28	28
$300,000 or greater	No Score	13	20	22
$100,000	876-999	9	17	18
$100,000	826-875	10	17	19
$100,000	801-825	10	18	20
$100,000	776-800	12	19	21
$100,000	751-775	12	20	21
$100,000	726-750	14	21	23
$100,000	701-725	16	23	25
$100,000	676-700	18	25	28
$100,000	651-675	19	25	28

$100,000	626-650	20	28	28
$100,000	601-625	20	28	28
$100,000	576-600	21	28	28
$100,000	551-575	22	28	28
$100,000	000-550	25	28	28
$100,000	No Score	16	23	25
Lapse	876-999	9	17	18
Lapse	826-875	10	17	19
Lapse	801-825	10	18	20
Lapse	776-800	12	19	21
Lapse	751-775	12	20	21
Lapse	726-750	14	21	23
Lapse	701-725	16	23	25
Lapse	676-700	18	25	28
Lapse	651-675	19	25	28
Lapse	626-650	20	28	28
Lapse	601-625	20	28	28
Lapse	576-600	21	28	28
Lapse	551-575	22	28	28
Lapse	000-550	25	28	28
Lapse	No Score	16	23	25
No Prior Liability	876-999	9	17	18
No Prior Liability	826-875	10	17	19
No Prior Liability	801-825	10	18	20
No Prior Liability	776-800	12	19	21
No Prior Liability	751-775	12	20	21
No Prior Liability	726-750	14	21	23
No Prior Liability	701-725	16	23	25
No Prior Liability	676-700	18	25	28
No Prior Liability	651-675	19	25	28
No Prior Liability	626-650	20	28	28
No Prior Liability	601-625	20	28	28
No Prior Liability	576-600	21	28	28
No Prior Liability	551-575	22	28	28
No Prior Liability	000-550	25	28	28
No Prior Liability	No Score	16	23	25
1st-time Owner	876-999	6	14	16
1st-time Owner	826-875	7	15	17
1st-time Owner	801-825	8	15	17
1st-time Owner	776-800	9	17	18
1st-time Owner	751-775	10	17	19
1st-time Owner	726-750	12	19	21
1st-time Owner	701-725	14	21	22
1st-time Owner	676-700	15	22	25
1st-time Owner	651-675	17	23	25

1st-time Owner	626-650	17	25	28
1st-time Owner	601-625	18	25	28
1st-time Owner	576-600	19	25	28
1st-time Owner	551-575	20	28	28
1st-time Owner	000-550	23	28	28
1st-time Owner	No Score	14	21	23

TIER FACTOR

Once tier placement is determined, use the following factors for each tier.

Tier	Other Perils	Wind/Hail
1	0.452	1.000
2	0.478	1.000
3	0.504	1.000
4	0.533	1.000
5	0.563	1.000
6	0.594	1.000
7	0.621	1.000
8	0.666	1.000
9	0.699	1.000
10	0.728	1.000
11	0.771	1.000
12	0.803	1.000
13	0.898	1.000
14	0.946	1.000
15	0.991	1.000
16	1.105	1.099
17	1.216	1.203
18	1.290	1.273
19	1.365	1.343
20	1.432	1.406
21	1.518	1.487
22	1.602	1.566
23	1.712	1.669
24	1.791	1.744
25	1.870	1.818
26	1.987	1.928
27	2.113	2.046
28	2.222	2.149
29	2.336	2.256
30	2.456	2.369

HOUSEHOLD FACTOR

The Household Factor is a combination of the age of named insured, marital status, and presence of children in the household.

