

SERFF Tracking Number: HMSS-125894042 State: Arkansas
Filing Company: Homesite Insurance Company of the Midwest State Tracking Number: EFT \$125
Company Tracking Number: AR-HO-08-150
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Filing at a Glance

Company: Homesite Insurance Company of the Midwest

Product Name: Homeowners SERFF Tr Num: HMSS-125894042 State: Arkansas
TOI: 04.0 Homeowners SERFF Status: Closed State Tr Num: EFT \$125
Sub-TOI: 04.0000 Homeowners Sub-TOI Co Tr Num: AR-HO-08-150 State Status: Fees verified and received
Combinations
Filing Type: Rate/Rule Co Status: Reviewer(s): Becky Harrington, Betty Montesi
Authors: Jake McDonnell, Jonathan Disposition Date: 11/24/2008
McCarey
Date Submitted: 11/19/2008 Disposition Status: Filed
Effective Date Requested (New): 01/16/2009 Effective Date (New): 01/16/2009
Effective Date Requested (Renewal): 03/05/2009 Effective Date (Renewal): 03/05/2009

State Filing Description:

General Information

Project Name: Status of Filing in Domicile: Authorized
Project Number: Domicile Status Comments: North Dakota is the Company's state of domicile.
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 11/24/2008
State Status Changed: 11/19/2008 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:

There are two primary objectives to this filing, which Homesite Insurance Company of the Midwest ("Homesite"), hereby files in the State of Arkansas with proposed effective dates of 1/16/2009 for new business and 3/5/2009 for renewal business.

1) The first purpose of our filing is to separate Homesite's rate and rule manual structure, which currently lists rates and

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rules for HO 00 03 (Homeowners), HO 00 06 (Condominium), and HO 00 04 (Renters) in one single manual, such that HO 00 04 (Renters) rates and rules will be kept in separate manual pages. HO 00 04 policyholders will heretofore be rated in accordance with Homesite Renters Rates v1.0 and Renters Rules v1.0 (submitted in the enclosed SERFF rate/rule schedule); HO 00 03 and HO 00 06 policyholders will continue to be rated in accordance with Homesite's current manual pages, which will heretofore be named "Owners" Rates (proposed version 1.4) and "Owners" Rules (proposed version 1.4) and which have been amended in this filing such that all references to HO 00 04 business have been removed. These revised "Owners" manuals have also been submitted within the rate/rule schedule.

2) The second purpose is to modify the rates and rules in our new "Renters" manual, used for Renters (tenant) insurance. It is this portion of the filing that should properly be considered as a "rate" filing (for HO 00 04 only), since individual Washington policyholders will be impacted. The overall impact to HO 00 04 Renters policyholders, however, will be neutral (0.0%). Essentially, Homesite proposes to remove many of the current rules and rating factors used for renters insurance to simplify the sales process for our policyholders and agents.

"Rate Data" fields have been populated within the SERFF rate/rule schedule tab displaying the proposed impact of our change to Renters policies, including the maximum and minimum rate changes. The enclosed filing memorandum describes in detail the proposed changes to the rating structure for HO 00 04 policyholders.

For complete details of our filing, please reference the enclosed filing memorandum, posted under SERFF "supporting documents".

Enclosed within the SERFF rate/rule schedule are the following documents:

- 1) Homesite's proposed new HO 00 04 manuals, Renters Rules 1.0 and Renters Rates 1.0, which contain the new proposed rates and rules for tenant policies.
- 2) Homesite's revised "Owners" (HO 00 03 and HO 00 06) manuals, in which changes undertaken to remove references to HO 00 04 business have been stricken.

Homesite has submitted both "redlined" and "clean" versions of its proposed revised Owners manuals. The "redlined" version highlights the changes being made and the "clean" version is our official proposed version (without highlighting) incorporating all of the changes. The "Owners" manuals submitted are Owners Rules v1.4 and Owners Rates v1.4.

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Homesite has also submitted updated Underwriting Guidelines under Supporting Documents (which symmetrically continue with the changes described above by separating HO 00 04 and HO 00 03/06 guidelines).

Company and Contact

Filing Contact Information

Jake McDonnell, Government Affairs Advisor jmcdonnell@homesite.com
 99 Bedford Street (617) 832-1439 [Phone]
 Boston, MA 02111 (617) 832-1485[FAX]

Filing Company Information

Homesite Insurance Company of the Midwest CoCode: 13927 State of Domicile: North Dakota
 99 Bedford Street Group Code: 1293 Company Type: Homeowners
 Boston, MA 02111 Group Name: State ID Number:
 (617) 832-1342 ext. [Phone] FEIN Number: 45-0282873

Filing Fees

Fee Required? Yes
 Fee Amount: \$125.00
 Retaliatory? No
 Fee Explanation: \$100 for independent filing of rates.
 \$25 for independent filing of rules.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Homesite Insurance Company of the Midwest	\$125.00	11/19/2008	24030597

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	11/24/2008	11/24/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	11/19/2008	11/19/2008	Jake McDonnell	11/21/2008	11/21/2008

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Disposition

Disposition Date: 11/24/2008
 Effective Date (New): 01/16/2009
 Effective Date (Renewal): 03/05/2009
 Status: Filed
 Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Homesite Insurance Company of the Midwest	0.000%	\$0	120	\$36,164	23.000%	-36.000%	0.000%

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document	H-1 Homeowners Abstract	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document (revised)	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	Updated Underwriting Guidelines	Filed	No
Rate	New Renters Rules	Filed	Yes
Rate	New Renters Rates	Filed	Yes
Rate	Revised "Owners" Rule Manual	Filed	Yes
Rate	Revised "Owners" Rate Manual	Filed	Yes

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 11/19/2008

Submitted Date 11/19/2008

Respond By Date

Dear Jake McDonnell,

This will acknowledge receipt of the captioned filing.

Objection 1

No Objections

Comment: Please explain the statement that only individual Washington policyholders will be impacted.

Objection 2

- NAIC loss cost data entry document (Supporting Document)

Comment: Form RF-1 (NAIC LC Data Entry document) is required with all rate change filings. Please complete for the changes to the Renters rates.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,

Becky Harrington

Response Letter

Response Letter Status Submitted to State

Response Letter Date 11/21/2008

Submitted Date 11/21/2008

Dear Becky Harrington,

Comments:

Response 1

SERFF Tracking Number: HMSS-125894042 State: Arkansas
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Comments: Dear Ms. Harrington,

Thank you for your prompt review and thank you for bringing these matters to our attention. The following are Homesite's responses to the questions posed in your recent Objection Letter:

Objection #1: The reference to Washington was the result of a formatting error made in producing this filing, which was compiled as part of a nationwide effort to separate our Renters manuals. "Arkansas" should have been included as the state reference, instead of Washington. On behalf of Homesite, I apologize for any confusion this may have caused.

Objection #2: With this amendment, the requested loss cost data entry form has been added to the applicable section of the "Supporting Documents" queue.

Should you have any further questions, please do not hesitate to contact me via SERFF, directly by phone at 617-832-1439, or at jmcdonnell@homesite.com.

Sincerely,

Jake McDonnell
Homesite Insurance Group
617-832-1439

Related Objection 1

Applies To:

- NAIC loss cost data entry document (Supporting Document)

Comment:

Form RF-1 (NAIC LC Data Entry document) is required with all rate change filings. Please complete for the changes to the Renters rates.

Related Objection 2

Comment:

Please explain the statement that only individual Washington policyholders will be impacted.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: NAIC loss cost data entry document

Comment: Information provided in response to questions 6 and 7 on the enclosed form incorporates combined data from all three policy forms (HO3, HO4, and HO6).

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No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Jake McDonnell, Jonathan McCarey

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Rate Information

Rate data applies to filing.

Filing Method: File and Use
Rate Change Type: Neutral
Overall Percentage of Last Rate Revision: 0.000%
Effective Date of Last Rate Revision: 04/27/2007
Filing Method of Last Filing: File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Homesite Insurance Company of the Midwest	0.000%	0.000%	\$0	120	\$36,164	23.000%	-36.000%

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	New Renters Rules	version 1.0	New	AR Renters Rules 1.0.pdf
Filed	New Renters Rates	version 1.0	New	AR Renters Rates 1.0.pdf
Filed	Revised "Owners" Rule Manual	version 1.4	Replacement	AR Owners Rules 1.4 - redlined.pdf AR Owners Rules 1.4 - clean.pdf
Filed	Revised "Owners" Rate Manual	version 1.4	Replacement	AR Owners Rates 1.4 - redlined.pdf AR Owners Rates 1.4 - clean.pdf

HOMESITE INSURANCE COMPANY OF THE MIDWEST RENTERS POLICY PROGRAM MANUAL

The Renters Policy Program provides property and liability coverages, using the forms and endorsements specified in this Manual. This Manual contains the rules and classifications governing the writing of the Renters Policy. The rules, rates, forms and endorsements of the Company for each coverage shall govern in all cases not specifically provided for in this Manual.

101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS

A. The limits of liability required under the Renters policy are as follows:

1. Section I – Property Damage

Coverage	HO 00 04
C Personal Property	Refer to the state pages
D Loss of Use	20% of C

2. Section II – Liability

Coverage E – Personal Liability

Coverage F – Medical Payments to Others

Unless otherwise stated, Coverage E limits apply on an “occurrence” basis;

Coverage F limits on an “each person” basis.

B. The limit of liability for Coverages C or D of Section I and E or F of Section II may be increased.

102. DESCRIPTION OF COVERAGES

A. Section I Coverages – Property Damage

The following is a general description of the coverages provided by the individual Renters Policy forms. The policy shall be consulted for exact contract conditions.

	HO 00 04
Fire or Lightning	Yes
Windstorm or Hail, Explosion, Riot or civil commotion, Aircraft, Vehicles or Smoke	Yes
Vandalism or malicious mischief	Yes
Theft	Yes
Volcanic eruption	Yes
Falling objects, Weight of ice, snow or sleet, Accidental discharge of water or steam, Sudden and accidental tearing apart of a heating system or appliance, Freezing, Sudden accidental damage from electrical current	Yes
Additional risks with certain exceptions (Special Coverage)	No

B. Section II Coverages – Liability – All Forms

Coverage E – Personal Liability

Coverage F – Medical Payments to Others

HOMESITE INSURANCE COMPANY OF THE MIDWEST RENTERS POLICY PROGRAM MANUAL

1. Personal Liability – Covers payment on behalf of any insured for all sums which the insured shall become legally obligated to pay as damages because of bodily injury or property damage arising out of an insured's premises or personal activities.
2. Medical Payments to Others – Covers medical expenses incurred by persons, other than the insured, who sustain bodily injury caused by an accident arising out of an insured's premises or personal activities.

103. MANDATORY COVERAGES

It is mandatory that insurance be written for all coverages provided under both Sections I and II of the Renters Policy.

104. ELIGIBILITY

A. Form HO 00 04

A Renters Policy may be issued to:

1. The tenant(s) (non-owner) of a dwelling or an apartment situated in any building; or
2. The owner-occupant(s) of a dwelling, co-operative unit or of a building containing an apartment not otherwise eligible for a Property Policy under Rule 104.A. of the HO3 property rules manual provided the residence premises occupied by the insured is used exclusively for residential purposes (except as provided in Rule 104.D.) and is not occupied by more than one additional family or more than two boarders or roomers.

B. A Renters Policy shall not be issued to cover any mobile home, trailer home, or housetrailer. Their contents may be covered under Rule 104.A.

D. Certain business occupancies are permitted, provided:

1. The premises is occupied principally for private residential purposes; and
2. There is no other business occupancy on the premises.

E. A Renters Policy shall not be issued to cover any property to which farm forms or rates apply under the rules of the Company. In no event shall a policy be issued to provide Section I property damage coverage to any property situated on premises used for farming purposes.

105. SECONDARY RESIDENCE PREMISES

A. Homeowners coverage on a secondary residence premises shall be provided under a separate policy. The rules of this Manual apply except that Section II Coverage is not mandatory for the secondary residence policy when the same company insures the initial and secondary residence.

B. When coverage is provided on the initial and secondary residence premises under separate policies in the same company add the charge for Other Insured Location Occupied by Insured, developed from Rule 602, to the policy covering the initial residence.

Coding Note: Coverage E limit of liability is reported blank for the secondary location. Status Code 4 if seasonal dwelling; Code 3 otherwise.

108. (Reserved for future use.)

109. (Reserved for future use.)

HOMESITE INSURANCE COMPANY OF THE MIDWEST RENTERS POLICY PROGRAM MANUAL

201. POLICY PERIOD

The policy may be written for a period of:

- A. One year and may be extended for successive policy periods by extension certificate based upon the premiums, forms, and endorsements then in effect for the Company.
- B. Less than one year on a pro rata basis and may be extended for successive policy periods based upon the premiums, forms and endorsements then in effect for the Company.

202. CHANGES OR CANCELLATIONS

- A. It shall not be permissible to cancel any of the mandatory coverages in the policy unless the entire policy is cancelled.
- B. If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro rata basis.

203. MANUAL PREMIUM REVISION

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

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

204. (Reserved for future use.)

205. MINIMUM PREMIUM

Refer to Statistical Plan for coding requirements.

The minimum annual premium shown on the state rate pages shall be charged for each policy. The minimum premium may include all chargeable endorsements or coverages if written at the inception of the policy.

206. TRANSFER OR ASSIGNMENT

Subject to the consent of the Company, all the rules of this manual and any necessary adjustment or premium, a policy may be endorsed to effect:

- A. Transfer to another location within the same state.

207. WAIVER OF PREMIUM

Does not affect coding

When a policy is endorsed after the inception date, refer to the state rate pages for the amount of additional or return premium that may be waived.

208. WHOLE DOLLAR PREMIUM RULE

Does not affect coding.

Each premium shown on the policy and endorsements shall be rounded to the nearest whole dollar. A premium of fifty cents (\$.50) or more shall be rounded to the next higher whole dollar.

In the event of cancellation by the Company, the return premium may be carried to the next higher whole dollar.

HOMESITE INSURANCE COMPANY OF THE MIDWEST RENTERS POLICY PROGRAM MANUAL

209. RESTRICTION OF INDIVIDUAL POLICIES

If a policy would not be issued because of unusual circumstances or exposures, the named insured may request a restriction of the policy provided no reduction in the premium is allowed. The Company will review the request, signed by the named insured, and the policy may be issued at the Company's sole discretion.

210. REFER TO COMPANY

Whenever a risk is rated on a Refer to Company basis, each company is responsible for complying with regulatory or statutory rate filing requirements.

270. PAYMENT PLANS / FEES

- A. The total premium of any policy is due and payable at the beginning of the policy term, unless the policy is issued on an installment plan.
- B. For policies issued on an installment plan, the following fees apply to each installment after the down payment:
 - 1. \$5.00 to each payment for billed policies.
 - 2. \$3.00 to each payment for policies paid by electronic funds transfer.
- C. A fee of \$10.00 is added if a check is returned or electronic funds transfer refused due to insufficient funds. A \$15.00 fee is added if a cancellation notice is sent because an installment payment was not received by the date due.

HOMESITE INSURANCE COMPANY OF THE MIDWEST RENTERS POLICY PROGRAM MANUAL

301. PREMIUM COMPUTATION

A. The premium is computed as follows:

1. Determine the policy BASE PREMIUM based on the amount of Coverage C, as applicable, multiplying the territory base rate by the amount of insurance rating factors shown in the base rate pages of this manual.
2. Determine the associated factors for the desired deductible and any applicable BASE PREMIUM modifications (300- and 400-series Rules). Multiply the BASE PREMIUM developed in Step 1 by the product of these factors. If the deductible factor is such that:

$$[1 - \text{Deductible Factor}] * \text{Base Premium} > \text{Max Deductible Credit},$$

then revise the Deductible Factor to:

$$\text{Deductible Factor} = 1 - [\text{Max Deductible Credit} / \text{Base Premium}]$$

3. Determine all liability increased limits and/or optional liability coverages (600-series Rules), calculating each item individually. Add the total of these items to the result of Step 2.
4. Apply any applicable rating tier factor to the total of Step 3, rounding the new total to the nearest dollar.
5. Calculate the premiums for any other mandatory or optional property or liability coverages that apply, calculating each item individually, rounding each total to the nearest dollar.
6. Add together the results of Step 4 and Step 5, and add any applicable policy expense fee(s) shown on the state rate pages. Then apply any applicable expense or loss experience modifier (additive or factor) to that total. The result is the total policy premium.

B. When any of the following coverage options apply, develop the BASE PREMIUM according to the instructions provided in the rules of this manual:

1. Secondary Residence Premises (Rule 105)

C. Interpolation Example

1. When the desired limit of liability is less than the highest limit shown, interpolate the amount of insurance factor using the nearest limit above and below the desired limit.

Example

\$203,000 desired limit; the nearest limits are \$200,000 and \$205,000.

For \$200,000 the factor is 2.837; for \$205,000 the factor is 2.937. Figure the difference between the two factors and divide by 5. This provides a factor per \$1,000.

2.937

-2.837

.100 ÷ 5 = .02

Multiply the factor per \$1,000 times 3, and add 2.837; the factor for \$200,000.

.02

x 3

HOMESITE INSURANCE COMPANY OF THE MIDWEST RENTERS POLICY PROGRAM MANUAL

$$.06 + 2.837 = 2.897$$

The result, 2.897, is the amount of insurance 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 Amount of Insurance Table of this Manual.

HOMESITE INSURANCE COMPANY OF THE MIDWEST RENTERS POLICY PROGRAM MANUAL

403. PERSONAL PROPERTY (COVERAGE C) REPLACEMENT COST COVERAGE

Coding Note: Subline Code 03 (403 if 50 character format) applies instead of Subline Codes listed on the state rate pages.

- A. The premium to extend the limit of liability for Coverage C to include Replacement Cost Coverage, is computed by applying the factor shown on the state rate pages according to the Premium Computation Rule 301.A.2.
- B. Replacement Cost Coverage also applies to articles or classes of property separately described and specifically insured in this policy, as listed in the Scheduled Personal Property endorsement.

Use Endorsement HO 04 90 Personal Property Replacement Cost.

406. DEDUCTIBLES

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

A. Base Deductible

\$500 Deductible (Type Code 50).

B. Optional Deductibles

The All Other Perils deductible amount may be reduced from \$500 to \$250. Refer to the state rate pages for the appropriate factors. The following options are subject to the minimum and maximum additional premium charges listed on the state rate pages.

- 1. \$100 Deductible (Type Code 5, Size Code 10) – HO 00 04 **[N/A in Arkansas]**
- 2. \$250 Theft Deductible – HO 00 04 except with HO 17 31. **[N/A in Arkansas]**
(Theft Indicator Code 3)

The theft deductible applies to Coverage C – Personal Property and is available only when a \$100 deductible applies to All Other Perils.

- 3. \$250 Deductible (Type Code 5, Size Code 25)

C. Optional Higher Deductibles

- 1. All Other Perils Deductibles (Type Code 5)

To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages for the selected option, subject to the listed minimum and maximum additional premium charges.

- 2. Windstorm or Hail Deductibles

The following deductible options are used in conjunction with the deductible applicable to All Other Section I perils. Refer to the state rate pages for available options, factors, and applicable minimum and maximum premium charges.

a. Higher Fixed-Dollar Deductibles

- (1) Higher fixed-dollar deductibles are available when the dollar amount of the higher fixed-dollar deductible selected exceeds the amount of the deductible applicable to All Other Section I Perils.
- (2) Separately enter, on the policy declarations, the deductible amounts that apply to Windstorm or Hail and All Other Section I Perils.

Example:

Deductible – Section I \$250
except \$1,000 for Windstorm or Hail.

- (3) The factors displayed on the state rate pages incorporate the factors for the All Perils Deductibles. Do not use the factors for the All Perils

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Deductibles when rating a policy with a higher Windstorm or Hail deductible.

- (4) To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages for the selected option.

480. MATURE OWNER/RESIDENT

Using the age of the oldest named insured(s), determine the appropriate factor and apply the factor shown on the state rate pages according to the Premium Computation Rule 301.A.2.

481. AFFINITY MARKETING

Rating factors shown on the state rate pages apply according to the Premium Computation Rule 301.A.2 when the coverage is placed through a Homesite affinity partner and the named insured also maintains an account with a Homesite affinity partner or membership in an approved group.

488. NUMBER OF UNITS

Based on the number of apartment units in the apartment complex, apply the factor shown on the state rate pages according to the Premium Computation Rule 301.A.2.

HOMESITE INSURANCE COMPANY OF THE MIDWEST RENTERS POLICY PROGRAM MANUAL

SECTION I COVERAGES – PROPERTY

501. (Reserved for future use.)

502. (Reserved for future use.)

503. BUSINESS PROPERTY – INCREASED LIMITS

Does not affect coding.

A. The \$2,500 limit of liability for business property on the residence premises may be increased to \$10,000 in increments of \$2,500. Charge the rate for each \$2,500 increase shown in the state rate pages. The limit of liability in excess of \$2,500 does not apply to:

1. Business property in storage or held as a sample or for sale or delivery after sale;
2. Business property pertaining to a business actually conducted on the residence premises. (This exposure is addressed by HO 04 42 – Permitted Incidental Occupancies.)

B. When the on-premises limit is increased, the off-premises limit of \$250 is automatically increased, at no additional charge, to an amount that is 10 percent of the total on-premises limit of liability.

Use Endorsement HO 04 12 Increased Limits of Business Property.

504. (Reserved for future use.)

505. EARTHQUAKE COVERAGE

Coding Note: Code as a separate Earthquake record with Subline Code 60 (460 if 150 character format).

A. 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 Endorsement HO 04 54 Earthquake.

B. Deductible

A deductible percentage amount of 5% of the limit of liability for Coverage C.

In the event of an Earthquake loss to covered property, the dollar amount is deducted from the total of the loss for Coverage C.

Earthquake rates are displayed for the 5% deductible in the state rate pages.

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. Refer to the state rate pages for rates.

Use Endorsement HO 04 36 for all Forms.

D. Base Premium

Develop the base premium as follows:

1. From the state rate pages:
 - a. Determine the Earthquake Zone.
2. For Form H0 00 04, add the results of the following two steps:
 - a. Multiply the Coverage C limit by the rate found in Row B of the table; and
 - b. If the Coverage D limit is increased, multiply the rate found in Row F by the amount of the increase.

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3. Ordinance or Law
Multiply the rate determined in D.2.a, above by the Ordinance or Law total amount of insurance.

- E. Premium for Higher Deductibles **[N/A in Arkansas]**
Multiply the base premium determined in D. above by the appropriate factor shown on the state rate pages.

