

Filing at a Glance

Company: Balboa Insurance Company

Product Name: Platinum Plus and Platinum Homeowner Programs SERFF Tr Num: BALB-125219587 State: Arkansas

Homeowner Programs

TOI: 04.0 Homeowners

SERFF Status: Closed

State Tr Num: AR-PC-07-025337

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Co Tr Num: PL_05-3890

State Status:

Filing Type: Form

Co Status: Reviewed

Reviewer(s): Becky Harrington

Author: Leticia Corona

Disposition Date: 07-06-2007

Date Submitted: 07-03-2007

Disposition Status: Approved

Effective Date Requested (New): 11-01-2007

Effective Date (New): 11-01-2007

Effective Date Requested (Renewal): 12-01-2007

Effective Date (Renewal): 12-01-2007

General Information

Project Name: Revision to Plus Package Endorsement and Excess Dwelling Coverage

Status of Filing in Domicile:

Project Number: PL_05-3890

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 07-06-2007

State Status Changed: 07-05-2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Please find the attached updated and revised Plus Package Endorsement form number H708E-00E0106, which replaces our previously filed and approved Plus Package Endorsement form number H402E-0800 applicable to our Balboa Platinum Plus Homeowners Program.

In addition, attached is the updated and revised Excess Dwelling Coverage-Specified Additional Amount of Insurance for Coverage A form number H835E-03E0507, which replaces our previously filed and approved Excess Dwelling Coverage-Specified Additional Amount of Insurance for Coverage A form number HO 23 47 08 97 applicable to our Balboa Platinum Homeowners Program.

The revisions to both of the above-mentioned forms were made for clarification purposes only and there is no change in coverage. We have included an endorsement comparison for your convenience outlining these revisions.

We have also updated our forms list page 3.1, to reflect the new Plus Package Endorsement form number H708E-00E0106 under the Mandatory Forms/Automatic section of the forms list. We have updated the list page to

reflect the new Excess Dwelling Coverage-Specified Additional Amount of Insurance for Coverage A, form number H835E-03E0507 under the Optional Forms section of the forms list. The updated forms list page 3.1 for the Platinum Plus and Platinum Homeowners programs replaces the previously provided forms list for the above-referenced programs. Please find the attached revised forms list for your convenience.

The marked-up versions of the applicable forms are provided to facilitate your review.

Company and Contact

Filing Contact Information

Leticia Corona, Compliance Specialist
994 Flower Glen Street
Simi Valley, CA 93065-1900

leticia_corona@balboainsurance.com
(805) 955-3009 [Phone]
(805) 955-3353[FAX]

Filing Company Information

Balboa Insurance Company
3349 Michelson Drive, Suite 200
Irvine, CA 92612-8893

CoCode: 24813 State of Domicile: California
Group Code: 1330 Company Type:
Group Name: Balboa Insurance State ID Number:
Group
FEIN Number: 95-6027860

(800) 854-6115 ext. [Phone]

Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	No
Fee Explanation:	Form Filing - \$50.00
Per Company:	No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
0031535392	\$50.00	06-28-2007

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Becky Harrington	07-06-2007	07-06-2007

Disposition

Disposition Date: 07-06-2007

Effective Date (New): 11-01-2007

Effective Date (Renewal): 12-01-2007

Status: Approved

Comment:

Rate data does NOT apply to filing.

Created by SERFF on 07-06-2007 11:00 AM

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Redline Documents	Approved	Yes
Supporting Document	Updated Forms List	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Form	Plus Package Endorsement	Approved	Yes
Form	Excess Dwelling Coverage	Approved	Yes

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Plus Package Endorsement	H708E-00E0106	11/2007	Endorsement/Amendment/Conditions	H402E-0800	0.00	H708E-00E0106.pdf
Approved	Excess Dwelling Coverage	H835E-03E0507	11/2007	Endorsement/Amendment/Conditions	HO 23 47 08 97	0.00	H835E03E0507.pdf

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PLUS PACKAGE ENDORSEMENT

For use with HO 00 03 04 91

Schedule*

Additional Amount of Insurance

_____ %

The Additional Amount of Insurance is determined by multiplying the Coverage **A** Limit of Liability shown in the Declarations by the percentage amount shown above.

*Entry may be left blank if shown elsewhere in this policy for this coverage.

1. Extended Replacement Cost (Dwelling):

To the extent that coverage is provided, we agree to provide an additional amount of insurance in accordance with the following provisions:

A. If you have:

1. Allowed us to adjust the Coverage **A** limit of liability and the premium in accordance with:
 - a. The property evaluations we make; and
 - b. Any increase in inflation; and
2. Notified us, within 30 days of completion, of any improvements, alterations or additions that increase the replacement cost of the insured dwelling by 5% or more.

The provisions of this endorsement will apply after a loss, provided you elect to repair or replace the damaged dwelling.

B. If there is a loss to the insured dwelling that exceeds the Coverage **A** limit of liability shown in the Declarations, for the purpose of settling that loss only:

1. We will provide an additional amount of insurance, up to the amount described in the Schedule above; and
2. Under **SECTION I – CONDITIONS**, Condition **3. Loss Settlement**, paragraph **b.** is deleted and replaced by paragraphs **b.**, **c.**, and **d.** as follows:
 - b.** The dwelling insured under Coverage **A** at replacement cost without deduction for depreciation. We will pay no more than the smallest of the following amounts:
 - (1) The replacement cost of the damaged part of the dwelling, with material of like kind and quality and

for like use;

- (2) The necessary amount actually spent to repair or replace the damaged dwelling; or
- (3) The limit of liability under this policy that applies to the dwelling, plus any additional amount provided by this endorsement.

If the dwelling is rebuilt at a new premises, or is replaced by an existing dwelling at a new premises, the cost described in (1) above is limited to the cost that would have been incurred if the dwelling had been rebuilt at the original premises.

- c.** We will pay no more than the actual cash value of the damage until actual repair or replacement is complete
- d.** You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to the dwelling on an actual cash value basis. You may then make claim for any additional liability on a replacement cost basis, provided you notify us of your intent to do so within 180 days after the date of loss.

Extended Replacement Cost coverage does not apply to land, including land on which the dwelling or other structures are located.

2. Personal Property Replacement Cost:

A. Eligible Property

1. Covered losses to the following property are settled at replacement cost at the time of loss:
 - a. **COVERAGE C - Personal Property;** and
 - b. If covered in this policy, awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings.
2. This method of loss settlement will also apply to the following articles or classes of property if they are separately described and specifically insured in this policy and not subject to agreed value loss settlement:
 - a. Jewelry;
 - b. Furs and garments trimmed with fur or consisting principally of fur;
 - c. Cameras, projection machines, films and related articles of equipment;
 - d. Musical equipment and related articles of equipment;
 - e. Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding pens, pencils, flasks, smoking implements or jewelry; and
 - f. Golfer's equipment, meaning golf clubs, golf clothing and golf equipment.