Household Factor

Age of Named Insured	Marital Status	Children	Other Perils	Wind/Hail
00-26	Married	Yes	1.275	1.000
27-31	Married	Yes	1.234	1.000
32-45	Married	Yes	1.089	1.000
46-51	Married	Yes	1.006	1.000
52-57	Married	Yes	0.975	1.000
58-66	Married	Yes	0.923	1.000
67-70	Married	Yes	0.892	1.000
71-76	Married	Yes	0.954	1.000
77 and older	Married	Yes	1.037	1.000
00-26	Married	No	1.157	1.000
27-31	Married	No	1.120	1.000
32-45	Married	No	0.988	1.000
46-51	Married	No	0.913	1.000
52-57	Married	No	0.884	1.000
58-66	Married	No	0.837	1.000
67-70	Married	No	0.809	1.000
71-76	Married	No	0.866	1.000
77 and older	Married	No	0.941	1.000
00-26	Single	Yes	1.435	1.000
27-31	Single	Yes	1.388	1.000
32-45	Single	Yes	1.225	1.000
46-51	Single	Yes	1.131	1.000
52-57	Single	Yes	1.096	1.000
58-66	Single	Yes	1.038	1.000
67-70	Single	Yes	1.003	1.000
71-76	Single	Yes	1.073	1.000
77 and older	Single	Yes	1.166	1.000
00-26	Single	No	1.302	1.000
27-31	Single	No	1.259	1.000
32-45	Single	No	1.111	1.000
46-51	Single	No	1.027	1.000
52-57	Single	No	0.995	1.000
58-66	Single	No	0.942	1.000
67-70	Single	No	0.910	1.000
71-76	Single	No	0.974	1.000
77 and older	Single	No	1.058	1.000

LENGTH OF RESIDENCE

Number of years that the named insured has occupied the insured residence. This will be calculated as the inception date of the policy minus the effective date of the purchase. Factors below apply to homes older than 10 years only.

Length of Residence	Other Perils	Wind/Hail
Unknown	1.000	1.000
0	1.000	1.000
1-9	1.050	1.000
10-20	0.950	1.000
21+	0.920	0.900

AMOUNT OF INSURANCE

The factor for coverage amounts greater than $300,000 is determined by adding .467% to the $300,000 Coverage A factor for each additional $1,000 in coverage.

Coverage A	Factor
$75,000	0.800
$80,000	0.813
$85,000	0.827
$90,000	0.840
$95,000	0.853
$100,000	0.867
$105,000	0.880
$110,000	0.893
$115,000	0.907
$120,000	0.920
$125,000	0.933
$130,000	0.947
$135,000	0.960
$140,000	0.973
$145,000	0.987
$150,000	1.000
$155,000	1.023
$160,000	1.047
$165,000	1.070
$170,000	1.093
$175,000	1.117
$180,000	1.140
$185,000	1.163
$190,000	1.187
$195,000	1.210
$200,000	1.233
$205,000	1.257
$210,000	1.280
$215,000	1.303

$220,000	1.327
$225,000	1.350
$230,000	1.373
$235,000	1.397
$240,000	1.420
$245,000	1.443
$250,000	1.467
$255,000	1.490
$260,000	1.513
$265,000	1.537
$270,000	1.560
$275,000	1.583
$280,000	1.607
$285,000	1.630
$290,000	1.653
$295,000	1.677
$300,000	1.700

PROTECTION CLASS / CONSTRUCTION

Use the following factors for Other Perils:

Protection Class	Frame	Masonry	Masonry Veneer	Superior
1	1.06	1.00	1.00	1.00
2	1.06	1.00	1.00	1.00
3	1.06	1.00	1.00	1.00
4	1.06	1.00	1.00	1.00
5	1.06	1.00	1.00	1.00
6	1.16	1.05	1.05	1.05
7	1.19	1.05	1.05	1.05
8	1.30	1.20	1.20	1.20
9	1.40	1.25	1.25	1.25
10	2.00	1.50	1.50	1.50

Use the following factors for the Wind/Hail premium:

Type	Wind/Hail
Frame	1.21
Masonry Veneer	1.00
Masonry	1.00
Superior	1.00

Number of Stories	Other Perils	Wind/Hail
1	0.950	1.000
1.5	1.000	1.000
2	1.040	1.000
2.5	1.050	1.000
3	1.069	1.000
Bi-Level	1.040	1.000
Tri-Level	1.069	1.000

