



Homeowners Insurance
Agent Reference Guide

Surplus (Coastal)

Multi States – Alabama, Mississippi, North Carolina, South Carolina, and Georgia

05.2025

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ELIGIBILITY

1. **Eligible risks.** The following risks are eligible for Orion180 insurance.

a. Location. Homes located in the following counties and states are eligible for this HO3 Program:

1) Alabama.

County	State	Area
Baldwin	AL	Coastal

County	State	Area
Mobile	AL	Coastal

2) Georgia.

County	State	Area
Bryan	GA	Coastal
Camden	GA	Coastal
Chatham	GA	Coastal

County	State	Area
Glynn	GA	Coastal
Liberty	GA	Coastal
McIntosh	GA	Coastal

3) Mississippi.

County	State	Area
George	MS	Coastal
Harrison	MS	Coastal
Hancock	MS	Coastal

County	State	Area
Jackson	MS	Coastal
Pearl River	MS	Coastal
Stone	MS	Coastal

4) North Carolina.

County	State	Area
Beaufort	NC	Coastal
Bertie	NC	Coastal
Brunswick	NC	Coastal
Camden	NC	Coastal
Carteret	NC	Coastal
Chowan	NC	Coastal
Craven	NC	Coastal
Currituck	NC	Coastal
Dare	NC	Coastal
Gates	NC	Coastal
Hertford	NC	Coastal

County	State	Area
Hyde	NC	Coastal
Jones	NC	Coastal
New Hanover	NC	Coastal
Onslow	NC	Coastal
Pamlico	NC	Coastal
Pasquotank	NC	Coastal
Pender	NC	Coastal
Perquimans	NC	Coastal
Tyrrell	NC	Coastal
Washington	NC	Coastal

5) South Carolina.

County	State	Area
Beaufort	SC	Coastal
Berkeley	SC	Coastal
Charleston	SC	Coastal
Colleton	SC	Coastal

County	State	Area
Dorchester	SC	Coastal
Georgetown	SC	Coastal
Horry	SC	Coastal
Jasper	SC	Coastal

b. Insurance-to-value. The dwelling must be insured to 100% of its estimated Replacement Cost for Coverage A, at policy inception.

- c. Occupancy limited to single family only.
 - 1) Primary residence must be deeded to the named insured and owner-occupied..
 - 2) Secondary Residences must be deeded to the named insured and owner or immediate family member occupied.
- d. Townhome, row home or multi-unit residence.
 - 1) Must have a fire wall between units extending to the roof line. Townhomes built prior to 2000 must provide proof of fire walls.
 - 2) Individual residential dwellings only.
- e. Primary heating.
 - 1) Systems must meet the state building codes and be in proper working condition.
 - 2) There must be a permanently installed heating source, thermostatically controlled central or electric heating. (Note: A converted coal furnace, kerosene heater, electric space heater, fireplace, or wood/coal/pellet stove cannot be the primary source of heat.)
- f. Roof.
 - 1) Roof coverings.
 - a) Architectural, three-tab asphalt, or rubber shingles.
 - b) Tile, clay, slate, or concrete tile.
 - c) Metal (tin and corrugated excluded) or aluminum with the Cosmetic Hail Loss Limitation Endorsement.)
 - d) Poured reinforced concrete flat roofs are deemed eligible roof covering types.
 - 2) The roof must be in acceptable condition, or the Roof Damage Exclusion be elected. "Outdated" roofs (defined in RATING RULES section of this guide) shall be settled on an actual cash value (ACV) basis.
- g. Plumbing.
 - 1) Type of plumbing.
 - a) Pre-2006 cross-linked polyethylene (e.g., PEX), polybutylene, cast iron, and/or galvanized plumbing shall be subject to the Limited Water Damage Exclusion and shall have no coverage for damages caused by or resulting from these plumbing types.
 - 2) Age of plumbing.
 - a) Homes 30 years of age and older are subject to the Limited Water Damage Coverage in the amount of \$10,000 per policy period.
 - 3) Water heaters.
 - a) Tanked water heaters
 - b) Tankless water heater
 - c) Tanked water heaters located in the attic are subject to the Limited Water Damage Coverage in the amount of \$10,000 per policy period.
- h. Foundations.
 - 1) Crawl space. A crawl space foundation is a type of foundation that elevates the home from the ground, creating a space between the ground and the first floor of the home. It is often used in areas where the soil is stable or where a traditional foundation is not ideal or feasible. It can have benefits for drainage, air quality, and access to utilities
 - a) Dwellings with crawl space 3-foot or less in height are acceptable.
 - b) Crawl Space must be fully enclosed on all sides with permanent material like block, brick, siding, etc.
 - c) Crawl Space must have adequate access and be adequately vented.
 - 2) Elevated home. Homes on stilts, piers or pilings if no portion of the dwelling is located above a body of water or wetland (e.g., swamp, marsh, bog).
 - 3) Basement, masonry, slab
- i. Driveway access to the home. Homes must have a dedicated, improved driveway, such as paved, gravel, etc.
- j. Condition and care. Homes must be properly maintained, in sound condition and exhibit pride of ownership. The home cannot be in poor condition.
- k. Homes with Renewable energy system. Homes with renewable energy systems are eligible. However, renewable energy systems that produce energy from renewable energy technologies are excluded from coverage. These include solar (photovoltaic) panels, wind turbines, geothermal heat pumps, micro hydropower systems, and rainwater catchment systems.