510. (Reserved for future use.)

511. LOSS ASSESSMENT COVERAGE

Coding Note: Status Code 6 when HO 17 33 also used; Code 2 otherwise.

The policy automatically provides, at no additional charge, \$1,000 of loss assessment coverage, excluding Earthquake, for assessments relating to the residence premises. This limit may be increased. Refer to the state rate pages for the additional rate. Endorsement HO 04 35 does not cover loss to property under Section I caused by Earthquake.

Use Endorsement HO 04 35 Loss Assessment Coverage.

512. LOSS OF USE – INCREASED LIMIT

Does not affect coding.

When the limit of liability for Coverage D is increased, charge the rate per \$1,000 of additional insurance shown in the state rate pages.

513. ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE

- A. The policy may be endorsed to provide ordinance or law coverage up to 100% of the Building Additions and Alterations limit to accommodate the increased costs known or estimated by the insured for materials and labor to repair or replace the damaged property and to demolish the undamaged portion of damaged property and clear the site of resulting debris according to the ordinance or law.

B. Premium

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. Refer to the state rate pages for the premium for each additional \$1,000 of insurance.

515. PERSONAL PROPERTY

- A. Increased Special Limits of Liability

Does not affect coding.

1. Jewelry, Watches and Furs

The special limit of liability of \$1,000 for theft of jewelry, watches and furs may be increased to a maximum of \$5,000 but not exceeding \$1,000 for any one article.

Charge the additional rate per \$500 shown in the state rate pages.

2. Money and Securities

The special limit of liability of \$200 on money may be increased to a maximum of \$1,000. The \$1,000 limit on securities may be increased to a maximum of \$2,000. Charge the additional rate per \$100 shown in the state rate pages.

3. Silverware, Goldware, and Pewterware

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The special limit of liability of \$2,500 for loss by theft of silverware, etc., may be increased to a maximum of \$10,000 in increments of \$500. Charge the additional rate per \$500 shown in the state rate pages.

4. Firearms

The special limit of liability of \$2,000 for loss by theft of firearms may be increased to a maximum of \$6,000 in increments of \$100. Charge the additional rate per \$100 shown in the state rate pages.

5. Electronic Apparatus

a. The policy provides coverage, as described below, for loss of electronic apparatus equipped to be operated from the electrical system of a motor vehicle or motorized land conveyance while retaining its capability or being operated by other sources of power:

(1) Up to \$1,000 for loss to electronic apparatus, used to transmit, record, receive or reproduce sound, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes:

a. Accessories or antennas; or

b. Tapes, wires, records, discs or other media ;

for use with any electronic apparatus used to transmit, record, receive, or reproduce sound.

b. Each of these limits may be increased to a maximum of \$5,000 in increments of \$500. Charge the additional rate per \$500 shown in the state rate pages.

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

516. PERSONAL PROPERTY – SCHEDULED

Coding Note: Code as a separate Inland Marine record with Subline Code 70 (470 if 150 character format).

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

Use Endorsement HO 04 61 Scheduled Personal Property.

517. (Reserved for future use.)

518. (Reserved for future use.)

519. SPECIAL COMPUTER COVERAGE –

Status Code

All Forms except HO 00 06: Code 2

HO 00 06: Code 6 when HO 17 33 also used; Code 2 otherwise

The policy may be endorsed to insure computers and related equipment against additional risks of physical loss subject to certain exclusions. Charge the additional rate shown in the state rate pages.

Use Endorsement HO 04 14 Special Computer Coverage.

521. WATER BACK UP AND SUMP OVERFLOW

Code as a separate record with Exception Code 1.

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- A. The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from a sump. The limit of liability available under this option is \$5,000.
 - B. A deductible of \$250 applies. No other deductible option is available.
 - C. Charge the rate shown on the state rate pages.
- Use Endorsement HO 04 95 Water Back Up and Sump Overflow.

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SECTION II COVERAGES

PERSONAL LIABILITY AND MEDICAL PAYMENTS TO OTHERS

601. RESIDENCE PREMISES – BASIC AND INCREASED LIMITS OTHER EXPOSURES – BASIC AND INCREASED LIMITS

- A. Residence Premises
 - 1. Minimum limits of liability for Coverage E (Personal Liability) and Coverage F (Medical Payments to Others) are shown in Rule 301 in the state rate pages.
 - 1. Refer to the state rate pages Rule 601 for 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 indicated.
 - 3. For increased limits for Other Exposures, refer to the state rate pages.
 - 4. If increased limits are written, then the same limits must apply to the Residence Premises, unless otherwise stated.

602. OTHER INSURED LOCATION OCCUPIED BY INSURED

Does not affect coding.

- A. 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.
- B. 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.
- C. Premium – Refer to the state rate pages.

604. ADDITIONAL RESIDENCE RENTED TO OTHERS

Status Code 2

- A. The policy may be endorsed to provide coverage when an additional residence is rented to others.
- B. Premium – Refer to the state rate pages.
Use Endorsement HO 24 70 Additional Residence Rented to Others.

605. (Reserved for future use.)

606. (Reserved for future use.)

607. (Reserved for future use.)

609. BUSINESS PURSUITS

Status Code 2

- A. 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 in the business.
- B. Refer to the state rate pages for eligible business activities and rates.
Use Endorsement HO 24 71 Business Pursuits.

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610. PERSONAL INJURY

Coding Notes: Use Class Code 994 and code as a separate Personal Liability record with Subline Code 80 (480 if 150 character format).

- A. Liability coverage for personal injury to others, such as false arrest, libel or invasion of privacy, may be added to the policy.
- B. Premium: Refer to the state rate pages.
Use Endorsement HO 24 82 Personal Injury.

611. (Reserved for future use.)

612. OUTBOARD MOTORS AND WATERCRAFT

Coding Note: Code as a separate Personal Liability record with Subline Code 80 (480 if 150 character format). Exposure coding (number of watercraft) is required.

- A. Coverage is included in the policy form, at no additional charge, for watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power.
- B. Coverage is available, for an additional premium, for watercraft up to 26 feet in length powered by outboard engines or motors exceeding 25 horsepower, Inboard or Inboard-Outdrive engines or motors.
Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured.
- C. 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.
- D. For boats not described above, coverage is not permitted under the Renters Policy
- E. 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 boat from that residence, apply the premium for that state.
- F. Premium: Refer to the state rate pages.
Use Endorsement HO 24 75 Watercraft.

613. OWNED SNOWMOBILE [N/A in Arkansas]

Coding Note: Code as a separate Personal Liability record with Subline Code 80 (480 if 150 character format). Exposure coding (number of snowmobiles) is required.

- A. The policy may be endorsed to provide coverage when a snowmobile is used off of the insured location.
- B. Rate each snowmobile owned by the named insured or any other insured separately. This charge is the minimum annual premium for each snowmobile for any period within a policy year.
- C. Premium: Refer to the state rate pages.
Use Endorsement HO 24 64 Snowmobile.

614. (Reserved for future use.)

615. (Reserved for future use.)

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617. DANGEROUS DOG PREMIUM

When dangerous dogs are present, apply the applicable premium shown on the state rate pages.

SPECIAL STATE REQUIREMENTS

- 001. Special Provisions Endorsement – HO 01 03
Use this endorsement with all Renters policies.

- 002. No Coverage for Home Day Care Business – HO 04 96
This endorsement details the exclusions and restrictions of the policy with respect to a home day care exposure. Use this endorsement with all Renters policies.

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Territory	HO 00 04
1	247
2	247
3	247
4	247
5	268
6	268
7	268
8	268
9	268
10	268
11	268
12	268
13	268
14	268
15	268
16	268
17	268
18	304
19	304
20	289
21	289
22	289
23	304
24	304
25	304
26	304
27	304
28	304
29	304
30	268
31	268
32	268
33	268
34	304
35	304
36	304
37	304
38	304
39	304
40	304
41	304
42	268
43	304
44	304
45	304

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Expense Fees per policy

HO 00 04 \$34.00

Amount of	HO 00 04	Amount of	HO 00 04
\$ 6,000	0.800	\$ 40,000	1.400
\$ 10,000	0.850	\$ 45,000	1.500
\$ 15,000	0.900	\$ 50,000	1.600
\$ 20,000	1.000	\$ 60,000	1.800
\$ 25,000	1.100	\$ 75,000	2.100
\$ 30,000	1.200	\$ 90,000	2.390
\$ 35,000	1.300	\$ 100,000	2.590
		Each add'l \$1,000	0.020

Rule 205. Minimum Premium

HO 00 04 \$ 125.00

Rule 207. Waiver of Premium

\$ 3.00

Rule 403. Personal Property (Coverage C) Replacement Cost Coverage

HO 00 04 1.35

Rule 406. Deductibles

	HO 00 04 factor	HO 00 04 max credit
\$250/500 W&H	1.14	n/a
\$250/1000 W&H	1.11	n/a
\$500	1.00	n/a
\$500/1000 W&H	0.97	\$50
\$1,000	0.85	\$150
\$2,500	0.75	\$250

Rule 480. Mature Owner/Resident

<u>age group</u>	<u>factor</u>	<u>age group</u>	<u>factor</u>
25 and under	1.00	50 to 54	0.90
26 to 32	1.00	55 to 59	0.90
33 to 39	1.00	60 to 64	0.90
40 to 49	1.00	65 to 74	0.90
		75 and older	0.90

Rule 481. Affinity Marketing

(see schedule)

Rule 488. Number of Units

Less than 5 1.10
5 or More 1.00

Rule 503. Business Property - Increased Limits (rate per \$2,500) \$ 20.00

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Rule 505. Earthquake Coverage

C. Loss Assessment Coverage (rate per \$5,000)	<u>Zone</u>	
	1	\$2.20
	2	\$5.70
	3	\$10.25
	4	\$14.45
	5	\$18.90
	6	\$24.75
	7	\$29.60
	8	\$33.05
	9	\$38.25
	10	\$42.85

D. Base Premium
(per \$1,000 of insurance)
5% deductible

Masonry

<u>Zone</u>	Table A	Table B	Table C	Table D	Table E	Table F	Table G
1	n/a	\$0.24	n/a	n/a	n/a	\$0.26	n/a
2	n/a	\$0.61	n/a	n/a	n/a	\$0.67	n/a
3	n/a	\$1.10	n/a	n/a	n/a	\$1.20	n/a
4	n/a	\$1.55	n/a	n/a	n/a	\$1.69	n/a
5	n/a	\$2.03	n/a	n/a	n/a	\$2.20	n/a
6	n/a	\$2.66	n/a	n/a	n/a	\$2.89	n/a
7	n/a	\$3.18	n/a	n/a	n/a	\$3.45	n/a
8	n/a	\$3.55	n/a	n/a	n/a	\$3.86	n/a
9	n/a	\$4.11	n/a	n/a	n/a	\$4.46	n/a
10	n/a	\$4.60	n/a	n/a	n/a	\$5.00	n/a

E. Higher Deductibles **[n/a in Arkansas]**

Earthquake Zone Definitions

Zone 1: See Arkansas Territory 1.0

Rule 511. Loss Assessment Coverage

Amount of Increase	Total Limit	Charge
\$4,000	\$5,000	\$ 3.00
\$9,000	\$10,000	\$ 6.00
each additional \$5,000		\$ 2.00

Rule 512. Loss of Use - Increased Limit (rate per \$1,000) \$ 2.00

Rule 513. Ordinance or Law Increased Amount of Coverage - HO 00 04

HO 00 04 (100% Building Additions & Alterations limit)	Rate per \$1,000 \$2.00
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To calculate the increased coverage amount offered and the corresponding premium: for HO 00 04 policies, multiply the Coverage C amount by .09, then multiply that result by the HO 00 04 rate per \$1,000.

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Rule 515. Personal Property	Charge
A. Increased Special Limits of Liability	
1. Jewelry, Watches, and Furs (rate per \$500)	\$ 7.50
2. Money and Securities (rate per \$100)	
Money	\$ 5.00
Securities	\$ 3.00
3. Silverware, Goldware, and Pewterware (rate per \$500)	\$ 2.50
4. Firearms (rate per \$100)	\$ 3.00
5. Electronic Aparatus (rate per \$500)	\$ 10.00

Rule 516. Personal Property - Scheduled	rate per \$100
Bicycles	\$6.00
Cameras	\$1.60
Coin Collections	\$1.50
Fine Arts	\$0.30
Furs	\$0.55
Golfers' Equipment	\$1.80
Jewelry	\$1.60
Miscellaneous	\$1.00
Musical Instruments	\$0.90
Silverware	\$0.30
Stamp Collections	\$1.35

Rule 519. Special Computer Coverage (charge per policy) \$12.00

Rule 521. Water Back Up and Sump Overflow (charge per policy) \$82.00

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	Personal Liability			Medical Payments		
	\$100,000	\$300,000	\$500,000	\$1,000	\$3,000	\$5,000
Rule 601. Basic and Increased Limits of Liability						
1 and 2 family dwellings	\$ 20.00	\$ 32.00	\$ 39.00	Included	\$ 5.00	\$ 9.00
(additional charge to rates for 1 and 2 family dwellings)						
3 family	\$ 22.00	\$ 35.00	\$ 43.00	Included	\$ 5.00	\$ 9.00
4 family	\$ 24.00	\$ 38.00	\$ 47.00	Included	\$ 5.00	\$ 9.00
Rule 602. Other Insured Location Occupied by Insured (rate per residence)						
1 family	\$ 6.00	\$ 9.00	\$ 11.00			
2 family	\$ 11.00	\$ 18.00	\$ 22.00			
3 family	\$ 22.00	\$ 37.00	\$ 43.00			
4 family	\$ 24.00	\$ 40.00	\$ 47.00			
Rule 604. Additional Residence Rented to Others (rate per residence)						
1 family	\$ 23.00	\$ 37.00	\$ 44.00			
2 family	\$ 38.00	\$ 62.00	\$ 74.00			
3 family	\$ 83.00	\$ 137.00	\$ 162.00			
4 family	\$ 83.00	\$ 137.00	\$ 162.00			
Rule 609. Business Pursuits						
	\$ 4.00	\$ 6.00	\$ 7.00	Included	\$ 2.00	\$ 3.00
Rule 610. Personal Injury						
	\$ 10.00	\$ 12.00	\$ 14.00	n/a	n/a	n/a
Rule 612. Outboard Motors and Watercraft (up to 26 feet)						
Outboard Motors						
each 25-50 hp	\$ 6.00	\$ 8.00	\$ 9.00	\$ 3.00	\$ 9.00	\$ 15.00
each 50-150 hp	\$ 10.00	\$ 13.00	\$ 15.00	\$ 4.00	\$ 12.00	\$ 20.00
Inboard and Inboard/Outdrive Motorboats						
under 16 mph	\$ 12.00	\$ 16.00	\$ 18.00	\$ 3.00	\$ 9.00	\$ 15.00
16-30 mph	\$ 24.00	\$ 32.00	\$ 36.00	\$ 4.00	\$ 12.00	\$ 20.00
30-40 mph	\$ 60.00	\$ 80.00	\$ 90.00	\$ 10.00	\$ 30.00	\$ 50.00
Rule 613. Owned Snowmobile (N/A in Arkansas)						
Rule 617. Dangerous Dog Premium						
	\$ 320.00	NA	NA	\$ 30.00	NA	NA

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Rule 301.A.6. Expense/Loss Experience Modifiers

<u>Program Identifier</u>	<u>Modifier</u>
GMAC and affiliates "Affinity" marketing and referral programs	1.07
GMAC Insurance Agency independent agency programs	1.18
AIG and affiliates "Affinity" marketing and referral programs	1.053
Insurance Intermediaries, Inc. independent agency programs	1.07
Wells Fargo	1.063
All Other	1.00

Rule 481. Affinity Marketing	<u>Factor</u>
	1.00

HOMESITE INSURANCE COMPANY OF THE MIDWEST RENTERS POLICY PROGRAM MANUAL

Policyholder Responsibility Tiers

Number of Residents Tier

1 to 4	1.00
5 or more	1.20

Insurance Score Tiers

Fair Isaac Insurance Risk Score Range	Trans Union Insurance Risk Score Range	ChoicePoint Attract Score Range	Tier	Rating Factor
870 & Above	950 & Above	906 & Above	1	0.40
851-869	947-949	861-905	2	0.40
831-850	932-946	821-860	3	0.40
811-830	918-931	776-820	4	0.40
791-810	908-917	746-775	5	0.40
771-790	892-907	721-745	6	0.45
751-770	877-891	701-720	7	0.45
731-750	862-876	681-700	8	0.45
711-730	846-861	666-680	9	0.45
691-710	830-845	646-665	10	0.45
671-690	811-829	631-645	11	0.45
651-670	796-810	616-630	12	0.49
631-650	767-795	601-615	13	0.52
611-630	747-766	591-600	14	0.55
591-610	727-746	576-590	15	0.59
531-590	664-726	546-575	16	0.67
501-530	634-663	531-545	17	0.77
471-500	601-633	511-530	18	0.84
470 & Below	600 & Below	510 & Below	19	1.00

Applications for which a credit score is not returned (such as No Hit or No Score) will be assigned a Fair Isaac Insurance Risk Score of 815, a Trans Union Assist Score of 815, or a choice Point Attract Score of 640.

Note: For tiering purposes, policyholders with only claims arising from natural causes will be considered to be in the lowest tier.

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ice Risk Score of 680

re 3 to 4 years clean.

HOMESITE INSURANCE COMPANY OF THE MIDWEST HOMEOWNERS POLICY PROGRAM MANUAL

The Homeowners Policy Program provides property and liability coverages, using the forms and endorsements specified in this Manual. This Manual contains the rules and classifications governing the writing of the Homeowners Policy. The rules, rates, forms and endorsements of the Company for each coverage shall govern in all cases not specifically provided for in this Manual.

101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS

A. The limits of liability required under the Homeowners policy are as follows:

1. Section I – Property Damage

Coverage	HO 00 03	HO 00 04 or 06
A Dwelling Minimum Limit	Refer to the state pages	For HO 00 06 refer to Rule 507.A.
B Other Structures	10% of A	---
C Personal Property	50% of A	Refer to the state pages
D Loss of Use	20% of A	20% of C – HO 00 04 40% of C – HO 00 06

2. Section II – Liability (All Forms: Refer to the state pages.)

Coverage E – Personal Liability

Coverage F – Medical Payments to Others

Unless otherwise stated, Coverage E limits apply on an “occurrence” basis;

Coverage F limits on an “each person” basis.

B. All Forms

The limit of liability for Coverages C or D of Section I and E or F of Section II may be increased.

C. Form HO 00 03

Under Coverage B of Section I, an additional amount of insurance may be written on a specific structure

D. Form HO 00 03

Under Coverage C of Section I, it is permissible to reduce the limit of liability to an amount not less than 40% of the limit on the dwelling.

E. Form HO 00 06

The limit of liability for Coverage A of Section I may be increased.

102. DESCRIPTION OF COVERAGES

A. Section I Coverages – Property Damage

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

HOMESITE INSURANCE COMPANY OF THE MIDWEST HOMEOWNERS POLICY PROGRAM MANUAL

	HO 00 03	HO 00 04 & 06
Fire or Lightning	Yes Cov. C	Yes
Windstorm or Hail, Explosion, Riot or civil commotion, Aircraft, Vehicles or Smoke	Yes Cov. C	Yes
Vandalism or malicious mischief	Yes Cov. C	Yes
Theft	Yes Cov. C	Yes
Volcanic eruption	Yes Cov. C	Yes
Falling objects, Weight of ice, snow or sleet, Accidental discharge of water or steam, Sudden and accidental tearing apart of a heating system or appliance, Freezing, Sudden accidental damage from electrical current	Yes Cov. C	Yes
Additional risks with certain exceptions (Special Coverage)	Yes Cov. A, B & D	No

B. Section II Coverages – Liability – All Forms

Coverage E – Personal Liability

Coverage F – Medical Payments to Others

1. Personal Liability – Covers payment on behalf of any insured for all sums which the insured shall become legally obligated to pay as damages because of bodily injury or property damage arising out of an insured's premises or personal activities.
2. Medical Payments to Others – Covers medical expenses incurred by persons, other than the insured, who sustain bodily injury caused by an accident arising out of an insured's premises or personal activities.

103. MANDATORY COVERAGES

It is mandatory that insurance be written for all coverages provided under both Sections I and II of the Homeowners Policy.

104. ELIGIBILITY

A. Form HO 00 03

A Homeowners Policy may be issued:

1. To the owner-occupant(s) of a dwelling which is used exclusively for private residential purposes (except as provided in Rule ~~104.F.~~ 104.E.) and contains not more than 2 families and with not more than 2 boarders or roomers per family; or
2. To the purchaser-occupant(s) who has entered into a long term installment contract for the purchase of the dwelling and who occupies the dwelling but to whom title does not pass from the seller until all the terms of the installment contract have been satisfied. The seller retains title until completion of the payments and in no way acts as a mortgagee. The seller's interest in the building and premises liability may be covered using Endorsement HO 04 41 – Additional Insured; or

HOMESITE INSURANCE COMPANY OF THE MIDWEST HOMEOWNERS POLICY PROGRAM MANUAL

3. To the occupant of a dwelling under a life estate arrangement when the Coverage A amount is at least 80% of the dwelling's replacement cost. The owner's interest in the building and premises liability may be covered using Endorsement HO 04 41 – Additional Insured; or
4. To cover dwellings in the course of construction provided:
 - a. The policy is issued only in the name of the intended owner-occupant(s) of the dwelling;
 - b. The dwelling will be eligible for coverage under Rule 104 upon completion; and
 - c. The dwelling is scheduled to be occupied within the next 60 days.
5. When a 2 family dwelling is occupied by co-owners, each occupying distinct living quarters with separate entrances. Given these circumstances, a Homeowners Policy providing building coverage may be issued to only one of the co-owner occupants of the dwelling. The policy may be endorsed to cover the interest of the other co-owner(s) in the building and for premises liability. A separate **Homeowners Renters** Policy HO 00 04 may be issued to the co-owner(s) occupying the other apartment in the dwelling. It is permissible to extend the Homeowners Policy, without additional premium charge, to cover the interest of a non-occupant joint owner in the building and for premises liability. Use Endorsement HO 04 41 – Additional Insured.
6. Three or Four Family Dwelling
Use Number of Family Code 6 for Three or Four Family Dwellings except as provided in E. below.
 - a. A Homeowners Policy may be issued to the owner-occupant of a 3 or 4 family dwelling in the same manner as a 1 or 2 family dwelling.
 - b. The limits of liability, under Rule 101, applying to Coverage B – Other Structures and Coverage C – Personal Property, are revised as follows:
 - (1) Coverage B – Other Structures; 5% of Coverage A for a 3 or 4 family dwelling.
 - (2) Coverage C – Personal Property; 30% of Coverage A for a 3 family dwelling and 25% of Coverage A for a 4 family dwelling.
 - c. To develop the BASE PREMIUM, multiply the 1 and 2 family dwelling BASE PREMIUM by the appropriate factor on the state rate pages.
 - d. Refer to Rule 402 in the state rate pages when the dwelling unit is in a town or row house structure.
 - e. Refer to Rule 601 in the state rate pages for the liability rates. Use Endorsement HO 04 44, Residence Premises – Three or Four Family Dwelling.

