

LOUDOUN MUTUAL



INSURANCE COMPANY

Homeowners Manual Index

Page No. Rule No.

Accidental Discharge-Water-filled Furniture	38	7.5
Additional Interests	11	3.5
Residents of the Household	11	3.5.1
Landlords	11	3.5.2
Additional Living Costs and Loss of Rent	40	7.13
Additional Residence Premises	65	10
Separate Policy	65	10.1
Deletion of Liability Coverage	65	10.2
Additional Residence Premises-Occupied by Insured	52	8.3
Additional Residence Premises-Rented to Others	53	8.4
Animal Collision	63	9.4
Automatic Adjustment of Limits	33	6.6
Basic Limits	9	2.6
Business Activities- Business Not Owned by Insured	54	8.6
Business Property	39	7.9
Calculation of Premium	27	4.10
Cancellation or Changes in Limits or Coverages	12	3.7
Care Provided for Others	58	8.11
Changes in Limits or Addition of Coverage	28	4.12
Computers	39	7.11
Construction Definitions	26	4.9
Frame	26	
Masonry Veneer	26	
Masonry	26	
Mixed (Masonry/Frame)	26	
Log	26	
Contributing Insurance	13	3.8
Credit Cards and Depositors Forgery	40	7.14
Deductibles	29	5
Flat Deductibles	29	5.1
Higher Windstorm or Hail Deductibles	29	5.2
Domestic Employees	51	8.2
Double Wide Mobile Home Program	24	4.7
Dwelling Under Construction-Theft	35	7.2

Earthquake Coverage	34	7.1
Limited Earthquake Coverage	34	7.1.1
Electronic Devices	39	7.10
Eligibility	1	1
Owner Occupied	1	1.1
Tenant Occupied	1	1.2
Unit Owners	1	1.3
Co-Owner Occupancy	2	1.4
Incidental Business Occupancy	2	1.5
Other Occupancies	3	1.6
Dwellings Under Construction	3	1.7
Secondary Dwellings	4	1.8
Ineligible Risks	5	1.9
Employers Liability-Farm Employees	62	9.3
Endorsements	10	3.4
Expanded Ordinance or Law Coverage	32	6.4
Expanded Replacement Cost	45	7.21
Farm Personal Liability	61	9.2
Form 6 - Coverage A Options	44	7.19
Form 6 - Special Coverage	44	7.19.1
Golf Carts	45	7.20
Golf Cart Liability Coverage	59	8.12
Guardian (LM-15)	18	
Guardian Plus (LM-16)	18	
Guns	38	7.8
Home Systems Protection (including Service Line Coverage)	46	7.23
Identity Recovery Coverage	46	7.22
Inception Time	10	3.1
Incidental Farming	60	9.1
Incidental Rental to Others (Home Sharing)	59	8.13
Increased Limits – Tenant’s Improvements	41	7.15
Increased Limits-Coverages L and M	49	8.1
Inland Flood Coverage	49	7.27
Inland Marine Floater	64	9.6
Interpolation	12	3.10
Limited Farm Exposure Coverage	47	7.24
Loss Assessment	44	7.18
Loss Settlement Provisions	7	
Coverages A and B	7	2.3
Coverage C	7	2.3
Loyal Policyholder Discount	31	6.3
MasterGuard Rating Program	19	4.5
MasterGuard Classic Rating Program	21	4.6
MasterGuard Endorsements	23	
Matching of Undamaged Roofing Materials		7.25
Matching of Undamaged Siding Materials		7.26

	Page No.	Rule No.
Minimum Premium	10	3.3
Modified Replacement Cost	28	4.11
Money and Securities	38	7.6
New Home Credits	31	6.2
Office, Professional, Private School or Studio Occupancy	55	8.7
Owned Snowmobiles-Off Premises	56	8.8
Perils Insured Against	7	2.4
Personal Injury	58	8.10
Personal Property	37	7.4
Increased Limit	37	
Increased Limit-Other Residence	37	
Reduced Limit	37	
Policy Forms	6	2.1
Policy Term	10	3.2
Annual	10	
Less than One Year	10	
Renewal Plan	10	
Preferred Rating Program	14	4.3
Premium Determination	14	4
Premium Rounding	12	3.9
Principal Liability Coverages (Mandatory)	8	
Coverage L-Personal Liability	8	2.5
Coverage M-Medical Payments to Others	8	2.5
Principal Property Coverages (Mandatory)	6	
Coverage A-Residence	6	2.2
Coverage B-Related Private Structures	6	2.2
Coverage C-Personal Property	6	2.2
Coverage D-Additional Living Costs and Loss of Rent	6	2.2
Private Structures	36	7.3
Increased Limit	36	
Rented to Others	36	
With Incidental Occupancies	36	
Care Provided for Others	36	
Private Structures-Rented to Others Liability	53	8.5
Protection Classification Information	25	4.8
Protected	25	
Partially Protected	25	
Unprotected	25	
Suburban Rating Program	25	
Protective Devices	30	6.1
Refrigerated Food Spoilage	40	7.12
Related Farm Property	63	9.5
Replacement Value-Personal Property	32	6.5
Restriction of Coverage	12	3.6
Scheduled Personal Property	42	7.16
Scheduled Watercraft	43	7.16.1

Standard Classic Rating Program	13	4.1
Standard Rating Program	14	4.2
Superior Rating Program	16	4.4
Unscheduled Jewelry, Watches and Furs	38	7.7
Waiver of Premium	12	3.8
Watercraft Liability	56	8.9
Water Damage-Sewers, Drains and Sumps	43	7.17
Limited Water Damage Coverage	43	7.17.1

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

RULE 1 - ELIGIBILITY

1.1 Owner Occupied

A policy may be issued to an owner-occupant of a dwelling used only for private residential purposes, except as permitted in Rule 1.5, and occupied by no more than four families and no more than two boarders or roomers per family.

Use Form 1, 2, 3, or 5

1.2 Tenant Occupied

A policy may be issued to the tenant (non-owner) of a dwelling or apartment if the residence occupied by the insured is used only for residential purposes, except as permitted in Rule 1.5, and is occupied by no more than one additional family or two boarders or roomers.

Use Form 4

1.3 Unit-Owners

A policy may be issued to the owner-occupant of a condominium or co-operative unit if the unit is used only for residential purposes, except as permitted in Rule 1.5, and is occupied by no more than one additional family or two boarders or roomers.

Use Form 6

HO-1

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

1.4 Co-Owner Occupancy

A policy may be issued to one of the co-owners of a two, three, or four family dwelling provided each co-owner occupies a separate apartment within the dwelling. The dwelling **must be** used only for private residential purposes, except as permitted in Rule 1.5. Coverage for the other co-owner's interest in the dwelling and related private structures and for premises liability may be provided by endorsement ML-41.

Use Form 1, 2, 3, or 5

A Form 4 policy providing coverage for personal property, additional living costs, and personal liability may be issued to the other co-owner(s).

1.5 Incidental Business Occupancies

An insured may engage in certain business activities on the insured premises without affecting the eligibility status, provided that the premise is occupied principally for private residential purposes.