ROOF TYPE

	< 10 Years		>= 10 Years	
Roof Material	Other Perils	Wind/Hail	Other Perils	Wind/Hail
Tar Shingle	0.961	0.961	1.079	1.079
Superior w/Poured Concrete	0.895	0.895	1.005	1.005
Asbestos	0.942	0.942	1.058	1.058
Wood Shake	1.083	1.083	1.216	1.216
Slate	0.895	0.895	1.005	1.005
Wood Shingle	1.083	1.083	1.216	1.216
Other	0.942	0.942	1.058	1.058
Composite Shingle	0.961	0.961	1.079	1.079
Barrel Tile	0.895	0.895	1.005	1.005
Flat Tile	0.895	0.895	1.005	1.005
Tile	0.895	0.895	1.005	1.005
Metal	0.848	0.848	0.952	0.952
Tar & Gravel	0.895	0.895	1.005	1.005
Poured Concrete	0.895	0.895	1.005	1.005
Shingles, Architectural	0.961	0.961	1.079	1.079
Concrete Tile	0.895	0.895	1.005	1.005
Rolled Roof	0.942	0.942	1.058	1.058
Aluminum Corrugated	0.942	0.942	1.058	1.058

AGE OF DWELLING

Age is determined by subtracting the year in which construction of the residence was completed from the year in which the policy is effective.

Age of Home	Other Perils	Wind/Hail
0	0.495	0.600
1	0.521	0.620
2	0.574	0.640
3	0.601	0.660
4	0.628	0.680
5	0.681	0.700
6	0.734	0.720
7	0.761	0.740
8	0.787	0.760
9	0.814	0.780
10	0.840	0.800
11	0.894	0.850
12	0.947	0.900
13	1.000	0.950
14	1.053	1.000
15	1.053	1.000
16	1.053	1.000
17	1.053	1.000
18	1.053	1.000
19	1.053	1.000
20	1.053	1.000
21	1.106	1.000
22	1.133	1.000
23	1.160	1.000
24	1.186	1.000
25	1.213	1.000
26	1.213	1.000
27	1.213	1.000
28	1.213	1.000
29	1.213	1.000
30	1.213	1.000
31	1.160	1.000
32	1.160	1.000
33	1.160	1.000
34	1.160	1.000
35	1.160	1.000
36	1.160	1.000
37	1.160	1.000
38	1.160	1.000
39	1.160	1.000
40	1.160	1.000
41	1.213	1.000
42	1.213	1.000

43	1.213	1.000
44	1.213	1.000
45	1.213	1.000
46	1.213	1.000
47	1.213	1.000
48	1.213	1.000
49	1.213	1.000
50	1.213	1.000
51	1.213	1.000
52	1.213	1.000
53	1.213	1.000
54	1.213	1.000
55	1.213	1.000
56	1.213	1.000
57	1.213	1.000
58	1.213	1.000
59	1.213	1.000
60	1.213	1.000
61	1.213	1.000
62	1.213	1.000
63	1.213	1.000
64	1.213	1.000
65	1.213	1.000
66	1.213	1.000
67	1.213	1.000
68	1.213	1.000
69	1.213	1.000
70	1.213	1.000
71	1.213	1.000
72	1.213	1.000
73	1.213	1.000
74	1.213	1.000
75+	1.213	1.000

COVERAGE OPTIONS

DEDUCTIBLES

The standard deductible is $500 for wind/hail and other perils premium. The wind/hail deductible cannot be less than the other perils deductible. Changes in deductibles may only be made at the time of renewal.

Deductible	Coverage A ($000's)	Other Perils	Wind/Hail
$500	51-100	0.910	0.967
$1,000	51-100	0.830	0.914
$2,500	51-100	0.680	0.792

