

QUANTUM HOMESM

Maine Homeowners New Business Eligibility Guidelines

The following guidelines identify risks that are eligible for our *QUANTUM HOMESM* program. These guidelines will not be applied in any manner that conflicts with the insurance laws or regulations of the state. **Submissions outside these guidelines must be approved by underwriting prior to binding.**

If underwriting action is to be taken on any risk for a condition shown in any of the sections below, refer to the Termination Manual in Live Publish.

All risks meeting the eligibility criteria are to be written in Eligibility Program A, unless a different Eligibility Program is shown below.

I. A RISK IS NOT ELIGIBLE IF IT INVOLVES ANY OF THE FOLLOWING:

- A. Prior loss history:
1. Has more than 1 loss in the past 12 months or more than 2 losses in the past 5 years
 2. Has more than 1 non-weather loss in the past 3 years
 3. Has more than one of the same (Fire, Water, Liability or Theft) losses in the past 5 years (includes non-serial numbered catastrophe losses and serial numbered catastrophe losses, but excludes closed without payment losses). Note: If any prior structural loss is at the risk address, the condition causing the loss must have been repaired.
- B. An animal or pet that is vicious or has previously bitten or injured, or if any occupant has a dog of the breed shown: Akita, Alaskan Malamute, American Bull Terrier, American Staffordshire Terrier, Chow Chow, Doberman Pinscher, Mastiffs, Pit Bull, Presa Canario, Rottweiler, Staffordshire Bull Terrier, any wolf hybrid or any mix of these breeds.
- C. Liability exposures involving any attractive nuisance type exposure including, but not limited to, skateboard ramps, bicycle jumps and swimming pools that are not fenced or secured (e.g. electric retractable safety cover or retractable locking ladder).
- D. Has an underground fuel tank (except LP gas or propane).
- E. Is a dwelling which is built prior to 1960 and is rented in whole or in part for any period of time where the dwelling is not certified for lead exposures or for any dwelling where we are extending liability to one or more rental properties built prior to 1960 which have not been certified as Lead Safe for lead exposures. This includes rental exposures on the residence premises (Structures Rented to Others) as well as off the residence premises (Additional Residences Rented to Others).
- F. Is a mobile or manufactured home.
- G. Is a dwelling with coverage A limit above the maximum allowed:
- | Protection Class | Maximum Limit |
|------------------|---------------|
| PC 9* | \$1,000,000 |
| PC 10 or 10W | \$500,000 |
- *Including any PPC ending in X (e.g. 1X, 2X)
- H. Is a dwelling with coverage A value of \$1,500,000 or more with no monitored central station fire and burglar alarm system.
- I. Is a dwelling with an All Other Perils deductible less than \$1,000.
- J. Is a dwelling without a central station monitored low temperature sensor or water flow sensor and has either:
1. Coverage A of \$1,500,000 or more; or
 2. Coverage A of \$500,000 or more which is unoccupied more than 3 months of the year.
- K. Is a condominium with \$500,000 or more of Personal Property (Coverage C) and Building (Coverage A) combined with no monitored central station fire and burglar alarm system.

- L. Is a tenant with \$500,000 or more of Personal Property (Coverage C) and Additions and Alterations coverage combined with no monitored central station fire and burglar alarm system.
- M. Is over 7 road miles from the first responding fire department.
- N. Is a dwelling where the ISO protection class at the risk is 9-10 or ends in X or W (e.g. 1X, 10W), and the Underwriting Tier exceeds TR030.
- O. Is vacant with no daily custodial care, unoccupied, or for sale.
- P. Is a log home.
- Q. Is a secondary or seasonal dwelling and
 1. Is in an ISO protection class 9-10 or ends in X or W (e.g. 1X, 10W), or
 2. With coverage A value of \$500,000 or more and there is no monitored central station fire and burglar alarm system. The alarm system must also include a low temperature sensor or water flow sensor, or
 3. With Coverage A limit above the maximum allowed:

Maximum Coverage A Limits	
Protection Class	Travelers writes primary residence
PC 1-8 (including any PPC ending in Y)	\$1,000,000

- R. Contains a wood stove, coal stove, pellet stove or other wood burning device as an alternate or supplemental heat source unless the stove has been professionally installed, or has been inspected and approved by the local fire department or building inspector. All wood, pellet and coal stoves or other wood burning devices require completion of the Supplemental Heating Questionnaire. These stoves must be professionally installed or approved by the local fire department or building inspector.
- S. Is a dwelling with a roof covering of asbestos shingles, T-lock shingles, wood shakes, wood shingles, or an overlay (e.g. asphalt, fiberglass or composition shingles over wood shakes or wood shingles) roof.
- T. Is greater than a two-family dwelling.
- U. Is a dwelling subject to flood or wavewash (all Flood Zones starting with V and A) unless the risk is covered by a Flood Policy up to the Coverage A limit, or the FEMA maximum of \$250,000 Coverage A, whichever is less.

II. CONDITION OF DWELLING/CONDOMINIUM:

- A. The dwelling and all major systems (plumbing, heating, electrical, roof) must be in good condition and have no unrepaired conditions or any uncorrected fire or building code violations. If the dwelling is more than 25 years old, the Modernization Section of the ACORD Homeowners application must be completed. All dwellings are subject to inspection.

