

# UNACCEPTABLE PHYSICAL CHARACTERISTICS

## APPLIES TO ALL USE TYPES

1. Dome homes, travel trailers, motor homes, houseboats and straw built homes. Manufactured homes (mobile, multi-sectionals, park models and modified homes) unless vacant/unoccupied.
2. Dwellings with more than one separate living unit (multi-family).
3. Dwellings that are used or deeded as a timeshare.
4. Dwellings located in a building with mixed residential/commercial use. (N/A Condo, Tenant)
5. Dwellings attached to a commercial building, other than those that share a side firewall and are deeded separately.  
**NOTE:** If the dwelling has been converted from a commercial building, refer to *Underwriting Approval* section.
6. Properties with auto repair, beauty salons or other business activities that pose an increased physical hazard.  
**NOTE:** Business activities that pose no increased physical hazard may be eligible. Refer to *Unacceptable Liability* section and *Underwriting Approval* section for further guidelines.
7. Dwellings when illegal activity, trade or business is conducted on the premises.
8. Properties in foreclosure when:
  - a. There has been a lapse in coverage and/or
  - b. All dwelling units are not occupied (N/A Vacant) and/or
  - c. The dwelling condition is below average or the property exhibits a lack of maintenance.**NOTE:** Once the foreclosure process has been completed, the risk may be eligible. All proceedings must be finalized including the expiration of any redemption period and prior occupants have vacated the dwelling.
9. Dwellings intended to be demolished or condemned due to condition, urban renewal, highway construction or other similar reasons.
10. Dwellings on islands with no fire protection service.
11. Dwellings in isolated areas not accessible year round by a road.
12. Dwellings located in brush or forest fire areas.
13. Dwellings located in a National or State Park.
14. Dwellings with neighboring structures that are abandoned or have unrepaid damage or any condition that increases the likelihood of loss to the insured property.
15. Dwellings that are under construction or undergoing major renovation (For definition of 'under construction' or 'undergoing major renovation,' see *Definitions* section.) when:
  - a. Construction began more than 12 months prior to the policy/coverage endorsement effective date
  - b. If New Dwelling-Semi-Enclosed or New Dwelling-Not Enclosed.**NOTE:** Foremost does not offer a Builder's Risk Policy. However, Foremost Choice Home offers a Course of Construction endorsement when completed by a licensed contractor; refer to *Policy Forms & Endorsements* section for eligibility rules.
16. Condominium buildings when less than 50% completed.
17. Dwellings/Other Structures that are structurally unsound or have unrepaid damage including damage resulting from water.
18. Dwellings where materials and systems are unacceptable or are inadequate, obsolete, in need of repair or in violation of local building codes, including but not limited to:
  - a. No heat, electrical or plumbing systems. (If electric supply is not from a public utility service, refer to *Underwriting Approval* section.)
  - b. Polybutylene plumbing materials
  - c. Buried bare steel tanks or any liquid fuel tank that shows signs of deterioration
  - d. Electrical service less than 100 AMP (applies to each unit in a multi-family dwelling)
  - e. Aluminum or Knob and Tube wiring
  - f. Stab-Lok circuit breakers
  - g. Roofs that include materials that have been placed over wood shingles
  - h. Vegetative roofing systems
  - i. Tamko Lamarite slate shingles
  - j. Solar shingles
  - k. "Woodruf" and "T-Lock" shingles.**NOTE:** Dwelling Fire One Secondary/Seasonal or Dwelling Fire One Vacation & Short-Term Rental - Dwellings must have an electrical system. If electric supply is not from a public utility service, refer to *Underwriting Approval* section. For dwellings with a fireplace, wood-burning device or portable heating device as the only source of heat or those with no heat, refer to *Underwriting Approval* section.

