

Bunker Hill Insurance

Homeowners Underwriting Program - MASSACHUSETTS

January 2017

COMPANY PHILOSOPHY

The foundation of our underwriting philosophy is proper exposure identification and pricing. Proper identification of risk characteristics, including dwelling age, location, condition, and updates, are key elements of our program. Proper identification of required coverage amounts is critical, as we require every risk to be fully insured consistent with the exposure of a replacement cost policy. Consistent with proper risk identification, we periodically order inspections and underwriting reports, including credit reports, on new and renewal business.

We seek in each community those homes that constitute sound risks by virtue of the upkeep and condition of the home, and the responsible actions of their residents. Our principal focus is those customers who are also insured by one or more of the other companies in the Plymouth Rock Group of Companies.

Bunker Hill's agents are an important part of our underwriting process. We expect our agents to be familiar with the risks that are submitted to us, and for those risks to be consistent with our underwriting philosophy. We will gladly consider any risk that you believe is consistent with our underwriting philosophy but does not meet one or more specific eligibility criteria. However, all such risks must be referred to a Bunker Hill underwriter before binding.

These guidelines do not replace or supersede any relevant law, statute or insurance regulation.

BINDING AUTHORITY

Your binding authority is limited to those homes that meet our eligibility criteria. You also may not bind Personal Umbrella Liability coverage at any time. Any risk that does not meet one or more eligibility criteria **must** be referred to a Bunker Hill underwriter before binding.

In addition, your binding authority is limited during severe weather, earthquakes and other catastrophes as follows:

Severe Weather- No coverage may be bound on new business or by endorsement to in-force policies if the National Weather Service has issued a severe weather watch or warning for a specific area for the duration of the watch/warning. This includes, but is not limited to, watches/warnings for rain, wind, flood, snow, ice, tornado or hurricane.

Earthquake - In the event of an earthquake in excess of 5.0 on the Richter scale, no coverage may be bound on new business or by endorsement to in-force policies for ten days following the initial shock. A notice will be issued if the moratorium is extended beyond ten days due to continued aftershocks.

Other Catastrophes - In the event of a natural or man-made catastrophe, no coverage may be bound on new business or by endorsement to in-force policies for the duration of the event. In addition, no coverage may be bound in an area currently evacuated or on evacuation notice. This includes, but is not limited to, such events as fire, high wind, hail, flooding or hurricane.

Exceptions - The circumstances of any particular event may require amendment of these guidelines and we reserve the right to suspend your binding authority as we deem appropriate. We will notify you when this occurs.

UNDERWRITING CRITERIA

General:

All risks must currently be in good condition.

All risks must show pride in ownership through proper care, maintenance, and risk mitigation.

All risks must show a history of continuous homeowners coverage, timely premium payments, and good credit.

All risks require a replacement cost estimator as available on the Bunker Hill website.

All risks must be loss free or have a loss history that is consistent with the responsible ownership of a well-maintained home.

All Dwellings must be in residentially zoned areas and occupied by the insured, their immediate family member (spouse, child or parent) or their tenants.

At least one insured must have an automobile insurance policy with one of the companies in the Plymouth Rock Group. Risks where no insured has such an automobile insurance policy are not acceptable and may be non-renewed.

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Applications

We expect that the agent has obtained the insured's signature on the application for business and will maintain an electronic or paper copy of the signed application.

Applications with effective dates backdated more than two weeks from the date of receipt at Bunker Hill are not acceptable.

INSPECTIONS AND OTHER UNDERWRITING REPORTS

We inspect most risks to determine acceptability. We share with the agent and the insured any conditions which are a threat to life or property. We reserve the right to order inspections and other underwriting reports, including credit reports, on any individual risk and will do so periodically. We expect compliance with any reasonable recommendations that we develop.

Insured Values:

FORM	Minimum Limit	Maximum Limit	Binding Authority
HO3	\$100,000	\$1,200,000	\$600,000
1775	\$200,000	\$1,200,000	\$600,000
HO-4	\$15,000	\$250,000	\$100,000
HO-6	\$25,000	\$400,000	\$150,000
RD-3	\$100,000	\$600,000	\$500,000

Risks with insured values that exceed the binding authority limits may not be bound and are subject to underwriter approval.

Coverage Amounts for HO-3 and 1775:

Coverage	Form	Included	Maximum
B	HO3	10% of Cov A	50% of Cov A
	1775	10% of Cov A	50% of Cov A
C	HO3	50% of Cov A	70% of Cov A
	1775	70% of Cov A	70% of Cov A
D	HO3	20% of Cov A	50% of Cov A
	1775	20% of Cov A	50% of Cov A
E	HO3	\$100,000	\$1,000,000
	1775	\$100,000	\$1,000,000
F	HO3	\$1,000	\$5,000
	1775	\$1,000	\$5,000

Renewals: Dwelling, condominium and tenant policies (HO-3, 4, 5 & 6 and RD-3) previously insured remain eligible at renewal regardless of coverage limits providing the limit does not exceed that of our reinsurance coverage. If the limit exceeds that of our reinsurance coverage, the Company will nonrenew this policy.

Insurance-to-value

All forms must be insured to 100% of replacement cost as determined by the replacement cost estimator provided by the Company. The Coverage A amount must be adjusted annually to account for construction cost inflation.

Market value must not be significantly less than replacement cost.

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Deductibles:

The minimum deductible for all forms is based on the insured value:

Insured Value	Minimum Deductible
Up to \$300,000	500
\$301,000 to \$750,000	1,000
\$751,000 to \$1.0 million	2,500
Greater than 1.0 million	5,000

Risks within 1,500 feet of the coast are ineligible. However, if an underwriting exception is made, a minimum deductible of \$2,500 is required.

A mandatory percentage **Named Storm Deductible** will apply to all risks located in the following areas:

County/ Towns	Distance to Water	Deductible Percentage of Cov A
Dukes County	All Risks	5%
Nantucket County	All Risks	5%
Barnstable County - Bourne, Falmouth, Sandwich, Mashpee, Barnstable, Yarmouth, Dennis, Harwich, Brewster	Beyond one mile from the coast	2%
Barnstable County - Bourne, Falmouth, Sandwich, Mashpee, Barnstable, Yarmouth, Dennis, Harwich, Brewster	Within one mile of the coast	5%
Barnstable County - Chatham, Orleans, Eastham, Wellfleet, Truro, Provincetown	Entire town	5%
Bristol County: Acushnet, Dartmouth, Fairhaven, Fall River, New Bedford, Somerset, Swansea, Westport	Within one mile of the coast	5%
	Beyond one mile from the coast	2%
Plymouth County: Marion, Mattapoisett, Wareham		
Plymouth County: Duxbury, Hingham, Hull, Kingston, Marshfield, Plymouth, Scituate	Within one mile of the coast	2%
	Beyond one mile from the coast	1%
Norfolk County	Within 2,500 feet of the coast	2%
	2,501 feet to one mile from the coast	1%
Essex County: Beverly, Essex, Gloucester, Ipswich, Manchester, Marblehead, Nahant, Newbury, Newburyport, Rockport, Rowley, Salem, Salisbury, Saugus, Swampscott	Within one mile of the coast	1%
Lynn	Within 2,500 feet of the coast	1%
Suffolk County	Within 2,500 feet of the coast	1%

Secondary/Seasonal:

Minimum deductible of \$1,000

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Dwelling and Property Conditions

All risks must currently be in good condition.

All risks must show pride in ownership through proper care, maintenance, and risk mitigation.

Dwellings with any of the following conditions are unacceptable:

- underground or exterior oil tanks.
- Trampolines without safety nets, skateboard jumps, or other nuisance-type attractions on premises
- vacant, unoccupied, for sale or rented on a short-term basis
- unrepaired damage or conditions
- missing, broken or boarded-up windows on the dwelling or outbuildings
- rotted wood visible on the exterior sheathing or structure of the dwelling or outbuildings
- foundations that show signs of settling or improper maintenance as evidenced by cracks in mortar, block or concrete
- open or pier foundations below the principal living area of the dwelling
- outdated or improperly maintained electrical or plumbing systems
- less than 100 amp electrical service
- aluminum or knob and tube wiring
- failure to meet local building or fire codes
- the absence of a thermostatically controlled central heating system as the primary source of heat
- a wood-burning stove that does not have certificates of inspection verifying proper installation
- radiant heat in the slab foundation
- contents in boarding or rooming houses, dormitories, fraternity or sorority houses, or in condominiums rented to others on a short-term basis
- roofs with any condition that could lead to leaks or ice dams including but not limited to broken, cracked, cupping or worn shingles, growth of moss or fungi, or improper shingle installation
- flat or rolled asphalt roofs
- roofs over 25 years of age (except for “lifetime” type roofs such as tile, slate or steel)
- roof coverings that are not well-maintained and in good condition
- missing gutters or downspouts
- gutters or downspouts that do not direct water away from foundation or walkways
- missing or damaged siding that could expose the interior of the dwelling or other structures to water infiltration
- on a non-paved road or an isolated location
- hazardous liability exposure (such as stairs without handrails, walkways in poor repair, broken pavement, poor lighting, debris in yard, unregistered vehicle(s), etc.)
- risks with dead trees, branches overhanging the dwelling, or vegetation growing out of the gutters or dwelling
- overgrown lawns or vegetation
- personal property exposed to the weather in the yard
- located on an island, or in a known flood, wave wash, sinkhole, landslide, cave-in, or defined brush area.

Trailers, mobile homes, log homes, and houseboats are unacceptable.

Dwellings or other structures built into a hillside or below ground are not acceptable.

Age of dwelling

Homes built before 1925 are not eligible for the HO-3 Preferred policy.

Homes built before 1925 are not eligible for the Form 1775 unless all systems have been updated and are in good repair and operating condition. A complete interior and exterior inspection of the home must be conducted by the company and documentation of improvements and upgrades to all systems must be provided to the underwriter; such risks require underwriter approval and may not be bound.

Homes built more than 40 years ago must have evidence of updates to the roof, and to the electrical, heating and plumbing systems.

Protection class

Protection Class 10 is not acceptable

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Occupancy and Number of families

Coverage is intended for dwellings occupied by the insured, their immediate family member (spouse, parent or child) or their tenants.

Dwellings must be in residentially zoned areas.

Dwellings located within 1,000 feet of significant industrial or commercial activities are unacceptable.

Eligibility for coverage:

MA					
Number of Families	HO3	HO3 Preferred	HO3 Super Preferred	1775	RD-3
1	Eligible	Eligible	Eligible	Eligible	Eligible
2	Eligible	Eligible	Not Eligible	Not Eligible	Eligible
3	Eligible	Not eligible	Not eligible	Not eligible	Not eligible
4	NA	NA	NA	NA	NA

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Tiering

All risks are placed in one of seven tiers. We evaluate the risk characteristics at both new business and renewal.

Tier	Tiering Points	
	greater than	less than or equal to
1		-20
2	-20	-12
3	-12	-5
4	-5	10
5	10	20
6	20	75
7	75	

Losses Prior to OED	Tiering Points
0	0
1	20
2	50
3+	100
Loss definition: exclude one loss in a five year period if under \$500. CAT Losses, as determined by Property Claims Services, are excluded.	

Woodstove	Tiering Points
No	0
Yes	15

SNC Count	Tiering Points
0	0
1	0
2	10
3+	25
Statutory Notice of Intent to Cancel (SNC) in the prior policy term	

Optional Bodily Injury Limit		
OBI Limit		
Greater Than or Equal to	Less Than	Points
	20/40	0
20/40	25/50	0
25/50	50/100	0
50/100	100/300	0
100/300	250/500	0
250/500		-8
Unknown		0
No Personal Auto Policy		0

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Form & Account		
Form	Account Policy	Points
HO-3	N	0
HO-3	Y	0
1775	N	0
1775	Y	0
HO-4	N	0
HO-4	Y	0
HO-6	N	0
HO-6	Y	0
RD-3	N	0
RD-3	Y	0

Prior Carrier	Points
Bunker Hill Companies	20
Other Carriers	0

Rented Dwellings

Rented dwellings are eligible only if Bunker Hill insures the primary residence

Rented dwelling units must be occupied by tenants.

Risks with more than four rental units are unacceptable.