2. Ineligible risks. The following risks are ineligible for Orion180 Insurance Company.

- a. Prior loss history.
 - 1) More than 2 losses in the past 3 years.
 - 2) More than 1 liability loss, 1 fire loss or 2 property losses in the past 3 years.
 - 3) Risks with open, prior claims.
- b. Criminal history. During the last 5 years, Insured(s) have been indicted for, or convicted of, any degree of crime of fraud, bribery, arson, or any other arson-related crime.
- c. Occupancy.
 - 1) Single family dwelling that is:
 - a) Occupied by more than 1 family; and/or
 - b) Occupied by a roomer or boarder for longer than thirty (30) consecutive days.
 - 2) A 2-, 3-, or 4-family dwelling that is occupied:
 - a) By more than one (1) family in an individual family unit; and/or
 - b) By a roomer or boarder for longer than thirty (30) consecutive days.
 - 3) Any rental exposure.
 - 4) Any dwelling that has been vacant or unoccupied for more than sixty (60) days. A vacant dwelling is defined as a dwelling for which there are no residents or personal property in the building or insufficient personal property in it to occupy it as a residence.
- d. Finances. Homes with three (3) or more mortgages, homes in foreclosure, or more than ninety (90) days past due on a mortgage.
- e. Ownership. Properties deeded or owned by a corporation, limited liability company (LLC), partnership, limited liability partnership (LLP), estate, association, or business entity.
- f. Commercial exposure. Homes with commercial exposure(s) within three hundred (300) feet of their property line(s).
- g. Construction.
 - 1) Dwellings being constructed.
 - 2) Dwellings undergoing complete or major renovation or extensive remodeling that causes the home to be uninhabitable.
 - 3) Dwellings originally designed or constructed for non-habitational purposes.
 - 4) Dwellings not constructed by licensed contractors or constructed by the applicant or someone other than a licensed contractor, including but not limited to new build construction, upgrades, or remodels.
 - 5) Log home, mobile home, manufactured home, trailer home, house trailer, or homes of unconventional construction, including but not limited to do-it-yourself, dome, shell, or homes not meeting building codes.
- h. Roof. Homes with a roof covering of T-lock shingles or an overlay roof (i.e., asphalt, fiberglass or composition shingles over wood shakes or wood shingles).
- i. Siding. Homes with wood shake (covering 80% or more of all siding), Masonite, asbestos, EIFS (Exterior Insulation Finish System), or Dryvit Stucco siding.
- j. Acreage. Dwellings located on more than 5 acres, unless in a Planned Community and on no more than 10 acres.
- k. For sale. Dwellings intended to be, for sale, on or after the policy effective date:
 - a. Dwelling must be occupied while for sale.
 - b. If the dwelling is unoccupied or vacant for more than 30 days, it is ineligible for coverage. This timeframe may be extended, at Orion180's discretion, pending prior approval by underwriting. Prerequisites for an exception are:
 - 1. Someone is routinely (i.e., at least weekly) checking the property; and
 - 2. The property is being well maintained.

l. Location.

- 1) Dwellings in Protection Class 10.
- 2) Dwellings of historical significance, or on a historic registry.
- 3) Adjacent commercial exposure increases the likelihood of loss to the insured location.
- 4) Dwellings subject to landslide, mudslide, brushfire, or built on a hillside, or terrain with more than 30 degrees slope, are cantilevered or built partially or entirely over water.
- 5) Dwellings located in a binding-restricted area due to a current weather event or catastrophe.

m. Condition and Care

Risks that have damage to the home or property including, but not limited to:

- 1) Any wear and tear, damage, or deterioration that could increase the potential for loss.
- 2) Roof deterioration, damage, lifting/curling/missing shingles, excessive or faulty patched areas, or having less than 5 years life expectancy.
- 3) Siding deterioration, damage, or that is missing.
- 4) Peeling paint or excessive wear.
- 5) Damaged or deteriorating detached structures including garages, sheds, barns, fences, pools, trampolines, tree houses, skate ramps or any other dilapidated or dangerous structure that could increase the potential for loss.
- 6) Gutters that are damaged, falling, or full of debris
- 7) Foundations that are cracked, crumbling or damaged.
- 8) Driveways, walkways, or stairs that are cracked, crumbling, or damaged, which create a hazardous condition.
- 9) Soffit, fascia, or wood trim that is damaged, rotted, or deteriorating.
- 10) Broken/damaged windows or doors.
- 11) Risks with unfinished repairs/replacements due to prior losses.

n. Electrical, HVAC (heating, ventilation, and air conditioning), and plumbing systems.

- 1) Not meeting code and are not in proper working condition.
- 2) Knob and tube wiring.
- 3) Aluminum wiring.
- 4) Unsafe electrical panels, including but not limited to:
 - a. Fuse box
 - b. Double-tapped wires
 - c. Federal Pacific Electrical (FPE)

o. Safety and security. Dwellings with burglar bars installed on windows that have no inside release.

p. Property use.

- 1) Any business operation on the premises open to the public or causing foot traffic, including but not limited to farming, daycare, or childcare.
- 2) Farming or ranching operations.

q. Liability exposures.