~~B. Form HO 00 04~~

~~A Homeowners Policy may be issued to:~~

- ~~1. The tenant(s) (non-owner) of a dwelling or an apartment situated in any building; or~~
- ~~2. The owner-occupant(s) of a dwelling, co-operative unit or of a building containing an apartment not otherwise eligible for a Homeowners Policy under Rule 104.A. above~~

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~~provided the residence premises occupied by the insured is used exclusively for residential purposes (except as provided in Rule 104.F.) and is not occupied by more than one additional family or more than two boarders or roomers.~~

- B.** Form HO 00 06
A Homeowners Policy may be issued to the owner(s) of a condominium or cooperative unit which is used exclusively for residential purposes (except as provided in Rule ~~104.F.~~ [104.E.](#)), and is not occupied by more than one additional family or more than two boarders or roomers.
- C.** Subject to all other sections of this rule, a Homeowners Policy may be issued to cover a seasonal dwelling, for risks on which the Company also insures the primary residence.
- D.** A Homeowners Policy shall not be issued to cover any mobile home, trailer home, or housetrailer. Their contents may be covered under ~~Rule 104.B.~~ [the rules provided in the HO4 rules pages.](#)
- E.** Certain business occupancies are permitted, provided:
 - 1. The premises is occupied principally for private residential purposes; and
 - 2. There is no other business occupancy on the premises.When the business is conducted on the residence premises, refer to Rule 510 for Section I Coverage and Rule 608 for Section II Coverage.
- F.** A Homeowners Policy shall not be issued to cover any property to which farm forms or rates apply under the rules of the Company. In no event shall a policy be issued to provide Section I property damage coverage to any property situated on premises used for farming purposes.

105. SECONDARY RESIDENCE PREMISES

- A.** Homeowners coverage on a secondary residence premises shall be provided under a separate policy. The rules of this Manual apply except that Section II Coverage is not mandatory for the secondary residence policy when the same company insures the initial and secondary residence.
- B.** When coverage is provided on the initial and secondary residence premises under separate policies in the same company add the charge for Other Insured Location Occupied by Insured, developed from Rule 602, to the policy covering the initial residence.
Coding Note: Coverage E limit of liability is reported blank for the secondary location. Status Code 4 if seasonal dwelling; Code 3 otherwise.

106. PROTECTION CLASSIFICATION CODES AND INFORMATION

Codes

Protection Class	Code
Well Protected	01
Moderately Protected	07
Poorly Protected	09

- B.** Protection Information
The location of the building(s) determines its fire protection classification as follows:
 - 1. Well Protected
Buildings located within five road miles of a responding fire department and:
 - a. within 1,000 feet of a fire hydrant; or

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- b. within 1,000 feet of a year-round water source of at least 3,500 gallons and the responding fire department is equipped to respond with pumper truck capabilities; or
 - c. the responding fire department is equipped to respond with pumper/tanker truck capabilities of at least 3,500 gallons
2. Moderately Protected
Buildings located within five road miles of a responding fire department but not otherwise qualified as Well Protected.
 3. Poorly Protected
Buildings that do not qualify for the Well Protected or Moderately Protected classifications are to be classified as Poorly Protected.

107. CONSTRUCTION DEFINITIONS

- A. Frame
Exterior wall of wood or other combustible construction, including wood iron-clad, stucco on wood or plaster or combustible supports. (Use Construction Code 1.)
Aluminum or plaster siding over frame. (Use Construction Code 5.)
- B. Masonry Veneer
Exterior walls of combustible construction veneered with brick or stone. (Use Construction Code 2.)
- C. Masonry
Exterior walls constructed of masonry materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or similar materials and floors and roof of combustible construction (Disregarding floors resting directly on the ground). (Use Construction Code 3.)
- D. Superior Construction
(Use Construction Code 4.)
 1. Non-Combustible
Exterior walls and floors and roof constructed of, and supported by metal, asbestos, gypsum, or other non-combustible materials.
 2. Masonry Non-Combustible
Exterior walls constructed of masonry materials (as described in C. above) and floors and roof of metal or other non-combustible materials.
 3. Fire Resistive
Exterior walls and floors and roof constructed of masonry or other fire resistive materials.

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

108. SEASONAL DWELLING DEFINITION

A seasonal dwelling is a dwelling with continuous unoccupancy of three or more consecutive months during any one year period.

109. SINGLE BUILDING DEFINITION

- A. All buildings or sections of buildings which are accessible through unprotected openings shall be considered as a single building.

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

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201. POLICY PERIOD

The policy may be written for a period of:

- A. One year and may be extended for successive policy periods by extension certificate based upon the premiums, forms, and endorsements then in effect for the Company.
- B. Less than one year on a pro rata basis and may be extended for successive policy periods based upon the premiums, forms and endorsements then in effect for the Company.

202. CHANGES OR CANCELLATIONS

- A. It shall not be permissible to cancel any of the mandatory coverages in the policy unless the entire policy is cancelled.
- B. If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro rata basis.

203. MANUAL PREMIUM REVISION

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

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

204. (Reserved for future use.)

205. MINIMUM PREMIUM

Refer to Statistical Plan for coding requirements.

The minimum annual premium shown on the state rate pages shall be charged for each policy. The minimum premium may include all chargeable endorsements or coverages if written at the inception of the policy.

206. TRANSFER OR ASSIGNMENT

Subject to the consent of the Company, all the rules of this manual and any necessary adjustment or premium, a policy may be endorsed to effect:

- A. Transfer to another location within the same state; or
- B. Assignment from one insured to another in the event of transfer of title of the dwelling.

207. WAIVER OF PREMIUM

Does not affect coding

When a policy is endorsed after the inception date, refer to the state rate pages for the amount of additional or return premium that may be waived.

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208. WHOLE DOLLAR PREMIUM RULE

Does not affect coding.

Each premium shown on the policy and endorsements shall be rounded to the nearest whole dollar. A premium of fifty cents (\$.50) or more shall be rounded to the next higher whole dollar.

In the event of cancellation by the Company, the return premium may be carried to the next higher whole dollar.

209. RESTRICTION OF INDIVIDUAL POLICIES

If a policy would not be issued because of unusual circumstances or exposures, the named insured may request a restriction of the policy provided no reduction in the premium is allowed. The Company will review the request, signed by the named insured, and the policy may be issued at the Company's sole discretion.

210. REFER TO COMPANY

Whenever a risk is rated on a Refer to Company basis, each company is responsible for complying with regulatory or statutory rate filing requirements.

270. PAYMENT PLANS / FEES

- A. The total premium of any policy is due and payable at the beginning of the policy term, unless the policy is issued on an installment plan.
- B. For policies issued on an installment plan, the following fees apply to each installment after the down payment:
 - 1. \$5.00 to each payment for billed policies.
 - 2. \$3.00 to each payment for policies paid by electronic funds transfer.
- C. A fee of \$10.00 is added if a check is returned or electronic funds transfer refused due to insufficient funds. A \$15.00 fee is added if a cancellation notice is sent because an installment payment was not received by the date due.

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301. PREMIUM COMPUTATION

- A. The premium is computed as follows:
1. Determine the policy BASE PREMIUM based on the amount of Coverage A or Coverage C, as applicable, multiplying the territory base rate by the policy form, protection/construction, and amount of insurance rating factors shown in the base rate pages of this manual.
 2. Calculate the premium additions and reductions for the desired deductible, any applicable BASE PREMIUM modifications (300- and 400-series Rules), and any liability increased limits and/or optional liability coverages (600-series Rules), calculating each item individually. Where the premium is a factor of the BASE PREMIUM, calculate that factor against the premium developed in Step 1 above.
 3. Apply the applicable tier factors to the total of Step 1, rounding the new total to the nearest dollar.
 4. Apply the applicable tier factors to each premium addition and reduction calculated in Step 2, rounding each total to the nearest dollar.
 5. Calculate the premiums for any other mandatory or optional property or liability coverages that apply, calculating each item individually, rounding each total to the nearest dollar. Where the premium is a factor of the BASE PREMIUM, calculate that factor against the Step 1 premium.
 6. Add together the sum of Step 3 plus all Step 4 items plus all Step 5 items, and add any applicable policy expense fee(s), then apply any applicable expense or loss experience modifier (additive or factor) to that total. The result is the total policy premium.
 7. When Homesite converts an existing, in-force AIG policy pursuant to a rollover commencing in or about the fourth quarter, 2004, then premium offered by Homesite for equivalent coverage in the first term will be capped so that it is not more than 30% greater than the expiring AIG premium. In the second and third term, all policies that were converted from AIG, pursuant to the rollover, will be capped so that it is not more than 30% greater than the expiring Homesite premium. All subsequent terms of the policy will be rated at the Homesite manual rate manual level. The cap is not applicable where the minimum premium requirement is greater than the capped premium.
- B. When any of the following coverage options apply, develop the BASE PREMIUM according to the instructions provided in the rules of this manual:
1. Three or Four Family Dwelling (Rule 104.A.6.)
 2. Secondary Residence Premises (Rule 105)
 3. Functional Replacement Cost Loss Settlement (Rule 302.A.)
 4. Special Loss Settlement (Rule 302.C.)
 5. Ordinance or Law Coverage – Increased Limit (Rule 303.B.)
 6. Special Personal Property Coverage (Rule 304)
- C. Interpolation Example
1. When the desired limit of liability is less than the highest limit shown, interpolate the amount of insurance factor using the nearest limit above and below the desired limit.
Example
\$203,000 desired limit; the nearest limits are \$200,000 and \$205,000.

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For \$200,000 the factor is 2.837; for \$205,000 the factor is 2.937. Figure the difference between the two factors and divide by 5. This provides a factor per \$1,000.

$$\begin{array}{r} 2.937 \\ -2.837 \\ \hline .100 \div 5 = .02 \end{array}$$

Multiply the factor per \$1,000 times 3, and add 2.837; the factor for \$200,000.

$$\begin{array}{r} .02 \\ \times 3 \\ \hline .06 + 2.837 = 2.897 \end{array}$$

The result, 2.897, is the amount of insurance factor for this example.

- The factors shown in the above interpolation example are for illustration only and are not necessarily the factors shown in the Amount of Insurance Table of this Manual.

302. LOSS SETTLEMENT OPTIONS – HO 00 03 ONLY

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.

A. Functional Replacement Cost Loss Settlement

Coding: To be determined.

- 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.
- Develop the BASE PREMIUM in accordance with Rule 301 for the amount of insurance selected for this option.

Use Endorsement HO 05 30 Functional Replacement Cost Loss Settlement.

B. Actual Cash Value Loss Settlement

Coding: To be determined.

- The policy may be endorsed to provide 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.
- The premium is computed by multiplying the BASE PREMIUM by the appropriate factor from the state rate pages.

Use Endorsement HO 04 81 Actual Cash Value Loss Settlement.

C. Special Loss Settlement

Exception Code 5

- This percentage amount may be modified to 50%, 60% or 70% of replacement value without affecting the loss settlement provisions. If this option is selected, the Coverage A limit of liability representing 50%, 60% or 70% of replacement value is to be shown in the policy declarations.
- To develop the BASE PREMIUM for the Coverage A limit of liability shown in the policy declarations:

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- a. Multiply the Coverage A limit of liability by the appropriate factor from the state rate pages and round to the nearest \$1,000.
- b. Develop a BASE PREMIUM in accordance with Rule 301 for the amount of insurance computed in C.2.a. above.
- c. Multiply the premium determined in C.2.b. by the appropriate factor from the state rate pages.

Use Endorsement HO 04 56 Special Loss Settlement.

303. ORDINANCE OR LAW COVERAGE – ALL FORMS

A. Basic Limit

The policy automatically provides up to 10% of the Coverage A limit of liability ~~(or for Form HO 00 04, the Building Additions and Alterations limit)~~ to pay for the increased costs necessary to comply with the enforcement of an ordinance or law.

Use Ordinance or Law Coverage Code 2.

B. Increased Limit

1. The policy may be endorsed to increase the basic ordinance or law coverage amount, as noted below, to accommodate the increased costs known or estimated by the insured for materials and labor to repair or replace the damaged property and to demolish the undamaged portion of damaged property and clear the site of resulting debris according to the ordinance or law.

Use Ordinance or Law Coverage Code 3.

2. Premium

- a. Form HO 00 03: To develop the BASE PREMIUM, multiply the premium developed in accordance with Rule 301 by the appropriate factor from the state rate pages.
- b. Forms ~~HO 00 04 and~~ HO 00 06: see Rule 513 for rating instructions.

For all forms, use Endorsement HO 04 77 Ordinance or Law – Increased Amount of Coverage.

304. SPECIAL PERSONAL PROPERTY COVERAGE – HO 00 03 AND HO 00 06

A. HO 00 03 Only (Status Code 7)

1. Coverages A and B under Form HO 00 03 are insured against additional risks of physical loss subject to certain exclusions. Coverage C is insured against perils named in the form.
2. The policy may be endorsed to insure Coverage C against additional risks of physical loss subject to certain exclusions.
(When any of the Rule 302 Loss Settlement Options is used, this option may not be used.)
3. Multiply the BASE PREMIUM developed in accordance with Rule 301 by the appropriate factor from the state rate pages.

Use Endorsement HO 00 15 Special Personal Property Coverage – HO 00 03 only.

B. HO 00 06 Only (Status Code 7)

1. Coverage C under Form HO 00 06 is insured against perils named in the form. The policy may be endorsed to insure Coverage C against additional risks of physical loss subject to certain exclusions.

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2. This option may only be used when the condominium or cooperative unit is owner occupied.
3. Multiply the BASE PREMIUM developed in accordance with Rule 301 by the appropriate factor from the state rate pages.

Use Endorsement HO 17 31 Unit-Owners – Coverage C – Special Coverage – HO 00 06 Only.

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401. SUPERIOR CONSTRUCTION

The premium for a dwelling or apartment unit in a building of superior construction is computed by multiplying the masonry BASE PREMIUM for a comparable dwelling or ~~apartment~~ condominium unit by the appropriate factor from the state rate pages.

402. TOWNHOUSE OR ROW HOUSE – ALL FORMS EXCEPT ~~HO 00 04 AND~~ HO 00 06

The premium for an eligible dwelling in a town or row house structure is computed by multiplying the BASE PREMIUM by the appropriate factor on the state rate pages.

403. PERSONAL PROPERTY (COVERAGE C) REPLACEMENT COST COVERAGE

Coding Note: Subline Code 03 (403 if 50 character format) applies instead of Subline Codes listed on the state rate pages.

- A. The premium to extend the limit of liability for Coverage C to include Replacement Cost Coverage, is computed by multiplying the BASE PREMIUM including any premium adjustment for Coverage C limits by the appropriate factor on the state rate pages.
- B. Replacement Cost Coverage also applies to articles or classes of property separately described and specifically insured in this policy, as listed in the Scheduled Personal Property endorsement.

Use Endorsement HO 04 90 Personal Property Replacement Cost.

404. PROTECTIVE DEVICES

Does not affect coding.

Approved and properly maintained installations of burglar alarms, fire alarms, and automatic sprinklers in the dwelling may be recognized for a reduced premium.

Refer to the state rate pages for installation types and applicable credits.

Use Endorsement HO 04 16 Premises Alarm or Fire Protection System.

405. AUTOMATIC ADJUSTMENT OF LIMITS – FORM HO 00 03

The limits that apply to Coverages A, B, C, and D will be automatically adjusted on an annual basis, based on a residential building cost index provided by a major appraisal company, subject to a minimum increase of 5%.

406. DEDUCTIBLES

All policies are subject to a deductible that applies to loss from all Section I perils, except Earthquake and Windstorm. ~~Refer to the Windstorm rule to calculate the premium for the Windstorm components of the deductible.~~ Refer to the Earthquake Coverage rule for applicable deductible provision.

- A. Base Deductible
\$500 Deductible (Type Code 50).

- B. Optional Deductibles

The All Other Perils deductible amount may be reduced from \$500 to \$250, except for the peril of Windstorm. Refer to the state rate pages for the appropriate factors. The following options are subject to the minimum and maximum additional premium charges listed on the state rate pages.

1. \$100 Deductible (Type Code 5, Size Code 10) – HO 00 04 & 06 [N/A in Arkansas]

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2. \$250 Theft Deductible – HO 00 04 & 06 except with HO 17 31 **[N/A in Arkansas]** (Theft Indicator Code 3)
The theft deductible applies to Coverage C – Personal Property and is available only when a \$100 deductible applies to All Other Perils.
 3. \$250 Deductible (Type Code 5, Size Code 25)
- C. Optional Higher Deductibles
1. All Other Perils Deductibles (Type Code 5)
To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages for the selected option, subject to the listed minimum and maximum additional premium charges.
 2. Windstorm or Hail Deductibles – Form HO 00 03 only
The following deductible options are used in conjunction with the deductible applicable to All Other Section I perils. Refer to the state rate pages for available options, factors, and applicable minimum and maximum premium charges.
 - a. Percentage Deductibles
 - (1) A percentage deductible of the Coverage A limit of liability is available when the dollar amount of the percentage deductible selected exceeds the amount of the deductible applicable to All Other Section I perils.
 - (2) Attach Endorsement HO 03 12 – Windstorm or Hail Percentage Deductible to the policy and enter on the policy declarations the percentage amount that applies to Windstorm or Hail and the dollar amount that applies to All Other Section I perils.
Example:
Deductible – Section I \$250 except Windstorm or Hail 1% of Coverage A limit.
Deductible – Section I \$100 except:
- \$250 for Theft of Personal Property; and
- Windstorm or Hail 2% of the Coverage A limit.
 - (3) In the event of a Windstorm or Hail loss to covered property, the dollar amount is deducted from the total of the loss for all coverages.
Example:

Coverage	Limit of Liability	1% Deductible	Amount of Loss Before Deductible	After Deductible
A	\$100,000	\$1,000	\$ 7,500	---
B	10,000		1,350	---
C	50,000		3,000	---
D	20,000		<u>660</u>	<u>---</u>
			\$12,510	\$11,510
 - (4) The factors displayed on the state rate pages incorporate the factors for the All Perils Deductibles. Do not use the factors for the All Perils Deductibles when rating a policy with a higher Windstorm or Hail deductible.
 - (5) To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages for the selected option.

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- b. Higher Fixed-Dollar Deductibles
 - (1) Higher fixed-dollar deductibles are available when the dollar amount of the higher fixed-dollar deductible selected exceeds the amount of the deductible applicable to All Other Section I Perils.
 - (2) Separately enter, on the policy declarations, the deductible amounts that apply to Windstorm or Hail and All Other Section I Perils.
Example:
Deductible – Section I \$250
except \$1,000 for Windstorm or Hail.
 - (3) The factors displayed on the state rate pages incorporate the factors for the All Perils Deductibles. Do not use the factors for the All Perils Deductibles when rating a policy with a higher Windstorm or Hail deductible.
 - (4) To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages for the selected option.

407. ADDITIONAL AMOUNTS OF INSURANCE – FORM HO 00 03

- A. The policy provides loss settlement for buildings insured under Coverage A or B on a replacement cost basis without deduction for depreciation, if, at the time of loss, the amount of insurance on the damaged building is 80% or more of the replacement cost of the building immediately before the loss.
- B. The policy may be endorsed to provide additional insurance for Coverage A only or for Coverages A, B, C, and D when loss, to the dwelling building, exceeds the limit of liability shown in the policy declarations.
- C. When either of the following options is selected, the Coverage A limit of liability shall be at least 100% of the full replacement cost of the dwelling building at the policy inception or at the time the endorsement is added to the policy:
 - 1. Specified Additional Amount of Insurance for Coverage A Only
Coding Note: Use the Subline of Business Codes indicated below for the applicable option. (Codes for the 150 character format)

Option	25%	50%
With Replacement Cost for Coverage C	32 (432)	34 (434)
Without Replacement Cost for Coverage C	31 (431)	33 (433)

 - a. An additional amount of insurance equal to 25% or 50% of the Coverage A limit of liability may be selected. This additional amount is available when loss to the dwelling building exceeds the Coverage A limit of liability shown in the Declarations.
The additional amount cannot be applied to any other coverage nor does it increase the Coverage A limit.
 - b. The premium for this option is computed by multiplying the BASE PREMIUM by the appropriate factor shown on the state rate pages.
Use Endorsement HO 23 47, Excess Dwelling Coverage (Specified Additional Amount of Insurance for Coverage A Only) HO 00 03 only.

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2. Additional Limits of Liability for Coverages A, B, C, and D.

Coding Note: Use Subline of Business Code:

23 (423 if 150 character format) for policies without replacement cost for Coverage C.

24 (424 if 150 character format) for policies with replacement cost for Coverage C.

- a. This option differs from C.1. above, in that the Coverage A limit of liability is increased, after a loss, to the amount necessary to repair or replace the damaged or destroyed dwelling building. The limits of liability for Coverages B, C, and D will also be increased by the same percentage applied to the Coverage A limit.

When a loss payment, for the dwelling building, does exceed the Coverage A limit, the policy is endorsed retroactive to the date of loss to the limit needed to settle the loss.

- b. The premium is computed by multiplying the BASE PREMIUM by the appropriate factor shown on the state rate pages.

Use Endorsement HO 23 49, Excess Dwelling Coverage (Additional Limits of Liability for Coverages A, B, C, and D) HO 00 03 only.

- D. Do not use either endorsement when the Special Loss Settlement Endorsement or any other endorsement which modifies the required percentage of replacement value is attached to the policy.

408. ACTUAL CASH VALUE LOSS SETTLEMENT – WINDSTORM OR HAIL LOSSES TO ROOF SURFACING – ~~ALL FORMS EXCEPT HO 00 04~~ [N/A in Arkansas]

Does not affect coding.

