



**AMERICAN MODERN SELECT  
INSURANCE COMPANY**

---

**(085)**

*New Business 05-12-13*

*Renewal Business 06-01-13*

**DP-3**

**DP-1**

**DP-1 Vacant**

---

**Specialty Dwelling Program Manual**

**Georgia**

---

# DP-3, DP-1 & DP-1 Vacant Programs - COVERAGES & FEATURES

<b>Eligibility &amp; Coverages</b>			
	<b>DP-3</b>	<b>DP-1</b>	<b>DP-1 Vacant</b>
<b>Target Market</b>	Designed to accept individuals who have Rental/Seasonal properties that would normally qualify for coverage with a standard carrier.	Dwelling owner that does not desire and/or qualify for coverage on a homeowners form. Also includes stand alone structures like pole barns, camping structures, boat houses, etc. See Risk Characteristics section for more details.	Dwellings, Manufactured Homes, and Condominiums temporarily vacant due to renovation, lapse in tenancy, real estate closing, or being held for sale.
<b>Condition of Home</b>	Above average or better condition.	Fair or better condition.	Fair or better condition, exhibiting proper maintenance.
<b>Policy Form</b>	S2002 (07/88)	S2001 (07/88)	S2001 (07/88)
<b>Policy Term</b>	12 months Effective 12:01 AM Standard Time	12 months Effective 12:01 AM Standard Time	3, 6 or 12 months Effective 12:01 AM Standard Time
<b>Loss Settlement</b>	Replacement Cost	Actual Cash Value	Actual Cash Value
<b>Optional Loss Settlement Options</b>	ACV or Agreed Value Modified Functional Replacement Cost	Full Repair Cost	Full Repair Cost
<b>Minimum Dwelling Value</b>	\$100,000	\$10,000 (Seasonal \$5,000)	\$10,000 (Mobile Home & Condo \$5,000)
<b>Maximum Dwelling Value</b>	\$500,000	\$300,000	\$1,000,000
<b>Maximum Dwelling Age</b>	50 years of age	no age limit	no age limit
<b>Occupancy</b>	Rental and Seasonal	Owner, Rental, Seasonal	Vacant
<b>Multi-Family</b>	1,2,3 or 4 family Up to 3 stories	1,2,3 or 4 family Up to 3 stories	1,2,3 or 4 family Up to 3 stories
<b>Location of Home</b>	Protection Classes 1 - 10	Protection Classes 1 - 10	Protection Classes 1 - 10
<b>Supplemental Heating Device</b>	\$40 surcharge	\$40 surcharge	N/A
<b>Water and Mold Limit</b>	10% of Coverage A (maximum \$10,000) Optional increase available	N/A	N/A
<b>Perils Insured Against</b>			
<b>Dwelling &amp; Other Structures</b>	Comprehensive Coverage \$500 All Peril Deductible \$1,000 Wind and Hail Ded.*	Named Peril (Fire & E.C.) \$500 All Peril Deductible \$1,000 Wind and Hail Ded.*	Named Peril (Fire & E.C.) \$500 All Peril Deductible \$1,000 Wind and Hail Ded.*
<b>Personal Property (optional)</b>	Named Peril	Named Peril (Fire & E.C.)	Named Peril (Fire & E.C.)
<b>Additional Coverages Automatically Included</b>			
<b>Other Structures</b>	Up to 10% of Coverage A limit	Up to 10% of Coverage A limit (reduces amount of Coverage A)	Up to 10% of Coverage A limit (reduces amount of Coverage A)
<b>Debris Removal</b>	Reasonable Expense	Reasonable Expense	Reasonable Expense
<b>Rental Value</b>	Up to 10% of Coverage A limit	Up to 10% of Coverage A (reduces amount of Coverage A)	Up to 10% of Coverage A (reduces amount of Coverage A)
<b>Reasonable Repairs</b>	Reasonable and Necessary	Reasonable and Necessary	Reasonable and Necessary
<b>Fire Department Ser. Charge</b>	Up to \$500	Up to \$500	Up to \$500
<b>Optional Additional Coverages</b>			
<b>Additional Living Expense</b>	N/A	Up to 20% of Coverage A Owner Occupied only	<i>not available</i>
<b>Deductible Change Options</b>	<u>All Other Perils</u> \$250 \$1,000 \$1,500 \$2,500 \$5,000	<u>All Other Perils</u> \$250 \$1,000 \$1,500 \$2,500 \$5,000	<u>All Other Perils</u> \$1,000 \$1,500 \$2,500 \$5,000
<b>Personal Liability Coverage</b>	N/A	Owner-Occupied only	<i>not available</i>
<b>Premises Liability Coverage</b>	Rental & Seasonal	Rental & Seasonal	<i>available</i>
<b>Residence Burglary</b>	<i>available</i>	<i>available</i>	<i>available</i>
<b>Satellite Antenna</b>	<i>not available</i>	Wind and Hail Buy-back	Wind and Hail Buy-back
<b>V&amp;MM</b>	<i>included</i>	<i>available</i>	<i>available</i>
<b>Structure Endorsement</b>	<i>not available</i>	Seasonal Only	<i>not available</i>
<b>Short Term Rental</b>	Rental Only	Rental Only	<i>not available</i>
<b>Occasional Rental</b>	Seasonal Only	Owner & Seasonal	<i>not available</i>
<b>Vacancy Permission</b>	<i>available</i>	<i>available</i>	<i>included</i>
<b>Identity Recovery</b>	Seasonal Only	Owner & Seasonal	<i>not available</i>
<b>Equipment Breakdown</b>	<i>available</i>	<i>available</i>	<i>available</i>

\*Wind and Hail Deductible applies to Territory 63 only.