HO-2

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

1.6 Other Occupancies

At the option of the company, a policy may be issued to:

- an occupant of a dwelling under a life estate arrangement; or
- an occupant of a dwelling who is purchasing the dwelling under a long-term contract. The seller, who retains title until the contract is satisfied, must not act as mortgagee.

The dwelling must be used only for private residential purposes, except as permitted in Rule 1.5, and must be occupied by no more than four families and no more than two boarders or roomers per family.

Coverage for the owner's/seller's interest in the dwelling and related private structures and for premises liability may be provided by endorsement [ML-41](#).

Use Form 1, 2, or 3

1.7 Dwellings Under Construction

A policy may be issued to cover the interest of the intended owner-occupant of a dwelling under construction. The dwelling must be intended to be used only for private residential purposes, except as permitted in Rule 1.5, and occupied by no more than four families and no more than two boarders or roomers per family. The expected time for completion must not exceed six months from the effective date of the policy.

HO-3

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

1.8 Secondary Dwellings

A secondary dwelling is a dwelling with a minimum occupancy of four months during any one year and with any one period of continuous unoccupancy not to exceed 90 days.

It is mandatory that we provide coverage on the primary residence before insuring a secondary dwelling.

Secondary dwellings in any protection class are eligible for Standard and Preferred Tiers only.

A picture of the dwelling must be submitted with the application.

Coverage is available under any of the homeowner policy forms. There are no special limits of liability applicable to secondary dwellings.

The [Seasonal/Secondary Supplemental Questionnaire](#) must be completed and submitted with the application.

Credit for smoke detectors is **NOT** allowed.

Rating:

Standard rates as shown in the Homeowner Manual will apply.

When coverage is provided on the initial and secondary premises under separate policies with this company, Section II Liability coverage must be deleted from the policy covering the secondary residence and the basic premium for the secondary residence shall be reduced by \$15. A charge for an additional insured location will be included on the policy covering the initial residence premises.

HO-4

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

1.9 Ineligible Risks

The following are ineligible for coverage in the homeowner program:

- Risks where the applicant has declared bankruptcy or foreclosure within the last 3 years.
- Risks where a Pit-Bull (American Staffordshire Terrier) or a Pit-Bull mix resides on premises.
- Risks within 5 miles of the Atlantic Ocean (10 miles for MasterGuard or MasterGuard Classic)
- Risks under construction where the owner is acting as the general contractor.
- Risks with fuses that will not be completely replaced with circuit breakers within the first 30 days of policy issuance.
- Singlewide mobile homes, trailer homes or house trailers. **Doublewide mobile homes may be considered for coverage.** See "UNDERWRITING FOR THE DOUBLE-WIDE MOBILE HOME PROGRAM" on page HO-24.
- Risk includes more than 25 acres of "farmable" land. "Farmable" land is defined as either fenced or used to raise crops
- Risk includes more than one structure used or designed for farming purposes.
- Risk includes more than 2 personal use horses.
- Risk includes more than 10 head of livestock (whether insured or not).
- Risk has more than \$10,000 annual gross receipts from farm operations.
- Risk has more than one farm use vehicle.
- Risk has more than one farm employee.
- Risk has more than one farm location farmed by the insured.
- Incorporated farms.

HOMEOWNER PROGRAM

RULE 2 - PROGRAM DESCRIPTION

The following is a general description of the coverages provided by the homeowner policy forms. The policy forms state the complete conditions.

2.1 Policy Forms

The following forms are used to provide homeowners coverage:

- [Form 1](#) - Basic Form
- [Form 2](#) - Broad Form
- [Form 3](#) - Special Form
- [Form 4](#) - Contents Broad Form
- [Form 5](#) - Special Building & Contents Form
- [Form 6](#) - Condo-Unit Owners Form

2.2 Principal Property Coverages (Mandatory)

Forms 1, 2, 3, & 5 provide all of the principal coverages described below. Form 4 includes only Coverages C & D.

Coverage A - Residence

Coverage A covers the residence on the insured premises, including additions and built-in components.

Coverage B - Related Private Structures

Coverage B covers unattached structures on the insured premises that are related to the residence, other than structures used for business purposes. Coverage also applies to fences, driveways, sidewalks, and other permanently installed outdoor fixtures on the insured premises.

Coverage C - Personal Property

Coverage C covers personal property owned by or in the care of an insured. Coverage for an insured's personal property usually at a residence other than the insured premises is limited to 10% of the Coverage C limit.

Coverage D - Additional Living Costs and Loss of Rent

Coverage D covers increased living costs and loss of rent or fair rental value that occur when an insured loss makes the insured premises unfit for use.

HO-6

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

2.3 Loss Settlement Provisions

Coverages A and B

With the exception of Form 6, an 80% insurance-to-value requirement triggers replacement cost loss settlement provisions for buildings covered under Coverages A and B. On Form 6, loss to property covered under Coverage A is settled on a replacement cost basis.

Coverage C

Loss to property covered under Coverage C is settled on an actual cash value basis.

2.4 Perils Insured Against

Forms 1 and 2 insure property covered under Coverage A, B, and C and the related costs covered under Coverage D against risks of direct physical loss by the perils indicated below:

Perils Covered	Form 1	Form 2
Fire or Lightning	X	X
Windstorm or Hail	X	X
Explosion	X	X
Riot or Civil Commotion	X	X
Aircraft	X	X
Vehicles	X	X
Smoke	X	X
Sinkhole Collapse	X	X
Volcanic Action	X	X
Vandalism	X	X
Theft	X	X
Falling Objects		X
Weight of Ice, Snow or Sleet		X
Collapse of a Building		X
Sudden and Accidental Tearing Apart, Burning or Bulging		X
Accidental Discharge of Liquids or Steam		X
Freezing		X
Sudden and Accidental Damage From Electrical Currents		X

HO-7

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Form 3 insures property covered under Coverages A and B and the related costs covered under Coverage D against all risks of direct physical loss, with certain exceptions. Property covered under Coverage C is insured against risks of direct physical loss by the perils shown for Form 2.

Form 4 insures property covered under Coverage C, the insured's interest in dwelling improvements and betterments, and the related costs covered under Coverage D against risks of direct physical loss by the perils shown for Form 2.

Form 5 insures property covered under Coverages A, B, & C and the related costs covered under Coverage D against all risks of direct physical loss with certain exceptions.

Form 6 insures property covered under Coverages A and C and the related costs covered under Coverage D against risks of direct physical loss by the perils shown for Form 2.

2.5 Principal Liability Coverages (Mandatory)

Coverage L - Personal Liability

Coverage L pays on behalf of the insured for damages due to bodily injury or property damage caused by an occurrence related to the insured premises or the insured's personal activities.

Coverage M - Medical Payments to Others

Coverage M pays medical expenses incurred by persons who are not insureds if bodily injury occurs in connection with the insured premises or the insured's personal activities.

Coverages L and M can be omitted when contributing insurance applies or when the policy is written to cover an additional or secondary location.

