

SERFF Tracking Number: EMCC-125865736 State: Arkansas
First Filing Company: EMCASCO Insurance Company, ... State Tracking Number: EFT \$100
Company Tracking Number: AR-HO-2008-04
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Filing at a Glance

Companies: EMCASCO Insurance Company, Employers Mutual Casualty Company, Union Insurance Company of Providence

Product Name: Homeowners	SERFF Tr Num: EMCC-125865736	State: Arkansas
TOI: 04.0 Homeowners	SERFF Status: Closed	State Tr Num: EFT \$100
Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations	Co Tr Num: AR-HO-2008-04	State Status: Fees verified and received
Filing Type: Rule	Co Status:	Reviewer(s): Becky Harrington, Betty Montesi
	Author: Jo Byers	Disposition Date: 10/22/2008
	Date Submitted: 10/20/2008	Disposition Status: Filed
Effective Date Requested (New): 01/15/2009		Effective Date (New): 01/15/2009
Effective Date Requested (Renewal): 01/15/2009		Effective Date (Renewal): 01/15/2009

State Filing Description:

General Information

Project Name:	Status of Filing in Domicile: Pending
Project Number:	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 10/22/2008	
State Status Changed: 10/22/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
October 20, 2008	

Commissioner of Insurance
Arkansas Insurance Department
1200 West Third St.

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Product Name: Homeowners
Project Name/Number: /
Little Rock, AR 72201-1904

EMPLOYERS MUTUAL CASUALTY COMPANY – 062-21415
EMCASCO INSURANCE COMPANY – 062-21417
UNION INSURANCE COMPANY OF PROVIDENCE – 062-21423
Homeowners Program
Rule Revision
Company File # AR-HO-2008-04
Effective: January 15, 2009

The captioned companies are members of Insurance Services Office (ISO), and the Homeowners program is filed on our behalf. We are transmitting for filing an independent rule revision to be applicable to policies effective on or after January 15, 2009.

With this revision, we have changed several rules. All policyholders will receive our EMC Automatic Homeowners Coverage Extension for no additional premium, with the option to purchase either our EMC Homeowners Plus Coverage Extension (\$20 premium charge) or EMC Choice Homeowners Coverage Extension (\$50 premium charge). In addition, we are introducing Identity Theft 911 Resolution Service and Equipment Breakdown Coverage. Please refer to the attached rule memorandum, EMC coverage extensions exhibit and Derivation of Equipment Breakdown Premium exhibit for further details. The corresponding form filing has been submitted under separate cover.

We supplement this filing with the following:

- \$100.00 filing fee (EFT)
- Property and Casualty Transmittal Document
- Rule Memorandum
- EMC Coverage Extensions Exhibit
- Derivation of Equipment Breakdown Premium Exhibit
- Revised manual pages HO-INDEX-1 – HO-INDEX-4, HO-4 – HO-5, HO-16, HO-19 – HO-20, HO-27 – HO-28, HO-32 – HO-63, HO-R-22 – HO-R-28. These pages replace the same pages currently filed.

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We respectfully request your acknowledgment of this filing, to be applicable to policies effective on or after January 15, 2009. Thank you.

Jo L. Byers, Filings Analyst
 Rates and Filings Dept.
 (800) 247-2128 Ext. 2707
 jo.l.byers@emcins.com

Company and Contact

Filing Contact Information

Jo Byers, Filings Analyst Jo.L.Byers@EMCIns.com
 PO Box 712 (800) 247-2128 [Phone]
 Des Moines, IA 50306-0712 (515) 345-2223[FAX]

Filing Company Information

EMCASCO Insurance Company	CoCode: 21407	State of Domicile: Iowa
717 Mulberry Street	Group Code: 62	Company Type: P & C
Des Moines, IA 50309	Group Name:	State ID Number:
(800) 247-2128 ext. [Phone]	FEIN Number: 42-6070764	

Employers Mutual Casualty Company	CoCode: 21415	State of Domicile: Iowa
717 Mulberry Street	Group Code: 62	Company Type: P & C
Des Moines, IA 50309	Group Name:	State ID Number:
(800) 247-2128 ext. [Phone]	FEIN Number: 42-0234980	

Union Insurance Company of Providence	CoCode: 21423	State of Domicile: Iowa
717 Mulberry Street	Group Code: 62	Company Type: P & C
Des Moines, IA 50309	Group Name:	State ID Number:
(800) 247-2128 ext. [Phone]	FEIN Number: 05-0230479	

Filing Fees

Fee Required? Yes

<i>SERFF Tracking Number:</i>	<i>EMCC-125865736</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>EMCASCO Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>AR-HO-2008-04</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>/</i>		
Fee Amount:	\$100.00		
Retaliatory?	No		
Fee Explanation:			
Per Company:	No		

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COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
EMCASCO Insurance Company	\$0.00	10/20/2008	
Employers Mutual Casualty Company	\$100.00	10/20/2008	23340748
Union Insurance Company of Providence	\$0.00	10/20/2008	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	10/22/2008	10/22/2008

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Disposition

Disposition Date: 10/22/2008
Effective Date (New): 01/15/2009
Effective Date (Renewal): 01/15/2009
Status: Filed
Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

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Item Type	Item Name	Item Status	Public Access
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	Memorandum	Filed	Yes
Supporting Document	Exhibits	Filed	Yes
Rate	manual pages	Filed	Yes

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Rate Information

Rate data does NOT apply to filing.

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	manual pages	HO-INDEX-1 – HO-INDEX-4, HO-4 – HO-5, HO-16, HO-19 – HO-20, HO-27 – HO-28, HO-32 – HO-63, HO-R-22 – HO-R-28	Replacement	orig_agency.pdf

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TERRITORY DEFINITIONS AND CODES

1. TERRITORY ASSIGNMENT

- A. *As Zip Code boundaries are changed by the United States Postal Service (USPS), a new Zip Code may be created. This new Zip Code may not yet be listed below. If this is the case, contact Branch Office.*
- B. Future USPS Zip Code changes will be reflected in ISO's territory definitions in accordance with the ISO Zip Code Territory maintenance procedures on file with the Insurance Department. Manual pages will be updated on a regular basis to reflect future Zip Code changes.

2. TERRITORY DEFINITIONS

For all Section I and II Coverages and Perils Other Than Earthquake.

A. Cities

City of	County of	ISO Code	County Code
Little Rock	Pulaski	30	30
N. Little Rock	Pulaski	30	30

B. Other Than Cities

*

County of	ISO Code	Co. Code	County of	ISO Code	Co. Code	County of	ISO Code	Co. Code
Arkansas	33	81	Garland	33	72	Newton	33	72
Ashley	33	81	Grant	33	81	Ouachita	33	81
Baxter	33	72	Greene	33	73	Perry	33	72
Benton	33	72	Hempstead	33	81	Phillips	33	73
Boone	33	72	Hot Spring	33	81	Pike	33	81
Bradley	33	81	Howard	33	81	Poinsett	33	73
Calhoun	33	81	Independence	33	72	Polk	33	82
Carroll	33	72	Izard	33	72	Pope	33	82
Chicot	33	81	Jackson	33	73	Prairie	33	81
Clark	33	81	Jefferson	32	32	Pulaski	31	31
Clay	33	73	Johnson	33	82	Randolph	33	73
Cleburne	33	72	LaFayette	33	81	St. Francis	33	73
Cleveland	33	81	Lawrence	33	73	Saline	33	81
Columbia	33	81	Lee	33	73	Scott	33	72
Conway	33	82	Lincoln	33	81	Searcy	33	72
Craighead	33	73	Little River	33	81	Sebastian	33	72
Crawford	33	72	Logan	33	72	Sevier	33	81
Crittenden	33	73	Lonoke	33	81	Sharp	33	72
Cross	33	73	Madison	33	72	Stone	33	72
Dallas	33	81	Marion	33	72	Union	33	81
Desha	33	81	Miller	33	81	Van Buren	33	72
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3. TERRITORY DEFINITIONS — EARTHQUAKE

Earthquake Territory Definitions are displayed following the rate section of this manual.

HOMEOWNERS MANUAL RULES

SPECIAL STATE REQUIREMENTS

Special Provisions Endorsement – HO0103

Use this endorsement with all Homeowners Policies.

No Coverage For Home Day Care Business – HO0496

This endorsement details the exclusions and restrictions of the policy with respect to a home day care exposure. Use this endorsement with all Homeowners policies.

*

1. ADDITIONAL RULE – IDENTITY FRAUD EXPENSE COVERAGE

A. Coverage Description

Identity Fraud Expense Coverage endorsement is provided automatically to pay for expenses incurred by an insured as a direct result of any one identity fraud first discovered or learned of during the policy period. Such expenses include the costs for notarizing fraud affidavits or similar documents; certified mail sent to law enforcement, financial institutions and credit agencies; lost income resulting from time taken off work to meet with or talk to law enforcement or credit agencies; loan application fees for re-applying for a loan when the application is rejected solely because the lender received incorrect credit information; and reasonable attorney's fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments.

B. Limits of Liability

Up to \$1,000 coverage will be provided for the identity fraud of an insured discovered or first learned of during the policy period.

\$15,000 Identity Fraud Expense Coverage is included if an EMC Homeowners Plus Coverage Extension is purchased. \$25,000 Identity Fraud Expense Coverage is included if an EMC Choice Homeowners Coverage Extension is purchased.

C. Endorsement

1. *Use Identity Fraud Expense Coverage Endorsement HO7198.*
2. *This endorsement provides complete details on coverages, definitions and additional policy conditions applicable to this coverage.*

D. Identity Theft 911 Resolution Service

Regardless of the amount of Identity Fraud Expense Coverage the insured has, Identity Theft 911 Resolution Service, including Identity Disaster Recovery and Identity Travel Assistance will also be provided free of charge.

ADDITIONAL COMPANY RULES — ALL COMPANIES

1. COMBINATION POLICY DISCOUNT
A. Eligibility

When the same named insured has both a Personal Auto and a Homeowners policy written in any company within the EMC Group, a 20% discount is applied to the Homeowners policy's final premium after application of all other premium modifications.

B. Discount Effective Date

If a qualifying policy is written with a non-concurrent date, the discount will be applied to both the Auto and Homeowners policies at the earliest date that concurrent coverage is in effect. The discount may be applied or deleted midterm.

C. Cancellation or Non-Renewal

In the event either the Personal Auto or Homeowners policy is cancelled or non-renewed, the discount may be deleted from the remaining policy midterm (date concurrent coverage is no longer in effect) or at the next renewal date (underwriter discretion shall apply).

301. BASE PREMIUM COMPUTATION (Cont'd.)

- d. The result, 2.897, is the Key Factor for this example.
2. The factors shown in the above interpolation example are for illustration only and are not necessarily the factors shown in the Key Factor Table of this manual.

302. LOSS SETTLEMENT OPTIONS

* *The following Loss Settlement Options are not available if EMC Choice Homeowners Coverage Extension HO7212 is attached to the policy.*

A. Functional Replacement Cost Loss Settlement**HO0002, HO0003 and HO0005 Only****1. Introduction**

The policy provides building loss settlement on a replacement cost basis if, at the time of loss, the amount of insurance on the damaged building represents at least 80% of the full replacement cost of the building immediately before the loss.

2. Coverage Description

The policy may be endorsed to provide building loss settlement exclusively on a functional replacement cost basis if, at the time of loss, the amount of insurance on the damaged building is 80% or more of the functional replacement cost of the building immediately before the loss. Functional Replacement Cost means 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.

3. Premium Computation

Develop the Base Premium in accordance with Rule 301. For the amount of insurance selected for this option.

4. Use Functional Replacement Cost Loss Settlement Endorsement HO0530.**B. Actual Cash Value Loss Settlement****HO0002, HO0003 and HO0005 Only****1. Introduction**

The policy provides building loss settlement on a replacement cost basis if, at the time of loss, the amount of insurance on the damaged building represents at least 80% of the full replacement cost of the building immediately before the loss.

2. Coverage Description

The policy may be endorsed to provided building loss settlement exclusively on an actual cash value basis if, on the inception date of the policy, the Coverage A limit of liability selected by the insured is less than 80% of the full replacement cost of the dwelling.

3. Premium Computation

The premium is computed by multiplying the Base Premium by the appropriate factor from the following table:

Coverage A Limit of Liability Equals Less Than % Of Replacement Value Below	Factor
80% but not less than 50%	1.05
Less than 50%	1.10

4. Endorsement

Use Actual Cash Value Loss Settlement Endorsement **HO0481**.

402. TOWNHOUSE OR ROW HOUSE – ALL FORMS EXCEPT HO0004 AND HO0006

The premium for an eligible 1, 2, 3 or 4 family dwelling in a town or row house structure is computed by multiplying the Base Premium by the appropriate factor selected from the following table:

Townhouse and Row House Factors

Dwelling	Total No. of Individual Family Units Within The Fire Division*	Protection Class	
		1-8	9 & Over
1 or 2 Family	1 & 2	1.00	1.00
	3 & 4	1.10	1.15
	5 – 8	1.25	1.30
	9 & Over	Refer to Company	
3 or 4 Family	5 – 8	1.15	1.20
	9 & Over	Refer to Company	

* An eligible two family owner-occupied dwelling attached to a one family dwelling but not separated by a fire wall would be considered 3 individual family units within a fire division. An eligible four family dwelling attached to a three family dwelling but not separated by a fire wall would be considered 7 individual family units within a fire division. Four 2 family dwellings not separated by a fire wall would be considered 8 individual family units.

403. REPLACEMENT COST COVERAGES

**A. Dwelling Replacement or Repair Cost Coverage
(Not applicable to Forms HO0004 or HO0006)**

NOTE: This option is NOT to be used with the Loss Settlement Options under Rule 302.

The policy may be extended for no additional premium to include replacement or repair cost protection for Coverage A Dwelling, if the limit of liability is maintained at 100% of current replacement cost, as determined by valuation or inflation estimates.

If a loss exceeds the Coverage A limit of liability, we will provide an additional amount of insurance, up to 25% of the Coverage A limit of liability, as shown on the policy Declaration. When Coverage A is increased, we will also increase Coverage B, C and D.

Use Endorsement HO7121 — Dwelling Replacement or Repair Cost Coverage

This dwelling coverage automatically includes attachment of HO7120 at no additional premium, affording replacement cost coverage on unscheduled personal property. See Rule 403.B.

Note: Both HO7121 and HO7120 are automatically attached when EMC Choice Homeowners Coverage Extension HO7212 is purchased.

B. Personal Property Repair or Replacement Cost Coverage

Additional Coverage is extended to unscheduled personal property to include the full cost of repair or replacement without reduction for depreciation. Liability on any item, including depreciation, may not exceed:

- 1) the cost of repair, restoration or replacement with material and labor of like kind and quality, or*
- 2) the company may elect to replace any item(s) damaged or lost without obligation to replace all items.*

The Coverage C – Personal Property limit will be increased to 80% of the Coverage A – Dwelling limit for one and two family dwellings when this endorsement is attached to the policy. There is no additional premium charge for this increase. For Forms HO0004 and HO0006, Coverage C is not increased.