# RULES AND DEFINITIONS

## GENERAL RULES AND RATING INFORMATION

- |                                       |   |
|---------------------------------------|---|
| 1. Application                        | The agent's and applicant's <b>signatures</b> are <b>required</b> .   |
| 2. Insurance to Value                 | D1: Dwelling must be insured to <b>market value</b> (excluding land value) not to exceed <b>replacement cost</b> .<br>D3: Dwelling must be insured to <b>100% full replacement cost</b> , excluding land value. Dwelling must be insured to <b>100% Market Value</b> , excluding land value, if either ACV or Agreed Value Functional Replacement Cost is chosen. |
| 3. Whole Dollar Rule                  | All premiums shall be rounded to the <b>nearest whole dollar</b> .  |
| 4. Cancellation Rule                  | <b>No flat cancellation</b> is allowed if coverage has been provided under our policy.  |
| 5. Transfer or Assignment             | Our policies may <b>not</b> be transferred or assigned.   |
| 6. Minimum Written and Earned Premium | There is a \$100 <b>minimum written</b> and <b>earned</b> premium for all programs.   |
| 7. Inspection Fee                     | An inspection report may be reviewed as part of the underwriting evaluation for any applicant. <b>A \$35 Inspection Fee</b> will be charged when ordered.   |
| 8. Claims Verification                | A C.L.U.E. report showing past claims history will be ordered.  |
| 9. Insurance Score                    | Will be used to determine financial responsibility.   |

## DEFINITIONS

- |                                      |  |
|--------------------------------------|--|
| 1. Owner Occupied Dwellings          | Dwellings owned by the insured that are occupied on a <b>full-time</b> basis as the insured's primary residence for <b>at least five (5)</b> consecutive months. (Dwellings may not be rented to others for any length of time unless Occasional Rental Coverage applies.)                               |
| 2. Seasonal/Secondary Dwellings      | Dwellings owned by the insured that are occupied on an intermittent or <b>non-continuous</b> basis as the insured's secondary or seasonal residence for less than five (5) consecutive months. (Dwellings may not be rented to others for any length of time unless Occasional Rental Coverage applies.) |
| 3. Rental Dwellings                  | Dwellings owned by the insured that are rented to others for residential purposes.   |
| 4. Vacant Dwellings                  | Dwellings, manufactured and/or modular homes or condominiums that are unoccupied, whether or not the contents have been removed.   |
| 5. Supplemental Heating Device       | Wood, coal or pellet burning stoves, space heaters, and any other heating device that is not centralized. The thermostatically controlled space heaters do not require the Supplemental Heating Device Surcharge.<br><b>Portable kerosene heaters or space heaters are ineligible.</b>                   |
| 6. Stand Alone Structure Endorsement | Structures must have a roof and may or may not be fully enclosed and does not have living quarters. Examples include pole barns, camping structures and covered boat slips.  |
| 7. Row Home / Town Home              | More than 2 residences where the interior and exterior is owned by the insured and is connected by a common wall to other dwellings/units not owned by our insured. Risk should not be considered a condominium.   |

## TEMPORARY SUSPENSION OF WRITINGS

During Temporary Suspensions of Writing, do not accept any applications for new coverage, requests to increase coverage limits, or requests to lower deductibles on existing policies. Existing American Modern policies will renew during this time, provided there is no increase in coverage or lapse between policies.

### Impending Severe Weather

Impending severe weather includes, but is not limited to:

- ◆ Tornado watches and/or warnings
- ◆ Flood watches and/or warnings
- ◆ Tropical storm or Hurricane watches and/or warnings

### Earthquake

- ◆ Restrictions begin with the occurrence of an earthquake or aftershock, of 5.0 Richter (or greater), and continue for a period of 72 hours for dwellings located in counties (in their entirety) within 100 miles of the epicenter.

### Wildfire

- ◆ No risks may be bound within a 25 mile radius of any existing wildfire.

**For Updates Call (888) 593-3032 or LOG ON to our website: [www.amig.com/agents/bindres.html](http://www.amig.com/agents/bindres.html)**

# QUOTING PROCEDURE

Rate pages are not available for this program.

Quoting and issuance of policies will only be available through **modernLINK**<sup>®</sup>. If you do not have access to our Award Winning website, you may call Customer Care or your General Agent, whichever applies.

In **modernLINK**, an accurate quote will be ensured by entering all of the requested information. After the **ELIGIBLE PROGRAMS** page, you will be asked to verify some information about the applicant before the Insurance Score is ordered. On this page is our disclosure to the insured that credit history as well as other third party reports may be ordered. **You must read this statement to the insured before proceeding.** Below is the text you will see:

*In connection with this application for insurance, we may review your credit report or obtain or use a credit-based insurance score based on the information contained in that credit report. We may use a third party in connection with the development of your insurance score. We may also obtain loss history and other consumer reports using a third party. The above information may be used to develop your premium or to determine your eligibility for insurance.*

Based on Insurance Score, if the quoted customer is not receiving the best rate, they must receive a Fair Credit Reporting Act notice. This is true even if they do not wish to proceed with the quote. **modernLINK** will print this notice when a quote or application is printed, or can be printed alone. If you are receiving a quote by phone, this notice will be faxed to you to give to the customer. If the customer is not in your office, you will need to mail the notice to that customer. This procedure satisfies the requirements of the Fair Credit Reporting Act.

## TERRITORY ALIGNMENT

### Territory 60

Remainder of State

### Territory 61

Catoosa, Chattooga, Dade, DeKalb, Fulton, Walker, Whitfield counties

### Territory 62

Brantley, Charlton, Long and Wayne counties; Bryan county, excluding zip code 31324 and Liberty county, excluding zip codes 31320 and 31323

### Territory 63 – NO BUSINESS ACCEPTED IN TERRITORY 63

Camden, Chatham, Glynn and McIntosh counties; Bryan county zip code 31324, Liberty county zip codes 31320 and 31323; The following Islands, waterfront areas, and similar localities not specifically named therein:

Butler's Island	Cabbage Island	Champney Island	Warsaw Island
Cockspur Island	Colonel's Island	Cumberland Island	Green Island
Isle of Wight	Jekyll Island	Little St. Simon's Island	Little Sapelo Island
Little Tybee Island	Little Warsaw Island	Ossabaw Island	Raccoon Key
Sapelo Island	Sea Island	St. Simon's Island	Tybee Island

### Territory 64

City of Macon and City of Augusta

## DIRECT BILL PREMIUM PLANS

**Direct Bill** is American Modern Insurance Group's own automated billing and processing system. With the completion of an easy application, this system will automatically produce a declarations page, bills and renewals. All policies can be dispatched from our office to the insured. Please inquire for details.