- A. The policy provides settlement for building losses on a repair or replacement cost basis, subject to certain conditions.
- B. The policy may be endorsed to provide loss settlement exclusively on an Actual Cash Value basis for roof surfacing when damage is caused by the peril of Windstorm or Hail.
- C. To develop the premium for this option, multiply the BASE PREMIUM by the factor shown on the state rate pages.

Use Endorsement HO 04 93, Actual Cash Value Loss Settlement – Windstorm or Hail Losses to Roof Surfacing (All Forms Except HO 00 04).

470. AGE OF HOME – FORM HO 00 03

To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages. Do not apply the factor to optional coverages or higher limits of Section I or Section II coverages. Do not apply the factor mid-term.

471. ROOFING AGE/MATERIALS – FORM HO 00 03

Multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages to reflect the hail resistance or susceptibility of the roof, based on the age and type of roofing material and the location of the dwelling.

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472. SAFE HEAT

When the primary heating system in the residence is a solid-fuel burning system, multiply the BASE PREMIUM by the applicable factor shown on the state rate pages.

480. MATURE OWNER/RESIDENT ~~[N/A to Renters Express Program]~~

When either or both the named insured(s) are 50 years of age or older, multiply the BASE PREMIUM by the applicable factor shown on the state rate pages.

481. AFFINITY MARKETING

Rating factors shown on the state rate pages apply according to the Premium Computation Rule 301.A.2 when the coverage is placed through a Homesite affinity partner and the named insured also maintains an account with a Homesite affinity partner or membership in an approved group.

482. POLICY CONVERSION – ~~FORMS HO 00 04 AND HO 00 06~~

If the named insured replaces a current Homesite tenants or unit-owners policy with a Homesite owners form policy, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages.

483. INTERNET QUOTE/PURCHASE [N/A in Arkansas]

When the initial quote is made and coverage is bound for a new business policy through the company's web site *www.homesite.com*, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages.

484. SMOKER SURCHARGE ~~[N/A to Renters Express Program]~~

Determine the number of smokers living in the household, and multiply the base premium by the applicable factor shown on the state rate pages.

~~485. RENTERS EXPRESS PROGRAM – FORM HO 00 04~~

~~The Renters Express program is a tenant based homeowners program whereby an apartment complex is underwritten as a whole, and all tenants are eligible for a renters policy. In these cases, Homesite does not apply individual risk underwriting guidelines.~~

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SECTION I COVERAGES – PROPERTY

501. (Reserved for future use.)

502. (Reserved for future use.)

503. BUSINESS PROPERTY – INCREASED LIMITS

Does not affect coding.

A. The \$2,500 limit of liability for business property on the residence premises may be increased to \$10,000 in increments of \$2,500. Charge the rate for each \$2,500 increase shown in the state rate pages. The limit of liability in excess of \$2,500 does not apply to:

1. Business property in storage or held as a sample or for sale or delivery after sale;
2. Business property pertaining to a business actually conducted on the residence premises. (This exposure is addressed by HO 04 42 – Permitted Incidental Occupancies.)

B. When the on-premises limit is increased, the off-premises limit of \$250 is automatically increased, at no additional charge, to an amount that is 10 percent of the total on-premises limit of liability.

Use Endorsement HO 04 12 Increased Limits of Business Property.

504. (Reserved for future use.)

505. EARTHQUAKE COVERAGE

Coding Note: Code as a separate Earthquake record with Subline Code 60 (460 if 150 character format).

A. 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. For Form HO 00 03 with HO 00 15 and Form HO 00 06 with HO 17 31, this peril is automatically included for Coverage C.

Use Endorsement HO 04 54 Earthquake.

B. Deductible

A deductible percentage amount of 5% of the limit of liability for:

1. Coverage A for Form HO 00 03; and
2. Coverage C for Forms ~~HO 00 04 and~~ HO 00 06;

is 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% deductible in the state rate pages.

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. Refer to the state rate pages for rates.

Use Endorsement HO 04 36 for all Forms.

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D. Base Premium

Develop the base premium as follows:

1. From the state rate pages:
 - a. Determine whether Construction Table A, B, and/or C applies.
 - b. Determine the Earthquake Zone.
2. For Form HO 00 03, add the results of the following three steps:
 - a. Multiply the Coverage A limit by the rate found in Row A of the table. However, if HO 00 15 is attached, multiply the Coverage A limit by the rate found in Row G of the table;
 - b. If the Coverage C limit is increased, multiply the rate found in Row D by the amount of the increase; and
 - c. If the Coverage D limit is increased, multiply the rate found in Row F by the amount of the increase.
- ~~3. For Form HO 00 04, add the results of the following two steps:
 - a. Multiply the Coverage C limit by the rate found in Row B of the table; and
 - b. If the Coverage D limit is increased, multiply the rate found in Row F by the amount of the increase.~~
3. For Form HO 00 06, add the results of the following three steps:
 - a. Multiply the Coverage C limit by the rate found in Row C of the table. However, if HO 17 31 is attached, do not include this step in the base premium calculation;
 - b. Multiply the Coverage A limit by the rate found in Row E of the table; and
 - c. If the Coverage D limit is increased, multiply the rate found in Row F by the amount of the increase.
4. Building or Non-Building Structure Items - All Forms
Multiply the rate in Row F of the table by the appropriate limit of liability for Other Building or Structure options. (e.g. - Other Structures - HO 04 40, HO 04 48 and HO 04 92; ~~Building Additions and Alterations - HO 04 49 and HO 04 51~~).
5. Ordinance or Law - Basic and Increased Limit - All Forms
Multiply the rate determined in D.2.a, D.3.b, ~~D.4.b~~ and/or D.5 4 above by the Ordinance or Law total amount of insurance. This includes basic and, if applicable, increased amounts.

E. Premium for Higher Deductibles [N/A in Arkansas]

Multiply the base premium determined in D. above by the appropriate factor shown on the state rate pages.

506. (Reserved for future use.)

507. FORM HO 00 06 COVERAGE A DWELLING BASIC AND INCREASED LIMITS – HO 00 06

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 on the Declarations pages.

Limit Code 1

B. Increased Limits

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The basic limit may be increased. Use the rating information shown on the state rate pages.

Report Limit Code as follows:

Limits	Code
\$5,001 - \$ 9,999	2
10,000 – 19,999	3
20,000 – 29,999	4
30,000 – 39,999	5
40,000 – 49,999	6
50,000 – 59,999	7
60,000 – 69,999	8
70,000 and Over	9

508. FORM HO 00 06 UNITS REGULARLY RENTED TO OTHERS

Status Code 6

- A. 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.
- B. 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.
- C. Multiply the Coverage C BASE PREMIUM (reflecting the credit or surcharge for optional deductibles) by the appropriate factor shown on the state rate pages. Use Endorsement HO 17 33 Unit-Owners Rental to Others.

509. (Reserved for future use.)

510. (Reserved for future use.)

511. LOSS ASSESSMENT COVERAGE

Coding Note: Status Code 6 when HO 17 33 also used; Code 2 otherwise.

The policy automatically provides, at no additional charge, \$1,000 of loss assessment coverage, excluding Earthquake, for assessments relating to the residence premises. This limit may be increased. Refer to the state rate pages for the additional rate. Endorsement HO 04 35 does not cover loss to property under Section I caused by Earthquake.

Use Endorsement HO 04 35 Loss Assessment Coverage.

512. LOSS OF USE – INCREASED LIMIT

Does not affect coding.

When the limit of liability for Coverage D is increased, charge the rate per \$1,000 of additional insurance shown in the state rate pages.

513. ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE – ~~HO 00 04 AND HO 00 06~~

- A. The basic amount of coverage may be initially increased to ~~100% of the Form HO 00 04 Building Additions and Alterations limit (Coverage Code 6) or~~ 25% of the HO 00 06 Coverage A limit (Coverage Code 3).
- B. Premium

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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. Refer to the state rate pages for the premium for each additional \$1,000 of insurance.

514. OTHER STRUCTURES

- A. When insurance is written on a specific structure on the residence premises for increased limits, the rates per \$1,000 of insurance mentioned below shall apply separately to each structure.
- B. Increased Limits
Does not affect coding.
Premium: Refer to the state rate pages.
Use Endorsement HO 04 48 Other Structures.

515. PERSONAL PROPERTY

- A. Increased Limit
Does not affect coding.
The limit of liability for Coverage C may be increased. Charge the additional rate per \$1,000 of insurance shown in the state rate pages.
- B. Reduction in Limit
Does not affect coding.
The limit of liability for Coverage C may be reduced to an amount not less than 40% of the limit for Coverage A. The credit per \$1,000 is shown in the state rate pages.
- C. Increased Special Limits of Liability
Does not affect coding.
 1. Jewelry, Watches and Furs
The special limit of liability of \$1,000 for theft of jewelry, watches and furs may be increased to a maximum of \$5,000 but not exceeding \$1,000 for any one article. Charge the additional rate per \$1,000 shown in the state rate pages.
 2. Money and Securities
The special limit of liability of \$200 on money may be increased to a maximum of \$1,000. The \$1,000 limit on securities may be increased to a maximum of \$2,000. Charge the additional rate per \$100 shown in the state rate pages.
 3. Silverware, Goldware, and Pewterware
The special limit of liability of \$2,500 for loss by theft of silverware, etc., may be increased to a maximum of \$10,000 in increments of \$500. Charge the additional rate per \$500 shown in the state rate pages.
 4. Firearms
The special limit of liability of \$2,000 for loss by theft of firearms may be increased to a maximum of \$6,000 in increments of \$100. Charge the additional rate per \$100 shown in the state rate pages.
 5. Electronic Apparatus
 - a. The policy provides coverage, as described below, for loss of electronic apparatus equipped to be operated from the electrical system of a motor vehicle or motorized land conveyance while retaining its capability or being operated by other sources of power:

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(1) Up to \$1,000 for apparatus in or upon a motor vehicle or motorized land conveyance, and

(2) Up to \$1,000 for apparatus not in or upon a motor vehicle that is away from the residence premises and used for business.

b. Each of these limits may be increased to a maximum of \$5,000 in increments of \$500. Charge the additional rate per \$500 shown in the state rate pages.

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

Use Endorsement HO 04 66 Coverage C Increased Special Limits of Liability for HO 00 03 with HO 00 15 or HO 00 06 with HO 17 31.

D. Refrigerated Personal Property – All Forms

Does not affect coding.

1. The policy includes by endorsement \$500 of coverage for covered property stored in freezers or refrigerators on the residence premises for loss caused by power service interruption or mechanical failure.

2. A deductible of \$100 applies.

3. There is no additional charge for this coverage.

Use Endorsement HO 04 98 Refrigerated Property Coverage with all policies.

516. PERSONAL PROPERTY – SCHEDULED

Coding Note: Code as a separate Inland Marine record with Subline Code 70 (470 if 150 character format).

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

Use Endorsement HO 04 61 Scheduled Personal Property.

517. (Reserved for future use.)

518. (Reserved for future use.)

519. SPECIAL COMPUTER COVERAGE – ALL FORMS EXCEPT HO 00 03 WITH HO 00 15 OR HO 00 06 WITH HO 17 31

Status Code

All Forms except HO 00 06: Code 2

HO 00 06: Code 6 when HO 17 33 also used; Code 2 otherwise

The policy may be endorsed to insure computers and related equipment against additional risks of physical loss subject to certain exclusions. Charge the additional rate shown in the state rate pages.

Use Endorsement HO 04 14 Special Computer Coverage.

520. (Reserved for future use.)

521. WATER BACK UP AND SUMP OVERFLOW

Code as a separate record with Exception Code 1.

A. The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from a sump. The limit of liability available under this option is \$5,000.

B. A deductible of \$250 applies. No other deductible option is available.

C. Charge the rate shown on the state rate pages.

Use Endorsement HO 04 95 Water Back Up and Sump Overflow.

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SECTION II COVERAGES

PERSONAL LIABILITY AND MEDICAL PAYMENTS TO OTHERS

601. RESIDENCE PREMISES – BASIC AND INCREASED LIMITS OTHER EXPOSURES – BASIC AND INCREASED LIMITS

- A. Residence Premises
 - 1. Minimum limits of liability for Coverage E (Personal Liability) and Coverage F (Medical Payments to Others) are shown in Rule 301 in the state rate pages.
 - 1. Refer to the state rate pages Rule 601 for 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 indicated.
 - 3. For increased limits for Other Exposures, refer to the state rate pages.
 - 4. If increased limits are written, then the same limits must apply to the Residence Premises, unless otherwise stated.

602. OTHER INSURED LOCATION OCCUPIED BY INSURED

Does not affect coding.

- A. 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.
- B. 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.
- C. Premium – Refer to the state rate pages.

603. RESIDENCE EMPLOYEES

- A. There is no additional charge for up to two residence employees.
- B. Refer to the state 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

Status Code 2

- A. The policy may be endorsed to provide coverage when an additional residence is rented to others.
- B. Premium – Refer to the state rate pages.
Use Endorsement HO 24 70 Additional Residence Rented to Others.

605. (Reserved for future use.)

606. (Reserved for future use.)

607. (Reserved for future use.)

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608. (Reserved for future use.)

609. BUSINESS PURSUITS

Status Code 2

- A. 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 in the business.
- B. Refer to the state rate pages for eligible business activities and rates.
Use Endorsement HO 24 71 Business Pursuits.

610. PERSONAL INJURY

Coding Notes: Use Class Code 994 and code as a separate Personal Liability record with Subline Code 80 (480 if 150 character format).

- A. Liability coverage for personal injury to others, such as false arrest, libel or invasion of privacy, may be added to the policy.
- B. Premium: Refer to the state rate pages.
Use Endorsement HO 24 82 Personal Injury.

611. (Reserved for future use.)

612. OUTBOARD MOTORS AND WATERCRAFT

Coding Note: Code as a separate Personal Liability record with Subline Code 80 (480 if 150 character format). Exposure coding (number of watercraft) is required.

- A. Coverage is included in the policy form, at no additional charge, for watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power.
- B. Coverage is available, for an additional premium, for watercraft up to 26 feet in length powered by outboard engines or motors exceeding 25 horsepower, Inboard or Inboard-Outdrive engines or motors.
Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured.
- C. 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.
- D. For boats not described above, coverage is not permitted under the Homeowners Policy
- E. 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 boat from that residence, apply the premium for that state.
- F. Premium: Refer to the state rate pages.
Use Endorsement HO 24 75 Watercraft.

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613. OWNED SNOWMOBILE [N/A in Arkansas]

Coding Note: Code as a separate Personal Liability record with Subline Code 80 (480 if 150 character format). Exposure coding (number of snowmobiles) is required.

- A. The policy may be endorsed to provide coverage when a snowmobile is used off of the insured location.
 - B. Rate each snowmobile owned by the named insured or any other insured separately. This charge is the minimum annual premium for each snowmobile for any period within a policy year.
 - C. Premium: Refer to the state rate pages.
- Use Endorsement HO 24 64 Snowmobile.

614. (Reserved for future use.)

615. (Reserved for future use.)

616. NO GUN TRAINING SURCHARGE [~~N/A to Renters Express Program~~]

When guns are present and locked on the residence premises, but none of the named insureds have completed a gun safety training course, apply the applicable premium shown on the state rate pages.

617. DANGEROUS DOG PREMIUM [~~N/A to Renters Express Program~~]

When dangerous dogs are present, apply the applicable premium shown on the state rate pages.

618. UNSAFE SWIMMING POOL PREMIUM [~~N/A to Renters Express Program~~]

When an unsafe swimming pool is on the property, apply the applicable premium shown on the state rate pages.

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SPECIAL STATE REQUIREMENTS

001. Special Provisions Endorsement – HO 01 03
Use this endorsement with all Homeowners policies.

002. No Coverage for Home Day Care Business – HO 04 96
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.

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The Homeowners Policy Program provides property and liability coverages, using the forms and endorsements specified in this Manual. This Manual contains the rules and classifications governing the writing of the Homeowners Policy. The rules, rates, forms and endorsements of the Company for each coverage shall govern in all cases not specifically provided for in this Manual.

101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS

A. The limits of liability required under the Homeowners policy are as follows:

1. Section I – Property Damage

<u>Coverage</u>	<u>HO 00 03</u>	<u>HO 00 06</u>
A Dwelling Minimum Limit	Refer to the state pages	For HO 00 06 refer to Rule 507.A.
B Other Structures	10% of A	---
C Personal Property	50% of A	Refer to the state pages
D Loss of Use	20% of A	40% of C – HO 00 06

2. Section II – Liability (All Forms: Refer to the state pages.)

Coverage E – Personal Liability

Coverage F – Medical Payments to Others

Unless otherwise stated, Coverage E limits apply on an “occurrence” basis;

Coverage F limits on an “each person” basis.

B. All Forms

The limit of liability for Coverages C or D of Section I and E or F of Section II may be increased.

C. Form HO 00 03

Under Coverage B of Section I, an additional amount of insurance may be written on a specific structure

D. Form HO 00 03

Under Coverage C of Section I, it is permissible to reduce the limit of liability to an amount not less than 40% of the limit on the dwelling.

E. Form HO 00 06

The limit of liability for Coverage A of Section I may be increased.

102. DESCRIPTION OF COVERAGES

A. Section I Coverages – Property Damage

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

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	HO 00 03	HO 00 06
Fire or Lightning	Yes Cov. C	Yes
Windstorm or Hail, Explosion, Riot or civil commotion, Aircraft, Vehicles or Smoke	Yes Cov. C	Yes
Vandalism or malicious mischief	Yes Cov. C	Yes
Theft	Yes Cov. C	Yes
Volcanic eruption	Yes Cov. C	Yes
Falling objects, Weight of ice, snow or sleet, Accidental discharge of water or steam, Sudden and accidental tearing apart of a heating system or appliance, Freezing, Sudden accidental damage from electrical current	Yes Cov. C	Yes
Additional risks with certain exceptions (Special Coverage)	Yes Cov. A, B & D	No

B. Section II Coverages – Liability – All Forms

Coverage E – Personal Liability

Coverage F – Medical Payments to Others

1. Personal Liability – Covers payment on behalf of any insured for all sums which the insured shall become legally obligated to pay as damages because of bodily injury or property damage arising out of an insured's premises or personal activities.
2. Medical Payments to Others – Covers medical expenses incurred by persons, other than the insured, who sustain bodily injury caused by an accident arising out of an insured's premises or personal activities.

103. MANDATORY COVERAGES

It is mandatory that insurance be written for all coverages provided under both Sections I and II of the Homeowners Policy.

104. ELIGIBILITY

A. Form HO 00 03

A Homeowners Policy may be issued:

1. To the owner-occupant(s) of a dwelling which is used exclusively for private residential purposes (except as provided in Rule 104.E) and contains not more than 2 families and with not more than 2 boarders or roomers per family; or
2. To the purchaser-occupant(s) who has entered into a long term installment contract for the purchase of the dwelling and who occupies the dwelling but to whom title does not pass from the seller until all the terms of the installment contract have been satisfied. The seller retains title until completion of the payments and in no way acts as a mortgagee. The seller's interest in the building and premises liability may be covered using Endorsement HO 04 41 – Additional Insured; or

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3. To the occupant of a dwelling under a life estate arrangement when the Coverage A amount is at least 80% of the dwelling's replacement cost. The owner's interest in the building and premises liability may be covered using Endorsement HO 04 41 – Additional Insured; or
4. To cover dwellings in the course of construction provided:
 - a. The policy is issued only in the name of the intended owner-occupant(s) of the dwelling;
 - b. The dwelling will be eligible for coverage under Rule 104 upon completion; and
 - c. The dwelling is scheduled to be occupied within the next 60 days.
5. When a 2 family dwelling is occupied by co-owners, each occupying distinct living quarters with separate entrances. Given these circumstances, a Homeowners Policy providing building coverage may be issued to only one of the co-owner occupants of the dwelling. The policy may be endorsed to cover the interest of the other co-owner(s) in the building and for premises liability. A separate Renters Policy HO 00 04 may be issued to the co-owner(s) occupying the other apartment in the dwelling.

It is permissible to extend the Homeowners Policy, without additional premium charge, to cover the interest of a non-occupant joint owner in the building and for premises liability.

Use Endorsement HO 04 41 – Additional Insured.
6. Three or Four Family Dwelling
Use Number of Family Code 6 for Three or Four Family Dwellings except as provided in E. below.
 - a. A Homeowners Policy may be issued to the owner-occupant of a 3 or 4 family dwelling in the same manner as a 1 or 2 family dwelling.
 - b. The limits of liability, under Rule 101, applying to Coverage B – Other Structures and Coverage C – Personal Property, are revised as follows:
 - (1) Coverage B – Other Structures; 5% of Coverage A for a 3 or 4 family dwelling.
 - (2) Coverage C – Personal Property; 30% of Coverage A for a 3 family dwelling and 25% of Coverage A for a 4 family dwelling.
 - c. To develop the BASE PREMIUM, multiply the 1 and 2 family dwelling BASE PREMIUM by the appropriate factor on the state rate pages.
 - d. Refer to Rule 402 in the state rate pages when the dwelling unit is in a town or row house structure.
 - e. Refer to Rule 601 in the state rate pages for the liability rates.

Use Endorsement HO 04 44, Residence Premises – Three or Four Family Dwelling.
- B. Form HO 00 06
A Homeowners Policy may be issued to the owner(s) of a condominium or cooperative unit which is used exclusively for residential purposes (except as provided in Rule 104.E), and is not occupied by more than one additional family or more than two boarders or roomers.
- C. Subject to all other sections of this rule, a Homeowners Policy may be issued to cover a seasonal dwelling, for risks on which the Company also insures the primary residence.

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- D. A Homeowners Policy shall not be issued to cover any mobile home, trailer home, or house trailer. Their contents may be covered under the rules provided in the HO4 rules pages.
- E. Certain business occupancies are permitted, provided:
 - 1. The premises is occupied principally for private residential purposes; and
 - 2. There is no other business occupancy on the premises.When the business is conducted on the residence premises, refer to Rule 510 for Section I Coverage and Rule 608 for Section II Coverage.
- F. A Homeowners Policy shall not be issued to cover any property to which farm forms or rates apply under the rules of the Company. In no event shall a policy be issued to provide Section I property damage coverage to any property situated on premises used for farming purposes.

105. SECONDARY RESIDENCE PREMISES

- A. Homeowners coverage on a secondary residence premises shall be provided under a separate policy. The rules of this Manual apply except that Section II Coverage is not mandatory for the secondary residence policy when the same company insures the initial and secondary residence.
- B. When coverage is provided on the initial and secondary residence premises under separate policies in the same company add the charge for Other Insured Location Occupied by Insured, developed from Rule 602, to the policy covering the initial residence.
Coding Note: Coverage E limit of liability is reported blank for the secondary location. Status Code 4 if seasonal dwelling; Code 3 otherwise.