Premium

Forms HO0002, HO0003 and HO0005, 15% of the policy base premium. Forms HO0004 and HO0006, 25% of the policy base premium. No minimum premium.

Use Endorsement HO7120 — Personal Property Replacement Cost Coverage

403. REPLACEMENT COST COVERAGES (Cont'd.)**Exception:**

When this coverage is extended on policies to which Endorsement HO7121 Replacement Cost Protection – Coverage A – Dwelling has been attached, the contents coverage shall be afforded without additional premium charge.

*

Note: Both HO7121 and HO7120 are automatically attached when EMC Choice Homeowners Coverage Extension HO7212 is purchased.

404. PROTECTIVE DEVICES

- A.** *The following premium credits can be allowed for the installation of burglar and/or fire alarm systems or automatic sprinklers in the dwelling. Only one credit amount will apply — they are not cumulative.*

Protective Devices Factors

1. *Local Burglar Alarm — 2%.*
2. *Fire or Smoke Alarm — 2%.*
3. *Local Burglar Alarm & Fire or Smoke Alarm — 4%.*
4. *Fire or Smoke Local Alarm & Deadbolt Locks & Fire Extinguisher — 5%.*
5. *Local Burglar Alarm & Fire or Smoke Local Alarm & Deadbolt Locks & Fire Extinguisher — 8%.*
6. *Fire and Burglar Alarm Reporting to either Fire Department, Police Department or Central Station — 10%.*
7. *Fire and Burglar Alarm Reporting to either Fire Department, Police Department or Central Station & Deadbolt Locks & Fire Extinguisher — 15%.*
8. *Automatic Sprinklers in all areas including attics, bathrooms, closets, attached structures — 13%.*
9. *Automatic Sprinklers in all areas except attic, bathroom, closet and attached structure areas that are protected by a fire detector — 8%.*

The credit is determined by multiplying the base premium by the appropriate factor above.

- B.** Use Premises Alarm Or Fire Protection System Endorsement **HO0416**.

405. INFLATION GUARD

- A. ALL FORMS EXCEPT HO0004 AND HO0006**

Automatic Adjustment of Section I Limits

Section I limits of liability may be adjusted automatically on a quarterly basis as determined by reports from a National Appraisal Agency. Renewals are then issued with an increase of Section I Limits in the amount of the multiplicative product of the previous four quarters.

Use Endorsement HO7108 — Automatic Adjustment of Section I Limits of Liability

- B. FORMS HO0004 and HO0006**

The limits of liability for Coverage C and Coverage D may be adjusted upward at the time of loss or renewal. The increase will be the same as the rate increase in the Consumer Price Index published by the U.S. Department of Labor.

Use Endorsement HO7116 — Inflation Guard Endorsement

406. DEDUCTIBLES

All policies are subject to a deductible applicable to loss from all Section I perils, except Earthquake. A separate deductible provision applies to Earthquake Coverage. Refer to the Earthquake Coverage rule for applicable deductible provision.

- A. Base Deductible**

1. **\$250 All Peril – HO0004 and HO0006**
2. **\$500 All Peril – HO0002, HO0003, HO0005 and HO0008**

The base deductibles shown above are the MINIMUM deductibles available for both new and renewal business.

**PART V – SECTION I — PROPERTY
ADDITIONAL COVERAGES AND INCREASED LIMITS RULES**

501. BUILDING ADDITIONS AND ALTERATIONS AT OTHER RESIDENCES

A. Coverage Description

The policy may be endorsed to provide this coverage at residences, other than the residence premises, rented to an insured.

B. Premium Computation

To develop the premium per \$1,000 of insurance, multiply the **HO0004** Key Factor for “Each Add'l \$1,000” by the **HO0004** Key Premium.

C. Endorsement

Use Building Additions and Alterations Other Residence Endorsement **HO0449**.

502. BUILDING ADDITIONS AND ALTERATIONS INCREASED LIMIT – HO0004

A. Coverage C Increase

The limit of liability of 10% of Coverage **C** may be increased.

B. Premium Computation

To develop the premium per \$1,000 of insurance, multiply the **HO0004** Key Factor for “Each Add'l \$1,000” by the **HO0004** Key Premium.

C. Endorsement

Use Building Additions And Alterations Increased Limit Form **HO0004** Endorsement **HO0451**.

503. BUSINESS PROPERTY – INCREASED LIMIT

A. On-Premises

1. The \$2,500 limit of liability for business property on the residence premises may be increased to \$10,000 in increments of \$2,500.

* *Note: EMC Choice Homeowners Coverage Extension endorsements include \$2,500 additional coverage.*

2. Charge the rate of \$22 for each \$2,500 increase.

3. The limit of liability in excess of \$2,500 does not apply to:

- a. Business property in storage or held as a sample or for sale or delivery after sale.
- b. Business property pertaining to a business actually conducted on the residence premises.

4. The property described in Paragraphs **3.a.** and **3.b.** are covered under the following optional endorsements:

- a. Permitted Incidental Occupancies;
- b. Home Day Care; or
- c. Home Business Insurance Coverage.

B. Off-Premises

When the on-premises limit is increased, the off-premises limit of \$500 is automatically increased, at no additional charge, to an amount that is 20 percent of the total on-premises limit of liability.

* *Note: EMC Homeowners Plus Coverage Extension and EMC Choice Homeowners Coverage Extension endorsements include a limit of 1% of the Coverage C limit for **HO0002**, **HO0003** and **HO0005** and 2% of the Coverage C limit for **HO0004** and **HO0006**.*

C. Endorsement

Use Increased Limits On Business Property Endorsement **HO0412**.

504. CREDIT CARD, ELECTRONIC FUND TRANSFER CARD OR ACCESS DEVICE, FORGERY AND COUNTERFEIT MONEY

A. Coverage Increase

For no additional premium, the \$500 limit is increased as follows:

1. *Under EMC Automatic Homeowners Coverage Extension endorsements, an additional \$500 is provided.*

For an additional premium, the limit may be increased as shown in Paragraph B.

2. *Under EMC Homeowners Plus Coverage Extension and the EMC Choice Homeowners Coverage Extension endorsements an additional \$10,000 is provided and increased limits are not available.*

B. Premium

New Limit of Liability	Premium
\$ 2,500	\$ 3
5,000	4
7,500	5
10,000	6

C. Endorsement

Use Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money Coverage Increased Limit Endorsement **HO0453**.

505. EARTHQUAKE COVERAGE

A. Coverage Description

The policy may be endorsed to provide coverage against a loss resulting from the peril of Earthquake. This peril shall apply to all Section I Coverages for the same limits provided in the policy.

Use Earthquake Endorsement **HO0454**

B. Deductible

NOTE: *The 5% deductible referenced in this rule is not available as “new coverage” on new or renewal policies (also not available to decrease a current higher deductible to the 5% level).*

Deductible percentage amounts of 5%, 10%, 15%, 20% and 25% of the limit of liability are included in this rule.

In the event of an Earthquake loss to covered property, the dollar amount is deducted from the total of the loss for Coverages **A**, **B**, and **C**.

Earthquake rates are displayed for the 5% and 10% deductible in this rule. Credit factors for deductible percentage amounts of 15%, 20% and 25% are provided in Paragraph **E**. Premium for Higher Deductibles of this rule.

C. Loss Assessment Coverage

The policy may also be endorsed to cover loss assessment resulting from loss by this peril. The limit of liability shall be based on the insured’s proportionate interest in the total value of all collectively owned buildings and structures of the corporation or association of property owners.

Contact Branch Office for any applicable rates on file with the Insurance Department.

Use Loss Assessment Coverage For Earthquake Endorsement **HO0436** for all Forms

D. Base Premium

Develop the base premium as follows:

1. From the Earthquake rate tables, determine whether Construction Table **A**, **B**, and/or **C** applies for the appropriate deductible.
2. Determine the Earthquake territory according to the ZIP code of the residence premises from the Earthquake Territory Definitions pages in this Manual.

506. FIRE DEPARTMENT SERVICE CHARGE

Coverage is available up to the limit of \$500 provided under the policy.

*

Note: EMC Homeowners Plus Coverage Extension and EMC Choice Homeowners Coverage Extension endorsements provide an additional limit of \$500.

507. FORM HO0006 COVERAGE A DWELLING BASIC AND INCREASED LIMITS AND SPECIAL COVERAGE – HO0006**A. Basic Limits**

The policy automatically provides a basic Coverage **A** limit of \$5,000 on a named perils basis. If increased limits are not desired, enter "\$5,000" under Coverage **A** – Dwelling in the Policy Declarations.

B. Increased Limits

The basic limit may be increased. The premium is developed based on the additional limit of insurance. To develop the premium for each additional \$1,000 of insurance, multiply the **HO0006** Key Factor for "Each Add'l \$1,000" by the **HO0006** Key Premium.

C. Special Coverage

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

1. Charge per policy for \$5,000 in basic form: \$2
2. Rate for each add'l \$1,000 of Coverage **A**: \$1

D. Endorsement

Use Unit-Owners Coverage **A** – Special Coverage Endorsement **HO1732**.

508. FORM HO0006 UNITS REGULARLY RENTED TO OTHERS**A. Coverage C And Section II Liability**

1. There is no coverage for Coverage **C** – Personal Property and Section **II** Liability when the residence premises is regularly rented or held for rental to others. The policy may be endorsed, however, to provide such coverage, including Theft.
2. The Coverage **C** minimum limit of liability may be waived when the value of the insured's personal property in the rented unit is less than \$10,000.

NOTE: If the units are rented out purely for rental and investment purposes on a full time basis, a separate dwelling fire policy with contents coverage, liability etc., should be issued.

B. Premium Computation

Multiply the Coverage **C** Base Premium (reflecting the credit or surcharge for optional deductibles) by a factor of .25.

C. Endorsement

Use Unit-Owners Rental To Others Endorsement **HO1733**.

509. HOME DAY CARE COVERAGE

Refer to company for applicable rates and rules on file with the State Insurance Department.

510. PERMITTED INCIDENTAL OCCUPANCIES RESIDENCE PREMISES**A. Coverage Description**

Coverage for a permitted incidental occupancy is limited under Section **I** and excluded under Section **II**. The policy may be endorsed to provide expanded Section **I** Coverage and Section **II** Coverage on a permitted incidental occupancy in the dwelling or in an other structure on the residence premises.

Use Permitted Incidental Occupancies (Residence Premises) Endorsement **HO0442** for Sections **I** and **II** Coverage

510. PERMITTED INCIDENTAL OCCUPANCIES RESIDENCE PREMISES (Cont'd.)

B. Permitted Incidental Occupancies

Examples of such occupancies are Offices, Schools or Studios meaning offices for business or professional purposes, and private schools or studios for music, dance, photography and other instructional purposes.

C. Other Structures

If the permitted incidental occupancy is located in an other structure, Coverage **B** does not apply to that structure. See Paragraph **E.** for charge for specific insurance on the structure.

D. Personal Property

The permitted incidental occupancies endorsement also covers personal property pertaining to the permitted incidental occupancy within the Coverage **C** limits stated in the declarations. If increased Coverage **C** limits are desired, see Rule **515.A.**

E. Premium Computation

1. Section I

- a. If the permitted incidental occupancy is located in the dwelling, no additional charge is made.
- b. If the permitted incidental occupancy is located in an other structure, charge the amount in Paragraph c. per \$1,000 of specific insurance on the structure.
- c. Charge a rate of \$4 per \$1,000.

2. Section II

Refer to Rule **608.** to develop the premium for the increased Coverages **E** and **F** exposure.

511. LOSS ASSESSMENT COVERAGE

A. Residence Premises

1. Coverage Description

The policy automatically provides, under Section **I** Additional Coverage and Section **II** Additional Coverage, a limit of \$1,000 each for assessments relating to the residence premises, excluding assessments resulting from the peril of earthquake. (Refer to Rule **505.** Earthquake Coverage for the Earthquake rule of application.)

* *Note: EMC Homeowners Plus Coverage Extension endorsements include an additional limit of \$1,000 and EMC Choice Homeowners Coverage Extension endorsements include an additional limit of \$4,000 for Loss Assessment Coverage.*

2. Higher Limits

The policy may be endorsed to provide a single additional amount of insurance to be applied to one or more assessments arising out of a single loss covered under:

- a. Either Section **I** Additional Coverage or Section **II** Additional Coverage; or
- b. Both Section **I** and Section **II** Additional Coverages.

3. Premium

The following additional charges apply:

New Amount of Coverage	All Forms except HO0003 and HO0005 or HO0006 with HO1732	HO0003 and HO0005 or HO0006 with HO1732
\$ 5,000	\$3	\$4
10,000	4	6
Each Add'l \$5,000 (Up to \$50,000)	1	2

511. LOSS ASSESSMENT COVERAGE (Cont'd.)

B. Additional Locations

1. Coverage Description

- a. The policy may be endorsed to provide loss assessment coverage pertaining to additional locations for the insured's share of loss assessments arising out of a single loss covered as noted in Paragraph **A.2**.
- b. No more than 2 additional locations can be written in addition to the residence premises.

2. Premium

The following additional rates apply to each location covered:

Amount of Coverage	All Forms except HO0003 and HO0005 or HO0006 with HO1732	HO0003 and HO0005 or HO0006 with HO1732
\$ 1,000	\$ 4	\$ 5
5,000	7	9
10,000	9	12
Each Add'l \$5,000 (Up to \$50,000)	1	2

C. Endorsement

Use Loss Assessment Coverage Endorsement **HO0435**. (Note: This Endorsement does not cover loss to property under Section **I** caused by Earthquake.)

512. LOSS OF USE - INCREASED LIMIT

- A. When the limit of liability for Coverage **D** is increased, charge the rate in Paragraph B. per \$1,000 of additional insurance.
- B. Charge a rate of \$4 per \$1,000.

*

Note: Increased limits for Loss of Use are not available if an EMC Choice Homeowners Coverage Extension Endorsement is attached to the policy since coverage is automatically provided for 12 months Actual Loss Sustained for HO0003 and HO0005; and 6 months coverage is provided for HO0004 and HO0006.

513. ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE - HO0004 AND HO0006

A. Coverage Increase

- 1. The basic amount of coverage may be initially increased to 100% of the Form **HO0004** Building Additions and Alterations limit or 50% of the Form **HO0006** Coverage **A** limit.
- 2. The amount may be further increased in 25% increments above those listed in Paragraph **1**.

B. Premium Determination

- 1. The premium for this additional coverage is determined based on the dollar amount of increase, represented by the increased percentage amount selected above the basic limit.
- 2. The premium for each additional \$1,000 of insurance is developed by multiplying the **HO0004** or **HO0006**, whichever is appropriate, Key Factor for "Each Add'l \$1,000" by .30 and then multiplying that amount by the appropriate Key Premium.

