

VAN WAGONER COMPANIES, INC.
1134 COMMERCE DRIVE
RICHARDSON, TEXAS 75081
800-727-9999 WATTS – 972-331-6566 PHONE – 972-331-6599 FAX

HOMEOWNERS PROGRAM

10/14/04
TEXAS

POLICY FORM

POLICY FORMS AVAILABLE: HO-1, HO-1 PLUS, HO-1 PREMIER, HOA, HOA PLUS, HOA PREMIER, HO-2, HO-2 PREMIER, HOB, HOB PREMIER, HO-6, AND HO-8 LIMITED, HO-8 PREFERRED

WE DO NOT ACCEPT MOBILE HOMES IN THIS PROGRAM

AGENTS DO NOT HAVE ANY BINDING AUTHORITY.

APPLICATIONS & BINDING

A LONDON HOMEOWNERS APPLICATION MUST BE FULLY COMPLETED AND SIGNED BY THE APPLICANT(S) AND THE AGENT. INCOMPLETE APPLICATIONS OR APPLICATIONS THAT DO NOT MEET OUR UNDERWRITING GUIDELINES WILL BE RETURNED WITH NO COVERAGE BOUND.

ALL RATES AND PREMIUMS ARE SUBJECT TO ACCEPTABLE CREDIT.
ALL LOSSES AND/OR CLAIMS MUST BE SHOWN ON APPLICATION (GROSS AMOUNT OF LOSS).

FAX THE FOLLOWING TO VAN WAGONER COMPANIES WITH A REQUEST TO BIND:

1. A COMPLETED APPLICATION SIGNED RESTRICTION PAGE USING OUR APPLICATION ONLY
2. THE QUOTE SHEETS (2 OR MORE PAGES)
3. MUST HAVE SOCIAL SECURITY NUMBER(S) FOR BINDING
4. A COPY OF POLICE REPORT FOR PREVIOUS THEFT/BURGLARY LOSS
5. A COPY OF FIRE REPORT FOR PREVIOUS FIRE LOSS

UPON RECEIPT OF THE AGENT'S REQUEST TO BIND, VAN WAGONER COMPANIES WILL RUN THE CREDIT REPORT AND UNDERWRITE THE RISK. VAN WAGONER UNDERWRITERS ARE THE ONLY ONES WITH BINDING AUTHORITY.

VAN WAGONER WILL FAX YOUR AGENCY ONE OF THE FOLLOWING:

1. A BINDING NOTICE WITH THE POLICY NUMBER AND EFFECTIVE DATE
2. THE CONDITION(S) TO BE MET IN ORDER TO BIND
3. A DECLINATION NOTICE WITH REASON(S)

THE ORIGINAL APPLICATION AND NET PREMIUM IS DUE IN VAN WAGONER COMPANIES OFFICE WITHIN 10 DAYS AFTER THE APPLICATION HAS BEEN BOUND. AGENT IS RESPONSIBLE FOR ALL EARNED PREMIUMS DUE.

ALL BOUND POLICIES ARE 25% MINIMUM EARNED PREMIUM WITH FULLY EARNED POLICY FEE AND POLICY INSPECTION FEES. NO FLAT CANCELLATIONS ALLOWED.

ALL BINDING IS SUSPENDED DURING ANY HAZARDOUS WEATHER CONDITIONS, WARNINGS AND ALERTS BY THE NATIONAL WEATHER SERVICE. BINDING WILL BEGIN 24 HOURS AFTER THE LAST WARNING OR ALERT HAS EXPIRED.