Modernization Requirements (applies to all dwellings and to condominiums if the roof is insured under Coverage A):

1. Roof must have been replaced within the past 25 years. (except tile roofs, slate roofs or similar "lifetime" roof materials)
 2. Oil furnace/burner cannot be older than 25 years or gas furnace/burner cannot be older than 35 years; and
 3. Electrical must have circuit breakers in whole or in part.
- B. Heating must be a central heating system or thermostatically controlled electric heating system. If the central heating system includes a wood or coal burning furnace as the primary heat source, the dwelling must have a backup oil or gas central heating system or thermostatically controlled electric heating system. (Note: A converted coal furnace, kerosene heater, electric space heater, wood, coal, or pellet stove, or other wood burning device cannot be the primary source of heat. All wood, pellet, and coal stoves or other wood burning devices require completion of the Supplemental Heating Questionnaire. These stoves must be professionally installed or approved by the local fire department or building inspector.

- C. Dwellings must be insured to 100% of Replacement Cost using costs associated with actual year built (e.g. homes built prior to 1940 must use "Pre-1940" costs). Pre-1940 homes using "Standard" replacement costs to determine Coverage A replacement cost are acceptable only when the Functional Replacement Cost Coverage is included on the policy.

III. RISKS INVOLVING THE FOLLOWING MUST BE REFERRED TO AN UNDERWRITER FOR PRIOR APPROVAL:

- A. Risks with 3 or more losses (all types and amounts) in the past 5 years.
- B. Risks with 1 or more weather losses (including CATs) greater than or equal to \$100,000 in the past 3 years.
- C. Risks with 1 or more non-weather losses greater than or equal to \$40,000 in the past 3 years.
- D. Is located out of state, unless a prior agreement exists between the company and the agency. If the agent has appropriate non-resident licenses, the risk may be submitted unbound for consideration.
- E. Has previously been cancelled, declined, or nonrenewed in the past 3 years.
- F. The home was a foreclosure purchase or short sale from the prior owner in the past 12 months.
- G. Business conducted out of home which involves client traffic on the premises.
- H. Farming/ranching operations.
- I. Home under construction.
- J. Dwellings that are listed on the State or National Historic Home Registry.
- K. Number of months rented is greater than 6 months.
- L. Risks involving the following values will be referred to underwriting:
 - 1. Dwelling - Coverage A is \$1,500,000 or more
 - 2. Condominium - Coverage A and C combined is \$500,000 or more
 - 3. Tenant - Coverage C and Additions & Alterations combined is \$500,000 or more
 - 4. Risks with total exposure of \$4,000,000 or more (Coverage A + B + C + D + Valuable Items + Personal Articles Floater)

IV. CATASTROPHE MANAGEMENT:

- A. **Temporary Suspension of Binding Coverage:** We may issue a suspension of binding coverage for Hurricanes, Tropical Storms, Wildfires, Earthquakes or other severe weather. Any suspension of binding authority will remain in effect until an announcement is made lifting the suspension. This suspension when in effect will apply to new business as well as requests for adding coverage, increasing a coverage limit, reducing a deductible amount, or reinstatement of coverage on existing business. Details of any suspension of binding coverage currently in effect can be viewed on Agent HQ.
- B. **Coastal:** Refer to the chart below for eligibility guidelines when the risk is located in any of the territories shown:

Territory	Maximum Coverage (dwelling only unless otherwise stated below)	Storm Shutters/ Impact Resistant Glass (dwelling only)	Flood Insurance (required only on dwellings for building and contents unless otherwise stated below)	Minimum Hurricane Deductible (dwelling only)	Elevation (applicable to tenants and condominium risks only)	Eligibility Group
Island Risks* ("Beach1")	Normal underwriting guidelines apply	If present on all exterior openings** including doors, windows, garage doors & skylights, a 5% minimum hurricane deductible is not required	Both FEMA and Excess Flood required up to Coverage A***	5%	Must be located on second floor or higher	A
All risks in York and Cumberland counties that are less than or equal to .2 miles from the coast ("Beach2")	Normal underwriting guidelines apply	If present on all exterior openings** including doors, windows, garage doors & skylights, a 3% minimum hurricane deductible is not required	Both FEMA and Excess Flood required up to Coverage A***	3%	Must be located on second floor or higher	A
All risks in other than York and Cumberland counties that are less than or equal to .2 miles from the coast ("High")	Normal underwriting guidelines apply	If present on all exterior openings** including doors, windows, garage doors & skylights, a 2% minimum hurricane deductible is not required	Normal Flood Guidelines apply	2%	Must be located on second floor or higher	A

<p>All risks in York and Cumberland counties that are more than .2 miles and less than or equal to .5 miles from the coast (“Moderate”)</p>	<p>Normal underwriting guidelines apply</p>	<p>If present on all exterior openings** including doors, windows, garage doors & skylights, a 1% minimum hurricane deductible is not required</p>	<p>Normal Flood Guidelines apply</p>	<p>1%</p>	<p>Must be located on second floor or higher</p>	<p>A</p>
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*Includes the entire area of all coastal islands

** The dwelling and any other building located on or at the residence premises must have approved opening protection (verification of compliance must be provided).

*** The flood insurance requirement may be waived if the dwelling is located in other than flood zone A or V and has an elevation greater than 20 feet

All homes located in Beach and High territories are subject to inspection.

Travelers reserves the right to make exceptions for valid underwriting reasons.