C. Endorsement

Use Ordinance Or Law – Increased Amount of Coverage Endorsement **HO0477**.

514. OTHER STRUCTURES

*

A. On-Premises Structures

When insurance is written on a specific structure on the residence premises, the rates per \$1,000 of insurance shall apply separately to each structure.

1. Specific Structure – Increased Limits

a. **Premium:** \$4 per \$1,000 of insurance.

b. Endorsement

Use Other Structures On The Residence Premises – Increased Limits Endorsement **HO0448**.

2. Structure On The Residence Premises Rented To Others**a. Premium**

Use the sum of:

(1) The rate of \$4 per \$1,000 of insurance, and

(2) The premium for the increased Coverages **E** and **F** exposure, as developed from the Section **II** rules of this Manual.

b. Use Structures Rented to Others – Residence Premises Endorsement **HO0440**.

B. Structures Off The Residence Premises**1. Forms HO0002, HO0003 and HO0005****a. Coverage Description**

(1) The policy automatically provides Coverage **B** – Other Structures on a blanket basis to structures located on the residence premises.

(2) The blanket coverage may be endorsed to expand coverage to include structures located away from the residence premises if used in connection with the residence premises.

b. Premium

Charge the rate of \$13 per policy.

c. Endorsement

Use Other Structures Away From The Residence Premises **HO0491**.

2. All Forms**a. Premium**

(1) When insurance is written on a specific structure located away from the residence premises, the rate in Paragraph (2) per \$1,000 of insurance shall apply separately to each location.

(2) Specific Structures – Off-Premises rate per \$1,000: \$4

b. Endorsement

Use Specific Structures Away From Residence Premises Endorsement **HO0492**.

515. PERSONAL PROPERTY

A. Increased Limit

1. The limit of liability for Coverage **C** may be increased.

2. Charge the additional company rate per \$1,000 of insurance, in 3. below.

3. Additional rate per \$1,000 of insurance:

HO0002 or **HO0003:** \$2

HO0005: 3

515. PERSONAL PROPERTY (Cont'd.)

B. Increased Limits – Other Residences

1. Coverage for personal property usually located at other residences is limited in the policy form to 10% of Coverage **C** or \$1,000, whichever is greater. This limit may be increased.
2. Charge the additional company rate per \$1,000, in 3. below.
3. The additional charge per \$1,000 is \$6.
4. Use Increased Limits on Personal Property in Other Residences Endorsement **HO0450**.

C. Reduction In Limit

1. The limit of liability for Coverage **C** may be reduced in accordance with Rule **101.C**.
2. The credit per \$1,000 is \$1.

D. Increased Special Limits of Liability

1. The Special Limits of Liability in the policy form for the categories of property noted below may be increased to the maximum limits shown.

2. Additional Charges

Additional charges for increased limits are shown in b. below.

a. Special Limits

The special limits in the policy form are noted for each category in b. below.

b. Personal Property

Additional increased limits charges for each category are as follows:

Personal Property	Limit in Form	Maximum Limit Allowed	Charge	Required Increments of Increase
1) Jewelry, Watches & Furs (not exceeding \$1,000 for any one article)	\$1,500	\$6,500	\$ 16 Per \$1,000	N/A
2) Money	200	1,000	5 Per \$100	N/A
3) Securities	1,500	3,000	4 Per \$100	N/A
4) Silverware, Goldware and Pewterware	<i>As specified in Rules 515.G., H. and I., all policies include a limit of 50% of the Coverage C limit of liability for loss by theft of silverware at no additional premium in lieu of the \$2,500 policy limit (increased limits not available).</i>			
5) Firearms	2,500	6,500	3 Per \$100	100
6) Electronic Apparatus				
a) (in or upon a motor vehicle or motorized land conveyance)	1,500	6,000	9 Per \$500	500
b) (not in or upon a motor vehicle that is away from the residence premises and used for business)	1,500	6,000	9 Per \$500	500

*

*

** The maximum limit does not include additional limits available under the Homeowners Coverage Extensions described in Rules 515 G., H. and I.*

515. PERSONAL PROPERTY (Cont'd.)

3. Use Coverage **C** Increased Special Limits Of Liability Endorsement **HO0465** – for all forms except as noted in Paragraph 4.
4. Use Coverage **C** Increased Special Limits of Liability Endorsement **HO0466** for Form **HO0005**, Form **HO0004** with Endorsement **HO0524** and Form **HO0006** with Endorsement **HO1731**.

E. Refrigerated Personal Property

* *As specified in Rules 515.G., H. and I., coverage is automatically afforded at the limits shown for no additional premium.*

F. Theft Coverage Increase – HO0008**(Employers Mutual Casualty Company Only)****1. On-Premises**

The \$1,000 limit for on-premises theft may be increased to an aggregate limit of \$3,000 or \$5,000. Charge the additional rate shown below:

2. Off-Premises

When On-Premises Theft Coverage is increased, a limit of \$1,000 may be provided for Off-Premises Theft Coverage, the additional charge is shown below:

3. Premium**On-Premises**

All Territories	30
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Off-Premises

All Territories	14
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4. Endorsement

Use Theft Coverage Increase Endorsement **HO0430**.

* **G. EMC Automatic Homeowners Coverage Extension (All Forms, except HO0008)
(ALL COMPANIES)**

For no additional premium, the policy will be extended to provide additional coverages.

Automatically attach one of the following unless an EMC Homeowners Plus Coverage Extension or EMC Choice Homeowners Coverage Extension endorsement is purchased:

**HO7210 (HO0002, HO0003 & HO0005),
HO7210.1 (HO0006), or
HO7210.2 (HO0004)**

Additional coverages provided are as follows:

1. **Other Structures Limit (HO0002, HO0003 & HO0005 Only)** – *If there are no other structures on the residence premises, the limit of liability for Coverage B will be added to the limit of liability for Coverage A, and the sum of the two shall be the limit of liability under Coverage A.
If there are other structures and at the time of loss the limit of liability for coverage B exceeds the replacement cost of other structures, the amount of insurance in excess of the replacement cost shall be applied as an additional amount of insurance under Coverage A.
Note: This coverage is not applicable when Dwelling Replacement or Repair Cost Coverage endorsement **HO7121** is also added to the policy.*
2. **Theft of Silverware, Goldware and Pewterware** – *A limit of 50% of the Coverage C limit of liability applies in lieu of the \$2,500 policy limit.*
3. **Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money** – *An additional \$500 is added to the policy limit, or if applicable, any increased limit purchased.*

515. PERSONAL PROPERTY (Cont'd.)

4. **Owned Watercraft Liability** - *The limit on outboard motors of 25 hp or less is increased to 100 hp or less.*
5. **Refrigerated Property Coverage** - *\$500 limit applies. No deductible applies.*
6. **Golf Cart Liability Coverage** *Coverage enhanced to expand/include coverage while off an insured location, entrustment of golf carts by an insured to any person; and statutorily imposed vicarious parental liability for the actions of a child or minor.*
7. **Damage to Property of Others** – *The \$1,000 limit is increased to \$1,500.*
8. **Lock Replacement Coverage** - *\$500 limit to repair or replace door and/or window locks on the residence premises when it is likely that the key(s) have been stolen. No deductible applies.*
9. **Environmental, Safety and Efficiency Improvements** – *Up to an additional 10% of the amount of a covered loss is available to repair or replace covered property that is better for the environment, safer or more efficient than the property being replaced.*

Additional coverage endorsements automatically attached for no additional premium:

10. **Personal Injury Liability Coverage (HO2482)**
11. **Identity Fraud Expense Coverage (HO7198)** – *A \$1,000 limit is automatically provided for Identity Fraud Expense Coverage. In addition, ID Theft 911 Resolution Service is provided free of charge.*

* **H. EMC Homeowners Plus Coverage Extension (All Forms, except HO0008)
(ALL COMPANIES)**

For an additional premium of \$20.00, the policy will be extended to provide additional coverages. Attach one of the following:

**HO7211 (HO0002, HO0003 & HO0005),
HO7211.1 (HO0006), or
HO7211.2 (HO0004)**

Additional coverages provided are as follows:

1. **Other Structures Limit (HO0002, HO0003 & HO0005 only)** – *If there are no other structures on the residence premises, the limit of liability for Coverage B will be added to the limit of liability for Coverage A, and the sum of the two shall be the limit of liability under Coverage A.
If there are other structures and at the time of loss the limit of liability for coverage B exceeds the replacement cost of other structures, the amount of insurance in excess of the replacement cost shall be applied as an additional amount of insurance under Coverage A.
NOTE: This coverage is not applicable when Dwelling Replacement or Repair Cost Coverage endorsement HO7121 is also added to the policy.*
2. **Special Extension of Coverage C (HO0006 only)** – *If the limit of liability for contents exceeds the amount of covered loss, the excess limit can be added to the limit for Coverage A.*
3. **Coverage C – Personal Property Special Limits of Liability are increased as follows:**
 - a. *Money, bank notes, etc. - An additional \$100 is added to the policy limit of \$200, or if applicable, any increased limits purchased.*
 - b. *Theft of jewelry, watches, furs, etc. - An additional \$3,500 is added to the policy limit of \$1,500, or if applicable, any increased limits purchased. (\$1,500 maximum for any single item).*
 - c. *Theft of firearms and related equipment - An additional \$2,500 is added to the policy limit of \$2,500, or if applicable, any increased limits purchased.*
 - d. *Theft of silverware, goldware and pewterware - A limit of 50% of the Coverage C limit of liability applies in lieu of the \$2,500 policy limit.*
4. **Business Property Off-Premises** - *The \$500 limit is increased to 1% (2% for HO0004 and HO0006) for property away from the residence premises used for business.*

515. PERSONAL PROPERTY (Cont'd.)

5. **Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money** – *An additional \$10,000 is added to the \$500 policy limit.*
6. **Debris Removal** - *\$1,000 per occurrence and \$500 per tree is included to remove trees whether or not a covered structure is damaged or a driveway or ramp is blocked.*
7. **Fire Department Service Charge** – *An additional \$500 is added to the policy limit of \$500.*
8. **Loss Assessment** – *An additional \$1,000 is added to the policy limit of \$1,000.*
9. **Owned Watercraft Liability** - *The limit on outboard motors of 25 hp or less is increased to 100 hp or less.*
10. **Refrigerated Property Coverage** - *\$1,000 limit applies. No deductible applies.*
11. **Golf Cart Liability Coverage** *Coverage enhanced to expand/include coverage while off an insured location, entrustment of golf carts by an insured to any person; and statutorily imposed vicarious parental liability for the actions of a child or minor.*
12. **Waterbed Liability (HO0004 and HO0006 only)** - *provides coverage for property damage arising out of the ownership, maintenance or use of a waterbed at the insured location.*
13. **Damage to Property of Others** – *The \$1,000 limit is increased to \$2,000.*
14. **Lock Replacement Coverage** - *\$500 limit to repair or replace door and/or window locks on the residence premises when it is likely that the key(s) have been stolen. No deductible applies.*
15. **Arson Reward** – *A \$2,500 reward will be provided for information leading to a conviction for loss or damage covered under the policy.*
16. **Environmental, Safety and Efficiency Improvements** – *Up to an additional 10% of the amount of a covered loss is available to repair or replace covered property that is better for the environment, safer or more efficient than the property being replaced.*

Additional coverage endorsements automatically attached for no additional premium:

17. **Personal Injury Liability (HO2482)**
18. **Identity Fraud Expense Coverage (HO7198)** – *A \$15,000 limit is automatically provided for Identity Fraud Expense Coverage. In addition, ID Theft 911 Resolution Service is provided free of charge.*

*

I. EMC Choice Homeowners Coverage Extension (All Forms, except HO0002 and HO0008) (ALL COMPANIES)

For an additional premium of \$50.00, the policy may be extended to provide additional coverages, if the policy meets the following eligibility requirements.

- 1) *100% Replacement Cost Coverage is required.*
- 2) *Dwellings built prior to 1940 are ineligible.*
- 3) *No unique, experimental or modular homes.*
- 4) *Protection Class 1 – 8 only.*
- 5) *1 – 2 family owner-occupied dwellings only.*
- 6) *Builders Risk policies are ineligible.*

Attach one of the following:

**HO7212 (HO0003 & HO0005),
HO7212.1 (HO0006), or
HO7212.2 (HO0004)**

Additional coverages provided are as follows:

1. **Special Extension of Coverage C (HO0006 only)** – *If the limit of liability for contents exceeds the amount of covered loss, the excess limit can be added to the limit for Coverage A.*
2. **Coverage D – Loss of Use** – *The limit of liability for Coverage D is changed to 12 months (6 months for HO0004 and HO0006) Actual Loss Sustained.*

515. PERSONAL PROPERTY (Cont'd.)

- 3. Coverage C – Personal Property Special Limits of Liability are increased as follows:**
 - a. *Money, bank notes, etc. - An additional \$300 is added to the policy limit of \$200, or if applicable, any increased limits purchased.*
 - b. *Securities, accounts, deeds, etc. - An additional 1,000 is added to the policy limit of \$1,500, or if applicable, any increased limits purchased.*
 - c. *Theft of jewelry, watches, furs, etc. - An additional \$3,500 is added to the policy limit of \$1,500, or if applicable, any increased limits purchased (\$1,500 maximum for any single item).*
 - d. *Theft of firearms and related equipment - An additional \$2,500 limit is added to the policy limit of \$2,500, or if applicable, any increased limits purchased.*
 - e. *Theft of silverware, goldware and pewterware - A limit of 50% of the Coverage C limit of liability applies in lieu of the \$2,500 policy limit.*
 - f. *Electronic Apparatus*
 - (1) *While in a motor vehicle - An additional \$1,000 is added to the policy limit of \$1,500, or if applicable, any increased limits purchased.*
 - (2) *Used for business while away from the premises - An additional \$1,000 is added to the policy limit of \$1,500, or if applicable, any increased limits purchased.*
- 4. Watercraft and their trailers - An additional \$1,000 limit is added to the policy limit of \$1,500.**
- 5. Trailers and semi-trailers - An additional \$1,000 limit is added to the policy limit of \$1,500.**
- 6. Business property**
 - a. *On-Premises - An additional limit of \$2,500 is added to the policy limit of \$2,500.*
 - b. *Off-Premises - The \$500 limit is increased to 1% of the Coverage C limit (2% for Forms HO0004 and HO0006).*
- 7. Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money – An additional \$10,000 is added to the \$500 policy limit.**
- 8. Debris Removal – \$1,000 per occurrence and \$500 per tree is included to remove trees whether or not a covered structure is damaged or a driveway or ramp is blocked.**
- 9. Debris Removal Additional Coverage - The aggregate limit of \$1,000 is increased to 10% of Coverage C if the tree(s) felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or a neighbor's tree(s) felled by a Peril Insured Against under Coverage C, damages a covered structure.**
- 10. Fire Department Service Charge – An additional \$500 is added to the policy limit of \$500.**
- 11. Loss Assessment – An additional \$4,000 is added to the policy limit of \$1,000.**
- 12. Owned Watercraft Liability - The limit on outboard motors of 25 hp or less is increased to 100 hp or less.**
- 13. Refrigerated Property Coverage - \$2,500 limit applies. No deductible applies.**
- 14. Golf Cart Liability Coverage - Coverage enhanced to expand/include coverage while off an insured location, entrustment of golf carts by an insured to any person; and statutorily imposed vicarious parental liability for the actions of a child or minor.**
- 15. Waterbed Liability (HO0004 and HO0006 only) - provides coverage for property damage arising out of the ownership, maintenance or use of a waterbed at the insured location.**
- 16. Damage to Property of Others – The \$1,000 limit is increased to \$2,000.**
- 17. Lock Replacement Coverage - \$1,000 limit to repair or replace door and/or window locks on the residence premises when it is likely that the key(s) have been stolen. No deductible applies.**

