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INDEX OF POLICY FORMS & ENDORSEMENTS	
Form/Endorsement Name	Form/Endorsement Number
Texas Dwelling Policy 1	ICT TDP-1
Texas Dwelling Policy 2	ICT TDP-2
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Windstorm, Hurricane & Hail Exclusion	ICT TDP-001
Windstorm, Hurricane & Hail Exclusion	ICT TDP-001(A)
Replacement of Personal Property	ICT TDP-002
Exclusion of Residential Community Property Clause	ICT TDP-003
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Loss Payable Clause	ICT TDP-010
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Contract of Sale	ICT TDP-015
Exclusion of Cosmetic Damage to Roof Coverings Caused by Hail	ICT TDP-022
Increased Cost of Construction Building Laws	ICT TDP-026
Miscellaneous Notices	
Privacy Notice	SLIC Privacy Notice (04/04)
Important Notice	SIC TX Important Notice (01/05)
Use of Credit Disclosure	CD-1 (Ed 11/03)

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100. General Rules:

The Stonington Lloyds Insurance Company (SLIC) Dwelling Fire Program provides property coverage using the forms and endorsements specified in this manual. This manual contains the rules and classifications governing the writing of a Dwelling Fire Policy with SLIC.

The rules, rates, forms and endorsements of SLIC for each coverage shall govern in all cases specifically provided for in this manual.

101. Policy Form:

Loss Settlement:

	ICT TDP-1	ICT TDP-2	ICT TDP-3
Coverage A	ACV	ACV	RCV
Coverage B	ACV	ACV	ACV or Replacement Cost for additional premium

Covered Perils:

ICT TDP-1 Fire or Lightning, Extended Coverage, Vandalism or Malicious Mischief, Additional Extended Coverages are optional coverages that may be added to this policy for additional premium.

ICT TDP-2 Fire or Lightning, Extended Coverage, Vandalism or Malicious Mischief and Additional Extended Coverage.

ICT TDP-3 All Risk with Certain Exceptions

Mandatory Notices & Endorsements:

The following notices and endorsements are mandatory for all policies issued pursuant to this manual:

- Exclusion of Residential Community Property Clause
- Notice of Optional Coverage Provision
- Privacy Notice
- Important Notice
- Use of Credit Disclosure

102. Eligibility:

A Dwelling Fire Policy may be bound in Stonington Lloyds Insurance Company (“Stonington Lloyds”) for dwellings that meet the eligibility requirements in the Dwelling section of the Texas Personal Lines Manual, with the exception of “Mobile or trailer home”. Additionally, the dwelling should show characteristics that indicate, “Pride in ownership”. The roof, electrical, plumbing, foundation and appliances must be in good to excellent condition. The agent should inspect the foundation and exterior walls for any indication of existing foundation problems. All dwellings must be insured 100% to either actual cash value or replacement cost, depending on the policy form.

Eligible applicants shall be considered in good faith if they report all information of a material nature and do not willfully or knowingly make incorrect or misleading statements in the application and have not, at any time previously, failed to pay earned premiums or other valid charges owed to SLIC.

Inquiries will be made on applicants as to their individual claim and credit history utilizing third party information.

103. General Information – Coverage Limits and Program Description:

The information provided in this rule is general in nature. Additional and/or more specific information may be found in the rules following.

The following limits are available:

Tier	Maximum Dwelling Value	*Maximum T.I.V.	Minimum Dwelling Value
Select	\$750,000	\$1,500,000	\$80,000
Elite**	\$750,000	\$1,500,000	\$80,000
Preferred**	\$500,000	\$1,000,000	\$0

- ***Maximum TIV (Total Insured Value) is \$1,500,000** for the total of all Dwelling + Contents values on any concentrated area such as a block or two contiguous blocks.
- **** Maximum dwelling limits for PPC 9 is \$500,000.**
- An agent does not have binding authority for dwellings over 50 years old. Contact the Stonington Lloyds underwriter for prior approval and pricing.

104. Producer Appointments:

1. A producer appointed to SLIC shall be a general lines property and casualty agent licensed in the State of Texas.
2. An agency contract shall be executed between the producer and SLIC prior to the binding of coverage. All actions taken by the agent on behalf of SLIC shall be in accordance with the agency appointment contract and all applicable statutes and regulations of the state of Texas.
3. The agency shall have errors & omissions coverage in an amount of at least equal to \$500,000 per occurrence, with a minimum annual aggregate of \$1,000,000 and such coverage shall be written by an insurer licensed to do business in Texas with a minimum rating of B++.

