

# New York

Homeowners

Revised March 31, 2020



UNDERWRITING & PRODUCT GUIDE

*Underwritten by: Adirondack Insurance Exchange*



**ADIRONDACK**  
INSURANCE EXCHANGE®

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## Contact Information

### Customer Service

Customer Service Phone Number ..... 1-877-629-8003

Customer Service Fax Number ..... 1-877-849-9022

**Online Service** ..... [www.aie-ny.com](http://www.aie-ny.com)

**Agency Policy System**..... [www.natgenagency.com](http://www.natgenagency.com)

**Quote Assistance**..... 1-877-629-8003

### Claims Services

Claims (Available 24/7) ..... 1-877-248-0555

## Addresses

### Correspondence

Adirondack Insurance Exchange  
PO Box 3199  
Winston Salem, NC 27102-3199

### Payments

Adirondack Insurance Exchange  
PO Box 94572  
Cleveland, OH 44101-4572

### Overnight Payments

Adirondack Insurance Exchange  
Attention: Lockbox Operations  
800 Superior Ave East  
Cleveland, OH 44114

## Eligibility

Property Limits	Coverage A Limit/ Coverage C Limit	<p>Dwelling (HO2/HO3):</p> <ul style="list-style-type: none"> <li>▪ Upstate Monoline — \$100,000 – \$3,000,000</li> <li>▪ Downstate Monoline — \$150,000 – \$3,000,000</li> </ul> <p><b>Note:</b> Downstate includes Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk, and Westchester.</p> <ul style="list-style-type: none"> <li>▪ Entire State Package — \$175,000 minimum</li> </ul> <p>Contents (HO4/HO6) — Ineligible if less than \$50,000</p> <p>Refer to underwriting if:</p> <ul style="list-style-type: none"> <li>▪ Coverage A is greater than \$1,500,000</li> <li>▪ Secondary/seasonal homes if Coverage A is greater than \$300,000</li> <li>▪ HO4/HO6 — if Coverage A plus C is greater than \$300,000</li> <li>▪ HO6 — if Coverage A is greater than \$300,000</li> </ul> <p>HO2 — Ineligible for package.</p>
	Coverage Relationship	<p>Refer to underwriting if:</p> <ul style="list-style-type: none"> <li>▪ Coverage C is greater than Coverage A (HO2/HO3)</li> <li>▪ Coverage D is greater than 50% Coverage A (HO2/HO3)</li> <li>▪ Coverage D is greater than 50% Coverage C (HO4/HO6).</li> </ul>
Deductibles	<ul style="list-style-type: none"> <li>▪ Minimum: \$1,000</li> <li>▪ Maximum: \$25,000.</li> </ul>	
Off Premises Theft	Off Premises Theft deductible available in the following counties: Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk, Westchester.	
Other Structures	Specific Structure On Premises Rented to Others	No more than one location.
	Other Structures Away from Premises	Underwriting approval needed if more than two locations.
Earthquake Coverage	Minimum deductible 5%.	
Insurance-To-Value	Coverage A must be at least 100% of calculated replacement cost.	
Appurtenant Structures	Maximum limit is \$30,000.	
Loss Settlement	Refer to underwriting if Actual Cash Value.	
Ordinance or Law	Refer to underwriting if limit is greater than 50% of Coverage A.	

## Applicant Information

Arson or Fraud	Ineligible.
Occupation	Refer to underwriting if professional athlete, performer, actor/actress, TV/Radio personality, professional musician/singer, journalist, politician, or other high profile profession.
Previous Cancellations	Refer to underwriting if: <ul style="list-style-type: none"> <li>▪ Prior insurance has been cancelled, declined, or non-renewed in the past 5 years for reasons other than agency terminations, carrier insolvency, or a carrier decision to eliminate exposures in state.</li> </ul> Ineligible if: <ul style="list-style-type: none"> <li>▪ Coverage lapsed in the past year.</li> </ul>
Prior Insurance	Ineligible if property was not previously insured. <b>Note:</b> Not applicable to HO4.
Background	Ineligible if applicant has had a prior foreclosure, repossession, judgement, lien, or bankruptcy during the past 5 years.
Named Insureds	Named insureds must have insurable interest in the property.

## Loss History

New Business	<p>Ineligible if:</p> <ul style="list-style-type: none"> <li>▪ More than one claim in the last 3 years</li> <li>▪ More than two claims in the last 5 years</li> <li>▪ More than one water claims in the last 5 years</li> <li>▪ More than zero losses on three and four family dwellings in the last 5 years.</li> <li>▪ Credit Action code A – F and insured has a paid loss within 5 years.</li> <li>▪ IBS score is less than 650 and insured has a paid loss within 5 years.</li> </ul> <p>Refer if:</p> <ul style="list-style-type: none"> <li>▪ Any liability claim in the last 5 years.</li> <li>▪ More than zero water claims in the last 3 years.</li> </ul> <p><b>Note:</b> \$0 paid claims will be considered in loss history.</p>
Renewal Business	Underwriting approval subject to the same guidelines as new business.