515. PERSONAL PROPERTY (Cont'd.)

18. **Arson Reward** – A \$2,500 reward will be provided for information leading to a conviction for loss or damage covered under the policy.
19. **Environmental, Safety and Efficiency Improvements** – Up to an additional 10% of the amount of a covered loss is available to repair or replace covered property that is better for the environment, safer or more efficient than the property being replaced.
- Additional coverage endorsements automatically attached for no additional premium:**
20. **Dwelling Replacement or Repair Cost Coverage (HO7121) (HO0003 and HO0005 only)** – If a loss exceeds the Coverage A limit of liability, we will provide an additional amount of insurance, up to 25% of the Coverage A limit.
21. **Personal Property Repair or Replacement Cost Coverage (HO7120)** – Additional coverage is extended to unscheduled personal property to include the full cost of repair or replacement without reduction for depreciations. The Coverage C Personal Property limit will be increased automatically to 70% of the Coverage A limit.
22. **Personal Injury Liability (HO2482)**
23. **Identity Fraud Expense Coverage (HO7198)** – A \$25,000 limit is automatically provided for Identity Fraud Expense Coverage. In addition, ID Theft 911 Resolution Service is provided free of charge.
24. **Equipment Breakdown Coverage (HO7213)** – A \$50,000 limit applies.

516. PERSONAL PROPERTY - SCHEDULED

A. Introduction

Coverage may be provided on scheduled personal property subject to the rules and rates of the Company.

B. Loss Settlement

1. Endorsement **HO0461** provides for standard loss settlement for all classes of property except Fine Arts; and agreed value loss settlement for Fine Arts.
2. *This rule does not apply.*

C. Endorsement

1. Use Scheduled Personal Property Endorsement **HO0461** for standard loss settlement or agreed value loss settlement for fine arts.
2. *This rule does not apply.*

517. RENTAL TO OTHERS – EXTENDED THEFT COVERAGE ALL FORMS EXCEPT HO0005, HO0004 WITH HO524 OR HO0006 WITH HO1731

A. Coverage Description

The policy may be endorsed to insure against loss by theft to covered property when all or part of the residence premises usually occupied by the insured is occasionally rented, in whole or in part, to others, or is regularly or occasionally rented to roomers or boarders.

B. Premium

Charge the rate of \$13 per policy.

C. Endorsement

Use Extended Theft Coverage For Residence Premises Occasionally Rented to Others Endorsement **HO0541**.

518. SINKHOLE COLLAPSE COVERAGE ALL FORMS EXCEPT HO0004 AND HO0006

A. Coverage Description

The policy may be endorsed to provide Sinkhole Collapse Coverage.

B. Premium Determination

1. Charge the rate of \$.31 per \$1,000, and
2. Multiply the rate per \$1,000 by:
 - a. Coverage **A** amount of insurance;
 - b. Increased Limits for Coverages **C** and **D**;
 - c. Loss Assessment Coverage, increased limits and additional locations;
 - d. Ordinance Or Law Coverage, basic amount and, if applicable, increased amount of coverage;
 - e. Other Building or Structure options for example: Other Structures Rented to Others (Residence Premises) Endorsement **HO0440**; Other Structures (Increased Limits) Endorsement **HO0448**; Specific Structures Away From The Residence Endorsement **HO0492**; Building Additions And Alterations (Other Residence) Endorsement **HO0449**; and Building Additions And Alterations (Increased Limit Form **HO0004**) Endorsement **HO0451**.

C. Endorsement

Use Sinkhole Collapse Endorsement **HO0499**.

519. PERSONAL COMPUTER COVERAGE ALL FORMS EXCEPT HO0005, HO0004 WITH HO524 OR HO0006 WITH HO1731

Refer to the Personal Inland Marine Section of this manual for Personal Computer Coverage Endorsement PM7108.

520. LIVESTOCK COLLISION COVERAGE

A. Coverage Description

When the policy is endorsed with either Incidental Farming Personal Liability Endorsement **HO2472** or Farmers Personal Liability Endorsement **HO2473**, the policy may also be endorsed to cover loss resulting in death of covered livestock resulting from:

1. Collision or overturn of a vehicle on which the livestock are being transported; or
 2. Livestock running into or being struck by a vehicle.
-

520. LIVESTOCK COLLISION COVERAGE (Cont'd.)**B. Coverage Exclusion**

Coverage is excluded if a vehicle owned or operated by an insured or an insured's employee:

1. Collides with the vehicle on which the livestock are being transported; or
2. Strikes the livestock.

C. Premium

1. Each horse, mule or head of cattle under one year of age at the time of loss will be counted as 1/2 head.
2. No deductible applies to this coverage.
3. The limit per head of livestock is \$400.
4. Rates

Estimated No. of Head	Premium
1 — 100	\$ 9
101 — 250	18
251 — 500	27
501 — 1,000	36

D. Endorsement

Use Livestock Collision Coverage Endorsement **HO0452**.

521. WATER BACKUP OF SEWERS OR DRAINS

(FORMS HO0002, HO0003, HO0005 AND HO0006)

THIS IS NOT FLOOD INSURANCE

New Business and mid-term changes coverage will not become effective until fifteen (15) days after the effective date of this endorsement.

The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from a sump.

A. \$2,000 Limit

1. *Annual Aggregate Limit — \$2,000.*
2. *Policy Deductible Applies.*
3. *Additional Premium — \$30.00*

Use Endorsement HO7163 — Water Back Up of Sewers or Drains (\$2,000 Aggregate)

B. \$5,000 Limit

1. *Annual Aggregate Limit — \$5,000.*
2. *Policy Deductible Applies.*
3. *Additional premium — \$40.00*

Use Endorsement HO7182 — Water Back Up of Sewers or Drains (\$5,000 Aggregate)

C. \$10,000 Limit

1. *Annual Aggregate Limit — \$10,000.*
2. *Policy Deductible Applies.*
3. *Additional premium — \$55.00*

Use Endorsement HO7190.1 — Water Back Up of Sewers or Drains (\$10,000 Aggregate)

522. LANDLORDS FURNISHINGS

A. Basic Limit

Forms **HO0002**, **HO0003** and **HO0005** automatically cover, on a named perils basis (except Theft) landlord furnishings in an apartment on the residence premises regularly rented or held for rental. The basic limit per apartment unit is \$2,500.

B. Increased Limits

The basic limit of \$2,500 may be increased in increments of \$500 up to a total of \$10,000 per apartment. The increased limit applies to the same perils that applies to the basic limit and may vary by rented unit.

C. Premium

Rate per \$500 per unit:

- | | |
|--|-----|
| 1. Forms HO0002 & HO0003 | \$1 |
| 2. Form HO0005 | 2 |

D. Endorsement

Use Landlord's Furnishings Endorsement **HO0546**.

523. ASSISTED LIVING CARE COVERAGE

A. Introduction

The policy provides coverage to named insureds and resident relatives who are members of the insured's household.

B. Coverage Description

1. The policy may be endorsed to provide personal property, additional living expense and personal liability coverage to a person regularly residing in an Assisted Living Care facility, provided such person:
 - a. is related to an insured by blood, marriage or adoption; and
 - b. is not a member of that insured's household.
2. An assisted living care facility is a facility that provides assisted living services such as dining, therapy, medical supervision, housekeeping and social activities. It is **not** a hospice, prison or rehabilitation facility.
3. The endorsement provides the following basic limits of coverage:
 - a. \$10,000 for Coverage **C** – Personal Property with limitations ranging from \$100 to \$500 for certain items of property;
 - b. \$6,000, at \$500 per month, for Additional Living Expenses; and
 - c. \$100,000 for Coverage **E** – Personal Liability.

C. Premium**1. Section I and Section II Basic Limits**

Rate per unit: \$70

2. Increased Limits

Add to the basic limit rate in Paragraph 1. Above:

- a. Coverage **C** – Rate per \$1,000: \$6.
- b. Coverage **E** (Coverage **F** does not apply to this option): Refer to the Section **II** rate pages for increased Coverage **E** limits rates.

D. Endorsement

Use Assisted Living Care Coverage Endorsement **HO0459**.

524. OTHER MEMBERS OF A NAMED INSURED'S HOUSEHOLD

A. Introduction

The policy provides coverage to named insureds, resident relatives who are members of the insured's household and persons under the age of 21 who are in the care of an insured.

B. Coverage Description

1. The policy may be endorsed to provide coverage to a person who is a member of the named insured's household but does not fall under the definition of insured in the policy. It does not cover a guest, residence employee, roomer, boarder or tenant. Coverage extends to the person named in the endorsement, and a person under the age of 21 who is in the legal custody of that person.
2. All coverages and provisions under Sections I and II of the policy that apply to insureds also apply to the persons described in Paragraph 1. except Coverages A, B and D (Fair Rental Value only).

C. Premium**1. Section I and Section II Basic Limits**

Rate per person named in the Schedule: \$55

2. Section II Increased Limits

Add to the basic limit rate in Paragraph 1. above, the applicable Coverage E/Coverage F rate from the Section II rate pages.

D. Endorsement

Use Other Members Of Your Household Endorsement **HO0458**.

525. MOTORIZED GOLF CART — PHYSICAL LOSS COVERAGE

This rule does not apply.

526. RESIDENCE HELD IN TRUST ALL FORMS EXCEPT HO0004

A. Trust and Trustee – Named Insured

A Homeowners policy may be issued in the name of both the trust and trustee when:

1. The residence held in trust is a 1, 2, 3 or 4 family dwelling or a condominium unit used exclusively for residential purposes, except as provided in Rule **104.F.**;
2. Legal title to the dwelling or condominium unit is held solely by the trust.
3. The resident of the residence held in trust include at least one of the following: the trustee, the grantor of the trust, or the beneficiary of the trust; and
4. The trust and trustee are both shown as the named insured on the policy declarations, regardless of who resides in the residence held in trust.

B. Endorsement

Use Residence Held in Trust Endorsement **HO0543**.

C. Other Persons Insured – Grantor and/or Beneficiary Regularly Resides In The Residence Held In Trust

1. If the trustee regularly resides in the residence held in trust along with the grantor or beneficiary and the grantor and/or beneficiary:
 - a. Is related to the trustee and is a member of the trustee's household, the grantor and/or beneficiary is an insured as defined in the policy form and should **not** be named in Endorsement **HO0543**; or

526. RESIDENCE HELD IN TRUST ALL FORMS EXCEPT HO0004 (Cont'd.)

- b. Is **not** related to the trustee, or is related but not a member of the trustee's household, the grantor and/or beneficiary must be named in Endorsement **HO0543** to be covered for personal property, additional living expenses, personal liability and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.
- 2. If the trustee does **not** regularly reside in the residence held in trust, the grantor and/or beneficiary must be named in Endorsement **HO0543** whether or not they are related to the trustee. This is necessary to provide the grantor or beneficiary with coverage for personal property, additional living expenses, personal liability and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.

D. Liability Coverage Explained

- 1. Coverage **E** – Personal Liability and Coverage **F** – Medical Payments To Others is provided to the trust and trustee named insured who regularly resides on the residence premises. However, if the trustee named insured does **not** regularly reside on the residence premises, coverage for the trust and trustee is **only** provided for bodily injury or property damage arising out of the ownership, maintenance or use of the residence premises (premises liability).
- 2. Endorsement **HO0543** excludes:
 - a. Liability coverage for claims or suits for bodily injury or property damage arising out of any act or decision or failure to act or decide by the trustee named insured in administering the trust except as provided in Paragraph 1.; and
 - b. Liability coverage for bodily injury to all insureds covered under this policy, for example, the trustee named insured, the grantor or beneficiary of the trust who is named on the endorsement or any person acting on their behalf.

E. Additional Conditions

The policy may **not** be endorsed or extended to insure:

- 1. Under Section **I**, any other dwelling on the residence premises, or any other structure, on or away from the residence premises, unless legal title to that other dwelling or structure is held solely by the trust; or
- 2. Under Section **II**, any location away from the residence premises unless legal title to that other location is held solely by the trust.

F. Premium

Additional charges are provided for the trustee and any beneficiary and/or grantor. These charges reflect Section **II** – Liability basic limits.

1. Trustee

The charge for the trustee applies whether or not the trustee resides on the residence premises.

Trust/Trustee: \$23

2. Beneficiary and/or Grantor

- a. Beneficiary **or** grantor named in the endorsement; and
 - (1) Trustee resides on the residence premises: \$23
 - (2) Trustee does **not** reside on the residence premises – no additional charge.
- b. Beneficiary **and** grantor named in the endorsement; and
 - (1) Trustee resides on the residence premises: \$47
 - (2) Trustee does **not** reside on the residence premises: \$23

Refer to the Section **II** rate pages for increased Coverage **E** and Coverage **F** limits rates.

527. STUDENT AWAY FROM HOME

A. Introduction

The policy provides coverage for a full-time student, who was a resident of the named insured's household before moving out to attend school and is under the age of:

1. 24 and a relative of the named insured; or
2. 21 and in the care of the named insured or a resident relative.

B. Coverage Description

The policy may be endorsed to provide coverage for other types of students who were residents of the named insured's household before moving out to attend school. For example, part time students or students older than 24.

C. Premium Determination**1. Section I and Section II Basic Limits**

Rate per location: \$62

2. Section II Increased Limits

Add to the basic limit rate in Paragraph 1. above, the applicable Coverage E/Coverage F rate from the Section II rate pages.

D. Endorsement

Use Additional Insured – Student Living Away From The Residence Premises Endorsement **HO0527**.