**We now accept Credit Cards and one time EFT as a method of payment.**

### **ANNUAL POLICIES**

1. Paid in Full.
2. 4-Pay Plan - 25% down with 3 installments. Collect the 25% down. We will bill in 3 installments which will be due by day 60, day 150, & day 240.
3. 10-Pay Plan - 16.3% down with 9 installments. Collect the 16.3% down. We will bill in 9 installments which will be due by day 40, day 70, day 100, day 130, day 160, day 190, day 220, day 250, & day 280.
4. EFT Plan - 2 months down payment required with 10 additional installments automatically deducted from a savings/checking account. Enter the down payment via modernLINK while inputting the application. Print form 00220-11-G, have the insured sign the completed form, and file in your records with voided check/withdraw slip attached. The customer may choose the date of automatic withdrawal.

**A SERVICE CHARGE IS ASSESSED FOR EACH INSTALLMENT, INCLUDING THE DOWN PAYMENT.**

# TARGET MARKET

- DP-1**
- Designed to meet the needs of the dwelling owner that has RENTAL or SEASONAL property or OWNER-occupied when the owner does not desire and/or qualify for coverage on a homeowners form. Risks should be in fair or better condition.
  - **“Fair condition”** means the home and other structures are structurally sound with no sagging or rotting porches or rooflines. A home in fair condition may also need cosmetic repairs such as paint, missing shutters, or other items that may affect the visible condition but does not affect the integrity of the structure.
  - **“Unacceptable condition”** includes, but **is not limited to**, roof with obvious wear or missing shingles, broken or boarded up windows, unrepaired vandalism or damage, sagging porches and roofs, rotting fascia/soffit/roofline, or excessive debris in the yard.
  - **“Excessive debris”** means debris scattered on or around the premises showing neglect over a period of time, including garbage, discarded appliances, tires, discarded autos, blocks, bricks, and excessive personal belongings. A small debris pile that is created from the maintenance of the home is acceptable as long as the pile appears to have been recently created and is intended to be removed shortly.

- Vacant (DP-1)**
- Designed for dwellings that are in fair or better condition, which exhibit proper maintenance, and are temporarily VACANT due to one of the following conditions:
    - ◆ Renovation or remodeling
    - ◆ Between tenancy or real estate closings
    - ◆ Dwellings held for sale and on the market
    - ◆ Investment properties
- Dwellings vacant more than 12 months must be submitted for approval with 2 photos (front and back) prior to binding. Photos may be emailed to your underwriter directly or to the underwriting mailbox at underwriting@amig.com. If you are a subproducer please email your General Agent. Please include insured's name and quote number on the email.**
- ◆ Special attention must be given to the upkeep of the property and the reason the home remains vacant. For vacant homes, the dwelling must show signs of continued maintenance such as mowed lawns and yards relatively clean of debris.
- Vacant Manufactured Homes and Condominiums are eligible for this program.**

- DP-3**
- Designed for individuals who have RENTAL or SEASONAL properties that would normally qualify for coverage through a standard carrier. **OWNER-occupied homes are not eligible in the DP-3 program.** All homes must be 50 years of age or newer.
  - The program may also be used for individuals who may have difficulty obtaining homeowner insurance with standard carriers due to unfavorable liability exposures, such as a swimming pool or trampoline.
  - Risks must be in **above average or better condition** and reflect responsible ownership in the maintenance and upkeep of the dwelling, other structures, and premises, including the yard, trees and shrubs.
  - **Unacceptable** risk conditions include, but **are not limited to**, peeling paint, sagging gutters, overgrown premises, premises cluttered with debris, roof with obvious wear or missing shingles, unrepaired damage or other maintenance concerns, or open foundation.

## UNDERWRITING

A **CLUE report** will be obtained for all new business risks. ● **Inspections may be ordered for new business risks.**

## PRIOR LOSS HISTORY

		DP-1	DP-3
LOSSES IN THE PAST 3 YEARS		<b>Maximum 3 losses.</b> No more than 1 fire or liability loss. No fire loss of \$10,000 or more. No more than 2 of any other single cause of loss excluding weather.	Up to 1 non-weather loss and 2 weather losses. No fire loss of \$10,000 or more.
		If the applicant has <b>more than 5 rental properties</b> and incurred losses exceed these guidelines then, Submit, Do Not Bind.	
SUBMIT, DO NOT BIND	ALL LIABILITY LOSSES	Maximum available \$100,000 Liability and \$1,000 Med Pay.	
	THEFT LOSSES > \$5,000	Provide preventative measures taken.	
	WATER LOSSES > \$5,000	N/A	Mold inspection from applicant may be required.
GENERAL GUIDELINES		Prior losses include any loss incurred on any property and/or structure owned, rented, or leased by the applicant. Complete details regarding the loss such as cause, location, date, and the amount paid for the loss are required. All repairs from prior losses must be complete.	