106. PROTECTION CLASSIFICATION CODES AND INFORMATION

Codes

Protection Class	Code
Well Protected	01
Moderately Protected	07
Poorly Protected	09

- B. Protection Information
The location of the building(s) determines its fire protection classification as follows:
 - 1. Well Protected
Buildings located within five road miles of a responding fire department and:
 - a. within 1,000 feet of a fire hydrant; or
 - b. within 1,000 feet of a year-round water source of at least 3,500 gallons and the responding fire department is equipped to respond with pumper truck capabilities; or
 - c. the responding fire department is equipped to respond with pumper/tanker truck capabilities of at least 3,500 gallons
 - 2. Moderately Protected
Buildings located within five road miles of a responding fire department but not otherwise qualified as Well Protected.
 - 3. Poorly Protected
Buildings that do not qualify for the Well Protected or Moderately Protected classifications are to be classified as Poorly Protected.

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107. CONSTRUCTION DEFINITIONS

- A. Frame
Exterior wall of wood or other combustible construction, including wood iron-clad, stucco on wood or plaster or combustible supports. (Use Construction Code 1.)
Aluminum or plaster siding over frame. (Use Construction Code 5.)
- B. Masonry Veneer
Exterior walls of combustible construction veneered with brick or stone. (Use Construction Code 2.)
- C. Masonry
Exterior walls constructed of masonry materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or similar materials and floors and roof of combustible construction (Disregarding floors resting directly on the ground). (Use Construction Code 3.)
- D. Superior Construction
(Use Construction Code 4.)
 - 1. Non-Combustible
Exterior walls and floors and roof constructed of, and supported by metal, asbestos, gypsum, or other non-combustible materials.
 - 2. Masonry Non-Combustible
Exterior walls constructed of masonry materials (as described in C. above) and floors and roof of metal or other non-combustible materials.
 - 3. Fire Resistive
Exterior walls and floors and roof constructed of masonry or other fire resistive materials.

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

108. SEASONAL DWELLING DEFINITION

A seasonal dwelling is a dwelling with continuous unoccupancy of three or more consecutive months during any one year period.

109. SINGLE BUILDING DEFINITION

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

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201. POLICY PERIOD

The policy may be written for a period of:

- A. One year and may be extended for successive policy periods by extension certificate based upon the premiums, forms, and endorsements then in effect for the Company.
- B. Less than one year on a pro rata basis and may be extended for successive policy periods based upon the premiums, forms and endorsements then in effect for the Company.

202. CHANGES OR CANCELLATIONS

- A. It shall not be permissible to cancel any of the mandatory coverages in the policy unless the entire policy is cancelled.
- B. If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro rata basis.

203. MANUAL PREMIUM REVISION

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

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

204. (Reserved for future use.)

205. MINIMUM PREMIUM

Refer to Statistical Plan for coding requirements.

The minimum annual premium shown on the state rate pages shall be charged for each policy. The minimum premium may include all chargeable endorsements or coverages if written at the inception of the policy.

206. TRANSFER OR ASSIGNMENT

Subject to the consent of the Company, all the rules of this manual and any necessary adjustment or premium, a policy may be endorsed to effect:

- A. Transfer to another location within the same state; or
- B. Assignment from one insured to another in the event of transfer of title of the dwelling.

207. WAIVER OF PREMIUM

Does not affect coding

When a policy is endorsed after the inception date, refer to the state rate pages for the amount of additional or return premium that may be waived.

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208. WHOLE DOLLAR PREMIUM RULE

Does not affect coding.

Each premium shown on the policy and endorsements shall be rounded to the nearest whole dollar. A premium of fifty cents (\$.50) or more shall be rounded to the next higher whole dollar.

In the event of cancellation by the Company, the return premium may be carried to the next higher whole dollar.

209. RESTRICTION OF INDIVIDUAL POLICIES

If a policy would not be issued because of unusual circumstances or exposures, the named insured may request a restriction of the policy provided no reduction in the premium is allowed. The Company will review the request, signed by the named insured, and the policy may be issued at the Company's sole discretion.

210. REFER TO COMPANY

Whenever a risk is rated on a Refer to Company basis, each company is responsible for complying with regulatory or statutory rate filing requirements.

270. PAYMENT PLANS / FEES

- A. The total premium of any policy is due and payable at the beginning of the policy term, unless the policy is issued on an installment plan.
- B. For policies issued on an installment plan, the following fees apply to each installment after the down payment:
 - 1. \$5.00 to each payment for billed policies.
 - 2. \$3.00 to each payment for policies paid by electronic funds transfer.
- C. A fee of \$10.00 is added if a check is returned or electronic funds transfer refused due to insufficient funds. A \$15.00 fee is added if a cancellation notice is sent because an installment payment was not received by the date due.

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301. PREMIUM COMPUTATION

- A. The premium is computed as follows:
1. Determine the policy BASE PREMIUM based on the amount of Coverage A or Coverage C, as applicable, multiplying the territory base rate by the policy form, protection/construction, and amount of insurance rating factors shown in the base rate pages of this manual.
 2. Calculate the premium additions and reductions for the desired deductible, any applicable BASE PREMIUM modifications (300- and 400-series Rules), and any liability increased limits and/or optional liability coverages (600-series Rules), calculating each item individually. Where the premium is a factor of the BASE PREMIUM, calculate that factor against the premium developed in Step 1 above.
 3. Apply the applicable tier factors to the total of Step 1, rounding the new total to the nearest dollar.
 4. Apply the applicable tier factors to each premium addition and reduction calculated in Step 2, rounding each total to the nearest dollar.
 5. Calculate the premiums for any other mandatory or optional property or liability coverages that apply, calculating each item individually, rounding each total to the nearest dollar. Where the premium is a factor of the BASE PREMIUM, calculate that factor against the Step 1 premium.
 6. Add together the sum of Step 3 plus all Step 4 items plus all Step 5 items, and add any applicable policy expense fee(s), then apply any applicable expense or loss experience modifier (additive or factor) to that total. The result is the total policy premium.
 7. When Homesite converts an existing, in-force AIG policy pursuant to a rollover commencing in or about the fourth quarter, 2004, then premium offered by Homesite for equivalent coverage in the first term will be capped so that it is not more than 30% greater than the expiring AIG premium. In the second and third term, all policies that were converted from AIG, pursuant to the rollover, will be capped so that it is not more than 30% greater than the expiring Homesite premium. All subsequent terms of the policy will be rated at the Homesite manual rate manual level. The cap is not applicable where the minimum premium requirement is greater than the capped premium.
- B. When any of the following coverage options apply, develop the BASE PREMIUM according to the instructions provided in the rules of this manual:
1. Three or Four Family Dwelling (Rule 104.A.6.)
 2. Secondary Residence Premises (Rule 105)
 3. Functional Replacement Cost Loss Settlement (Rule 302.A.)
 4. Special Loss Settlement (Rule 302.C.)
 5. Ordinance or Law Coverage – Increased Limit (Rule 303.B.)
 6. Special Personal Property Coverage (Rule 304)
- C. Interpolation Example
1. When the desired limit of liability is less than the highest limit shown, interpolate the amount of insurance factor using the nearest limit above and below the desired limit.
Example
\$203,000 desired limit; the nearest limits are \$200,000 and \$205,000.

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For \$200,000 the factor is 2.837; for \$205,000 the factor is 2.937. Figure the difference between the two factors and divide by 5. This provides a factor per \$1,000.

$$\begin{array}{r} 2.937 \\ -2.837 \\ \hline .100 \div 5 = .02 \end{array}$$

Multiply the factor per \$1,000 times 3, and add 2.837; the factor for \$200,000.

$$\begin{array}{r} .02 \\ \times 3 \\ \hline .06 + 2.837 = 2.897 \end{array}$$

The result, 2.897, is the amount of insurance factor for this example.

- The factors shown in the above interpolation example are for illustration only and are not necessarily the factors shown in the Amount of Insurance Table of this Manual.

302. LOSS SETTLEMENT OPTIONS – HO 00 03 ONLY

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.

A. Functional Replacement Cost Loss Settlement

Coding: To be determined.

- 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.
- Develop the BASE PREMIUM in accordance with Rule 301 for the amount of insurance selected for this option.

Use Endorsement HO 05 30 Functional Replacement Cost Loss Settlement.

B. Actual Cash Value Loss Settlement

Coding: To be determined.

- The policy may be endorsed to provide 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.
- The premium is computed by multiplying the BASE PREMIUM by the appropriate factor from the state rate pages.

Use Endorsement HO 04 81 Actual Cash Value Loss Settlement.

C. Special Loss Settlement

Exception Code 5

- This percentage amount may be modified to 50%, 60% or 70% of replacement value without affecting the loss settlement provisions. If this option is selected, the Coverage A limit of liability representing 50%, 60% or 70% of replacement value is to be shown in the policy declarations.
- To develop the BASE PREMIUM for the Coverage A limit of liability shown in the policy declarations:

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- a. Multiply the Coverage A limit of liability by the appropriate factor from the state rate pages and round to the nearest \$1,000.
- b. Develop a BASE PREMIUM in accordance with Rule 301 for the amount of insurance computed in C.2.a. above.
- c. Multiply the premium determined in C.2.b. by the appropriate factor from the state rate pages.

Use Endorsement HO 04 56 Special Loss Settlement.

303. ORDINANCE OR LAW COVERAGE – ALL FORMS

A. Basic Limit

The policy automatically provides up to 10% of the Coverage A limit of liability to pay for the increased costs necessary to comply with the enforcement of an ordinance or law.

Use Ordinance or Law Coverage Code 2.

B. Increased Limit

1. The policy may be endorsed to increase the basic ordinance or law coverage amount, as noted below, to accommodate the increased costs known or estimated by the insured for materials and labor to repair or replace the damaged property and to demolish the undamaged portion of damaged property and clear the site of resulting debris according to the ordinance or law.

Use Ordinance or Law Coverage Code 3.

2. Premium

- a. Form HO 00 03: To develop the BASE PREMIUM, multiply the premium developed in accordance with Rule 301 by the appropriate factor from the state rate pages.
- b. Form HO 00 06: see Rule 513 for rating instructions.

For all forms, use Endorsement HO 04 77 Ordinance or Law – Increased Amount of Coverage.

304. SPECIAL PERSONAL PROPERTY COVERAGE – HO 00 03 AND HO 00 06

A. HO 00 03 Only (Status Code 7)

1. Coverages A and B under Form HO 00 03 are insured against additional risks of physical loss subject to certain exclusions. Coverage C is insured against perils named in the form.
2. The policy may be endorsed to insure Coverage C against additional risks of physical loss subject to certain exclusions.
(When any of the Rule 302 Loss Settlement Options is used, this option may not be used.)
3. Multiply the BASE PREMIUM developed in accordance with Rule 301 by the appropriate factor from the state rate pages.

Use Endorsement HO 00 15 Special Personal Property Coverage – HO 00 03 only.

B. HO 00 06 Only (Status Code 7)

1. Coverage C under Form HO 00 06 is insured against perils named in the form. The policy may be endorsed to insure Coverage C against additional risks of physical loss subject to certain exclusions.
2. This option may only be used when the condominium or cooperative unit is owner occupied.

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3. Multiply the BASE PREMIUM developed in accordance with Rule 301 by the appropriate factor from the state rate pages.

Use Endorsement HO 17 31 Unit-Owners – Coverage C – Special Coverage – HO 00 06 Only.

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401. SUPERIOR CONSTRUCTION

The premium for a dwelling or apartment unit in a building of superior construction is computed by multiplying the masonry BASE PREMIUM for a comparable dwelling or condominium unit by the appropriate factor from the state rate pages.

402. TOWNHOUSE OR ROW HOUSE – ALL FORMS EXCEPT HO 00 06

The premium for an eligible dwelling in a town or row house structure is computed by multiplying the BASE PREMIUM by the appropriate factor on the state rate pages.

403. PERSONAL PROPERTY (COVERAGE C) REPLACEMENT COST COVERAGE

Coding Note: Subline Code 03 (403 if 50 character format) applies instead of Subline Codes listed on the state rate pages.

- A. The premium to extend the limit of liability for Coverage C to include Replacement Cost Coverage, is computed by multiplying the BASE PREMIUM including any premium adjustment for Coverage C limits by the appropriate factor on the state rate pages.
- B. Replacement Cost Coverage also applies to articles or classes of property separately described and specifically insured in this policy, as listed in the Scheduled Personal Property endorsement.

Use Endorsement HO 04 90 Personal Property Replacement Cost.

404. PROTECTIVE DEVICES

Does not affect coding.

Approved and properly maintained installations of burglar alarms, fire alarms, and automatic sprinklers in the dwelling may be recognized for a reduced premium.

Refer to the state rate pages for installation types and applicable credits.

Use Endorsement HO 04 16 Premises Alarm or Fire Protection System.

405. AUTOMATIC ADJUSTMENT OF LIMITS – FORM HO 00 03

The limits that apply to Coverages A, B, C, and D will be automatically adjusted on an annual basis, based on a residential building cost index provided by a major appraisal company, subject to a minimum increase of 5%.

406. DEDUCTIBLES

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

- A. Base Deductible
\$500 Deductible (Type Code 50).

- B. Optional Deductibles

The All Other Perils deductible amount may be reduced from \$500 to \$250, except for the peril of Windstorm. Refer to the state rate pages for the appropriate factors. The following options are subject to the minimum and maximum additional premium charges listed on the state rate pages.

1. \$100 Deductible (Type Code 5, Size Code 10) – HO 00 04 & 06 [N/A in Arkansas]
2. \$250 Theft Deductible – HO 00 04 & 06 except with HO 17 31 [N/A in Arkansas] (Theft Indicator Code 3)

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The theft deductible applies to Coverage C – Personal Property and is available only when a \$100 deductible applies to All Other Perils.

3. \$250 Deductible (Type Code 5, Size Code 25)
- C. Optional Higher Deductibles
 1. All Other Perils Deductibles (Type Code 5)
To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages for the selected option, subject to the listed minimum and maximum additional premium charges.
 2. Windstorm or Hail Deductibles – Form HO 00 03 only
The following deductible options are used in conjunction with the deductible applicable to All Other Section I perils. Refer to the state rate pages for available options, factors, and applicable minimum and maximum premium charges.
 - a. Percentage Deductibles
 - (1) A percentage deductible of the Coverage A limit of liability is available when the dollar amount of the percentage deductible selected exceeds the amount of the deductible applicable to All Other Section I perils.
 - (2) Attach Endorsement HO 03 12 – Windstorm or Hail Percentage Deductible to the policy and enter on the policy declarations the percentage amount that applies to Windstorm or Hail and the dollar amount that applies to All Other Section I perils.

Example:

Deductible – Section I \$250 except Windstorm or Hail 1% of Coverage A limit.

Deductible – Section I \$100 except:

- \$250 for Theft of Personal Property; and
- Windstorm or Hail 2% of the Coverage A limit.

- (3) In the event of a Windstorm or Hail loss to covered property, the dollar amount is deducted from the total of the loss for all coverages.

Example:

Coverage	Limit of Liability	1% Deductible	Amount of Loss Before Deductible	After Deductible
A	\$100,000	\$1,000	\$ 7,500	---
B	10,000		1,350	---
C	50,000		3,000	---
D	20,000		660	---
			\$12,510	\$11,510

- (4) The factors displayed on the state rate pages incorporate the factors for the All Perils Deductibles. Do not use the factors for the All Perils Deductibles when rating a policy with a higher Windstorm or Hail deductible.
- (5) To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages for the selected option.

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- b. Higher Fixed-Dollar Deductibles
 - (1) Higher fixed-dollar deductibles are available when the dollar amount of the higher fixed-dollar deductible selected exceeds the amount of the deductible applicable to All Other Section I Perils.
 - (2) Separately enter, on the policy declarations, the deductible amounts that apply to Windstorm or Hail and All Other Section I Perils.
Example:
Deductible – Section I \$250
except \$1,000 for Windstorm or Hail.
 - (3) The factors displayed on the state rate pages incorporate the factors for the All Perils Deductibles. Do not use the factors for the All Perils Deductibles when rating a policy with a higher Windstorm or Hail deductible.
 - (4) To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages for the selected option.

407. ADDITIONAL AMOUNTS OF INSURANCE – FORM HO 00 03

- A. The policy provides loss settlement for buildings insured under Coverage A or B on a replacement cost basis without deduction for depreciation, if, at the time of loss, the amount of insurance on the damaged building is 80% or more of the replacement cost of the building immediately before the loss.
- B. The policy may be endorsed to provide additional insurance for Coverage A only or for Coverages A, B, C, and D when loss, to the dwelling building, exceeds the limit of liability shown in the policy declarations.
- C. When either of the following options is selected, the Coverage A limit of liability shall be at least 100% of the full replacement cost of the dwelling building at the policy inception or at the time the endorsement is added to the policy:
 - 1. Specified Additional Amount of Insurance for Coverage A Only
Coding Note: Use the Subline of Business Codes indicated below for the applicable option. (Codes for the 150 character format)

Option	25%	50%
With Replacement Cost for Coverage C	32 (432)	34 (434)
Without Replacement Cost for Coverage C	31 (431)	33 (433)

 - a. An additional amount of insurance equal to 25% or 50% of the Coverage A limit of liability may be selected. This additional amount is available when loss to the dwelling building exceeds the Coverage A limit of liability shown in the Declarations.
The additional amount cannot be applied to any other coverage nor does it increase the Coverage A limit.
 - b. The premium for this option is computed by multiplying the BASE PREMIUM by the appropriate factor shown on the state rate pages.
Use Endorsement HO 23 47, Excess Dwelling Coverage (Specified Additional Amount of Insurance for Coverage A Only) HO 00 03 only.

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2. Additional Limits of Liability for Coverages A, B, C, and D.
Coding Note: Use Subline of Business Code:
23 (423 if 150 character format) for policies without replacement cost for Coverage C.
24 (424 if 150 character format) for policies with replacement cost for Coverage C.
 - a. This option differs from C.1. above, in that the Coverage A limit of liability is increased, after a loss, to the amount necessary to repair or replace the damaged or destroyed dwelling building. The limits of liability for Coverages B, C, and D will also be increased by the same percentage applied to the Coverage A limit.
When a loss payment, for the dwelling building, does exceed the Coverage A limit, the policy is endorsed retroactive to the date of loss to the limit needed to settle the loss.
 - b. The premium is computed by multiplying the BASE PREMIUM by the appropriate factor shown on the state rate pages.
Use Endorsement HO 23 49, Excess Dwelling Coverage (Additional Limits of Liability for Coverages A, B, C, and D) HO 00 03 only.
- D. Do not use either endorsement when the Special Loss Settlement Endorsement or any other endorsement which modifies the required percentage of replacement value is attached to the policy.

408. ACTUAL CASH VALUE LOSS SETTLEMENT – WINDSTORM OR HAIL LOSSES TO ROOF SURFACING [N/A in Arkansas]

Does not affect coding.

- A. The policy provides settlement for building losses on a repair or replacement cost basis, subject to certain conditions.
- B. The policy may be endorsed to provide loss settlement exclusively on an Actual Cash Value basis for roof surfacing when damage is caused by the peril of Windstorm or Hail.
- C. To develop the premium for this option, multiply the BASE PREMIUM by the factor shown on the state rate pages.

Use Endorsement HO 04 93, Actual Cash Value Loss Settlement – Windstorm or Hail Losses to Roof Surfacing (All Forms Except HO 00 04).

470. AGE OF HOME – FORM HO 00 03

To compute the premium for this provision, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages. Do not apply the factor to optional coverages or higher limits of Section I or Section II coverages. Do not apply the factor mid-term.

471. ROOFING AGE/MATERIALS – FORM HO 00 03

Multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages to reflect the hail resistance or susceptibility of the roof, based on the age and type of roofing material and the location of the dwelling.

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472. SAFE HEAT

When the primary heating system in the residence is a solid-fuel burning system, multiply the BASE PREMIUM by the applicable factor shown on the state rate pages.

480. MATURE OWNER/RESIDENT

When either or both the named insured(s) are 50 years of age or older, multiply the BASE PREMIUM by the applicable factor shown on the state rate pages.

481. AFFINITY MARKETING

Rating factors shown on the state rate pages apply according to the Premium Computation Rule 301.A.2 when the coverage is placed through a Homesite affinity partner and the named insured also maintains an account with a Homesite affinity partner or membership in an approved group.

482. POLICY CONVERSION – FORM HO 00 06

If the named insured replaces a current Homesite tenants or unit-owners policy with a Homesite owners form policy, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages.

483. INTERNET QUOTE/PURCHASE [N/A in Arkansas]

When the initial quote is made and coverage is bound for a new business policy through the company's web site *www.homesite.com*, multiply the BASE PREMIUM by the appropriate factor shown on the state rate pages.

484. SMOKER SURCHARGE

Determine the number of smokers living in the household, and multiply the base premium by the applicable factor shown on the state rate pages.

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SECTION I COVERAGES – PROPERTY

501. (Reserved for future use.)

502. (Reserved for future use.)

503. BUSINESS PROPERTY – INCREASED LIMITS

Does not affect coding.

A. The \$2,500 limit of liability for business property on the residence premises may be increased to \$10,000 in increments of \$2,500. Charge the rate for each \$2,500 increase shown in the state rate pages. The limit of liability in excess of \$2,500 does not apply to:

1. Business property in storage or held as a sample or for sale or delivery after sale;
2. Business property pertaining to a business actually conducted on the residence premises. (This exposure is addressed by HO 04 42 – Permitted Incidental Occupancies.)

B. When the on-premises limit is increased, the off-premises limit of \$250 is automatically increased, at no additional charge, to an amount that is 10 percent of the total on-premises limit of liability.

Use Endorsement HO 04 12 Increased Limits of Business Property.

504. (Reserved for future use.)

505. EARTHQUAKE COVERAGE

Coding Note: Code as a separate Earthquake record with Subline Code 60 (460 if 150 character format).

A. 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. For Form HO 00 03 with HO 00 15 and Form HO 00 06 with HO 17 31, this peril is automatically included for Coverage C.

Use Endorsement HO 04 54 Earthquake.

B. Deductible

A deductible percentage amount of 5% of the limit of liability for:

1. Coverage A for Form HO 00 03; and
2. Coverage C for Form HO 00 06;

is 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% deductible in the state rate pages.

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. Refer to the state rate pages for rates.