- 1) Excessive or unusual liability exposures including but not limited to jet skis and skateboard/bicycle ramps.
- 2) Stairs, porches, or decks over 3 feet in height without a properly installed railing.
- 3) Doors to nowhere.
- 4) Empty pools (unless securely covered) or pools, hot tubs, or spas not maintained and in working condition.
- 5) Animals with a bite history, or ones who have caused bodily injury to any person or exhibited aggressive behavior towards people.

r. Yard.

- 1) Excessive yard debris including wood piles, brush, materials, or inoperable vehicles.
- 2) Dead or dying trees, trees too close in proximity to the home, or overhanging the home.

s. Inspection.

- 1) Does not conduct the property inspection within 30 days of the policy's effective date, if required.

GENERAL RULES

1. Introduction.

The Homeowners Policy Program provides property and liability coverages using the forms and endorsements specified in this guide. This guide contains the rules and classifications governing the writing of the homeowners policy. The rules, rates, forms and endorsements of Orion180 Insurance Company ("the Company") shall govern in all cases not specifically provided for in this guide.

All guidelines apply to new and renewal business, unless otherwise specified. If the company discovers conditions of the property that make it ineligible, whether or not disclosed on the application, the risk may be canceled, rescinded or non-renewed.

2. Limits of Liability and Coverage Relationships.

H3 – Homeowners HO3 Special Form

The limits available for binding under this program are:

H3 Coverage Limits		
Coverages	Minimum Limits	Maximum Limits
Coverage A	\$200,000	\$1,250,000
Coverage B	0% of Coverage A	20% of Coverage A
Coverage C	5% of Coverage A	70% of Coverage A
Coverage D	0% of Coverage A	20% of Coverage A
TIV (Total Insured Value)	\$210,000	\$2,250,000
Coverage E	\$0	\$500,000
Coverage F	\$0	\$5,000

If Coverage E is excluded, Coverage F is not available.

3. Description of Coverages.

All risks are covered with certain exclusions. Please read the policy for a complete list of exclusions.

The following is a general description of the coverages provided by the individual homeowners policy form. The policy should be consulted for exact contract conditions.

a. Property Coverages.

- Coverage A – Dwelling
- Coverage B – Other Structures
- Coverage C – Personal Property
- Coverage D – Loss of Use

HO3 Special Form: Covers Dwelling, Other Structures, and Loss of Use against risks of physical loss, with certain exceptions.

Personal Property is covered against loss by these perils, with certain exceptions:

- Accidental discharge or overflow of water or steam
- Aircraft
- Falling objects
- Fire or lightning
- Freezing
- Explosion
- Riot or civil commotion
- Smoke

- Sudden and accidental damage from an electrical current
- Sudden and accidental tearing apart of a heating system or appliance
- Theft
- Vandalism or malicious mischief
- Vehicles
- Weight of ice, snow, or sleet
- Windstorm or hail

The homeowners policy is written for a period of twelve (12) months and may be continued for successive policy periods based upon the premiums, forms, and endorsements then in effect for the Company.

b. **Liability Coverages.**

- **Coverage E – Personal Liability:** Covers payment on behalf of any insured of all sums for which the insured becomes legally obligated to pay as damages because of bodily injury or property damage arising out of an insured's premises or personal activities.
- **Coverage F – 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.

4. Inspections

Inspection requirements are based on the age and occupancy of the home, as well as the policy term. To view the Inspection Requirements, please refer to the My180 Document Library.

Document Library > Reference Material > Inspections > Inspection Requirements

\$49 inspection fee will apply. If the insured selects the PryzmIQ Virtual Home Inspection, the \$49 fee will be refunded upon completion. Refunds are not available for field inspections.

5. Endorsements.

An endorsement is any change to an existing policy. These policy modifications can take the form of additions, deletions, or substitutions. The information below applies to mid-term endorsements.

- a. If insurance is increased, or reduced, the additional or returned premium shall be calculated on a pro-rata basis for the length of time the policy or coverage was in force.

6. Cancellations, or Rescissions.

- Advanced notice of cancellation must be provided to the company.
- Policy terms which have expired will not be canceled.
- In force policies will be reviewed for backdating. Backdating (up to 60 days) may be considered with appropriate documentation such as:
 - Settlement statement or Closing Disclosure as proof of sale.
 - Declarations page of replacement coverage.
- If the policy is canceled before the end of the policy term, the company will retain 25% of the annual premium. The premium is considered fully earned. Any excess premium will be refunded on a pro-rata basis.
- A \$49 cancellation fee applies if the policy is canceled after the first 60 days of the policy term.
- Cancellations will print with the effective time of 12:01AM on the cancellation date.
- Per the NAIC MDL-915 Improper Termination Practices Model Act, Insurers have a right to rescind a policy within the first 180 days if an insured or an applicant for insurance has intentionally or knowingly conceals or misrepresents a material fact or circumstance concerning the risk assumed by the insurer. Rescission means the unilateral action by an insurer to declare an insurance contract void from its inception as though it never existed.

BILLING

1. Policy Period.

The homeowners policy is written for a period of twelve (12) months and may be continued for successive policy periods based upon the premiums, forms, and endorsements then in effect for the Company.

2. Policy and Installment Fees. Policy fees are fully earned.

- a. NSF Fee: \$25.00
- b. Reinstatement Fee/Lapse Fee: \$45.00
- c. Late Fee: \$25.00
- d. Policy Fee: \$199.00
- e. Cancellation Fee: \$49.00
- f. Inspection Fee: \$49.00
 - The \$49 inspection fee will be refunded up completion of the PryzmlQ Virtual Home Inspection
- g. Installment Fee: \$10.00

3. Installment Plans and Payment Options

A \$10 installment processing fee is applied to each installment payment including the down payment. The initial premium installment is due on the effective date of the policy subject to the down payment requirement. Any remaining balance may be paid on an installment basis per the payment option selected. Processing fees are fully earned as they are billed with each installment.