HO-8

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

2.6 Basic Limits

The following basic **minimum** limits apply to the coverages provided by the homeowner policy:

Property Coverages	Forms 1, 2, & 3	Form 5*	Form 4	Form 6
Residence	\$5,000.00	\$400,000 \$700,000		10% of limit on personal property
Private Structures	10% of limit on residence			
Personal Property	50%** of limit on residence		\$10,000	
Additional Living Costs & Loss of Rent	20*** of limit on residence		40% of limit on personal property	

** 30% for dwellings occupied by three or four families

*** 10% for dwellings occupied by three or four families and
10% for dwellings issued with Form 1 applying
Actual Loss Sustained with Form 5

Liability Coverages

All Forms

Coverage L	\$100,000.00 Each Occurrence
Coverage M	\$1,000.00 Per Person

Show the limits for all applicable principal coverages on the declarations page.

*** Form 5 Please see Masterguard and Masterguard Classic guidelines for eligibility under under Rule 4.5 and 4.6.**

HO-9

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

RULE 3 - POLICYWRITING INSTRUCTIONS

3.1 Inception Time

The policy must be issued to take effect at 12:01 A.M. on the inception date.

Show the inception time on the declarations.

3.2 Policy Term

Annual

Rating information for annual policies is shown in this manual. Policies may not be written for terms of less than one year except as specified in the rules shown below.

Less Than One Year

A policy may be written for a term of less than one year in order to maintain common anniversary dates with other policies. All renewals will be issued for a term of one year.

Renewal Plan

The policy may be continued for successive terms, subject to the rating information, forms, and endorsements in effect on the renewal date, by payment of the required premium.

3.3 Minimum Premium

A minimum annual premium of \$100.00 will apply to all policies.

3.4 Endorsements

Information called for as entries on endorsements can instead be shown on the declarations or a supplemental schedule.

HOMEOWNER PROGRAM

3.5 Additional Interests

A homeowner policy can be endorsed to cover the interests of co-owners, executors, administrators, trustees, or beneficiaries in the insured premises or the interest of other residents of the insured premises.

Interests in Coverages A & B and Premises Liability - Forms 1, 2, 3, and 5

A policy can be endorsed at no additional premium charge to cover the insurable interest of others in the covered property and their liability arising out of the insured premises.

Attach endorsement [ML-41](#) and make entries to show the location of the premises, the names and addresses of the additional insureds, and the extent of their interests.

3.5.1 Residents of the Household

A policy can be endorsed to provide personal property and personal liability coverage for residents of the named insured's household who are not related to the insured and who would not otherwise be covered as an insured under the policy.

Rates: \$10. flat charge per policy.

Attach endorsement [ML-433](#) and make entries to show the names of additional insureds.

3.5.2 Landlords

A policy can be endorsed at no additional premium charge to provide coverage for a landlord for liability arising out of the insured premises. Coverage applies only while the insured leases or occupies the premises.

Attach endorsement [ML-416](#) and make entries to show the location of the premises and the names of the additional insureds.

Applies to Form 4 policies only.

HO-11

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

3.6 Restriction of Coverage

If a policy would not be issued because of unusual exposures, the applicant may request a restriction of coverage at no reduction of premium. The request, signed by the applicant, must be referred to the company.

3.7 Cancellation or Changes in Limits or Coverages

Policies must be canceled in accordance with the terms of all applicable cancellation provisions.

Mandatory coverages may not be canceled unless the entire policy is canceled.

If a policy is canceled or the limits are reduced, the amount of any return premium due is calculated on a pro rata basis, subject to any minimum premium requirement.

3.8 Waiver of Premium

An additional or return premium due, in the amount of \$5 or less, when a policy is endorsed after its inception may be waived; however, return premiums must be refunded at the request of the insured.

3.9 Premium Rounding

Premiums shown on the declarations must be rounded to the nearest whole dollar.

3.10 Interpolation

Rating information for a limit that is between two limits shown in this manual can be developed by interpolation.

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Rule 4 - PREMIUM DETERMINATION

The basic policy rating information shown in this manual contemplates the property and liability coverages described in Rule 2.

Unless liability coverage is deleted, coverage for the following liability exposures is required if they exist:

- three or four family dwellings;
- all domestic employees of an insured not covered or not required to be covered by Workers' Compensation Insurance;
- all additional or secondary residence premises where an insured maintains a residence, other than business or farm properties; and
- incidental office, professional, private school, or studio occupancies by an insured on residential premises of an insured.

Use the rating information shown in this manual.

NOTE: We provide coverage under seven programs: STANDARD, STANDARD CLASSIC, PREFERRED, SUPERIOR, MASTERGUARD, MASTERGUARD CLASSIC AND DOUBLE- WIDE. See the underwriting guidelines for the standard classic, standard, preferred, superior, masterguard, masterguard classic and double-wide programs in the following pages of this manual.

Rule 4.1

UNDERWRITING FOR THE STANDARD CLASSIC RATING PROGRAM

A risk not meeting one or more of the agent binding guidelines as stated in the Loudoun Mutual Underwriting Manual may be written on an exception basis with approval of the Underwriting Department. The underwriter has authority to surcharge the final premium (as determined by Rule 4.1) up to a maximum of 50%. The policy file shall state the reason and the amount of the surcharge.

HO-13

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Rule 4.2

UNDERWRITING FOR THE STANDARD RATING PROGRAM

Any eligible risk not meeting the tiers below shall be rated as Standard. Forms 1, 2, 3 or 4 are options in the Standard program.

Rule 4.3

UNDERWRITING FOR THE PREFERRED RATING PROGRAM

1. The dwelling and all related private structures to be insured under Coverage B must be well maintained and in very good to excellent condition.
2. The minimum Coverage A - Dwelling amount of insurance is \$150,000.
3. The Coverage A limit of liability for the dwelling shall not be less than 100% of the estimated replacement cost. A replacement cost estimator or an appraisal indicating the replacement value must be submitted with the application.
4. The dwelling must not be more than 60 years old. A dwelling once insured in this program shall not subsequently become ineligible on the basis of age alone. With underwriter approval, an older home that has been completely renovated (including installation of a central heating system, total electrical and plumbing updates, and replacement of shingled roof; all within the last 10 years) may be considered for Preferred Rating.
5. Regarding claims, if there is one minor loss over two years, call underwriting to confirm.
6. Must have a modern central heating system.

HO-14

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

(Preferred Rating Program Continued)

7. Woodburning Stove - The dwelling may have a woodburning stove if it is used exclusively as an auxiliary or emergency heat source. The stove installation must meet all minimum clearance requirements and the wood stove questionnaire and a picture of the stove must be submitted with the application.
8. Written under Form 2 or Form 3.
9. Must be single family occupancy only.
10. For dwellings over 10 years old, a picture of the dwelling and all other structures to be insured under Coverage B must be submitted with the application. For dwellings with a Coverage A limit less than \$300,000 and it is less than 10 years old, pictures are waived if a Replacement Cost Estimator is completed.
11. Any risk where the applicant(s) has suffered a bankruptcy within the last 3 years is not eligible under this program.
12. Doublewide mobile homes written under the homeowner program are not eligible for this program.
13. Dwelling must have at least 200-amp electric service.
14. Secondary homes are eligible.

Rating: If the risk qualifies for this program, the base premium will be reduced by 20%.