Personal Property Replacement Cost coverage will not apply to other classes of property separately described and specifically insured.

B. Ineligible Property

Property listed below is not eligible for replacement cost settlement. Any loss will be settled at actual cash value at the time of loss but not more than the amount required to repair or replace.

1. Antiques, fine arts, paintings and similar articles of rarity or antiquity that cannot be replaced.
2. Memorabilia, souvenirs, collector's items and similar articles whose age or history contribute to their value.
3. Articles not maintained in good or workable condition.
4. Articles that are outdated or obsolete and are stored or not being used.

C. Replacement Cost Loss Settlement Condition

The following loss settlement condition applies to all property described in **A.** above:

1. We will pay no more than the least of the following amounts:
 - a. Replacement cost at the time of loss without deduction for depreciation;
 - b. The full cost of repair at the time of loss;
 - c. The limit of liability that applies to **COVERAGE C – Personal Property**, if applicable;
 - d. Any applicable special limits of liability stated in this policy; or
 - e. For loss to any item separately described and specifically insured in this policy, the limit of liability that applies to the item.
2. If the cost to repair or replace the property described in **A.** above is more than \$500, we will pay no more than the actual cash value for the loss or damage until the actual repair or replacement is complete.
3. You may make claim for loss on an actual cash value basis and then make claim for any additional liability in accordance with this endorsement provided that you notify us within one hundred eighty (180) days after the date of loss.

3. Increased Limit - Credit Card, Fund Transfer Card, Forgery and Counterfeit Money

Under **SECTION I - PROPERTY COVERAGES, ADDITIONAL COVERAGES**, our limit of liability for any one loss under Additional Coverage **6. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money** is increased to \$2,000.

4. Damage to Property of Others

Under **SECTION II – ADDITIONAL COVERAGES, 3. Damage to Property of Others**, our limit of liability for any one loss under Additional Coverage **3. Damage to Property of Others**, is increased to \$1,000.

5. Refrigerated Property Coverage

Under **SECTION I – PROPERTY COVERAGES**, the following **ADDITIONAL COVERAGE** is added to the policy:

We will provide up to \$250 coverage for property stored in freezers or refrigerators on the “residence premises” when loss occurs due to:

- A. Interruption of electrical service to the refrigeration unit. The interruption must be caused by damage to the generating or transmitting equipment; or
- B. Mechanical failure of the unit storing the property.

Coverage will apply only if you have maintained the refrigeration unit in proper working condition immediately prior to the loss.

This endorsement does not increase the limit of liability for **COVERAGE C - Personal Property**.

The Exclusion **1.d. Power Failure** under **SECTION I – EXCLUSIONS** does not apply to this coverage.

Special Deductible - The following deductible applies to covered loss to **Refrigerated Property Coverage**:

We will pay only that part of the loss that exceeds \$50. No other deductible applies to this coverage.

6. Expanded Loss of Use

Under **SECTION I – PROPERTY COVERAGES**, **COVERAGE D - Loss Of Use**, paragraph 4. is added:

- 4. If a civil authority prohibits you from use of the “residence premises” (direct damage to a neighboring premises by an insured peril is not required) or if an off-premises power outage makes the premises uninhabitable, we cover the **Additional Living Expense** and **Fair Rental Value** loss as provided under 1. and 2. above for no more than seven (7) days.

In the case of an off-premises power outage, coverage begins forty-eight (48) hours after the premises become uninhabitable.

7. Lock Replacement Coverage

Under **SECTION I – PROPERTY COVERAGES**, the following **ADDITIONAL COVERAGE** is added to the policy:

Lock Replacement Coverage is provided when loss is caused by theft of:

- A. Keys to dwelling doors and window locks, and
- B. Automatic garage door transmitters.

We will pay the cost of replacing your locks and/or the cost of reprogramming the frequency on additional transmitters and/or the unit control box. No deductible applies.

Coverage is limited to an annual payment of \$250. Coverage will only apply if you notify us within seventy-two (72) hours of discovering the loss.

8. Volunteer Coverage

A. **SECTION I – PROPERTY COVERAGES**

The following **ADDITIONAL COVERAGE** is being added to the policy for personal property loss:

We insure for all risks of direct physical loss to the property described in **COVERAGE C – Personal Property**, if the loss occurs as a direct result of acting as a “volunteer,” as defined in this endorsement. Our limit of liability for this special coverage is \$250.

- 1. **Deductible** - We cover only that part of the loss that exceeds \$50.
- 2. **Exclusions** - We do not cover loss due to wear and tear, gradual deterioration, inherent vice or latent defect.

B. **SECTION II - LIABILITY COVERAGES**

Under **COVERAGE F – Medical Payments To Others**, the limit of liability is increased to double the amount stated in the Declarations for “bodily injury” if such “bodily injury” was caused as a direct result of the “insured” acting as a “volunteer,” as defined in this endorsement.

C. **SECTION II - EXCLUSIONS**

- 1. Exclusions **1.b.** and **1.c.** do not apply to activities as a “volunteer,” as defined in this endorsement.
- 2. Exclusion **1.d.** does not apply to professional services, other than professional health care services by a doctor, performed as a “volunteer,” as defined in this endorsement.

D. **SECTION II – ADDITIONAL COVERAGES**

Under Additional Coverage **3. Damage to Property of Others**, the limit of liability is increased to \$2,500 for damage caused as a direct result of acting as a “volunteer,” as defined in this endorsement.

“Volunteer” means any “insured” engaged in a non-paid activity undertaken for a charitable purpose on behalf of an organization or in direct service to the general public or the community.

“Volunteer” service does not include the “insured’s” primary employment or work performed on behalf of political candidates, organizations or parties. It includes, but is not limited to, service performed for churches, schools, hospitals and charitable groups and civic organizations.

9. Limited All Peril Coverage for Personal Property and Additional Living Expense

The following coverage is available if loss due to an uninsured peril renders the premises uninhabitable. However, this coverage does not apply if the loss is due to “fungi,” wet or dry rot, viruses, bacteria or pathogenic organisms.

A. COVERAGE C - Personal Property

If a property loss from a peril not insured against by the policy renders the described premises uninhabitable and results in direct loss to personal property usual or incidental to the occupancy of the premises as a dwelling and owned or used by an “insured,” while on the described premises, we will pay for such direct loss but the limit of the Company’s liability shall be an amount of insurance equal to 5% of the amount specified for **COVERAGE C - Personal Property**.

B. COVERAGE D - Loss of Use (Additional Living Expense Only)

If a property loss from a peril not insured against by the policy renders the described premises uninhabitable, we will pay up to \$3,000 of the necessary increase in living expense incurred by the “named insured” under the same terms and conditions as are provided in **COVERAGE D - Loss of Use**. No deductible applies to this Limited All Peril Coverage.