1%	51-100	0.870	0.939
2%	51-100	N/A	0.868
5%	51-100	N/A	0.715
$500	101-150	0.980	0.993
$1,000	101-150	0.890	0.956
$2,500	101-150	0.750	0.868
1%	101-150	0.870	0.939
2%	101-150	N/A	0.868
5%	101-150	N/A	0.715
$500	151-200	1.020	1.005
$1,000	151-200	0.940	0.976
%2,500	151-200	0.810	0.907
1%	151-200	0.870	0.939
2%	151-200	N/A	0.868
5%	151-200	N/A	0.715
$500	201-250	1.050	1.012
$1,000	201-250	0.980	0.988
$2,500	201-250	0.850	0.930
1%	201-250	0.870	0.939
2%	201-250	N/A	0.868
5%	201-250	N/A	0.715
$500	251-300	1.080	1.017
$1,000	251-300	1.000	0.997
$2,500	251-300	0.890	0.947
1%	251-300	0.870	0.939
2%	251-300	N/A	0.868
5%	251-300	N/A	0.715
$500	301-500	1.150	1.024
$1,000	301-500	1.080	1.009
$2,500	301-500	0.950	0.971
1%	301-500	0.870	0.939
2%	301-500	N/A	0.868
5%	301-500	N/A	0.715
$500	501-999	1.150	1.032
$1,000	501-999	1.080	1.023
$2,500	501-999	0.950	1.000
1%	501-999	0.870	0.939
2%	501-999	N/A	0.868
5%	501-999	N/A	0.715
$500	1000-5000	1.150	1.032
$1,000	1000-5000	1.080	1.023
$2,500	1000-5000	0.950	1.000
1%	1000-5000	0.870	0.939
2%	1000-5000	N/A	0.868
5%	1000-5000	N/A	0.715

LIMITS OF COVERAGES B, C & D

Coverage B - Other Structures

Insured may select desired coverage limit for other structures located on the residence premises. Other structures may not be rented to others, or used by non-related persons for residence purposes. Base rates include other structures coverage equal to 2% of Coverage A. The factor applies to wind/hail and other perils premium.

% Coverage A	Factor
2%	1.00
10%	1.02
20%	1.05

Coverage C - Contents

Base rates include contents coverage equal to 50% of Coverage A. The Insured may select a desired coverage limit for loss of use. Coverage C is available in the following limits:

% of Cov A	Other Perils	Wind/Hail
0%	0.800	0.700
25%	0.915	0.850
50%	1.000	1.000
70%	1.100	1.120

Coverage D – Loss of Use

Base rates include loss of use coverage equal to 20% of Coverage A. The Insured may select a desired coverage limit for loss of use. Coverage D is available in the following limits:

% Coverage A	Factor
10%	0.98
20%	1.00

SECTION II LIMITS

Provides coverage for Personal Liability and Medical Payments to Others.

The following limits are available:

Liability Limit	Premium
$100,000	$15
$300,000	$25
$500,000	$35

Med Pay Limit	Premium
$1,000	$5
$2,500	$8
$5,000	$10

DISCOUNTS & SURCHARGES

Discounts are applied to both the other perils and wind/hail premium (unless specified otherwise) as a multiplicative factor. The maximum cumulative rate impact from all discounts and surcharges combined is 55%. The maximum combined rate impact from the tier factor and all discounts and surcharges is 60%. The E-Policy and Paid in Full Discount are not subject to discount capping. Documentation supporting all discounts must be maintained in the agency file or submitted to the company.

ACCREDITED BUILDER DISCOUNT

A 10% discount is offered for new homes built by established builders recognized for their volume and willingness to stand behind their product. These builders are listed on the company website. The discount is only available for new construction and not for re-sales. The discount remains on the policy at renewal.

NEW PURCHASE DISCOUNT

A 10% discount is offered to homeowners who are obtaining their policy to coincide with the purchase of a home. The discount is phased out over time (7% in Year 2, 3% in Year 3, and 0% in Year 4).

A policy cannot have both the Accredited Builder and New Purchase Discount.

PACKAGE POLICY DISCOUNT

A package policy discount is applied to the Other Perils premium if the policyholder has an auto policy written with the same agency as the ASI Renters policy. The agent of record must be the same as the ASI Renter's policy. The auto carrier and policy number are required at the time of application. If the auto policy cancels, the Package Policy discount is removed. The factor for each discount is in the table below.

- Auto Companion – This discount applies to an auto policy written with an auto carrier other than a preferred partner.

- PHA Discounts - for policies designated as "PHA", the discount varies by BI limit on the auto policy. If the BI limit is unknown, then the discount is equal to the Preferred Partner discount.
- Flood – This discount applies if an ASI Flood policy with written in conjunction with the ASI Renters policy.