Payment Plan	Down Payment	Installment
Full Pay	100%	
2 Pay	50%	1 @ 50%
4 Pay	25%	3 @ 25%
Monthly Pay	25%	9 @ 8.3%
Mortgagee Billed	Based on mortgagee billing	

*Policy Fees and Taxes are in addition to the down payment.

4. Renewals and Renewal Payment.

- a. Renewal payments are due by 12:01AM on the policy renewal date or the Renewal Offer Quote will expire at such time. In the event payment is received after the policy renewal date, reinstatement may be considered. Reinstatement will result in a lapse in coverage and re-issuance of the policy with a short-term effective date.
- b. Inspections may be required for renewal terms. Please see the current inspection requirements located in the reference material of the document library.

5. Minimum Premium.

A minimum \$350 annual written premium is charged for each policy. This will include all chargeable endorsements or coverages.

6. Whole Dollar Premium.

All premiums shown on the policy and endorsements shall be rounded to the nearest whole dollar. A premium of fifty cents (\$0.50) or more is rounded to the next higher whole dollar.

7. Minimum Earned Premium.

A minimum earned premium of twenty-five percent (25%) of the annual policy premium will be retained if the policy is cancelled before the expiration of the policy term.

RATING RULES

1. Dwelling – Increased Limits.

- a. Coverage A – Dwelling can be rated from **\$200,000** to **\$1,250,000** based on the estimated cost to rebuild the home. Level of coverage determines the rate.
- b. This coverage is provided for the dwelling located at the residence premises listed on the Declarations.
- c. Elected Coverage A – Dwelling coverage limit shall be shown on the Declarations.

2. Other Structures – Increased or Decreased Limits.

- a. The base policy provides Coverage B – Other Structures at **10%** of Coverage A. The coverage is provided for structures located on the residence premises that are not rented to others, not used by non-related persons for residential purposes, and not used for business.
- b. The limit of liability for Coverage B – Other Structures may be decreased to **0%, 2% or 5%** of Coverage A for a premium credit.
- c. The limit of liability for Coverage B – Other Structures may be increased to **15%** or **20%** of Coverage A at an additional premium.
- d. Elected Coverage B – Other Structures coverage limit shall be shown on the Declarations.

3. Personal Property Increased or Decreased Limits.

- a. The base policy provides Coverage C – Personal Property at **40%** of Coverage A.
- b. The limit of liability for Coverage C – Personal Property may be decreased to **5%, 10%, 20%** or **30%** of Coverage A or a premium credit.
- c. The limit of liability for Coverage C – Personal Property may be increased to **50%** or **70%** of Coverage A at an additional premium.
- d. Elected Coverage C – Personal Property coverage limit shall be shown on the Declarations.

4. Loss of Use – Decreased Limits.

- a. The base policy provides Coverage D – Loss of Use at **10%** of Coverage A.
- b. The limit of liability for Coverage D – Loss of Use may be decreased to **0%** or **5%** of Coverage A for a premium credit.
- c. Elected Coverage D – Loss of Use limit shall be shown on the Declarations.

5. Personal Liability – Increased or Decreased Limits.

- a. The base policy provides Coverage E – Personal Liability at **\$100,000**.
- b. Coverage E – Personal Liability may be excluded for a premium credit. If Coverage E – Personal Liability is excluded, Coverage F – Medical payments is automatically excluded.
- c. The limit of liability for Coverage E – Personal Liability may be increased to **\$300,000** or **\$500,000** at an additional premium.
- d. Elected Coverage E – Personal Liability coverage limit shall be shown on the Declarations.

6. Medical Payments – Increased or Decreased Limits.

- a. The policy provides, at no additional charge, **\$1,000** of Coverage F – Medical Payments.
- b. Coverage F – Medical Payments may be excluded for the premium credit. If Coverage F – Medical Payments is excluded, Coverage E – Personal Liability will be automatically excluded.
- c. The limit of liability for Coverage F – Medical Payments may be increased to **\$3,000** or **\$5,000** for an additional premium.
- d. Elected Coverage F – Medical Payments coverage limit shall be shown on the Declarations.

7. Protection Classification.

- a. The Protection Classification is a rating system used to rank the fire protection of risks insured under homeowners program policies. The rating ranges from 1, an excellent fire protection, to 10, very little fire protection available. Protection Classification 10 is not eligible.
- b. The Protection Classification is automatically assigned to a policy and depends on two major factors:
 - 1) Proximity to the fire station – this includes distance to the closest fire station and number of fire stations within a 5- and 10-mile radius;
 - 2) Proximity to the water supply system – this is a combination of distance to the fire hydrant and alternative source of water that is available continuously throughout the year, such as lakes or ponds.

8. Construction Type.

- a. Frame: Exterior wall of wood or other combustible construction, including wood ironclad, stucco on wood or plaster on combustible supports, or aluminum or plastic siding over frame.

• Stucco on Frame	• Vinyl Siding
• Brick Veneer	• Wood Siding
• Aluminum Siding	• Stone on Frame
• Clapboard Siding	• Cement Fiber Shingles

- b. 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 roofs of combustible construction (disregarding floors resting directly on the ground).