10. Inflation Guard

It is hereby understood and agreed that the amount of insurance applicable to the dwelling covered under this policy shall be automatically adjusted on a monthly basis based on 1/12th of the annual increase in cost of construction factors. Cost of construction factors will be provided and determined by recognized independent appraisal companies. At renewal, the amount of coverage displayed on the declarations may be adjusted (if necessary) to reflect any annual changes in cost of construction factors, and the new annual premium will be based on the revised coverage amount.

11. Arson and Theft Award

We will pay 10% of the loss amount, up to a maximum of \$1,000 for information that leads to the arrest or conviction of the person(s) responsible for an arson, theft, burglary or robbery loss covered under this policy.

The limit of \$1,000 is the most we will pay with respect to any one loss regardless of the number of persons providing the information.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCESS DWELLING COVERAGE
(SPECIFIED ADDITIONAL AMOUNT OF INSURANCE FOR
COVERAGE A – DWELLING)
FORMS HO 00 02 AND HO 00 03 ONLY**

**(Applies Only When Loss To Dwelling Building Exceeds The
Coverage A Limit Of Liability Shown In The Declarations)**

Schedule*

Additional Amount of Insurance: _____% The Additional Amount of Insurance is determined by multiplying the Coverage A limit of liability shown in the Declarations by the percentage amount shown above.
*Entry may be left blank if shown elsewhere in this policy for this coverage.

To the extent that coverage is provided, we agree to provide an additional amount of insurance in accordance with the following provisions:

A. If you have:

1. Allowed us to adjust the Coverage **A** limit of liability and the premium in accordance with:
 - a. The property evaluations we make; and
 - b. Any increases in inflation; and
2. Notified us, within 30 days of completion, of any improvements, alterations or additions that increase the replacement cost of the insured dwelling by 5% or more;

the provisions of this endorsement will apply after a loss, provided you elect to repair or replace the damaged or destroyed dwelling building.

B. If there is a loss to the insured dwelling that exceeds the Coverage **A** limit of liability shown in the Declarations, for the purpose of settling that loss only:

1. We will provide an additional amount of insurance, up to the amount described in the Schedule above; and
2. Under **SECTION I – CONDITIONS**, Condition **3. Loss Settlement** paragraph **b.** is deleted and replaced by Paragraphs **b., c.,** and **d.** as follows:
 - b.** The dwelling building under Coverage **A** at replacement cost without deduction for depreciation. We will pay no more than the smallest of the following amounts:

- (1) The replacement cost of the damaged part of the dwelling, with material of like kind and quality and for like use;

- (2) The necessary amount actually spent to repair or replace the damaged dwelling; or
- (3) The limit of liability under this policy that applies to the dwelling, plus any additional amount provided by this endorsement.

If the dwelling is rebuilt at a new premises, or is replaced by an existing dwelling at a new premises, the cost described in (1) above is limited to the cost that would have been incurred if the dwelling had been rebuilt at the original premises.

- c.** We will pay no more than the actual cash value of the damage until actual repair or replacement is complete.
- d.** You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to the dwelling on an actual cash value basis. You may then make claim for any additional liability on a replacement cost basis, provided you notify us of your intent to do so within 180 days after the date of loss.

* Entries may be left blank if shown elsewhere in this policy for this coverage.

All other provisions of this policy apply.

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty

Review Status: Approved 07-06-2007

Comments:
Please see the attached transmittal document.

Attachment:
P&C Transmittal PL_05-3890.pdf

Satisfied -Name: Redline Documents

Review Status: Approved 07-06-2007

Comments:
Please see the attached redline documents:
1) Plus Package Endorsement, form number H708E-00E0106
2) Excess Dwelling Coverage, form number H835E-03E0507

Attachments:
H402E-0800 updated June 2007-Redline.pdf
HO 23 47 08 97 updated June 2007-redline.pdf

Satisfied -Name: Updated Forms List

Review Status: Approved 07-06-2007

Comments:
Please see the attached updated forms list, page 3.1

Attachments:
3_FORMS AR_Updated June 2007.pdf
3_FORMS AR_Updated June 2007-Redline.pdf

Satisfied -Name: Cover Letter

Review Status: Approved 07-06-2007

Comments:
Please see the attached cover letter.

Attachment:
AR Cover Letter PL_05-3890.pdf

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: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">New Business</td> <td></td> </tr> <tr> <td>Renewal Business</td> <td></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

3. Group Name	Group NAIC #
Balboa Insurance Group	1330

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Balboa Insurance Company	California	24813	95-6027860	04

5. Company Tracking Number	PL_05-3890
-----------------------------------	-------------------

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

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Leticia Corona 994 Flower Glen Street Simi Valley, CA 93065	Compliance Specialist	(888) 237-4953 ext 3009	(805) 955-3353	Leticia_corona@Balboainsurance.com
7.	Signature of authorized filer		<i>Leticia Corona</i>		
8.	Please print name of authorized filer		Leticia Corona		

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

9.	Type of Insurance (TOI)	04.0 Homeowners
10.	Sub-Type of Insurance (Sub-TOI)	04.0000 Homeowners Sub-TOI
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	N/A to this filing
12.	Company Program Title (Marketing title)	N/A to this particular filing
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14.	Effective Date(s) Requested	New: 11-1-2007 Renewal: 12-1-2007

Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	N/A to this filing.
17.	Reference Organization # & Title	N/A to this filing.
18.	Company's Date of Filing	July 3, 2007
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved
20.	This filing transmittal is part of Company Tracking #	PL_05-3890

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

Please find the attached updated and revised "Plus Package Endorsement" form number H708E-00E0106, which replaces our previously filed and approved "Plus Package Endorsement" form number H402E-0800 applicable to our Balboa Platinum Plus Homeowners Program.

In addition, attached is the updated and revised "Excess Dwelling Coverage-Specified Additional Amount of Insurance for Coverage A" form number H835E-03E0507, which replaces our previously filed and approved "Excess Dwelling Coverage-Specified Additional Amount of Insurance for Coverage A" form number HO 23 47 08 97 applicable to our Balboa Platinum Homeowners Program.

The revisions to both of the above-mentioned forms were made for clarification purposes only and there is no change in coverage. We have included an endorsement comparison for your convenience outlining these revisions.

We have also updated our forms list page 3.1, to reflect the new Plus Package Endorsement form number H708E-00E0106 under the "Mandatory Forms/Automatic" section of the forms list. We have updated the list page to reflect the new Excess Dwelling Coverage-Specified Additional Amount of Insurance for Coverage A, form number H835E-03E0507 under the "Optional Forms" section of the forms list. The updated forms list page 3.1 for the Platinum Plus and Platinum Homeowners programs replaces the previously provided forms list for the above-referenced programs. Please find the attached revised forms list for your convenience.

