



## ILLINOIS BRONZE HOMEOWNER UNDERWRITING GUIDELINES

### GENERAL UNDERWRITING GUIDELINES

1. APPLICATIONS—The application may be submitted on the web at [www.aegisfirst.com](http://www.aegisfirst.com). Paper applications—All questions must be answered, the risk must meet the underwriting guidelines, the application must be signed by the insured and the licensed producer in the agency and the application must be received within 30 days of the effective date before coverage is considered bound.
2. INSPECTION—Will be obtained on all risks. Inspection Fee—\$40.00.
3. C.L.U.E. REPORT—Will be obtained on all risks to verify claims history.
4. TOTAL INSURED VALUE—The maximum limit for the dwelling (Coverage A) is \$125,000 and the total insured value for the dwelling, personal property and unattached structures per risk is \$200,000.
5. TRANSFER—A policy may not be transferred to a new owner. A new application for the new owner is required.
6. OCCUPANCY—Must be owner occupied or a seasonal / secondary residence.
  - Owner Occupied—The applicant's name must be on the deed and they must live in the dwelling on a full-time, permanent basis.
  - Seasonal—The applicant's name must be on the deed and they must use the dwelling as a seasonal / secondary residence annually.
7. ADDITIONAL INSURED—Any person whose name is on the deed but does not occupy the dwelling.
8. LIABILITY EXPOSURE—If there are any liability exposures, the risk may be written without liability coverage unless the exposure no longer exists.
9. SWIMMING POOL—Liability coverage for swimming pool is excluded in the policy; however, the insured may purchase \$25,000 liability for swimming pool coverage if the swimming pool is surrounded with a 4' stockade type fence with a locked gate and if there is no diving board or slide.
10. ANIMAL INJURY EXCLUSION—If the applicant owns or boards any animal that has bitten or caused injury, the risk must be written with the animal injury exclusion. The animal injury exclusion must be signed by the applicant before coverage is considered bound.
11. INSURANCE TO VALUE—The dwelling must be insured to 100% of the market value or actual cash value, excluding the land value. ***The dwelling should not be insured for more than the purchase price if it is a new purchase.***
12. PERSONAL PROPERTY—May not exceed 100% of the value of the dwelling for owner occupied risks and 50% of the value of the dwelling for seasonal risks.

### SUBMIT—DO NOT BIND

1. TEMPORARY SUSPENSION—If there is a watch / warning for a tornado, hurricane, tropical storm, flood, earthquake, wildfire or any other natural disaster, do not bind new business, increase coverage on existing business, accept payment for lapsed policies or cancelled policies or lower the deductible.
2. SUPPLEMENTAL HEAT SOURCE—If the risk is not submitted on the web the following applies: If the dwelling, attached structure or unattached structure is equipped with a supplemental heat source, provide details. If there is a wood, coal, pellet, etc. burning stove a completed Aegis Woodstove report must be submitted with details and two (2) photos, one of the woodstove and one of the chimney outside.
3. UNINSURED RISK—If the applicant has failed to carry insurance for any period of time, submit with an explanation.
4. CANCELLED OR NONRENEWED—If the applicant was cancelled or nonrenewed, provide the reason for and the date of the cancellation or non renewal.
5. CLAIMS / LOSSES
  - Fire, Theft or Liability Loss—If the applicant had any fire, theft or liability loss at any location in the past three (3) years, the risk is unacceptable.
  - Other Losses—If the applicant had two (2) or more other minor losses at any location in the past three (3) years, the risk is unacceptable.
  - Open / Unresolved Claim—If the applicant has an open / unresolved loss with a previous carrier, the risk is unacceptable.
6. ELECTRICAL SERVICE—If the electrical service is fuses, the risk must be submitted unbound. The amperage must be a minimum of 100 amps for fuses and breaker boxes.

## **DO NOT SUBMIT UNDER ANY PROGRAM—UNACCEPTABLE RISK**

1. If the dwelling is vacant. Refer to the dwelling program.
2. If the dwelling is rented. Refer to the dwelling program.
3. If the dwelling is condemned.
4. If the dwelling is under construction or renovation.
5. If there is a business conducted on the premises, including farming.
6. If the dwelling or unattached structure has damage that has not been repaired.
7. If there are liability hazards—may be written with no liability coverage.
8. If the dwelling has a cedar / wood shake or flat roof.
9. If a supplemental heat source is the only means of heating the dwelling and if primary heat source is not thermostatically controlled.
10. If the dwelling is used for student housing.
11. If the dwelling is more than two (2) families or more than three (3) stories.
12. If the wiring is knob and tube.
13. If the dwelling is not in average to better condition or if it is not properly maintained.
14. If the dwelling is without utilities.
15. If the dwelling is a rowhome or townhouse.
16. If the dwelling is a log home.
17. CLAIMS / LOSSES:
  - If the applicant had any fire, theft or liability loss at any location in the past three (3) years.
  - If the applicant had more than two (2) other minor losses at any location in the past three (3) years, the risk is ineligible for any program.
  - If the applicant has a loss that is unresolved or open with a prior carrier.

## **SEASONAL**

1. Personal property may not exceed 50% of the dwelling limit.

## **MINE SUBSIDENCE**

Mine Subsidence Coverage is mandatory in the following counties unless waived in writing by the applicant: Bond, Bureau, Christian, Clinton, Douglas, Franklin, Fulton, Gallatin, Grundy, Jackson, Jefferson, Knox, La Salle, Logan, McDonough, Macoupin, Madison, Marion, Marshall, Menard, Mercer, Montgomery, Peoria, Perry, Putnam, Randolph, Rock Island, St. Clair, Saline, Sangamon, Tazewell, Vermillion, Washington and Williamson.

## **EARTHQUAKE COVERAGE**

We are required to offer earthquake coverage in the following counties: Adams, Alexander, Bond, Calhoun, Clark, Clay, Clinton, Crawford, Edgar, Edwards, Franklin, Gallatin, Greene, Hamilton, Hardin, Jackson, Jasper, Jefferson, Jersey, Johnson, Lawrence, Macoupin, Madison, Marion, Massac, Monroe, Perry, Pike, Pope, Pulaski, Randolph, Richland, Saline, Scott, St. Clair, Union, Wabash, Washington, Wayne, White and Williamson.

## **CANCELLATION**

If the insured requests mid-term cancellation, the policy will be cancelled on a short rate basis and if the company cancels the policy, the policy will be cancelled on a pro rata basis.

## **LATE PAYMENT**

If a policy cancels for non payment of premium or if a renewal payment is not received before the expiration date, upon Company approval, the policy will be rewritten the day after postmark. A new application is not necessary on a lapsed policy unless the Company requests one; however, if a new application is submitted on a lapsed policy, the effective date will be the day after postmark. THERE IS NO GRACE PERIOD.