• Brick Veneer	• Solid Stone
• Solid Brick	• Concrete Block
• Steel Siding	

9. Occupancy Type.

- a. This measures the number of living units within the insured property's firewall unit.
 - 1) Single Building. All buildings or sections of buildings which are accessible through unprotected openings shall be considered a single building.
 - 2) Separate Building
 - a) Buildings which are separated by space shall be considered separate buildings.
 - b) Buildings or sections of buildings (e.g., rowhouse, townhouse) which are separated by:
 1. 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 as described shall be protected by at least a Class A Fire Door installed in a masonry wall section

10. Inflation Guard.

Coverage A may be annually adjusted to reflect any changes in building costs as determined by the most current estimator factors provided by a nationally recognized property valuation firm.

11. Deductibles.

- a. All homeowners policies are subject to a base deductible applicable to loss from all Property perils.
- b. All Other Perils Deductible.
 - 1) The homeowners policy may be written subject to a \$1,000 base deductible applicable to any loss under property losses of this policy.
 - 2) Available Deductible Amounts. The homeowners policy may be revised to include any one of the following deductible options: \$1,000, \$2,500, 1%, 2%, 3%, 5% and 10%
- c. Hurricane/Wind/Hail or Tornado Deductible.
 - 1) The homeowners policy may be written subject to a Hurricane/Wind/Hail or Tornado Deductible applicable to any loss under the property section of this policy.
 - 2) Available Deductible Amounts. The homeowners policy may be revised to include any one of the following deductible options: (1% - North Carolina only) 2%, 3%, 5% and 10%
 - 3) The Hurricane/Wind/Hail or Tornado Deductible must be equal to or greater than the All Other Perils Deductible.

12. Age of Home.

This is the age of the structure in years. The formula for determining the age of home is:

(Effective Policy Year – Year Built) + 1 = Age of Home

13. Protection Devices.

- a. Approved, active and properly maintained installations of burglar alarms and/or fire alarms may qualify for a premium discount.
 - 1) Local Alarm Systems. These systems sound an alarm to alert homeowners of burglar and/or fire emergencies. However, these systems do not contact authorities.
 - 2) Reporting Alarm Systems. These systems are connected to a police department and/or central station alarm company providers and alert them in case of burglar and/or fire emergencies. Certificate of installation is required to qualify for the discount.
 - 3) Properties that have both local and reporting alarm systems receive reporting alarm system discount.
 - 4) We may require proof of continued eligibility. The discount remains on a policy at renewal until we receive information that disqualifies a homeowner from the discount.

14. Tankless Water Heater.

An insured is eligible for a policy discount if the home has a tankless water heater as the only source of hot water (proof is required).

15. Tree-Free Yard.

If all trees taller than 10 feet are farther than 20-feet from the dwelling and other structures, a policy discount can be applied (proof is required).

16. Wind Mitigation.

- a. Eligibility.
 - 1) A premium discount is available for homeowners who build or retrofit an insurable property to better resist hurricane or other catastrophic windstorm events. Detached single or two-family residential homes with Wind coverage may be eligible for a premium credit if customers have taken measures to mitigate losses due to Wind.
 - 2) With respect to a residential dwelling, to obtain a premium credit for this program, the insured property must be certified as:
 - a) Constructed in accordance with the 2006 or later, International Residential Code (IRC), as amended, including all hurricane mitigation construction requirements; or
 - b) Constructed in accordance with the Fortified for Safe Living Standards (FFSLS) as adopted by the Institute for Business and Home Safety; or
 - c) Retrofitted to Level FORTIFIED Home™ BRONZE, SILVER or GOLD, as defined in the Fortified Existing Homes requirements as adopted by the Institute for Business and Home Safety.
- b. Proof of Compliance.
 - 1) The insured must submit proof of the required certification. Acceptable forms of proof include either:
 - a) Mitigation Verification Affidavit completed by a certified or licensed building inspector certifying conformity to the applicable building code including all hurricane mitigation construction requirements; or
 - b) Inspection and certification by an FFSLS certified inspector as new construction in accordance with the Fortified for Safe Living Standards or FORTIFIED Home™ BRONZE, SILVER or GOLD.
 - 2) The insured is responsible for the expense associated with substantiating the installation of the windstorm loss mitigation features.
- c. Complete Window and Opening Protection. A discount applies if a residence is equipped with opening protection that meets the following requirements:
 - 1) All exterior entries and glazed exterior openings including windows, doors, skylights, and vents (excluding roof ridge, gable, soffit, and plumbing vents) must be completely covered with impact resistant protective materials meeting ASTM E1996 and E1886 impact tests for large missile "D".
 - 2) Evidence and supporting documentation for all wind mitigation discounts must be submitted to underwriting prior to applying the discount. Evidence must show the shutters were installed by a licensed contractor or similarly qualified professional with proper permits has installed the devices.
 - 3) If proof is submitted within 60 days of the effective date showing the mitigation was in place on the effective date of the policy, we will apply the discount retroactive to the effective date of the policy. Submitting a Gold FFSLS or IBHS Certificate will satisfy this requirement