19. Dwellings with:
  - a. A homemade or kit auxiliary heating device
  - b. Any heating device not installed to the local building code or to the manufacturer's specifications
  - c. Portable kerosene space heaters.
  - d. Permanent space heaters attached by wall mounting or fuel supply lines as the primary heating system UNLESS the heater is:
    - UL-approved **and**
    - Approved by the local building inspector, meets local building codes or is commercially installed **and**
    - Thermostatically controlled.
  - e. A fireplace, wood stove or portable heating device used as the only source of heat. A portable heating device is defined as those that are not permanently secured to the dwelling by mountings or gas lines.  
**NOTE:** Eligible Dwelling Fire One Secondary/Seasonal or Dwelling Fire One Vacation & Short-Term Rental, refer to *Underwriting Approval* section.
20. Properties with an outbuilding: (N/A Condo, Tenant)
  - a. That have a wood-burning or solid fuel auxiliary heating device or portable kerosene heater (Also applies to attached garages)
  - b. DF\* - That is the only building requested to be insured
  - c. In poor physical condition or not properly maintained
  - d. Used for business, including farm/ranch
    - Unless Other Structures coverage is not provided and presents no additional liability hazard. (Applies to c and d)
    - DF3 with Platinum endorsement or HO\*\* - Unless the Specific Structure Exclusion is attached to the policy and presents no additional liability hazard. (Applies to c and d)
 May be eligible when primary owner-occupied and business is incidental; refer to *Underwriting Approval* section.
21. Dwellings that don't meet our eligibility requirements. Refer to *Eligibility* section.
22. Any property where an unusual physical hazard exists.

ALL OWNER-OCCUPIED PROPERTIES	
1.	Dwellings rented on a daily, weekly or seasonal basis. <b>NOTE:</b> May be eligible for the Home Sharing endorsement, see <i>Policy Forms &amp; Endorsement</i> section for Foremost Choice Homeowners and Homeowners ACV.
2.	Dwellings where more than two roomers or boarders reside, including those in foster home/facility or assisted living care.
3.	Dwellings where the occupancy does not comply with code/ordinance.
4.	Dwellings with more than three owners when not members of the same primary household.
5.	When the Named Insured is a Land Trust, Conservatorship, Co-op, Condominium Association or a business, including a corporation or lending institution.
6.	Vacant or unoccupied.
ALL RENTAL PROPERTIES	
1.	Occupied as rooming houses including those used in foster home/facility or assisted living care, fraternities, sororities, student housing or other similar types of occupancies. <b>NOTE:</b> Acceptable when occupied exclusively by graduate students.
2.	Dwellings when more than four unrelated individuals occupy a family unit.
3.	Dwellings where the occupancy does not comply with code/ordinance.
4.	Property Management Company as Named Insured, unless listed on the deed.
5.	When the Named Insured is a Land Trust, Conservatorship, Co-op, or Condominium Association.
6.	Vacant or unoccupied.
VACANT PROPERTIES	
1.	Property Management Company as Named Insured, unless listed on the deed.
2.	When the Named Insured is a Land Trust, Conservatorship, Co-op or Condominium Association.
TENANT	
1.	Tenants living in fraternities, sororities or other university/campus owned housing. <b>NOTE:</b> Acceptable when occupied exclusively by graduate students or if non-university owned housing.
2.	Apartment buildings when less than 50% completed.
3.	Tenants living in dwellings occupied by more than one family or more than four unrelated individuals. This includes roomers/boarders.
4.	Occupancy that does not comply with code/ordinance.
5.	When the Named Insured is an entity.