# RISKS CHARACTERISTICS

<b>Animals</b>	<ul style="list-style-type: none"> <li>◆ Applicants with large, unusual, exotic, vicious, or potentially vicious animals are <b>ONLY</b> acceptable if the policy is written without liability coverage. Animals in this category include, but are not limited to: <ul style="list-style-type: none"> <li>Animals with a previous bite history or vicious propensities</li> <li>Dobermans, Chows, Rottweilers, Akitas, American Staffordshire Terriers (Pit Bulls), attack dogs and Wolf Hybrids, (or any mix thereof) Ostriches, Emus, Horses, Farm or Ranch animals, or any type of wild exotic animals or pets.</li> </ul> </li> </ul>
<b>Swimming Pools</b>	<ul style="list-style-type: none"> <li>◆ In-ground pools must have a fence, at least four feet high with a locking gate that encloses the pool.</li> <li>◆ Above-ground pools must have either a fence, at least four feet high with a locking gate that encloses the pool or steps and ladders that can be secured, locked, or removed when the pool is not in use.</li> <li>◆ Risks not meeting this criteria are acceptable if liability coverage is <b>NOT</b> included.</li> </ul>
<b>Roof</b>	<ul style="list-style-type: none"> <li>◆ DP-1: No age restriction.</li> <li>◆ DP-3: Must be 10 years of age or newer. Exceptions to this rule are tile and concrete tile roofs. Aluminum, metal (specific type unknown), tin, and flat roofs are <b>NOT</b> acceptable.</li> </ul>
<b>Wiring</b>	<ul style="list-style-type: none"> <li>◆ DP-1 &amp; DP-3: Knob &amp; tube wiring is <b>NOT</b> acceptable.</li> <li>◆ DP-3: <b>Must</b> have circuit breakers. Fuse boxes (full or partial) are <b>NOT</b> acceptable.</li> </ul>
<b>Heating</b>	<ul style="list-style-type: none"> <li>◆ Primary heat source must be thermostatically controlled and <b>NOT</b> a supplemental heating device unless written as Seasonal DP-1.</li> </ul>
<b>Supplemental Heating</b>	<ul style="list-style-type: none"> <li>◆ Supplemental heating devices include wood/coal/pellet or any other solid fuel burning device. <ul style="list-style-type: none"> <li>○ Kerosene and other portable space heaters are <b>NOT</b> acceptable.</li> </ul> </li> <li>◆ <b>Note:</b> Fireplaces are <b>NOT</b> considered supplemental heating devices unless equipped with a fireplace insert.</li> </ul>
<b>Row Homes or Town Homes</b>	<ul style="list-style-type: none"> <li>◆ Must have firewalls separating each unit.</li> <li>◆ Contain 8 units or less in a row.</li> </ul>
<b>Business on Premises</b>	<ul style="list-style-type: none"> <li>◆ Some incidental businesses on premises may be eligible. This could include home offices, and other small businesses with very light or no foot traffic.</li> <li>◆ Depending on the nature of the business, it may be eligible either with or without liability coverage, at the underwriter's discretion.</li> <li>◆ Ineligible businesses include, but are not limited to, home day cares, beauty salons, automotive repair, welding, dog kennels, retail stores, and any business where potentially dangerous chemicals or activities may be involved.</li> </ul>
<b>Farming on Premises</b>	<ul style="list-style-type: none"> <li>◆ Acceptable if liability coverage is <b>NOT</b> included.</li> </ul>
<b>In Name of Corporation</b>	<ul style="list-style-type: none"> <li>◆ Owner-occupied acceptable if Personal Liability coverage is <b>NOT</b> included.</li> <li>◆ Premises liability coverage is available for Rental and Seasonal risks.</li> </ul>
<b>Non-Renewed Or Canceled</b>	<ul style="list-style-type: none"> <li>◆ Applicants non-renewed or canceled by the prior carrier due to excess losses, large losses, payment problems or physical hazards must provide reason for non-renewal or cancellation. <b>Submit, Do Not Bind applicants with this characteristic.</b></li> </ul>
<b>Steps, Porches and Decks</b>	<ul style="list-style-type: none"> <li>◆ Must have secured handrails if 3 feet or more above the ground.</li> <li>◆ Risks not meeting this criteria are acceptable if liability coverage is NOT included.</li> </ul>
<b>Uninsured Properties</b>	<ul style="list-style-type: none"> <li>◆ <b>The following applies for Seasonal DP-1:</b> <ul style="list-style-type: none"> <li>○ If dwelling value is greater than or equal to \$30,000 and dwelling has been uninsured for more than 30 days, <b>DO NOT BIND/SUBMIT</b> for approval with explanation.</li> <li>○ If the dwelling value is less than \$30,000, there is no prior insurance requirement.</li> </ul> </li> <li>◆ <b>For all DP-3 and Owner, Rental and Vacant DP-1:</b> <ul style="list-style-type: none"> <li>○ If the risk has been uninsured for 31-90 days <b>DO NOT BIND/SUBMIT</b> with explanation.</li> <li>○ If the risk has been uninsured for more than 90 days then <b>DO NOT BIND/DO NOT SUBMIT</b>. Special exceptions may be made for extenuating circumstances. Please contact your underwriter for consideration with full details.</li> </ul> </li> </ul>
<b>Occasional Rental</b>	<ul style="list-style-type: none"> <li>◆ Home must be occupied for at least 4 months and only occasionally rented.</li> <li>◆ Vandalism and Malicious Mischief Tenant exclusions will not apply.</li> </ul>
<b>Short Term Rental</b>	<p>The following applies to Rental DP-1 and DP-3.</p> <ul style="list-style-type: none"> <li>◆ The Lease Term must be less than 3 months and can be a weekly rental.</li> <li>◆ Insured lives within 100 miles of the property or the property is managed by a property manager.</li> <li>◆ Vandalism and Malicious Mischief Tenant exclusions will not apply.</li> <li>◆ Reduction in Coverage when Vacant or Unoccupied will not apply.</li> </ul>