17. Secondary or Seasonal Residences.

- a. Secondary Home. Applies when the insured owns a primary residence elsewhere.
- b. Seasonal Home: A secondary home used as a residence only during certain parts of the year and is unoccupied three or more consecutive months during the balance of the year.
- c. Same or Other State. Homeowners coverage on a secondary or seasonal residence premises shall be provided under a separate policy. All the rules of this manual shall apply.
- d. Seasonal / Secondary Homes.
 - 1) Must have a minimum All Other Perils deductible of \$1,000.
 - 2) Coverage E – Liability and Coverage F – Medical Payments to Others are limited to premises liability only;
 - 3) Water damage for Property Coverage is excluded for Seasonal/Secondary residences unoccupied for more than 60 consecutive days unless the water supply is shut off and the system and appliances are drained of water.
 - 4) Must be in a Secured Community, managed by a professional management firm which provides regularly scheduled inspection service or located in a subdivision with central burglar and fire alarm system or overseen on a regular basis by a reputable neighbor, friend or relative living within 50 miles of the residence.
 - 5) Homes must have no rental exposure. (WE DO NOT INSURE HOMES WITH RENTAL EXPOSURE).

18. Roof Covering.

- a. The following roof coverings are applicable:
 - 1) Three-tab asphalt (or fiberglass) shingles.
 - 2) Architectural (or dimensional) asphalt (or composite) shingles.
 - 3) Clay, tile, slate, or rubber shingles.
 - 4) Concrete tile.
 - 5) Metal (tin or corrugated excluded) subject to the **Cosmetic Hail Loss Limitation Endorsement**.
 - 6) Other – Requires underwriting pre-approval.

19. Roof Damage Exclusion.

This endorsement excludes all coverage for damage to the roof of any building at any premise caused by the peril of windstorm or hail, including covered property within the buildings damaged as a result of the roof damage. Policy shall be placed into a non-renew status for the first policy term. This exclusion can be removed with proper documentation and proof of repairs/replacement submitted and approved by underwriting. Documentation must be submitted 30 days prior to policy expiration date.

20. Loss Surcharge.

If a policyholder has one or more chargeable losses in the last three years including at any previous residences, for which the Company or any other company has incurred losses, a surcharge is applied to the policy at New Business and/or Renewal. The three-year experience period will be calculated from the current new business effective date and/or renewal process date.

21. Renewal Discount.

A discount is offered to homeowners who renew their policy and pay their premium (or down payment on installment plans). The discount is not available for seasonal/secondary homes.

22. Loss Free Discount.

- a. An insured is eligible for a policy discount if the insured(s) has been loss free (no paid claims) for a 2-year or greater period prior to the inception date or renewal of the policy.
- b. A loss under this rule is defined as a claim where an amount has been paid or incurred on the policy.
- c. A credit is applied at the next applicable renewal date. When a loss occurs prior to the renewal date but after the renewal has been issued, the credit will be removed the following renewal and the policy must remain loss free for two subsequent years for the 2- year claim discount following the removal of the credit.

23. Secured Communities Discount.

A discount is available for homes located in a neighborhood protected by 24-hour manned security or passkey gates protecting all entrances to the community. The discount stays on the policy at renewal.

24. Golden Age Discount.

A discount is available to homeowners who are 60 years old and older. Date of birth of a named insured is collected for each new policy and discount is applied at policy effective date for new or renewal policy when the named insured reaches 60 years old. Age of insured is calculated using formula:

Policy Effective Date – Date of Birth = Age of Named Insured

25. ACV Loss Settlement Windstorm or Hail Losses to Roof Surfacing.

This endorsement is applied to all policies. It ensures that actual cash value (ACV) loss settlement is used once roofs are considered “outdated” as defined below and determined at time of loss.

- Metal roofs equal to or greater than 26 years old
- Slate or Tile roofs equal to or greater than 21 years old
- Composition and All Other roof surfaces equal to or greater than 16 years old

All policies with roof coverage include endorsement– **ACV Roof Surfacing**

26. First Responder Affinity Discount.

A discount is available for applicants who are currently serving or are veterans of any branch of the U.S. military. Also, any first responder (fire, police, paramedic or other emergency service) is eligible for the discount. This discount will apply for a one-year term. Proof of affiliation (ID) must be provided.

27. Companion Policy Discount.

When a homeowner's policy is issued and the named insured also has a private passenger automobile policy in force with the same agent, the policy is eligible for a discount. The agent will be asked to supply the carrier and policy term of the qualifying auto policy. In the event the agent no longer writes the auto policy for the named insured, the auto companion discount will be removed at the next renewal.

28. E-Policy Discount.

A \$10 discount applies if the insured elects to retrieve policy documents via the company website portal. The insured must provide a valid email address for the discount to apply.

29. Roof Age.

This is the age of the roof in years. The formula for determining the age of roof is:

(Effective Policy Year – Year Built) + 1 = Age of Roof

30. Roof Shape.

Apply roof shape factors based on whether the roof is:

- Flat; (if poured reinforced concrete)
- Gambrel
- Mansard
- Gable (also commonly called A-line roof);
- Hip; or
- Other

31. Number of Stories.

This measures the number of stories above the property's foundation. This does not include the basement (including a walkout basement) level, if any, of a dwelling.

OPTIONAL COVERAGES

1. Personal Property Replacement Cost.

- a. The base policy provides for payment of Personal Property (Coverage C) losses on an Actual Cash Value basis. For additional premium, Personal Property (Coverage C) losses may be settled on a Replacement Cost basis.
- b. Coverage C must be at least 20% of Coverage A.
- c. Coverage C – Personal Property Replacement Cost shall be shown in the Declarations.
- d. See endorsement **Personal Property Replacement Cost Coverage**.

