

Farmers GroupSelectSM
Foremost SignatureSM
Maine Homeowner New Business Underwriting Guidelines (Including GrandProtectSM)
Farmers Property and Casualty Insurance Company

We reserve the right to use judgment in evaluating the acceptance of each risk presented to us and making exceptions for valid underwriting and business reasons. Field underwriting and risk development is an important part of the process. These guidelines do not apply to the extent they are in conflict with any applicable state laws.

ANTI-DISCRIMINATION STATEMENT

In providing insurance products and related services to existing customers as well as to the public at large, it is our corporate policy not to unfairly discriminate on any basis including, but not limited to, race, color, religion, creed, national origin, ancestry, disability, lawful occupation, geographic location, age, gender, sexual orientation, or marital status.

Guideline Type	Not Eligible
Prior Losses	<p>The risk is ineligible when the 5 year prior loss history includes:</p> <ul style="list-style-type: none"> • Three or more losses of any type • Two losses caused by same peril • Any liability loss • Any fire loss if GeoProtect level is 78-99. • Un-repaired damage to the property to be insured <p><i>Special Note: In accordance with MRS Title 24-A, Chpt 41, s.3058, the company will not refuse to issue a property insurance policy subject to this subchapter for the sole reason that a previous owner of the property submitted claims for losses to the property.</i></p>
Fire Response Risk	<p>Properties within GeoProtect Levels 78-99 are ineligible if:</p> <ul style="list-style-type: none"> • Coverage A is \$1,000,000 or more; OR • The responding fire station is not within 5 miles: OR • The property is isolated or not easily accessible by fire apparatus due to roadway or terrain conditions. <p>Additional company review is required for GeoProtect levels 87-99 and Coverage A is \$999,999 or less.</p>
Major Operating Systems (Electrical, Heating, Plumbing)	<p>Properties are ineligible if:</p> <ol style="list-style-type: none"> 1. No central heating at the residence to be insured (i.e. alternate heating device is used as a primary heat source, such as a solid fuel or space heating appliance.) 2. The home is single family without both circuit breakers and a minimum 100 amperage service. 3. The home is multifamily without both circuit breakers and a minimum 100 amperage service per unit. 4. The home contains active knob and tube wiring. 5. Copper, PEX or CPVC plumbing is not used for water supply lines. 6. The home contains galvanized or polybutylene pipes 7. Operating systems have not been properly maintained, have any unrepaired defects, or any building or fire code violations.
Roofing	<ul style="list-style-type: none"> • Roofs where it is visually evident that repair or replacement is necessary (i.e. major wear and tear, splitting, curling, broken or missing shingles, tiles, or slate; sagging or badly uneven roofs, or unvented roofs.) • Composition shingle roofs over 20 years old • Architectural shingle roofs over 20 years old • Wood roofs over 12 years old • Flat roofs over 10 years old • All other roof coverings over 20, except for tile roofs, slate roofs, metal roofs (including standing seam)

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Foundation	<ul style="list-style-type: none"> • Any homes not built on an enclosed foundation or concrete slab • Property built on a severe slope, or hillside construction • Coverage 1 – EQ included: <ul style="list-style-type: none"> ○ Properties built on piers, pilings, stilts, or other open foundations ○ Properties built on landfills, cliffs, ridges or bluffs
Construction Type	<ul style="list-style-type: none"> • Dwellings or condos listed in the National Registry of Historic Places • Dwellings where unique construction characteristics are not contemplated in the calculation of replacement cost. • Dwellings with EIFS or Dryvit siding and the year of construction is older than 2009.
Lead Liability	<ul style="list-style-type: none"> • Any multi-family dwelling or property held exclusively for rental and constructed prior to 1978 where a lead safe certification has not been provided to the company, if requested.
Occupancy	<ul style="list-style-type: none"> • Vacant, foreclosed, abandoned, condemned property • Commercial property of any type • Property that is unoccupied and being held for sale. • Properties in the name of a business, Limited Liability Corporation, Limited Partnership, Corporation, or Land Trust.
Alarm Systems	<ul style="list-style-type: none"> • Coverage A is \$1.5M or more, and no central fire and burglar alarms • Renters or Condo forms with Coverage C of \$500,000 or more, and no central station connected fire or burglar alarms, or no monitored, controlled, or gated access.
Adjacent Exposures	<ul style="list-style-type: none"> • Any dwelling property with an adjacent exposure that represents an objectively identifiable hazard which significantly increases the insured risk.
Landlord Rental Dwelling Properties	<ul style="list-style-type: none"> • Two or more losses for Landlord and Landlord Condo within the 5 year period prior to the date of application • Rental property with business conducted on the premises. • More than four (4) rental properties • Any rental property that exceeds four (4) living units • A total of more than eight (8) living units for all rental properties insured with us • Any risk with a coal, wood or pellet stove. • Any risk used as short-term, weekly, or seasonal rental. • Any risk with a swimming pool (fenced or unfenced) <p>ADDITIONAL COMPANY REVIEW:</p> <ul style="list-style-type: none"> • Any fire loss will require prior approval within the 5 year period prior to the date of application • One or more loss on the residence premises (prior ownership) within the 5 year period prior to the date of application • More than 2 units/families or more than 2 rental units will require prior approval <ul style="list-style-type: none"> • New Landlords or Landlords Broad Named Perils policies are not eligible to be written with optional Coverage A Plus loss settlement unless written under the GrandProtect program. Optional Extended Limits loss settlement is available. <p>Existing Landlords policies already having Coverage A Plus will be grandfathered. However, no existing Landlords policy may be endorsed to increase from either Replacement Cost or Extended Limits loss settlement provisions to Coverage A Plus</p>
Seasonal/Secondary Properties	<ul style="list-style-type: none"> • Monoline risks with losses within the last 5 years. • Monoline risks in GeoProtect 78 or higher. • Risks with Coverage A of \$500,000 or more with no monitored central station fire and burglar alarm system are prior approval. • The liability limit on the secondary or seasonal home must match that of the primary home.
Incidental Farming	<p>Coverage 31-Incidental Farming is not available if:</p> <ul style="list-style-type: none"> • Farming is conducted full time at the property to be insured (requires a commercial farm owners policy – not available.) • Annual revenue derived from farming represents the primary source of income