# RISK CHARACTERISTICS (Continued)

## Stand Alone Other Structures

- ◆ **Structure Endorsement –DPB10 (06/09)**
  - The Structure Endorsement is used for structures that are not dwellings and don't look like dwellings, but may have small or minimal living quarters. The Structure Endorsement (DPB00) allows the adjuster to identify that we are covering a non-residence under Coverage A. The Structure Endorsement (DPB00) will provide coverage for the following structures:
    - structures used for seasonal purposes such as camping structures
    - casitas (RV Canopies, awnings, building structures that may contain minimal living areas and outdoor living areas not attached to the RV)
    - boat houses (no living quarters), covered boat slips or boat docks
    - structures like pole barns, garages or cabanasIf the structure has living quarters and is used for seasonal purposes, it may be written as seasonal dwelling without this endorsement. If the structure looks more like a dwelling, then it should be written normally depending on the occupancy without this endorsement. The intent of the Structure Endorsement is to provide a way to write structures that are not dwellings and would not normally be acceptable.
  - Coverage A will be provided on these risks with the same options available in our Seasonal DP-1 Program.
  - When the Structure Endorsement is attached, we allow boat house structures and covered boat slips to be written. No liability is available for boat houses/covered slips. Please note: For mechanical lift coverage, please see our First Choice Watercraft Program for coverage availability. We also permit the open pier and stilt structures for these risk.
  - When 2 or more structures need to be insured on the same premise and neither is a dwelling, the largest structure should be insured as the Coverage A with the Structure Endorsement. The 2<sup>nd</sup> structure should be written as Other Structure Coverage on the same policy.
- ◆ **How to Bind Stand Alone Other Structures**
  - Select Seasonal Occupancy DP-1 in modernLINK
  - On Coverage Page, answer yes to either of these risk code questions:
    - Is the dwelling Coverage A amount being requested for an Other Structures only policy such as a pole barn, storage building or camping structure?
    - Is the structure a boathouse or covered slip without living quarters?
  - Finally, provide a description in the memo field of the risk.
- ◆ **Risk Code OS - Other Structure or SB - Boat Slip**

## Vacant Home Builder's Risk Renovation Coverage

Builder's Risk Renovation is intended for Vacant Homes that are undergoing major renovations or completion of new construction (home must be fully enclosed). The endorsement will allow you to insure the renovation amount prior to completion. The renovation amount should equal the value of improvements, alterations or repairs to buildings or structures under renovation. When entering the dwelling limit in modernLINK, the limit should include the dwelling value plus the renovation amount. (For example, if the dwelling value is \$60,000 and the renovation amount is \$15,000, then enter \$75,000.) A separate question will be asked for the renovation amount as this will be used for underwriting and claims purposes.

The endorsement includes coverage for scaffolding or temporary building constructions. Theft of Building Materials is covered up to a \$5,000 limit. If Premises Liability is purchased, Independent Contractor's liability is excluded.

Upon completion of renovations, the Builder's Risk Coverage must be requested to be removed by the insured.

- ◆ **Examples of when the Builder's Risk Renovation could be endorsed:**
  - Homes that have just been purchased undergoing major renovation.
  - Unfinished newly constructed homes that have been purchased out of foreclosure or bankruptcy prior to the home being 100% complete by the builder. The endorsement would cover the home while undergoing its final construction. The home must be fully enclosed.

## Vacancy Permission Endorsement DP-1 and DP-3

Vacancy Permission allows an owner, rental, or seasonal home to be temporarily written as a vacant home. When an owner, rental, or seasonal home goes temporarily vacant this endorsement can be added to prevent having to cancel and rewrite the policy. Once the home is no longer vacant the endorsement just has to be removed and the policy will switch back to the original owner, rental, or seasonal dwelling.

- ◆ **DP-1** – The agent is writing a new policy for an insured and the home is currently vacant, perhaps being renovated or in the process of trying to rent it out, and the plan is for it to be either a rental, owner, or seasonal in the future.
- ◆ **DP-3** – This option is available for DP-3 as long as the risk itself qualifies for a DP-3 per the Underwriting guidelines (in other words, no homes under renovation, home must be in above average condition, age of roof and home quality, etc.)
- ◆ **DP-3** – In modernLINK, simply enter a quote like a typical DP-3 Rental or Seasonal. Then on the Coverage page select the Vacancy Surcharge coverage. This coverage will treat the policy as a DP-3 vacant.

# RISKS THAT ARE NOT ACCEPTABLE DO NOT BIND • DO NOT SUBMIT

<b>Applicants</b> <i>With these characteristics</i>	<ul style="list-style-type: none"> <li>◆ Currently unemployed, other than retired or disabled</li> <li>◆ Four or more losses of any kind in the last three years (<i>For additional guidelines see "Prior Loss History"</i>)</li> <li>◆ With a fire loss of \$10,000 or more within the past three years</li> <li>◆ Past conviction for arson, fraud, or other insurance-related offenses</li> <li>◆ Mortgage payments 60 days or more past due or currently in foreclosure</li> <li>◆ More than two lienholders and/or mortgagees</li> </ul>
<b>Dwellings</b> <i>With these characteristics</i>	<ul style="list-style-type: none"> <li>◆ Attached to, occupied as, or converted from a commercial risk</li> <li>◆ Condemned or abandoned</li> <li>◆ Under construction, undergoing major renovations that require the dwelling to be unoccupied (unless written in the Vacant Dwelling program) <i>(Minor renovations are acceptable and include painting, roof repairs, carpeting, and plastering)</i></li> <li>◆ Unrepaired or existing damage such as broken or boarded up windows (unless written in the Vacant Dwelling program and undergoing renovations)</li> <li>◆ No intent to reoccupy or sell</li> <li>◆ Hand hewn log homes, earth homes, dome homes, open pier homes or stilt homes (unless the risk is a covered boat slip on stilts or poles and the Structure Endorsement applies)</li> <li>◆ Manufactured homes, modified manufactured homes, condominiums or trailers (if vacant, manufactured homes or condominiums may be eligible for the Vacant Dwelling Program)</li> <li>◆ Open foundations (DP-3 only)</li> <li>◆ Non-conventional construction or design (<i>Shell homes, Do-It-Yourself construction, or homemade homes</i>)</li> <li>◆ Primary heat source NOT thermostatically controlled or a supplemental heat source, unless risk is DP-1 Seasonal.</li> <li>◆ Kerosene or portable space heaters</li> <li>◆ Underground fuel tank on premises if liability coverage is included on policy</li> <li>◆ Without smoke detectors unless written in Seasonal or Vacant</li> <li>◆ Aluminum, metal (specific type unknown), tin and flat roofs (DP-3 only)</li> <li>◆ Without utilities such as natural gas, electric, or water unless dwelling is Seasonal or Vacant</li> <li>◆ In the name of a corporation if personal liability coverage is included on policy</li> <li>◆ Dwelling located on an island or within 1,000 feet of a sea coast, bay or sound</li> <li>◆ With farming conducted on premises, if liability coverage is included on policy</li> <li>◆ Fraternities, sororities, student housing or other similar types of occupancies</li> <li>◆ In a landslide area</li> <li>◆ In an isolated area, not accessible by road unless Seasonal DP-1</li> <li>◆ In a forest fire, brush fire area or within 500 feet of brush</li> <li>◆ Owner Occupied homes in the DP-3 program.</li> <li>◆ Rented out for less than 3 months including weekly rentals unless the Short Term Rental Coverage is purchased</li> <li>◆ Owner and seasonally occupied dwellings that are rented out for any length of time unless the Occasional Rental Coverage is purchased</li> <li>◆ Homes that are not fully enclosed</li> <li>◆ Row Homes or Town Homes that contain more than 8 units and/or do not have fire walls separating each unit</li> </ul>
<b>Other Structures</b> <i>With these characteristics</i>	<ul style="list-style-type: none"> <li>◆ In poor physical condition and not properly maintained (unless the Other Structures Exclusion is attached)</li> <li>◆ Kerosene or portable space heaters (unless the Other Structures Exclusion is attached)</li> </ul>