If the rented dwelling is located in Massachusetts, liability may not be extended from the primary residence to the rented dwelling unless the rented property is insured by Bunker Hill; if the rented dwelling is located outside of Massachusetts, the insured must present proof of primary insurance to qualify for liability coverage extension.

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Pools

In-ground swimming pools must be completely surrounded by a fence (four foot high minimum) with a self-closing, self-latching gate.

Above ground pools must meet all building codes, including height requirements, and (1) must be completely surrounded by a fence with a self-closing, self-latching gate, (2) have a removable ladder or (3) have a self-closing, self-latching gate that controls access from a deck.

Doors in buildings offering direct access to a pool must have self-closing, self-latching mechanisms.

Slides and diving boards are acceptable as long as they have been professionally installed and meet code requirements.

Business Activities:

We will consider incidental office occupancies or self-employed business where there is minimal customer traffic.

Dwellings where substantial business activities are conducted are unacceptable.

Dwellings where day care services of any kind are provided are unacceptable.

Animals

Insureds may not own or have care, custody or control of the following breeds of dog: Pit Bull Terrier, Rottweiler, Wolf dog, Coyote dog or any mixed breed containing one of these breeds.

Risks for insureds who own or have care, custody or control of dogs among the following breeds require underwriter approval: Alaskan Malamute, Akita, Airedale Terrier, Boxer, Bulldog, Bullmastiff, Bull Terriers (all types), Cane Corso, Chow Chow, Dalmatian, Doberman Pinscher, Giant Schnauzer, Great Dane, Husky (all types) Presa Canaria, Spitz, Shepherds (all types) or any mixed breed containing one of these breeds.

Insureds may not own or have care, custody or control of any exotic animal (such as alligators, snakes, etc.) or any animal that has a prior history of biting or attacking or that displays aggressive or protective behavior.

Boats

Boats used for racing, rental or chartering are unacceptable.

Unusual watercraft including but not limited to homemade boats, houseboats, jet skis, or wet bikes are unacceptable.

Motor boats that are greater than 16 feet in length or that have a horsepower-to-foot ratio exceeding 7 to 1 are not eligible for property coverage.

Motor boats that are greater than 26 feet in length or powered by more than 225 horsepower are not eligible for liability coverage.

Sailboats greater than 35 feet are not eligible for liability coverage.

Firearms

If there are firearms or ammunition on the insured premises, the firearms and ammunition must be stored in locked containers or equipped with trigger locks and chained and locked to a storage rack.

Resident children and visitors to the premises should not have access to the firearms or the means to gain access.

Homeowner Oil Heating Systems

If insureds purchase the optional Property Remediation for Escaped Liquid Fuel and Limited Escaped Liquid Fuel Liability Coverages Endorsement, they must present:

- 1) A copy of a certification from a licensed oil burner technician.

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Super Preferred Dwellings

Eligible HO-3 risks must meet each of the following criteria:

Number of Families	1
Occupancy	Primary
Required Dwelling Limit	\$ 200,000
Minimum Personal Liability Limit	\$ 300,000
Minimum Standard Deductible	\$ 1,000
PC Class	1 – 9
Year Built	1925 +
Loss Free Years Minimum	5
Account Credit	Yes
Minimum Distance to Coast	2500 Feet
Restricted County	Dukes, Nantucket, Barnstable
Woodstove	No
Roof	Replaced within last 20 years
Plumbing and Electrical	Modernized within last 30 years
Payment History	No Cancellation Notices in the past 12 months
Prior Carrier	Must be standard carrier
Dogs	No dogs from the dog list

Dog list: Alaskan Malamute, Akita, Airedale Terrier, Boxer, Bulldog, Bullmastiff, Bull Terriers (all types), Cane Corso, Chow Chow, Dalmatian, Doberman Pinscher, Giant Schnauzer, Great Dane, Husky (all types), Pit Bull Terrier, Presa Canaria, Rottweiler, Spitz, Shepherds (all types), Wolf dog, Coyote dog or any mixed breed containing one of these breeds.

Preferred Dwellings

Number of Families	1 or 2
Occupancy	Primary
Required Dwelling Limit	\$ 150,000
Minimum Personal Liability Limit	\$ 300,000
Minimum Standard Deductible	\$ 500
PC Class	1 - 9
Year Built	1925 +
Loss Free Years Minimum	3 *
Minimum Distance to Coast	2500 Feet
Restricted County	Dukes, Nantucket, Barnstable
Dogs	No dogs from the dog list (see below)

* CAT losses with a date of loss greater than 12/31/2010 and losses paid less than \$500 will be not be considered.

Dog list: Alaskan Malamute, Akita, Airedale Terrier, Boxer, Bulldog, Bullmastiff, Bull Terriers (all types), Cane Corso, Chow Chow, Dalmatian, Doberman Pinscher, Giant Schnauzer, Great Dane, Husky (all types), Pit Bull Terrier, Presa Canaria, Rottweiler, Spitz, Shepherds (all types), Wolf dog, Coyote dog or any mixed breed containing one of these breeds.

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Loss experience:

The insured's loss experience determines eligibility for the policy form and program:

MA						
Losses – within last 12 months	Losses - within last 3 years	HO3 HO4 HO6	HO3 Preferred	HO3 Super Preferred	1775	RD-3
0	0	Eligible	Eligible	Eligible	Eligible	Eligible
0	1	Eligible	Not eligible	Not eligible	Not eligible	Eligible
0	2 +	Eligible but requires under - writer approval and may not be bound	Not eligible	Not eligible	Not eligible	Eligible but requires underwriter approval and may not be bound
1+	0+	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible

Renewal Loss Experience

Risks that have one or more losses are subject to underwriter review prior to renewal and may be placed in an eligible program or nonrenewed.

Prior Insurance, Payment and Credit History

All risks must show a history of continuous homeowners coverage, timely premium payments, and good credit

Lapses in coverage during the last 3 years are not acceptable, unless there was no need for insurance.

Risks with a poor payment history are not acceptable.

Risks with poor credit are not acceptable.

Renewals

Accounts that receive 2 or more notices of cancellation within a 9 month period may be placed in the standard program.

Accounts that receive 4 or more notices of cancellation within a 21 month period may be considered for non-renewal.

Secondary/Seasonal Dwellings

Bunker Hill or the Mount Washington Assurance Corporation must write the primary dwelling.

The secondary/seasonal dwelling must be intended for occupancy by the insured with only occasional renting (up to 4 weeks per year).

The secondary/seasonal dwelling must be situated on a year-round accessible road that will accommodate fire department vehicles.

Coverage A limits - Form HO-3 \$100,000 to \$400,000

Form HO-6 \$25,000 to \$400,000

The minimum deductible is \$1,000 for secondary / seasonal dwellings.

A secondary or seasonal dwelling is not eligible for the Preferred HO3 or 1775 forms.

Liability may not be extended from a primary residence to a secondary/seasonal dwelling located in Massachusetts unless the secondary/seasonal property is insured by Bunker Hill.

Dwellings Under Construction

We will consider dwellings which will be completed and owner-occupied within six months. The construction work must be performed by licensed and insured building contractors.

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Public Figures

Risks where the insureds have a high degree of public exposure are not acceptable; examples of unacceptable occupations include:

media personalities or broadcasters
professional entertainers or athletes

Risks where the insureds have been convicted of the following crimes are not acceptable:

- arson
- libel or slander

SCHEDULED PERSONAL PROPERTY

We write scheduled personal property as an endorsement to the homeowners form.

Schedules that exceed in the aggregate the amount of Coverage C are not eligible.

Individual items exceeding \$25,000 in value are not eligible.

Individual items over \$7,500 require an appraisal or bill of sale (not over 3 years old).

All items, regardless of amount, require a complete and accurate description.

Descriptions of fine gems should include the carat, color, clarity, cut, and shape.

Descriptions of silverware and similar items should include manufacturer, pattern, quantity, size, and type of material.

Maximum aggregate limits by class are as follows:

<u>CLASS</u>	<u>MAXIMUM AGGREGATE</u>
Jewelry	\$75,000
Furs	\$25,000
Fine Arts	\$75,000
Cameras	\$10,000
Musical Instruments	\$15,000
Silverware and Similar Items	\$40,000
Stamps	\$10,000
Coins	\$10,000
Golfer's Equipment	\$10,000
Guns	\$10,000
Boats	\$15,000

We will schedule motor boats that are less than or equal to 16 feet in length with a horsepower-to-foot ratio not exceeding 7 to 1.

All scheduled property valued at more than \$50,000 must be protected by a properly maintained local burglar alarm system.

All scheduled property valued in excess of \$100,000 must be protected by a property installed and maintained central station burglar alarm system.

Scheduled blanket coverage is available by endorsement for the same classes of property as the scheduled personal property endorsement up to a maximum. This blanket coverage property endorsement allows an insured to cover a specific class of personal property without specifically listing each item in the class. See our rating manual for rates and coverage eligibility.

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Coastal Exposures:

Massachusetts

1775, HO-3 and RD-3 new business risks located in the following coastal areas are ineligible:

Dukes County	Within one mile of the coast
Nantucket County	Within one mile of the coast
Barnstable County	Within one mile of the coast
Bristol County: Acushnet, Dartmouth, Fairhaven, Fall River, New Bedford, Somerset, Swansea, Westport	Within one mile of the coast
Plymouth County: Duxbury, Hingham, Hull, Kingston, Marion, Marshfield, Mattapoisett, Plymouth, Scituate, Wareham	Within one mile of the coast
Essex County: Beverly, Essex, Gloucester, Ipswich, Manchester, Marblehead, Nahant, Newbury, Newburyport, Rockport, Rowley, Salem, Salisbury, Saugus, Swampscott	Within one-half mile of the coast
Suffolk County	Within 1,500 feet of the coast
Norfolk County	Within 1,500 feet of the coast
Middlesex County	Within 1,500 feet of the coast
Lynn	Within 1,500 feet of the coast

HO-4 and HO-6 risks located within 1,500 feet of the coast are ineligible.

All risks located in Barnstable, Dukes or Nantucket counties require underwriter pre-approval.

Dwellings located on any island, or in a known flood, or wave wash area are ineligible.

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PERSONAL UMBRELLA LIABILITY ENDORSEMENTS

We offer \$1,000,000 and \$2,000,000 personal umbrella liability coverages as endorsements to our homeowners forms. We require the following minimum underlying limits:

Automobile liabilities (including motorcycles and recreational vehicles):

Bodily Injury, \$250,000 per person, \$500,000 per occurrence.

Property Damage, \$100,000 per occurrence.

Business pursuits (if applicable):

For a single-person office either on or off premises, a single limit of liability of \$300,000 per occurrence.

For owned residential premises occupied by others, up to four units, a single limit of liability of \$300,000 per occurrence.

Employers liability (if applicable):

\$100,000 per occurrence.

Personal liability, which must include Personal Injury coverage:

Combined single limit of \$300,000 per occurrence.

Watercraft liability (if applicable):

For sailboats up to 35 feet, combined single limit of \$300,000 per occurrence.

For power boats up to 26 feet and 225 horsepower, combined single limit of \$300,000 per occurrence.

Umbrella Underwriting Requirements:

All umbrella applications **MUST** be signed by the insured.

All household members must be listed on the application along with their exposures and must carry the required underlying limits.

All youthful operators must have a clean, incident-free driving record; youthful operators with one non-BI-related incident or one minor violation will be considered. In addition, our Umbrella does not support any operator exclusions.

Insureds cannot own any unusual watercraft including but not limited to homemade boats, houseboats, jet skis, or wet bikes.

The following watercraft are ineligible:

Sailing vessels, with or without auxiliary power, that are more than 35 feet in length

Motorboats powered by more than 225 total horsepower or more than 26 feet in length

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DEFINITIONS

1. RESERVED FOR FUTURE USE

2. CONSTRUCTION DEFINITIONS

- A. Frame—exterior of wood or other combustible construction, including iron-clad wood, stucco on wood, plaster on combustible supports, or aluminum or plastic siding over frame.
- B. Masonry Veneer - exterior walls of combustible construction veneered with brick or stone.
- C. 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 roof of combustible construction (disregarding floors resting directly on the ground).
- D. Superior Construction
 - 1. Non-Combustible - exterior walls and floors and roof constructed of, and supported by, metal, gypsum, or other non-combustible materials.
 - 2. Masonry Non-Combustible - exterior walls constructed of masonry materials (as described in C above) and floors and roof of metal and other non-combustible materials.
 - 3. Fire-Resistive - exterior walls and floors and roof constructed of masonry or other fire-resistive materials

NOTE: Mixed (Masonry/Frame) - a combination of both frame and masonry construction shall be classified as frame when the exterior walls of frame construction (including gables) exceed 1/3 of the total exterior wall area; otherwise classified as masonry.