## Occupancy

Number of Families	Up to two families allowed.
Vacant/Foreclosed/ For Sale	Not Eligible.
Seasonal & Secondary Dwellings	<p>Primary home must be insured by the company. Proper winterization is required.</p> <p>The following exceptions apply:</p> <ul style="list-style-type: none"> <li>▪ Eligible if primary is located out-of-state, or</li> <li>▪ Primary does not meet catastrophe underwriting guidelines.</li> </ul> <p>Package Rule — Secondary/Seasonal must be written on monoline policy.</p>
Rentals	<p>Ineligible if primary residence is rented. Underwriting approval is needed for short term rentals, up to 3 months.</p> <p>Condominiums rented to others are allowed and should be written on a DP3 form.</p>
Townhouse/Rowhouse	<ul style="list-style-type: none"> <li>▪ Acceptable with firewalls</li> <li>▪ Ineligible if more than eight individual family units within a fire division</li> <li>▪ Frame row houses are ineligible</li> <li>▪ Masonry row houses acceptable.</li> </ul>

## Protection Class/Risk Location

Protection Class (PC)	<p>Acceptable risks:</p> <ul style="list-style-type: none"> <li>▪ PC 1 – 8</li> <li>▪ PC 9 subject to following conditions: <ul style="list-style-type: none"> <li>○ Must be visible to neighbors</li> <li>○ If there is no hydrant within 1,000 feet, access to an adequate year-round water source is required (i.e. pumper trucks or “dry hydrants”, connected to cisterns or reservoirs holding 20,000 gallons or more of water and using underground lines to get to the water)</li> </ul> </li> <li>▪ All risks must be accessible year round by plowed road and be within 5 miles of a responding fire department.</li> <li>▪ PC 10 is ineligible.</li> </ul>
Proximity to Commercial Properties	Ineligible if located less than 250 feet from a commercial property.
Slope	Underwriting approval required if residence built on a slope of more than 30 degrees.

## Coastal Guidelines

Catastrophe Exposures	At new business and at all subsequent renewals a catastrophe underwriting value will be calculated for all policies. Policies with an acceptable catastrophe underwriting value will be written/renewed, while policies with an unacceptable catastrophe underwriting value will not be written/renewed.
Coastal Exposures	Properties are ineligible if: <ul style="list-style-type: none"> <li>▪ Built on piers, pilings, wharves, or jetties</li> <li>▪ Exposed to open ocean and not protected against wave wash or flood by a retaining wall, sea wall, levee, embankment or other barrier.</li> </ul>
Flood Exposures	Properties located in designated A or V flood zone require proof of flood insurance.
Hurricane Deductibles	CAT 1 Hurricane Deductibles are optional in all coastal territories. HO4/HO6 — Minimum \$1,000 deductible required in all of Bronx, Kings, New York, Queens, Richmond, Nassau, Suffolk Counties, and Westchester County within 2 miles to coastline.

## Risk Specific Characteristics

Dwelling Age	Maximum dwelling age 100 years.
Historic Home	Homes listed on any historic registries are ineligible.
Condition of Premises	All property (dwelling, outbuildings, and insured premises) must not have any observable hazards or deficiencies in need of repair and that may present an increased exposure to physical damage or liability loss. The presence of any preexisting damage is unacceptable.
Roof	The following are ineligible: <ul style="list-style-type: none"> <li>▪ Tar paper, rolled, plywood boards, stapled roofs, and flat roofs</li> <li>▪ Roof is older than 25 years — <b>unless</b> slate or tile.</li> </ul> Flat roofs are allowed in New York City Boroughs if: <ul style="list-style-type: none"> <li>▪ No prior roof losses in prior 5 years</li> <li>▪ Minimum \$1,000 deductible.</li> </ul>
Electrical	Homes with any of the following are ineligible: <ul style="list-style-type: none"> <li>▪ Dwelling does not have minimum of 100 amps and 220 volt service</li> <li>▪ Electrical not controlled by circuit breakers</li> <li>▪ Knob &amp; tube or aluminum wiring present</li> <li>▪ Presence of Federal Pacific Stab Lok or Zinsco electrical panels.</li> </ul>
Heating	Homes with any of the following are ineligible: <ul style="list-style-type: none"> <li>▪ Central heat from a portable source</li> <li>▪ Space heaters as primary heating source.</li> </ul> System must have been professionally installed and maintained according to manufacturer specifications.