105. Applications for Insurance:

1. All business must be submitted electronically via the internet dwelling fire application.
2. The internet dwelling fire application is to be printed out and the paper application, including all supporting documents, must be signed and dated by the insured and the agent and kept in the agent's files and is subject to audit review by the company. Payment for the gross premium due along with any required documents must be mailed to the company, attached to the transmittal form, within five (5) business days from the effective date of coverage or from the date the application was signed by the insured and agent and the premium received by the agent, whichever comes first.
3. The agent will submit payment payable to SLIC for the full gross amount of premium due with the submission but at no time shall this amount be less than the amount paid to the agent by the insured or mortgagee.
4. It is important that the policy number be clearly written on the check to ensure it can be properly identified and a payment for the gross premium can be applied.
5. Failure to make SLIC required minimum premium deposit could result in producer suspension.
6. No funds should be collected for properties that are ineligible for binding.
7. Producers who have submitted dishonored checks or other funds on two or more occasions during a one (1) year period shall submit future payments by certified check, bank check or money order.
8. If an insured or applicant pays by check or money order, the producer shall advise the applicant to make the check or money order payable to SLIC, not the producer or agency. Policyholders' monies are not recoverable from SLIC, nor can a producer request cancellation of a policy as a result of a returned item.
9. The five (5) business day submission requirement also applies to all endorsement requests.

10. An internet dwelling fire application and supplemental application containing the applicant/insured's signature must be retained by the producer at his/her place of business for a period of five (5) years from the policy termination date.
11. A copy of the completed and signed application and supplemental application shall be given to the applicant/insured.

106. Supporting Documentation:

Failure to provide documentation for premium credits will result in the removal of the credit and an invoice to the insured.

The following is a listing of additional required documentation:

1. For homes older than thirty-five (35) years, a four (4) point inspection documenting updates for electrical, heating/cooling, roof, and plumbing to current state and local building code standards;
2. Applicants who have sustained any losses in the preceding thirty-sixty (36) months should submit full details of the loss(es) and an explanation of how the cause(s) of loss was corrected.

107. Policy Period, Minimum Premium, Waiver of Premium, and Rounding:

1. All policies must be written for a period of one year, based upon premiums, forms and endorsements applicable on the effective date of the policy term.
2. The policy maybe extended for successive policy periods by renewal based upon premium, forms and endorsement in effect at renewal effective date.
3. The minimum written premium applicable to dwelling fire policies is \$280. This premium does not include any applicable policy or inspection fees.
4. The minimum annual premium shall include all chargeable endorsements or coverages, if written at inception of the policy.
5. Additional or return premiums of \$5 or less shall be waived with an option by the company to grant any return premium due if requested by the insured.
6. The premium for each coverage shown in the policy shall be rounded to the nearest whole dollar, with \$0.50 or more rounded to the next higher whole dollar. In no event will premiums for any coverage be less than one dollar (\$1). Interim rounding follows rules prescribed in the ICT Texas Personal Lines Manual.
7. For all policy cancellations, round the total policy return premium to the next higher dollar.

108. Premium Payment:

SLIC accepts only the following methods of payment:

1. Full Payment: full payment of gross annual premium plus all policy fees due at the inception of the policy. If payment is to be collected at closing, the agent is responsible for remitting the correct premium in a timely manner.
2. 2 Pay Plan: 50% of the total premium due at the inception of the policy plus the \$50.00 policy fee with the remaining 50% of the total premium due 60 days after the inception of the policy.
3. 4 Pay Plan: 25% of the total premium due at the inception of the policy plus the \$50 policy fee with the remaining 75% of the total premium due in three equal installments at 60,120 and 180 day intervals.

Each installment, except under the full payment option, is subject to a \$3.00 service charge.

Premium must be electronically submitted or mailed to the company within five (5) business days of binding for the policy to remain in force. Premiums collectible at mortgage closing or billable to a mortgage company must be submitted within 20 days of binding.

Note: Outside premium finance will not be accepted.

109. Commission:

The rate of commission payable to producers for all coverages shall be at the rate shown on the producer's agreement. A producer shall not apply a service charge or any other agency fee to an applicant for the completion of an application. Commissions as outlined above shall be a producer's only remuneration. In the event any policy premiums are "charged off", commission shall only be paid on collected earned premiums.

110. Manual Premium Revision:

A manual premium revision shall be made in accordance with the following provisions:

1. The effective date of such revision shall be as announced.
2. The revision shall apply to any policy or endorsement in the manner outlined in the announcement of the revision.
3. Unless otherwise provided at the time of the announcement of the premium revision, the revision shall not affect in-force policy forms, endorsements, or premiums until the policy is renewed.

111. Transfer or Assignment:

Transfers or assignments are not available. New applications are required.

112. Fees:**1. Policy Fee**

A non-commissionable and pro-rata earned policy fee of **\$50.00** will be charged on all new and renewal policies.