3. SEASONAL DWELLING DEFINITION

A seasonal dwelling is a dwelling that is continuously unoccupied for three or more consecutive months during any one-year period.

4. SINGLE BUILDING DEFINITION

All buildings or sections of buildings that are connected through unprotected openings shall be considered a single building.

Buildings that are separated by space shall be considered separate buildings.

Buildings or sections of buildings which are separated by a masonry party wall eight inches or greater in thickness that pierces or rises to the underside of the exterior wall shall be considered separate buildings. Communication between buildings with independent walls or masonry party walls as described above shall be protected by at least a Class A Fire Door installed in a masonry wall section.

5. FORM DEFINITIONS

Throughout this manual, our homeowners and rented dwelling forms will be referred to as follows:

HO 00 03 04 91 as HO-3

HO 00 04 04 91 as HO-4

HO 00 06 04 91 as HO-6

RD 00 03 05 96 as RD-3

Form 1775 as 1775

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PART I - BASE PREMIUM COMPUTATION

The following pages contain factors to be used in calculating the Base Premiums for all forms.

Premiums for policy forms HO-3, 1775 and RD-3 are developed on a by-peril basis. The perils are defined as All Other, Fire, Theft, Liability/Medical, Water Non-Weather, Water Weather, Weather, and Hurricane. The by-peril factors can be found in the Rate Appendix. The sum of the by-peril premiums is multiplied by the Rate Cap factor to develop the BASE PREMIUM.

A. ZIP CODE TERRITORIES – ALL FORMS

Zip code is used to determine the BASE PREMIUM. The BASE PREMIUM is computed using the appropriate Zip Code Relativities found in the Appendix.

B. FIRE PROTECTION CLASS – ALL FORMS

Fire protection class is used to determine the BASE PREMIUM. The BASE PREMIUM is computed using the appropriate Protection Class factor found in the Appendix.

C. CONSTRUCTION TYPE – ALL FORMS

Construction type is used to determine the BASE PREMIUM. The BASE PREMIUM is computed using the appropriate Construction Type factor in the Appendix.

D. AMOUNT OF INSURANCE – ALL FORMS

Amount of Insurance is used to determine the BASE PREMIUM. Amount of Insurance corresponds to the Coverage A (HO-3, 1775, and RD-3) or Coverage C (HO-4 and HO-6). The BASE PREMIUM is computed using the appropriate Amount of Insurance factors in the Appendix.

If any of the optional coverages noted below apply, develop the BASE PREMIUM as follows:

1. SPECIAL LOSS SETTLEMENT - HO-3 only

Use Endorsement HO 04 56 04 91

Form HO-3 provides loss settlement on a replacement cost basis if the Coverage A limit of liability represents at least 80% of replacement cost. This percentage amount may be modified to 50%, 60%, or 70% of replacement cost without affecting the loss settlement provisions. If one of these options is selected, the Coverage A limit of liability representing 50%, 60%, or 70% of replacement cost is to be shown in the Declarations.

To develop the BASE PREMIUM for the Coverage A limit of liability shown in the policy declarations:

- A. Multiply the Coverage A limit of liability by the appropriate factor from the table below and round to the nearest \$1,000.

<u>% of Replacement Cost</u>	<u>Factor</u>
50%	1.60
60%	1.33
70%	1.14

- B. Determine the premium from the Base Premium pages for the amount of insurance computed in Step A.

3. Multiply the premium determined in Step B by the appropriate factor from the table below:

<u>% of Replacement Cost</u>	<u>Factor</u>
50%	.96
60%	.97
70%	.98

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2. ORDINANCE OR LAW COVERAGE –INCREASED AMOUNT OF COVERAGE – HO-3, -4, and -6,

Use Endorsement HO 04 77 06 94 for HO-3, -4, and -6

The policy automatically provides up to 10% of Coverage A (or for Form HO-4, the Building Additions and Alterations limit) to pay for the increased costs necessary to comply with the enforcement of an ordinance or law. The policy may be endorsed to increase this limit in 25% increments, as noted below.

Use the following factors to develop the BASE PREMIUM for the Coverage A limit of liability shown in the policy declarations:

A. Form HO-3:

Percentage of Coverage A Total Amount Coverage A Limit	Factors	
	\$85,000-\$140,000	All Other
25%	1.13	1.05
50%	1.35	1.14
75%	1.51	1.20
100%	1.67	1.27
125%	1.83	1.34

B. Forms HO-4 and HO-6:

The 10% limit may be initially increased to 100% of the Building Additions and Alterations limit for Form HO-4 and 50% of the coverage A limit for form HO-6. The premium for each add'l \$1,000 of insurance is developed by multiplying the appropriate Key Factor for "Each Add'l \$1,000" by the appropriate Key Premium.

C. Form RD-3:

The policy may be endorsed to insure Coverage A and B against loss resulting from ordinance or laws, which regulate the construction, repair, or demolition of the property. Use endorsement RD 04 77 04 91. Use a factor of 1.10 to develop the BASE PREMIUM for the Coverage A limit of liability shown in the policy declarations.

3. SUPERIOR CONSTRUCTION - All Forms

Use a factor of .85 to develop the BASE PREMIUM for an eligible dwelling or apartment unit in a building of superior construction.

Refer to the Construction Definition page in this manual for details

4. TOWNHOUSE OR ROW HOUSE - HO-3 and RD-3

Use the following factors to develop the BASE PREMIUM for an eligible dwelling in a townhouse or row house:

Total Number of Family Units Within Fire Division*	Protection Classes	
	1-8	9-10
1 and 2	1.00	1.00
3 and 4	1.10	1.15
5 thru 8	1.25	1.30

* An eligible two-family, owner-occupied dwelling attached to a single-family dwelling but not separated by a fire wall would be considered to be three individual family units within a fire division. Four two-family dwellings not separated by a fire wall would be considered eight individual family units.

5. MULTI-FAMILY DWELLING - HO-3

For three-family dwellings, use endorsement **Use Endorsement HO 04 44 04 91 for HO-3**

Use the Number of Families factors found in the Appendix to develop the BASE PREMIUM for the Coverage A limit of liability shown in the policy declarations.

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6. UNIT OWNERS COVERAGE C-SPECIAL COVERAGE – HO-6 only

Use Endorsement HO 17 31 04 91 for HO-6

The policy may be endorsed to provide special contents coverage for owner-occupied condominiums or cooperative units. Use a factor of 1.40 to develop the BASE PREMIUM.

7. SPECIAL PERSONAL PROPERTY COVERAGE – HO 00 03 WITH ENDORSEMENT HO 00 15

Use Endorsement HO 00 15 04 91 for HO-3 only.

Coverages A and B under Form HO 00 03 are insured against additional risks of physical loss subject to certain exclusions. Coverage C is insured against perils named in the form. Use a factor of 1.25 to develop the BASE PREMIUM. The policy may be endorsed to insure Coverage C against additional risks of physical loss subject to certain exclusions.

(When the rule in Section III C, Special Loss Settlement is used, this option may not be used.)

8. TIER FACTOR – ALL FORMS

Use the appropriate tier factors found in the Appendix to develop the BASE PREMIUM.

9. SECONDARY / SEASONAL FACTOR – ALL FORMS

Use a factor of 1.10 to develop the BASE PREMIUM for a secondary or seasonal dwelling.

10. AGENCY TRANSFER LOYALTY CREDIT FACTOR – Forms HO-3, -4, -6, and 1775

Bunker Hill offers a credit when an agent moves a policy within the agency from another carrier to Bunker Hill and the policy has renewed at the agency for several years. The credit is based on the number of renewal years at the agency, and gradually diminishes as the policy renews at Bunker Hill.

The BASE PREMIUM for an eligible policy is computed using the appropriate credit factor found in the Appendix.

11. NEW BUSINESS ADVANCED QUOTE CREDIT – All Forms

Bunker Hill offers a New Business Advanced Quote credit to a new business policy when the policy is quoted more than 7 days prior to the policy effective date. The new business credit diminishes as the policy renews at Bunker Hill. The credit applies to new business effective September 15, 2016 and later.

The BASE PREMIUM for an eligible policy is computed using the appropriate credit factor found in the Appendix.

12. NEW ROOF CREDIT – Forms HO-3 and 1775

Bunker Hill offers a credit on newer roofs. Newer homes (built within the last 10 years) receive the credit automatically. Subtract the year of construction from the current year to determine the age of the dwelling and the applicable roof credit.

Homes over 10 years old must meet the following criteria:

- The new roof was professionally installed by a licensed roofing contractor.
- The new roof involves a complete replacement of the existing shingles, the waterproof membrane, the underlayment layer, and appropriate flashing. Laying new shingles over the existing shingles does not qualify as a new roof.
- At least 80% of the total surface area of the roof must be replaced.
- A waterproof membrane must be installed that meets or exceeds building code requirements.
- The insured must provide proof of the new roof installation in the form of a written copy of a contract, warranty, proof of payment or similar paperwork. The written documentation must include a description of the work, the cost and the year that the work was completed.

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- The insured must sign the New Roof Certificate confirming the eligibility of the risk.

Subtract the year of the new roof installation from the current year to determine the age of the roof and the applicable credit. The BASE PREMIUM for an eligible policy is computed using the appropriate credit factor found in the Appendix.

13. SAFE PROPERTY CREDIT – Forms HO-3, -4, -6 and 1775

Bunker Hill offers a 3% Safe Property Credit to risks that meet the following conditions:

- The insured may not own or have care, custody or control of a dog.
- There are no pools (permanent or temporary) of any kind (in-ground, above ground, inflatable, etc.) on the premises.
- The insured may not own or have care, custody or control of any firearms or ammunition.
- The insured may not own or have care, custody or control of a boat that
 - is more than 15 feet in length or
 - has an engine that is 10 horsepower or more.
- The insured certifies that they will notify Bunker Hill or their agent within 30 days if any of the conditions are no longer being met.
- The insured must complete and sign the Safe Property Certificate.

The BASE PREMIUM for an eligible policy is computed using the appropriate credit factor.

14. Edocument CREDIT – All Forms

Bunker Hill offers a 3% credit on policies when the insureds sign up for electronic delivery of their policy documents. The credit may only be added to a policy as of the new or renewal effective date. The BASE PREMIUM for an eligible policy is computed using the appropriate credit factor.

15. PAID IN FULL CREDIT – All Forms

Bunker Hill offers a 3% credit on policies when the total annual policy premium is paid in full, subject to the following:

- For new business, the downpayment must be a payment made in full.
- For renewal business, payment must be made in full on or before the first installment due date.
- The following types of policies are not eligible for the credit:
 - Mortgagee billed policies.
 - Policies where full payment is required because the policy was canceled for non-payment.

The BASE PREMIUM for an eligible policy is computed using the appropriate credit factor.

16. COMPANY FACTOR – All Forms

A company factor will be applied to all policies written in the Bunker Hill Insurance Casualty Company.

The BASE PREMIUM for an eligible policy is computed using the appropriate company factor.

17. NEW BUSINESS CREDIT – HO-3, 1775, HO-4 and HO-6

A new business factor will be applied to all new business policies.

The BASE PREMIUM for an eligible policy is computed using the appropriate new business factor found in the Appendix.

18. TRANSFER CREDIT – All Forms

A maximum credit of 10% may be applied to a policy which is part of an agent book transfer. The credit applied to the policy will

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decrease 2% at each renewal until unity is achieved. The intent of this rule is to minimize any rate disruption in placing the customer with Bunker Hill. This discount is only available to new business policies which become effective on or after 9/1/2013.