## Risk Specific Characteristics Continued

Plumbing	Homes with any of the following are ineligible: <ul style="list-style-type: none"> <li>▪ Polybutylene, galvanized, or lead plumbing</li> <li>▪ Does not have Copper, PVC or PEX</li> <li>▪ Plumbing that is more than 50 years old and has not been updated.</li> </ul>
Living Area	Refer to underwriting is less than 600 square feet.
Dwelling Under Construction	Dwellings under construction or significant renovation are ineligible.
Protective Devices	Central fire alarm or full house sprinkler <b>and</b> Central burglar alarms required if: <ul style="list-style-type: none"> <li>▪ Primary with Coverage A is greater than \$1,500,000</li> <li>▪ Secondary/Seasonal with Coverage A is greater than \$1,000,000</li> <li>▪ PC 9 with Coverage A is greater than \$1,000,000.</li> </ul> Smoke detectors on all floors required for all homes.
Solid Fuel Burning Appliances	Acceptable if: <ul style="list-style-type: none"> <li>▪ Professionally installed</li> <li>▪ Maintained to manufacturer's recommendations</li> <li>▪ UL listed, meets all codes</li> <li>▪ Used as a secondary heat source</li> <li>▪ Stove must have UL approved lined masonry chimney or UL approved triple walled insulated metal chimney and be greater than 2 feet from any combustible wall</li> <li>▪ Pellet stoves must be double walled and require a heat shield for any combustible wall within 18 inches</li> <li>▪ Pellet stoves with alternate manufacturers specifications may be referred to company for approval.</li> <li>▪ Owner installed stoves require proof of a fire department or certified building inspector's passing inspection conducted within the last 5 years and proof of professional maintenance conducted within the last year.</li> </ul> Coal and Kerosene are ineligible.



## Additional Exposures

Pets	<p>The following are ineligible:</p> <ul style="list-style-type: none"> <li>▪ Dogs: Akita, American Bulldog, Chow, Doberman, Mastiff (All), Pit Bull (All), Presa Canario, Rottweiler, Wolf, or any mix of the above breeds.</li> <li>▪ Dogs that have caused prior liability losses or that have bite history and are still owned by an insured.</li> <li>▪ Any wild animals.</li> </ul>
Business Activity	Incidental business only and underwriting approval needed.
Home Day Care	Ineligible.
Trampolines	<p>Trampolines are acceptable subject to the following conditions:</p> <ul style="list-style-type: none"> <li>▪ Surrounded by safety netting</li> <li>▪ On level ground.</li> </ul>
Swimming Pools	<p>Swimming pools are acceptable subject to the following conditions:</p> <ul style="list-style-type: none"> <li>▪ Pool is fenced in with a self-locking gate.</li> <li>▪ There are no diving boards greater than 18 inches above the water surface.</li> <li>▪ Above ground pools are equipped with a gate or pull up ladder.</li> <li>▪ Slides are acceptable.</li> </ul>
Attractive Nuisances	Homes with skateboard or bicycle ramps are ineligible
Recreational Vehicles	<p>Ineligible if:</p> <ul style="list-style-type: none"> <li>▪ Used for racing, stunt, speed or demolition activity</li> <li>▪ Driven by person under 16 years old</li> <li>▪ Not factory built</li> <li>▪ Engine size greater than 700cc.</li> </ul>

## Additional Exposures Continued

Watercraft Liability Endorsement	Use	Ineligible if used for racing, for charter, for hire, or for commercial purposes.
	Coverage	Must be insured at 100% Replacement Cost. Ineligible if value of boat and motor is greater than \$50,000.
	Operators	Principal or Occasional — Must be at least 18 years old and have a valid driver's license. <b>Note:</b> Prior boating experience required.
	Ownership	Ineligible if multiple ownership.
	Location	Ineligible if watercraft operated north of Eastport, ME or south of Cape Hatteras, NC or greater than 12 nautical miles from the U.S. Atlantic coastline.
	Accidents and Minor Violations	Must meet personal automobile underwriting guidelines.
	Major Violations	No major motor vehicle in past 5 years.
	Boat Violations	No boating violations in past 3 years.
	Boat Type	Ineligible if jet ski, jet boat, houseboat, wave runner, pontoon boat, or experimental craft.  Ineligible if wooden vessel, handmade vessel, kit vessel, or vessel under construction.
	Length, Speed, Age	<ul style="list-style-type: none"> <li>▪ Length must be less than or equal to 26 feet (excluding sailboats)</li> <li>▪ Speed must be less than or equal to 50 mph</li> <li>▪ Age must be less than or equal to 20 years.</li> </ul>
	Storage	Must be stored/moored at a privately owned marina or yacht club, insured's primary residence, insured's seasonal or part-time residence while occupied by the insured.
Additional Insured/Interest	Ineligible if more than one additional insured or additional interest.	
Farming	Ineligible unless incidental or as a hobby. Refer to underwriting if more than two farm animals.	
Timeshares	Ineligible.	
Trusts	<p>Acceptable subject to the following conditions:</p> <ul style="list-style-type: none"> <li>▪ Trustee, grantor or beneficiary resides on residence premises.</li> <li>▪ No commercial exposure.</li> </ul> <p>CustomPac policies must be written in the name of the individual. Trust will be listed as additional insured.</p>	