Use Endorsement HO 04 36 for all Forms.

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D. Base Premium

Develop the base premium as follows:

1. From the state rate pages:
 - a. Determine whether Construction Table A, B, and/or C applies.
 - b. Determine the Earthquake Zone.
2. For Form HO 00 03, add the results of the following three steps:
 - a. Multiply the Coverage A limit by the rate found in Row A of the table. However, if HO 00 15 is attached, multiply the Coverage A limit by the rate found in Row G of the table;
 - b. If the Coverage C limit is increased, multiply the rate found in Row D by the amount of the increase; and
 - c. If the Coverage D limit is increased, multiply the rate found in Row F by the amount of the increase.
3. For Form HO 00 06, add the results of the following three steps:
 - a. Multiply the Coverage C limit by the rate found in Row C of the table. However, if HO 17 31 is attached, do not include this step in the base premium calculation;
 - b. Multiply the Coverage A limit by the rate found in Row E of the table; and
 - c. If the Coverage D limit is increased, multiply the rate found in Row F by the amount of the increase.
4. Building or Non-Building Structure Items - All Forms
Multiply the rate in Row F of the table by the appropriate limit of liability for Other Building or Structure options. (e.g. - Other Structures - HO 04 40, HO 04 48 and HO 04 92).
5. Ordinance or Law - Basic and Increased Limit - All Forms
Multiply the rate determined in D.2.a, D.3.b, and/or D.4 above by the Ordinance or Law total amount of insurance. This includes basic and, if applicable, increased amounts.

E. Premium for Higher Deductibles [N/A in Arkansas]

Multiply the base premium determined in D. above by the appropriate factor shown on the state rate pages.

506. (Reserved for future use.)

507. FORM HO 00 06 COVERAGE A DWELLING BASIC AND INCREASED LIMITS – HO 00 06

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 on the Declarations pages.

Limit Code 1

B. Increased Limits

The basic limit may be increased. Use the rating information shown on the state rate pages.

Report Limit Code as follows:

Limits	Code
\$5,001 - \$ 9,999	2

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10,000 – 19,999	3
20,000 – 29,999	4
30,000 – 39,999	5
40,000 – 49,999	6
50,000 – 59,999	7
60,000 – 69,999	8
70,000 and Over	9

508. FORM HO 00 06 UNITS REGULARLY RENTED TO OTHERS

Status Code 6

- A. 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.
 - B. 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.
 - C. Multiply the Coverage C BASE PREMIUM (reflecting the credit or surcharge for optional deductibles) by the appropriate factor shown on the state rate pages.
- Use Endorsement HO 17 33 Unit-Owners Rental to Others.

509. (Reserved for future use.)

510. (Reserved for future use.)

511. LOSS ASSESSMENT COVERAGE

Coding Note: Status Code 6 when HO 17 33 also used; Code 2 otherwise.

The policy automatically provides, at no additional charge, \$1,000 of loss assessment coverage, excluding Earthquake, for assessments relating to the residence premises.

This limit may be increased. Refer to the state rate pages for the additional rate.

Endorsement HO 04 35 does not cover loss to property under Section I caused by Earthquake.

Use Endorsement HO 04 35 Loss Assessment Coverage.

512. LOSS OF USE – INCREASED LIMIT

Does not affect coding.

When the limit of liability for Coverage D is increased, charge the rate per \$1,000 of additional insurance shown in the state rate pages.

513. ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE – HO 00 06

- A. The basic amount of coverage may be initially increased to 25% of the HO 00 06 Coverage A limit (Coverage Code 3).
- B. Premium
 - 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. Refer to the state rate pages for the premium for each additional \$1,000 of insurance.

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514. OTHER STRUCTURES

- A. When insurance is written on a specific structure on the residence premises for increased limits, the rates per \$1,000 of insurance mentioned below shall apply separately to each structure.
- B. Increased Limits
Does not affect coding.
Premium: Refer to the state rate pages.
Use Endorsement HO 04 48 Other Structures.

515. PERSONAL PROPERTY

- A. Increased Limit
Does not affect coding.
The limit of liability for Coverage C may be increased. Charge the additional rate per \$1,000 of insurance shown in the state rate pages.
 - B. Reduction in Limit
Does not affect coding.
The limit of liability for Coverage C may be reduced to an amount not less than 40% of the limit for Coverage A. The credit per \$1,000 is shown in the state rate pages.
 - C. Increased Special Limits of Liability
Does not affect coding.
 - 1. Jewelry, Watches and Furs
The special limit of liability of \$1,000 for theft of jewelry, watches and furs may be increased to a maximum of \$5,000 but not exceeding \$1,000 for any one article. Charge the additional rate per \$1,000 shown in the state rate pages.
 - 2. Money and Securities
The special limit of liability of \$200 on money may be increased to a maximum of \$1,000. The \$1,000 limit on securities may be increased to a maximum of \$2,000. Charge the additional rate per \$100 shown in the state rate pages.
 - 3. Silverware, Goldware, and Pewterware
The special limit of liability of \$2,500 for loss by theft of silverware, etc., may be increased to a maximum of \$10,000 in increments of \$500. Charge the additional rate per \$500 shown in the state rate pages.
 - 4. Firearms
The special limit of liability of \$2,000 for loss by theft of firearms may be increased to a maximum of \$6,000 in increments of \$100. Charge the additional rate per \$100 shown in the state rate pages.
 - 5. Electronic Apparatus
 - a. The policy provides coverage, as described below, for loss of electronic apparatus equipped to be operated from the electrical system of a motor vehicle or motorized land conveyance while retaining its capability or being operated by other sources of power:
 - (1) Up to \$1,000 for apparatus in or upon a motor vehicle or motorized land conveyance, and
 - (2) Up to \$1,000 for apparatus not in or upon a motor vehicle that is away from the residence premises and used for business.
 - b. Each of these limits may be increased to a maximum of \$5,000 in increments of \$500. Charge the additional rate per \$500 shown in the state rate pages.
- Use Endorsement HO 04 65 Coverage C Increased Special Limits of Liability.

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Use Endorsement HO 04 66 Coverage C Increased Special Limits of Liability for HO 00 03 with HO 00 15 or HO 00 06 with HO 17 31.

D. Refrigerated Personal Property – All Forms

Does not affect coding.

1. The policy includes by endorsement \$500 of coverage for covered property stored in freezers or refrigerators on the residence premises for loss caused by power service interruption or mechanical failure.
2. A deductible of \$100 applies.
3. There is no additional charge for this coverage.

Use Endorsement HO 04 98 Refrigerated Property Coverage with all policies.

516. PERSONAL PROPERTY – SCHEDULED

Coding Note: Code as a separate Inland Marine record with Subline Code 70 (470 if 150 character format).

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

Use Endorsement HO 04 61 Scheduled Personal Property.

517. (Reserved for future use.)

518. (Reserved for future use.)

519. SPECIAL COMPUTER COVERAGE – ALL FORMS EXCEPT HO 00 03 WITH HO 00 15 OR HO 00 06 WITH HO 17 31

Status Code

All Forms except HO 00 06: Code 2

HO 00 06: Code 6 when HO 17 33 also used; Code 2 otherwise

The policy may be endorsed to insure computers and related equipment against additional risks of physical loss subject to certain exclusions. Charge the additional rate shown in the state rate pages.

Use Endorsement HO 04 14 Special Computer Coverage.

520. (Reserved for future use.)

521. WATER BACK UP AND SUMP OVERFLOW

Code as a separate record with Exception Code 1.

- A. The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from a sump. The limit of liability available under this option is \$5,000.
- B. A deductible of \$250 applies. No other deductible option is available.
- C. Charge the rate shown on the state rate pages.

Use Endorsement HO 04 95 Water Back Up and Sump Overflow.

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SECTION II COVERAGES

PERSONAL LIABILITY AND MEDICAL PAYMENTS TO OTHERS

601. RESIDENCE PREMISES – BASIC AND INCREASED LIMITS OTHER EXPOSURES – BASIC AND INCREASED LIMITS

- A. Residence Premises
 - 1. Minimum limits of liability for Coverage E (Personal Liability) and Coverage F (Medical Payments to Others) are shown in Rule 301 in the state rate pages.
 - 1. Refer to the state rate pages Rule 601 for 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 indicated.
 - 3. For increased limits for Other Exposures, refer to the state rate pages.
 - 4. If increased limits are written, then the same limits must apply to the Residence Premises, unless otherwise stated.

602. OTHER INSURED LOCATION OCCUPIED BY INSURED

Does not affect coding.

- A. 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.
- B. 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.
- C. Premium – Refer to the state rate pages.

603. RESIDENCE EMPLOYEES

- A. There is no additional charge for up to two residence employees.
- B. Refer to the state 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

Status Code 2

- A. The policy may be endorsed to provide coverage when an additional residence is rented to others.
- B. Premium – Refer to the state rate pages.
Use Endorsement HO 24 70 Additional Residence Rented to Others.

605. (Reserved for future use.)

606. (Reserved for future use.)

607. (Reserved for future use.)

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608. (Reserved for future use.)

609. BUSINESS PURSUITS

Status Code 2

- A. 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 in the business.
- B. Refer to the state rate pages for eligible business activities and rates.
Use Endorsement HO 24 71 Business Pursuits.

610. PERSONAL INJURY

Coding Notes: Use Class Code 994 and code as a separate Personal Liability record with Subline Code 80 (480 if 150 character format).

- A. Liability coverage for personal injury to others, such as false arrest, libel or invasion of privacy, may be added to the policy.
- B. Premium: Refer to the state rate pages.
Use Endorsement HO 24 82 Personal Injury.

611. (Reserved for future use.)

612. OUTBOARD MOTORS AND WATERCRAFT

Coding Note: Code as a separate Personal Liability record with Subline Code 80 (480 if 150 character format). Exposure coding (number of watercraft) is required.

- A. Coverage is included in the policy form, at no additional charge, for watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power.
- B. Coverage is available, for an additional premium, for watercraft up to 26 feet in length powered by outboard engines or motors exceeding 25 horsepower, Inboard or Inboard-Outdrive engines or motors.
Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured.
- C. 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.
- D. For boats not described above, coverage is not permitted under the Homeowners Policy
- E. 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 boat from that residence, apply the premium for that state.
- F. Premium: Refer to the state rate pages.
Use Endorsement HO 24 75 Watercraft.

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613. OWNED SNOWMOBILE [N/A in Arkansas]

Coding Note: Code as a separate Personal Liability record with Subline Code 80 (480 if 150 character format). Exposure coding (number of snowmobiles) is required.

- A. The policy may be endorsed to provide coverage when a snowmobile is used off of the insured location.
 - B. Rate each snowmobile owned by the named insured or any other insured separately. This charge is the minimum annual premium for each snowmobile for any period within a policy year.
 - C. Premium: Refer to the state rate pages.
- Use Endorsement HO 24 64 Snowmobile.

614. (Reserved for future use.)

615. (Reserved for future use.)

616. NO GUN TRAINING SURCHARGE

When guns are present and locked on the residence premises, but none of the named insureds have completed a gun safety training course, apply the applicable premium shown on the state rate pages.

617. DANGEROUS DOG PREMIUM

When dangerous dogs are present, apply the applicable premium shown on the state rate pages.

618. UNSAFE SWIMMING POOL PREMIUM

When an unsafe swimming pool is on the property, apply the applicable premium shown on the state rate pages.

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SPECIAL STATE REQUIREMENTS

001. Special Provisions Endorsement – HO 01 03
Use this endorsement with all Homeowners policies.

002. No Coverage for Home Day Care Business – HO 04 96
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.

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Territory	HO 00 03	HO 00 04
Territory	HO 00 03	HO 00 06
1	1,138	267
2	1,140	267
3	962	267
4	1,010	267
5	1,334	289
6	1,287	289
7	1,252	289
8	1,274	289
9	1,263	289
10	1,239	289
11	1,321	289
12	1,223	289
13	1,062	289
14	1,141	289
15	1,198	289
16	1,166	289
17	1,151	289
18	1,413	328
19	1,405	328
20	1,744	312
21	1,698	312
22	1,619	312
23	1,679	328
24	1,597	328
25	1,597	328
26	1,653	328
27	1,634	328
28	1,546	328
29	1,582	328
30	1,687	289
31	1,705	289
32	1,720	289
33	1,700	289
34	1,797	328
35	1,785	328
36	1,904	328
37	1,921	328
38	1,901	328
39	2,393	328
40	2,414	328
41	1,797	328
42	1,062	289
43	1,628	328
44	1,452	328
45	1,516	328

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Policy Forms

HO 00 03	1.00			3 or 4 Family Dwelling	1.30
HO 00 04	1.00				
HO 00 06	HO 00 04 *	0.946	Selected Initial		

Policyholder Responsibility Tiers
(see schedule)

Expense Fees per policy

HO 00 03	\$102.00
HO 00 04	\$34.00
HO 00 06	\$51.00

Expense/Loss Experience Modifiers
(see schedule)

Protection/Construction

Construction	Protection		HO 00 03	HO 00 04 & 06	HO 00 06
Masonry 2	Well Protected	1	1.00	1.00	1.00
	Moderately Protected	7	1.17	1.08	1.08
	Poorly Protected	9	1.96	1.73	1.73
Frame 1	Well Protected	11	1.13	1.04	1.04
	Moderately Protected	17	1.32	1.08	1.08
	Poorly Protected	19	2.22	1.80	1.80

Amount of Insurance

Amount of	HO 00 03	Amount of	HO 00 03
\$ 50,000	0.691	\$ 160,000	1.491
\$ 60,000	0.723	\$ 170,000	1.551
\$ 70,000	0.775	\$ 180,000	1.590
\$ 80,000	0.849	\$ 190,000	1.622
\$ 90,000	0.932	\$ 200,000	1.663
\$ 100,000	1.000	\$ 225,000	1.929
\$ 110,000	1.096	\$ 250,000	2.022
\$ 120,000	1.196	\$ 275,000	2.238
\$ 130,000	1.298	\$ 300,000	2.475
\$ 140,000	1.398	\$ 350,000	2.958
\$ 150,000	1.446	\$ 400,000	3.445
		Each add'l 10,000	0.097

Amount of Insurance	HO 00 04	HO 00 06	Amount of Insurance	HO 00 04	HO 00 06
\$ 6,000	0.800	0.800	\$ 40,000	1.599	1.599
\$ 10,000	0.850	0.850	\$ 45,000	1.742	1.742
\$ 15,000	0.900	0.900	\$ 50,000	1.880	1.880
\$ 20,000	1.000	1.000	\$ 60,000	2.159	2.159
\$ 25,000	1.147	1.147	\$ 75,000	2.574	2.574
\$ 30,000	1.303	1.303	\$ 90,000	2.990	2.990
\$ 35,000	1.453	1.453	\$ 100,000	3.265	3.265
			Each add'l \$1,000	0.028	0.028

Rule 205. Minimum Premium

HO 00 03	\$	150.00
HO 00 04/06	\$	125.00
HO 00 06	\$	125.00

Rule 207. Waiver of Premium

\$ 3.00

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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Rule 302. Loss Settlement Options

A. Functional Replacement Cost				
	Coverage A limit of liability equals less than ___% of replacement value:	80% to 100%		1.00
		79%, but not less than 50%		1.05
		less than 50%		1.10
B. Actual Cash Value	1.25			
C. Special Loss Settlement	% of Replacement Value	<u>C.2.a. Factor</u>	<u>C.2.c. Factor</u>	
	50%	1.60	0.96	
	60%	1.33	0.97	
	70%	1.14	0.98	

Rule 303. Ordinance or Law Coverage

B.2. Increased Limit - HO 00 03 (25% Coverage A limit)	Factor	1.03
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Rule 304. Special Personal Property Coverage

HO 00 03 (endorsement HO 00 15)	Factor	1.25
HO 00 06 (endorsement HO 17 31)		1.40

Rule 401. Superior Construction

0.85

Rule 402. Townhouse or Row House

Total number of individual family units within the fire division		<u>1 and 2 family dwellings</u>		<u>3 and 4 family dwellings</u>	
(number of family code)		1-2 (1 & 3)	3-4 (2)	5-8 (2)	5-8 (4)
well/moderately protected	1.00	1.10	1.25	1.35	
poorly protected	1.00	1.15	1.30	1.45	

An eligible two family owner-occupied dwelling attached to a one family dwelling but not separated by a fire wall would be considered 7
An eligible four family dwelling attached to a three family dwelling but not separated by a fire wall would be considered 7

Rule 403. Personal Property (Coverage C) Replacement Cost Coverage

HO 00 03	1.15
HO 00 04 & 06	1.35
HO 00 06	1.35

Rule 404. Protective Devices

Factor

Automatic sprinkler systems in <u>all</u> rooms of the dwelling	0.90
Combination of smoke detectors, dead bolt locks on all entrance doors, and fire extinguishers on the property	1.00
Each central station monitored alarm (fire and burglary)	0.95
Each direct line response to police or fire station	0.95

Rule 406. Deductibles

	HO 00 03		HO 00 04 & 06		HO 00 06	
	<u>factor</u>	<u>max credit</u>	factor	max credit	<u>factor</u>	<u>max credit</u>
\$250/500 W&H	1.14	n/a	1.14	n/a	1.14	n/a
\$250/1000 W&H	1.11	n/a	1.11	n/a	1.11	n/a
\$250/2% W&H	1.08	n/a	1.08	n/a	n/a	n/a
\$500	1.00	n/a	1.00	n/a	1.00	n/a
\$500/1000 W&H	0.97	\$50	0.97	\$50	0.97	\$50
\$500/2% W&H	0.94	\$100	0.94	\$100	n/a	n/a
\$1,000	0.85	\$150	0.85	\$150	0.85	\$150
\$1000/2% W&H	0.82	\$180	0.82	\$180	n/a	n/a
\$2,500	0.75	\$250	0.75	\$250	0.75	\$250

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Rule 407. Additional Amounts of Insurance

		Factor
C.1. Additional amount of Coverage A only	25%	1.08
	50%	1.12
C.2. Additional limits of liability for Coverages A, B, C, and D		1.20

Rule 470. Age of Home

<u>age</u>	<u>factor</u>	<u>age</u>	<u>factor</u>
current year	0.70	12	0.94
prior year	0.72	13	0.95
2 years prior	0.74	14	0.95
3	0.76	15	0.95
4	0.78	16 to 20	0.95
5	0.80	21 to 25	1.00
6	0.82	26 to 30	1.00
7	0.84	31 to 35	0.95
8	0.86	36 to 40	0.95
9	0.88	41 to 50	1.00
10	0.90	51 to 60	1.05
11	0.92	Over 60 Years	1.10

Rule 471. Roofing Age/Materials

<u>Age of Roof</u>	<u>Type</u>	<u>Factor</u>
less than 20 yrs.	all except wood	1.00
less than 20 yrs.	wood	1.15
20 yrs.or older	asphalt	1.20
20 yrs.or older	wood	1.35
20 yrs.or older	other	1.10

Rule 472. Safe Heat

Solid Fuel	1.25	Oil	1.00	Other	1.00
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~~Rule 480. Mature Owner/Resident (N/A to Renters Express Program)~~

Rule 480. Mature Owner/Resident

<u>age group</u>	<u>factor</u>	<u>age group</u>	<u>factor</u>
25 and under	1.00	50 to 54	0.90
26 to 32	1.00	55 to 59	0.90
33 to 39	1.00	60 to 64	0.90
40 to 49	1.00	65 to 74	0.90
		75 and older	0.90

Rule 481. Affinity Marketing

(see schedule)

Rule 482. Policy Conversion

<u>HO 00 03 policy year</u>	<u>factor</u>
1st	0.95
2nd	0.96
3rd	0.97
4th	0.98
5th	0.99
6th and ongoing	1.00

Rule 483. Internet Quote/Purchase

[n/a in Arkansas]

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Rule 484. Smoker Surcharge—(N/A to Renters Express Program)

Rule 484. Smoker Surcharge

	factor
1 smoker	1.07
2 smokers	1.10
Each add'l smoker	increase the factor by .03

Rule 503. Business Property - Increased Limits (rate per \$2,500) \$ 20.00

Rule 505. Earthquake Coverage

C. Loss Assessment Coverage (rate per \$5,000)	<u>Zone</u>	Frame	Masonry	Superior
	1	\$0.50	\$2.20	\$0.90
	2	\$1.15	\$5.70	\$2.35
	3	\$2.50	\$10.25	\$4.20
	4	\$3.50	\$14.45	\$5.95
	5	\$4.95	\$18.90	\$7.75
	6	\$6.85	\$24.75	\$10.15
	7	\$7.90	\$29.60	\$12.15
	8	\$9.80	\$33.05	\$13.55
	9	\$12.45	\$38.25	\$15.70
	10	\$13.15	\$42.85	\$17.60

D. Base Premium
(per \$1,000 of insurance)
5% deductible

Frame

<u>Zone</u>	Table A	Table B	Table B	Table C	Table D	Table E	Table F	Table G
1	\$0.10	\$0.10	n/a	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
2	\$0.23	\$0.14	n/a	\$0.13	\$0.10	\$0.15	\$0.12	\$0.23
3	\$0.50	\$0.24	n/a	\$0.27	\$0.22	\$0.33	\$0.27	\$0.50
4	\$0.70	\$0.33	n/a	\$0.39	\$0.31	\$0.46	\$0.38	\$0.70
5	\$0.99	\$0.47	n/a	\$0.54	\$0.43	\$0.65	\$0.54	\$0.99
6	\$1.37	\$0.66	n/a	\$0.75	\$0.60	\$0.91	\$0.75	\$1.37
7	\$1.58	\$0.76	n/a	\$0.87	\$0.70	\$1.05	\$0.86	\$1.58
8	\$1.96	\$0.94	n/a	\$1.08	\$0.86	\$1.30	\$1.07	\$1.96
9	\$2.49	\$1.19	n/a	\$1.37	\$1.10	\$1.65	\$1.36	\$2.49
10	\$2.63	\$1.26	n/a	\$1.45	\$1.16	\$1.74	\$1.44	\$2.63