POLICY LIMIT AVAILABLE

TYPE	COV	AGE	PPC	MINIMUM	MAXIMUM
HO-1 OR A	ACV	0-100 YRS	1-9	\$50,000	\$350,000
HO-1 OR A PLUS	ACV	0-100 YRS	1-9	\$50,000	\$350,000
HO-1 OR A PREMIER	ACV OR RC	0-20 YRS	1-6	\$50,000	\$350,000
HO-2 OR B	ACV OR RC	0-50 YRS	1-9	\$75,000	\$350,000
HO-2 OR B PREMIER	ACV OR RC	0-20 YRS	1-5	\$75,000	\$350,000
HO-6	ACV	0-100 YRS	1-9	\$25,000	\$150,000
HO-8(limited)	ACV	0-100 YRS	1-9	\$50,000	\$350,000
HO-8 PREFERRED	ACV	0-100 YRS	1-9	\$50,000	\$350,000
HO-C	RC	0-35 YRS	1-5	\$250,000	\$350,000

ANY DWELLINGS OVER \$350,000 MUST BE SUBMITTED FOR A QUOTE

HOMES OVER \$500,000 MUST BE SUBMITTED ON A COMPLETED LONDON APPLICATION FOR A QUOTE FROM LONDON.

COINSURANCE: 80.00%

CANCELLATION: NO FLAT CANCELLATIONS ALLOWED. ALL FEES ARE FULLY EARNED AND 25% MINIMUM PREMIUM EARNED. IF DWELLING DOES NOT CLOSE THERE WILL BE A \$75.00 PROCESSING FEE. **ALL RATES AND PREMIUMS ARE SUBJECT TO ACCEPTABLE CREDIT.**

DEDUCTIBLES

OUR MINIMUM DWELLING DEDUCTIBLE IS 1% OR \$500.00 WHICHEVER IS GREATER.

THE WIND, HAIL AND HURRICANE DEDUCTIBLE IS 1% OR 2% (MIN \$500.00 ON 1% AND MIN. \$1000.00 ON 2%) IN ALL AREAS **EXCEPT JEFFERSON AND HARRIS COUNTY AND TIER 1 COUNTIES REFER TO QUOTE**

PROHIBITED RISKS

1. NO PRIOR INSURANCE (EXCEPTION: NEW PURCHASE).
2. NO RISKS WITH PROTECTION CLASS 9 OR 10. RISK MUST BE WITH IN 15 MILES OF CITY LIMITS AND RESPONDING FIRE DEPARTMENT AND NO LESS THEN 1000 FEET TO FIRE HYDRANT.
3. VACANT DWELLINGS (SUBMIT FOR A QUOTE)
4. HOMES WITH DAY CARE FACILITIES (UNLESS BUSINESS IS EXCLUDED AND GL COVERAGE PROOF IS SUBMITTED).
5. HOMES WITH MORE THAN 2 MORTGAGES.
6. HOMES WITH COAL BURNING STOVES THAT ARE PRIMARY HEAT SOURCE.
7. APPLICANT THAT WAS OR IS CURRENTLY DELINQUENT ON CHILD SUPPORT, STUDENT LOANS, MORTGAGE PAYMENTS, CAR LOANS, BANKRUPTCY IN LAST 13 MONTHS, HAVE MORE THAN 3 JUDGMENTS, EXCESSIVE PAST DUE ACCOUNTS, EXCESSIVE PAST DUE AMOUNTS OR REPEATED PAST DUES WILL NOT BE BOUND.
8. ANY APPLICANT NOT EMPLOYED UNLESS RETIRED.
9. RISK WITH LOSS SETTLEMENT PENDING OR UN-REPAIRED DAMAGES

REINSTATEMENTS

1. REINSTATEMENT AUTHORITY IS THE SOLE RESPONSIBILITY OF VAN WAGONER COMPANIES.
2. ONLY TWO (2) REINSTATEMENTS PER POLICY WILL BE ALLOWED. THERE WILL BE A \$5.00 REINSTATEMENT FEE FOR EACH REINSTATEMENT. THE \$5.00 REINSTATEMENT FEE MUST BE COLLECTED AND REMITTED BEFORE REINSTATEMENT.