Level	Credit Factor
Level 5	0.90
Level 4	0.92
Level 3	0.94
Level 2	0.96
Level 1	0.98
Unity	1.00

19. RESERVED FOR FUTURE USE

20. WINTER WEATHER CREDIT AND LOSS MATRIX - Forms HO-3, 1775 and RD-3

Bunker Hill applies a winter weather factor to HO3, 1775 and RD3 policies. The original effective date of the policy and the count of winter weather catastrophe losses in the prior 5 years are used to determine the appropriate factor. Losses paid under \$500 are not considered in the application of the factor. Winter weather catastrophe losses are determined by Property Claims Services or similar loss tracking vendors.

The BASE PREMIUM for an eligible policy is computed using the appropriate factor found in the Appendix.

21. LOSS PREVENTION CREDITS – Forms HO-3, 1775 and RD-3

Bunker Hill offers Loss Prevention credits for eligible loss prevention devices and investments. The insured must provide written evidence of the installation of the eligible equipment or changes to the dwelling.

The following are eligible for a credit:

- Whole house water shut-off
- Automatic-on, permanently installed generator
- Dwelling certified as Fortified by the Institute for Business and Home Safety.

The BASE PREMIUM for an eligible policy is computed using the appropriate credit factors found in the Appendix.

22. DISTANCE TO COAST FACTORS – All Forms

Bunker Hill may apply a distance to coast factor based on the distance to coast. The BASE PREMIUM is computed using the appropriate Distance to Coast factors found in the Appendix.

23. AGE OF INSURED – HO-3, 1775 and RD-3

The age of the oldest named insured is used to determine the BASE PREMIUM. The BASE PREMIUM is computed using the appropriate Age of Insured factors found in the Appendix.

24. PRIOR LOSS MATRIX – HO-3, 1775 and RD-3

Prior losses are used to determine the BASE PREMIUM. The type of loss and count of losses in the prior 5 years are used to determine the Prior Loss Matrix factor. Catastrophe losses and losses paid under \$500 are not considered in the application of the Prior Loss Matrix factors.

The BASE PREMIUM is computed using the appropriate Prior Loss Matrix factor found in the Appendix.

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25. TOTAL INSURANCE VALUE – HO-3, 1775 and RD-3

Total Insurance Value is used to determine the BASE PREMIUM. Total Insurance Value is the sum of the limits for Coverages A, B, C and D.

The BASE PREMIUM is computed using the appropriate Total Insurance Value factor found in the Appendix.

26. RATE CAPPING – ALL FORMS

Rate capping is used to minimize rate dislocation on renewal policies. The expiring premium will be compared to the renewal premium and a capping factor may be applied when the percentage dislocation is above or below the maximum or minimum rate of change. Rate Capping is not applicable to risks that have experienced the following changes in exposure:

- a. A non-catastrophe loss with a paid amount of \$500 or more.
- b. Change of more than 25% to the Coverage A limit for HO-3, 1775 or DP-3 forms or to the Coverage C limit for HO-4 or HO-6 policies.

Rate capping is applied to the BASE PREMIUM. The rate capping factor is determined based on the appropriate Rate Capping factor found in the Appendix.

27. EXPENSE FEE – HO-3, 1775 and RD-3

An Expense Fee will be used to determine the BASE PREMIUM. The amount of the Expense Fee will be based on the presence of a companion personal or commercial auto policy from the Plymouth Rock Group.

The BASE PREMIUM is computed using the appropriate Policy Type Expense Fee found in the Appendix.

28. REPLACEMENT COST COVERAGE PERSONAL PROPERTY - Forms HO-3, -4, and -6

Use Endorsement HO 04 90 04 91 for HO-3, -4, and -6

To extend the limit of liability of Coverage C to include replacement cost coverage, the BASE PREMIUM shall be developed by applying the appropriate factors found in the Appendix.

Minimum coverage of \$15,000 is required on forms HO-4 and HO-6.

The Coverage C limit of liability is automatically increased to 70% of the Coverage A limit when this endorsement is added.

Replacement cost coverage also applies to articles or classes of property separately described and specifically insured in this policy.

29. PROTECTIVE DEVICES - All Forms

Use Endorsement BH 04 16 04 91 for Form 1775

Use Endorsement HO 04 16 04 91 for HO-3, -4, and -6

Use Endorsement RD 04 16 07 95 for Form RD-3

Approved and properly maintained burglar alarms, fire alarms and automatic sprinklers in the dwelling may be recognized with a premium credit. The following types of installations are eligible for premium credits:

Fire Prevention Systems

- | | |
|-----|--|
| F-1 | Fire or Smoke Detector. |
| F-2 | Fire Alarm reporting to a Central Station, Police or Fire Department. |
| F-3 | Automatic Sprinklers in all areas except attics, bathrooms, closets, and attached structures (smoke detector required in unsprinklered areas). |
| F-4 | Automatic Sprinklers in all areas. |

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Burglary Prevention Systems

B-1	Local Burglar Alarm on all accessible doors and windows with outside siren or bell.
B-2	Burglar Alarm reporting to a Central Station or Police Department.

The BASE PREMIUM is computed using the appropriate Fire and Burglary factors found in the Appendix

30. DEDUCTIBLES - All Forms

All policies are subject to a deductible applicable to loss from all Section I perils covered under the policy on a per occurrence basis. The BASE PREMIUM is computed using the appropriate Deductible factor found in the Appendix.

31. AGE OF HOME - Forms HO-3 & 1775

To determine Age of Home, subtract the year of construction from the current year. Newer homes are eligible for a credit. The BASE PREMIUM is computed using the appropriate Age of Home factor in the Appendix.

32. RESERVED FOR FUTURE USE

33. PLYMOUTH ROCK ACCOUNT CREDIT - Forms HO-3, -4, -6, and 1775

Bunker Hill offers a credit for all HO-3, HO-4, HO-6 and 1775 policies where the policyholder also insures an automobile with the Plymouth Rock Assurance Corporation or Pilgrim Insurance. The BASE PREMIUM is computed using the appropriate Account Credit factor in the Appendix.

34. MAXIMUM POLICY CREDIT – All Forms

The total amount of premium credits on a policy are subject to the cap set on the Maximum Discount table in the Appendix.

35. THE SMART CHOICE ENDORSEMENT – HO-3, -4, and –6

Use Endorsement BH 0102 08 for form HO-3, -4, and -6

This endorsement provides a number of additional property and liability coverages. The additional coverages include:

Increased Special Limits of Liability

Money	\$500
Securities	\$3000
Watercraft	\$2500
Trailers	\$2500
Jewelry, watches, etc.	\$5000
Firearms	\$5000
Silverware	\$5000
Business Property -on premises	\$5000
Biz Property-off premises	\$500
Electronic Apparatus	
In or upon vehicle	\$2000
Not in or upon vehicle	\$2000

Property Coverages/Additional Coverages

Tree removal	\$500 (no need to hit covered structure)
Fire dept service charge	\$1000
Credit card	\$5000
Personal records	\$5000
Refrigerated products	\$250
Reward coverage	\$500

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Lock replacement	\$500
Loss Assessment	\$5000

Liability Coverages

Personal injury	Included
Incid Bus Activities of Minors	Included
Claim expense	\$125/day
Dam to prop of others	\$1000
Coverage F	Increased by \$1000
Watercraft liability	powerboats up to 50 HP
Loss Assessment	\$5000

The BASE PREMIUM is computed using a Smart Choice factor of 1.05.

36. PREFERRED HO-3 CREDIT– Form HO-3 only

Bunker Hill offers a 3% credit for preferred HO-3 risks.

The BASE PREMIUM is computed using a Preferred factor of .97.

37. SUPER-PREFERRED HO-3 DISCOUNT– Form HO-3 only

Bunker Hill offers a 15% discount for eligible HO-3 risks.

The BASE PREMIUM is computed using a Super-Preferred factor of .85.

38. NAMED STORM DEDUCTIBLE – HO-3, 1775, and RD-3

Use Endorsement BH 05 11 01, BH 06 11 01 or BH 08 07 06 for forms HO-3, 1775 and RD-3

To compute the additional or return premium for higher or lower deductibles, where available, the following factors are applied:

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County/ Towns	Distance to Water	Standard Deductible Percentage of Cov A	Factor to Buy Down to 1% Deductible	Factor to Buy Up to 2% Deductible
Dukes County	All Risks	5%	NA	NA
Nantucket County	All Risks	5%	NA	NA
Barnstable County - Bourne, Falmouth, Sandwich, Mashpee, Barnstable, Yarmouth, Dennis, Harwich, Brewster	Beyond one mile from the coast	2%	NA	NA
Barnstable County - Bourne, Falmouth, Sandwich, Mashpee, Barnstable, Yarmouth, Dennis, Harwich, Brewster	Within one mile of the coast	5%	NA	NA
Barnstable County - Chatham, Orleans, Eastham, Wellfleet, Truro, Provincetown	Entire Town	5%	NA	NA
Bristol County: Acushnet, Dartmouth, Fairhaven, Fall River, New Bedford, Somerset, Swansea, Westport Plymouth County: Marion, Mattapoisett, Wareham	Within one mile of the coast	5%	NA	NA
	Beyond one mile from the coast	2%	NA	NA
County/ Towns	Distance to Water	Standard Deductible Percentage of Cov A	Factor to Buy Down to 1% Deductible	Factor to Buy Up to 2% Deductible
Plymouth County: Duxbury, Hingham, Hull, Kingston, Marshfield, Plymouth, Scituate	Within one mile of the coast	2%	.05	NA
	Beyond one mile from the coast	1%	NA	-.05
Norfolk County	Within 2,500 feet of the coast	2%	.05	NA
	2,501 feet to one mile from the coast	1%	NA	-.05
Essex County: Beverly, Essex, Gloucester, Ipswich, Manchester, Marblehead, Nahant, Newbury, Newburyport, Rockport, Rowley, Salem, Salisbury, Saugus, Swampscott	Within one mile of the coast	1%	NA	-.05
Lynn	Within 2,500 feet of the coast	1%	NA	-.05
Suffolk County	Within 2,500 feet of the coast	1%	NA	-.05

39. NAMED STORM DEDUCTIBLE CREDITS – HO-3, 1775, and RD-3.

The BASE PREMIUM is computed using the appropriate Named Storm Deductible factors found in the Appendix.

40. MITIGATION CREDITS –HO-3, 1775 and RD-3.

A mitigation credit shall be applied to the Base Premium provided that a policyholder reduces the risk of named storm loss by taking a series of specified loss mitigation steps. Eligibility for the mitigation credit will require installation of storm shutters or other window protection measures recommended by the Institute for Business and Home Safety or, at a minimum, preparing

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prefitted plywood to cover these windows in preparation for a storm (prefitting includes the provision for the attachment of the “shutter” to the dwelling). In addition, for risks located in Flood Zones A or V, the insured must carry flood insurance up to the full amount of Coverage A or \$250,000 whichever is less. Bunker Hill requires an inspection to qualify the loss mitigation measures. A mitigation credit can only apply to a policy with a Named Storm Deductible.

Use the deductible factors for the Named Storm Deductible with Mitigation Credit when the dollar amount of the Named Storm Deductible with Mitigation Credit with is higher than the dollar amount of the Standard Deductible.

The BASE PREMIUM is computed using the appropriate Named Storm Deductible with Mitigation factors found in the Appendix.

Bunker Hill Insurance
PART II - ADDITIONAL OR REDUCED PREMIUM COMPUTATION
SECTION I COVERAGES

1. REPLACEMENT COST DWELLING COVERAGE

a. Limited Replacement Cost Dwelling Coverage – Form HO-3 only

Use Endorsement HO PR 50 04 03

This endorsement provides replacement cost coverage for dwellings up to 125% of the Coverage A limit. It is offered on 1 and 2 family dwellings built after 1925 that are insured to 100% of replacement value based on a recent cost estimate, and have had the required updates.

There is a \$10 charge for this endorsement.

b. Unlimited (Guaranteed) Replacement Cost Dwelling Coverage – Forms HO-3 and 1775

Use Endorsement BH 05 02 02 08 – Additional Limits of Liability for Coverages A, B, C and D - Massachusetts

This endorsement provides guaranteed replacement cost coverage for dwellings. It is offered on 1 and 2 family dwellings built after 1925 that are insured to 100% of replacement value based on a recent cost estimate, and have had the required updates.