Masonry

<u>Zone</u>	Table A	Table B	Table B	Table C	Table D	Table E	Table F	Table G
1	\$0.44	\$0.24	n/a	\$0.27	\$0.21	\$0.28	\$0.26	\$0.44
2	\$1.14	\$0.61	n/a	\$0.70	\$0.55	\$0.72	\$0.67	\$1.14
3	\$2.05	\$1.10	n/a	\$1.25	\$1.00	\$1.29	\$1.20	\$2.05
4	\$2.89	\$1.55	n/a	\$1.77	\$1.41	\$1.82	\$1.69	\$2.89
5	\$3.78	\$2.03	n/a	\$2.31	\$1.84	\$2.38	\$2.20	\$3.78
6	\$4.95	\$2.66	n/a	\$3.03	\$2.41	\$3.12	\$2.89	\$4.95
7	\$5.92	\$3.18	n/a	\$3.62	\$2.88	\$3.72	\$3.45	\$5.92
8	\$6.61	\$3.55	n/a	\$4.04	\$3.22	\$4.16	\$3.86	\$6.61
9	\$7.65	\$4.11	n/a	\$4.68	\$3.72	\$4.81	\$4.46	\$7.65
10	\$8.57	\$4.60	n/a	\$5.24	\$4.17	\$5.39	\$5.00	\$8.57

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Superior Zone	Table A	Table B	Table B	Table C	Table D	Table E	Table F	Table G
1	\$0.18	\$0.10	n/a	\$0.10	\$0.10	\$0.13	\$0.11	\$0.18
2	\$0.47	\$0.16	n/a	\$0.20	\$0.13	\$0.34	\$0.29	\$0.47
3	\$0.84	\$0.29	n/a	\$0.37	\$0.23	\$0.61	\$0.52	\$0.84
4	\$1.19	\$0.40	n/a	\$0.52	\$0.32	\$0.86	\$0.74	\$1.19
5	\$1.55	\$0.53	n/a	\$0.68	\$0.42	\$1.13	\$0.96	\$1.55
6	\$2.03	\$0.69	n/a	\$0.89	\$0.55	\$1.48	\$1.26	\$2.03
7	\$2.43	\$0.83	n/a	\$1.06	\$0.65	\$1.77	\$1.51	\$2.43
8	\$2.71	\$0.92	n/a	\$1.18	\$0.73	\$1.97	\$1.68	\$2.71
9	\$3.14	\$1.07	n/a	\$1.37	\$0.85	\$2.28	\$1.95	\$3.14
10	\$3.52	\$1.20	n/a	\$1.54	\$0.95	\$2.56	\$2.18	\$3.52

E. Higher Deductibles [n/a in Arkansas]

Earthquake Zone Definitions

Zone 1: See Arkansas Territory 1.0

Rule 507. Form HO 00 06 Coverage A Basic and Increased Limits

Increased Limits (rate per \$1,000)	Frame	Masonry	Superior
Well Protected	\$ 3.30	\$ 3.00	\$ 2.55
Moderately Protected	\$ 4.40	\$ 4.00	\$ 3.40
Poorly Protected	\$ 5.50	\$ 5.00	\$ 4.25

Rule 508. Form HO 00 06 Units Regularly Rented to Others

	Factor
1 - 8 weeks per year	1.00
9 or more weeks per year	1.25

Rule 511. Loss Assessment Coverage

Amount of Increase	Total Limit	Charge
\$4,000	\$5,000	\$ 3.00
\$9,000	\$10,000	\$ 6.00
each additional \$5,000		\$ 2.00

Rule 512. Loss of Use - Increased Limit (rate per \$1,000) \$ 2.00

~~Rule 513. Ordinance or Law Increased Amount of Coverage - HO 00 04 and HO 00 06~~

Rule 513. Ordinance or Law Increased Amount of Coverage - HO 00 06

	Rate per \$1,000
HO 00 04 (100% Building Additions & Alterations limit)	\$2.00
HO 00 06 (25% Coverage A limit)	\$2.00

~~To calculate the increased coverage amount offered and the corresponding premium: for HO 00 04 policies, multiply the Coverage C amount by .09, then multiply that result by the HO 00 04 rate per \$1,000. For HO 00 06 policies, multiply the total Coverage A amount (\$5,000 base plus any increased limit) by .15, then multiply that result by the HO 00 06 rate per \$1,000.~~

To calculate the increased coverage amount offered and the corresponding premium: for HO 00 06 policies, multiply the total Coverage A amount (\$5,000 base plus any increased limit) by .15, then multiply that result by the HO 00 06 rate per \$1,000.

Rule 514. Other Structures

Increased Limits (rate per \$1,000) \$ 2.00

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Rule 515. Personal Property	Charge
A. Increased Limit (rate per \$1,000)	\$ 2.00
B. Reduction in Limit (credit per \$1,000)	\$ 1.00
C. Increased Special Limits of Liability	
1. Jewelry, Watches, and Furs (rate per \$500)	\$ 15.00
2. Money and Securities (rate per \$100)	
Money	\$ 5.00
Securities	\$ 3.00
3. Silverware, Goldware, and Pewterware (rate per \$500)	\$ 2.50
4. Firearms (rate per \$100)	\$ 3.00
5. Electronic Aparatus (rate per \$500)	\$ 10.00

Rule 516. Personal Property - Scheduled

	rate per \$100
Bicycles	\$6.00
Cameras	\$1.60
Coin Collections	\$1.50
Fine Arts	\$0.30
Furs	\$0.55
Golfers' Equipment	\$1.80
Jewelry	\$1.60
Miscellaneous	\$1.00
Musical Instruments	\$0.90
Silverware	\$0.30
Stamp Collections	\$1.35

Rule 519. Special Computer Coverage (charge per policy) \$12.00

Rule 521. Water Back Up and Sump Overflow (charge per policy) \$82.00

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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	Personal Liability			Medical Payments		
	\$100,000	\$300,000	\$500,000	\$1,000	\$3,000	\$5,000
Rule 601. Basic and Increased Limits of Liability						
1 and 2 family dwellings	\$ 20.00	\$ 32.00	\$ 39.00	Included	\$ 5.00	\$ 9.00
(additional charge to rates for 1 and 2 family dwellings)						
3 family	\$ 22.00	\$ 35.00	\$ 43.00	Included	\$ 5.00	\$ 9.00
4 family	\$ 24.00	\$ 38.00	\$ 47.00	Included	\$ 5.00	\$ 9.00
Rule 602. Other Insured Location Occupied by Insured (rate per residence)						
1 family	\$ 6.00	\$ 9.00	\$ 11.00			
2 family	\$ 11.00	\$ 18.00	\$ 22.00			
3 family	\$ 22.00	\$ 37.00	\$ 43.00			
4 family	\$ 24.00	\$ 40.00	\$ 47.00			
Rule 603. Residence Employees (per employee, above two)						
	\$ 4.00	\$ 5.00	\$ 6.00	\$ 1.00	\$ 2.00	\$ 3.00
Rule 604. Additional Residence Rented to Others (rate per residence)						
1 family	\$ 23.00	\$ 37.00	\$ 44.00			
2 family	\$ 38.00	\$ 62.00	\$ 74.00			
3 family	\$ 83.00	\$ 137.00	\$ 162.00			
4 family	\$ 83.00	\$ 137.00	\$ 162.00			
Rule 609. Business Pursuits						
	\$ 4.00	\$ 6.00	\$ 7.00	Included	\$ 2.00	\$ 3.00
Rule 610. Personal Injury						
	\$ 10.00	\$ 12.00	\$ 14.00	n/a	n/a	n/a
Rule 612. Outboard Motors and Watercraft (up to 26 feet)						
Outboard Motors						
each 25-50 hp	\$ 6.00	\$ 8.00	\$ 9.00	\$ 3.00	\$ 9.00	\$ 15.00
each 50-150 hp	\$ 10.00	\$ 13.00	\$ 15.00	\$ 4.00	\$ 12.00	\$ 20.00
Inboard and Inboard/Outdrive Motorboats						
under 16 mph	\$ 12.00	\$ 16.00	\$ 18.00	\$ 3.00	\$ 9.00	\$ 15.00
16-30 mph	\$ 24.00	\$ 32.00	\$ 36.00	\$ 4.00	\$ 12.00	\$ 20.00
30-40 mph	\$ 60.00	\$ 80.00	\$ 90.00	\$ 10.00	\$ 30.00	\$ 50.00
Rule 613. Owned Snowmobile (N/A in Arkansas)						
Rule 616. No Gun Training Surcharge (N/A to Renters Express Program)						
Rule 616. No Gun Training Surcharge						
Guns Present with No						
Gun Training	45.00	74.00	88.00	7.00	13.00	23.00
All Other	0.00	0.00	0.00	0.00	0.00	0.00
Rule 617. Dangerous Dog Premium						
	\$ 320.00	NA	NA	\$ 30.00	NA	NA
Rule 618. Unsafe Swimming Pool Premium						
	\$ 30.00	\$ 48.00	\$ 60.00	\$ 8.00	\$ 12.00	\$ 15.00

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Rule 301.A.6. Expense/Loss Experience Modifiers

<u>Program Identifier</u>	<u>Modifier</u>
GMAC and affiliates "Affinity" marketing and referral programs	1.07
GMAC Insurance Agency independent agency programs	1.18
AIG and affiliates "Affinity" marketing and referral programs	1.053
Insurance Intermediaries, Inc. independent agency programs	1.07
Wells Fargo	1.063
All Other	1.00

Rule 481. Affinity Marketing

<u>Factor</u>
0.80

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HOMEOWNERS POLICY PROGRAM MANUAL**

~~Rule 301.A. 3. Policyholder Responsibility Tiers (N/A to Renters Express Program)~~
Rule 301.A. 3. Policyholder Responsibility Tiers

Occupancy Tiers

Tier	All Forms
1	0.97
2	1.00
3	1.05
4	1.09
5	1.14

Credit Tiers

Tier	All Forms
1	0.40
2	0.40
3	0.40
4	0.40
5	0.40
6	0.45
7	0.45
8	0.45
9	0.45
10	0.45
11	0.45
12	0.49
13	0.52
14	0.55
15	0.59
16	0.67
17	0.77
18	0.84
19	1.00

Prior Claim Tiers

Tier	All Forms
1	0.90
2	1.00
3	1.25
4	1.55
5	1.85
6	2.25

No Prior Insurance/Lapse of Insurance Rating Factor

All Forms
1.35

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
HOMEOWNERS POLICY PROGRAM MANUAL**

~~Policyholder Responsibility Tiers (N/A to Renters Express Program)~~

Policyholder Responsibility Tiers

Occupancy Tiers

Number of Occupants	Specified Animal Present	Trampoline Present	Tier
1 or 2	No	No	1
	No	Yes	2
	Yes	No	2
	Yes	Yes	3
3 or 4	No	No	2
	No	Yes	3
	Yes	No	3
	Yes	Yes	4
5 or More	No	No	3
	No	Yes	4
	Yes	No	4
	Yes	Yes	5

Prior Claim Tiers

Tier	Prior Claim Group	Rating Factor
1	5 or More Years Clean	0.90
2	3 or 4 Years Clean	1.00
3	1 Claim in 3 Years	1.25
4	2 Claims in 3 Years	1.55
5	3 Claims in 3 Years	1.85
6	4 or more Claims in 3 Years	2.25

Credit Tiers

Fair Isaac Insurance Risk Score Range	Trans Union Insurance Risk Score Range	ChoicePoint Attract Score Range	Tier	Rating Factor
870 & Above	950 & Above	906 & Above	1	0.40
851-869	947-949	861-905	2	0.40
831-850	932-946	821-860	3	0.40
811-830	918-931	776-820	4	0.40
791-810	908-917	746-775	5	0.40
771-790	892-907	721-745	6	0.45
751-770	877-891	701-720	7	0.45
731-750	862-876	681-700	8	0.45
711-730	846-861	666-680	9	0.45
691-710	830-845	646-665	10	0.45
671-690	811-829	631-645	11	0.45
651-670	796-810	616-630	12	0.49
631-650	767-795	601-615	13	0.52
611-630	747-766	591-600	14	0.55
591-610	727-746	576-590	15	0.59
531-590	664-726	546-575	16	0.67
501-530	634-663	531-545	17	0.77
471-500	601-633	511-530	18	0.84
470 & Below	600 & Below	510 & Below	19	1.00

Applications for which a credit score is not returned (such as No Hit or No Score) will be assigned a Fair Isaac Insurance Risk Score of 680, Trans Union Assist Score of 815, or a choice Point Attract Score of 640.

Note: For tiering purposes, policyholders with only claims arising from natural causes will be considered to be 3 to 4 years clean.

No Prior Insurance/Lapse of Insurance Rating Factor

1.35

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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Territory	HO 00 03	HO 00 06
1	1,138	267
2	1,140	267
3	962	267
4	1,010	267
5	1,334	289
6	1,287	289
7	1,252	289
8	1,274	289
9	1,263	289
10	1,239	289
11	1,321	289
12	1,223	289
13	1,062	289
14	1,141	289
15	1,198	289
16	1,166	289
17	1,151	289
18	1,413	328
19	1,405	328
20	1,744	312
21	1,698	312
22	1,619	312
23	1,679	328
24	1,597	328
25	1,597	328
26	1,653	328
27	1,634	328
28	1,546	328
29	1,582	328
30	1,687	289
31	1,705	289
32	1,720	289
33	1,700	289
34	1,797	328
35	1,785	328
36	1,904	328
37	1,921	328
38	1,901	328
39	2,393	328
40	2,414	328
41	1,797	328
42	1,062	289
43	1,628	328
44	1,452	328
45	1,516	328

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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Policy Forms

HO 00 03	1.00
HO 00 06	0.946

3 or 4 Family Dwelling 1.30

Policyholder Responsibility Tiers
(see schedule)

Expense Fees per policy

HO 00 03	\$102.00
HO 00 06	\$51.00

Expense/Loss Experience Modifiers
(see schedule)

Protection/Construction

Construction	Protection		HO 00 03	HO 00 06
Masonry 2	Well Protected	1	1.00	1.00
	Moderately Protected	7	1.17	1.08
	Poorly Protected	9	1.96	1.73
Frame 1	Well Protected	11	1.13	1.04
	Moderately Protected	17	1.32	1.08
	Poorly Protected	19	2.22	1.80

Amount of Insurance

Amount of	HO 00 03	Amount of	HO 00 03
\$ 50,000	0.691	\$ 160,000	1.491
\$ 60,000	0.723	\$ 170,000	1.551
\$ 70,000	0.775	\$ 180,000	1.590
\$ 80,000	0.849	\$ 190,000	1.622
\$ 90,000	0.932	\$ 200,000	1.663
\$ 100,000	1.000	\$ 225,000	1.929
\$ 110,000	1.096	\$ 250,000	2.022
\$ 120,000	1.196	\$ 275,000	2.238
\$ 130,000	1.298	\$ 300,000	2.475
\$ 140,000	1.398	\$ 350,000	2.958
\$ 150,000	1.446	\$ 400,000	3.445
		Each add'l 10,000	0.097

Amount of Insurance	HO 00 06	Amount of Insurance	HO 00 06
\$ 6,000	0.800	\$ 40,000	1.599
\$ 10,000	0.850	\$ 45,000	1.742
\$ 15,000	0.900	\$ 50,000	1.880
\$ 20,000	1.000	\$ 60,000	2.159
\$ 25,000	1.147	\$ 75,000	2.574
\$ 30,000	1.303	\$ 90,000	2.990
\$ 35,000	1.453	\$ 100,000	3.265
		Each add'l \$1,000	0.028

Rule 205. Minimum Premium

HO 00 03	\$	150.00
HO 00 06	\$	125.00

Rule 207. Waiver of Premium

\$ 3.00

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
HOMEOWNERS POLICY PROGRAM MANUAL**

Rule 302. Loss Settlement Options

A. Functional Replacement Cost				
	Coverage A limit of liability equals less than ___% of replacement value:		80% to 100%	1.00
			79%, but not less than 50%	1.05
			less than 50%	1.10
B. Actual Cash Value	1.25			
C. Special Loss Settlement	% of Replacement Value	<u>C.2.a. Factor</u>	<u>C.2.c. Factor</u>	
	50%	1.60	0.96	
	60%	1.33	0.97	
	70%	1.14	0.98	

Rule 303. Ordinance or Law Coverage

B.2. Increased Limit - HO 00 03 (25% Coverage A limit)	Factor	1.03
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Rule 304. Special Personal Property Coverage

HO 00 03	(endorsement HO 00 15)	Factor	1.25
HO 00 06	(endorsement HO 17 31)		1.40

Rule 401. Superior Construction

0.85

Rule 402. Townhouse or Row House

Total number of individual family units within the fire division		<u>1 and 2 family dwellings</u>		<u>3 and 4 family dwellings</u>	
		1-2	3-4	5-8	5-8
(number of family code)	(1 & 3)	(2)	(2)	(2)	(4)
well/moderately protected	1.00	1.10	1.25	1.35	1.35
poorly protected	1.00	1.15	1.30	1.45	1.45

An eligible two family owner-occupied dwelling attached to a one family dwelling but not separated by a fire wall would be considered 7
An eligible four family dwelling attached to a three family dwelling but not separated by a fire wall would be considered 7

Rule 403. Personal Property (Coverage C) Replacement Cost Coverage

HO 00 03	1.15
HO 00 06	1.35

Rule 404. Protective Devices

Factor

Automatic sprinkler systems in <u>all</u> rooms of the dwelling	0.90
Combination of smoke detectors, dead bolt locks on all entrance doors, and fire extinguishers on the property	1.00
Each central station monitored alarm (fire and burglary)	0.95
Each direct line response to police or fire station	0.95

Rule 406. Deductibles

	HO 00 03		HO 00 06	
	<u>factor</u>	<u>max credit</u>	<u>factor</u>	<u>max credit</u>
\$250/500 W&H	1.14	n/a	1.14	n/a
\$250/1000 W&H	1.11	n/a	1.11	n/a
\$250/2% W&H	1.08	n/a	n/a	n/a
\$500	1.00	n/a	1.00	n/a
\$500/1000 W&H	0.97	\$50	0.97	\$50
\$500/2% W&H	0.94	\$100	n/a	n/a
\$1,000	0.85	\$150	0.85	\$150
\$1000/2% W&H	0.82	\$180	n/a	n/a
\$2,500	0.75	\$250	0.75	\$250

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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Rule 407. Additional Amounts of Insurance

		Factor
C.1. Additional amount of Coverage A only	25%	1.08
	50%	1.12
C.2. Additional limits of liability for Coverages A, B, C, and D		1.20

Rule 470. Age of Home

<u>age</u>	<u>factor</u>	<u>age</u>	<u>factor</u>
current year	0.70	12	0.94
prior year	0.72	13	0.95
2 years prior	0.74	14	0.95
3	0.76	15	0.95
4	0.78	16 to 20	0.95
5	0.80	21 to 25	1.00
6	0.82	26 to 30	1.00
7	0.84	31 to 35	0.95
8	0.86	36 to 40	0.95
9	0.88	41 to 50	1.00
10	0.90	51 to 60	1.05
11	0.92	Over 60 Years	1.10

Rule 471. Roofing Age/Materials

<u>Age of Roof</u>	<u>Type</u>	<u>Factor</u>
less than 20 yrs.	all except wood	1.00
less than 20 yrs.	wood	1.15
20 yrs.or older	asphalt	1.20
20 yrs.or older	wood	1.35
20 yrs.or older	other	1.10

Rule 472. Safe Heat

Solid Fuel	1.25	Oil	1.00	Other	1.00
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Rule 480. Mature Owner/Resident

<u>age group</u>	<u>factor</u>	<u>age group</u>	<u>factor</u>
25 and under	1.00	50 to 54	0.90
26 to 32	1.00	55 to 59	0.90
33 to 39	1.00	60 to 64	0.90
40 to 49	1.00	65 to 74	0.90
		75 and older	0.90

Rule 481. Affinity Marketing

(see schedule)

Rule 482. Policy Conversion

<u>HO 00 03 policy year</u>	<u>factor</u>
1st	0.95
2nd	0.96
3rd	0.97
4th	0.98
5th	0.99
6th and ongoing	1.00

Rule 483. Internet Quote/Purchase

[n/a in Arkansas]

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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Rule 484. Smoker Surcharge

	factor
1 smoker	1.07
2 smokers	1.10
Each add'l smoker	increase the factor by .03

Rule 503. Business Property - Increased Limits (rate per \$2,500) \$ 20.00

Rule 505. Earthquake Coverage

C. Loss Assessment Coverage (rate per \$5,000)	<u>Zone</u>	Frame	Masonry	Superior
	1	\$0.50	\$2.20	\$0.90
	2	\$1.15	\$5.70	\$2.35
	3	\$2.50	\$10.25	\$4.20
	4	\$3.50	\$14.45	\$5.95
	5	\$4.95	\$18.90	\$7.75
	6	\$6.85	\$24.75	\$10.15
	7	\$7.90	\$29.60	\$12.15
	8	\$9.80	\$33.05	\$13.55
	9	\$12.45	\$38.25	\$15.70
	10	\$13.15	\$42.85	\$17.60

D. Base Premium
(per \$1,000 of insurance)
5% deductible

Frame

<u>Zone</u>	Table A	Table B	Table C	Table D	Table E	Table F	Table G
1	\$0.10	n/a	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
2	\$0.23	n/a	\$0.13	\$0.10	\$0.15	\$0.12	\$0.23
3	\$0.50	n/a	\$0.27	\$0.22	\$0.33	\$0.27	\$0.50
4	\$0.70	n/a	\$0.39	\$0.31	\$0.46	\$0.38	\$0.70
5	\$0.99	n/a	\$0.54	\$0.43	\$0.65	\$0.54	\$0.99
6	\$1.37	n/a	\$0.75	\$0.60	\$0.91	\$0.75	\$1.37
7	\$1.58	n/a	\$0.87	\$0.70	\$1.05	\$0.86	\$1.58
8	\$1.96	n/a	\$1.08	\$0.86	\$1.30	\$1.07	\$1.96
9	\$2.49	n/a	\$1.37	\$1.10	\$1.65	\$1.36	\$2.49
10	\$2.63	n/a	\$1.45	\$1.16	\$1.74	\$1.44	\$2.63

Masonry

<u>Zone</u>	Table A	Table B	Table C	Table D	Table E	Table F	Table G
1	\$0.44	n/a	\$0.27	\$0.21	\$0.28	\$0.26	\$0.44
2	\$1.14	n/a	\$0.70	\$0.55	\$0.72	\$0.67	\$1.14
3	\$2.05	n/a	\$1.25	\$1.00	\$1.29	\$1.20	\$2.05
4	\$2.89	n/a	\$1.77	\$1.41	\$1.82	\$1.69	\$2.89
5	\$3.78	n/a	\$2.31	\$1.84	\$2.38	\$2.20	\$3.78
6	\$4.95	n/a	\$3.03	\$2.41	\$3.12	\$2.89	\$4.95
7	\$5.92	n/a	\$3.62	\$2.88	\$3.72	\$3.45	\$5.92
8	\$6.61	n/a	\$4.04	\$3.22	\$4.16	\$3.86	\$6.61
9	\$7.65	n/a	\$4.68	\$3.72	\$4.81	\$4.46	\$7.65
10	\$8.57	n/a	\$5.24	\$4.17	\$5.39	\$5.00	\$8.57

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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Superior Zone	Table A	Table B	Table C	Table D	Table E	Table F	Table G
1	\$0.18	n/a	\$0.10	\$0.10	\$0.13	\$0.11	\$0.18
2	\$0.47	n/a	\$0.20	\$0.13	\$0.34	\$0.29	\$0.47
3	\$0.84	n/a	\$0.37	\$0.23	\$0.61	\$0.52	\$0.84
4	\$1.19	n/a	\$0.52	\$0.32	\$0.86	\$0.74	\$1.19
5	\$1.55	n/a	\$0.68	\$0.42	\$1.13	\$0.96	\$1.55
6	\$2.03	n/a	\$0.89	\$0.55	\$1.48	\$1.26	\$2.03
7	\$2.43	n/a	\$1.06	\$0.65	\$1.77	\$1.51	\$2.43
8	\$2.71	n/a	\$1.18	\$0.73	\$1.97	\$1.68	\$2.71
9	\$3.14	n/a	\$1.37	\$0.85	\$2.28	\$1.95	\$3.14
10	\$3.52	n/a	\$1.54	\$0.95	\$2.56	\$2.18	\$3.52

E. Higher Deductibles [n/a in Arkansas]

Earthquake Zone Definitions

Zone 1: See Arkansas Territory 1.0

Rule 507. Form HO 00 06 Coverage A Basic and Increased Limits

Increased Limits (rate per \$1,000)	Frame	Masonry	Superior
Well Protected	\$ 3.30	\$ 3.00	\$ 2.55
Moderately Protected	\$ 4.40	\$ 4.00	\$ 3.40
Poorly Protected	\$ 5.50	\$ 5.00	\$ 4.25

Rule 508. Form HO 00 06 Units Regularly Rented to Others

	Factor
1 - 8 weeks per year	1.00
9 or more weeks per year	1.25

Rule 511. Loss Assessment Coverage

Amount of Increase	Total Limit	Charge
\$4,000	\$5,000	\$ 3.00
\$9,000	\$10,000	\$ 6.00
each additional \$5,000		\$ 2.00

Rule 512. Loss of Use - Increased Limit (rate per \$1,000) \$ 2.00

Rule 513. Ordinance or Law Increased Amount of Coverage - HO 00 06

HO 00 06 (25% Coverage A limit)	Rate per \$1,000
	\$2.00

To calculate the increased coverage amount offered and the corresponding premium: for HO 00 06 policies, multiply the total Coverage A amount (\$5,000 base plus any increased limit) by .15, then multiply that result by the HO 00 06 rate per \$1,000.