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 #: 0031535392
Amount: \$50.00
 Form Filing - \$50.00

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

PLUS PACKAGE ENDORSEMENT
For Use with HO 00 03 04 91
Schedule*

Additional Amount of Insurance

The Additional Amount of Insurance is determined by multiplying the Coverage A Limit of Liability shown in the Declarations by the percentage amount shown above.

*Entry may be left blank if shown elsewhere in this policy for this coverage.

1. Extended Replacement Cost (Dwelling):

To the extent that coverage is provided, we agree to provide an additional amount of insurance in accordance with the following provisions:

A. If you have:

- 1. Allowed us to adjust the Coverage A limit of liability and the premium in accordance with;
a. The property evaluations we make; and
b. Any increase in inflation; and
2. Notified us, within 30 days of completion, of any improvements, alterations or additions that increase the replacement cost of the insured dwelling by 5% or more.

the provisions of this endorsement will apply after a loss, provided you elect to repair or replace the damaged dwelling.

B. If there is a loss to the dwelling building that exceeds the Coverage A limit of liability shown in the Declarations, for the purpose of settling that loss only:

- 1. We will provide an additional amount of insurance, up to the amount described in the Schedule above; and
2. Under SECTION I - CONDITIONS, Condition 3. Loss Settlement paragraph b. is deleted and replaced by paragraphs b., c., and d. as follows

b. The dwelling insured under Coverage A at replacement cost without deduction for depreciation. We will pay no more than the smallest of the following amounts:

- (1) The replacement cost of the damaged part of the dwelling, with material of like kind and quality and for like use;

- (2) The necessary amount actually spent to repair or replace the damaged dwelling; or
(3) The limit of liability under this policy that applies to the dwelling, plus any additional amount provided by this endorsement.

If the dwelling is rebuilt at a new premises, or is replaced by an existing dwelling at a new premises, the cost described in (1) above is limited to the cost that would have been incurred if the dwelling had been rebuilt at the original premises.

- c. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete.
d. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to the dwelling on an actual cash value basis. You may then make claim for any additional liability on a replacement cost basis, provided you notify us of your intent to do so within 180 days after the date of loss.

Extended Replacement Cost coverage does not apply to land, including land on which the dwelling or other structures are located.

2. Personal Property Replacement Cost:

A. Eligible Property

- 1. Covered losses to the following property are settled at replacement cost at the time of loss:

a. COVERAGE C - Personal Property: and

- b. If covered in this policy, awnings, carpeting, household appliances,

Formatted: Section start: Continuous
Formatted: Border: Top: (No border), Bottom: (No border)
Formatted: Centered, Space Before: 6.5 pt
Formatted: Space Before: 6.5 pt
Deleted:
Inserted:
The Additional Amount of Insurance is determined by multiplying the Coverage A Limit of Liability shown in the Declarations by the percent ... [1]
Formatted: Font: Not Bold
Formatted: Space Before: 6.5 pt
Formatted: Font: Not Bold
Deleted: or destroyed building
Deleted: building
Formatted: ... [2]
Deleted: s
Deleted: to the dwelling buildi... [3]
Deleted: building
Deleted: ;
Formatted: ... [4]
Deleted: t
Deleted: T
Inserted: T
Deleted: d
Deleted: or destroyed
Deleted: building
Deleted: or damage
Deleted: building
Deleted: within 180 days after loss
Deleted: 250% of the Coverag... [5]
Deleted: The
Deleted: P
Formatted: Font: Not Bold
Deleted: P
Deleted: building
Deleted: (HO 04 90 04 91)
Deleted: Section I
Formatted: ... [6]
Deleted: For an additional pre... [7]
Deleted: for like construction ... [8]
Deleted: that
Deleted:
Formatted: Font: Bold
Deleted: building damaged of ... [9]
Formatted: ... [10]

outdoor antennas and outdoor equipment, whether or not attached to buildings.

2. This method of loss settlement will also apply to the following articles or classes of property if they are separately described and specifically insured in this policy and not subject to agreed value loss settlement:

- a. Jewelry;
- b. Furs and garments trimmed with fur or consisting principally of fur;
- c. Cameras, projection machines, films and related articles of equipment;
- d. Musical equipment and related articles of equipment;
- e. Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding pens, pencils, flasks, smoking implements or jewelry; and
- f. Golfer's equipment meaning golf clubs, golf clothing and golf equipment.

Personal Property Replacement Cost coverage will not apply to other classes of property separately described and specifically insured.

B. Ineligible Property

Property listed below is not eligible for replacement cost settlement. Any loss will be settled at actual cash value at the time of loss but not more than the amount required to repair or replace.

- 1. Antiques, fine arts, paintings and similar articles of rarity or antiquity which cannot be replaced.
- 2. Memorabilia, souvenirs, collectors items and similar articles whose age or history contribute to their value.
- 3. Articles not maintained in good or workable condition.
- 4. Articles that are outdated or obsolete and are stored or not being used.

C. Replacement Cost Loss Settlement Condition

The following loss settlement condition applies to all property described in A. above:

- 1. We will pay no more than the least of the following amounts:
 - a. Replacement cost at the time of loss without deduction for depreciation;
 - b. The full cost of repair at the time of loss;
 - c. The limit of liability that applies to **COVERAGE C - Personal Property**, if applicable;
 - d. Any applicable special limits of liability stated in this policy; or

e. For loss to any item separately described and specifically insured in this policy, the limit of liability that applies to the item.

2. If the cost to repair or replace the property described in A. above is more than \$500, we will pay no more than the actual cash value for the loss or damage until the actual repair or replacement is complete.

3. You may make a claim for loss on an actual cash value basis and then make claim for any additional liability in accordance with this endorsement provided that you notify us within one hundred eighty (180) days after the date of loss.

3. Increased Limit - Credit Card, Fund Transfer Card, Forgery and Counterfeit Money

Under SECTION I - PROPERTY COVERAGES, Additional Coverages, our limit of liability for any one loss under Additional Coverage 6, Credit Card, Fund Transfer Card, Forgery and Counterfeit Money is increased to \$2,000.

4. Damage to Property of Others

Under SECTION II - ADDITIONAL COVERAGES, 3. Damage to Property of Others, our limit of liability for any one loss under Additional Coverage 3. Damage to Property of Others is increased to \$1,000.

5. Refrigerated Property Coverage

Under SECTION I - PROPERTY COVERAGES, the following ADDITIONAL COVERAGE is added to the policy:

We will provide up to \$250 coverage for property stored in freezers or refrigerators on the "residence premises" when loss occurs due to:

- A. Interruption of electrical service to the refrigeration unit. The interruption must be caused by damage to the generating or transmitting equipment; or
- B. Mechanical failure of the unit storing the property.