The premium for this endorsement is developed by multiplying the BASE PREMIUM by a factor of 0.05.

2. RESERVED FOR FUTURE USE

3. INFLATION GUARD - All Forms

Use Endorsement BH 04 46 04 91 for Form 1775

Use Endorsement HO 04 46 04 91 for HO-3, -4, and -6

Use Endorsement RD 04 46 07 95 for Form RD-3

This endorsement will provide an automatic annual increase in the Section I Limits of Liability. An inflation guard must be added to all 1775 policies and HO-3 policies with limited guaranteed replacement cost coverage on the dwelling.

There is no charge for this endorsement.

4. RESERVED FOR FUTURE USE

5. BUILDING ADDITIONS AND ALTERATIONS (OTHER RESIDENCES) Forms HO-3, -4, -6, and 1775

Use Endorsement BH 04 49 04 91 for Form 1775

Use Endorsement HO 04 49 04 91 for HO-3, -4, -6

When the policy is extended to provide this coverage for residences rented to an insured other than the residence premises, the premium per \$1,000 of insurance shall be developed as follows:

HO-4 Key Factor for “each add 1 \$10,000” times .10 times the HO-4 Key Premium;

Or if HO 04 77 04 91 is endorsed onto the policy: (HO-4 Key Factor for “each add 1 \$10,000” times .10 times the HO-4 Key Premium) plus \$1.00.

6. BUILDING ADDITIONS AND ALTERATIONS (INCREASED LIMITS) - Form HO-4 only

Use Endorsement HO 04 51 04 91

When the limit of liability is increased, the premium per \$1,000 of insurance shall be developed as follows:

HO-4 Key Factor for “each add 1 \$10,000” times .10 times the HO-4 Key Premium;

Or If HO 04 77 04 91 is endorsed onto the policy: (HO-4 Key Factor for “each add 1 \$10,000” times .10 times the HO-4 Key Premium) plus \$1.00.

7. COVERAGE A DWELLING - BASIC AND INCREASED LIMITS - Form HO-6 only

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Basic Coverage of \$5,000 Coverage A is provided at no additional charge. When this limit is increased, the premium for each additional \$1,000 of insurance is developed as follows:

HO-6 Key Factor for “each add 1 \$10,000” times .10 times the HO-6 Key Premium;
or if HO 04 77 04 91 is endorsed onto the policy: HO-6 Key Factor for “each add 1 \$10,000” times .10 times the HO-6 Key Premium, plus 1.00.

8. UNIT OWNERS COVERAGE A – SPECIAL COVERAGE – Form HO-6 only

Use Endorsement HO 17 32 04 91

The Section I Perils Insured Against may be broadened for Coverage A to cover additional risks of loss. The additional premium is developed as follows:

For the \$5,000 basic policy limit: \$2
For each additional \$1,000 of Coverage A: \$1.

9. CREDIT CARD, FUNDS TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY COVERAGE INCREASED LIMITS - Forms HO-3, -4, and -6

Use Endorsement HO 04 53 04 91

When the limit of liability afforded under this policy is increased, the additional premium shall be developed as follows:

Limit of Liability	Premium
\$1,000	\$1
2,500	3
5,000	4
7,500	5
10,000	6

10. EARTHQUAKE COVERAGE - All Forms

Use Endorsement BH 04 54 04 91 for Form 1775

Use Endorsement HO 04 54 04 91 for HO-3, -4, and -6

Use Endorsement RD 04 54 07 95 for RD-3

All Section I Coverages shall apply to this peril for the same limits provided in the policy.

The base deductible for earthquake coverage is 5% of the limit of liability for each coverage and is subject to a \$250 minimum. This deductible may be increased for a premium credit.

This deductible applies separately to losses under the various Section I Property Coverages. If the limit of liability on certain property is increased by endorsement, the total limit of liability is used to determine the deductible.

Develop the premium as follows:

A. Determine if Rate Table A, B, and/or C apply as follows:

Use Table A for Coverage A limits for forms HO-3 and RD-3

Use Table B for Coverage C limits for forms HO-4 and HO-6, for optional Coverage Limits for form RD-3, and for increased Coverage C limits for forms HO-3 and 1775.

Use Table C for the Form 1775 Coverage A limit, increased coverage D limits for all forms, and for building endorsements.

B. Select the rate(s) per \$1,000 according to type of construction.

C. Apply the rate(s) to the

- (1) Coverage A limit for all forms except HO-4 and HO-6;
- (2) Coverage C limit for Forms HO-4, HO-6 and RD-3 and higher coverage C limits for HO-3 and 1775; and
- (3) amount of insurance for increased Coverage D

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Table	Frame*	Masonry*	Superior
		(1)**	(2)**
A	\$.35	\$1.24	\$1.46
B	.23	.76	.82
C	.23	1.05	1.05

* If exterior Masonry Veneer is covered, rate as Masonry. If not covered, rate as Frame. Make appropriate declaration on endorsement.

** Masonry Zone 2 includes the counties of Barnstable, Bristol, Dukes, Essex, Middlesex, Nantucket, Norfolk, Plymouth, Suffolk and Worcester. Masonry Zone 1 includes the remainder of the state.

Premium for Higher Deductibles

Develop the premium as follows:

- A. Determine the premium for the Base Deductible.
- B. Select the credit factor for the percentage deductible desired from the table below.
- C. Multiply the premium determined in Step A by the factor selected in Step B.

Deductible Percentage	Frame & Superior Factors	Masonry Factors
10%	.89	.95
15%	.78	.89
20%	.67	.84
25%	.56	.79

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11. LOSS ASSESSMENT COVERAGE - HO-3, -4, -6, and 1775

Use Endorsement BH 04 35 04 91 for Form 1775

Use Endorsement HO 04 35 04 91 for HO-3, -4, and -6

A. Residence Premises

This endorsement automatically provides, at no additional charge, \$1,000 of loss assessment coverage, excluding earthquake, for assessments relating to the residence premises. This limit may be increased for an additional premium, developed as follows:

Coverage Limit	All Forms Except HO-3 & HO-6 with HO 17 32 04 91	HO-3 & HO-6 with HO 17 32 04 91
\$5,000	\$3	\$4
\$10,000	5	7
Each add'l \$5,000 (up to \$50,000)	1	2

B. Additional Locations

The policy may be endorsed to provide loss assessment coverage pertaining to additional locations. The premiums listed below apply to each location covered:

Coverage Limit	All Forms Except HO-3 & HO-6 with HO 17 32 04 91	HO-3 & HO-6 with HO 17 32 04 91
\$1,000	\$5	\$6
\$5,000	8	10
\$10,000	10	13
Each add 1 \$5,000 (up to \$50,000)	1	2

No more than two locations can be written in addition to residence premises.

C. Earthquake

Use Endorsement BH 04 36 04 91 for Form 1775

Use Endorsement HO 04 36 04 91 for HO-3, -4, and -6

When the policy is extended to cover loss assessment resulting from loss by Earthquake, the limit of liability shall be based on the insured's proportionate interest in the total value of all collectively owned buildings and structures of the corporation or association of property owners. The premium for frame dwellings is developed by multiplying the factor .6 times the loss assessment limit in thousands. The premium for masonry dwellings can be computed by multiplying the factor 1.35 times the loss assessment in thousands.

12. LOSS OF USE – INCREASED LIMITS – All Forms

A. HO-3, 1775, and RD-3: The premium shall be \$4 per \$1,000 of additional insurance.

B. HO-4 or HO-6: the premium per \$1,000 of additional insurance shall be developed as follows:

HO-4:	HO-4 Key Factor for "each add 1 \$10,000" times .10 times the HO-4 Key Premium
HO-6:	HO-6 Key Factor for "each add 1 \$10,000" times .10 times the HO-6 Key Premium.

13. PERMITTED INCIDENTAL OCCUPANCIES – RESIDENCE PREMISES – HO-3, -4, -6, and 1775

Use Endorsement BH 04 42 04 91 for Form 1775

Use Endorsement HO 04 42 04 91 for HO-3, -4, and -6

The policy may be endorsed to provide Section I and II coverages on a permitted incidental occupancy in the dwelling or in another structure,

Coverage B does not apply to that structure. See item B, below, for charges for insurance on the specific structure.

The premium shall be developed as follows:

- A. Develop the premium for the increased Coverage E and F exposures from Part II of this manual, and
- B. If the business is located in another structure, charge \$6 per \$1,000 of insurance on the specific structure.

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14. OTHER STRUCTURES – All Forms

Use Endorsement BH 04 48 04 91 for Form 1775

Use Endorsement HO 04 48 04 91 for HO-3, -4, and -6

Use Endorsement RD 04 48 07 95 for RD-3

When insurance is written on a specific structure on the residence premises for increased limits, the rate is \$4 per \$1,000 of insurance.

15. STRUCTURES RENTED TO OTHERS – RESIDENCE PREMISES – HO-3, -4, -6, and 1775

Use Endorsement BH 04 40 04 91 for Form 1775

Use Endorsement HO 04 40 04 91 for HO-3, -4 and -6

When insurance is written on a specific structure on the residence premises rented to others for dwelling purposes, the rate per \$1,000 of insurance stated below shall apply separately to each structure.

The rate is \$6 per \$1,000 of insurance on the structure plus the premium for the increased Coverage E and F exposures from Part III of this manual.

16. PERSONAL PROPERTY - All Forms

A. Increased Limits - HO-3 Only

The HO-3 limit of liability for Coverage C may be increased to a maximum of 70% of the limit for Coverage A. The additional premium per \$1,000 of insurance shall be \$2.

B. Add Coverage C – RD-3 Only

Coverage C may be added to the RD-3 at a rate of \$2 per \$1,000.

C. Increased Limits on Personal Property in Other Residences – HO-3, -4, -6, and 1775

Use Endorsement BH 04 50 04 91 for Form 1775

Use Endorsement HO 04 50 04 91 for HO-3, -4, and -6

Basic coverage for personal property at other residences is 10% of Coverage C or \$1,000 – whichever is greater. This limit may be increased for an additional premium of \$7 per \$1,000 of insurance.

D. Reduction in Limit – HO-3 Only

The limit of liability for Coverage C may be reduced to an amount not less than 40% of the limit for Coverage A at a credit of \$1 per \$1,000 of insurance.

E. Increased Special Limits of Liability – HO-3, -4, -6, and 1775

Use Endorsement BH 04 65 04 91 for Form 1775

Use Endorsement HO 04 65 04 91 for HO-3, -4, and -6

Use Endorsement HO 04 66 04 91 for HO-3 when accompanied by the HO 00 15 04 91 endorsement

(1) Money

The special limit of liability of \$200 (for Forms HO-3, -4, or -6) or \$500 (Form 1775) on money may be increased to a maximum of \$1,000. The additional premium shall be \$6 for each \$100 increase.

(2) Securities

The special limit of liability of \$1,000 (Forms HO-3, -4, or -6) on securities may be increased to a maximum of \$2,000. The additional premium shall be \$4 for each \$100 increase.

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(3) Jewelry, Watches and Furs

For forms HO-3, -4, or -6, the special limit of liability of \$1,000 for loss by theft of jewelry, watches, and furs may be increased to a maximum of \$5,000. The coverage limit for any one article is \$1,000. The additional premium shall be \$16 for each \$1,000 of insurance.

For Form 1775, the special limit of liability of \$2,000 for loss by theft, misplacing, or losing of jewelry, watches, and furs may be increased to a maximum of \$5,000. The coverage limit for any one article is \$2,000. The additional premium shall be \$16 for each \$1,000 of insurance.

(4) Firearms

For forms HO-3, -4, or -6, the special limit of liability of \$2,000 for loss by theft of firearms may be increased to a maximum of \$6,000 in increments of \$100. The additional premium shall be \$3 for each \$100 of insurance.

For Form 1775, the special limit of liability of \$2,000 for loss by theft, misplacing or losing of firearms may be increased to a maximum of \$6,000 in increments of \$100. The additional premium shall be \$3 for each \$100 of insurance.

