



New Specialty Homeowners (HO-10) and Enhanced DP-1 & DP-1 Vacant Programs for Ohio

February 8, 2007

Effective Date: March 1, 2007 (quoting opens February 10)

American Modern Select Insurance Company announces a new Specialty Homeowners (HO-10) program for its portfolio of Site Built products in Ohio. American Modern Select also now offers an even more competitive DP-1 Vacant program and more coverage options for the DP-1 program.

The Specialty Homeowners program and the newly enhanced DP-1 Vacant program will be effective March 1, 2007. Rates will be available in modernLINK® for quoting on February 10, 2007. Please remember to select Company 085 for your quote.

New Specialty Homeowners Program (HO-10)

- ✓ Designed for the risk that is not eligible for coverage in the standard market due to age or value of the home. The home must be in average to above average condition.
- ✓ The **minimum accepted value** is \$40,000 and the maximum accepted value is \$300,000.
- ✓ Homes must be insured to **100% market value**.
- ✓ Available for **Owner and Seasonal** occupancies.
- ✓ The policy includes **Named peril** protection including Vandalism and Malicious Mischief.
- ✓ Both the dwelling and personal property are **ACV loss settlement**.
- ✓ **Policy form includes:**
 - 10% Other Structures. Coverage does not decrease Coverage A limit provided by the policy.
 - 10% Fair Rental Value. Coverage does not decrease Coverage A limit provided by the policy.
 - 40% Personal Property
 - \$25,000 Personal Liability, \$500 Medical Payments
 - Additional limits for the above coverages are available for an additional premium
- ✓ **Full Repair Cost Coverage** allows partial losses to Coverage A to be settled without depreciation up to the Coverage A limit. Please see endorsement for complete details.
- ✓ **Enhanced Coverage** adds these perils to the policy: Falling Objects, Collapse, Power Surge, Breakage of Glass, Weight of Ice and Snow, Sudden and Accidental Tearing Apart, Cracking, Burning or Bulging, Accidental Discharge, Release or Overflow of Water or Steam, Freezing, Sudden and Accidental Damage from Artificially Generated Electrical Current, and Water and Mold Remediation (up to \$10,000 or 10%, whichever is less).
- ✓ Optional coverages include **Limited Theft** and **Personal Property Replacement Cost**.
- ✓ Program uses **insurance scoring** as an additional rating factor. FCRA (Fair Credit Reporting Act) guidelines must be followed.

For a full understanding of what's included and excluded, and available options, please refer to the policy form.

Improved DP-1 Vacant Rates

- ✓ Lower Vacant Rates for territories 60, 61 and 63 (0.30 per \$100 for a 3-month term), and territory 62 (\$0.35 per \$100 for a 3-month term)
- ✓ Minimum written and earned premium is now only \$100
- ✓ New deductible options: \$1,000, \$2,500 and \$5,000

New DP-1 Coverage Options – “Rental Plus”

For a premium credit of 5%, Rental Plus Coverage can be endorsed onto the policy. Rental Plus coverage includes the enhanced coverage perils (listed on the front page). Certain eligibility requirements are required. To be eligible for the Rental Plus coverage the risk and / or insured must be:

- ✓ Home must be 50 years of age or newer
- ✓ Home value must be \$75,000 or greater
- ✓ Rental Occupancy
- ✓ Insured must be claim free
- ✓ Insured must be financially secure

Change to DP-3 Eligibility

Owner occupied risks are no longer eligible for the DP-3 program.

Quoting and Program Manual

Program rates and requirements are programmed into modernLINK. A combined program manual and underwriting guidelines is located in the Program Manual section in the eForms library on modernLINK.

Revised D1, D1 Vacant, and D3 program manual form number: **85-07-OH-D1D3-G (03/07)**

Specialty Homeowner program manual form number: **85-07-OH-H10-G (03/07)**

Specialty Homeowner application number: **HO10APP-OH-INS-G (02/07)**

The American Modern Insurance Group is committed to providing you with quality products that help grow your business. If you have any questions about these updates, please call Underwriting at 800-759-9008.



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