Coverage will apply only if you have maintained the refrigeration unit in proper working condition immediately prior to the loss.

This endorsement does not increase the limit of liability for **COVERAGE C - Personal Property**.

The **Exclusion 1.d. Power Failure under SECTION I - EXCLUSIONS** does not apply to this coverage.

Special Deductible - The following deductible applies to covered loss to **Refrigerated Property Coverage**:

We will pay only that part of the loss that exceeds \$50. No other deductible applies to this coverage.

6. Expanded Loss of Use

Deleted: 5
Deleted: Personal Property Replacement Cost coverage
Deleted: b...When the replacement cost for the entire loss under t... [11]
Deleted: c... for any addition... [12]
Deleted: -
Formatted: [13]
Deleted: Item
Formatted: Font: Bold
Deleted: ,
Formatted: [14]
Deleted: Coverage
Deleted: , our limit of liability... [15]
Formatted: Underline
Deleted: Section II - Additic... [16]
Formatted: Indent: Left: 18 pt
Deleted: item
Formatted: Font: Bold
Deleted: ,
Formatted: Font: Bold
Deleted: A...Property not eli... [17]
Formatted: [18]
Deleted: - ...T...P... [19]
Deleted: a
Deleted: U...is provided [20]
Deleted: b
Deleted: c
Deleted: d
Formatted: [21]
Deleted: B
Formatted: [22]
Deleted: procedure ...insure... [23]
Formatted: Font: Bold
Deleted: a
Deleted: Section I -
Formatted: Font: Bold
Deleted: exclusion
Deleted: 1
Formatted: Font: Bold
Deleted: 2
Deleted: r
Formatted: Font: Bold
Deleted: p
Deleted: 3
Formatted: Font: Bold
Deleted: 4

Under SECTION I – PROPERTY COVERAGES, COVERAGE D – Loss of Use, paragraph 4. is added:

4. If a civil authority prohibits you from use of the "residence premises" (direct damage to a neighboring premises by an insured peril is not required) or if an off-premises power outage makes the premises uninhabitable, we cover the **Additional Living Expense and Fair Rental Value** loss as provided under 1. and 2. above for no more than seven (7) days.

In the case of an off-premises power outage, coverage begins forty-eight (48) hours after the premises become uninhabitable.

7. Lock Replacement Coverage

Under SECTION I – PROPERTY COVERAGES, the following **ADDITIONAL COVERAGE** is added to the policy:

Lock Replacement Coverage is provided when loss is caused by theft of:

- A. Keys to dwelling doors and window locks, and
- B. Automatic garage door transmitters.

We will pay the cost of replacing your locks and/or the cost of reprogramming the frequency on additional transmitters and or the unit control box. No deductible applies.

Coverage is limited to an annual payment of \$250. Coverage will only apply if you notify us within seventy-two (72) hours of discovering the loss.

8. Volunteer Coverage

A. SECTION I – PROPERTY COVERAGES

The following **ADDITIONAL COVERAGE** is being added to the policy for personal property loss:

We insure for all risks of direct physical loss to the property described in **COVERAGE C – Personal Property**, if the loss occurs as direct result of acting as a "volunteer," as defined in this endorsement. Our limit of liability for this special coverage is \$250.

1. **Deductible** - We cover only that part of the loss that exceeds \$50.

2. **Exclusions** - We do not cover loss due to wear, gradual deterioration, inherent vice or latent defect.

B. SECTION II - LIABILITY COVERAGES

Under COVERAGE F - Medical Payments to Others, the limit of liability is increased to double the amount stated in the Declarations for "bodily injury" if such "bodily injury" was caused as a direct result of the "insured" acting as a "volunteer," as defined in this endorsement.

C. SECTION II - EXCLUSIONS

1. Exclusions 1.b. and 1.c. do not apply to activities as a "volunteer," as defined in this endorsement.

2. Exclusion 1.d. does not apply to professional services, other than professional health care services by a doctor, performed as a "volunteer," as defined in this endorsement.

D. SECTION II – ADDITIONAL COVERAGES

Under Additional Coverage 3. Damage to Property of Others, the limit of liability is increased to \$2,500 for damage caused as a direct result of acting as a "volunteer," as defined in this endorsement.

– "Volunteer" means any "insured" engaged in a non-paid activity undertaken for a charitable purpose on behalf of an organization or in direct service to the general public or the community.

"Volunteer" service does not include the "insured's" primary employment or work performed on behalf of political candidates, organizations or parties. It includes, but is not limited to, service performed for churches, schools, hospitals and charitable groups and civic organizations.

9. Limited All Peril Coverage for Personal Property and Additional Living Expense

The following coverage is available if loss due to an uninsured peril renders the premises uninhabitable. However, this coverage does not apply if the loss is due to "fungi," wet or dry rot, viruses, bacteria or pathogenic organisms.

A. COVERAGE C - Personal Property

If a property loss from a peril not insured against by the Policy renders the described premises uninhabitable and results in direct loss to personal property usual or incidental to the occupancy of the premises as a dwelling and owned or used by an "insured," while on the described premises, we will pay for such direct loss but the limit of the Company's liability shall be an amount of insurance equal to 5% of the amount specified for **COVERAGE C - Personal Property**.

B. COVERAGE D - Loss of Use (Additional Living Expense Only)

If a property loss from a peril not insured against by this Policy renders the described premises uninhabitable, we will pay up to \$3,000 of the necessary increase in living expense incurred by the "named insured" under the same terms and conditions as are provided in **COVERAGE D - Loss of Use**. No deductible applies to this Limited All Peril Coverage.

10. Inflation Guard

It is hereby understood and agreed that the amount of insurance applicable to the dwelling covered

Formatted: Indent: Left: 0 pt, Hanging: 36 pt, Tabs: Not at 36 pt
Deleted: ...b [24]
Formatted: Font: Bold
Deleted: 6
Formatted: Indent: Left: 0 pt, Hanging: 18 pt, Tabs: Not at 36 pt
Deleted: - ...T...P... [25]
Formatted: Font: Bold
Deleted: (1)...k [26]
Deleted: (2)...a [27]
Deleted: 8
Deleted: - ...: [28]
Deleted: 7
Deleted: 1
Formatted: Font: Bold
Deleted: - ...extensions of coverage are made a part of this policy: [29]
Deleted: 1. Definitions: Volunteer means any Insured employed by an organization for a charitable p [30]
Deleted: Coverage C - Per [31]
Formatted [32]
Formatted: Font: Bold
Deleted: I...the Company ... [33]
Deleted: provided that
Formatted: Font: Bold
Deleted: ...b [34]
Formatted: Font: Bold
Deleted: -----Column Brea [35]
Formatted [36]
Deleted: ...c [37]
Formatted: Font: Bold
Deleted: 3
Formatted: Font: Bold
Deleted: the Company
Deleted: Additional Cova [38]
Formatted [39]
Formatted: Font: Bold
Deleted: - T
Formatted: Font: Bold
Deleted: Any loss ...clause s [40]
Deleted: 9
Deleted: 4
Formatted: Font: Bold
Deleted: -
Deleted: ...a [41]
Formatted [42]

under this Policy shall be automatically adjusted on a monthly basis based on 1/12th of the annual increase in cost of construction factors. Cost of construction factors will be provided and determined by recognized independent appraisal companies. At renewal, the amount of coverage displayed on the declarations may be adjusted (if necessary) to reflect any annual changes in cost of construction factors and the new annual premium will be based on the revised coverage amount.