2. Inspection fee

SLIC will be inspecting a large majority of all insured properties. SLIC reserves the right to inspect any risk submitted for coverage.

A fully earned property inspection fee of **\$25.00** will be charged to all homes 10 years and older, and any home with Coverage A (Dwelling) limit of \$500,000 and greater.

Eligible homes with composition shingle roofs 15 years of age and older should be submitted unbound with the **\$25.00** inspection fee made payable to UIM of Texas. Pre-binding inspections will be completed for underwriting review. All inspection fees are full earned and non-refundable.

200. Underwriting Guidelines:

Stonington Lloyds Insurance Company has created a program that is designed to provide coverage for property which displays pride in ownership and has maintained a superior level of maintenance. The risk must meet all underwriting guidelines outlined below. If there is a question regarding any of the qualifications, please contact an underwriter for assistance. Additional underwriting guidelines apply to specific endorsements or optional coverages as shown.

201. Binding:

1. An agent may **NOT** bind coverage on any risk ineligible for coverage. The producer shall review each application carefully to determine if coverage is eligible to be bound. The binding authority specified herein may not be exceeded under any circumstances.
2. Binding procedures:
 - a. The binder shall specifically show the hour, day, month and year of the effective date. The binder shall never have any effective time and date prior to:
 - i. The completion of the proper application including the applicant and licensed agent signatures and the receipt of the deposit premium prescribed by the Company.
 - ii. The insured's request to add or reduce any coverage of an existing policy.
 - iii. All endorsement requests must be mailed within five (5) business days of binding to be honored by the Company or the effective date will be processed as of the date received.
 - b. A producer may bind coverage for a period not to exceed twenty-one (21) days, subject to eligibility requirements and binding limits shown in this manual.
 - c. Binding is subject to acceptance of the risk based on the SLIC Exposure Management Plan.
3. Replacement Cost coverage on Dwelling may not be bound with coverage less than 100% Replacement Cost without prior approval from SLIC.

202. Tier and Eligibility Overview*:

(*Tier and Eligibility are subject to underwriting discretion)

		A=Acceptable U=Unacceptable		
Category	Criteria	Select	Elite	Preferred
Age of Dwelling	15 Years or Less	A	A	A
	16 to 35 Years	U	A	A
	Over 35 Years	U	U	A
Loss History (applies to New Business only)	Maximum Number of Losses in past three years on Property to be Covered and Owned by Applicant (Weather related claims are disregarded for tier selection only.)	0	0	1
Protection Class		1 to 8	1 to 9**	1 to 9**
Heating	Non-Thermostatically Controlled Heating System	U	U	A
# of Mortgages	Maximum Number of Mortgages	2	2	3
Structure Type	Single Family, including Townhouses	A	A	A
	Duplexes	U	A	A
	Other Than Single Family/Duplexes	U	U	U
	Modular Homes on a Permanent Foundation	U	U	A

** Maximum dwelling limits for PPC 9 is \$500,000.

203. Special Hurricane/Tropical Storm Rule:

In Tier and Tier 2 counties, no application for new, or endorsement for increased coverage or reduction in any deductible amount may be bound, written, or issued, or monies received, regardless of effective date, when a Tropical Storm or Hurricane Watch or Warning has been issued by the national Weather Service for any part of the state of Texas and for forty-eight (48) hours after the Watch or Warning has been lifted.

204. Constructions Definitions:

1. Frame – outer walls of frame, sheet aluminum, or aluminum siding on wood, composition siding, and asphalt covering fiberboard. Also includes stucco over frame.
2. Brick Veneer – outer walls of brick-veneer or stone-veneer. Also includes “hardy-board” or “hardy-plank”.
3. Brick – outer walls of solid masonry, brick, stone, concrete, HTB, HT, hollow masonry units, ICM and ICMS, fire-resistive and semi-fire resistive.

For risks with mixed construction, the predominant construction shall be the construction comprising over 50% of the total exterior wall area (excluding gables).

For risks with more than two construction types, the predominant construction shall be the construction comprising the majority of the total exterior wall area (excluding gables).

205. Single Building Definition:

1. All buildings or sections of buildings which are accessible through unprotected openings shall be considered as a single building.
2. Buildings which are separated by space shall be considered separate buildings.
3. Buildings or sections of buildings which are separated by a six (6) inch reinforced concrete or an eight (8) inch masonry party wall, or a documented minimum two (2) hour non-combustible wall which has been laboratory tested for independent structural integrity under fire conditions; which pierces or rises to the underside of the roof and which pierces or extends to the inner-side of the exterior wall shall be considered separate buildings.

Accessibility between buildings with independent walls or through masonry party walls described above shall be protected by at least a Class A fire door installed in a masonry wall section.