UNDERWRITING GUIDELINES

1. DWELLING MUST BE A ONE FAMILY DWELLING. CALL VAN WAGONER FOR DUPLEX AND TRIPLEX.
2. DWELLING MUST BE INSURED FOR AT LEAST 80% OF ACTUAL COST VALUE OR REPLACEMENT VALUE.
3. DWELLINGS MUST SHOW "PRIDE OF OWNERSHIP".
4. ANY RISK WITH A SWIMMING POOL MUST BE FENCED AND COMPLY WITH CITY CODE.
5. ANY RISK THAT IS ISOLATED MUST HAVE A WATER SOURCE AND WORKING PUMP (SUBMIT RISK WITH DETAILS FOR CONSIDERATION).
6. HOMES WITH PRIOR WATER LOSSES CANNOT BE WRITTEN AS AN HOB (HOA, HO8 OR DP1 ONLY.)
7. HOMES WITH PRIOR WIND/HAIL LOSSES MUST BE SUBMITTED WITH A 2% WIND/HAIL DEDUCTIBLE.
8. RISKS WITH ONE OR MORE OF THE FOLLOWING MUST BE APPROVED BY VAN WAGONER CO'S.
 - a) BANKRUPTCIES OR POOR CREDIT
 - b) PREVIOUS FIRE LOSS/THEFT LOSS (COPY OF FIRE/POLICE REPORT REQUIRED).
 - c) ANY LIABILITY LOSS.
 - d) ANY PRIOR CLAIM WHEN AMOUNT PAID IS OVER OUR POLICY DEDUCTIBLE.
 - e) ANY RISK WITH WOOD BURNING STOVE.

COVERAGES THAT WILL BE EXCLUDED

1. ALL DOMESTIC PETS, LIVESTOCK OR EXOTIC ANIMALS
2. ALL TRAMPOLINES

COVERAGES THAT ARE NOT PROVIDED BY OR ARE RESTRICTED BY OUR POLICY

1. NO THEFT/BURGLARY UNLESS EVIDENCED OF FORCED ENTRY
2. NO OFF PREMISES OR THEFT FROM AUTO COVERAGE
3. NO JEWELRY, FUR OR COLLECTIBLES COVERAGE. (SUBMIT FOR PERSONAL ARTICLE PROGRAM)
4. NO FIREARMS OR WEAPONS COVERAGE, EITHER FOR THEFT OR LIABILITY
5. NO DWELLING LEFT VACANT OR UNOCCUPIED OVER 20 DAYS (SUBMIT FOR VACANT PROGRAM) SUCH VACANCY VOIDS COVERAGES
6. NO BOAT OR TRAILER COVERAGE
7. NO BUSINESS PERSONAL PROPERTY OR LIABILITY COVERAGE
8. ROOF RESTRICTION APPLIES TO ALL POLICIES.

INSURER: UNDERWRITTEN 100% LONDON MARKET - RATED BY BEST AS "A".

TERM: ANNUAL POLICIES

POLICY FEE: \$125.00 FULLY EARNED & \$150 FOR THE DIRECT BILL PROGRAM.

CANCELLATION: ALL FEES ARE FULLY EARNED AND 25% MINIMUM PREMIUM EARNED

POLICIES: ALL POLICIES WILL BE ISSUED BY VAN WAGONER COMPANY, INC. AND SENT TO AGENT FOR DELIVERY TO INSURED AND MTG. EXCEPT FOR: DIRECT BILL, VAN WAGONER COMPANY WILL MAIL DIRECTLY TO INSURED AND MORTGAGE COMPANY

PREMIUM: AGENT REMIT NET OF AGREED COMMISSIONS AND FEES TO VAN WAGONER COMPANY, INC. DIRECT BILL, AGENT REMIT DOWN PAYMENT IN FULL WITHIN 10 DAYS OF BINDING

TAX: ALL PREMIUMS, POLICY FEES AND INSPECTION FEES ARE SUBJECT TO SURPLUS LINES TAX.

CREDITS AVAILABLE FOR THE BETTER RISK

HOME BUILT WITHIN 10 YEARS

LOSS FREE FOR VW OR AGENT IN PAST 3 YEARS

GREAT OR GOOD CREDIT HISTORY PAST 3 YEARS

RENEWAL FOR VW OR AGENT

CLAIMS

OVER OUR DEDUCTIBLE – SUBMIT

UNDER OUR DEDUCTIBLE – QUOTE

ALL LOSSES AND/OR CLAIMS MUST BE SHOWN ON APPLICATION (SHOW GROSS AMOUNT OF LOSS)