Note: Property meeting the above criteria but is located in a remote or isolated area or that is not readily accessible to firefighting equipment, is not eligible for this program.

HO-15

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

UNDERWRITING FOR THE SUPERIOR RATING PROGRAM

Rule 4.4

1. The dwelling and all related private structures to be insured under Coverage B must be well maintained and in excellent condition.
2. The minimum Coverage A - Dwelling amount of insurance is \$200,000.
3. The Coverage A limit of liability for the dwelling shall not be less than 100% of the estimated replacement cost. A replacement cost estimator or an appraisal indicating the replacement value must be submitted with the application.
4. The dwelling must not be more than 40 years old. A dwelling once insured in this program shall not subsequently become ineligible on the basis of age alone.
5. Regarding claims, if there is one minor loss over two years, call underwriting to confirm.
6. All protection classes are eligible for this rating program.
7. Must have a modern central heating system.
8. No wood burning stove of any type.
9. Written under Form 3 only.
10. Log Homes are not eligible for Superior Rating.
11. Secondary dwellings are not eligible for Superior Rating.
12. The risk must have an adequate number of smoke detectors on each floor.

HO-16

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

(Superior Rating Program Continued)

13. Any risk canceled, non-renewed, or declined by this or any other company within the past three years is not eligible for coverage under this program. This does not apply to non-renewals due to the withdrawal of a company from Virginia or a specific agency.
14. Any risk where the applicant(s) has suffered a bankruptcy within the last three years is not eligible under this program.
15. For dwellings over ten years old, a picture of the dwelling and all other structures to be insured under Coverage B must be submitted with the application. For dwellings with a Coverage A limit less than \$300,000 and it is less than 10 years old, pictures are waived if a Replacement Cost Estimator is completed.
16. Dwelling must have at least 200-amp electric service.

* **Rating:** If the risk qualifies for this program, the base premium will be reduced by **27.5%**.

Note: Property meeting the above criteria but is located in a remote or isolated area or that is not readily accessible to firefighting equipment is **not** eligible for this program.

Doublewide mobile homes written under the homeowner program are **not** eligible for this program.

HO-17

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Special Package of Optional Coverages

The Form 2 or Form 3 homeowner policy may be endorsed with a special package of optional coverages as outlined below:

Eligibility Guardian (LM-15) may be added to any Form 2 or 3 homeowner policy.
Guardian Plus (LM-16) may be added to any Form 2 or 3 homeowner policy rated Preferred or Superior.

Coverage Enhancements	Guardian LM-15	Guardian Plus LM-16
Dwelling	Coverage A limit	Coverage A limit + 20% incl. Expanded Replacement Cost
Personal Property on Replacement Value basis	70% of Coverage A	75% of Coverage A
Additional Living Expense	50% of Coverage A	50% of Coverage A
Ordinance or Law Coverage	25% of Coverage A	25% of Coverage A
Money, Gold, etc	\$250	\$500
Securities, Stamps, etc.	\$1,500	\$2,000
Credit Card, Forgery, etc	\$2,500	\$2,500
Sewer Backup	\$10,000	Coverage A limit
Extra Mortgage Expense	36 months at \$250 per month plus \$2,000 closing	36 months at \$250 per month plus \$2,000 closing
Computer Coverage	\$2,500 hardware; \$250 software“open perils” coverage	\$2,500 hardware; \$250 software“open perils” coverage
Jewelry, etc.(loss by theft)	\$2,500	\$5,000 (\$2,500 per item)
Guns	\$2,500	\$5,000 (\$2,500 per item)
Damage to property of Others	\$1,000	\$1,000
Personal Injury	not included	Coverage L limit
Golf Cart liability	not included	Coverage L limit

Rating: Guardian (Form LM-15) - 15% of basic premium, \$25 minimum.
Guardian Plus (Form LM-16)- 20% of basic premium, \$40 minimum.

Attach endorsement [LM-15](#) or [LM-16](#).

HO-18

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Rule 4.5

UNDERWRITING FOR THE MASTERGUARD RATING PROGRAM

1. The dwelling and all related private structures to be insured under Coverage B must be well maintained and in excellent condition.
2. The minimum Coverage A amount of insurance is **\$400,000**. (**\$700,000** for Alexandria City, Arlington, Fairfax, & Loudoun Counties)
3. The Coverage A limit shall not be less than 100% of the estimated replacement cost. A photograph and replacement cost estimator or an appraisal indicating the replacement value must be submitted with the application.
4. The dwelling must not be more than **40** years old. A dwelling once insured in this program shall not subsequently become ineligible on the basis of age alone.
5. Any risk with a loss in the past 3 years is not eligible for this program. An exception may be approved for a risk with a single weather-related loss not exceeding \$10,000.
6. Must have a modern central heating system. Woodstoves are not eligible.
7. Written under Form 5 only.
8. Log Homes are not eligible.
9. Secondary dwellings are not eligible.
10. The risk must have an adequate number of smoke detectors on each floor.

HO-19

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

(MASTERGUARD Rating Program Continued)

11. Any risk canceled, non-renewed, or declined by this or any other company within the past three years is not eligible for coverage under this program. This does not apply to non-renewals due to the withdrawal of a company from Virginia or a specific agency.

12. Any risk where the applicant(s) has suffered a bankruptcy within the last three years is not eligible under this program.

13. The applicant must have an excellent credit history with an insurance score which shows as "Bind - All Tier Eligible" in our on-line quoting system.

14. Dwelling must be located a minimum of 10 miles from the Atlantic Ocean and Chesapeake Bay in Virginia Beach, Norfolk and the Eastern Shore.

Coverage must be written on a Form 5 with the following minimums:

- \$1,000 deductible
- \$500,000 Coverage L
- \$5,000 Coverage M
- Endorsement [LM-99](#)
- Endorsement [IRC](#)

Rating:

- LM99 - reduce base premium by 35%.

The applicable endorsement is included within the base premium for this program. All other rating factors and premium charges apply.

HO-20

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Rule 4.6

UNDERWRITING FOR THE MASTERGUARD CLASSIC RATING PROGRAM

1. The dwelling and all related private structures to be insured under Coverage B must be well maintained and in excellent condition.
2. The minimum Coverage A amount of insurance is **\$250,000**.
3. Dwellings over **40** years old may be written **IF** the dwelling has been completely renovated within the last 15 years. The renovation must include installation of a central heating system, total electrical and plumbing updates, and replacement of a shingled roof.
4. Wood burning stoves are allowed as a secondary heat source.
5. The Coverage A limit shall not be less than 100% of the estimated replacement cost. A photograph and replacement cost estimator or an appraisal indicating the replacement value must be submitted with the application.
6. Any risk with a loss in the past 3 years is not eligible for this program. An exception may be approved for a risk with a single weather-related loss not exceeding \$10,000.
7. Written under Form 5 only.
8. Log Homes are eligible.
9. Secondary dwellings are not eligible.
10. The risk must have an adequate number of smoke detectors on each floor.
11. Any risk canceled, non-renewed, or declined by this or any other company within the past three years is not eligible for coverage under this program. This does not apply to non-renewals due to the withdrawal of a company from Virginia or a specific agency.