**Additional Exposures Continued**

LLCs	<p>May be listed as Additional Insured subject to the following conditions:</p> <ul style="list-style-type: none"> <li>▪ Members of LLC reside on residence premises</li> <li>▪ No commercial exposure; must be for estate planning purposes only</li> <li>▪ Agent must obtain copy of LLC agreement and forward to Underwriting upon request.</li> </ul>
Mortgagees	Underwriting approval required if more than 2 mortgages.
Types of Construction	The following risks are ineligible: mobile homes, manufactured homes, underground or Earth homes, fiberglass, yurts, balloon constructions, EIFS if built prior to 2001*, homes made of unconventional or unusual construction/design, structures not originally intended as a dwelling, any other unusual type of construction (including converted structures).
Types of Foundation	<p>The following types of foundations are ineligible:</p> <ul style="list-style-type: none"> <li>▪ Pilings</li> <li>▪ Piers</li> <li>▪ Wharves</li> <li>▪ Jetties</li> <li>▪ Open foundations.</li> </ul>
Underground Oil Tanks	Homes with underground oil tanks are acceptable. Must be in good condition.

**Earthquake Coverage**

All Zones	<p>Underwriting approval required if earthquake coverage applies to any of the following:</p> <ul style="list-style-type: none"> <li>▪ Dwelling is solid masonry or superior construction</li> <li>▪ Dwelling was built before 1950</li> <li>▪ Roof is masonry, cement, slate, or tile.</li> </ul>
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## Schedule Personal Property

Appraisal/Bill of Sale Requirements	<p>Coverage A less than \$500,000 — Appraisal required for any item greater than or equal to \$10,000.</p> <p>Coverage A greater than or equal to \$500,000 — Appraisal required for any item greater than or equal to \$25,000.</p> <p>Appraisal should be no more than 3 years old and retained by agent.</p>
Scheduled Classes	<p>Underwriting approval needed if:</p> <ul style="list-style-type: none"> <li>▪ HO3 — Any item greater than or equal to \$50,000, total schedule greater than or equal to \$200,000</li> <li>▪ HO2 — Any item greater than or equal to \$25,000, total schedule greater than or equal to \$100,000</li> <li>▪ HO4 — Total schedule greater than or equal to \$25,000</li> <li>▪ HO6 — Any item greater than or equal to \$50,000, total schedule greater than or equal to \$100,000 (for HO6 CustomPac policies, the total schedule limit is increased to \$200,000).</li> </ul> <p>All scheduled property categorized as Miscellaneous will be referred.</p> <ul style="list-style-type: none"> <li>▪ Cameras, musical instruments, postage stamps, golf equipment, silverware, rare coins, and other collectibles  <b>Note:</b> Ineligible if items are used professionally, for trading or display, or not owned or in possession of insured.</li> <li>▪ Fine Arts.  <b>Note:</b> Ineligible if property is owned by, or in the custody of, a dealer, auction room, museum, art gallery or art institution.</li> </ul>

## Excess Liability

Number of Locations	Underwriting approval required if extending liability to more than 5 properties or 10 total units (including Primary).
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This is a summary document and is not inclusive of all underwriting criteria. Unless noted otherwise, the underwriting guidelines that apply to the OneChoice Homeowners program also apply to the OneChoice package program. Contact your underwriter for further questions.

## Coverages

Coverage options and limits will differ between the product levels. While the limits and coverage options are different between products they do not differ between Monoline and Package policies.

### Section I Coverages

#### Coverage A — Dwelling

Provides coverage against sudden and accidental direct physical loss to property as indicated below, provided the cause of loss is not excluded by the policy.

- The dwelling on the 'residence premises' shown in the Declarations, including structures attached to the dwelling and
- Materials and supplies located on or next to the 'residence premises' used to construct, alter or repair the dwelling or other structures on the 'residence premises'.

For HO6 — 10% coverage is automatically included for both Monoline and Package policies. The amount of coverage can be increased but not decreased.

#### Coverage B — Other Structures

Provides coverage against sudden and accidental direct physical loss to property as indicated below, provided the cause of loss is not excluded by the policy.