\*DF = Dwelling Fire One & Dwelling Fire Three  
 \*\*HO = Foremost Homeowners ACV & Foremost Choice Homeowners

# UNACCEPTABLE PERSONAL CHARACTERISTICS

## APPLIES TO ALL USE TYPES

1. Applicant/Insured without legal capacity to enter into a contract.
2. Applicant/Insured designated by the Office of Foreign Assets Control who is listed on the Specially Designated Nationals List.
3. Applicant/Insured, spouse or member of the household convicted of a felony within the past five years that can be related to the exposures involved and coverages of a property policy, Physical Damage and/or Liability. Examples include but are not limited to:
  - a. Arson or attempt to commit arson
  - b. Burglary, theft, robbery or malicious destruction of property
  - c. Fraud, forgery, falsifying claims or evidence
  - d. Homicide, reckless injury, crimes involving weapons
  - e. Crimes against children, sexual assault or abduction.
4. Applicant/Insured with prior intentional or careless fire losses at any property owned and/or occupied within the past five years.
5. Applicant/Insured with a credit-based insurance score that is ineligible when combined with a non-credit related underwriting factor. (N/A DF1 Vacant)
6. Applicant/Insured with more than three mortgagee or three non-mortgagee additional interest types per dwelling unit. (N/A Tenant)
7. Applicant/Insured with a prior lapse in coverage of more than 10 days or if the dwelling has never been insured (excluding new purchase).
8. Applicant/Insured who has had a policy rescinded or voided for misrepresentation or fraud in the application.
9. Applicant/Insured who has had a claim denied for misrepresentation or fraud in the presentation of the claim.

# UNACCEPTABLE LIABILITY CHARACTERISTICS (Applies to Liability Coverage only)

## APPLIES TO ALL USE TYPES

1. Properties with trampolines when the Trampoline Liability Exclusion endorsement is not added. (N/A Condo, Tenant)
2. DF6 only: Properties with trampolines when Liability exceeds \$300,000.
3. Properties with:
  - a. Physical defects such as missing, broken or improperly constructed hand rails, steps or sidewalks
  - b. Excessive debris
  - c. Attractive nuisances.
4. Properties with a Jacuzzi/hot tub where a cover is not placed over the unit when not in use.
 

**NOTE:** N/A to community-owned Jacuzzi/hot tubs.
5. Applicant/Insured or any person who resides at the dwelling who own, keep or shelter potentially dangerous dogs or animals that have caused harm, when the Animal Liability Exclusion endorsement is not added. **The Animal Liability Exclusion endorsement is not available for Condo and Tenant.** Ineligible breeds include but are not limited to: Akita, American Staffordshire Terrier, Chow, Doberman Pinscher, Pit Bull, Presa Canario, Rottweiler, wolf hybrid or any dog that is a mix that includes one or more of the breeds listed above.
 

**NOTE:** This also applies to landlords who permit a tenant to keep these animals on premises.
6. Properties with multiple Dwellings on the same premises when Liability coverage is requested and Foremost does not write each Dwelling. (N/A Condo, Tenant)
 

**NOTE:** All policies must be written with the same Liability limit.
7. Properties with multiple Dwellings on the same premises when there are common grounds on the same premises such as; a clubhouse, playground, beach, pool, pond, bathhouse, laundry facility, a rental office or parking lot. (N/A Condo, Tenant)
 

**NOTE:** A small parking lot used only for the dwelling's occupants would be acceptable.
8. Properties with business activities. Liability may be available when primary owner-occupied or tenant and business is incidental; refer to *Underwriting Approval* section.
 

**NOTE:**

  - Risks with liability are unacceptable if day care services (including child, adult or pet care) are conducted on premises.
 