HO-21

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

(MASTERGUARD CLASSIC Rating Program continued)

12. Any risk where the applicant(s) has suffered a bankruptcy within the last three years is not eligible under this program.

13. The applicant must have an excellent credit history with an insurance score which shows as "Bind - All Tier Eligible" in our on-line quoting system.

14. Dwelling must be located a minimum of **10** miles from the Atlantic Ocean and the Chesapeake Bay in Virginia Beach, Norfolk or the Eastern Shore.

Coverage must be written on a Form 5 with the following minimums:

- \$1,000 deductible
- \$500,000 Coverage L
- \$5,000 Coverage M
- Endorsement [LM-299](#)
- Endorsement [IRC](#)

Rating:

- LM299 - reduce base premium by 15%.

The applicable endorsement is included within the base premium for this program. All other rating factors and premium charges apply.

HO-22

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

**MASTERGUARD AND
MASTERGUARD CLASSIC**

The Form 5 homeowners policy may be endorsed with a special package of optional coverages as outlined below:

Coverage Enhancements	MasterGuard LM-99	MasterGuard Classic LM-299
Dwelling	Coverage A limit plus Expanded Replacement Cost up to 30%	Not applicable
Personal Property on Replacement Value basis	75% of Coverage A	75% of Coverage A
Additional Living Expense	Actual Loss Sustained	Actual Loss Sustained
Ordinance or Law Coverage	25% of Coverage A	25% of Coverage A
Money, Gold, etc	\$500	\$500
Tree Removal	\$1,000	\$1,000
Lock Replacement	\$500	\$500
Credit Card, Forgery, etc	\$5,000	\$5,000
Sewer Backup	Up to the policy limit, Coverage A, B & D	Up to the policy limit, Coverage A, B & D
Earthquake	Coverage A, B, & D	Coverage A, B, & D
Extra Mortgage Expense	36 months at \$250 per month plus \$2,000 closing	36 months at \$250 per month plus \$2,000 closing
Computer Coverage	\$2,500 hardware; \$250 software "open perils" coverage	\$2,500 hardware; \$250 software "open perils" coverage
Jewelry, etc.(loss by theft)	\$5,000 (\$2,500 per item)	\$5,000 (\$2,500 per item)
Guns (loss by theft)	\$5,000 (\$2,500 per item)	\$5,000 (\$2,500 per item)
Damage to property of Others	\$1,000	\$1,000
Personal Injury	included	included
Golf Cart Liability	included	included
Optional Loss Settlement	160% Coverage A cash out option for a total loss	160% Coverage A cash out option for a total loss

HO-23

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Rule 4.7

UNDERWRITING FOR THE DOUBLE-WIDE MOBILE HOME PROGRAM

Double-Wide mobile homes can be insured under the Homeowners program if they meet the following standards:

1. Must be in excellent condition.
2. Set on a continuous masonry foundation.
3. No more than **10** years old.
4. Form 4, minimum \$10,000 Coverage A, Form 1, 2 or 3 minimum \$50,000 Coverage A and maximum \$250,000 Coverage A.
5. Written on Forms 1, 2, 3 or 4 only.
6. Double-Wide mobile homes meeting the above conditions may be insured in the Standard Tier only.
7. Endorsement [LM-999](#) will automatically attach to all double-wide mobile homes issued in the Standard Tier. Replacement cost coverage, stated amount and debris removal at 5% or \$5000, whichever is greater, are included in this endorsement.

* Rating: The base premium shall be surcharged **20%**. New home and alarm credits apply.

HO-24

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

Rule 4.8

PROTECTION CLASSIFICATION INFORMATION

Protected

Dwellings located within 1,000 feet of a public hydrant and within six road miles travel distance of one or more responding recognized fire departments.

Partially Protected

Dwellings located within six miles travel distance of one or more responding recognized fire departments of that graded area but not within 1,000 feet of a public hydrant.

Unprotected

Dwellings located over six miles travel distance from a responding recognized fire department, with or without a public hydrant within 1,000 feet.

Suburban Rating Program

Dwellings may be eligible for rating under a protected suburban classification. **To be eligible, the residence must qualify for rating under the Preferred, Superior, Masterguard or Masterguard Classic Plan and meet all the following criteria:**

1. Located within six road miles of a responding fire department.
2. The responding fire department must be capable of transporting a minimum of 2500 gallons of water.
3. The residence must be accessible year-round to fire fighting equipment, including the driveway to the residence.
4. The residence must be located in a residential subdivision or visible from a main public road.

Any dwelling located in a remote or isolated area or that is not readily accessible to firefighting equipment does **not** qualify for this program.

HO-25

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

Rule 4.9

CONSTRUCTION DEFINITIONS

Frame

Exterior wall consisting of wood or other combustible construction, including wood-iron clad, stucco on wood or plaster on combustible supports, aluminum or vinyl siding over frame.

Masonry Veneer

Masonry veneer-external walls of combustible construction, veneered with brick or stone.

Masonry

Masonry exterior walls constructed of masonry materials such as adobe, brick, concrete, gypsum block, Hardi-Plank, hollow concrete block, stone, tile or similar materials and floors and roof of combustible construction (disregarding floors resting directly on the ground).

Mixed (Masonry/Frame)

A combination of both frame and masonry construction shall be classed as brick when the exterior walls are at least two-thirds brick.

Log

A house built of logs that are horizontally laid and notched, including kit-built log homes.

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

4.10 Calculation of Premium

1. Determine the appropriate protection class.
2. Determine the basic premium from the appropriate premium group.
3. Apply factor to the base rates for location of dwelling by zone.
4. Add for any increase or subtract for any decrease in Coverage C at the appropriate rate per hundred.
NOTE: Coverage C under the Preferred and the Superior programs is 70%, under Guardian program is 70% and under the Guardian Plus & MasterGuard programs is 75%.
5. If eligible for tier rating apply appropriate credit or surcharge.
6. Allow credit for a higher deductible (if applicable).
7. Allow new home credit (if applicable).
8. Allow the alarm credit (if applicable).
9. Figure for Guardian, Guardian Plus or Replacement Cost on Contents, if desired, whichever is applicable.
10. Add the charge for any increase in Section L or M Coverages.
11. Under additional premiums, charge individually for additional forms at manual rates.
12. Apply factor for any policy-wide surcharge or credit.

NOTE: Credits are to be applied in sequential order.

HO-27

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

**4.11 Modified Replacement Cost - All Forms Except HO-4 and HO-6
(Not applicable if form [ML-145](#) is attached)**

The standard Homeowners Policy provides loss settlement on a replacement cost basis if the Coverage A limit of liability represents at least 80% of replacement value. This percentage amount may be modified to 50%, 60% or 70% of replacement value without affecting the loss settlement provisions. If this option is selected, the Coverage A limit of liability representing 50%, 60% or 70% of replacement value is to be shown in the policy declarations.

Multiply the base premium for the Coverage A limit of liability by the appropriate factor from the table below:

<u>% of Replacement Value</u>	<u>Factor</u>
50%	1.25
60%	1.15
70%	1.10

Use Endorsement [ML-256 Special Loss Settlement](#)

NOTE: When this option is selected, the Dwelling Replacement Cost Estimator must be submitted with the application.