**Circumstances reflecting an unusual exposure or increase in hazard not addressed above are unacceptable.**

## CANCELLATION PROCEDURES

American Modern Insurance Group, Inc. will accept a request to cancel a policy when we receive that request within 90 days of the requested cancellation date, and the request is accompanied by proper documentation. If the request is received more than 90 days after the requested cancellation date, the effective date of the cancellation will be the date the request was received at American Modern Insurance Group, Inc. unless:

- ◆ Insured no longer had a financial interest in the risk as of the requested cancellation date;
- ◆ The request to cancel is due to a total loss;
- ◆ Duplicate American Modern policy providing coverage for the same risk exists.



# OPTIONAL COVERAGES

Coverage	Available Occup.	Limits	Rates (3 & 6 month Vacant rates are pro-rated)	Included Coverages	Important Information	Codes
<b>Personal Liability</b>	Owner	\$25,000 \$50,000 \$100,000 \$200,000 \$300,000 \$500,000	<u>1-4 Fam</u> \$35.00 \$41.00 \$47.00 \$54.00 \$58.00 \$96.00	\$500 Medical Payments each person, \$25,000 each occurrence. \$500 Damage to the Property of Others.	Excludes bodily injury or damage to property of others caused by wild or exotic animals, non-domesticated animals, or animals with a history of biting.	<b>K3</b>
<b>Premises Liability</b>	Rental Seasonal Vacant	\$25,000 \$50,000 \$100,000 \$200,000 \$300,000 \$500,000	<u>1-4 Fam</u> \$35.00 \$50.00 \$70.00 \$85.00 \$100.00 \$135.00	\$500 Medical Payments each person, \$25,000 each occurrence.	Excludes bodily injury or damage to property of others caused by wild or exotic animals, non-domesticated animals, or animals with a history of biting.	<b>L2</b>
<b>Property Manager - Premises Liability</b>	Rental Seasonal Vacant		\$50.00		Premises Liability must be present. Property Manager must be listed as an additional insured.	<b>MM</b>
<b>Increased Medical Payments - Personal and Premises Liability</b>	Owner Rental Seasonal Vacant	\$1,000/\$15,000 Max: \$15,000/ \$15,000	\$5.00 per \$1000 of coverage	\$500/\$15,000 (When liability coverage is purchased.)		<b>BA</b>
<b>Personal Property</b>	Owner Rental Seasonal Vacant	Min: \$1,000 Max: 100% of Coverage A	\$5.00 per \$1,000	None		<b>7M1 7M2 7O8 7M3 7O9 744 745 774 775 784 785</b>
<b>Personal Property Replacement Cost</b>	Rental Seasonal		\$2.00 per \$1,000		DP-3 Program only. Limit must equal Coverage C.	<b>BK</b>
<b>Additional Living Expense</b>	Owner	Max: 20% of Coverage A	\$5.00 per \$1,000			<b>46</b>
<b>Fair Rental Value</b>	Owner Rental Seasonal	Max: 20% of Coverage A	\$7.00 per \$1,000			<b>49</b>
<b>Mold and Remediation Limitation Buy-Back</b>	Rental Seasonal	\$25,000	\$50.00 per year		DP-3 Program only.	<b>YU</b>
<b>Optional Deductibles</b>	Owner Rental Seasonal Vacant	<u>All Other Peril Options</u> \$250 \$1,000 \$1,500 \$2,500 \$5,000	<u>*O,R,S</u> +10% -5% -7% -10% -20% <u>Vacant</u> N/A -5% -7% -10% -20%	<u>All Other Peril Base Ded.</u> \$500	Does not change V&MM Deductible.	<b>H8</b>
<b>Other Structures Coverage</b>	Owner Rental Seasonal Vacant	Max: 50% of Coverage A, not to exceed \$30,000.	\$5.00 per \$1,000	10%, reduces Coverage A.		<b>A1</b>
<b>Residence Burglary</b>	Owner Rental Seasonal Vacant		\$30.00 per \$1,000	None		<b>B1</b>
<b>Vandalism and Malicious Mischief</b>	Owner Rental Seasonal Vacant		\$.70 per \$1,000 (3 and 6 month Vacant rate will be pro-rated).	\$500 Deductible applies.	DP-1 Program only.	<b>B2</b>
<b>Windstorm and Hail Buy-Back for Antennas</b>	Owner Rental Seasonal Vacant		\$3.00		DP-1 Program only.	<b>PK</b>
<b>Structure Endorsement</b>	Seasonal		Seasonal Rates		DP-1 Program only.	<b>OS SB</b>
<b>Builders Risk Renovation Cov.</b>	Vacant		5% Surcharge		See pg. 6 for more details.	<b>SX</b>