**EXCEPTION:** Primary owner-occupied properties that provide certified child care are acceptable. Proof of the child care certification and coverage under a Business Liability Policy, which includes Medical Payments coverage, is required.
  - Incidental Business
    - A business activity occurring on a premises, that doesn't change the function of the premises as a primary owner occupied or tenant Dwelling, meets the following criteria and is subject to Underwriting approval.
      - a. **Customer Traffic** - Cannot create significantly greater pedestrian or vehicle traffic normal for a residential dwelling.
      - b. **Advertising** - No advertising signs indicating that a business is being conducted on the premises.
      - c. **Materials** - No toxic, explosive, flammable, combustible, corrosive, biohazard, radioactive or other hazardous materials may be used in conjunction with the business.
      - d. **Employees** - No employees on the premises.
  - Properties with farm/ranch exposures when the applicant earns \$5,000 or less per year from farming or ranching, farms less than 26 acres and does not: (N/A Condo, Tenant)
    - a. employ full or part-time workers
    - b. have u-pick operations (pick your own produce)
    - c. have land rented, leased or made available to others
    - d. have farm animals, excluding poultry, when:
      - kept in an unfenced area
      - boarding animals belonging to others, regardless if a fee is charged
      - breeding animals belonging to others
      - more than 10 farm animals are owned
      - riding lessons or rentals to others are offered or allowed.
9. Any property where an unusual liability hazard exists.

### ALL OWNER-OCCUPIED PROPERTIES

1. Properties with pools (over 2.5 feet deep) must have a fence minimum four feet high (fully enclosing the pool) AND a self-locking gate. EXCEPTIONS for above ground pools:
  - a. Pools with a deck (at least four feet high) and has a self-locking gate.
  - b. Pools without a deck must have sides at least four feet high and a locking retractable ladder.

**NOTE:** N/A to community-owned pools.

### ALL RENTAL PROPERTIES

1. Properties without working smoke detectors or central fire alarms.
2. Properties with a pool or pond on the premises, whether fenced or unfenced.
  - **Exception DF6 only:** Properties with pools (over 2.5 feet deep) when Liability exceeds \$500,000. Pools must have a fence minimum four feet high (fully enclosing the pool) AND a self-locking gate.

EXCEPTIONS for above ground pools:

  - a. Pools with a deck (at least four feet high) and has a self-locking gate.
  - b. Pools without a deck must have sides at least four feet high and a locking retractable ladder.

**NOTE:** N/A to community-owned pools or ponds.
3. Dwellings that have bars on windows without quick release.
4. Properties with known lead-based paint and/or lead-based paint hazards.

### VACANT PROPERTIES

1. Properties with a pool or pond on the premises, whether fenced or unfenced.
  - **Exception DF6 only:** Properties with pools (over 2.5 feet deep) when Liability exceeds \$500,000. Pools must have a fence minimum four feet high (fully enclosing the pool) AND a self-locking gate.

EXCEPTIONS for above ground pools:

  - a. Pools with a deck (at least four feet high) and has a self-locking gate.
  - b. Pools without a deck must have sides at least four feet high and a locking retractable ladder.

**NOTE:** N/A to community-owned pools or ponds.
2. Properties with known lead-based paint and/or lead-based paint hazards.

### TENANT PROPERTIES

1. Properties with pools (over 2.5 feet deep) must have a fence minimum four feet high (fully enclosing the pool) AND a self-locking gate. EXCEPTIONS for above ground pools:
  - a. Pools with a deck (at least four feet high) and has a self-locking gate.
  - b. Pools without a deck must have sides at least four feet high and a locking retractable ladder.