4.12 Changes in Limits or Addition of Coverage

Policy limits may be increased, or coverages added during the policy term. Compute the additional premium due on a pro rata basis using the same forms, endorsements, rules, and rating information that were in effect when the current policy premiums were calculated.

HO-28

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

RULE 5 - DEDUCTIBLES

A deductible amount is subtracted from all covered property losses, except those losses covered by Coverage D and the following Incidental Property Coverages: Emergency Removal; Fire Department Service Charge; Credit Card, Forgery, and Counterfeit Money; Grave Markers; Loss Assessment; and Refrigerated Food Spoilage.

The deductible amount is subtracted only once per occurrence at each location, regardless of the number of covered items affected.

5.1 Flat Deductibles - All Perils

All new policies will be issued with a \$500.00 flat deductible. The following flat deductible options are available, and credits apply to the basic policy premium:

Deductible Amount	Credit
\$ 500	10%
\$1,000	20%
\$1,500	22.5%
\$2,500	25%
\$5,000	30%
\$10,000	35%

5.2 Higher Windstorm or Hail Deductibles - All Forms

The policy can be issued with a deductible applicable to loss caused by windstorm or hail that is higher than the deductible that applies to all other perils.

The following windstorm or hail deductible options and additional credits are available:

Policy Deductible	<u>Credit for Higher Windstorm or Hail Deductible</u>		
	<u>\$1,000.</u>	<u>\$2,000.</u>	<u>\$5,000.</u>
\$ 500.	2%	4%	6%
1,000.	-	3%	5%
1,500.	-	3%	5%
2,500.	-	-	3%

Attach endorsement [ML-405](#).

*** Mandatory \$5000 Windstorm or Hail deductible in Territories 10 and 11, which include counties near the Coast.**

HO-29

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

RULE 6 - PREMIUM MODIFICATIONS

6.1 Protective Devices - All Forms

Approved and properly maintained installations of burglar alarms, fire alarms and automatic sprinklers in the dwelling may be recognized for a premium credit. The premium subject to this credit shall be the BASIC SECTION I PREMIUM including any premium adjustment for Coverage C limits.

- Central Station reporting fire and burglar alarms 10%
- Central Station reporting fire alarm 5%
- Central Station or police station reporting burglar alarm 5%
- Local fire or smoke alarm detectors on every floor 2%
- Local burglar alarm 2%
- Dead-bolt locks on all exterior doors 2%
- Automatic sprinklers in all areas including attics, bathrooms, closets, attached structures 13%
- Automatic sprinklers in all areas except attics, bathrooms, closets, attached structures 8%
- Restricted Community Credit where the dwelling must be located within an age restricted community that is governed by an association with rules and covenants controlling risks and if the association provides exterior maintenance and routine lawn care. 15%
- Gated Community Credit (not a gated driveway) 5%
- Mobile Alert Device 1%
- Preferred Employee Discount - Contact your Underwriter

Attach endorsement [ML-216](#) and state on the application the type(s) of installation for which credit is allowed. If a risk qualifies for more than one credit, the credits may be added together, not to exceed 15% maximum credit amount allowed. Written documentation must be submitted confirming installation and maintenance of all central station systems before credit will be allowed. **DO NOT** allow local smoke or burglar alarm credit for secondary dwellings or dwellings under construction.

HO-30

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

6.2 New Home Credits

The basic premium for dwellings may be adjusted by using the following credits:

New Home Credit	
Age of Home	Credit
0	15%
1	15%
2	14%
3	13%
4	12%
5	11%
6	10%
7	9%

New Home Credit	
Age of Home	Credit
8	8%
9	7%
10	6%
11	5%
12	4%
13	3%
14	2%
15	1%
16	0%

Year built subtracted from inception year equals age for purpose of these credits.

NOTE: For the purpose of this rule, premium subject to credit shall be BASIC SECTION I PREMIUM including any premium adjustments for Coverage C limits.

6.3 Discounts

Loyal Policyholder Discount

If a homeowner policy has been in force 5 years or longer, the policy is automatically given a 5% credit. The dollar amount of the credit shows on the declarations page.

Multi-Policy Discount

If a homeowner and an umbrella policy are issued to the same policyholder, a 10% discount will apply to the homeowner policy. Or, if a homeowner policy and an automobile policy are issued with an approved affiliated automobile insurance company, a 10% discount will apply to the homeowner policy. These discounts may not be combined.

HO-31

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

6.4 Expanded Ordinance or Law Coverage

Without Coverage for Increased Costs to Respond to Pollutants

All forms provide limited incidental coverage for the increased cost which results from the enforcement of a code, ordinance, or law which regulates the use, construction, repair, demolition, or removal of debris of covered property following a covered loss. Under Forms 1, 2, 3, 5 and 6 coverage is limited to 10% of Coverage A limit.

Under Form 4, coverage is limited to 10% of the limit that applies to tenant's improvements.

The limit under Forms 1, 2, 3 and 5 can be increased to 25%, 50%, 75% or 100% of the Coverage A limit. **The limit under Forms 4 and 6 cannot be increased.**

<u>Rating Information</u>	
<u>Total</u>	<u>Premium</u>
25% of Coverage A	20% of Base Premium
50% of Coverage A	45% of Base Premium
75% of Coverage A	65% of Base Premium
100% of Coverage A	85% of Base premium

Attach endorsement [ML-257](#) and make an entry to show the percentage limit that applies.

6.5 Replacement Value - Personal Property

The loss settlement provisions that apply to personal property and various miscellaneous items can be converted from actual cash value coverage to replacement cost coverage. When this option is selected, the personal property limit may not be reduced below the limit specified in Rule 2.6.

Rating: Forms 1, 2, or 3 - 10% of basic premium.
Forms 4 or 6 - 35% of basic premium.

Attach endorsement [ML-55](#).

HO-32

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

6.6 Automatic Adjustment of Limits - Forms 1, 2, 3 and 5

The limits that apply to Coverages A, B, C, and D can be automatically increased on an annual basis by applying the appropriate percentage factors as follows to the BASIC SECTION I PREMIUM:

<u>Amount of Annual Increase</u>	<u>Percentage of Premium</u>
4%	2%
6%	3%
8%	4%
10%	5%

Attach endorsement [ML-184](#) and make an entry to show the amount of increase that applies.

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

RULE 7 - OPTIONAL PROPERTY COVERAGES

7.1 Earthquake

Coverage for direct physical loss caused by earthquake to property covered under Coverages A, B, C and D can be added. A special deductible provision applies to loss caused by earthquake. The deductible limit applying per occurrence will be 2% of the coverage amount or \$250, whichever is greater.

Forms 1, 2, 3, and 5 - Apply the rating information shown below to the Coverage A limit shown on the declarations.

Form 4 and 6 - Apply the rating information shown below to the Coverage C limit shown on the declarations.

EARTHQUAKE RATING INFORMATION PER \$1,000 OF INSURANCE

	Coverage A
Forms 1, 2, 3 and 5	.50
	Coverage C
Form 4 and 6	.50

Minimum Premium: \$20 per policy

Attach endorsement [ML-54](#).