206. Protection Classification Codes and Information:

Protection Class determinations are defined by ISO Public Protection Classification System and apply to all risks insured under the SLIC homeowners program.

1. The protection class indicated applies in a municipality or classified area where a single class of fire protection is available throughout.
2. In a classified area where two or more classifications are shown (6/9), the classification is determined as follows:
 - a. Dwelling within 1000 feet of a fire hydrant AND 5 road miles or less from the primary responding fire department, use the first PC listed (6);
 - b. Dwelling more than 1,000 feet from a fire hydrant AND 5 road miles or less from the primary responding fire department, use the second PC listed (9) – submit only.
 - c. Dwelling more than 5 road miles from the primary responding fire department, use PC 10 – *RISK INELIGIBLE*.

207. Special Underwriting Requirements:

1. Eligible Coverage A limits based on Actual Cash Value.
2. The perils of Windstorm and Hail must be excluded in areas where coverage is available from the Texas Windstorm Insurance Association unless prior underwriting approval is received. Risks that exclude wind coverage must purchase a TWIA policy with matching limits.
3. Dwellings with composition shingles 10 to 15 years old must be written with Actual Cash value Loss Settlement provisions on the roof. Other roof types and ages are eligible for this coverage, based upon inspection of the condition of the roof covering.

208. Ineligible Risks:

The following risks are ineligible for coverage with SLIC – DO NOT BIND

1. Insured

- a. Applicants and/or any resident family member who have ever been cancelled or non-renewed for material misrepresentation, insurance fraud, other underwriting reasons, or been convicted of arson.
- b. Named insured other than an individual(s). The named insured may not be a corporation, including limited liability corporations (LLC), partnership, estate, trust or association. (NOTE: an exception may be made, upon underwriting review of the trust documents, for a property titled to a living trust. Where a living trust holds title to the insured dwelling, a dwelling fire policy may be issued to the individual trust grantor or beneficiaries of the living trust, provided they reside in the dwelling as their primary residence. The living trust must be included as an additional named insured.)
- c. Risks having more than three (3) mortgages.
- d. Property owned by the applicant that has a lapse in coverage greater than 30 days.

2. Occupancy

- a. Commercial Property
- b. Properties where a business is conducted, except incidental offices
- c. Residential risks used primarily for non-habitational purposes or dwellings that were originally designed or constructed for other than habitational purposes.
- d. Dwellings occupied by more than one family, other than duplexes.
- e. Fraternity, sorority, or any similar housing arrangement
- f. Roomers or boarders for remuneration
- g. Dwellings which are periodically vacant or unoccupied for extended periods, excluding dwellings which have been surcharged for vacancy and approved by underwriting.

3. Types of Dwellings

- a. Units with more than one (1) family, other than duplexes.
- b. Mobile Homes, manufactured homes, trailer homes, travel trailers, house trailers or prefabricated homes.
- c. Dwellings in the course of construction
- d. Dwellings of unconventional design or construction including log homes, metal homes, earth homes and dome homes.
- e. Dwellings or structures that are homemade or rebuilt, or any dwelling constructed with extensive remodeling unless work was done by a licensed contractor.
- f. Properties on stilts, pilings, or with open foundations
- g. Dwellings with asbestos siding or roofing materials
- h. Dwellings that are isolated or inaccessible.

4. **Insurance to Value**
 - a. Replacement cost exceeds 1.5 times the current market value, excluding the value of the land.
 - b. Coverage A is less than the full and current Replacement Cost or Actual Cash Value.
 - c. Contents values that exceed 80% of dwelling value.

5. **Condition**
 - a. Properties have been condemned due to condition.
 - b. Properties located in condemned areas or areas scheduled to be condemned due to urban renewal or highway construction.
 - c. Properties in such a state of disrepair or reflecting a lack of maintenance and pride in ownership
 - d. Properties with existing damage with no definitive proof of intent to repair.
 - e. Risks having slab or foundation damage.
 - f. Risks having evidence of settling (cracks) in structure.

6. **Major Mechanical Systems**
 - a. Dwellings over 35 years of age are ineligible without proof of update to electrical, heating, air conditioning, plumbing systems and roof. Underwriting review/approval of update documentation required prior to binding.
 - b. Dwellings that have a portable heater, wood-burning stoves or open flame as the primary source of heat, except for permanent and factor or professionally installed central gas fireplaces.
 - c. Dwellings with any "knob and tube" or aluminum branch wiring in use or potentially hazardous electrical condition.
 - d. Properties equipped with electrical service less than 100 amps.
 - e. Dwellings with steel, galvanized or polybutylene plumbing.