We will pay 10% of the loss amount, up to a maximum of \$1,000 for information that leads to the arrest or conviction of the person(s) responsible for an arson, theft, burglary or robbery loss covered under this policy.

The limit of \$1,000 is the most we will pay with respect to any one loss regardless of the number of persons providing the information.

All other provisions of this policy apply.

11. Arson and Theft Award

Formatted: Underline

Deleted: Includes copyrighted material of Insurance Service Office with its permission, 1990

Formatted: Font: Not Bold

Page 1: [1] Inserted	apaik	8/15/2006 9:49 AM
----------------------	-------	-------------------

Additional Amount of Insurance

_____ %

The Additional Amount of Insurance is determined by multiplying the Coverage A Limit of Liability shown in the Declarations by the percentage amount shown above.

*Entry may be left blank if shown elsewhere in this policy for this coverage.

Page 1: [2] Formatted	Countrywide Home Loans	5/25/2007 10:46 AM
-----------------------	------------------------	--------------------

Indent: Left: 0 pt, Hanging: 72 pt, Tabs: Not at 90 pt

Page 1: [3] Deleted	apaik	8/15/2006 9:50 AM
---------------------	-------	-------------------

to the dwelling building which

Page 1: [4] Formatted	apaik	8/15/2006 9:51 AM
-----------------------	-------	-------------------

Indent: Left: 0 pt, Hanging: 36 pt, Tabs: Not at 54 pt

Page 1: [5] Deleted	apaik	8/15/2006 9:52 AM
---------------------	-------	-------------------

250% of the Coverage A limit of liability

Page 1: [6] Formatted	apaik	8/15/2006 9:57 AM
-----------------------	-------	-------------------

Indent: Left: 36 pt, Hanging: 18 pt, Tabs: Not at 18 pt + 36 pt

Page 1: [7] Deleted	apaik	8/15/2006 9:57 AM
---------------------	-------	-------------------

For an additional premium, c

Page 1: [8] Deleted	apaik	8/15/2006 9:53 AM
---------------------	-------	-------------------

for like construction and use on the same premises:

Page 1: [9] Deleted	apaik	8/15/2006 9:54 AM
---------------------	-------	-------------------

building damaged or destroyed

Page 1: [10] Formatted	apaik	8/15/2006 9:57 AM
------------------------	-------	-------------------

Indent: Left: 36 pt, Hanging: 36 pt, Tabs: Not at 18 pt + 36 pt

Page 2: [11] Deleted	apaik	8/15/2006 10:02 AM
----------------------	-------	--------------------

b

Page 2: [11] Deleted	apaik	8/15/2006 10:02 AM
----------------------	-------	--------------------

When the replacement cost for the entire loss under this endorsement

Page 2: [12] Deleted	apaik	8/15/2006 10:02 AM
----------------------	-------	--------------------

c

Page 2: [12] Deleted	apaik	8/15/2006 10:03 AM
----------------------	-------	--------------------

for any additional liability in accordance with this endorsement

Page 2: [13] Formatted	apaik	8/15/2006 10:03 AM
------------------------	-------	--------------------

Font: Bold

Page 2: [13] Formatted	apaik	8/15/2006 10:03 AM
------------------------	-------	--------------------

Font: Bold

Page 2: [14] Formatted	apaik	8/15/2006 10:04 AM
------------------------	-------	--------------------

Font: Bold

Page 2: [14] Formatted	apaik	8/15/2006 10:04 AM
------------------------	-------	--------------------

Font: Bold

Page 2: [15] Deleted	apaik	8/15/2006 10:04 AM
----------------------	-------	--------------------

, our limit of liability for any one loss

Page 2: [16] Deleted	apaik	8/15/2006 10:04 AM
----------------------	-------	--------------------

Section II - Additional Coverages -

Page 2: [17] Deleted	apaik	8/15/2006 9:59 AM
----------------------	-------	-------------------

A

Page 2: [17] Deleted	apaik	8/15/2006 9:59 AM
----------------------	-------	-------------------

Property not eligible

Page 2: [18] Formatted	apaik	8/15/2006 9:59 AM
------------------------	-------	-------------------

Indent: Left: 18 pt, Tabs: Not at 18 pt

Page 2: [19] Deleted	apaik	8/15/2006 10:05 AM
----------------------	-------	--------------------

-

Page 2: [19] Deleted	apaik	8/15/2006 10:06 AM
----------------------	-------	--------------------

T

Page 2: [19] Deleted	apaik	8/15/2006 10:06 AM
----------------------	-------	--------------------

P

Page 2: [19] Deleted	apaik	8/15/2006 10:06 AM
----------------------	-------	--------------------

.

Page 2: [20] Deleted	apaik	8/15/2006 10:06 AM
----------------------	-------	--------------------

U

Page 2: [20] Deleted	apaik	8/15/2006 10:06 AM
----------------------	-------	--------------------

is provided

Page 2: [21] Formatted	apaik	8/15/2006 10:00 AM
------------------------	-------	--------------------

Indent: Left: 0 pt, Hanging: 36 pt

Page 2: [22] Formatted	apaik	8/15/2006 10:00 AM
------------------------	-------	--------------------

Font: Bold

Page 2: [22] Formatted	apaik	8/15/2006 10:00 AM
------------------------	-------	--------------------

Font: Bold

Page 2: [23] Deleted	apaik	8/15/2006 10:01 AM
----------------------	-------	--------------------

procedure

Page 2: [23] Deleted	apaik	8/15/2006 10:01 AM
----------------------	-------	--------------------

insured under this endorsement

Page 3: [24] Deleted apaik 8/17/2006 4:30 PM

Page 3: [24] Deleted apaik 8/15/2006 10:14 AM
b

Page 3: [25] Deleted apaik 8/15/2006 10:08 AM
-

Page 3: [25] Deleted apaik 8/15/2006 10:08 AM
T

Page 3: [25] Deleted apaik 8/15/2006 10:08 AM
P

Page 3: [25] Deleted apaik 8/15/2006 10:08 AM
.