7.1.1 Limited Earthquake Coverage

Up to **\$50,000** coverage for direct physical loss to property covered under Coverages A and B caused by earthquake can be added to the policy. A **\$2500** deductible applies to this coverage. If the Limited Earthquake Coverage endorsement is added in addition to the Earthquake Coverage endorsement, the only deductible applying to Coverages A and B is a \$2500 deductible.

Rate: Flat charge of \$35.00 applies per policy.

Attach endorsement [LM-554](#).

HO-34

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

7.2 Dwelling Under Construction - Theft

Coverage can be provided for theft or attempted theft in or to a residence being built or a newly constructed residence before it is occupied. Coverage also applies to theft of materials and supplies used in construction of the residence.

Rate: \$6.00 per thousand of insurance.

Maximum limit of coverage - \$50,000.

Attach endorsement [ML-422](#) and make an entry to show the limit that applies.

NOTE: Minimum premium retention for this coverage is \$50. The agent must notify the company when this coverage is no longer needed so that it can be deleted from the policy.

HO-35

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

7.3 Private Structures - Forms 1, 2, 3 and 5

Increased Limit

An additional amount of insurance can be provided for specific private structures covered under Coverage B.

Rate: \$2. per \$1,000 of insurance

Attach endorsement [ML-48](#) and make entries to describe the covered structures and show the additional amount of coverage that applies to each structure.

Rented to Others

Coverage can be provided for private structures on the described premises rented or held for rental to others, used for residential purposes and occupied by no more than two families.

Rate: \$3. per \$1,000 of insurance

Attach endorsement [ML-40](#) and make entries to describe the covered structures, indicate the number of families and show the amount of coverage that applies to each structure.

With Incidental Occupancies

Coverage for private structures on the described premises with an office, professional, private school or studio occupancy can be provided.

Rate: \$3. per \$1,000 of insurance

Attach endorsement [ML-42](#) and make entries to describe the business, describe the covered structures and show the amount of coverage that applies to each structure.

Care Provided for Others

Coverage for private structures on the described premises used in conjunction with providing care for others can be added if liability coverage for the care of others also applies.

Rate: \$3. per \$1,000 of insurance

Attach endorsement [ML-157](#) and make the required entries.

HO-36

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

7.4 Personal Property

Increased Limit - Forms 1, 2, 3 and 5

The Coverage C limit can be increased.

Rate: \$2. per \$1,000 of insurance

Show the Coverage C limit on the declarations.

Increased Limit - Other Residences

Coverage for personal property at other residences is limited in the policy form to 10% of Coverage C or \$2,500. whichever is greater. This limit may be increased.

Rate: \$7. per \$1,000 of additional insurance.

Attach endorsement [ML-0500](#).

Reduced Limit - Forms 1, 2, 3 and 5

Coverage C limit can be reduced to not less than 40% of the Coverage A limit. This option is not permitted when endorsement ML-55, LM-15, LM-16, LM-99 or LM299 is attached.

Rate: \$1. credit per \$1,000 of insurance.

Show the Coverage C limit on the declarations.

HO-37

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

7.5 Accidental Discharge - Water-filled Furniture

Coverage can be provided for direct physical loss to covered property caused by the accidental discharge or overflow of liquids from water-filled furniture.

Rate: Flat charge of \$20 applies per policy.

Attach endorsement [ML-421](#).

7.6 Money and Securities

The special limits under Coverage C that apply to loss to money, securities and related items can be increased.

Rate: Money - \$6 per \$100 of insurance
Securities - \$4 per \$100 of insurance

Attach endorsement [ML-65](#) and make entries to show the amount of each increase and the total limits that apply.

7.7 Unscheduled Jewelry, Watches and Furs

The special limit under coverage C that applies to loss to unscheduled jewelry, watches and furs can be increased.

Rate: \$9 per \$500 of insurance

Attach endorsement [ML-65](#) and make an entry to show the amount of the increase and the total limit that applies.

7.8 Guns

The special limit under Coverage C that applies to loss to guns can be increased.

Rate: \$2 per \$100 of insurance

Attach endorsement [ML-65](#) and make an entry to show the amount of the increase and the total limit that applies.

HOMEOWNER PROGRAM

7.9 Business Property

The special limit under Coverage C for loss to business property while on the insured premises can be increased.

Rate: \$1 per \$100 of insurance

The special limit that applies to business property while away from the insured premises is automatically increased to 10% of the total limit that applies to business property while on the insured premises.

Attach endorsement [ML-65](#) and make an entry to show the amount of the increase and the total limit that applies.

7.10 Electronic Devices

Either or both of the special limits under Coverage C that apply to loss to electronic devices, accessories, and antennas that can be operated from the electrical system of a motorized vehicle and other sources of power can be increased.

Rate: \$16 per \$500 of insurance

Attach endorsement [ML-65](#) and make an entry for the applicable class to show the amount of the increase and the total limit that applies.

7.11 Computers

Coverage for computer data processing equipment and software can be provided for all risks of direct physical loss, with certain exceptions.

Rate: \$2 per \$100 of insurance
Minimum Premium - \$20
Maximum limit per policy - \$10,000

Attach endorsement [ML-170](#) and make entries to describe the covered property and show the limits that apply.

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

7.12 Refrigerated Food Spoilage

Forms 1, 2, 3, 4, 5 and 6 automatically provide \$500 coverage with no deductible applying. The limit that applies to the incidental coverage for refrigerated food spoilage can be increased.

* Rate: \$5 per \$500 of insurance (**\$2000 maximum limit**)

Attach endorsement [ML-30](#) and make an entry to show the amount of the increase and the total limit that applies.

7.13 Additional Living Costs and Loss of Rent

The Coverage D limit can be increased.

Rate: \$2 per \$1,000 of insurance

Show the Coverage D limit on the declarations.

NOTE: Automatic increase at no additional cost if [LM-15](#), [LM-16](#), [LM-99](#) or [LM-299](#) is attached.

7.14 Credit Cards and Depositors Forgery

The limit that applies to the incidental coverage for loss by forgery or alteration of credit cards, checks or drafts, or acceptance of counterfeit paper currency can be increased as shown below:

AMOUNT OF INCREASE	TOTAL LIMIT	RATING INFORMATION PER POLICY
\$1,000.	\$2,500.	3
3,500.	5,000.	4
6,000.	7,500.	5
8,500.	10,000.	6

Attach endorsement [ML-30](#) and make an entry to show the amount of the increase and the total limit that applies.

HO-40

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

7.15 Increased Limit

The limit that applies to the incidental coverage for tenant's improvements (10% of the Coverage C limit) can be increased.

Rate: \$3 per \$1,000 of insurance

Attach endorsement [ML-30](#) and make an entry to show the amount of the increase and the total limit that applies.

HO-41

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

7.16 Scheduled Personal Property

Coverage for scheduled personal property can be provided against all risks of direct physical loss, with certain exceptions on the following classes of scheduled personal property subject to the following rules and rates:

Jewelry, Furs, Cameras, Musical Instruments, Fine Arts and Guns may be insured on a scheduled basis with a description and amount of coverage specified for each item.