(5) Silverware, Goldware and Pewterware

For forms HO-3, -4, or -6, the special limit of \$2,500 for loss by theft of silverware, goldware, or pewterware may be increased to a maximum of \$10,000 in increments of \$500. The additional premium shall be \$3.25 for each \$500 of insurance.

For Form 1775, the special limit of liability of \$5,000 for loss by theft, misplacing or losing of silverware, goldware, or pewterware may be increased to a maximum of \$10,000 in increments of \$500. The additional premium shall be \$3.25 for each \$500 of insurance.

(6) Electronic Apparatus in Motor Vehicle

The special limit of liability of \$1,000 (Forms HO-3, -4, or -6) or \$2,000 (Form 1775) on electronic apparatus while in or upon a motor vehicle, if the apparatus is operated by power from the electrical system of the vehicle while retaining its capability of being operated by other sources of power, can be increased to a maximum of \$5,000. The additional premium shall be \$10 for each \$500 increase.

(7) Electronic Apparatus Outside Motor Vehicle

The special limit of liability of \$1,000 (Forms HO-3, -4, or -6) or \$2,000 (Form 1775) on electronic apparatus while not in or upon a motor vehicle, if the apparatus is operated by power from the electrical system of the vehicle while retaining its capability of being operated by other sources of power, can be increased to a maximum of \$5,000. The additional premium shall be \$10 for each \$500 increase. This special limit applies only if the apparatus is away from the "residence premises" and is used at any time or in any manner for any "business" purpose.

17. SCHEDULED PERSONAL PROPERTY – HO-3, -4, -6, and 1775

Use Endorsement BH 04 61 04 91 for Form 1775

Use Endorsement HO 04 61 04 91 for HO-3, -4, and -6

Coverage may be provided on scheduled personal property subject to approval by the Company. The rates per \$100 of coverage are:

Jewelry	\$1.25
Jewelry (in Vault)	0.30
Furs	0.45
Silverware	0.25
Camera Equipment	1.15
Golf Equipment	0.65
Musical Instruments	0.35
Guns	3.00
Postage Stamps	0.45
Coin Collections	1.25
Bicycles	9.35
Fine Arts	Call Company
Breakage (Fine Arts ONLY)	.15

These limits will be based on actual cost not including sales tax. The minimum charge for a schedule is \$17.

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18. BLANKET COVERAGE ENDORSEMENT – HO-3, -4, -6, and 1775

Use Endorsement BH 04 61B 02 08 for Forms HO-3, -4, -6 and 1775

The policy may be endorsed to provide blanket coverage for a comparable class of personal property without the inconvenience of listing each item in that class. The additional premium is as follows:

	Liability Limit	Premium
Jewelry	\$1,000	\$19
(Maximum per item = \$7,500)	2,500	\$46
(Class maximum = \$75,000)	5,000	\$93
	7,500	\$139
	10,000	\$185
	15,000	\$278
	20,000	\$370
Fine Arts	\$1,000	\$3
(Maximum per item = \$7,500)	2,500	\$6
(Class maximum = \$75,000)	5,000	\$13
	7,500	\$19
	10,000	\$25
	15,000	\$38
	20,000	\$50
Silverware	\$1,000	\$6
(Maximum per item = \$1,000)	2,500	\$15
(Class maximum = \$40,000)	5,000	\$30
	7,500	\$45
	10,000	\$60
	15,000	\$90
	20,000	\$120
Furs	\$1,000	\$6
(Maximum per item = \$5,000)	2,500	\$15
(Class maximum = \$25,000)	5,000	\$30
	7,500	\$45
	10,000	\$60
	15,000	\$90
	20,000	\$120
Cameras	\$1,000	\$18
(Maximum per item = \$1,000)	2,000	\$36
(Class maximum = \$10,000)	3,000	\$54
	4,000	\$72
	5,000	\$90
Bicycles	\$1,000	\$54
(Maximum per item = \$2,000)	2,000	\$105
(Class maximum = \$10,000)	3,000	\$159
	4,000	\$210
	5,000	\$264
Musical Instruments	\$1,000	\$6
(Maximum per item = \$1,000)	2,000	\$11
(Class maximum = \$15,000)	3,000	\$17
	4,000	\$22
	5,000	\$28
Golf Equipment	\$1,000	\$12
(Maximum per item = \$2,000)	2,000	\$22
(Class maximum = \$10,000)	3,000	\$34
	4,000	\$44
	5,000	\$56

19. AGREED-AMOUNT COVERAGE – HO-3, -4, -6, and 1775

Use Endorsement BH 04 61 AV 04 91 for Form 1775

Use Endorsement HO 04 61 AV 04 91 for HO-3, -4, and -6

This policy may be endorsed to provide an agreed-amount coverage for jewelry items only. The loss settlement for total losses is on an agreed-amount basis. The additional premium per \$100 of coverage is:

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Jewelry	\$1.75
Jewelry (in Vault)	0.45

20. RENTAL TO OTHERS – THEFT COVERAGE – HO-3, -4, -6, and 1775

Use Endorsement BH 04 80 04 91 for Form 1775

Use Endorsement HO 04 80 04 91 for HO-3, -4, and -6

When the policy is extended to cover loss by theft while the residence premises, usually occupied by the insured, is rented on an occasional basis to others if it is used solely as a residence or is rented in part to a roomer or boarder, the additional premium shall be \$15.

21. COVERAGE B OFF-PREMISES (BLANKET) - HO-3 and 1775

Use Endorsement BH 04 91 04 91 for Form 1775

Use Endorsement HO 04 91 04 91 for Form Ho-3

The policy may be endorsed to provide coverage under Coverage B - Other Structures, for loss to other structures away from the residence premises when used by the insured in connection with the residence premises. The additional premium is \$15 per policy.

22. SPECIFIC STRUCTURES OFF-PREMISES - HO-3, -4, -6, and 1775

Use Endorsement BH 04 92 04 91 for Form 1775

Use Endorsement HO 04 92 04 91 for HO-3, -4, and -6

The policy may be endorsed to provide coverage for a specific structure located away from the residence premises that is owned by the insured and used in connection with the residence premises. The additional premium is \$4 per \$1,000 of additional coverage.

23. SINKHOLE COLLAPSE COVERAGE - Forms HO-3 and 1775

Use Endorsement BH 04 99 04 91 for Form 1775

Use Endorsement HO 04 99 04 91 for HO-3

The policy may be extended to provide sinkhole collapse coverage. The additional premium shall be \$0.35 per \$1,000 of Coverage A insurance.

24. UNIT OWNERS RENTAL TO OTHERS - Form HO-6 only

Use Endorsement HO 17 33 04 91

A. Form HO-6 excludes Coverage C Personal Property and Section II Liability Coverage when the residence premises is regularly rented or held for rental to others. The policy may be endorsed to provide such coverage, including theft. The additional premium shall be developed by applying a factor of .25 to the sum of:

- (1) \$15, and
- (2) the BASE PREMIUM (less credit for a higher deductible).

B. The Coverage C minimum limit of liability may be waived when the value of the insured's personal property in the rented unit is less than \$6,000.

When this occurs, first develop the HO-6 BASE PREMIUM using the Key Factors noted below. Then develop the additional premium charge as noted in (A) above.

Coverage C Limit	Key Factor
\$1,000	.37
2,000	.44
3,000	.51
4,000	.58
5,000	.65

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25. BUSINESS PROPERTY - INCREASED LIMITS - HO-3, -4, -6, and 1775

Use Endorsement BH 04 12 04 91 for Form 1775

Use Endorsement HO 04 12 04 91 for HO-3, -4, and -6

The \$2,500 limit (on HO-3, -4, and -6) and \$5,000 limit (on 1775) of liability for business property on the residence premises may be increased to \$10,000. The premium for each \$2,500 of increase is \$25.

The limit of liability in excess of \$2,500 does not apply to business property in storage or held as a sample or for sale or delivery after sale or business property pertaining to a business actually conducted on the residence premises.

When the on-premises limit is increased, the off-premises limit of \$250 is automatically increased, at no additional premium, to an amount equal to 10% of the total on-premises limit of liability.

26. MASSACHUSETTS TENANT RELOCATION EXPENSE - HO-3,1775, and RD-3

Use Endorsement BH 23 71 04 91 for Form 1775

Use Endorsement HO 23 71 04 91 for HO-3

Use Endorsement RD 23 71 07 95 for Form RD-3

The owner of a multi-unit dwelling must provide relocation expenses for tenants in the amount of \$750 per rental unit. The charge for this coverage is \$4 per \$750 (per unit).

27. SPECIAL COMPUTER COVERAGE - Forms HO-3, -4, and -6

Use Endorsement HO 04 14 04 91

The policy may be endorsed to insure computers and related equipment against additional risks of physical loss subject to certain exclusions. The additional premium is \$15.

* This coverage is included when The Smart Choice Endorsement is attached to a Renters HO 00 04 or Unit-Owners HO 00 06 policy.

28. PERSONAL COMPUTER RECORDS COVERAGE - Forms HO-3, -4, and -6

Use Endorsement HO 04 00 04 91

The policy may be endorsed for \$2,500 in coverage to recreate personal records stored in a home computer located on your residence premises, if the loss of those records is caused by a covered peril.

There is no additional charge for this endorsement.

29. MOTOR & BOAT FLOATER - HO-3, -4, -6, and 1775

Use Endorsement BHM 15 01 for Form 1775

Use Endorsement IBM 15 01 for HO-3, -4 and -6

The policy may be endorsed to provide physical damage for **motor boats** less than or equal to 16 in length. The additional premium is as follows:

Inland Waters: \$3 per \$100 value

Ocean Waters: \$4 per \$100 value

30. REFRIGERATED PROPERTY COVERAGE - HO-3, -4, -6, and 1775

Use Endorsement BH 04 98 04 91 for Form 1775

Use Endorsement HO 04 98 04 91 for HO-3, -4, and -6

HO-3: The policy may be endorsed to provide up to \$500 of coverage for covered property stored in refrigerators or freezers on the residence premises for direct loss caused by interruption of electrical service to the unit or mechanical failure of the unit. A special deductible of \$100

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applies to property covered under the endorsement. The additional premium is \$40 per policy.

1775: The policy may be endorsed to provide an **additional** \$500 of coverage for covered property stored in refrigerators or freezers on the residence premises for direct loss caused by interruption of electrical service to the unit or mechanical failure of the unit. A special deductible of \$100 applies to property covered under this endorsement in lieu of the policy deductible. The additional premium is \$40 per policy.

31. WATER BACK UP AND SUMP OVERFLOW – HO-3, -4, -6, and 1775

Use Endorsement HO 04 95 11 92 for HO-3, -4, and -6

Use Endorsement HO 04 95 02 08 for Form 1775

This endorsement provides coverage for loss to property as a result of water which backs up through sewers or drains, or overflows from a sump, even if the overflow is the result of mechanical breakdown of the sump. A single \$5,000 limit of liability is available, subject to a special deductible of \$250. The additional premium is as follows:

HO-3, -4, -6:

Without HO 04 90 (Replacement Cost Contents)	\$ 125
With HO 04 90 (Replacement Cost Contents)	\$150
1775:	\$ 90

32. DOMESTIC PARTNER - HO-3, -6, and 1775

Use Endorsement HO 04 06 01 for HO-3, and -6

Use Endorsement BH 04 06 01 for Form 1775

The policy may be endorsed to extend coverage parts C, E, and F to a non-related domestic partner living in the insured's household. There is no additional charge for this coverage.

33. RESERVED FOR FUTURE USE

34. RESERVED FOR FUTURE USE

35. RESERVED FOR FUTURE USE

36. THEFT COVERAGE – DWELLING UNDER CONSTRUCTION – HO-3 and 1775

Use Endorsement HO 03 02 01 for form HO-3

Use Endorsement BH 03 02 01 for form 1775

The policy may be endorsed to cover theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied. Coverage applies from the inception of the policy for a period of 180 days, or until occupied, whichever comes first. The policy must be for new single-family residences, written in the name of the owner/occupant, and written at 100% of the expected, completed replacement cost. A special \$250 deductible applies to this coverage.

The additional premium is \$100 for the HO3 form and \$150 for the 1775 form. The premium shall be fully earned.