Other structures on the 'residence premises' set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection.

#### Coverage C — Personal Property

Provides coverage for direct physical loss to the property owned or used by an 'insured' while it is anywhere in the world provided the loss is due to a covered peril unless excluded in the policy.

#### Coverage D — Loss of Use

The limit of Liability for Coverage D is the total limit for the following:

- Additional Living Expense — If a loss covered under Section I makes that part of the "residence premises" where you reside not fit to live in, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.
- Fair Rental Value — If a covered loss makes that part of the "residence premises" rented to others or held for rental not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.
- Civil Authority Prohibits Use — If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against, we cover the loss as provided in Additional Living Expense and Fair Rental Value above.

## Section II Coverages

### Coverage E — Personal Liability

If a claim is made or a suit is brought against an 'insured' for damages because of 'bodily injury' or 'property damage' caused by an 'occurrence' to which this coverage applies, we will:

- Pay up to our limit of liability for the damages for which an 'insured' is legally liable.
- Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate.

### Coverage F — Medical Payments to Others

We will pay the necessary medical expenses that are incurred or medically ascertained within 3 years from the date of an accident causing 'bodily injury'.

- Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services.
- This coverage does not apply to the insured or regular residents except 'residence employees'.

## Optional Coverages

### Actual Cash Value Loss Settlement — Windstorm or Hail Losses to Roof Surfacing

The policy may be endorsed to provide loss settlement exclusively on an Actual Cash Value basis for roof surfacing when damage is caused by the peril of windstorm or hail.

### Additional Residence Rented to others

The policy may be endorsed to provide coverage when an additional residence is rented to others.

### Building Additions and Alterations

The limit of liability of 10% of Coverage C may be increased for an HO4 with the Buildings Additions and Alterations Increased Limit endorsement.

### Business Property Increased Limit

- On Premises — The \$2,500 limit of liability for business property on the residence premises may be increased by endorsement to \$10,000 in increments of \$2,500.
- Off Premises — When the on-premises limit is increased, the off-premises limit of \$250 is automatically increased, at no additional charge, to an amount that is 10% of the total on-premises limit of liability.

### Business Pursuits

Coverage may be provided for the liability of the insured arising out of business activities. Coverage is excluded if Insured owns the business, is a partner or maintains financial control in the business.

### Earthquake

The policy may be endorsed to provide coverage against a loss resulting from the peril of Earthquake.

### Equipment Breakdown

The Equipment Breakdown endorsement provides a limit of \$50,000 for a sudden and accidental mechanical or electrical breakdown that result in direct physical damage to covered equipment.

- Covered equipment is defined as property covered under Coverages A, B, or C, and that generates, transmits, or utilizes energy, or which operates under vacuum or pressure, excluding lawn equipment. A \$250 deductible applies.
- Additional coverage is provided for loss of use, \$500 food spoilage, and expenses to expedite repairs as a result of a covered mechanical or electrical breakdown.

### Identity Fraud Expense

When the optional Identity Fraud Expense endorsement is attached to the policy, \$15,000 of coverage is available to pay for expenses incurred by an insured as a direct result of any one identity fraud which is both commenced and first reported while this coverage is continuously in effect.

Such expenses include the costs for notarizing fraud affidavits or similar documents; certified mail sent to law enforcement, financial institutions and credit agencies; lost wages as a result of time taken off from work up to the maximum shown in the endorsement; loan application fees for re-applying for a loan when the application is rejected solely because the lender received incorrect credit information; and reasonable attorney's fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments.

### **Increased Special Limit of Liability**

The premium for \$100,000 Coverage E (Personal Liability) and \$1,000 Coverage F (Medical Payments to Others) are included in the Premium. The limits may be increased by endorsement.

If increased limits are written, then the same limits must apply to any other exposures covered under the policy.

### **Landlord Furnishings**

Policy automatically covers on a named peril basis (except theft), landlord furnishings in an apartment on the residence premises regularly rented or available for rent for up to \$2,500. The limit may be increase in increments of \$500 up to \$10,000.

### **Lead Liability Exclusion**

The exclusion and credit apply when the abatement question is answered 'No' on the policy. The question is only asked for specific risks (greater than one family, primary usage, and year built older than 1980). Applicability is based on policy form, year of construction, number of families, usage, and coverage.

### **Loss Settlement Options**

- Functional Replacement Cost — Replacement cost basis provided if at the time of the loss, the amount of insurance on the damage building represented at least 80% of the full replacement cost of the building immediately before the loss.
- Actual Cash Value — Policy may be endorsed to provide building loss settlement exclusively on an actual cash value basis if, on the inception date of the policy, the Coverage A limit of liability selected by the insured is less than 80% of the full replacement cost of the dwelling.