7. **Roof**
 - a. Dwellings with unapproved roof type including flat roofs (less than 1/12 pitch), sod roofs, wood shake or shingle roofs, rolled tar paper, clay tiles, asbestos shingles and wood overlaid with composition shingles.
 - b. Dwellings with more than 2 layers of composition shingles.
 - c. Roofs with less than five (5) years of useful life remaining, regardless of age.
 - d. Dwellings with composition shingles roofs more than 15 years old without prior approval – refer to rule 112.

8. **Location**
 - a. Properties located in Protection Class 9 without UW approval or 10.
 - b. Properties located on a farm, ranch, orchard or grove; or where farming activities or ranching operations take place.
 - c. Any insured location with a structure constructed partially or entirely over water. Piers and docks are acceptable.
 - d. Properties built on landfills previously used for refuse.
 - e. Risks located on more than five (5) acres.
 - f. Properties that are unable to be inspected either because the inspector is unable to locate or access the property or the homeowner refuses the inspection.
 - g. Risks with buried oil tanks on the premises.
 - h. Risks located within 1000 feet of tidal water.
 - i. Risks with any prior or current sinkhole activity on the premises whether or not it resulted in loss to the dwelling.

9. Loss History*

- a. Risks having any fire damage claims in the last five (5) years (excluding acts of God such as lightning or wild fire).
- b. Risks that have open, pending or unresolved claims.
- c. Risks with any prior on-premises theft or vandalism claims that have not installed a central station alarm system.
- d. Risks with an excessive frequency of prior losses.
- e. Risks with any prior mold damage claims that have not been remediated.
- f. Risks with any prior slab damage or evidence of settling (cracks) in the structure.

***Notes concerning prior losses:**

- 1) Generally all paid claims filed by an applicant and/or spouse and all paid claims for the insured properties are used in determining loss history. While a single prior water loss will not be the sole reason for rejecting an application for insurance, prior claims for water damage either by the applicant or on the dwelling for which insurance is being sought are considered along with all other eligibility requirements.
- 2) A water damage claim is defined as a request for indemnification for a loss arising from the discharge or leakage of water or steam as a direct result of the failure of a plumbing system or other system that contains water or steam. A single water damage claim is acceptable and can be bound if there are no other non-weather-related claims and the paid loss is less than \$2,500. If the paid loss exceeds \$2,500, the agent must submit a completed WDR-1. Multiple paid water damage claims within 5 years of the policy effective date on the subject property are acceptable if no paid loss exceeds \$2,500 and only one of the claims is within 3 years of the policy effective date. Multiple water damage claims within 3 years of the policy effective date are unacceptable.
- 3) An appliance-related claim is defined as a request for indemnification for a loss arising from the discharge or leakage of water or steam from an appliance as a direct result of the failure of the appliance. The list of appliances includes air conditioning units, heating units, refrigerators, dishwashers, icemakers, clothes washers, water heaters and disposals. An appliance related claim does not include an external attachment to the appliance such as hoses, tubes, valves and other types of connections that are not part of the appliance. Hoses, tubes, etc. are water damage claims. Appliance-related claims on the subject property are acceptable and can be bound if the loss has been repaired and a Certificate of Appliance-Related Water Damage Remediation (WDR-1) is issued by a qualified inspector. The certification and inspection is at the consumer's cost. If the consumer will not have the property inspected and certified, the agent must do an inspection of the property and the Water Damage Guidelines above apply.
- 4) The following individuals who hold one or more of the following licenses are eligible inspectors that can certify proper remediation of an appliance-related claim:
 - a. Inspectors licensed/certified through the Voluntary Inspection Program pursuant to Article 5.33B of the Insurance Code. The TDI website has a list of these inspectors.
 - b. Persons licensed to perform real estate inspections under the Real Estate Licensing Act.
 - c. Persons licensed as an assessor or remediator by the Texas Board of Health under Chapter 1958 of the Occupations Code.
 - d. Texas Professional Engineers. TDI has promulgated a certificate titled Certificate of Appliance-Related Water Damage Remediation (WDR-1). It must be completed and issued by the inspector within 10 days of the completion of the inspection. More than two paid appliance-related water damage claims within 3 years of the policy effective date on the subject property are unacceptable.
- 5) Prior mold damage or a prior mold damage claim filed either by the applicant or on the dwelling to be insured shall not be used as a basis for determining whether to issue a dwelling fire insurance policy if the applicant has had mold remediation performed, had the remediation inspected and provides a properly completed Certificate of Mold Damage Remediation form to the company. This procedure applies when the report or information provided by the applicant indicates the subject property had previous mold damage or a paid claim involving mold damage. Prior to binding coverage underwriting must receive validation or verification that the property was properly remediated and inspected by a

licensed mold assessor or adjuster. A Certificate of Mold Damage Remediation (MDR-1) must be attached to the application for each mold claim.