Page 3: [26] Deleted apaik 8/15/2006 10:08 AM
(1)

Page 3: [26] Deleted apaik 8/15/2006 10:09 AM
k

Page 3: [27] Deleted apaik 8/15/2006 10:09 AM
(2)

Page 3: [27] Deleted apaik 8/15/2006 10:09 AM
a

Page 3: [28] Deleted apaik 8/15/2006 10:18 AM
-

Page 3: [28] Deleted apaik 8/15/2006 10:18 AM
:

Page 3: [29] Deleted apaik 8/15/2006 10:10 AM
-

Page 3: [29] Deleted apaik 8/15/2006 10:10 AM
extensions of coverage are made a part of this policy:

Page 3: [30] Deleted apaik 8/15/2006 10:10 AM

1. Definitions: Volunteer means any Insured employed by an organization for a charitable purpose or in direct service to the general public or the community.

Volunteer service does not include the Insured's primary employment or work performed on behalf of political candidates, organizations or parties. It includes but is not limited to service performed for churches, schools, hospitals and charitable groups and civic organizations.

2. Section I - Perils Insured Against

a.

Page 3: [31] Deleted	apaik	8/15/2006 10:11 AM
----------------------	-------	--------------------

Coverage C - Personal Property -

Page 3: [32] Formatted	apaik	8/15/2006 10:10 AM
------------------------	-------	--------------------

Indent: Left: 36 pt, First line: 0 pt, Tabs: Not at 18 pt + 54 pt

Page 3: [33] Deleted	apaik	8/15/2006 10:19 AM
----------------------	-------	--------------------

I

Page 3: [33] Deleted	apaik	8/15/2006 10:19 AM
----------------------	-------	--------------------

the Company

Page 3: [33] Deleted	apaik	8/15/2006 10:19 AM
----------------------	-------	--------------------

c

Page 3: [34] Deleted	apaik	8/15/2006 10:12 AM
----------------------	-------	--------------------

Page 3: [34] Deleted	apaik	8/15/2006 10:12 AM
----------------------	-------	--------------------

b

Page 3: [35] Deleted	apaik	8/17/2006 4:30 PM
----------------------	-------	-------------------

.....Column Break.....

Page 3: [35] Deleted	apaik	8/15/2006 10:19 AM
----------------------	-------	--------------------

2

Page 3: [36] Formatted	apaik	8/15/2006 10:19 AM
------------------------	-------	--------------------

Font: Bold

Page 3: [36] Formatted	apaik	8/15/2006 10:19 AM
------------------------	-------	--------------------

Font: Bold

Page 3: [37] Deleted	apaik	8/15/2006 10:12 AM
----------------------	-------	--------------------

Page 3: [37] Deleted	apaik	8/15/2006 10:12 AM
----------------------	-------	--------------------

c

Page 3: [38] Deleted	apaik	8/17/2006 4:29 PM
----------------------	-------	-------------------

Additional Coverages

a. Damage to Property of Others - The limit of liability is increased to \$2,500 for direct damage caused as a direct result of acting as a volunteer.

b.

Page 3: [39] Formatted	apaik	8/17/2006 4:29 PM
------------------------	-------	-------------------

Indent: Left: 36 pt, First line: 0 pt, Tabs: Not at 54 pt

Page 3: [40] Deleted	apaik	8/15/2006 10:20 AM
----------------------	-------	--------------------

Any loss

Page 3: [40] Deleted	apaik	8/15/2006 10:20 AM
----------------------	-------	--------------------

clause shall not apply

Page 3: [41] Deleted	apaik	8/17/2006 4:30 PM
----------------------	-------	-------------------

Page 3: [41] Deleted	apaik	8/15/2006 10:14 AM
----------------------	-------	--------------------

a

Page 3: [42] Formatted	apaik	8/17/2006 4:30 PM
------------------------	-------	-------------------

Font: Bold

Page 3: [42] Formatted	apaik	8/17/2006 4:30 PM
------------------------	-------	-------------------

Font: Bold

Formatted: Strikethrough

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCESS DWELLING COVERAGE (SPECIFIED ADDITIONAL AMOUNT OF INSURANCE FOR COVERAGE A – DWELLING) FORMS HO 00 02 AND HO 00 03 ONLY

Formatted: Font: 16 pt

(Applies Only When Loss To Dwelling Building Exceeds The
Coverage A Limit Of Liability Shown In The Declarations)

Schedule*

Additional Amount of Insurance:
%

The Additional Amount of Insurance is determined by multiplying the Coverage A limit of liability shown in the Declarations by the percentage amount shown above.

*Entry may be left blank if shown elsewhere in this policy for this coverage.

Formatted: Font: Not Bold

Formatted: Font: Not Bold

Formatted: Left

Deleted:Column Break.....

Deleted: or destroyed

Deleted: building

Deleted: building

To the extent that coverage is provided, we agree to provide an additional amount of insurance in accordance with the following provisions:

A. If you have:

1. Allowed us to adjust the Coverage A limit of liability and the premium in accordance with:
 - a. The property evaluations we make; and
 - b. Any increases in inflation; and

(2) The necessary amount actually spent to repair or replace the damaged dwelling; or

(3) The limit of liability under this policy that applies to the dwelling, plus any additional amount provided by this endorsement.

If the dwelling is rebuilt at a new premises, or is replaced by an existing dwelling at a new premises, the cost described in (1) above is limited to the cost that would have been incurred if the dwelling had been rebuilt at the original premises.

Deleted: to the dwelling building which

Formatted: Font: Not Bold

Deleted: building

Deleted: building

Deleted: or damage

Deleted: building

Deleted: %* of the Coverage A limit of liability

Deleted:

Deleted: for any additional liability on a replacement cost basis

Deleted: The

Deleted: P

Deleted: for like construction and use on the same premises

Deleted: that

Formatted: Strikethrough

Deleted: building damaged or destroyed

Deleted: ¶

2. Notified us, within 30 days of completion, of any improvements, alterations or additions that increase the replacement cost of the insured dwelling by 5% or more; the provisions of this endorsement will apply after a loss, provided you elect to repair or replace the damaged or destroyed dwelling building.

B. If there is a loss to the insured dwelling that exceeds the Coverage A limit of liability shown in the Declarations, for the purpose of settling that loss only:

1. We will provide an additional amount of insurance, up to the amount described in the Schedule above; and

2. Under SECTION I – CONDITIONS, Condition 3. Loss Settlement paragraph b. is deleted and replaced by Paragraphs b., c., and d. as follows:

b. The dwelling building under Coverage A at replacement cost without deduction for depreciation. We will pay no more than the smallest of the following amounts:

(1) The replacement cost of the damaged part of the dwelling, with material of like kind and quality and for like use;

c. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete.

d. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to the dwelling on an actual cash value basis. You may then make claim for any additional liability on a replacement cost basis, provided you notify us of your intent to do so within 180 days after the date of loss.

* Entries may be left blank if shown elsewhere in this policy for this coverage.