528. HOME BUSINESS INSURANCE COVERAGE

A. Eligibility

1. The Home Business Insurance Coverage Endorsement, may be used in conjunction with a Homeowners policy to cover the Section I and Section II exposures of a permitted business.
2. To be eligible for coverage under this endorsement, a risk must meet at least the following criteria:
 - a. The home business:
 - (1) Must be owned by the named insured or by a partnership, joint venture or other organization comprised only of the named insured and resident relatives;
 - (2) Must be operated from the residence premises that is declared on the Homeowners Declarations and used principally for residential purposes.
 - (3) May be operated from the home and/or other structure on the residence premises.
 - (4) May have up to three employees; and
 - (5) May not involve the:
 - (a) Manufacture, sale or distribution of food products;
 - (b) Manufacture of personal care products such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed; or
 - (c) Sale or distribution of personal care products **manufactured by the insured** such as shampoo, hair color, soap, perfume or other like items applied to the body or consumed.
 - b. For all business classifications described in Paragraph C. that follows, the Gross Annual Receipts of the home business may not exceed \$250,000.

528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)

3. The following Company Guidelines apply:

a. Application

A signed, completed Homeowners application and Home Business Insurance Questionnaire must be submitted at policy inception. If a Home Business is added midterm, a Home Business Insurance Questionnaire must be submitted.

b. Binding Authority

Coverage can be bound only on the eligible business operations listed below.

c. Eligibility

Risks must meet all eligibility requirements of the EMC Homeowners Program and the eligibility requirements for the Home Business Insurance Coverage. The business must operate exclusively from the residence premises and there must not be business personal property regularly kept at any location other than the residence premises.

d. Deductible

The Section I policy deductible applies.

e. Eligible/Ineligible Risks

Businesses involved in the following operations are generally eligible, and can be quoted and bound. Types of business not specifically listed but similar to those listed, may also be eligible. Such risks should not be quoted or bound, but submitted for company approval. Professional Liability Coverage is not provided under the Home Business Insurance Coverage endorsement, nor can it be added.

f. Description of Eligible Businesses and Classifications

(1) Office Occupancies and Class Codes	Code
<i>Accountants and Tax Preparers.....</i>	<i>01</i>
<i>Computer Consultants (who are not involved in development of custom applications/programs)</i>	<i>02</i>
<i>Computer Data Entry/Programmers/Repair.....</i>	<i>01</i>
<i>Financial Planning (excluding discretionary trading authority and/or access to customers' funds)</i>	<i>01</i>
<i>Party/Wedding Planners.....</i>	<i>19</i>
<i>Secretarial Service</i>	<i>19</i>
<i>Telephone Answering Services (maximum three phone lines)</i>	<i>19</i>
<i>Telemarketing (maximum three phone lines)</i>	<i>19</i>
(2) Service Occupancies and Class Codes	Code
<i>Antique Dealers (no retail sales)</i>	<i>39</i>
<i>Appraisers</i>	<i>39</i>
<i>Architects</i>	<i>39</i>
<i>Artists (designers, painters, sculptors)</i>	<i>39</i>
<i>Barber Shops (3 & 4 chairs only)</i>	<i>39</i>
<i>Beauty Shops (3 & 4 chairs only)</i>	<i>39</i>
<i>Bed and Breakfast (up to 4 rooms only)</i>	<i>39</i>
<i>Bicycle Repairs (no motor bikes or retail sales)</i>	<i>41</i>
<i>Inspection Services</i>	<i>39</i>
<i>Interior Designers.....</i>	<i>25</i>

528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)

f. Description of Eligible Businesses and Classifications

(2) Service Occupancies and Class Codes (Cont'd.)	Code
<i>Laundry Services</i>	39
<i>Mailing Services</i>	28
<i>Manicurists (no pedicures)</i>	39
<i>Mediators</i>	39
<i>Musical Instrument Sales, Service, Repair</i>	39
<i>Notary Services</i>	39
<i>Photographers (\$10,000-\$250,000 receipts)</i>	31
<i>Picture Framers</i>	39
<i>Print Shop (subject to underwriting)</i>	33
<i>Seamstress (alterations/dressmakers/tailors)</i>	23
<i>Shoe Repairs</i>	34
<i>Small Appliance Repairs (toasters, mixers, irons, coffee makers, microwaves, etc. - no retail sales)</i>	20
<i>Teachers & Tutors: including Art, Computer Use (hardware or software), Language and Music</i>	39
<i>Translators</i>	39
<i>Watch or Clock Repair</i>	39
(3) Sales Occupancies (Other Than Crafts) and Class Codes	Code
<i>Cosmetic Sales (Avon, Mary Kay, etc.)</i>	44
<i>Engraving</i>	59
<i>Floral Arrangement</i>	59
<i>Hobby & Model Supplies (excluding explosives and propellants)</i>	59
<i>Household Product Sales (Amway, Fuller Brush, Shaklee, Tupperware, etc.)</i>	59
<i>Mercantile/Sales (no retail stores)</i>	59
<i>Trophy Sales</i>	59
(4) Crafts Occupancies and Class Codes	Code
<i>Clay/Ceramics</i>	79
<i>Dolls (including clothing and accessories)</i>	79
<i>Fabrics/Textiles (including sewing and knitting)</i>	60
<i>Glass (no glass blowers)</i>	79
<i>Jewelry (items under \$250 each)</i>	79
<i>Leather</i>	79
<i>Plastic</i>	79
<i>Wood (no cabinets or furniture)</i>	63

528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)

g. Descriptions of Ineligible Businesses

The following business operations are generally not eligible for coverage and should not be bound. This is not a complete list; risks now shown are not necessarily eligible for coverage. The Branch Underwriter will need to determine eligibility of risks not shown.

Alarm System Sales and/or Installation

Art Dealers

Attorney/Lawyer

Authors/Writers

Auto Dealers

Automobile Service & Repair

Bakeries/Baked Goods

Barber/Beauty School

Candy Makers

Caterers

Clowns, Magicians & Entertainers

Coin, Stamp or Rare Book Dealers

Contractors

Day Care Operations

Delivery or Courier Services

Dentists/Orthodontics

Detective Agencies

Engineers

Exercise Classes

Exterminators

Fence Dealers

Firearms Dealers

Furriers

Greenhouses

Gunsmiths

Hide Dealers

Insulation Work

Insurance Agency/Sales

Janitorial Services

Junk Dealers

Landscapers

Manufacturers Representatives

Marriage Counselors

Massage Therapists

Medical, Hospital or Surgical Supply Dealers

Mobile Home Sales

Newspaper Delivery

Ophthalmologists or Oculists

Optometrists

Pawn Shops

Pet Groomers/Kennels

Pharmacists

Pharmaceutical Distributors

528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)**g. Descriptions of Ineligible Businesses (Cont'd.)**

Physicians
Property Managers
Psychics
Psychologists
Publishers
Real Estate Agents
Rental of Personal Property
RV Dealers
Sports Equipment Mfg. Or Assembly
Suntanning Salons
Surveyors
Tattoo Artists/Body Piercing
Taxidermists
Trainers (horse, dog, etc.)
Travel Agencies
Upholsterers
Vending Machine Operations
Veterinarians
Web Site Developers

4. When a permitted business that is operated from the residence premises is afforded coverage under either the Permitted Incidental Occupancy or Home Day Care Coverage Endorsement, that business may not be afforded coverage under the Home Business Endorsement.

B. Classifications

The four principal classifications of business accommodated in this rule follow. Refer to the Company for the businesses that are eligible within each of these classifications and name and describe the business in the Schedule that is part of the endorsement:

1. Office

Use this classification when the business involves professional or administrative activities for its customers. It could apply to businesses like accounting, resume writing, telephone answering, etc.

2. Service

Use this classification when the business provides repair or other services for its customers. It could apply to businesses like bicycle repair, clock/jewelry repair, housecleaning, videotaping, etc.

3. Sales

Use this classification when the business involves product sales, other than crafts made in the home or other structure and sold from the home or other locations. It could apply to businesses involving the sale of books and magazines, costume jewelry, plants and flowers, stationery/other paper products, etc.

4. Crafts

Use this classification when the business involves selling, from the home, other structure or other locations, crafts made in the home or other structure. It could apply to crafts like ceramics, dolls, flower arrangements, quilts, etc.

528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)

C. Coverages**1. Section I – Property**

The Home Business Endorsement:

- a. Provides coverage for the property of the described business and for property of others in the care of the business up to the Coverage **C** limit of liability entered on the Homeowners Declarations. Therefore, the Coverage **C** limit should reflect the values of the personal and business property to be insured;
- b. Provides coverage for:
 - (1) Accounts receivable (\$5,000 limit);
 - (2) Loss of business income/extra expense (actual cost for a maximum of 12 months); and
 - (3) Valuable papers (\$2,500 limit); and
- c. Increases the Coverage **C** Special Limits of Liability on:
 - (1) Money to \$1,000;
 - (2) Credit Cards to \$1,000; and
 - (3) Business property away from the residence premises to \$5,000.

2. Section II – Business Liability

- a. The Home Business Endorsement provides coverage for such business liability exposures as premises operations, products-completed operations, advertising injury, and personal injury. The limits of liability for these coverages are on an annual aggregate basis and are determined in the following manner:
 - (1) For Products-Completed Operations Hazard Liability, the limit is the **same as** the Coverage **E** limit shown in the Homeowners Declarations;
 - (2) For All Other Business Liability, the limit is **twice the sum** of the combined Coverage **E** and Coverage **F** limits shown in the Homeowners Declarations; and
 - (3) For the Coverage **F** Sublimit of Liability, the limit is the **same as** the Coverage **F** limit shown in the Homeowners Declarations.
- b. The limit of liability for Additional Coverage 3., Damage To Property Of Others is increased to \$2,500.

3. Professional Liability

NO professional liability coverage is provided in the Home Business Endorsement.

4. Computer-Related Damage Or Injury Exclusion and Coverage Options

This section does not apply.

D. Home Business Premium Computation

1. Add the Section **I** and Section **II** premium components developed according to Paragraphs **D.2.** and **3.** that follow, to arrive at the Home Business Premium.

528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)

2. Section I – Property

- a. From the Company Homeowners Premium Tables, select the Base Class Premium that applies to the residence premises with the home business and multiply it by the appropriate factor in the following table:

Gross Annual Receipts*	Form		
	HO0002, HO0003, & HO0005	HO0004	HO0006
Up to \$50,000	0.08	0.38	0.36
\$ 50,001 to \$100,000	0.13	0.65	0.62
100,001 to 175,000	0.20	0.99	0.94
175,001 to 250,000	0.29	1.39	1.33

* New business, use \$50,001 to \$100,000 classification

- b. Multiply the result computed in preceding Paragraph a. by the rating factors in the Homeowners Manual for the following risk categories:

- (1) *Protection/Construction — Form HO0004 factors (shown below) apply regardless of the Homeowners form attached to the policy.*

Protection Class											
	1	2	3	4	5	6	7	8	8B	9	10
Masonry	.86	.87	.88	.89	.90	.91	.92	.93	1.15	1.35	1.55
Frame	.96	.97	.98	.99	1.00	1.01	1.30	1.30	1.48	1.60	1.95

- (2) Superior Construction (Rule 401.) and Protection Devices (Rule 404.) – apply these factors only if they are applied to the dwelling building or other structure for the residential exposure; and
- (3) Townhouse or Row House Construction (Rule 402.) in the following manner:
 - (a) For All Forms except HO0004 and HO0006, apply the same factor used for the residential exposure; or
 - (b) For Forms HO0004 and HO0006:
 - (i) Apply the factor for the number of individual family units within a fire division that best describes the building that contains the residential and business property; or
 - (ii) If such building has 9 or more individual family units within a fire division, apply the factor for the 5 through 8 units classification.

- c. When a home business is operated from one or more other structures on the residence premises and declared in the Schedule, multiply the limit of liability for each structure by the "premium per \$1,000" shown in Rule 514. **Other Structures**, Paragraph A.1.a.

3. Section II – Business Liability

a. Basic Limits Premium

Basic limits premiums applicable to the Office, Service, Sales and Crafts classifications are displayed on the Section II rate pages.

b. Coverage E – Increased Limits

- (1) When the Coverage E limit is increased for Homeowners Insurance, the Home Business limits shall also be increased as illustrated in following Paragraph (2).

528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)

- (2) *Rates for Homeowners Coverage E/Coverage F limits are displayed in the Section II rate pages. The corresponding limits that will apply to the Home Business Insurance exposures are as follows:*

Increased Limits of Liability

Products & Completed Operations	
Homeowners Cov. E/F Limits	Home Business Insurance Limits
\$200,000/1,000	\$200,000
300,000/1,000	300,000
500,000/1,000	500,000
1,000,000/1,000	1,000,000
All Other Liability	
Homeowners Cov. E/F Limits	Home Business Insurance Limits
\$200,000/1,000	\$402,000
300,000/1,000	602,000
500,000/1,000	1,002,000
1,000,000/1,000	2,002,000

c. Coverage F – Increased Limits

- (1) When the Coverage F limit is increased for Homeowners Insurance, the Home Business Coverage F limit shall also be increased.
- (2) *Home Business premiums for Coverage E and Coverage F limits are displayed on the Section II rate pages.*
- (3) *Coverage F rates are already added to Coverage E rates to develop final Home Business premiums.*

E. Endorsement

Use Home Business Insurance Coverage Endorsement **HO0701**.

F. Options

The following options may only be used when the Home Business Coverage Endorsement is attached to the policy:

1. Additional Insured

This section does not apply.

2. Loss Payable Condition**a. Coverage**

Enables the naming of a loss payee, lender's loss payee, or loss payable under a contract-of-sale arrangement.

b. Premium

No charge is made for this endorsement.

c. Endorsement

Use Loss Payable Provisions Endorsement **HO0752**.

3. Personal And Advertising Injury Exclusion**a. Coverage**

Excludes all Personal and Advertising Injury coverage.

b. Premium

This section does not apply.

528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)**c. Endorsement**

Use Exclusion – Personal And Advertising Injury Endorsement **HO0753**.

4. Liquor Liability Exclusion And Exception For Scheduled Activities**a. Coverage**

This endorsement excludes liability coverage for:

- (1) Manufacturing, selling or distributing alcoholic beverages or;
- (2) Serving or furnishing alcoholic beverages with a charge whether or not such activity requires a license and;
- (3) Serving or furnishing of alcoholic beverages without a charge, if a license is required for such activity.

This exclusion does not apply to bodily injury or property damage arising out of the selling, serving or furnishing of alcoholic beverages for an activity or function described in the Schedule of this endorsement.

b. Premium

This section does not apply.

c. Endorsement

Use Liquor Liability Exclusion And Exception For Scheduled Activities Endorsement **HO0754**.

5. Special Coverage – Spoilage Of Perishable Stock

This section does not apply.

6. Valuable Papers And Records Endorsements**a. Increased Limits****(1) Coverage**

The Home Business Insurance Coverage Endorsement provides a basic limit of \$2,500 for Valuable Papers and Records Coverage. This limit may be increased. The amount is specified in the Schedule of Endorsement **HO0756**.