### **Loss Assessment**

- Residence Premise — The policy automatically provides, under Section I Additional Coverage and Section II Additional Coverage, a limit of \$1,000 each for assessments relating to the residence premises, excluding assessments resulting from the peril of earthquake.
- Additional Location — The policy may be endorsed to provide loss assessment coverage pertaining to additional locations for the insured's share of loss assessments arising out of a single covered loss.

### **Motorized Golf Cart Physical Loss Coverage**

The policy may be endorsed to provide coverage for physical loss to a motorized golf cart, including permanently installed accessories, equipment and parts, owned by an insured.

Also covered, for an amount equal to 10% of the limit of the highest scheduled cart, are accessories, equipment or parts designed or made solely for the cart that are not permanently installed provided such property is at an insured's residence or in or upon the cart off the insured's residence at the time of loss. Deductible of \$500 applies per occurrence.

### **Off — Premises Theft Exclusion**

The homeowner policy automatically provides coverage for loss by theft to personal property away from the residence premises. Coverage may be excluded for a reduced premium in Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk, and Westchester Counties.

### **Ordinance or Law Increased Percent**

The policy automatically provides up to 10% of the Coverage A limit of liability.

### **Other Structures**

The policy automatically provides Coverage B — Other Structures on a blanket basis to structures located on the residence premises. The limits may be increased by endorsement.

This blanket coverage may be endorsed to expand coverage to include structures located away from the residence premises if used in connection with the residence premises.



## Permitted Incidental Occupancies

Coverage for a permitted incidental occupancy is limited under Section I and excluded under Section II of the Homeowners policy. The policy may be endorsed to provide expanded Section I Coverage and Section II Coverage on a permitted incidental occupancy in the dwelling or in another structure on the residence premises.

- Examples of such occupancies are Offices, Schools or Studios meaning offices for business or professional purposes, and private schools or studios for music, dance, photography and other instructional purposes.
- If the permitted incidental occupancy is located in another structure, Coverage B does not apply to that structure.
- The permitted incidental occupancies endorsement also covers personal property pertaining to the permitted incidental occupancy within the Coverage C limits stated in the declarations.

## Personal Injury

Liability coverage for personal injury to others, such as false arrest, malicious prosecution, wrongful eviction, slander, libel or violations of right of privacy, may be added to the policy.

## Personal Property

Scheduled Coverage may be provided on scheduled personal property subject to the rules and rates of the Company. The options are as follows:

- Standard loss settlement for all classes of property — **except** Fine Arts.
- Agreed value loss settlement for the following classes:
  - Cameras
  - Furs
  - Golfer's equipment
  - Jewelry
  - Musical instruments
  - Silverware
  - Stamps and rare coins
  - This endorsement may also be used for scheduled articles of Fine Arts.
- Coverage may be provided on a blanket basis for certain classes of personal property shown below.
  - Jewelry
  - Furs
  - Cameras
  - Musical Instruments
  - Silverware
  - Fine Arts
  - Computers
  - Loss settlement is based on the lesser of actual cash value, repair cost, replacement cost, or the amount of insurance for the class
  - **Note:** The policy deductible is waived.
  - Limits are available in \$1,000 increments, from \$1,000 to \$10,000. Limits of \$15,000, \$20,000 and \$25,000 are also available subject to a maximum of \$10,000 per item.

## Personal Property Replacement Cost

The policy provides loss settlement on an Actual Cash Value basis for certain types of property, except for the HO3 where the policy will include the Personal Property Replacement Cost Endorsement automatically, unless rejected by the insured.

For HO2, HO4, and HO6, the policy may be endorsed to provide loss settlement on a Replacement Cost basis for such property whether insured on a blanket or scheduled basis.

## Residence Held in Trust

- Trust And Trustee — Named Insured
- A Homeowners policy may be issued in the name of both the trust and trustee when:
  - The residence held in trust is a one or two family dwelling or a condominium unit used exclusively for residential purposes
  - Legal title to the dwelling or condominium unit is held solely by the trust
  - 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
  - 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.
- Other Persons Insured — Grantor and/or Beneficiary Regularly Resides In The Residence Held In Trust:
  - If the trustee regularly resides in the residence held in trust along with the grantor or beneficiary and the grantor and/or beneficiary:
    - 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 endorsement or
    - 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 endorsement 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.
  - If the trustee does not regularly reside in the residence held in trust, the grantor and/or beneficiary must be named in the endorsement whether or not they are related to the trustee. 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.