Standard Deductible	Mitigation Credit with a 1% Named Storm Deductible	Mitigation Credit with a 2% Named Storm Deductible	Mitigation Credit with a 5% Named Storm Deductible
250	1.04	1.02	0.99
500	0.86	0.84	0.81
750	0.81	0.79	0.77
1000	0.74	0.72	0.70
2000	0.72	0.70	0.68
2500	0.65	0.63	0.61
5000	0.60	0.59	0.57

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37. RESERVED FOR FUTURE USE

38. RESERVED FOR FUTURE USE

39. RESERVED FOR FUTURE USE

40. LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE – ALL FORMS

Use Endorsement BH 04 33 04 03 for Form 1775

Use Endorsement HO 04 32 05 02 for form HO-3

Use Endorsement HO 04 33 05 02 for Form HO-6 with HO 17 31 or HO 17 32

Use Endorsement HO 04 31 04 02 for Form HO-4 and HO-6

Use Endorsement RD 04 32 04 03 for Form RD-3

When any of these endorsements are attached to a policy, limited amounts of insurance are automatically provided as follows:

Section I - \$10,000 to pay for loss to covered real or personal property, owned by an insured, that is damaged by fungi, wet or dry rot, or bacteria on the “residence premises” as defined in the coverage endorsements. This Coverage applies only for the policy period in which the loss or costs occur.

Section II - \$50,000 to pay for damages because of bodily injury or property damage involving the inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any fungi, wet or dry rot, or bacteria.

The \$10,000 Section I limit of liability may be increased to \$25,000 or \$50,000 for an additional premium. The additional premium is as follows:

\$25,000	\$46
\$50,000	\$78

The \$50,000 Section II limit of liability may be increased to \$100,000 for an additional premium. The additional premium is as follows:

\$100,000	\$7
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41. IDENTITY FRAUD EXPENSE COVERAGE

Use Endorsement HO 04 55 03 03 for Form HO-3

Use Endorsement BH 04 55 06 05 for Form 1775

When the optional Identity Fraud Expense Coverage 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 first discovered or learned of during the policy period. Such expenses include the costs for notarizing fraud affidavits or similar documents; certified mail sent to law enforcement, financial institutions and credit agencies; lost income resulting from time taken off work to meet with or talk to law enforcement or credit agencies; 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.

A special deductible of \$250 applies to losses incurred under this coverage.

The premium for this coverage is \$30.

* This coverage is included when The Smart Choice Endorsement is attached to a Renters HO 00 04 or Unit-Owners HO 00 06 policy.

42. Identity Theft Resolution Services Coverage

Use Endorsement BH 15 11 09 for Forms HO-3, -4, -6, and 1775

The endorsement provides assistance from the vendor ID Theft 911 in resolving identity fraud. Services include a personal advocate, credit monitoring, and fraud monitoring. There is no charge for this endorsement and it is attached to all eligible policy forms.

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43. Property Remediation for Escaped Liquid Fuel and Limited Escaped Liquid Fuel Liability Coverages

Use Endorsement BH 05 47 07 10 for Form HO-3

Use Endorsement BH 75 47 07 10 for Form 1775

Use Endorsement BH 05 49 07 10 for Form HO-6

Use Endorsement RD 05 47 07 10 for Form RD-3

When any of these endorsements are attached to a policy, limited amounts of insurance are provided as follows:

Section I – \$50,000 to pay for loss to covered real or personal property, owned by an insured, that is damaged by liquid fuel that escapes from a fuel system on the residence premises as defined in the coverage endorsements. This Coverage applies only for the policy period in which the insured first discovers or first learns of the escaped fuel, even if the escape began before that policy period.

Section II - \$200,000 per occurrence to pay for damages because of bodily injury or property damage involving fuel that escapes from a fuel system from any location insured under the policy.

The premium for this coverage is \$75.

44. 1775 Amendatory Endorsement – All Forms

Use Endorsement BH 02 for Form 1775

The 1775 Amendatory Endorsement is attached to all 1775 policies, There is no additional charge for this endorsement.

45. LIFETIME CONTINUATION ENDORSEMENT – ALL FORMS

Use Endorsement BH 09

The Lifetime Continuation Endorsement is available to insureds who are members of the AARP Group. The endorsement requires Bunker Hill to offer a renewal policy to members of this Group provided they continue to meet specified requirements.

There is no additional charge for this endorsement.

PART III - ADDITIONAL OR REDUCED PREMIUM COMPUTATION
SECTION II COVERAGES

When the limit of liability for Coverage E (Personal Liability) or Coverage F (Medical Payments to Others) is increased or coverage for additional exposures is provided, develop the additional premium as instructed below.

The same limits must apply to all exposures; Coverage E limits apply on a “per occurrence” basis, and Coverage F limits apply on a “per person” basis.

Basic limits are \$100,000 for Coverage E and \$1,000 for Coverage F. Increased limits up to \$1,000,000 for Coverage E and \$5,000 for Coverage F are available.

The liability section of this manual applies only for Forms HO-3, -4, -6 and 1775.

1. RESIDENCE PREMISES - Basic and Increased Limits

A. Coverage E – Liability

Coverage E Liability is included in BASE PREMIUM. The BASE PREMIUM is calculated using the Coverage E Liability factors in the Appendix.

B. Coverage F – Medical Payments to Others

Coverage F -Medical Payments to Others - is included in the BASE PREMIUM.

2. OTHER EXPOSURES

A. Basic Limits

The premiums displayed in this section for the following exposures are for the Basic Limit of \$100,000 Coverage E and \$1,000 Coverage F. If higher limits are written for residence premises, then the same limits must apply to any other exposure.

Refer to Section 2B for factors and charges to increase Coverages E and F limits of liability.

(1) Other Insured Location Occupied by Insured

Section II coverage may be provided on locations, other than the residence premises, where an insured resides, but which are insured for Section I coverage under another insurance program or by another company. Charge \$8 for extended liability to a 1-family dwelling and \$14 to a 2-family dwelling.

(2) Structures Rented to Others-Residence Premises

Use Endorsement BH 04 40 04 91 for Form 1775

Use Endorsement HO 04 40 04 91 for HO-3, -4, and -6

The charge is \$35 for each structure rented to others. See “Part II, Section I Coverages” for rating the property exposure.

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(3) Additional Residence Rented to Others

Use Endorsement BH 24 70 04 91 for Form 1775

Use Endorsement HO 24 70 04 91 for HO-3, -4, and -6

Limit	One Family Premium	Two Family Premium
\$100,000	\$53	\$87
200,000	61	100
300,000	65	108
400,000	69	113
500,000	71	117
1,000,000	82	135

Bunker Hill will extend liability to up to four rental units. A two family rental is considered two rental units.

(4) Business Pursuits

Use Endorsement BH 24 71 12 00 for Form 1775

Use Endorsement HO 24 71 05 94 for HO-3, -4, and -6

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

Classification	Premium per person
a. Clerical Employees	\$4
b. Sales person, Collector or Messenger; Installation, demonstration or servicing operation, etc....	
Included	\$6
Excluded	\$4
c. Teachers	
1. Laboratory, athletic, manual or physical training	\$11
2. Not otherwise classified	\$5

(5) Incidental Farming Personal Liability

Use Endorsement BH 24 72 04 91 for Form 1775

Use Endorsement HO 24 72 04 91 for HO-3, -4, and -6

Coverage may be provided for the liability of the insured when there is incidental farming on the residence premises but farming is not the business of the insured.

The premium for this coverage is \$50.

(6) Permitted Incidental Occupancies

The policy may be endorsed to cover the increased Coverage E and F exposures arising from a permitted incidental occupancy on the residence premises or in another residence occupied by the insured.

a. Residence Premises

Use Endorsement BH 04 42 04 91 for Form 1775

Use Endorsement HO 04 42 04 91 for HO-3, -4, and -6

The premium for each permitted incidental occupancy is \$19. If the business is located in another structure on the residence premises, also see "Part II, Section I Coverages" for rating the property exposure.

b. Other Residences

Use Endorsement BH 24 43 04 91 for Form 1775

Use Endorsement HO 24 43 04 91 for HO-3, -4, and -6

The premium for this coverage is \$17.

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(7) Motor Boats and Watercraft

Use Endorsement BH 24 75 12 00 for Form 1775

Use Endorsement HO 24 75 05 94 for HO-3, -4, and -6

Coverage must be written to the expiration of the policy. It is permissible, however, to stipulate for all watercraft eligible in this rule, except motor boats, the navigational period of each year. Premium shall be adjusted on a pro rated basis.

For boats not described below, coverage is not permitted under the homeowners policy.

a. Watercraft powered by outboard, inboard or inboard-outdrive motors. Accumulate total horsepower if two or more motors are regularly used together with any single watercraft owned by the insured.

Premiums and Class Codes Length of Watercraft

Horsepower	Up to 15 feet	16 to 26 feet
Up to 50*	\$36	\$56
51 to 100	61	81
101 to 150	86	106
151 to 200	N/A	131

b. Sailboats with or without auxiliary power 26 to 35 feet* \$36

*Motors of up to 25 horsepower or sailboats less than 26 feet with or without auxiliary power are covered in the policy form.

(8) Owned Snowmobile

Use Endorsement BH 24 64 12 00 for Form 1775

Use Endorsement HO 24 64 05 94 for HO-3, -4, and -6

Apply premium charge separately to each snowmobile owned by any insured. This charge is the minimum annual premium for each snowmobile for any period within a policy year.

The premium per snowmobile is \$46.

(9) Incidental Motorized Land Conveyances

Use Endorsement BH 24 13 12 00 for Form 1775

Use Endorsement HO 24 13 05 94 for HO-3, -4, and -6

The policy may be endorsed to provide insurance under Coverage E and F for certain motorized land conveyances, with a 15 m.p.h. maximum attainable speed, which are not subject to motor vehicle registration. The following may **not** be covered: motorized bicycles, golf carts, or mopeds. The endorsement sets forth conditions of coverage applying to eligible conveyances.

The premium per conveyance is \$15.

(10) Personal Injury Liability

Use Endorsement HO 24 82 04 91 for HO-3, -4, and -6

Liability coverage for personal injury to others, such as false arrest, libel or invasion of privacy, may be added to the homeowners policy.

The premium for this coverage is \$13.

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B. Increased Limits

(1) Coverage E - Liability

Apply the appropriate factor shown below to the Basic Limits premium of each exposure selected from Section 2A (except for Additional Residence Rented to Others).

Limit	Factor
\$200,000	1.17
300,000	1.33
400,000	1.43
500,000	1.49
1,000,000	1.70

(2) Coverage F - Medical Payments

The additional premium shall be the sum of all appropriate charges from the table below.

Medical Payments - Amount (in 000s)				
	\$2	\$3	\$4	\$5
Other Insured Locations Occupied by Insured	\$1	\$2	\$3	\$4
Other Structures Rented to Others-Residence Premiums	1	2	3	4
Additional Residence Rented to Others	1	2	3	4
Residence Employees	1	2	3	4
Business Pursuits: Clerical Employees, Salesperson, Installation, Etc. (included or excluded)	1	2	3	4
Teachers – Laboratory, etc.	2	4	6	7
Unclassified	1	2	3	4
Personal Liability	1	2	3	4
Permitted Incidental Occupancies: Residence Premises	5	10	15	18
Other Residence	3	6	9	11
Outboard Motors and Watercraft Outboard, Inboard or Inboard-Outdrive Motorboats:				
Up to 15 feet				
Up to 50 hp	3	6	9	11
51 to 100 hp	4	8	12	14
101 to 150 hp	6	12	18	21
16 to 26 feet				
Up to 50 hp	4	8	12	14
51 to 100 hp	6	12	18	21
101 to 150 hp	8	16	24	28
151 to 200 hp	12	24	36	42
Sailboats, with or without auxiliary power				
26 to 35 feet	3	6	9	11
Owned Snowmobile	1	2	3	4
Incidental Motorized Land Conveyance	1	2	3	4

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3. LEAD POISONING LIABILITY

A. LEAD POISONING EXCLUSION

Use Endorsement BH 24 41 12 91 for Form 1775

Use Endorsement HO 24 41 12 91 for HO-3, -4, and -6

This endorsement excludes coverage from an occurrence of lead poisoning if the person injured was under six years old at the time of the initial poisoning.

