



DELOS/HOMESITE UNDERWRITING GUIDELINES

NON-ADMITTED UNDERWRITING GUIDELINES FOR THE STATE OF CALIFORNIA

The company evaluates the general aspects of every risk to determine its underwriting profile, uniformly reviewing policy characteristics. Homesite will provide coverage for a one, two, three or four family owner-occupied dwelling used as a primary residence or as a seasonal/secondary home.

A. RISKS THAT ARE INELIGIBLE FOR NEW BUSINESS:

1. Occupancy:

Business on premises	Ineligible if involving more than 2 customer visitors per week (other than home daycare).
Commercial or retail farming on premises	Ineligible
Home daycare	Ineligible
Named insured	Named insured must be an individual who resides on the premises; an organization (a US-based trust, LLC or LLP – but not an estate) can be added as an additional insured with an endorsement after the policy is bound. For details, please refer to the document "Insureds vs Interested Parties on a Delos/Homesite policy" .
Number of families per unit	Ineligible if > 2
Number of roomers/boarders per family	Ineligible if > 2
Rented to others	Ineligible if the property is used for or subject to any short or long-term rental, lease or time-sharing agreement, including Vrbo, Airbnb, etc.
High profile individuals	Ineligible if applicants are considered high profile (entertainers, athletes, media personalities, etc)

2. Valuation:

Coverage A per square foot	Ineligible if < \$100
Coverage A maximum at point of sale	\$1,500,000
Total TIV maximum at point of sale	\$3,000,000

3. Dwelling Condition & Features:

Adverse conditions, hazards, maintenance issues, refusal of inspection	Risks with adverse conditions or hazards or that display a lack of maintenance as identified through an inspection or otherwise. Additionally, refusal of inspection may result in cancellation.
Age of home (Current year – Original Year of Construction)	≥100
Home partially or fully supported by piers, stilts or posts	Ineligible

Moratorium	Any dwellings in areas currently under moratorium
Mobile, modular, or manufactured home	Ineligible
Multivariate Underwriting Model	Dwellings that score above a defined threshold in the multivariate underwriting model based on the following property and customer characteristics: replacement cost, square footage, number of stories, population density by geographic area, percent of people in the household under 18 by geographic area, home age, roof age, number of baths, prior claims, lapse in insurance, length of residence, and severe storm/catastrophe information specific to the property's location
Number of separate living units	Ineligible if > 4
Square Footage	Ineligible if $\geq 5,000$
Wood Roof or T-Lock shingles	Ineligible
Defensible Space	Ineligible if dwelling is located within risk types "Wildland" or "Intermix" and Zone 1 > 45% vegetation cover within 10 feet of the residence dwelling, and/or Zone 2 > 40% vegetation cover within 10-30 feet of the residence dwelling
Synthetic stucco siding (EIFS)	Ineligible
Polybutylene Pipes	Ineligible
Underground Fuel Storage Tanks	Ineligible
Wood stove as primary heating source	Ineligible
Homes with Accessory Dwelling Units (ADUs)	Ineligible
Knob and tube wiring	Ineligible
Electrical panels from the brands Federal Pacific Electric (FPE) Stab-Lok, Challenger, Pushmatic, or Zinsco (aka GTE Sylvania-Zinsco)	Ineligible
Subject to brushfire or wildfire	For all risk types (Intermix, Interface, Wildland), ineligible if the Pitney Bowes Fire Risk Pro Model score is > 42 or if the dwelling cannot be located and the zip code is located in a brush fire zone.
Brushfire and wildfire risk aggregation	Homesite will manage brushfire and wildfire risk aggregation.

4. Insurance History:

Number of cancellations in the past 3 years due to non-payment	Ineligible if > 2
Number of claims in last 5 years due to all causes of loss other than: Weight of ice, snow or sleet, windstorm, lightning, hail, earthquake, or flood	Ineligible if > 1*
Number of claims in last 5 years due to: Weight of ice, snow or sleet, windstorm, lightning, hail, earthquake, or flood	Ineligible if > 2*
Total number of claims in last 5 years	Ineligible if > 2*
Non-'Act-of-God' fire claim(s) with cumulative losses > \$10,000 in the last 5 years	Ineligible

* Number of claims shall include paid losses sustained by the insured and/or their spouse/domestic partner at the insured location, previous residence(s), or any owned location. Number of claims shall also include paid water losses at the insured location, regardless of ownership or who resided at the property at the time of loss. Policyholders who are declined on the basis of their loss experience will be afforded the opportunity to provide evidence showing that the cause of the prior loss has been fully remediated. If the cause has been fully remediated, the policyholder will be re-quoted, with the loss excluded for the purposes of eligibility.