## OPTIONAL COVERAGES (continued)

Coverage	Available Occup.	Limits	Rates (3 & 6 month Vacant rates are pro-rated)	Included Coverages	Important Information	Codes
<b>Identity Recovery</b>	Owner Seasonal	\$15,000	\$20.00		Offers coverage for expenses incurred by an insured as a direct result of an identity theft discovered during the policy period.	<b>RY</b>
<b>Equipment Breakdown</b>	Owner Rental Seasonal Vacant	\$25,000	\$500 Ded. - \$25.00		Provides equipment breakdown protection for systems and appliances in the home.	<b>F0</b>
<b>Water Backup and Sump Discharge or Overflow</b>	Rental Seasonal	\$5,000	\$50.00		\$250 deductible applies. DP-3 Only	<b>BB</b>

## OPTIONAL EXCLUSIONS FOR RISK ACCEPTANCE

Coverage	Available Occup.	Limits	Rates	Important Information	Codes
<b>Other Structures Exclusion</b>	Owner Rental Seasonal Vacant	N/A	-\$3.00 <b>3 Month</b> <b>6 Month</b> -\$1.00        -\$2.00	This exclusion will remove all Other Structures Coverage at the insured premises.	<b>AZ</b>

## SETTLEMENT OPTIONS

Options	Definition	Rates		Codes
		DP-1	DP-3	
<b>Actual Cash Value (ACV)</b>	The cost to repair or replace property with new materials of like kind and quality, less allowance for physical deterioration and depreciation, including obsolescence. Home must be insured to 100% Market Value (excluding land).	Included	Optional (No Charge)	<b>1</b>
<b>Replacement Cost*</b>	The full cost to repair or replace property, with no deduction for depreciation.	N/A	Included	<b>2</b>
<b>Full Repair Cost (DP-1) / Agreed Value Modified Functional Replacement Cost (DP-3)</b>	Agreed upon amount the insurer will pay the insured to repair or replace damaged property in the event of a total loss of the property insured without any adjustment for depreciation or appreciation. Partial losses settled at the functional replacement cost up to the policy limit. Home must be insured to 100% Market Value (excluding land).	10%	5%	<b>DP-1: 5</b> <b>DP-3: 4</b>

\*Replacement Cost subject to modernLINK value calculation.

## CREDITS/SURCHARGES

Premium surcharges and/ or credits may apply for the following:	Important Information	Rate	Code
<b>Multi Family Surcharge</b>		<b>2 Family</b> 10% <b>3-4 Family</b> 50%	<b>2F - 28</b> <b>3F - 29</b> <b>4F - 43</b>
<b>Masonry Construction Discount</b>	Owner, Rental & Seasonal Risks only.	-20%	
<b>Supplemental Heating Device</b>	3 and 6 month Vacant rates are pro-rata.	\$40.00	<b>H2</b>
<b>Protective Device Credits</b>	Maximum Credit 10% Copy of Alarm System certificate is required.	<u>Central Station</u> Fire & Smoke -5%    Burglar -5% <u>Remote Station</u> Fire & Smoke -2%    Burglar -2% <u>Dead Bolts, Smoke Alarm &amp; Fire Extinguisher</u> -5%	<b>72 73</b> <b>E4 E5</b> <b>D6</b>
<b>Short Term Rental</b> (see page 6 for more information)	To provide coverage for short term rental (less than 3 months) of Rental Properties.	\$40.00	<b>ST</b>
<b>Occasional Rental</b> (see page 6 for more information)	To provide coverage for occasional rentals for Owner or Seasonal Properties.	15% of Coverage A	<b>PP</b>
<b>Vacancy Permission</b> (see page 6 for more information)	For a home that is temporarily vacant in the Owner, Rental or Seasonal program.	<b><u>DP-1 Program</u></b> PC 1-4    \$0.67 PC 5      \$0.65 PC 6      \$0.61 PC 7      \$0.53 PC 8-8B   \$0.48 PC 9-10   \$1.45 <b><u>DP-3 Program</u></b> PC 1-4    \$0.98 PC 5      \$0.96 PC 6      \$0.90 PC 7      \$0.79 PC 8-8B   \$0.70 PC 9-10   \$2.14	<b>VS</b>
<b>Row Home / Town Home Surcharge</b> (see page 5 for more information)		25% Surcharge	
<b>Age of Home Credit / Surcharge</b>		<b><u>Age of Home</u></b> 0-5                      0%    -5% 6-10                     0%    -2% 11-40                    0%    0% 41-60                    +5%   +5% 61-80                    +8%   +8% 81 +                     +10% +10%	