2. Additional 25% Dwelling Coverage.

- a. Coverage may be provided for additional insurance for Coverage A only when loss to the dwelling exceeds the limit of liability shown in the Declarations.
- b. Insurance to Value Requirements:
 - 1) Coverage A must be a minimum of 100% of replacement cost.
 - 2) Coverage A must be upgraded annually, at renewal, in accordance with the Inflation Coverage provisions in the Additional Coverage section of the policy.
- c. Coverage Options: 25% amount of Coverage A.

3. Loss Assessment Coverage – Residence Premises.

- a. The policy provides, at no additional charge, **\$1,000** of loss assessment coverage relating to the residence premises.
- b. The limit of liability for loss assessment may be increased to **\$2,000, \$3,000 or \$5,000** at additional premium.
- c. Elected Loss Assessment coverage limit shall be shown on the Declarations.

4. Special Limits of Liability – Increased Limits. (Unscheduled)

- a. The special limits of liability in the policy for jewelry, watches and furs is \$1,500 for loss by Theft and for silverware, goldware and pewterware, \$2,500 for loss by Theft. For an additional premium, these limits may be increased as follows:
 - 1) **Jewelry, Watches and Furs.** The special limit of liability of \$1,500 may be increased to a maximum of \$9,500 in \$1,000 increments.
 - 2) **Silverware, Goldware and Pewterware.** The special limit of liability of \$2,500 may be increased to a maximum of \$9,500 in increments of \$1,000.
- Elected limits of liability for each category shall be shown on the Declarations.

5. FORTIFIED Roof Upgrade Coverage (Alabama Only).

- a. Coverage may be provided for increased costs associated with installation of an IBHS Fortified Roof when an entire roof replacement is required as a result of a covered peril, subject to certain exclusions.
- b. See Fortified Roof Coverage endorsement for eligibility.
- c. FORTIFIED ROOF COVERAGE shall be shown in the Declarations.
- d. Does not apply to partial roof repair or replacement.
- e. Use endorsement– **Fortified Roof Upgrade Coverage**.

6. Ordinance or Law – Increased Amount of Coverage.

- a. The base policy provides coverage for increases in cost of reconstruction, repair, or demolition of property that result from local laws or ordinances regulating such.
- b. The base policy provides **10%** of coverage A.
- c. The limit of liability for Ordinance or Law coverage may be increased to 15% or 25% of Coverage A at an additional premium.
- d. Elected coverage limit shall be shown on the Declarations.

7. Limited Fungi, Other Microbes, or Rot Coverage.

- a. Property losses relating to Fungi, Other Microbes or Rot, are limited to \$5,000 Policy Aggregate. For additional premium, this limit can be increased to \$10,000 Policy Aggregate.
- b. Elected coverage limit shall be shown on the Declarations.

8. Residence Held in Trust.

- a. A homeowners policy may be issued in the name of both the trust and trustee when:
 - 1) The residence held in trust is a 1, 2-, 3-, or 4-family dwelling used exclusively for residential purposes.
 - 2) Legal title to the dwelling is held solely by the trust;
 - 3) The resident of the residence held in trust include at least one of the following: the trustee, the grantor of the trust, or the beneficiary of the trust; and
 - 4) The trust and trustee are both shown as the named insured on the policy Declarations, regardless of who resides in the residence held in trust.
- b. Other Persons Insured – Grantor and/or Beneficiary Regularly Resides In The Residence Held In Trust
 - 1) If the trustee regularly resides in the residence held in trust along with the grantor or beneficiary and the grantor and/or beneficiary:
 - a) Is related to the trustee and is a member of the trustee's household, the grantor and/or beneficiary is an insured as defined in the policy form and should not be named in the declarations; or
 - b) Is not related to the trustee or is related but not a member of the trustee's household, the grantor and/or beneficiary must be named in the Declarations to be covered for personal property, additional living expenses, personal liability, and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.
 - c) This coverage may not be endorsed to secondary and seasonal locations.
If the trustee does not regularly reside in the residence held in trust, the grantor and/or beneficiary must be named in the Declarations whether or not they are related to the trustee. This is necessary to provide the grantor or beneficiary with coverage for personal property, additional living expenses, personal liability, and medical payments to others. If the grantor and beneficiary are related to each other and members of the same household, only one of the two should be named on the endorsement.
- c. Liability Coverage Explained.
 - 1) Coverage E – Personal Liability and Coverage F – Medical Payments to Others is provided to the trust and trustee named insured who regularly resides on the residence premises. However, if the trustee named insured does not regularly reside on the residence premises, coverage for the trust and trustee is only provided for bodily injury or property damage arising out of the ownership, maintenance, or use of the residence premises (premises liability).
 - 2) This coverage excludes:
 - a) Liability coverage for claims or suits for bodily injury or property damage arising out of any act or decision or failure to act or decide by the trustee named insured in administering the trust except as provided in Paragraph 1.; and
 - b) Liability coverage for bodily injury to all insureds covered under this policy, for example, the trustee named insured, the grantor or beneficiary of the trust who is named on the endorsement or any person acting on their behalf.
- d. Additional Conditions
The policy may not be endorsed or extended to insure:
 - a) Under Property, any other dwelling on the residence premises, or any other structure, on or away from the residence premises, unless legal title to that other dwelling or structure is held solely by the trust; or
 - b) Under Liability, any location away from the residence premises unless legal title to that other location is held solely by the trust.
 - c) RESIDENCE HELD IN TRUST shall be shown in the Declarations.

