

Maine

USAA Group Homeowners Insurance Underwriting Guidelines

The company will not apply any criteria in conflict with state statute or insurance regulation.

New Business Property Policy Guidelines – Residential Property Policies

We allow a maximum of:

- One primary Homeowners policy
- Two secondary Homeowners policies

We will not refuse to write, deny reinstatement, or raise the premium rates for members of the Armed Forces who are returning from active service and who discontinued their Homeowners coverage while in active military service overseas.

We allow a reasonable transition period when an insured is purchasing a new primary homeowners policy to replace an existing primary homeowners policy. During the transition period, the insured may have two primaries

New Business Underwriting Guidelines

These are new business underwriting guidelines upon which risks may be declined prior to issuance.

- Prior loss history in excess of one loss in the past 3 years of any kind; or any loss which indicates extreme negligence on the part of the insured
 - “Prior loss history” should result only when the insured or an affected third party has contacted the insurer with the express purpose of seeking payment of proceeds under the terms of the policy
 - An inquiry on coverages or policy provisions with regard to a loss without filing a claim on such a loss is NOT considered a claim and will not be considered when evaluating the loss history of an insured
- Prior loss history with 1 or more paid non-weather loss of \$50,000 or more
- An insured who owns animals that have bitten or attacked
- Dwellings with condition or construction concerns
- Secondary dwellings with a rebuilding cost over \$650,000 without a central fire alarm system
- Dwellings built wholly or partially over water
- Dwellings to which farm rules or rates apply

- Any business conducted on the property
 - We will not decline solely because the insured conducts a day care operation of three (3) or more children out of the primary residence when the insured is state certified as a family childcare provider and has provided proof of separate liability insurance coverage, including medical payments, for the day care operation
- Adult Daycare
- Property with an unprotected fire classification (PC10) unless it is accessible to emergency vehicles year-round and is within 15 miles of the responding fire department
- Misrepresentation, fraud, or default in performance of a contractual obligation to USAA or any of its subsidiaries or affiliate insurance or financial services entities
- Behavior intended to injure or financially harm USAA or any of its employees, or any behavior indicating that trust and confidence required for the continuation of an insurance relationship no longer exists
- Dwellings with a market value or replacement cost in excess of company standards
- Dwellings for which USAA is unable to establish the correct ITV because of unique construction, design, and/or rebuilding factors
- Requests for our Home Protector endorsement when the home is insured for less than 95% of the minimum estimated rebuilding cost
- Requests for Dwelling Coverage A less than 80% of the replacement cost estimates
- The dwelling is vacant and custodial care is not maintained on the property
- Renovations that are expected to take more than 180 days
- Dwellings for sale
- Dwellings not used for private residential purposes
- Major mechanisms must have been modernized, to include: roof, heating, plumbing, or electrical
- Dwellings with inadequate or faulty wiring, or insufficient amperage for the expected electrical load
- Dwellings with faulty plumbing or plumbing leaks
- Dwelling that have sustained previous earth movement damage or are in an area where earth movement is occurring
- Roof is more than 2 layers or in poor condition
- Non-payment of premium
- Unacceptable deed/ownership of the property

- Dwellings insured by more than one company
- Home sharing or home exchange of any premises that is not the “residence premises” as defined by the homeowner’s policy
- Home sharing with the same guest or occupant for more than 30 consecutive days as defined by the homeowner’s policy
- Any full-time bed and breakfast, hostel, or boarding house on an “insured location” as defined by the homeowner’s policy
- Any group home, assisted living, nursing, or hospice care facility on an “insured location” as defined by the homeowner’s policy
- Dwellings rented on a short-term basis less than 30 days
- More than three roomers or boarders
- Dwelling has more than 4 residences (is more than a four-family dwelling), or a more than one-family condominium or cooperative unit in any location
- Failure to return funds when subrogation is not successful or when duplicate/over payments are made
- Mobile homes/manufactured homes
- A liability exposure or hazard not contemplated by our rates
- Previous sinkhole loss on dwelling/unit being purchased
- Open litigation or pending loss assessment
- Failure to cooperate in the investigation of a claim or making any false or misleading statements connected with making a claim against a company
- Failure by the insured to permit access to insured property, omission of reasonable and necessary underwriting information or failure to provide any other reasonable and necessary underwriting information to us, upon written request and a reasonable opportunity to respond
- The policy may be terminated if we are unable to validate all required information provided at the time of application
- Any other exposure not contemplated by our rates

Cancellation Underwriting Guidelines

Cancellation of an owner-occupied policy in force less than 90 days is based on the new business underwriting guidelines noted above.