# FORMS LISTING (For Reference Only)

Form Number	Title						
0110-4269 (05/92)	Declarations Page						
S2001 (07/88)	Dwelling Property – Basic Form						
S2002 (07/88)	Dwelling Property - Special Form						
D1D3APP-GA INS (01/13)	Dwelling Application						
<b>MANDATORY ENDORSEMENTS</b>		<b>DP-1</b>				<b>DP-3</b>	
		<b>O</b>	<b>R</b>	<b>S</b>	<b>V</b>	<b>R</b>	<b>S</b>
71884 (02/12)	Permitted Vacancy Clause				X		
71908 (02/10)	Construction Cost Index Endorsement					X	X
72539 (12/06)	Log Building Endorsement	X	X	X	X	X	X
73276 (03/03)	Special Provisions - Georgia	X	X	X	X	X	X
D3W10 (03/08)	Water Damage Endorsment - Georgia					X	X
SDC10 (06/09)	Dwelling Property Basic Form Criminal Acts Exclusion	X	X	X	X		
SDK10 (12/03)	Condemnation Endorsement - Georgia	X	X	X	X	X	X
SD510 (03/08)	Water Damage and Mold Special Limit - Georgia					X	X
SDY00 (02/08)	Dwelling Property Cap on Losses From Certified Acts of Terrorism		X			X	
D1V00 (10/10)	Vacant Unit-Owners Endorsement (Mandatory when Vacant Condominium is chosen)				X		
<b>OPTIONAL ENDORSEMENTS</b>							
71884 (02/12)	Permitted Vacancy Clause Basic Form	X	X	X			
72670 (05/11)	Full Repair Cost	X	X	X			
72677 (02/06)	Additional Living Expense	X					
72900 (05/06)	Fair Rental Value	X	X	X		X	X
DF001 (02/12)	Residence Burglary	X	X	X	X	X	X
SDA00 (09/00)	Windstorm and Hail Buy-Back for Antennaes	X	X	X	X		
SD800 (03/07)	Dwelling Property Other Structures Exclusion	X	X	X	X	X	X
D3884 (11/09)	Permitted Vacancy Clause (Special Form)					X	X
DBR00 (02/12)	Builders Risk Renovation and/or New Construction Coverage				X		
DPB10 (06/09)	Structure Endorsement			X			
DPY00 (10/10)	Agreed Value Modified Functional Replacement Cost					X	X
SFR00 (10/05)	Personal Property Replacement Cost					X	X
SDO00 (04/05)	Actual Cash Value Loss Settlement					X	X
SDS00 (09/10)	Water Backup and Sump Discharge or Overflow					X	X
S3D00 (12/09)	Identity Recovery	X		X			X
DB500 (03/09)	Equipment Breakdown - \$500 Deductible	X	X	X	X	X	X
<b>PERSONAL LIABILITY - MANDATORY ENDORSEMENTS</b>							
71655 (05/01)	Special Provisions - Georgia	X					
73184 (05/99)	Business, Commercial or Farming Enterprise Exclusion	X					
73185 (05/99)	Home Day Care Exclusion	X					
DAL10 (09/12)	Animal Liability Exclusion (no coverage for wild, exotic, or undomesticated animals or animals with a previous bite history)	X					
DLB00 (02/00)	Assault and Battery Exclusion	X					
S2005 (07/88)	Comprehensive Personal Liability Policy	X					
SL510 (07/03)	Personal Liability Water Damage and Mold Limitation - Georgia	X					
SLS00 (08/06)	Personal Liability Swimming Pool Slide and Diving Board Exclusion	X					
<b>PREMISES LIABILITY - MANDATORY ENDORSEMENTS</b>							
73253 (03/00)	Premises Liability Lead Poisoning Exclusion		X	X	X	X	X
PL010 (09/12)	Premises Liability Endorsement - Georgia		X	X	X	X	X
PL510 (07/03)	Premises Liability Mold Limitation		X	X	X	X	X
PLS00 (08/06)	Premises Liability Swimming Pool Slide and Diving Board Exclusion		X	X	X	X	X
PLY00 (02/08)	Premises Liability Cap on Losses from Certified Acts of Terrorism		X			X	
<b>PREMISES LIABILITY - OPTIONAL ENDORSEMENTS</b>							
PLA00 (01/11)	Premises Liability Additional Insured - Property Manager		X	X	X	X	X
<b>IMPORTANT NOTICES</b>							
IDR01 (09/10)	Important Notice Regarding Identity Recovery	X		X			X
IN091 (08/05)	Important Notice Regarding Dwelling Limit					X	X
IN094 (11/05)	Seperate Windstorm and Hail Deductible - Territory 63 only	X	X	X	X	X	X
IN149 (08/12)	Important Notice - Equipment Breakdown Deductible Change	X	X	X	X	X	X
IN234 (02/13)	Important Notice - Changes to Liability Coverage	X	X	X	X	X	X
IN614 (04/09)	Important Notice Regarding Flood and Earthquake Coverage	X	X	X	X	X	X
SDN30 (02/08)	Dwelling Policy Notice to Policyholders - Provisions of Terrorism Coverage		X			X	
V9295 (11/05)	Summary of Rights	X	X	X	X	X	X

# HOW TO REACH US WHEN YOU NEED US

---

## **REPORT A CLAIM:**

- Online:** In modernLINK, under the Quotes and Policies tab click the Claims link.
- Phone:** 1-800-375-2075
- Fax:** Varies by state. Check the list on modernLINK.
- Mail:** American Modern Insurance Group, Inc.  
Attn: Claims Processing  
PO Box 5323  
Cincinnati, OH 45201-5323

## **BILLING OR POLICY QUESTION:**

- Phone:** 1-800-543-2644  
Monday to Friday, 8 a.m. to 7 p.m. Eastern

## **modernLINK SUPPORT:**

- Hours:** Monday to Friday, 7 a.m. to midnight Eastern  
Saturday and Sunday, 8 a.m. to 9 p.m.
- Help:** Talk to your office's modernLINK Profile Administrator  
Click the Help link at the upper right of the modernLINK screen.  
Systems Support: 1-866-527-9583 or [systemsupport@amig.com](mailto:systemsupport@amig.com)  
Monday to Friday, 8 a.m. to 6 p.m. Eastern  
After hours support handled by voicemail return call.

## **BINDING RESTRICTIONS:**

Check modernLINK for current binding restrictions.

## **ORDER SALES MATERIALS:**

Go online to [marketingcenter.amig.com](http://marketingcenter.amig.com) (no www in the address)



**AMERICAN MODERN SELECT  
INSURANCE COMPANY**

---

**EXECUTIVE OFFICE**  
POST OFFICE BOX 5323, CINCINNATI, OHIO 45201-5323, 1-800-543-2644

American Modern Insurance Group is a registered service mark of American Modern Insurance Group, Inc.  
© American Modern Insurance Group 2013  
modernLINK® is a registered trademark of American Modern Insurance Group, Inc.