## Security Plus

The policy may be broadened by adding the Security Plus endorsement. Special Limits for Increased Coverage C as follows:

- \$300 on money, bank notes, bullion etc.
- \$2,500 on securities
- \$1,500 on watercraft, including their trailers
- \$1,500 on trailers not used with watercraft
- \$2,500 for loss by theft, misplacing or losing of jewelry, watches, and furs
- \$2,500 for loss by theft of firearms
- \$5,000 for loss by theft of silverware
- \$3000 for property on the residence
- Premises used primarily for business purposes
- \$500 for property away from the residence premises used primarily for business purposes
- \$1,500 on electronic apparatus in a motor vehicle
- \$1,500 on electronic apparatus used primarily for business while away from the residence premises and not in or upon a motor vehicle
- \$10,000 on computer equipment on the residence premises or at an insured student's residence
- \$5,000 on computer equipment away from the residence premises
- \$5,000 on business computers on or away from the residence premises
- \$10,000 for loss by theft of trading cards, collectibles, comic books and figurines, including any of these that are part of a collection
- Removal of trees is increased to \$1,000 and coverage is added for removal of tree(s) that block(s) a registered motor vehicle from entering or leaving the premises
- Loss Assessment — \$5,000 limit
- Credit cards — \$2500 limit
- Refrigerated products coverage up to \$500
- Grave Markers — \$1500 limit
- \$250 Lock Replacement coverage
- Reward Coverage up to \$250
- Personal Injury coverage up to the Coverage E limit
- Outboard motor extension of coverage is provided for outboard motors up to 50 horsepower and for owned inboard outdrives boats up to 50 horsepower
- Incidental business activities of minors.

## Security Plus Elite

The policy may be broadened by adding the Security Plus Elite endorsement. Special Limits for Increased Coverage C as follows:

- \$500 on money, bank notes, bullion etc.
- \$5,000 on securities
- \$3,000 on watercraft, including their trailers
- \$3,000 on trailers not used with watercraft
- \$5,000 for loss by theft, misplacing or losing of jewelry, watches, and furs; \$10,000 if the theft occurs while on the premises of a bank or safe deposit company
- \$2,500 for loss by theft of firearms
- \$5,000 for loss by theft of silverware; \$10,000 if the theft occurs while on the premises of a bank or safe deposit company
- \$5,000 for property on the residence premises used primarily for business purposes
- \$2,500 for property away from the residence premises used primarily for business purposes
- No limit on electronic apparatus in a motor vehicle
- No limit on electronic apparatus used primarily for business while away from the residence premises and not in or upon a motor vehicle
- \$5,000 on business computers on or away from the residence premises
- \$10,000 for loss by theft trading cards, collectibles, comic books and figurines, including any of these that are part of a collection
- Removal of trees is increased to \$2,000 (\$500 max per tree) and coverage is added for removal of tree(s) that block(s) a registered motor vehicle from entering or leaving the premises
- Credit cards — \$5,000 limit
- Loss Assessment — \$10,000 limit
- Ordinance or Law is increased to 20% of Coverage A
- Grave Markers — \$3,000 limit
- Refrigerated products coverage up to \$1,000 (a \$100 deductible applies)
- \$500 Lock Replacement coverage
- Reward Coverage up to \$1,000
- Agreed amount for scheduled jewelry is included
- Waiver of up to \$1,000 deductible for Section I homeowners losses exceeding \$50,000
- Outboard motor extension of coverage is provided for outboard motors up to 50 horsepower and for owned inboard outdrive boats up to 50 horsepower
- Coverage is provided for certain golf carts within an insured's private residential community
- Coverage is expanded for incidental business activities of minors
- Personal Injury coverage up to the Coverage E limit via endorsement
- Unit Owners Coverage A Special Coverage added via endorsement at no additional charge for HO6
- Water back up for \$5,000 added via endorsement. Alternatively, limits of \$10,000, \$20,000 or \$50,000 can be chosen instead for an additional premium
- Identity Theft expense reimbursement coverage of \$15,000 via endorsement at no additional charge.

## Service Line Coverage

Service Line Coverage Endorsement will pay up to the selected limit for each service line failure incident under Section I of the Homeowners policy. The coverage may pay for hotels, meals, rent and other living expenses when a family must leave their residence because of a covered loss, or for generators and other temporary equipment needed to remain in their home. In addition, it covers damage to outside property, including trees, shrubs, sidewalks, decks, and landscaping when caused by a service line failure.

The policy may be endorsed to provide such coverage for a limit of liability of:

- \$10,000, subject to a \$500 deductible
- \$20,000, subject to a \$500 deductible.

## Specific Structures Away From Residence Premises

The policy automatically provides Coverage B — Other Structures on a blanket basis to structures located on the residence premises.

This blanket coverage may be endorsed to expand coverage to include structures located away from the residence premises if used in connection with the residence premises.

## Structures Rented to Others Residence Premises

The policy may be endorsed to provide coverage when a structure on the residence premises is rented to others for dwelling purposes.