For 2 or 3 family qualifying owner-occupied dwellings:

The exclusion provides a 3% credit off of the BASE PREMIUM plus any increased Coverage E and F premium.

For qualifying rental units covered under endorsement HO or BH 24 70 04 91 or HO or BH 24 40 04 91:

The exclusion provides a 3% credit off the applicable endorsement premium.

B. COVERAGE FOR LEAD POISONING

Use Endorsement BH 24 42 12 91 for Form 1775

Use Endorsement HO 24 42 12 91 for HO-3, -4, and -6

The policy may be endorsed to provide coverage for bodily injury damages resulting from an occurrence of lead poisoning if the person injured was under six years old at the time of the initial occurrence. The additional premium is as follows:

1 Unit - \$281 3 Unit - \$641

2 Unit - \$419 4 Unit - \$713

A unit consists of that portion of a multi-family dwelling that is non-owner occupied.

These rates are for \$100,000 Coverage E limits only. Increased Coverage E factors are on page 39.

Bunker Hill Insurance

4. \$1,000,000 PERSONAL UMBRELLA LIABILITY ENDORSEMENT - Forms HO-3, -4, -6, and 1775

Use Endorsement HO-UMB1 for HO-3, -4, and -6

Use Endorsement HO-UMB1775 for Form 1775

The following rates apply to our Personal Umbrella Liability Endorsement:

Underlying OBI Limit	(250/500)
Minimum Premium	\$170
Basic Coverage	
One Residence plus One Auto	170
Each add'l Residence	10
Each add'l Automobile	40
Each inexperienced operator*	
250/500/100 Underlying OBI/PD	100
500/500/250 Underlying OBI/PD	65
Business Pursuits	10
Incidental Occupancies	10
Each Owned residential premises occupied by others (per unit charge)	15
Recreational Vehicles	
Licensed	20
Unlicensed	10
Watercraft	
Sailboats < 26 feet	20
Sailboats 26 to 35 feet	50
Powerboats up to 15 feet and 50 hp (up to 100 hp)	50 75
(up to 150 hp)	100
Powerboats > 15 feet up to 26 feet and 50 hp (up to 100 hp)	40 50
(up to 150 hp)	75
(up to 225 hp)	125
Corporate Charge (for families that incorporated for tax purposes)	15
Metro Territorial Surcharge**	1.15

*An inexperienced operator is defined as any household member licensed less than six years.

**Metro territory is defined as those cities and towns in Liability Rating Groups A, B, and C.

5. \$2,000,000 PERSONAL UMBRELLA LIABILITY ENDORSEMENT - Forms HO-3, -4, -6, and 1775

Use Endorsement HO-UMB2 for HO-3, -4, and -6

Use Endorsement HO-UMB1775-2 for Form 1775

The rate is 1.75 times the \$1,000,000 rate, subject to a minimum premium of \$170 for the 2nd million.

6. LIABILITY RATE GROUPS

All locations in Massachusetts are in Liability Rate Group D, with the exception of those cities and towns listed below:

AREA	RATE GROUP	AREA	RATE GROUP
Boston	C	Malden	C
Brockton	C	Medford	C
Brookline	C	Quincy	C
Cambridge	C	Revere	C
Chelsea	C	Somerville	C
Everett	C	Springfield	B
Haverhill	C	W. Springfield	B
Lawrence	C	Watertown	C
Lowell	A	Winthrop	C
Lynn	A	Worcester	B

Bunker Hill Insurance
Part IV - OTHER RATING PROVISIONS

1. MINIMUM PREMIUM

- A. A minimum base premium of \$400 for forms RD-3, HO-3, and 1775, or \$100 for forms HO-4 and HO-6 shall be charged for each policy.
- B. The minimum base premium does not include all chargeable endorsements. When such endorsements are issued at inception of the policy or added after inception of the policy, the charge for each applies in accordance with the minimum premium rule, if any, for the endorsement.

2. RENEWAL PLAN

Policies are available for a term of twelve months.

3. SECONDARY RESIDENCE PREMISES

Liability coverage may be provided on the primary policy for secondary residences. In this case, the following premium adjustments should be made:

- A. Reduce the policy premium of the secondary residence by \$14, and
- B. Add charge for "Other Insured Location Occupied by Insured," developed from Part III of this manual, to the policy covering the primary residence.

4. WHOLE DOLLAR PREMIUM RULE

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 shall be rounded to the next higher dollar. In the event of cancellation of the policy by the Company, the return premium shall be carried to the next higher whole dollar.

Bunker Hill Insurance
TABLE OF ENDORSEMENTS (Numerical)

Endorsement	Title and Description
BH 01 02 08	The Smart Choice Endorsement
BH 02	1775 Amendatory Endorsement
BH 03 02 01	Theft Coverage – Dwelling Under Construction
BH 04 06 01	Domestic Partner
BH 04 55 06 05	Identity Fraud Expense
BH 05 02 02 08	Additional Limits of Liability for Cov A, B, C and D – Mass. – Guaranteed Replacement Cost Dwelling Coverage
BH 05 11 01, BH 06 11 01, BH 08 07 06	Named Storm Deductibles – 1%, 2%, 5%
BH 08 11 09	Identify Theft Resolution Services
BH 09	Lifetime Continuation Endorsement
HO 00 15 04 91	Special Personal Property Coverage
HO 04 00 04 91	Personal Computer Records Coverage
HO 04 12 04 91	Business Property - Increased Limits
HO 04 14 04 91	Special Computer Coverage
HO 04 16 04 91	Protective Devices - Premises Alarm/Fire Protection
HO 04 32 05 02	Limited Fungi, Wet or Dry Rot, or Bacteria Coverage
HO 04 35 04 91	Loss Assessment Coverage
HO 04 36 04 91	Loss Assessment - Earthquake Included
HO 04 40 04 91	Structures Rented to Others - Residence Premises
HO 04 42 04 91	Permitted Incidental Occupancies - Residence Premises
HO 04 44 04 91	Three Family Dwelling – Residence Premises
HO 04 46 04 91	Inflation Guard
HO 04 48 04 91	Other Structures
HO 04 49 04 91	Building Additions and Alterations - Other Residence
HO 04 50 04 91	Personal Property - Other Residence Increased Limits
HO 04 51 04 91	Building Additions and Alterations - Increased Limits
HO 04 53 04 91	Credit Card, etc. . . . Increased Limits
HO 04 54 04 91	Earthquake Coverage
HO 04 56 04 91	Special Loss Settlement
HO 04 61 04 91	Scheduled Personal Property
HO 04 61AV 04 91	Scheduled Personal Property - Agreed Amount Coverage
HO 04 61B 02 08	Scheduled Personal Property – Blanket Coverage
HO 04 65 04 91	Coverage C Increased Special Limits of Liability
HO 04 77 06 94	Ordinance or Law Coverage – Increased Amount of Coverage
HO 04 80 04 91	Rental to Others - Theft Coverage
HO 04 90 04 91	Replacement Cost Coverage - Personal Property
HO 04 91 04 91	Coverage B Off Premises – Blanket
HO 04 92 04 91	Specific Structure Off Residence Premises
HO 04 95 11 92, HO 04 95 02 08	Water Back Up and Sump Overflow
HO 04 98 04 91	Refrigerated Property Coverage
HO 04 99 04 91	Sinkhole Collapse Coverage
HO 1 31 04 91	Unit Owners Coverage C - Special Coverage
HO 17 32 04 91	Unit Owners Coverage A - Special Coverage
HO 17 33 04 91	Unit Owners Rental to Others
HO 23 71 04 91	Massachusetts Tenant Relocation Expense
HO 24 13 05 94	Incidental Motorized Land Conveyances
HO 24 41 12 91	Lead Poisoning Exclusion – Massachusetts
HO 24 42 12 91	Coverage for Lead Poisoning – Massachusetts
HO 24 43 04 91	Permitted Incidental Occupancies - Other Residence
HO 24 64 05 94	Owned Snowmobile
HO 24 70 04 91	Additional Residence Rented to Others
HO 24 71 05 94	Business Pursuits
HO 24 72 04 91	Incidental Farming Personal Liability
HO 24 75 05 94	Watercraft Liability
HO 24 82 04 91	Personal Injury Liability
HO PR 50 04 91	Limited Replacement Cost Dwelling Coverage
HO-UMB	Personal Umbrella Liability Endorsement
IBM 15 01	Motor and Boat Floater

Bunker Hill Insurance
TABLE OF ENDORSEMENTS (Alphabetical)

Endorsement	Title and Description
BH 05 02 02 08	Additional Limits of Liability for Cov A, B, C and D – Mass.
HO 24 70 04 91	Guaranteed Replacement Cost Dwelling Coverage
HO 04 51 04 91	Additional Residence Rented to Others
HO 04 49 04 91	Building Additions and Alterations - Increased Limits
HO 04 12 04 91	Building Additions and Alterations - Other Residence
HO 24 71 05 94	Business Property - Increased Limits
HO 04 91 04 91	Business Pursuits
HO 04 65 04 91	Coverage B Off Premises – Blanket
HO 24 42 12 91	Coverage C Increased Special Limits of Liability
HO 04 53 04 91	Coverage for Lead Poisoning – Massachusetts
BH 04 06 01	Credit Card, etc. . . . Increased Limits
HO 04 54 04 91	Domestic Partner
BH 08 11 09	Earthquake Coverage
BH 04 55 06 05	Identify Theft Resolution Services
HO 24 72 04 91	Identity Fraud Expense
HO 24 13 05 94	Incidental Farming Personal Liability
HO 04 46 04 91	Incidental Motorized Land Conveyances
HO 24 41 12 91	Inflation Guard
BH 09	Lead Poisoning Exclusion – Massachusetts
HO 04 32 05 02	Lifetime Continuation Endorsement
HO PR 50 04 91	Limited Fungi, Wet or Dry Rot, or Bacteria Coverage
HO 04 36 04 91	Limited Replacement Cost Dwelling Coverage
HO 04 35 04 91	Loss Assessment - Earthquake Included
HO 23 71 04 91	Loss Assessment Coverage
IBM 15 01	Massachusetts Tenant Relocation Expense
BH 05 11 01, BH 06 11 01, BH 08 07 06	Motor and Boat Floater
HO 04 77 06 94	Named Storm Deductibles – 1%, 2%, 5%
HO 04 48 04 91	Ordinance or Law Coverage – Increased Amount of Coverage
HO 24 64 05 94	Other Structures
HO 24 43 04 91	Owned Snowmobile
HO 04 42 04 91	Permitted Incidental Occupancies - Other Residence
HO 04 00 04 91	Permitted Incidental Occupancies - Residence Premises
HO 24 82 04 91	Personal Computer Records Coverage
HO 04 50 04 91	Personal Injury Liability
HO-UMB	Personal Property - Other Residence Increased Limits
HO 04 16 04 91	Personal Umbrella Liability Endorsement
HO 04 98 04 91	Protective Devices - Premises Alarm/Fire Protection
HO 04 80 04 91	Refrigerated Property Coverage
HO 04 90 04 91	Rental to Others - Theft Coverage
HO 04 61 04 91	Replacement Cost Coverage - Personal Property
HO 04 61AV 04 91	Scheduled Personal Property
HO 04 61B 02 08	Scheduled Personal Property - Agreed Amount Coverage
HO 04 99 04 91	Scheduled Personal Property – Blanket Coverage
HO 04 14 04 91	Sinkhole Collapse Coverage
HO 04 56 04 91	Special Computer Coverage
HO 00 15 04 91	Special Loss Settlement
HO 04 92 04 91	Special Personal Property Coverage
HO 04 40 04 91	Specific Structures Off Residence Premises
BH 01 02 08	Structures Rented to Others - Residence Premises
BH 03 02 01	The Smart Choice Endorsement
HO 04 44 04 91	Theft Coverage – Dwelling Under Construction
HO 17 32 04 91	Three Family Dwelling - Residence Premises
HO 17 31 04 91	Unit Owners Coverage A - Special Coverage
HO 17 33 04 91	Unit Owners Coverage C - Special Coverage
HO 04 95 11 92, HO 04 95 02 08	Unit Owners Rental to Others
HO 24 75 05 94	Water Back Up and Sump Overflow
	Watercraft Liability