(2) Premium**(a) Named Perils Coverage**

HO0002, HO0003, HO0004 & HO0006: \$1 per \$1,000

(b) Open Perils Coverage

HO0005, HO0004 with HO0524 & HO0006 with HO1731: \$2 per \$1,000

(3) Endorsement

Use Valuable Papers And Records Coverage Increased Limits Endorsement **HO0756**.

b. Special Coverage**(1) Coverage**

Extends the basic \$2,500 limit of liability for Valuable Papers And Records Coverage from:

- (a) Named-perils in Forms **HO0002, HO0003, HO0004** and **HO0006**; and
- (b) Special coverage in Forms **HO0005, HO0004 with HO0524** and **HO0006 with HO1731**;

to expanded special coverage. Increased Limits for expanded special coverage are also available.

528. HOME BUSINESS INSURANCE COVERAGE (Cont'd.)

(2) Premium

(a) First \$2,500

HO0002, HO0003, HO0004 & HO0006: Charge \$2

HO0005, HO0004 with HO0524 & HO0006 with HO1731: Charge \$2

(b) Each Add'l \$1,000 – All Forms: Charge \$2

(3) Endorsement

Use Special Coverage Valuable Papers And Records Endorsement **HO0757**.

7. Off-Premises Property Coverage – Increased Limits

a. Endorsement

Coverage for business property, other than money and securities, that is away from the residence premises at the time of loss may be increased from \$5,000 to \$10,000. Check the appropriate box in the schedule of the Home Business Endorsement.

b. Premium

Rate per \$2,500

HO0002, HO0003, HO0004 and HO0006:	\$22
HO0005, HO0004 with HO0524 and HO0006 with HO1731:	\$34

529. MODIFIED OTHER INSURANCE AND SERVICE AGREEMENT CONDITION – HO0006 ONLY

A. Introduction

Form **HO0006** provides that if there is other insurance in the name of a corporation or association of property owners covering the same property covered by **HO0006**, payment for a covered loss under **HO0006** will be excess over the amount recoverable under such insurance. If the Association does not recover under its policy, for any reason, there is no payment to the insured unit-owner under Form **HO0006**.

B. Coverage Description

The policy may be endorsed to alter the Other Insurance and Service Agreement Condition to provide for payment of a covered loss in excess of the amount due from the other insurance whether the corporation or association of property owners can collect on it or not.

C. Premium

Multiply the Base Premium developed in accordance with Rule **301**. by 1.25.

D. Endorsement

Use Unit-Owners Modified Other Insurance And Service Agreement Condition Endorsement **HO1734** with **HO0006** only.

530. DWELLING UNDER CONSTRUCTION—NEW (HO0003 and HO0005 only)

A. The Homeowners Policy may be extended to cover the peril of theft while a dwelling is under construction.

B. Form HO7137, Theft Coverage Endorsement (\$5,000 occurrence and \$10,000 aggregate limit) will apply only until construction is completed, dwelling or structure occupied, or until expiration or cancellation of the policy.

C. The additional premium shall be \$40. The flat premium charge will not be subject to pro or short rate adjustments. Full premium shall be returned in the event of flat cancellation or cancellation effective as of inception date.

D. A \$250 deductible will apply to this additional coverage.

E. This form will automatically be deleted at renewal.

Use Theft Coverage Endorsement **HO7137** (Dwelling Under Construction – New).

* **532. EQUIPMENT BREAKDOWN COVERAGE**

- A. *The Homeowners Policy may be extended to cover the peril of Equipment Breakdown.*
- B. *Equipment Breakdown Coverage Endorsement HO7213, is subject to a \$50,000 per Occurrence Limit of Liability.*
- C. *The additional premium shall be \$20.*
- D. *A \$500 per occurrence deductible applies to this additional coverage.*
Use Equipment Breakdown Coverage Endorsement **HO7213**.
Note: This coverage is automatically included when an EMC Choice Homeowners Coverage Extension is attached to the policy.

533. — 600. RESERVED FOR FUTURE USE
PART VI – SECTION II – LIABILITY
ADDITIONAL COVERAGES AND INCREASED LIMITS RULES
601. RESIDENCE PREMISES – BASIC AND INCREASED LIMITS/OTHER EXPOSURES – BASIC LIMITS**A. Residence Premises**

- 1. *Minimum limits of liability of \$100,000 for Coverage E (Personal Liability) and \$1,000 for Coverage F (Medical Payments to Others) are included in the Base Premiums displayed on the Section I rate pages.*
- 2. Refer to the Section II rate pages, Rule **601**. for increased limits rates.
- 3. If increased limits are written, then the same limits must apply to any Other Exposures covered under the policy, unless otherwise stated.

B. Other Exposures

- 1. There is an additional charge for Other Exposures listed in the following rules.
- 2. The minimum limits for Other Exposures are the same as the limits for the Residence Premises, unless otherwise stated.
- 3. For increased limits for Other Exposures, refer to Rules **701**. and **702**.
- 4. If increased limits are written, then the same limits must apply to the Residence Premises, unless otherwise stated.

C. Rates And Factors Not Shown

- 1. Rates and factors for limits between the lowest and highest limits shown in this manual may be developed by interpolation.
- 2. For rates and factors for limits above the highest shown, refer to company.

602. OTHER INSURED LOCATION OCCUPIED BY INSURED**A. Introduction**

- 1. Section II Coverage may be provided on locations, other than the residence premises, where an insured resides, but which are insured for Section I Coverage under another insurance program or by another company.
- 2. Make the appropriate charge for each other insured location shown in the Declarations of this policy. If the insured location is in another state, refer to the manual for that state.

B. Premium: Refer to rate pages.

603. RESIDENCE EMPLOYEES

- A. There is no additional charge for up to two residence employees.
- B. Refer to the rate pages to determine the premium when there are more than two residence employees.
- C. Charges do not apply to employees working less than half of the customary full time or to whom workers' compensation exclusion applies as stated in Section II of the policy.

604. ADDITIONAL RESIDENCE RENTED TO OTHERS

A. Introduction

- 1. The policy may be endorsed to provide coverage when an additional residence is rented to others.
- 2. If the additional residence rented to others is in another state, refer to the manual for that state.

Rates shown are to be used for up to 9 additional families (within 1-4 family residential structures). Refer to company if there are more than 9 families. A photo of the front & back of the premises is required (for assessment of any liability hazards or exposures).

B. Premium: Refer to rate pages.

C. Endorsement

Use Additional Residence Rented To Others Endorsement **HO2470**.

605. OTHER STRUCTURES RENTED TO OTHERS – RESIDENCE PREMISES

A. Coverage Description

- 1. The policy may be endorsed to provide coverage when a structure on the residence premises is rented to others for dwelling purposes.
- 2. Refer to Rule **514.C.** for rating Section I Coverage.

B. Premium: Refer to rate pages.

C. Endorsement

Use Structures Rented To Others — Residence Premises Endorsement **HO0440**.

606. COMPUTER-RELATED DAMAGE OR INJURY EXCLUSION AND COVERAGE OPTIONS

This rule does not apply.

607. HOME DAY CARE COVERAGE

Contact Branch Office for any applicable rates and rules on file with the Insurance Department.

608. PERMITTED INCIDENTAL OCCUPANCIES – RESIDENCE PREMISES AND OTHER RESIDENCES

A. Coverage Description

The policy may be endorsed to provide coverage for the increased exposure arising from a permitted incidental occupancy on the residence premises or in an other residence occupied by the insured.

1. Residence Premises

Use Permitted Incidental Occupancies — Residence Premises Endorsement **HO0442**.

2. Other Residence

Use Permitted Incidental Occupancies — Other Residence Endorsement **HO2443**.

B. Premium: Refer to rate pages.

609. BUSINESS PURSUITS

A. Coverage Description

The policy may be endorsed to provide coverage for the liability of the insured arising out of business activities. Coverage is excluded if the insured owns the business, is a partner or maintains financial control of the business.

B. Premium

1. Refer to the rate pages for eligible business activities and rates.
2. *Eligibility and rates for business activities not listed do not apply.*

C. Endorsement

Use Business Pursuits Endorsement **HO2471**.

*

610. PERSONAL INJURY

As specified in Rules 515. G., H. and I., this endorsement is automatically attached to all policies for no additional premium.

Use Personal Injury Endorsement **HO2482**.

611. INCIDENTAL LOW POWER RECREATIONAL MOTOR VEHICLES

A. Coverage Description

1. The policy may be endorsed to provide liability coverage for certain types of recreational motor vehicles that cannot exceed a speed of 15 miles per hour on level ground. However, even with the endorsement there is no coverage for such vehicles if, at the time and place of an occurrence, the involved vehicle:
 - a. Is registered for use on public roads or property;
 - b. Is not registered for use on public roads or property, but such registration is required by law, or regulation issued by a government agency, for it to be used at the place of an "occurrence"; or
 - c. Is being:
 - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
 - (2) Rented to others;
 - (3) Used to carry persons or cargo for a charge; or
 - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. The following may not be covered:
 - a. Motorized bicycles;
 - b. Motorized golf carts; or
 - c. Mopeds.
3. Read the endorsement for conditions of coverage applying to eligible motor vehicles.

B. Premium: Refer to rate pages.

C. Endorsement

Use Incidental Low Power Recreational Motor Vehicles Endorsement **HO2413**.

612. OUTBOARD MOTORS AND WATERCRAFT

A. Introduction

* *Coverage is included in the policy form, at no additional charge, for sailboats less than 26 feet in overall length with or without auxiliary power and for watercraft powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump of 50 horsepower or less when not owned by an insured or more than 50 horsepower when not owned by or rented to an insured.*

As specified in Rules 515, G., H., and I., coverage is also automatically included at no additional charge for certain watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 100 horsepower.

B. Coverage Description

1. The policy may be endorsed to provide coverage for the following types of craft:

* a. *Watercraft, powered by outboard engines or motors exceeding 100 horsepower; or watercraft up to 26 feet in length powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump.*

Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured.

b. *Sailboats 26 feet or more in overall length, with or without auxiliary power.*

2. Coverage must be written to expiration of the policy. It is permissible, however, to stipulate for all watercraft eligible in this rule, the navigational period of each year. Premium shall be adjusted on a pro rata basis.

3. For watercraft not described in preceding Paragraphs **A.** and **B.1.**, coverage is not permitted under the Homeowners Policy.

4. The premium in the state where the Insured's residence premises is located shall apply. However, if the insured owns another residence premises in a different state and principally operates the watercraft from that residence, apply the premium for that state.

C. Premium: Refer to rate pages.

D. Endorsement

Use Watercraft Endorsement **HO2475**.

*Refer to the Personal Inland Marine section of this manual for Pleasure Boat Coverage Endorsement **PM7175**.*

613. OWNED RECREATIONAL VEHICLES

A. *The policy may be endorsed to provide coverage when a snowmobile, golf cart, etc. is used off the insured location.*

B. *Rate each recreational vehicle owned by the named insured or any other insured separately. This charge is the minimum annual premium for each recreational vehicle for any period within a policy year.*

C. Premium: Refer to rate pages.

Use Recreational Vehicle Liability Endorsement **HO7164**.

*Refer to the Personal Inland Marine section of this manual for Recreational Vehicle Physical Damage Endorsement **PM7164.5**.*

614. FARMERS PERSONAL LIABILITY

A. Eligibility

1. The policy may be endorsed to provide coverage when the insured has a farm away from the residence premises and farming is not the insured's primary occupation.
2. This coverage may be extended to include employer's liability including medical payments, for farm employees of any insured.
3. The following may not be covered:
 - a. Farms where the principal purpose of the farm is:
 - (1) To supply commodities for manufacturing or processing by the insured for sale to others, such as creameries and dairies (but not dairy farms).
 - (2) To operate freezing or dehydrating plants, and poultry factories.
The word "processing" does not apply to the slaughtering and dressing of livestock, or to such operations as bunching vegetables or crating berries.
 - b. Farms where the principal purpose of the farm is the raising and using of horses for racing purposes.
 - c. Incorporated farms.

B. Endorsement

Use Farmers Personal Liability Endorsement **HO2473**.

C. Premium And Rating Instructions**1. Farms Owned By Insured And Operated By Insured Or Insured's Employees**

Refer to the rate pages for rates for the following exposures:

- a. Initial Farm Premises with or without buildings, including all additional farm acreage (with or without buildings).
- b. For **each** additional farm premises with buildings, an additional rate applies.

2. Farms Owned By Insured And Rented To Others

Refer to the rate pages for rates for the following exposures:

- a. All Farm Premises **without** buildings.
- b. **Each** farm premises **with** buildings.

3. Farm Employees

Refer to the rate pages for rates for the following exposures:

- a. Part time employees working 40 days or fewer per year. Total the number of days worked by all employees in this category and apply the rate to that total.
- b. Part time employees working over 40 days but not more than 180 days per year.
- c. Full time employees (over 180 days per year).

Farm employees employed in violation of law may be excluded subject to the rules and rates filed by or on behalf of the Company. Use Exclusion of Farm Employees Illegally Employed Endorsement **HO2496**.

615. INCIDENTAL FARMING PERSONAL LIABILITY**A. On The Residence Premises****1. Coverage Description**

- a. The policy may be endorsed to provide coverage for the liability of the insured when farming is conducted on the residence premises and is incidental to the use of the premises as a dwelling, and the income derived from the farming operations is not the insured's primary source of income. However, coverage is not available if the location specified in the endorsement is used for racing purposes.
- b. The policy may also be endorsed to provide coverage when the residence premises is used for the sheltering and grazing of animals, However, coverage is not available if the residence premises is used for racing purposes.

2. Premium: Refer to rate pages.**B. Away From The Residence Premises****1. Coverage Description**

The policy may be endorsed to provide coverage for the liability of the insured whose incidental farming activities are conducted at the locations specified in the endorsement which are away from the residence premises. Such incidental farming activities may include the boarding or grazing of the insured's animals, or use of the land as garden space if the income derived from such activities is not the insured's primary source of income. However, coverage is not available if the locations specified in the endorsement are used for racing purposes.

2. Premium: Refer to rate pages.**C. Endorsement**

Use Incidental Farming Personal Liability Endorsement **HO2472**.

616. OPTIONAL PROPERTY REMEDIATION FOR ESCAPED LIQUID FUEL AND LIMITED LEAD AND ESCAPED LIQUID FUEL LIABILITY COVERAGES

Contact Branch Office for any applicable rates and rules on file with the Insurance Department.

617. WATERBED LIABILITY COVERAGE**HO0004 and HO0006:**

Forms HO0004 and HO0006 may be endorsed to provide coverage for property damage liability caused by the ownership of a waterbed.

Premium: *Refer to rate pages.*

Use Waterbed Liability Endorsement **HO7112**.

*

Note: Waterbed Liability Coverage is automatically provided under the EMC Homeowners Plus Coverage Extension and EMC Choice Homeowners Coverage Extension endorsements.