10. Credit History

- a. *Insured or spouse with any public records of bankruptcy, foreclosure, liens or failure to pay child support.
- b. *Any insured or spouse of any named insured having a credit score of less than 626 in combination with any other adverse underwriting factor.
- c. Extenuating circumstances leading to any adverse public records or insurance score will be reviewed upon receipt of explanation and documentation.

**note concerning credit history: Insurance credit score will not be used as a sole means to decline an applicant.*

209. Replacement Cost (RC) Requirements:

- Minimum Coverage A limit: 100% of RC
- Maximum Coverage A limit: 120% of RC

210. Actual Cash Value (less land) to Replacement Cost (RC) Ratio Requirements:

- Minimum Market limit: 80% of 100% of RC
- Maximum Market limit: 120% of 100% of RC

211. Flood Insurance:

Insureds with properties in Special Flood Hazard Areas, as defined by the National Flood Insurance Program (NFIP), should also maintain in effect a separate flood insurance policy with coverage limits for building and contents at least equal to those provided under the Stonington Lloyds policy, subject to the maximum limits available under the standard NFIP policy.

212. Automatic Increase in Limits:

1. The Coverage A dwelling limit may be adjusted at each renewal for inflation. For example, if the ISO HomeValue Index increases by 3%, the Coverage A amount on a dwelling insured for \$100,000 will be automatically increased to \$103,000 at renewal.
2. If an adjustment is made to the Coverage A dwelling limit, it will be indicated on the renewal declarations page by the following statement: "Property coverage limit increased due to inflation measured by ISO HomeValue"

300. Base Class Premiums and Territories:

301. Territories and Tier Factors:

Territory	Territory Description	Select	Elite	Preferred
001	Harris County	1.65	1.82	2.23
002	Dallas County	1.65	1.82	2.23
003	Tarrant County	1.55	1.71	2.09
004	Rockwall County	1.50	1.65	2.03
004A	Collin County	1.50	1.65	2.03
004B	Denton County	1.50	1.65	2.03
005	Bexar County	1.50	1.65	2.03
006	Travis County	1.60	1.76	2.16
007	El Paso County	1.40	1.54	1.89
008X	Galveston County, excluding wind	1.50	1.65	2.03
009	Nueces County (TDP-1 only)	2.20	2.42	2.97
009X	Nueces County, excluding wind (TDP-1 only)	1.50	1.65	2.03
010	Seacoast Counties	2.20	2.42	2.97
010X	Seacoast Counties, excluding wind	1.50	1.65	2.03
011	Seacoast Counties (Second Tier)	1.50	1.65	2.03
011A	Fort Bend County	1.90	2.09	2.57
011B	Orange County	1.57	1.73	2.12
012	South Texas Counties	1.20	1.32	1.62
013	South Central Texas Counties	1.30	1.43	1.76
13B	Brazos County	1.30	1.43	1.76
13W	Williamson County	1.30	1.43	1.76
14E	Ellis County	1.50	1.65	2.03
14G	Gregg County	1.50	1.65	2.03
14N	All Other Northern East Texas Counties	1.50	1.65	2.03
14T	Smith County	1.50	1.65	2.03
14S	East Texas Southern Counties	1.35	1.49	1.82
15C	Far West Texas Counties	1.35	1.49	1.82
15N	Area surrounding Midland / Ector Counties	1.40	1.54	1.89
15E	Ector County	1.40	1.54	1.89
15M	Midland County	1.40	1.54	1.89
16C	Eastland / Hamilton Area	1.35	1.49	1.82
16J	Johnson County	1.35	1.49	1.82
16N	Area South of Taylor County	1.45	1.60	1.96
16T	Taylor County	1.45	1.60	1.96
16S	McLennan County	1.35	1.49	1.82
017	North East Texas Counties	1.50	1.65	2.03
17K	Kaufman County	1.50	1.65	2.03
018	Lubbock and Hale Counties	1.45	1.60	1.96
18A	All other Counties in Territory 18	1.20	1.32	1.62
19C	Wise County Area	1.25	1.38	1.69
19P	Parker County	1.25	1.38	1.69
19N	Clay / Throckmorton County Area	1.30	1.43	1.76
19W	Wichita County	1.30	1.43	1.76
020	Potter, Randle Counties	1.25	1.38	1.69
20A	All other Counties in Territory 20	1.15	1.27	1.55

302. Mold – Additional Coverage Endorsements:

New Business

All new applications require a completed “Notice of Optional Coverage Provisions” form to be signed before the binding of coverage. This form must have the premium blanks filled in for all four (4) options on the form (see chart below). Option 1, 2, 3, or 4 must be marked with an “X” and the bottom section must be completed and signed by the insured.