Cancellation of a policy on a dwelling that is expected to be continuously unoccupied for 3 or more months in an annual period and is other than the insured's primary residence is also based on the new business underwriting guidelines noted above when in force less than 120 days

Cancellation of a policy in force 90 days or more (or 120 days for an unoccupied dwelling as noted above) is based upon the following underwriting guidelines:

- Non-payment of premium
- Conviction of the named insured of a crime arising out of acts increasing the hazard insured against
- Discovery of fraud or material misrepresentation by the insured or the insured's representative in obtaining insurance or by the named insured in pursuing a claim under the policy.
- Discovery of negligent acts or omissions by the insured substantially increasing any of the hazards insured against
- Failure to disclose a material fact in relation to the application that if known by us, would have substantially altered the terms of the policy
- Physical changes in the insured property that result in the property becoming uninsurable
- The insured property is vacant and custodial care is not maintained on the property
- The presence of a trampoline on the premises if the insured is notified that the policy will be cancelled if the trampoline is not removed and the trampoline, after notice, remains on the property 30 or more days after the date of notice
- The presence of a swimming pool upon the insured property that is not fenced in, in accordance with the standards established in Title 22, section 1631, if the pool remains in noncompliance with those standards for 30 days after notice by the insurer of the defective condition and intent to cancel the policy
- A loss caused by a dog bite, unless, after notice of cancellation is received, the insured removes the dog
- Failure to comply with reasonable loss control recommendations within 90 days after you receive notice of the loss control recommendations from us

Renewal Underwriting Guidelines

The following may cause us to non-renew coverage.

Any reason below that is not also set out in the Cancellation Underwriting Guidelines, qualifies as both a good faith reason and related to the insurability of the property.

- Conviction of the named insured of a crime arising out of acts increasing the hazard insured against
- Discovery of fraud or material misrepresentation by the insured or the insured's representative in obtaining insurance or by the named insured in pursuing a claim under the policy
- Discovery of negligent acts or omissions by the insured substantially increasing any of the hazards insured against
- Physical changes in the insured property that result in the property becoming uninsurable
- The insured property is vacant and custodial care is not maintained on the property
- The presence of a trampoline on the premises if the insured is notified that the policy will be cancelled if the trampoline is not removed and the trampoline, after notice, remains on the property 30 or more days after the date of notice
- The presence of a swimming pool upon the insured property that is not fenced in, in accordance with the standards established in Title 22, section 1631, if the pool remains in noncompliance with those standards for 30 days after notice by the insurer of the defective condition and intent to cancel the policy
- A loss caused by a dog bite, unless, after notice of cancellation is received, the insured removes the dog
- Failure to comply with reasonable loss control recommendations within 90 days after you receive notice of the loss control recommendations from us
- Prior loss history where such losses against the policy are attributable to contributing factors that led to the loss such as negligent or intentional acts of the insured or of persons residing at the insured premises
 - "Prior loss history" should result only when the insured or an affected third party has contacted the insurer with the express purpose of seeking payment of proceeds under the terms of the policy
 - An inquiry on coverages or policy provisions with regard to a loss without filing a claim on such a loss is NOT considered a claim and cannot be considered when evaluating the loss history of an insured for non-renewal purposes

- Property with an unprotected fire classification unless it is accessible to emergency vehicles year-round and is within 15 miles of the responding fire department
- Dwellings with condition or construction concerns
- Any business conducted on the property
 - We will not non-renew solely because the insured conducts a day care operation of three (3) or more children out of the primary residence when the insured is state certified as a family childcare provider and has provided proof of separate liability insurance coverage, including medical payments, for the day care operation
- Adult Daycare
- Dwellings built totally or partially over water
- Dwellings to which farm rules or rates apply
- Major mechanisms must have been modernized, to include: roof, heating, plumbing, or electrical
- Dwellings with inadequate or faulty wiring, or insufficient amperage for the expected electrical load
- Dwellings with faulty plumbing or plumbing leaks
- Roof is more than 2 layers or in poor condition
- Dwellings with a market value or replacement cost in excess of company standards
- Dwellings for which USAA is unable to establish the correct ITV because of unique construction, design, and/or rebuilding factors
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- Any group home, assisted living, nursing, or hospice care facility on an “insured location” as defined by the homeowner’s policy

- More than three roomers or boarders
- Dwelling has more than 4 residences (is more than a four-family dwelling), or a more than one-family condominium or cooperative unit in any location
- Mobile and manufactured dwellings
- Dwellings that have sustained previous earth movement damage or are in an area where earth movement is occurring
- Misrepresentation, fraud, or default in performance of a contractual obligation to USAA or any of its subsidiaries or affiliate insurance or financial services entities
- Behavior intended to injure or financially harm USAA or any of its employees, or any behavior indicating that trust and confidence required for the continuation of an insurance relationship no longer exists
- Violation by the insured on any of the material terms or conditions of the policy
- Failure of an insured to cooperate in the investigation of a claim or making any false or misleading statements connected with making a claim against a company
- Renovations that are expected to take more than 180 days
- Failure by the insured to permit access to insured property, omission of reasonable and necessary underwriting information or failure to provide any other reasonable and necessary underwriting information to us, upon written request and a reasonable opportunity to respond
- We are unable on our own or through assistance of insured to validate all information required for renewal
- Any other exposure not contemplated by our rates

Coverage Modification

For policies already in effect, we will obtain consent of the insured prior to reducing coverage mid-term.

Where we can legally non-renew and where our underwriting decision is to offer to continue the policy with a reduction in coverage, we will provide a legal notice of non-renewal and offer to continue the policy with a reduction in coverage.

Moratorium - Residential Property Policies

When warranted by conditions, we may invoke a moratorium on new business and any policy adjustment activity to increase coverage including changing deductibles.