618. – 620. RESERVED FOR FUTURE USE**621. SWIMMING POOL LIABILITY COVERAGE****HO0002, HO0003, HO0005 and HO0008**

- A.** *A residence premises having a permanent in-ground or above-ground swimming pool will be charged an additional premium to reflect the increase in liability hazard.*
- B.** *Photos and the company swimming pool questionnaire are required.*
- C. Premium:** *Refer to rate pages.*

622. – 700. RESERVED FOR FUTURE USE

**PART VII - SECTION II - LIABILITY
OTHER EXPOSURES INCREASED LIMITS**

701. PERSONAL LIABILITY INCREASED LIMITS

In addition to basic limits, rates are displayed for the following increased limits on the rate pages:

Limit
\$200,000
300,000
500,000
1,000,000

702. MEDICAL PAYMENTS TO OTHERS INCREASED LIMITS

In addition to basic limits, rates are displayed for the following increased limits on the rate pages:

Limit
\$2,000
3,000
4,000
5,000

SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
609. BUSINESS PURSUITS (RATE PER INSURED PERSON) - (CONT.)					
SALES PERSON, COLLECTOR OR MESSENGER - INSTALLATION, DEMONSTRATION OR SERVICING:					
INCLUDED					
1,000	6	7	7	8	9
2,000	7	8	8	9	10
3,000	8	9	9	10	11
4,000	9	10	10	11	12
5,000	10	11	11	12	13
EXCLUDED					
1,000	4	5	5	5	6
2,000	5	6	6	6	7
3,000	6	7	7	7	8
4,000	7	8	8	8	9
5,000	8	9	9	9	10
TEACHERS: LABORATORY, ATHLETIC, MANUAL OR PHYSICAL TRAINING					
1,000	11	13	14	15	16
2,000	13	15	16	17	18
3,000	15	17	18	19	20
4,000	16	18	19	20	21
5,000	17	19	20	21	22
TEACHERS: NOT OTHERWISE CLASSIFIED					
1,000	5	6	6	7	7
2,000	6	7	7	8	8
3,000	7	8	8	9	9
4,000	8	9	9	10	10
5,000	9	10	10	11	11
TEACHERS: CORPORAL PUNISHMENT					
(COV. F: N/A)	4	5	5	5	6

SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
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610. PERSONAL INJURY (RATE PER POLICY)

TERR: ROS

COVERAGE INCLUDED
REFER TO RULES 515. G, H & I

611. INCIDENTAL LOW POWER RECREATIONAL MOTOR VEHICLES (RATE PER VEHICLE)

TERR: ROS

1,000	13	15	16	18	19
2,000	14	16	17	19	20
3,000	15	17	18	20	21
4,000	16	18	19	21	22
5,000	17	19	20	22	23

612. OUTBOARD MOTORS AND WATERCRAFT

OUTBOARD, INBOARD OR INBOARD-OUTDRIVE ENGINES OR MOTORS

TERR: ROS

COVERAGE INCLUDED AT NO ADDITIONAL PREMIUM:

*SAILBOATS LESS THAN 26 FEET IN OVERALL LENGTH WITH OR WITHOUT
AUXILIARY POWER
(COVERED IN THE POLICY FORM)

*OUTBOARD ENGINES OR MOTORS OF UP TO 100 HORSEPOWER
(COVERED UNDER EMC EXTENSION ENDORSEMENTS - SEE RULES 515. G, H & I)

FOR ALL OTHER WATERCRAFT, THE FOLLOWING RATES APPLY:

UP TO 15 FT -
*UP TO 50 HP

1,000	8	9	10	11	12
2,000	11	12	13	14	15
3,000	13	14	15	16	17
4,000	16	17	18	19	20
5,000	18	19	20	21	22

UP TO 15 FT -
*51 TO 100 HP

1,000	14	16	17	19	21
2,000	18	20	21	23	25
3,000	21	23	24	26	28
4,000	25	27	28	30	32
5,000	27	29	30	32	34

SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
612. OUTBOARD MOTORS AND WATERCRAFT - (CONT.)					
UP TO 15 FT - 101 TO 150 HP					
1,000	20	23	25	27	29
2,000	25	28	30	32	34
3,000	31	34	36	38	40
4,000	36	39	41	43	45
5,000	39	42	44	46	48
OVER 15 TO 26 FT - *UP TO 50 HP					
1,000	13	15	16	18	19
2,000	17	19	20	22	23
3,000	20	22	23	25	26
4,000	24	26	27	29	30
5,000	26	28	29	31	32
OVER 15 TO 26 FT - *51 TO 100 HP					
1,000	19	22	24	26	28
2,000	24	27	29	31	33
3,000	30	33	35	37	39
4,000	35	38	40	42	44
5,000	38	41	43	45	47
OVER 15 TO 26 FT - 101 TO 150 HP					
1,000	24	28	30	32	35
2,000	31	35	37	39	42
3,000	39	43	45	47	50
4,000	46	50	52	54	57
5,000	50	54	56	58	61
OVER 15 TO 26 FT - 151 TO 200 HP					
1,000	30	35	37	41	44
2,000	41	46	48	52	55
3,000	52	57	59	63	66
4,000	63	68	70	74	77
5,000	68	73	75	79	82

SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
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612. OUTBOARD MOTORS AND WATERCRAFT - (CONT.)**OVER 15 TO 26 FT -
201 TO 300 HP**

1,000	51	59	63	69	75
2,000	68	76	80	86	92
3,000	85	93	97	103	109
4,000	102	110	114	120	126
5,000	111	119	123	129	135

**OVER 15 TO 26 FT -
OVER 300 HP**

CONTACT BRANCH OFFICE FOR ANY APPLICABLE RATES AND
RULES ON FILE WITH THE INSURANCE DEPARTMENT.

**SAILBOATS WITH OR WITHOUT
AUXILIARY POWER*****26 TO 40 FT**

1,000	8	9	10	11	12
2,000	11	12	13	14	15
3,000	13	14	15	16	17
4,000	16	17	18	19	20
5,000	18	19	20	21	22

613. OWNED RECREATIONAL VEHICLE (RATE PER VEHICLE)**TERR: ROS**

1,000	31	36	38	42	46
2,000	32	37	39	43	47
3,000	33	38	40	44	48
4,000	34	39	41	45	49
5,000	35	40	42	46	50

614. FARMERS PERSONAL LIABILITY (FPL)**OWNED AND OPERATED BY INSURED: INITIAL FARM PREMISES
TERR: ROS****UP TO 160 ACRES**

1,000	92	106	114	124	135
2,000	95	109	117	127	138
3,000	97	111	119	129	140
4,000	100	114	122	132	143
5,000	102	116	124	134	145

HO-R-25

EMPLOYERS MUTUAL CASUALTY COMPANY
EMCASCO INSURANCE COMPANY
UNION INSURANCE COMPANY OF PROVIDENCE

EFF. 01-15-09

SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
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614. FARMERS PERSONAL LIABILITY (FPL) - (CONT.)

OVER 160 TO 500 ACRES

1,000	157	181	195	212	231
2,000	160	184	198	215	234
3,000	162	186	200	217	236
4,000	165	189	203	220	239
5,000	167	191	205	222	241

OVER 500 ACRES

1,000	289	332	358	390	425
2,000	292	335	361	393	428
3,000	294	337	363	395	430
4,000	297	340	366	398	433
5,000	299	342	368	400	435

ADD'L RATE PER EACH ADD'L FARM PREMISES WITH BUILDINGS

1,000	13	15	16	18	19
2,000	14	16	17	19	20
3,000	15	17	18	20	21
4,000	16	18	19	21	22
5,000	17	19	20	22	23

OWNED BY INSURED AND RENTED TO OTHERS

*ALL FARM PREMISES WITHOUT BUILDINGS

1,000	13	15	16	18	19
2,000	14	16	17	19	20
3,000	15	17	18	20	21
4,000	16	18	19	21	22
5,000	17	19	20	22	23

*EACH FARM PREMISES WITH BUILDINGS

1,000	13	15	16	18	19
2,000	14	16	17	19	20
3,000	15	17	18	20	21
4,000	16	18	19	21	22
5,000	17	19	20	22	23

*TOTAL ALL ACREAGE OF FARMS OWNED BY INSURED AND RENTED TO OTHERS. ADD THE FOLLOWING FLAT CHARGE (NOT SUBJECT TO INCREASED LIMITS FACTORS) WHEN TOTAL ACREAGE IS:

OVER 160 TO 500 ACRES	OVER 500 ACRES
\$2	\$7

SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
614. FARMERS PERSONAL LIABILITY (FPL) - (CONT.)					
FARM EMPLOYEES PER 100 PERSON DAYS OR FRACTION THEREOF					
1,000	10	12	12	14	15
2,000	11	13	13	15	16
3,000	12	14	14	16	17
4,000	13	15	15	17	18
5,000	14	16	16	18	19
EACH FARM EMPLOYEE PART TIME					
1,000	12	14	15	16	18
2,000	13	15	16	17	19
3,000	14	16	17	18	20
4,000	15	17	18	19	21
5,000	16	18	19	20	22
EACH FARM EMPLOYEE FULL TIME					
1,000	28	32	35	38	41
2,000	29	33	36	39	42
3,000	30	34	37	40	43
4,000	31	35	38	41	44
5,000	32	36	39	42	45
615. INCIDENTAL FARMING PERSONAL LIABILITY TERR: ROS					
FARMING DONE ON THE RESIDENCE PREMISES					
1,000	36	41	45	49	53
2,000	37	42	46	50	54
3,000	38	43	47	51	55
4,000	39	44	48	52	56
5,000	40	45	49	53	57
FARMING DONE AWAY FROM PREMISES					
1,000	54	62	67	73	79
2,000	55	63	68	74	80
3,000	56	64	69	75	81
4,000	57	65	70	76	82
5,000	58	66	71	77	83
617. WATERBED LIABILITY COVERAGE (HO0004 AND HO0006 ONLY) (RATE PER WATERBED) TERR: ROS					
(COV. F: N/A)	25	29	31	34	37

SECTION II COVERAGE RATES (Cont'd.)

LIMITS OF LIABILITY	\$100,000	\$200,000	\$300,000	\$500,000	\$1,000,000
621. SWIMMING POOL LIABILITY					
TERR: ROS					
1,000	35	40	43	47	51
2,000	39	44	47	51	55
3,000	42	47	50	54	58
4,000	46	51	54	58	62
5,000	49	54	57	61	65

SERFF Tracking Number: EMCC-125865736

State: Arkansas

First Filing Company: EMCASCO Insurance Company, ...

State Tracking Number: EFT \$100

Company Tracking Number: AR-HO-2008-04

TOI: 04.0 Homeowners

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

Supporting Document Schedules

Satisfied -Name:	Uniform Transmittal Document-Property & Casualty	Review Status:	Filed	10/22/2008
Comments:				
Attachment:	rff_pctd.pdf			
Satisfied -Name:	Memorandum	Review Status:	Filed	10/22/2008
Comments:				
Attachment:	Rule Memo.pdf			
Satisfied -Name:	Exhibits	Review Status:	Filed	10/22/2008
Comments:				
Attachments:	Equip Breakdown.pdf Rule 515 Comparison.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 style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;">New Business</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></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 #
EMC Insurance Companies	062

4. Company Name(s)	Domicile	NAIC #	FEIN #
Employers Mutual Casualty Company	IA	21415	42-0234980
EMCASCO Insurance Company	IA	21407	42-6070764
Union Insurance Company of Providence	IA	21423	05-0230479

5. Company Tracking Number	AR-HO-2008-04
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Jo L. Byers P. O. Box 712 Des Moines, IA 50306-0712	Filings Analyst	800-247-2128 ext. 2707	515-345-2223	Jo.L.Byers@EMCIns.com

7. Signature of authorized filer	
8. Please print name of authorized filer	Jo L. Byers

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

9. Type of Insurance (TOI)	Homeowners
10. Sub-Type of Insurance (Sub-TOI)	Homeowners
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Homeowners
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input checked="" type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input 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: 1/15/09 Renewal: 1/15/09

Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)		
17.	Reference Organization # & Title		
18.	Company's Date of Filing	10/20/08	
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed	<input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	AR-HO-2008-04
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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The captioned companies are members of Insurance Services Office (ISO), and the Homeowners program is filed on our behalf. We are transmitting for filing an independent rule revision to be applicable to policies effective on or after January 15, 2009.

With this revision, we have changed several rules. All policyholders will receive our EMC Automatic Homeowners Coverage Extension for no additional premium, with the option to purchase either our EMC Homeowners Plus Coverage Extension (\$20 premium charge) or EMC Choice Homeowners Coverage Extension (\$50 premium charge). In addition, we are introducing Identity Theft 911 Resolution Service and Equipment Breakdown Coverage. Please refer to the attached rule memorandum, EMC coverage extensions exhibit and Derivation of Equipment Breakdown Premium exhibit for further details. The corresponding form filing has been submitted under separate cover.

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]
<p>Check #: N/A Amount: \$100.00</p> <p>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p>	

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

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 #	AR-HO-2008-04
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	AR-HO-2008-03
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Rate Increase
 Rate Decrease
 x Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
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4a.	Rate Change by Company (As Proposed)
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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
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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	
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7.	Effective Date of last rate revision	
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
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9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	manual pages HO-INDEX-1 – HO-INDEX-4, HO-4 – HO-5, HO-16, HO-19 – HO-20, HO-27 – HO-28, HO-32 – HO-63, HO-R-22 – HO-R-28	<input type="checkbox"/> New x <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

ARKANSAS - HOMEOWNERS RULE FILING MEMORANDUM

Page 1

2. Territory Definitions

B. Other Than Cities – Table has been corrected to show how old territory 71 has been split into new territories 81 and 82.

Some of our current coverage extensions are included by attachment of certain endorsements. While we are retaining some of those, others are being consolidated into new coverage extensions under which coverage is broadened even further. Our new coverage extensions are identified as follows:

EMC Automatic Homeowners Coverage Extension (no premium charge)

Applicable to HO0002, HO0003 & HO0005 (HO7210) / HO0006 (HO7210.1) / HO0004 (HO7210.2). Coverages under this rule automatically apply unless an EMC Plus or EMC Choice Coverage Extension is purchased.

EMC Homeowners Plus Coverage Extension (\$20 premium charge)

Applicable to HO0002, HO0003 & HO0005 (HO7211) / HO0006 (HO7211.1) / HO0004 (HO7211.2)

EMC Choice Homeowners Coverage Extension Endorsements (\$50 premium charge)

Applicable to HO0003 & HO0005 (HO7212) / HO0006 (HO7212.1) / HO0004 (HO7212.2)

Rules have been amended to accommodate the new extensions, as well as additional new coverages and other changes described below:

1. Additional Rule - Identity Fraud Expense Coverage

Current: No exception

Revised: Amended to provide coverage as follows

EMC Automatic Extensions: \$1,000 coverage provided

EMC Plus Extensions: \$15,000 coverage provided

EMC Choice Extensions: \$25,000 coverage provided

Identity Theft 911 Resolution Service is included for all policyholders. Regardless of which Identity Fraud Expense Coverage limit applies, all insureds will receive Identity Theft 911 Resolution Service, including Identity Disaster Recovery and Identity Travel Assistance at no additional charge.