If the insured elections Option 1, no further action is required. If the insured elects Option 2, 3, or 4, the producer cannot bind coverage until the insured has met our underwriting requirements. A selection of additional mold coverage requires the property owner to provide, at his or her expense, a report signed by a qualified air quality testing firm that the property is mold free. The testing company must also report no visible signs of existing mold. The report must be prepared by a qualified air quality testing company acceptable to Stonington Lloyds Insurance Company and submitted with the application and coverage cannot be bound prior to the date of the report.

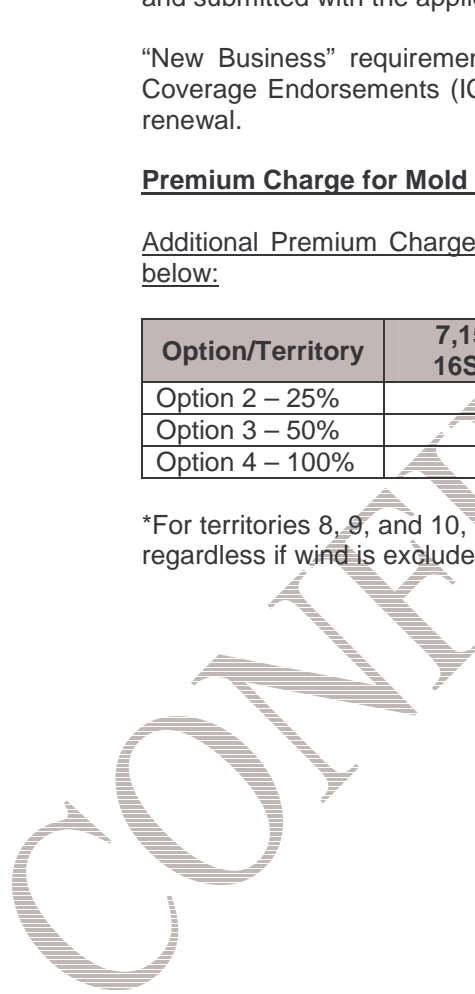
“New Business” requirements must be met in order to bind coverage to add the Additional Coverage Endorsements (ICT TDP-004 or ICT TDP-005) either during the policy term or at the renewal.

Premium Charge for Mold Additional Coverage Endorsement – Options 2, 3, and 4

Additional Premium Charge – Multiply the total policy premium by the percentage in the table below:

Option/Territory	7,15C,16N, 16S,17,19N	4,15N, 16C, 18, 19C, 20	2,3,5,8*, 12, 13, 14	1,6,9*, 10*, 11
Option 2 – 25%	16%	28%	41%	62%
Option 3 – 50%	25%	36%	50%	73%
Option 4 – 100%	44%	58%	74%	100%

*For territories 8, 9, and 10, the above percentages should be multiplied by the full wind premium, regardless if wind is excluded on the policy.



400. Underwriting Credits & Surcharges:

401. Deductible Options:

- Select Tier:** Minimum deductible is 1% or \$250, whichever is greater
- Elite Tier:** Minimum deductible is 1% or \$250, whichever is greater
- Preferred Tier:** Minimum deductible is 1%

No deductible requirements other than those specified in this section.

Optional deductibles and adjustment factors may be found in the "Deductible Adjustment Percentage Schedule" and "Optional Large Deductible Adjustment Percentage Schedule" from the Dwelling Section of the Texas Personal Lines Manual

402. Loss Free Credits:

The following loss free credits apply to all SLIC Renewal Business, including rollover:

Description	Credit
Must be Loss Free with Stonington Lloyds for 2 years with no reported claims	-5%
Must be Loss Free with Stonington Lloyds for 3 years with no reported claims	-8%
Must be Loss Free with Stonington Lloyds for 4 or more years with no reported claims	-10%

403. Hail Resistant Roof Credit:

U.L. 2218 qualifying roofs as per the Texas Personal Lines Manual are eligible for a Hail Resistant Roof Credit. Endorsement **ICT TDP-022, Exclusion of Cosmetic Damage to roof Coverings Caused by Hail**, is required to be signed by the insured and attached to the policy before credits will be applied.

TX Geographic Area	Credit
TWIA Territories	-4%
Remainder of State	-10%

404. Sprinkler System Credit

- a. A premium reduction of 12% for residential insurance is applicable in accordance with Section 4., Article 5.33B of the Texas Insurance Code.
- b. These reductions are to apply to the total actual fire and lightning premium. Existing policies may be endorsed to reflect these reductions in according with the rules of the Texas Personal Lines Manual.
- c. The above premium reductions apply only to those dwelling policies for which a valid Residential Fire Protection Sprinkler System Certificate has been issued for the risk.