9. Water Back-Up and Sump Discharge or Overflow.

- 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.
- b. The available limits of coverage are \$5,000, \$10,000 or \$25,000.
- c. This coverage does not increase the limits of liability for Coverage **A, B, C or D** stated in the Declarations.
- d. Coverage under this endorsement is on a "per policy period" basis.
- e. This endorsement is only available at inception or upon renewal.
- f. Use Endorsement - **Water Back Up and Sump Discharge or Overflow**.

10. Personal Injury.

- a. Coverage may be provided for personal injury to others such as false arrest, libel or invasion of privacy.
- b. The available aggregate limit of coverage is \$100,000.
- c. This endorsement is not available if Coverage E Liability is excluded.
- d. If elected, the Personal Injury limit shall be shown on the Declarations.
- e. Use Endorsement – Personal Injury Coverage – Aggregate Limit of Liability.

11. Special Computer Coverage.

- a. The policy may be endorsed to insure computers and related equipment against additional risks of physical loss, subject to certain exclusions.
- b. In addition, this endorsement permits business use of a personal computer. Coverage is available in limits of \$2,000, \$5,000 or \$10,000.
- c. Use Endorsement – **Special Computer Coverage**

12. Identify Theft Expense and Resolution Services Coverage.

- a. When the optional Identity Theft Expense and Resolution Services Coverage endorsement is attached to the policy, \$25,000 of coverage is available to pay for expenses incurred by an insured as a direct result of any one identity theft first discovered or learned of during the policy period. Such expenses include the costs for:
 - 1) Notarizing fraud affidavits or similar documents;
 - 2) Certified mail sent to law enforcement, financial institutions and credit agencies;
 - 3) Lost income resulting from time taken off work to meet with or talk to law enforcement or credit agencies;
 - 4) Loan application fees for re-applying for a loan when the application is rejected solely because the lender received incorrect credit information; and
 - 5) Reasonable attorney's fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments.
- b. Use Endorsement– **Identity Theft and Resolution Services Coverage**

13. Swimming Pool and Hot Tub Liability.

- a. Swimming pool and hot tub liability is excluded from Coverage E- Personal Liability, in your policy.
- b. An insured has the option of purchasing coverage for Swimming Pool and Hot Tub Liability if all of the following apply:
 - 1) Your policy provides Coverage E - Personal Liability
 - 2) The swimming pool and/or hot tub are maintained and in good working condition.
 - 3) The swimming pool and/or hot tub are not empty (unless securely covered).
 - 4) The swimming pool and/or hot tub are protected by a fence at least 4 feet high or via an approved, alternative enclosure.
 - 5) There is no diving board or slide in the pool area.
- c. Use Endorsement – **Swimming Pool and Hot Tub Liability Endorsement**

14. Equipment Breakdown Coverage.

- a. Equipment Breakdown Coverage Limit of Liability is \$25,000 per occurrence, subject to a \$50,000 annual aggregate limit. All policies are subject to a \$1000 per occurrence deductible.
- b. Equipment Breakdown means:
 - 2) Physical loss or damage both originating within:
 - a) Boilers, fired or unfired pressure vessels, vacuum vessels and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, including:
 1. Waste disposal piping;
 2. Any piping forming part of a fire protective system;
 3. Furnaces; and
 4. Any water piping other than boiler feed water piping between the feed pump and the boiler, boiler condensate return piping or water piping forming part of refrigerator or air conditioning system used for cooling, humidifying or space heating process.
 - b) All mechanical, electrical, electronic or fiber optic equipment; and
 - 3) Caused by, resulting from, or consisting of:
 - a) Mechanical Breakdown;
 - b) Electrical or electronic breakdown; or
 - c) Rupture, bursting, bulging, implosion or steam implosion.
 - 4) Use Endorsement – **Equipment Breakdown Coverage**.

AGENT / BROKER

1. Agent Binding Authority,

For your convenience, our system provides an immediate declarations page and application upon issuance of the policy. Agents may issue coverage on risks meeting all underwriting criteria. Risks must meet Eligibility / Underwriting Guidelines presented in this manual.

- Risks must be within the amount of insurance binding authority limits.
- Risks may be quoted and bound up to 60 days prior to effective date.
- Quotes are valid for 60 days from the original quote date.
- New business may only be bound via our internet system.
- The completed Homeowners Application must be electronically signed and dated by the insured and the agent.
- Completed and signed application and supporting documents must be maintained in the agent's files and are subject to audit at request of the company.

The Company reserves the right to re-rate, cancel, rescind, or non-renew a policy based on the discovery of inaccurate or undisclosed information at the time of application.

2. Supporting Documentation.

Certain supporting documentation must be maintained in the Agent's file unless noted otherwise. Failure to provide requested documentation for future audits will result in the removal of the credit or the application of a surcharge and an invoice to the insured.

Certain supporting documentation must be attached to the policy document section of the policy within 30 days of binding the risk. Failure to provide requested documentation will result in the removal of the credit, the application of a surcharge or the cancellation of the policy.

If Agents sign the policy application on behalf of the insured, the Agent must maintain an insured signed application in their file for 3 years and provide it to Orion180 upon request.