All other provisions of this policy apply.

FORMS LIST - STATE OF ARKANSAS

Mandatory Forms/Automatic	Form Number
Homeowners Application	ACORD 80
Homeowners Policy – Special Form	HO 00 03 04 91
Policy Jacket	H215J-R1099
Homeowners Policy Declarations	H604E-00E1104
Plus Package Endorsement (Plus Program only)*	H708E-00E0106
Special Provisions – Arkansas	HO 01 03 02 01
Additional Coverages (Platinum Program only)	H260E-R1099
No Section II Coverage for Home Day Care Business	HO 04 96 04 91
Declination of Residential Earthquake Coverage	ACORD 67 AR
Amendatory Endorsement-Five Year Policy Provisions (Five Year Policies only)	4H410E-0900
Amendatory Endorsement	H519E00E0903
Important Policyholder Notice - Arkansas	H025D-E0800
Actual Cash Value	H518E-00E0903

Optional Forms	Form Number
Additional Insured	HO 04 41 04 91
Additional Interests	HO 04 10 04 91
Additional Residence Premises	H271E-E1199
Business Pursuits	HO 24 71 04 91
Coverage C Increased Special Limits	HO 04 65 04 91
Course of Construction	H272E-E1199
Excess Dwelling Coverage*	H835E-03E0507
Loss Assessment	HO 04 35 04 91
Mortgage Payment Protector	H254E-R1099
Other Structures (Coverage B) – Increased Limits	HO 04 48 04 91
Permitted Incidental Occupancies (commonly referred to as Incidental Office Occupancy)	HO 04 42 04 91
Personal Injury	HO 24 82 04 91
Personal Property Replacement Cost (included in the Plus Package endorsement)	HO 04 90 04 91
Scheduled Personal Property Endorsement	HO 04 61 04 91
Water Back Up and Sump Overflow	HO 04 95 11 92

*updated form

FORMS LIST - STATE OF ARKANSAS

Mandatory Forms/Automatic	Form Number
Homeowners Application	ACORD 80
Homeowners Policy – Special Form	HO 00 03 04 91
Policy Jacket	H215J-R1099
Homeowners Policy Declarations	H604E-00E1104
Plus Package Endorsement (Plus Program only)*	H708E-00E0106
Special Provisions – Arkansas	HO 01 03 02 01
Additional Coverages (Platinum Program only)	H260E-R1099
No Section II Coverage for Home Day Care Business	HO 04 96 04 91
Declination of Residential Earthquake Coverage	ACORD 67 AR
Amendatory Endorsement-Five Year Policy Provisions (Five Year Policies only)	4H410E-0900
Amendatory Endorsement	H519E00E0903
Important Policyholder Notice - Arkansas	H025D-E0800
Actual Cash Value	H518E-00E0903

Deleted: *
Deleted: H402E-0800

Optional Forms	Form Number
Additional Insured	HO 04 41 04 91
Additional Interests	HO 04 10 04 91
Additional Residence Premises	H271E-E1199
Business Pursuits	HO 24 71 04 91
Coverage C Increased Special Limits	HO 04 65 04 91
Course of Construction	H272E-E1199
Excess Dwelling Coverage*	H835E-03E0507
Loss Assessment	HO 04 35 04 91
Mortgage Payment Protector	H254E-R1099
Other Structures (Coverage B) – Increased Limits	HO 04 48 04 91
Permitted Incidental Occupancies (commonly referred to as Incidental Office Occupancy)	HO 04 42 04 91
Personal Injury	HO 24 82 04 91
Personal Property Replacement Cost (included in the Plus Package endorsement)	HO 04 90 04 91
Scheduled Personal Property Endorsement	HO 04 61 04 91
Water Back Up and Sump Overflow	HO 04 95 11 92

Deleted: HO 23 47 08 97

*updated form

Deleted: Effective
Deleted: December 15, 2006

New Business: November 1, 2007
Renewal: December 1, 2007

Arkansas

Page 3.1



July 3, 2007

Honorable Julie Benafield Bowman
Commissioner of Insurance
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

Re: Balboa Insurance Company, NAIC #24813, FEIN # 95-6027860
Platinum Plus (G39), Platinum Homeowners (G40) Programs
Independent Filing – Forms Revision
Our File Number: **PL_05-3890**

Dear Sir/Madam:

This letter and the attached materials are submitted for approval as an independent filing.

Please find the attached updated and revised “Plus Package Endorsement” form number H708E-00E0106, which replaces our previously filed and approved “Plus Package Endorsement” form number H402E-0800 applicable to our Balboa Platinum Plus Homeowners Program.

In addition, attached is the updated and revised “Excess Dwelling Coverage-Specified Additional Amount of Insurance for Coverage A” form number H835E-03E0507, which replaces our previously filed and approved “Excess Dwelling Coverage-Specified Additional Amount of Insurance for Coverage A” form number HO 23 47 08 97 applicable to our Balboa Platinum Homeowners Program.

The revisions to both of the above-mentioned forms were made for clarification purposes only and there is no change in coverage. We have included an endorsement comparison for your convenience outlining these revisions.

We have also updated our forms list page 3.1, to reflect the new Plus Package Endorsement form number H708E-00E0106 under the “Mandatory Forms/Automatic” section of the forms list. We have updated the list page to reflect the new Excess Dwelling Coverage-Specified Additional Amount of Insurance for Coverage A, form number H835E-03E0507 under the “Optional Forms” section of the forms list. The updated forms list page 3.1 for the Platinum Plus and Platinum Homeowners programs replaces the previously provided forms list for the above-referenced programs. Please find the attached revised forms list for your convenience.

The marked-up versions of the applicable forms are provided to facilitate your review.

Per the state filing guidelines, it is our understanding that there is a \$50.00 fee per form filing. Therefore, a draft in the amount of \$50.00 will be sent under separate cover.

We respectfully request November 1, 2007 as the effective date for new business and December 1, 2007 as the effective date for renewal business for this filing.

Please send your approval notice if this filing meets your requirement at your earliest convenience.

Continued...

3349 Michelson Drive, Suite 200, Irvine, California 92612-8893 • 949.222.8000 • www.balboainsurance.com

Balboa Insurance Company • Balboa Life Insurance Company • Meritplan Insurance Company • Newport Insurance Company
• Balboa Life Insurance Company of New York • Balboa Lloyds Insurance Company

Honorable Julie Benafield Bowman
Commissioner of Insurance
July 3, 2007
Page 2 of 2

Thank you for your time and attention in this matter. Please contact the undersigned should you have any questions or concerns.

Sincerely,



Leticia Corona
Compliance Specialist
Balboa Insurance Group
Phone: (888) 237-4953 ext. 3009
Email: Leticia_Corona@Balboainsurance.com

Attachments

cc: L. McSweeney
A. Manry