**NOTE:** N/A to community-owned pools.

# UNDERWRITING APPROVAL

## Phone for Approval

**(Do not bind coverage or accept money until risk is approved.)**

**Underwriting may require submission of supporting documentation.**

**APPLIES TO ALL USE TYPES**

1. Limits exceeding binding authority.  
**Provide information to support the value and condition of the Dwelling and/or Other Structures.**
2. Applicant or anyone residing at the Dwelling who owns, keeps or shelters any unusual or exotic animals.  
**NOTE -**
  - a. An exotic animal that does not create a Liability hazard (such as an iguana) may be eligible.
  - b. An exotic animal that creates a minimal Liability hazard (such as a boa constrictor) may be eligible with the attachment of the Animal Liability Exclusion endorsement. **The Animal Liability Exclusion endorsement is not available for Condo and Tenant.**
  - c. An exotic animal that creates an excessive Liability hazard (such as a bear) would be ineligible.  
**Provide information regarding the animal and circumstance to confirm no increased Liability exposure.**
3. Applicants who have had a prior policy, including Foremost, canceled or nonrenewed for any underwriting reason.  
**Provide information regarding the termination. If the reason was due to the condition of the Dwelling, provide information to confirm how the condition has been corrected and that all repairs were made.**
4. Applicant/Insured with loss severity or multiple loss activity in the past five years may require approval.  
**Provide information about how the condition that caused the loss has been corrected and all repairs were made.**
5. Applicant with an open claim.  
**Provide information about the delay in closing of the claim, explanation that there was no insured involvement or negligence in connection with the loss, and details of how the condition was corrected and what repairs were made.**
6. Applicants/Insureds with prior FIRE loss over \$5,000 at ANY property owned and/or occupied in the past five years.  
**Provide a copy of the responding fire official's report or claim report that details the cause and origin of the fire and information about how the condition was corrected and what repairs were made. Lack of information or an undetermined cause may be unacceptable.**
7. Properties with business activities, including primary owner-occupied or tenant and business is incidental. Incidental farming is acceptable and does not need approval (N/A Condo, Tenant).  
**Provide information about the type of business conducted, any activities associated with the business and any equipment or materials used for the business that are kept on premises, to confirm no increased exposure. Include details about any on premises activities that involve visits by customers, vendors, employees or deliveries.**
8. Dwellings under construction or major renovation when: (N/A Tenant)
  - a. Construction began less than 12 months prior to the policy/endorsement effective date **and**
  - b. It is currently fully enclosed **and**
  - c. Work will be completed more than 180 days.  
(N/A Tenant or if Foremost Choice Home and the Course of Construction endorsement is added)

- Provide information to confirm the risk meets the stated requirements including when the work will be completed, how long it has been under construction, the credentials of the person doing the work and what is left to be finished. The Dwelling limit must incorporate the completed value of the construction or renovation.**
9. Dwellings under renovation that are not being done by a licensed contractor that are a: (N/A Tenant)
    - a. Room remodel
    - b. Roof replacement
    - c. Room addition - under minor/cosmetic renovation
    - d. Newly built dwelling that is fully enclosed.  
**Provide information regarding when the work will be completed, how long it has been under renovation/construction, the credentials of the person doing the work and what is left to be finished. The Dwelling limit must incorporate the completed value of the construction or renovation.**
  10. Dwellings with wood foundations. (N/A Condo, Tenant)  
**Provide information confirming foundation is not deteriorated and is structurally sound.**
  11. Dwellings that are non-traditional built construction. (N/A Tenant)  
**Provide information to confirm the construction meets International Building Code and local code requirements and that occupancy permits were obtained.**
  12. Dwellings that have been converted from a commercial building. (N/A Tenant)  
**Provide information to confirm the construction meets International Building Code and local code requirements and that occupancy permits were obtained.**
  13. Dwellings not connected to electric utility services but which have their own independent solar, wind generator or hybrid power system. (N/A Tenant)  
**Provide information regarding generating equipment and details of how the system works, who installed it and how long the Dwelling has been operating on the system.**
  14. Risks with unusual exposures or increase in hazards not previously addressed.  
**Provide information about the risk to confirm it meets our underwriting guidelines.**

<b>SECONDARY/SEASONAL, VACATION &amp; SHORT-TERM RENTAL PROPERTIES</b>
<ol style="list-style-type: none"> <li>1. Dwelling Fire One Secondary/Seasonal and Dwelling Fire One Vacation &amp; Short-Term Rental dwellings with a fireplace, wood-burning device or portable heating device as the only heat source or with no heat. Portable heating devices are defined as those that are not secured to the Dwelling by wall mountings or gas lines. <b>Provide information regarding when the Dwelling is used and if it has plumbing, how the Dwelling is winterized.</b></li> </ol>