B. INDEPENDENT AGENCY PROGRAM:

This state does not have different eligibility guidelines for independent agents

C. INSPECTIONS:

All properties are subject to external inspection with wildfire/brush supplement. Properties meeting the following criteria are also subject to an internal inspection: Coverage A > \$499K or age of home > 29 years

D. RISKS THAT ARE INELIGIBLE FOR RENEWAL BUSINESS:

Any policy submitted by a terminated agent

Any policy where the insured has been advised by the company of unacceptable risk and has failed to mitigate the exposure to the company's satisfaction

Any policy with a substantial change in risk since originally accepted

Any policy with a substantial change to the property since originally accepted

Non-renewal decisions shall not be based on sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, or sexual orientation.

No policy will be non-renewed:

- a. On the basis that the insured is, has been, or may be a victim of domestic violence;
- b. Solely on the basis that one or more claims has been made against the policy during the preceding 60 months for a loss that is the result of a hate crime committed against the person or property of the insured, or an anti-reproductive-rights crime;
- c. Solely on the basis that the policyholder has a license to operate a family day care home at the insured location;
- d. Solely on the basis that the insured is engaged in foster home activities in a licensed foster family home or licensed small family home; or
- e. Solely on the grounds that a claim is pending under the policy.

All the risks that are ineligible for new business (as previously described) also apply to renewal business unless stated differently below:

Subject to brushfire or wildfire	Homesite may review policies at renewal to manage Homesite's brushfire and wildfire risk aggregation
Number of claims in last 5 years due to all causes of loss other than: Weight of ice, snow or sleet, windstorm, lightning, hail, earthquake, or flood	Ineligible if > 2*
Number of claims in last 5 years due to: Weight of ice, snow or sleet, windstorm, lightning, hail, earthquake, or flood	Ineligible if > 3*
Number of claims in last 5 years due to any causes of loss	Ineligible if > 3*

Renewal underwriting activity will be conducted in compliance with applicable laws and regulations.

* Claims closed without payment that are inquiry only, opened in error or are based on losses not covered under the policy will also not be considered.

E. CANCELLATIONS:

The occurrence of a change in the risk which substantially increases any hazard insured against after insurance coverage has been issued or renewed
Discovery of fraud or material misrepresentation made by or with the knowledge of the named insured
Discovery of willful or reckless acts or omissions on the part of the named insured which increase any hazard insured against
A violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against
The company may cancel within the first 60 days of the policy period for any reason unless prohibited by law

F. SPECIFIC COVERAGE RESTRICTIONS AND ENDORSEMENT ELIGIBILITY:

Limited Water Damage	At new business, homes with an age \geq 30 years will be limited to \$10,000 of Water Damage Coverage using the Limited Water Damage Coverage Endorsement.
Water Damage Exclusion	If the Limited Water Damage Coverage Endorsement is removed, the Water Damage Exclusion must be attached.
Animals	Not eligible for Animal Liability if the owner has exotic animals (including alligators, crocodiles, snakes, primates, large cats and other non-domesticated animals that are traditionally found in the wild or in zoos). Exotic animals do not include domesticated animals, birds, rodents, fish and nonvenomous animals that live primarily in a tank or cage. Animals with bite history or dangerous dog breeds are not eligible for the Animal Liability Special Limit endorsement. Also, ownership of exotic animals or animals with a bite history will require restricting Coverage E for the policy to \$100,000 and Coverage F to \$1,000.
Pools	The following dwellings are not eligible for the Pool Liability endorsement: Residences with in-ground pools not enclosed by a locked fence of at least 4 feet high or screened enclosure; Residences with above-ground pools not enclosed by a 4 foot fence or screened enclosure, unless the ladder is removable and stairs lock in an upright position when not in use. Also, pools with diving boards or slides are not eligible for the Pool Liability endorsement.
Water Back-up	Limited to \$5,000 and \$10,000 options
Cosmetic Damage	HO 06 43 will be attached to all policies. Cosmetic damage to floors is limited to \$10,000.
Matching	Excluded for exterior surfacing
Fungi, Wet or Dry Rot, or Bacteria	Limited to \$2,500 property and \$25,000 liability
Actual Cash Value Settlement Windstorm or Hail Losses to Roof Surfacing	Mandatory for homes with a roof more than 10 years old; the Actual Cash Value Loss Settlement Windstorm or Hail Losses to Roof Surfacing (HS 04 093) will be added to the policy.
Exterior Attachments	Limited to \$3,000
Scheduled Personal Property	Not eligible for scheduled personal property endorsement if policyholder has a theft or mysterious disappearance loss in the last 5 years

Escaped Liquid Fuel & Lead

Limited to \$25,000

G. BOOK TRANSFERS:

In the event that a policy offer is made as part of a mass transfer or rollover from another company to Homesite, including but not limited to situations when a new policy is issued by Homesite to replace an expiring policy issued by a non-Homesite company resulting from a transfer of an agent's book or block of business, certain provisions of these guidelines may be waived.

Note: Pursuant to 10 CCR 2360.0(b), specific, objective factors that have a substantial relationship to an insured's loss exposure will be applied.