Rule 514. Other Structures

Increased Limits (rate per \$1,000) \$ 2.00

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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Rule 515. Personal Property	Charge
A. Increased Limit (rate per \$1,000)	\$ 2.00
B. Reduction in Limit (credit per \$1,000)	\$ 1.00
C. Increased Special Limits of Liability	
1. Jewelry, Watches, and Furs (rate per \$500)	\$ 15.00
2. Money and Securities (rate per \$100)	
Money	\$ 5.00
Securities	\$ 3.00
3. Silverware, Goldware, and Pewterware (rate per \$500)	\$ 2.50
4. Firearms (rate per \$100)	\$ 3.00
5. Electronic Aparatus (rate per \$500)	\$ 10.00

Rule 516. Personal Property - Scheduled

	rate per \$100
Bicycles	\$6.00
Cameras	\$1.60
Coin Collections	\$1.50
Fine Arts	\$0.30
Furs	\$0.55
Golfers' Equipment	\$1.80
Jewelry	\$1.60
Miscellaneous	\$1.00
Musical Instruments	\$0.90
Silverware	\$0.30
Stamp Collections	\$1.35

Rule 519. Special Computer Coverage (charge per policy) \$12.00

Rule 521. Water Back Up and Sump Overflow (charge per policy) \$82.00

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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	Personal Liability			Medical Payments		
	\$100,000	\$300,000	\$500,000	\$1,000	\$3,000	\$5,000
Rule 601. Basic and Increased Limits of Liability						
1 and 2 family dwellings	\$ 20.00	\$ 32.00	\$ 39.00	Included	\$ 5.00	\$ 9.00
(additional charge to rates for 1 and 2 family dwellings)						
3 family	\$ 22.00	\$ 35.00	\$ 43.00	Included	\$ 5.00	\$ 9.00
4 family	\$ 24.00	\$ 38.00	\$ 47.00	Included	\$ 5.00	\$ 9.00
Rule 602. Other Insured Location Occupied by Insured (rate per residence)						
1 family	\$ 6.00	\$ 9.00	\$ 11.00			
2 family	\$ 11.00	\$ 18.00	\$ 22.00			
3 family	\$ 22.00	\$ 37.00	\$ 43.00			
4 family	\$ 24.00	\$ 40.00	\$ 47.00			
Rule 603. Residence Employees (per employee, above two)						
	\$ 4.00	\$ 5.00	\$ 6.00	\$ 1.00	\$ 2.00	\$ 3.00
Rule 604. Additional Residence Rented to Others (rate per residence)						
1 family	\$ 23.00	\$ 37.00	\$ 44.00			
2 family	\$ 38.00	\$ 62.00	\$ 74.00			
3 family	\$ 83.00	\$ 137.00	\$ 162.00			
4 family	\$ 83.00	\$ 137.00	\$ 162.00			
Rule 609. Business Pursuits						
	\$ 4.00	\$ 6.00	\$ 7.00	Included	\$ 2.00	\$ 3.00
Rule 610. Personal Injury						
	\$ 10.00	\$ 12.00	\$ 14.00	n/a	n/a	n/a
Rule 612. Outboard Motors and Watercraft (up to 26 feet)						
Outboard Motors						
each 25-50 hp	\$ 6.00	\$ 8.00	\$ 9.00	\$ 3.00	\$ 9.00	\$ 15.00
each 50-150 hp	\$ 10.00	\$ 13.00	\$ 15.00	\$ 4.00	\$ 12.00	\$ 20.00
Inboard and Inboard/Outdrive Motorboats						
under 16 mph	\$ 12.00	\$ 16.00	\$ 18.00	\$ 3.00	\$ 9.00	\$ 15.00
16-30 mph	\$ 24.00	\$ 32.00	\$ 36.00	\$ 4.00	\$ 12.00	\$ 20.00
30-40 mph	\$ 60.00	\$ 80.00	\$ 90.00	\$ 10.00	\$ 30.00	\$ 50.00
Rule 613. Owned Snowmobile (N/A in Arkansas)						
Rule 616. No Gun Training Surcharge						
Guns Present with No						
Gun Training	45.00	74.00	88.00	7.00	13.00	23.00
All Other	0.00	0.00	0.00	0.00	0.00	0.00
Rule 617. Dangerous Dog Premium						
	\$ 320.00	NA	NA	\$ 30.00	NA	NA
Rule 618. Unsafe Swimming Pool Premium						
	\$ 30.00	\$ 48.00	\$ 60.00	\$ 8.00	\$ 12.00	\$ 15.00

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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Rule 301.A.6. Expense/Loss Experience Modifiers

<u>Program Identifier</u>	<u>Modifier</u>
GMAC and affiliates "Affinity" marketing and referral programs	1.07
GMAC Insurance Agency independent agency programs	1.18
AIG and affiliates "Affinity" marketing and referral programs	1.053
Insurance Intermediaries, Inc. independent agency programs	1.07
Wells Fargo	1.063
All Other	1.00

Rule 481. Affinity Marketing

<u>Factor</u>
0.80

HOMESITE INSURANCE COMPANY OF THE MIDWEST HOMEOWNERS POLICY PROGRAM MANUAL

Rule 301.A. 3. Policyholder Responsibility Tiers

Occupancy Tiers

Tier	All Forms
1	0.97
2	1.00
3	1.05
4	1.09
5	1.14

Credit Tiers

Tier	All Forms
1	0.40
2	0.40
3	0.40
4	0.40
5	0.40
6	0.45
7	0.45
8	0.45
9	0.45
10	0.45
11	0.45
12	0.49
13	0.52
14	0.55
15	0.59
16	0.67
17	0.77
18	0.84
19	1.00

Prior Claim Tiers

Tier	All Forms
1	0.90
2	1.00
3	1.25
4	1.55
5	1.85
6	2.25

No Prior Insurance/Lapse of Insurance Rating Factor

All Forms
1.35

**HOMESITE INSURANCE COMPANY OF THE MIDWEST
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Policyholder Responsibility Tiers

Occupancy Tiers

Number of Occupants	Specified Animal Present	Trampoline Present	Tier
1 or 2	No	No	1
	No	Yes	2
	Yes	No	2
	Yes	Yes	3
3 or 4	No	No	2
	No	Yes	3
	Yes	No	3
	Yes	Yes	4
5 or More	No	No	3
	No	Yes	4
	Yes	No	4
	Yes	Yes	5

Prior Claim Tiers

Tier	Prior Claim Group	Rating Factor
1	5 or More Years Clean	0.90
2	3 or 4 Years Clean	1.00
3	1 Claim in 3 Years	1.25
4	2 Claims in 3 Years	1.55
5	3 Claims in 3 Years	1.85
6	4 or more Claims in 3 Years	2.25

Credit Tiers

Fair Isaac Insurance Risk Score Range	Trans Union Insurance Risk Score Range	ChoicePoint Attract Score Range	Tier	Rating Factor
870 & Above	950 & Above	906 & Above	1	0.40
851-869	947-949	861-905	2	0.40
831-850	932-946	821-860	3	0.40
811-830	918-931	776-820	4	0.40
791-810	908-917	746-775	5	0.40
771-790	892-907	721-745	6	0.45
751-770	877-891	701-720	7	0.45
731-750	862-876	681-700	8	0.45
711-730	846-861	666-680	9	0.45
691-710	830-845	646-665	10	0.45
671-690	811-829	631-645	11	0.45
651-670	796-810	616-630	12	0.49
631-650	767-795	601-615	13	0.52
611-630	747-766	591-600	14	0.55
591-610	727-746	576-590	15	0.59
531-590	664-726	546-575	16	0.67
501-530	634-663	531-545	17	0.77
471-500	601-633	511-530	18	0.84
470 & Below	600 & Below	510 & Below	19	1.00

Applications for which a credit score is not returned (such as No Hit or No Score) will be assigned a Fair Isaac Insurance Risk Score of 680, Trans Union Assist Score of 815, or a choice Point Attract Score of 640.

Note: For tiering purposes, policyholders with only claims arising from natural causes will be considered to be 3 to 4 years clean.

SERFF Tracking Number: HMSS-125894042 State: Arkansas
Filing Company: Homesite Insurance Company of the Midwest State Tracking Number: EFT \$125
Company Tracking Number: AR-HO-08-150
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Supporting Document Schedules

Review Status:
Satisfied -Name: H-1 Homeowners Abstract Filed 11/24/2008
Comments:
This filing involves substantive modifications to Renters (HO 00 04) business only; accordingly "none" or N/A ("not applicable") responses have been provided pursuant to instructions.
Attachment:
H-1 Homeowners Abstract.pdf

Review Status:
Satisfied -Name: HPCS-Homeowners Premium Comparison Survey Filed 11/24/2008
Comments:
Attached is the Survey spreadsheet in excel format. Because Renters (HO 00 04) is the subject matter of our filing, only the HO 00 04 section has been populated. Inapplicable discount factors were left blank. In populating the spreadsheet, default assumptions were made relative to the following HO 00 04 rating factors:

- \$500 deductible (as requested)
- \$100,000 Coverage E
- \$1,000 Coverage F
- Default (1.0) factor used for all other rating and tier variables

Attachment:
Homeowners Premium Comparison Survey.xls

Review Status:
Satisfied -Name: NAIC loss cost data entry document Filed 11/24/2008
Comments:
Information provided in response to questions 6 and 7 on the enclosed form incorporates combined data from all three policy forms (HO3, HO4, and HO6).
Attachment:
loss_cost_data_entry.pdf

Review Status:

SERFF Tracking Number: HMSS-125894042 State: Arkansas
Filing Company: Homesite Insurance Company of the Midwest State Tracking Number: EFT \$125
Company Tracking Number: AR-HO-08-150
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: /

Satisfied -Name: Uniform Transmittal Document- Filed 11/24/2008
Property & Casualty

Comments:

Attachment:

Uniform P&C Transmittal and Uniform Rate-Rule Filing Schedule.pdf

ARKANSAS INSURANCE DEPARTMENT

FORM H-1 HOMEOWNERS ABSTRACT

INSTRUCTIONS: All questions must be answered. If the answer is "none" or "not applicable", so state. If all questions are not answered, the filing will not be accepted for review by the Department. Use a separate abstract for each company if filing for a group. Subsequent homeowners rate/rule submissions that do not alter the information contained herein need not include this form.

Company Name Homesite Insurance Company of the Midwest
 NAIC # (including group #) Company #: 13927, Group #: 1293

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact.
None.
2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact.
N/A
3. If you require a minimum relationship between the amount of insurance to be written and the replacement value of the dwelling (contents) in order to purchase insurance, describe the procedures that are used.
N/A
4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact.
N/A
5. Specify the percentage given for credit or discounts for the following:

a. Fire Extinguisher	0	%
b. Burglar Alarm	0	%
c. Smoke Alarm	0	%
d. Insured who has both homeowners and auto with your company	N/A	%
e. Deadbolt Locks	0	%
f. Window or Door Locks	0	%
g. Other (specify)	N/A	%
		%
		%
6. Are there any areas in the State of Arkansas In which your company will not write homeowners insurance? If so, state the areas and explain reason for not writing.
No
7. Specify the form(s) utilized in writing homeowners insurance. Indicate the Arkansas premium volume for each form.

Form	Premium Volume
3	906,569
4	48,185
6	6,686

8. Do you write homeowner risks which have aluminum, steel or vinyl siding? Yes N/A No

9. Is there a surcharge on risks with wood heat? No

If yes, state the surcharge

Does the surcharge apply to conventional fire places? N/A

If yes, state the surcharge N/A

THE INFORMATION PROVIDED IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Signature

Jake McDonnell

Printed Name

Government Affairs Advisor

Title

617-832-1439

Telephone Number

jmcdonnell@homesite.com

Email address

SERFF Tracking Number: *HMSS-125894042* *State:* *Arkansas*
Filing Company: *Homesite Insurance Company of the Midwest* *State Tracking Number:* *EFT \$125*
Company Tracking Number: *AR-HO-08-150*
TOI: *04.0 Homeowners* *Sub-TOI:* *04.0000 Homeowners Sub-TOI Combinations*
Product Name: *Homeowners*
Project Name/Number: */*

Attachment "Homeowners Premium Comparison Survey.xls" is not a PDF document and cannot be reproduced here.

NAIC Number: 13927
 Company Name: Homesite Insurance Company of the Midwest
 Contact Person: Jake McDonnell
 Telephone No.: 617-832-1439
 Email Address: jmcdonnell@homesite.com
 Effective Date: 1/16/2009

**Homeowners Premium Comparison Survey Form
 FORM HPCS - last modified August, 2005**

Submit to: Arkansas Insurance Department
 1200 West Third Street
 Little Rock, AR 72201-1904
 Telephone: 501-371-2800
 Email as an attachment to insurance.pnc@arkansas.gov
 You may also attach to a SERFF filing or submit on a cdr disk

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE
 BLANK**

Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski		
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	
3	\$5,000																			
	\$15,000	\$276.00	\$276.00	\$276.00	\$276.00	\$295.00	\$295.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$295.00	\$295.00	\$314.00	\$314.00	
	\$25,000	\$326.00	\$326.00	\$326.00	\$326.00	\$349.00	\$349.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$349.00	\$349.00	\$372.00
6	\$5,000																			
	\$15,000	\$276.00	\$276.00	\$276.00	\$276.00	\$295.00	\$295.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$295.00	\$295.00	\$314.00	\$314.00	
	\$25,000	\$326.00	\$326.00	\$326.00	\$326.00	\$349.00	\$349.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$349.00	\$349.00	\$372.00
9	\$5,000																			
	\$15,000	\$276.00	\$276.00	\$276.00	\$276.00	\$295.00	\$295.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$328.00	\$295.00	\$295.00	\$314.00	\$314.00	
	\$25,000	\$326.00	\$326.00	\$326.00	\$326.00	\$349.00	\$349.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$388.00	\$349.00	\$349.00	\$372.00

Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:

HO3 and HO4 only

Fire Extinguisher		%	Deadbolt Lock		%
Burglar Alarm		%	Window Locks		%
Smoke Alarm		%	\$1,000 Deductible	15	%
			Other (specify)		

EARTHQUAKE INSURANCE

IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this co

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	yes	(yes or no)
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	5	%

Zone Brick Frame

			%	WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?	Highest Risk	\$	4.60	\$	4.60
	Maximum Credit Allowed		%		Lowest Risk	\$	0.24	\$	0.24

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NAIC LOSS COST DATA ENTRY DOCUMENT (EFFECTIVE AUG. 16, 2004)

1.	This filing transmittal is part of Company Tracking #	AR-HO-08-150
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of advisory organization and Reference/Item Filing Number	N/A
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Company Name		Company NAIC Number	
3.	A.	Homesite Insurance Company of the Midwest	B. 13927

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	A.	4.0000 (Homeowners)	B. 4.0004 (Tenant)

5.			FOR LOSS COSTS ONLY				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
Renters	n/a	0%					
TOTAL OVERALL EFFECT	n/a	0%					

6. 5 Year History Rate Change History-- Homeowners							
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2004	142	N/A	N/A	14	0	0.00%	44.26%
2005	852	N/A	N/A	320	104	32.43%	55.15%
2006	1247	N/A	N/A	604	481	79.71%	47.68%
2007	1699	0%	4/27/07	778	343	44.10%	61.01%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	21.9%
B. General Expense	1.3%
C. Taxes, License & Fees	3.3%
D. Underwriting Profit & Contingencies	5.0%
E. Other (explain)	0.0%
F. TOTAL	31.5%

8. N/A Apply Lost Cost Factors to Future filings? (Y or N)
9. 23% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____ 25 _____
10. -36% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____ 4 _____

Property & Casualty Transmittal Document

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

3. Group Name	Group NAIC #
Homesite Insurance Group	1293

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Homesite Insurance Company of the Midwest	ND	13927	45-0282873	

5. Company Tracking Number	AR-HO-08-150
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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
	Jake McDonnell Homesite Insurance Group 99 Bedford Street Boston, MA 02111	Government Affairs Advisor	617-832-1439	617-832-1485	jmcdonnell@homesite.com
7.	Signature of authorized filer				
8.	Please print name of authorized filer		Jake McDonnell		

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

9. Type of Insurance (TOI)	Homeowners (4.0000)
10. Sub-Type of Insurance (Sub-TOI)	Tenant Homeowners (4.0004)
11. State Specific Product code(s) (if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" 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: 1/16/2009 Renewal: 3/5/2009
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	November 19, 2008
19. Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #	AR-HO-08-150
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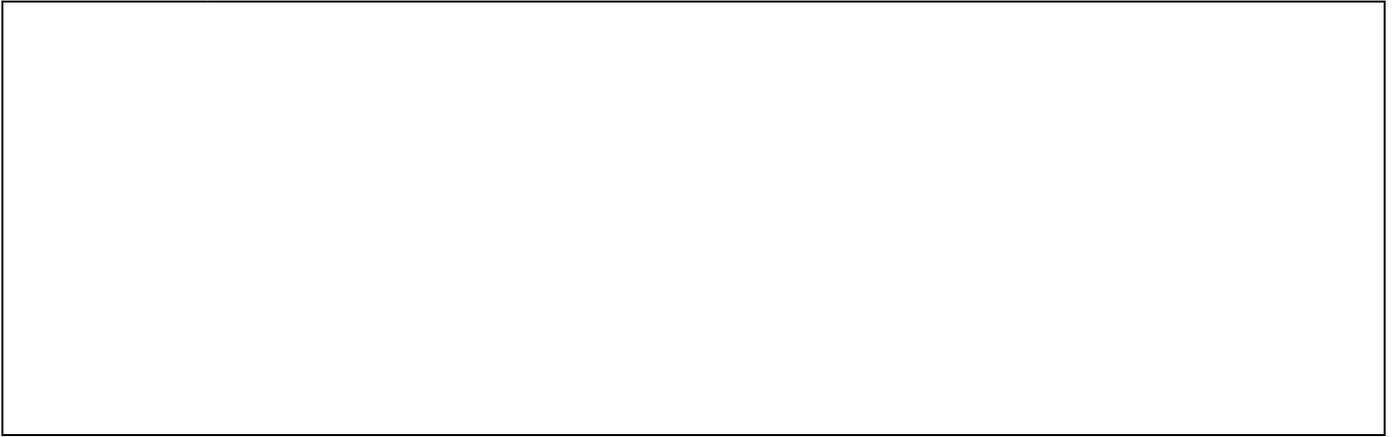
21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Homesite Insurance Company of the Midwest (“Homesite”) is proposing revisions for the Form 4 Renter Program. Changes are being made to simplify the program by reducing the number of rating questions. The overall rate impact of this filing is 0.0%.

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

Check #: EFT Submitted via SERFF
Amount:

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



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

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-08-150
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
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Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	File & Use
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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)
Homesite	n/a	0	0	120	36164	23%	-36%

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 (where required)	Minimum % Change (where required)

Overall Rate Information (Complete for Multiple Company Filings only)			
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		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	0.0%
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7.	Effective Date of last rate revision	4/27/2007
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File & Use
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9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	New Renters (HO 00 04) Manual-- Renters Rates 1.0, Renters Rules 1.0	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	n/a
02	Updated "Owners" (HO 00 03 & 06) Manual with HO 00 04 elements removed (documentation change only)-- "Owners" Rates 1.4, "Owners" Rules 1.4	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	SERFF: HMSS-125739488 Company#: AR-HO-08-103
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

SERFF Tracking Number: HMSS-125894042 State: Arkansas
 Filing Company: Homesite Insurance Company of the Midwest State Tracking Number: EFT \$125
 Company Tracking Number: AR-HO-08-150
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
 Product Name: Homeowners
 Project Name/Number: /

Superseded Attachments

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

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
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No original date	Supporting Document	NAIC loss cost data entry document	11/10/2008	
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