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Other	<ul style="list-style-type: none"> • Exotic or undomesticated animals • Any dog still on the premises with a prior bite history • The following dogs: American Staffordshire Terrier, Pit Bull, Bull Terrier, Rottweiler, Dingo, Chow, Presa Canario (a.k.a. Canary Dog or Canary Island Dog), and the Italian Mastiff (a.k.a. Cane Corso) • Homes undergoing renovation or restoration • Properties containing asbestos siding or roofing materials • Unfenced swimming pools
Maximum Tier Level	<ul style="list-style-type: none"> • Risks with tier level assignments that exceed the maximum available tier factor pricing point

Scheduled Personal Property (SPP) Only
Additional Company Review Required:
 >Single SPP items valued over \$50,000
 >For all miscellaneous class items
 >For aggregate SPP valued over \$250,000

Mobile Homes
All mobile homes are ineligible

Company Review Required for all Coastal Risks (Excluding Renters and Condo)
All risks in designated flood zones without flood insurance in effect are currently referred for review.
All Property Risks are Ineligible if:

- The National Hurricane Center has issued a hurricane or tropical storm watch or warning for coastal areas.
- The Company has announced a moratorium.

Brush and Wildfire Risks
All risks within 1000 feet of a brush zone or within 2500 feet (1/2 mile) of a forested area or preserve are currently referred for review.
Any property in GeoProtect levels 78-99 are currently referred for review.
All property Risks are Ineligible if:

- Any property in areas where either an evacuation order has been issued by the authorities as a result of encroaching wildfire, or the company has issued a moratorium.
- The roofing material is wood
- Isolated property or property not easily accessible by fire apparatus due to rough terrain.

Earthquake Coverage
All risks with any prior earthquake loss are currently referred for review.
All risks with un-reinforced brick or masonry construction are currently referred for review.
All Property Risks are Ineligible for Earthquake Coverage:

- Any time an earthquake of 4.0 magnitude has occurred anywhere in the state within the last 15 days, and/or where the company has announced a moratorium.

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New Business: Criteria By Product

<u>PRODUCTS</u>	<u>Coverage Min/Max¹</u>	<u># Dwelling Units</u>
HO Broad Named Perils and Homeowners RPP Primary Seasonal	\$100,000 / \$2,500,000 ² \$100,000 / \$500,000	1 – 2
Functional Replacement Cost Homeowners	\$75,000 / \$200,000	1 – 4
Renters/Condos RPP	\$25,000 / \$150,000	1
GrandProtect: Primary Seasonal	\$75,000 / \$500,000 \$25,000 / \$150,000	
Landlords and Landlords Broad Named Perils RPP and GrandProtect:	\$100,000 / \$750,000	1 – 4
Landlords Condo RPP and GrandProtect:	\$20,000 / \$150,000	1
Platinum Homeowners Monoline Primary Seasonal	\$300,000 / \$2,500,000 ² \$150,000 / \$300,000	1
GrandProtect: Primary Seasonal	\$300,000 / \$2,500,000 ² \$150,000 / \$500,000	1 1
Platinum Condominium and Platinum Renters Monoline	\$75,000 / \$500,000	1
GrandProtect: Primary Seasonal	\$75,000 / \$500,000 \$25,000 / \$150,000	1 1

1. Farmers Insurance Group[®] will insure qualified property risks with Coverage amounts lower or higher than those indicated above. Please call Underwriting in advance to discuss binding.
2. Coverage A up to \$2,500,000 is available, however, prior underwriting approval is required for Coverage A limits >= \$1,500,000.