## Unit Owners Coverage A Special Coverage

The HO 6 policy automatically provides a basic Coverage A limit of \$5,000 on a named perils basis. The basic limit may be increased.

## Water Back Up Coverage

The policy forms exclude coverage for loss resulting from water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment.

- The policy may be endorsed to provide such coverage for a limit of liability of \$5,000 subject to a \$250 deductible. No other deductible option is available.
- The policy may be endorsed to provide such coverage for a limit of liability of \$10,000 subject to a \$250 deductible. No other deductible option is available.
- The policy may be endorsed to provide such coverage for a limit of liability of \$20,000 subject to a \$500 deductible. No other deductible option is available.
- If the policy also contains Security Plus Elite, it may be endorsed to provide such coverage for a limit of liability of \$50,000 subject to a \$1000 deductible. No other deductible option is available.

## Watercraft Liability

Coverage is included in the policy form, at no additional charge, for certain watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power.

Coverage is also included for watercraft powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump, of 50 horse power or less when not owned by an insured or more than 50 horse power when not owned by or rented to an insured.

- The policy may be endorsed to provide coverage for the following types of craft:
  - Watercraft, up to 26 feet in length powered by outboard engines or motors exceeding 25 horsepower; or powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump.  
**Note:** Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured.
  - Sailboats 26 feet or more in overall length, with or without auxiliary power.

## Discounts

Discount availability may differ between the product levels.

### Account Discount

If the named insured or spouse is also the named insured on an Adirondack Insurance Exchange or any affiliate or subsidiary automobile policy then the discount applies.

### Fire Protective Device

Approved and properly maintained protective devices in the dwelling may be recognized for a reduced premium.

### Home Buyer Discount

The policyholder will qualify for a discount for 3 years provided:

- The age of the home at policy inception is 49 years or less. Age of the home is defined as the difference between the year for which the policy is being rated and the year in which the home was built and
- The policy effective date is either during the purchase month or during the 12 months after the purchase month.

### Homeowners Association

A premium credit may be given to an eligible policy when the dwelling is located in a qualifying Homeowners Association.

- The Homeowners Association must meet the following conditions:
  - Owns real property in common for use by all association members
  - Charge a fee for membership
  - Has written authority to control and enforce property rights of association members such as restrictions on alterations, additions or remodeling of the dwellings; restrictions on the use of dwelling for business purposes; minimum requirements on property maintenance and upkeep.

### Insured to Value Credit

A credit is available for homes insured to replacement cost value.

### Prime Time

A discount is available if the following criteria are met:

- One of the Named Insureds must be age 49 or older
- The insured premises must be the principal residence of the applicant
- The residence is not unoccupied for more than 30 consecutive days.

## Superior Construction

The premium for a dwelling or apartment unit in a building of superior construction may be recognized for a reduced rate.

- Superior Construction is defined as follows:
  - Non-Combustible — Exterior walls and floors and roof constructed of, and supported by metal, asbestos, gypsum, or other non-combustible materials.
  - Masonry Non-Combustible — Exterior walls constructed of masonry materials and floors and roof of metal or other non-combustible materials.
  - Fire Resistive — Exterior walls and floors and roof constructed of masonry or other fire resistive materials.

## Theft Protective Device

Approved and properly maintained protective devices in the dwelling may be recognized for a reduced premium.

## Windstorm Protective Device

A risk may be eligible for a premium credit if exterior wall and roof openings such as doors, windows, skylights, and vents are fully protected with hurricane resistant storm shutters or hurricane resistant laminated glass.

- The storm shutters or hurricane resistant laminated glass must be designed and properly installed in accordance with the manufacturer's specifications to effectively withstand external pressure and wind-borne debris from a storm with sustained wind speed of at least 110 miles per hour or a storm surge of eight feet above normal.
- Roof ridge vents and soffit vents do not have to be protected by windstorm protective devices.



## Surcharges

Surcharges may differ between the product levels.

### Number of Families

The number of families rating surcharge is based on the number of families the structure was designed to house (single family homes versus multi-family homes).

### Secondary Seasonal

A surcharge applies to policies classified as secondary or seasonal.

- A seasonal residence is defined as other than a primary residence with a continuous un-occupancy by the owners of 2 or more months.
- A secondary residence is a non-primary residence that does not meet the above definition of a seasonal residence.

### Solid Fuel Burning Stoves

A surcharge applies when a freestanding, solid fuel burning unit is located in the residence premises. Solid fuel head is any heating system that is not electric, gas or fuel oil. This includes, but not limited to coal, pellets or wood.

### Townhouse Row House

A surcharge applies to the premium for an eligible one or two family dwelling in a town or row house structure.