Package Policy Discount	Other Perils
Flood	0.968
Auto	0.947
Preferred Partner	0.894
PHA (BI limits < 50/100)	0.947
PHA (BI limits > = 50/100 and < 100/300 or = 100CSL)	0.894
PHA (BI limits = 100/300)	0.840
PHA (BI limits = 250/500 or >=200CSL)	0.787

SECURED COMMUNITY/BUILDING DISCOUNT

A 10% discount is applied to the "other perils" premium for homes located in a neighborhood protected by 24 hour-manned security or passkey gates protecting all entrances to community. Only applies to Other Perils premium.

PROTECTIVE DEVICE DISCOUNT

- 5% discount for fire alarm reporting to fire or central station.
- 8% discount for complete home sprinkler system.
- 5% discount for complete local burglar alarm covering all exterior doors & windows.
- 8% discount for complete burglar alarm reporting to police/central station.

All protective device discounts only apply to Other Perils premium.

E-POLICY DISCOUNT

A $10 discount applies if the insured elects to receive policy documents via email.

PAID-IN-FULL DISCOUNT

A discount applies to policies which are paid in full.

Payment Method	Other Perils	Wind/Hail
Insured Pay Plan	1.000	1.000
Mortgage Billed	0.876	1.000
Insured Full Pay	0.834	1.000

NON-SMOKER/SMOKER DISCOUNT/SURCHARGE

Use the following factors:

Only applies to Other Perils premium.

Smoker	Factor
Yes	1.30
No	0.99

To qualify for the discount all residents of the home must be non-smokers.

UMBRELLA DISCOUNT

A discount applies to insureds who maintain umbrella coverage. Proof of coverage should be maintained in the agent's file for audit purposes.

Presence of Umbrella Policy	Other Perils	Wind/Hail
No	1.000	1.000
Yes	0.900	0.950

WOOD BURNING STOVE SURCHARGE

A 10% surcharge applies to Other Perils premium.

*Evidence and supporting documentation of all optional discounts must be retained in agent's file. These documents will be subject to review during an audit.

CLAIMS SURCHARGE

A surcharge applies to renewal policies if a claim is submitted with ASI. Medical Payment claims and 'Acts of God' claims defined as Wind, Hail and Lightning, are not considered a qualifying claim.

Claims	NHR	HUR
0	1.000	1.000
1	1.305	1.305
2	1.584	1.584

3	1.841	1.841
4	2.500	2.500

Surcharge is for claims filed with ASI since policy originally incepted with ASI.
Claims drop off after 3 years. Claims with zero payout are to be excluded from claim count.

ADDITIONAL FEES & CALCULATIONS

Inspection Fee

An inspection fee of $25 is charged on policies for homes more than 20 years old. The inspection fee is fully earned.

Premium Rounding

When calculating premium, final premium is rounded to the nearest whole dollar.

Fixed Base Premium

A $75 fixed base premium is included as part of the final premium calculation.

Minimum Premium

Minimum final premium per policy is $250.

Minimum Earned Premium

A minimum premium of $50 is earned on each policy regardless of how long the policy is in force.

PAYMENT PLANS

Minimum premium to qualify for payment plan: $400
We do not accept Premium Finance Agreements.

The selected payment plan must be indicated on the application.
Two optional payment plans are available in this program:

Semi-Annual (2 PAY)	Quarterly (4 PAY)
55% Down	31% Down
45% Due on 180th day	23% due on the 90th day
	23% due on the 180th day
	23% due on the 270th day

Installment Fee Schedule for 2 Pay & 4 Pay Plans:

Premium Range	Installment Fee
$400-499	$4
$500-649	$5
$650-799	$6
$800-949	$7
$950-and above	$8

Add $1 fee per payment for every $150 of total premium over $1099. Installment fees are fully earned, as they are billed with each installment. There is a $29 service charge on NSF checks.

Monthly Electronic Funds Transfer (EFT)

- 25% down payment due at new business.
- Nine equal installments of 8.33% due every 30 days.
- $2 installment fee for each payment