302. Loss Settlement Options

Current: No exception

Revised: Because 100% replacement cost is required with EMC Choice Extension for forms HO0003 & HO0005, we have added a leading sentence specifying that the Loss Settlement Options under Rule 302. are not available when EMC Choice Extension HO7212 is attached to the policy.

403. Replacement Cost Coverages

Current: When company Dwelling Replacement or Repair Cost endorsement is attached, our company Personal Property Repair or Replacement Cost Coverage endorsement is also attached for no premium.

Revised: Notes are added following paragraphs A. and B. stating that company Dwelling Replacement or Repair Cost and Personal Property Repair or Replacement Cost endorsements will both be automatically attached when EMC Choice Extension HO7212 is purchased.

503. Business Property - Increased Limit

Current: No exception

Revised: A note is added to A.1. On-Premises stating that the EMC Choice Extensions include an additional \$2,500 of coverage (applies whether increased limits purchased or not).

A note is also added to B. Off Premises stating that EMC Plus and Choice Extensions include a limit of 1% of the Coverage C limit for forms HO0002, HO0003 and HO0005; and a limit of 2% of the Coverage C limit for forms HO0004 and HO0006.

504. Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money

Current: For no additional premium, the policy limit of \$500 is increased to \$1,000.

Revised: Paragraph A. Coverage Increase is amended to state that for no additional premium the \$500 limit is increased by an additional \$500 (total = \$1,000) under the EMC Automatic Extension (additional \$500 applies whether increased limits have been purchased or not); and by an additional \$10,000 (total = \$10,500) under the EMC Plus and EMC Choice Extensions.

ARKANSAS - HOMEOWNERS RULE FILING MEMORANDUM
Page 2

506. Fire Department Service Charge

Current: Coverage is available up to the limit of \$500 provided under the policy - except the limit is increased to \$1,000 when Extension Endst HO7187 is attached.

Revised: In addition to the \$500 limit provided under the policy, EMC Plus and EMC Choice Extensions provide an additional limit of \$500 (total = \$1,000).

511. Loss Assessment Coverage

Current: No exception

Revised: A note has been added to state that under the EMC Plus Extensions an additional limit of \$1,000 applies (total = \$2,000) and under the EMC Choice Extensions an additional limit of \$4,000 applies (total = \$5,000).

512. Loss of Use - Increased Limit

Current: No exception

Revised: Included a note that increased limits are not available when EMC Choice Extensions are attached since 12 months Actual Loss Sustained coverage is automatically provided for HO0003 and HO0005; and 6 months coverage is provided for HO0004 and HO0006.

514. Other Structures

Current: Exception provides that if there are no other structures on the residence premises, the Coverage B limit of liability will be added to the Coverage A limit - or - if there are other structures and at the time of loss, the limit for Cov B exceeds the replacement cost of other structures, the excess amount will be applied to the Cov A limit.

Revised: The above exception is removed from rule 514. and is now included within our EMC Automatic and EMC Plus coverage rules 515.G. and 515.H.

515. Personal Property

515.D.2.b. – The Personal Property chart #4) was revised to show that the limit or liability of theft of Silverware, Goldware and Pewterware was increased to 50% of the Coverage C limit of liability. A note has been included under the Personal Property chart to state that the maximum limit does not include additional limits available under the Homeowners Coverage Extensions described in Rules 515.G., H. and I.

The following two previous company rules have been completely replaced:

- 515.G. - Extensions of Coverage (All Forms), and
- 515.H. - Extensions of Coverage (HO0003, HO0005 and HO0006 Only)

with revised company rules,

- 515.G. - EMC **Automatic** Homeowners Coverage Extension (All Forms Except HO0008),
- 515.H. - EMC **Plus** Homeowners Coverage Extension (All Forms Except HO0008), and
- and new company rule,
- 515.I. - EMC **Choice** Homeowners Coverage Extension (All Forms Except HO0002 and HO0008)

Detailed changes are described on the Coverage Extensions exhibit following this Rule Memorandum.

532. Equipment Breakdown Coverage

Current: N/A (New company rule)

New: Added to offer equipment breakdown coverage for a premium charge of \$20 when purchased with either the EMC Automatic or EMC Plus Extensions. Coverage is subject to a \$50,000 per occurrence limit/\$500 per occurrence deductible. A limit of \$50,000 will be automatically included when EMC Choice Extensions are purchased.

610. Personal Injury

Current: Coverage included when Extension Endst HO7187 is attached.

Revised: Amended to indicate that Personal Injury Coverage is automatically included on all policies for no additional premium. Rates for this coverage are no longer displayed on our rate pages.

ARKANSAS - HOMEOWNERS RULE FILING MEMORANDUM
Page 3

612. Outboard Motors and Watercraft

Current: No exceptions to this rule, however under current Rule 515. H., outboard engines up to 75 HP included when Extension Endst HO7187 is attached.

Revised: Amended to correspond with rules 515.G., H. and I., specifying that coverage for outboard motors up to 100 horsepower is now automatically included in EMC Automatic, EMC Plus and EMC Choice Extensions. Rate pages have also been amended accordingly.

617. Waterbed Liability Coverage

Current: Company rule offers waterbed liability coverage for Forms HO0004 and HO0006 for an additional premium charge.

Revised: Coverage remains available for purchase with applicable EMC Automatic Extensions and is automatically included under the applicable EMC Plus and EMC Choice Extensions.

DERIVATION OF EQUIPMENT BREAKDOWN PREMIUM EXHIBIT

Since this is a new product, we currently have no data to rely on. We have been working with Mutual Boiler Reinsurance and the following describes how our \$20 rate was arrived at:

The ISO commercial loss cost for the Habitational class of business is .01/\$100, which we feel would be excessive since commercial residential locations have higher exposures than a single dwelling location. Therefore, we are estimating a lower loss cost of **.0067**/\$100 for Homeowners and applying a loss cost multiplier of **1.65** as indicated below.

A. Commission	17.8%
B. General Expenses & Acquisitions	12.5%
C. Reinsurance	4.1%
D. Taxes, Licenses and Fees	2.6%
E. Profit & Contingencies	2.4%
F. Inspection Expense	<u>0.0%</u>
Total (A+B+C+D+E)	39.4%

Expected Loss Ratio (ELR=100%-Total) 60.6%

LCM without modification 1.650

We estimated an average Total Insured Value amount which is the average value of Coverage A (or Coverage C, if Coverage A not applicable) of **\$182,310** and calculated a rate of **.0111**/\$100 as follows:

$$.0067 \times 1.65 = .0111 \text{ (rate per hundred)}$$

$$.0111 \times 182,310 = 2024$$

$$2024 \div 100 = \$20.24 \text{ (rounded down to \$20)}$$

ARKANSAS - RULES 515. G, H, & I - EMC COVERAGE EXTENSIONS EXHIBIT

Page 1

COVERAGE	Current Rule 515.G. Extensions of Coverage (All Forms)	Current Rule 515.H Extensions of Coverage (HO0003, 05 & 06)	Revised Rule 515.G EMC AUTOMATIC Homeowners Coverage Extension (HO0002, 03, 04, 05, 06)	Revised Rule 515.H EMC Homeowners PLUS Coverage Extension (HO0002, 03, 04, 05, 06)	New Rule 515.I. EMC CHOICE Homeowners Coverage Extension (HO0003, 04, 05, 06)
Premiums and Special Requirements	No premium No special requirements	\$10 Premium <u>HO0003 & 05</u> \$100,000 Cov A <u>HO0006</u> \$35,000 Cov C	No Premium No special requirements Will be automatically attached unless an EMC Plus or Choice Extension is purchased	\$20 Premium No special requirements	\$50 Premium <u>HO0003 & 05</u> -100% Replacement Cost - No dwellings built prior to 1940 - No unique, experimental or modular homes - Protection Classes 1-8 only - 1-2 fam owner-occupied dwgs only - No Builders Risk policies
Dwelling Replacement or Repair Cost		N/A		N/A	<u>HO0003 & 05</u> Co Dwelling Replacement or Repair Cost endst automatically attached: If loss exceeds Cov A limit, add'l amt up to 25% of Cov A provided
Personal Property Repair or Replacement Cost		N/A		N/A	<u>All</u> - Co Personal Property Repair or Replacement Cost endst automatically attached: Cov C limit increased to 70% of Cov A - Add'l coverage extended to include repair/replacement without depreciation
Special Extension of Coverage C		N/A	N/A	<u>HO0006</u> - If Cov C limit exceeds amount of loss, may add excess to Cov A	
Other Structures - Limit		N/A	<u>HO0002, 03 & 05</u> - If no other structures, Cov B limit added to Cov A limit. If there are other structures & Cov B limit exceeds replacement cost of other structures at time of loss, excess amount is added to Cov A limit. (N/A when Co Dwelling Replacement or Repair Cost endorsement attached)		N/A <u>HO0003 & 05</u> - (Co Dwelling Replacement or Repair Cost endst is automatically attached to provide add'l amount up to 25% of Cov A if loss exceeds Cov A limit)
Coverage D - Loss of Use		N/A		N/A	<u>HO0003 & 05</u> : Up to 12 mo's actual loss sustained <u>HO0004 & 06</u> : Up to 6 mo's actual loss sustained
Cov C Special Limit Money	N/A	\$300 limit	N/A	\$100 added to policy limit of \$200	\$300 added to policy limit of \$200, or to any increased limits purchased
Cov C Special Limit Jewelry, Watches, & Furs	N/A	\$5,000 limit \$1,500 max limit per item	N/A	\$3,500 added to policy limit of \$1,500, or to any increased limits purchased / \$1,500 max limit per item	

ARKANSAS - RULES 515. G, H, & I - EMC COVERAGE EXTENSIONS EXHIBIT

Page 2

COVERAGE	Current Rule 515.G. Extensions of Coverage (All Forms)	Current Rule 515.H Extensions of Coverage (HO0003, 05 & 06)	Revised Rule 515.G EMC AUTOMATIC Homeowners Coverage Extension (HO0002, 03, 04, 05, 06)	Revised Rule 515.H EMC Homeowners PLUS Coverage Extension (HO0002, 03, 04, 05, 06)	New Rule 515.I. EMC CHOICE Homeowners Coverage Extension (HO0003, 04, 05, 06)
Cov C Special Limit Securities	N/A		N/A		\$1,000 added to policy limit of \$1,500, or to any increased limits purchased
Cov C Special Limit Silverware, Goldware and Pewterware	N/A		50% of Cov C in lieu of \$2,500 policy limit		
C Cov C Special Limit - Firearms	N/A	\$5,000 limit	N/A	\$2,500 added to policy limit of \$2,500, or to any increased limits purchased	
Cov C Special Limit Electronic Apparatus	N/A	N/A	N/A	N/A	<u>In motor vehicle</u> \$1,000 added to policy limit of \$1,500, or to any increased limits purchased <u>Not in motor vehicle, away from premises, used for business</u> \$1,000 added to policy limit of \$1,500, or to any increased limits purchased
Credit Card, Electronic Fund Transfer Card or Access Device, Forgery & Counterfeit Money	N/A	\$10,000 limit	\$500 added to policy limit of \$500 - or if applicable, any increased limit purchased	\$10,000 added to policy limit of \$500	
Fire Dept Service Charge	N/A	\$1,000 limit No ded	N/A	\$500 added to policy limit of \$500	
Refrigerated Property	\$500 limit No ded	\$1,000 limit No ded	\$500 limit / No ded	\$1,000 limit / No ded	\$2,500 limit / No ded.
Damage to Property of Others	\$1,500 limit	\$2,000 limit	\$1,000 limit increased to \$1,500	\$1,000 limit increased to \$2,000	
Personal Injury Liability	N/A	Included	Included		
Golf Cart Liability	Included - Enhanced cov off insd loc.		Included - Enhanced coverage while off an insured location		
Owned Watercraft Liability	N/A	Outboard engines up to 75 HP covered	Outboard motors covered up to 100 HP in lieu of up to 25 HP under policy		
Watercraft and their Trailers	N/A		N/A		\$1,000 limit added to policy limit of \$1,500
Trailers & Semi-trailers	N/A		N/A		\$1,000 limit added to policy limit of \$1,500

ARKANSAS - RULES 515. G, H, & I - EMC COVERAGE EXTENSIONS EXHIBIT

Page 3

COVERAGE	Current Rule 515.G. Extensions of Coverage (All Forms)	Current Rule 515.H Extensions of Coverage (HO0003, 05 & 06)	Revised Rule 515.G EMC AUTOMATIC Homeowners Coverage Extension (HO0002, 03, 04, 05, 06)	Revised Rule 515.H EMC Homeowners PLUS Coverage Extension (HO0002, 03, 04, 05, 06)	New Rule 515.I. EMC CHOICE Homeowners Coverage Extension (HO0003, 04, 05, 06)
Business Property	N/A		N/A	<p><u>On Premises</u> N/A</p> <p><u>Off Premises</u> <u>HO0002, 03 & 05</u> 1% of Cov C in lieu of \$500 limit</p> <p><u>Off Premises</u> <u>HO0004 & 06</u> 2% of Cov C in lieu of \$500 limit</p>	<p><u>On Premises</u> \$2,500 added to policy limit of \$2,500</p> <p><u>Off Premises</u> <u>HO0003 & 05</u> 1% of Cov C in lieu of \$500 limit</p> <p><u>Off Premises</u> <u>HO0004 & 06</u> 2% of Cov C in lieu of \$500 limit</p>
Waterbed Liability	N/A		N/A	Included for HO0004 & HO0006 only	
Lock Replacement	N/A	\$500 limit / No ded	\$500 limit / No ded		\$1,000 limit / No ded
Debris Removal	N/A		N/A	\$1,000 per tree / \$500 per occurrence to remove trees whether or not a covered structure is damaged or driveway or ramp is blocked	
Debris Removal Additional Coverage	N/A	N/A	N/A		10% of Cov C in lieu of 5% pol limit
Loss Assessment	N/A		N/A	\$1,000 added to policy limit of \$1,000	\$4,000 added to policy limit of \$1,000
Arson Reward	N/A		N/A	\$2,500 for info leading to conviction for loss or damage covered under the policy	
Environmental, Safety & Efficiency Improvements	N/A		Up to an add'l 10% of amount of loss to repair or replace property better for the environment, safer, or more efficient than property being replaced		
Contingent Workers Compensation	Included		Included		
Identity Fraud Expense Coverage	N/A		\$1,000 limit	\$15,000 limit	\$25,000 limit
Equipment Breakdown Coverage	N/A		N/A		\$50,000 limit