NOTE: For auditing purposes, the declarations page must indicate that "Residential Fire Sprinkler System Certificate Applicable".

500. Additional & Optional Coverages:

Coverages listed in this section may be added to the basic policy for an additional charge. Please review the descriptions of each additional optional coverage for specific rules and eligibility.

501. Windstorm, Hurricane & Hail Exclusion:

(Endorsement ICT TDP-001 applies to forms ICT TDP-1 & ICT TDP-2 or ICT TDP-001(A) applies to form ICT TDP-3)

This endorsement is available if there is a concurrent TWIA policy. This endorsement must be signed by the Insured and submitted to Stonington Lloyds.

When endorsement ICT TDP-001 is attached, the extended coverage premium including the territorial multiplier shall be reduced by 91%.

When endorsement ICT TDP-001A is attached, the premium reduction is calculated as follows:

- a. Primary Residences – the extended coverage premium including the territorial multiplier shall be reduced by 98%.
- b. Secondary Residences – the extended coverage premium including the territorial multiplier shall be reduced by 93%.

502. Replacement of Personal Property:

(Endorsement ICT TDP-002 – applies to Form ICT TDP-3 only)

Insurance covering personal property located in an owner occupied dwelling may be extended to cover the personal property on a replacement cost basis in lieu of actual cash value by attaching Endorsement ICT TDP-002. The endorsement may be attached only if both dwelling and personal property are insured under the policy.

Increase the total contents premium by +15%.

503. Exclusion of Residential Community Property Clause:

(Endorsement ICT TDP-003) MANDATORY

The Residential Community Property Clause contained in the policy may be excluded by attaching Endorsement ICT TDP-003. There is no associated premium adjustment.

504. Amendatory Endorsement Mold, Fungi or Other Microbes Coverage:

(Endorsement ICT TDP-004 applies to forms ICT TDP-1 & ICT TDP-2)

This endorsement provides coverage for fair rental value when a loss caused by mold, fungi or other microbes makes the dwelling untenantable. This endorsement is only available if ICT TDP-017 (ICT TDP-1 only) or ICT TDP-018 (ICT TDP-2 only) is attached to the policy. See Rule 302 of this manual for the rates associated with this coverage.

505. Amendatory Endorsement Mold, Fungi or Other Microbes Coverage

(Endorsement ICT TDP-005 applies to form ICT TDP-3 only)

This endorsement provides coverage for additional living expense and fair rental value when a loss caused by mold, fungi or other microbes make a dwelling untenantable. See Rule 302 of this manual for the rates associated with this coverage.

506. Additional Named Insured:

(Endorsement ICT TDP-007)

The ICT TDP-1, ICT TDP-2 and ICT TDP-3 policies may be extended to cover the ownership interest of any Mother, Father, Son, Daughter, Grandparent, Grandchild or Living Trusts. Attach Endorsement ICT TDP-007.

The additional premium is a flat \$35.00.

507. Residence Glass Coverage (Unscheduled Only):

(Endorsement ICT TDP-009)

Residence glass coverage may be provided by attachment of Endorsement ICT TDP-009. The applicable additional premium is determined from Premium Chart No. 9 of the Dwelling Section of the Texas Personal Lines Manual. This endorsement is available without underwriting restrictions.

508. Loss Payable Clause

(Endorsement ICT TDP-010)

Coverage for a loss payee may be provided by the attachment of Endorsement ICT TDP-010. There is no additional premium associated with this endorsement.

509. Vacancy Clause:

(Endorsement ICT TDP-011)

For vacancy periods in excess of 60 days, Endorsement ICT TDP-011 may be attached to restore the perils of Fire and Lightning and Vandalism and Malicious Mischief.

- A vacancy clause must be issued for a definite period of time but not beyond the expiration date of the policy.
- Furnished dwellings may remain unoccupied for indefinite periods without charge.
- Sixty (60) day vacancy is to be permitted without charge on any new or renewal policy regardless of vacancy prior to the inception of the policy.

The applicable additional premium is determined from Premium Chart No. 11 of the Dwelling Section of the Texas Personal Lines Manual.

510. Contract of Sale:

(Endorsement ICT TDP-015)

A buyer may be provided coverage under a dwelling policy for property being sold under a contract of sale by attachment of Endorsement ICT TDP-015 at no additional premium charge.

511. Exclusion of Cosmetic Damage to Roof Coverings Caused by Hail:

(Endorsement ICT TDP-022)

This endorsement is available if the Insured has a valid TDI approved Roofing Installation Certification. The certificate, along with the endorsement, signed by the Insured, must be submitted to Stonington Lloyds before the credit can be applied. See Rule 403 of this manual for credit amounts.