Silverware, Golfer's Equipment, Postage Stamps, and Rare and Current Coins may be insured on a scheduled or blanket basis.

An appraisal **must** be submitted with the application for any item insured on a scheduled basis in excess of **\$10,000**.

Rates per \$100 of insurance, subject to a \$13 minimum premium, is shown below:

Jewelry	.90 out of vault .255 in vault coverage*
Blanket Jewelry (\$500 ded)	1.25 (\$5000 maximum per item)
Furs	.297
Cameras	1.57 personal use only**
Musical Instruments	.47 personal use only**
Silverware	.425
Golfer's Equipment	.85
Postage Stamps	.38
Coins	1.62
Guns	1.50
Fine Arts	.15
Fine Arts including breakage	.30

*There are no restrictions on how often the jewelry can be removed from the vault.

**Refer to Company for approval & rating for cameras and musical instruments used professionally.

Attach endorsement [ML-61](#).

HO-42

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

7.16.1 Scheduled Watercraft

Coverage may be provided against all risks of physical loss with certain exceptions on scheduled outboard motorboats, outboard motors, outboard motorboat equipment, inboard and inboard/outboard boats, and boat carrier, with a separate amount of insurance applying to each item.

Rate: \$1.50 per hundred subject to a \$20 minimum premium.

Attach endorsement [IM-4417](#) Watercraft.

7.17 Water Damage - Sewers, Drains and Sumps

Coverage for direct physical loss caused by water that backs up through sewers or drains or overflows from a sump can be added for property covered under Coverages A, B, and C. Ineligible on Form 1.

Rate: Flat premium charge of \$25.

Attach endorsement [ML-208](#).

7.17.1 Limited Water Damage Coverage

Up to **\$50,000** coverage is provided for direct physical loss to Covered Property caused by or resulting from water or water borne material below the surface of the ground, including water or water borne materials which exert pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

Rate: Flat premium charge of \$25.00.

(*No longer eligible for new business)

Attach endorsement [LM 88](#).

HO-43

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

7.18 Loss Assessment

Increased Limit - Described Location

The limit that applies to the incidental property and liability coverages for loss assessment arising out of the described location can be increased. Coverage for assessments resulting from a deductible in the insurance purchased by the association is limited to \$1,500. Increased limit rates are shown below:

Amount of Increase	Total Limit	Rating Information Per Policy
\$3,500.	\$5,000.	\$6.
\$8,500.	\$10,000.	\$10.

Attach endorsement [ML-50](#) and make appropriate entries.

7.19 Coverage A Options - Form 6 only

A limit of 10% of the Personal Property Coverage is provided under Coverage A, Dwelling, at no additional charge. This limit can be increased. The premium is developed based on the additional limit of insurance. The premium for each additional \$1,000 of insurance shall be developed as follows:

Protection Class 1-8 --- \$3 per \$1,000 of insurance
Protection Class 9-10 -- \$4 per \$1,000 of insurance

Enter the total Coverage A limit on the policy application.

7.19.1 Special Coverage - Form 6 only

Coverage for property covered under Coverage A can be provided against all risks of direct physical loss, with certain exceptions.

Rate: \$2 for the basic Coverage A limit **PLUS**
\$1 for each additional \$1,000 of Coverage A

Attach endorsement [ML-32](#).

HO-44

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

7.20 Golf Carts

Coverage for direct physical loss to specified golf carts caused by a Coverage C peril or collision or overturn can be added.

Rate: \$.80 per \$100 of insurance. Minimum premium of \$10.

Attach endorsement [ML-431](#) and make appropriate entries.

7.21 Expanded Replacement Cost - Forms 1, 2, 3 and 5 (Not applicable if [ML-256](#) is attached.)

At the option of the company, the replacement cost terms that apply to Coverage A can be expanded to pay up to 120% of the Coverage A limit when a covered loss exceeds the limit shown on the declarations and the insured elects to repair or replace the residence. The Coverage A limit shown on the declarations must equal at least 100% of the residence's replacement cost at policy inception or at the time the expanded replacement cost terms are added to the policy.

Underwriting Guidelines

1. Forms 1, 2, 3 and 5 only (**Condos and Mobile Homes are ineligible**).
2. Dwelling must not be more than 60 years of age at the time replacement cost coverage is written.
3. Amount of coverage at time of writing must be 100% of the estimated replacement cost.
4. The Dwelling Replacement Cost Estimator furnished by Loudoun Mutual must be submitted with each application.
5. The physical condition and level of maintenance must be very good to excellent. Property must be very attractive and highly desirable showing pride of ownership.

Rate: \$5. flat charge per policy.

Attach endorsement [ML-145](#).

HO-45

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

7.22 Identity Recovery Coverage

This coverage is automatically included in all homeowner policies unless declined by the insured. This coverage reimburses the insured up to \$15,000 (subject to a \$250 deductible) for expenses the insured incurs due to the theft of the insured's identity. This endorsement also provides Identity Theft Management Service.

Rate: \$17 per policy

Attach endorsement [LM IRC](#)

7.23 Home Systems Protection and Service Line Coverage V2 (effective 1/1/2022 for new business and policies newly endorsed with this coverage)

This covers the insured's important home systems and property due to mechanical or electrical breakdown. This includes coverage for appliances, heating and cooling systems including heat pumps, swimming pool equipment, water heaters, well pumps, electrical systems, personal computers, home electronics and more.

The per occurrence limit is \$100,000 and the per occurrence deductible is \$500. If the covered home equipment is determined to be **15 years or older**, a **\$1,500** limit per damaged unit will apply.

Service Line coverage includes repairs to underground pipes and wiring that bring services such as water, power, data, and communications to the home and other structures when damage occurs on the homeowner's property. Coverage includes repair of damaged service line, excavation costs, expediting expenses, loss of use coverage for additional living expenses and outdoor property (damaged by repairs). The per occurrence limit is \$10,000 and the per occurrence deductible is \$500. If the dwelling is **50 years or older**, a limit of **\$2,500** per damaged covered service line is provided.

Rate: \$47 per policy

Attach endorsement [LM-HO-EBEE-SL-V2](#).

HO-46

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

7.24 Limited Farm Exposure Coverage

The endorsement provides incidental coverage for smaller hobby-type farms. Essentially, it converts Coverage B to include farm buildings; allows the insured to use 25% of their Coverage C limit for Farm Personal Property and adds Farm Liability including employer's liability.

Eligibility:

- Farm operations at a single location of less than 50 acres.
- Farm income should be secondary, incidental and less than \$25,000 per year.
- No unlicensed farm vehicles used in farming operations.
- Allows for up to 10 head of livestock at any given time.
- Allows for up to 2 horses for personal use only: no other equine activities.

Rate: \$250.00

Attach endorsement [LM-573](#) and required [questionnaire](#).

(If the Coverage B limit is not adequate, use ML 48 for necessary increases. If the Farm Personal Property limit is inadequate, the items may be scheduled under IM113. More robust farm risks may be written under our Farmowner Program or using our traditional optional farm endorsements under the Homeowners Program.)

HO-47

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

HOMEOWNER PROGRAM

7.25 Matching of Undamaged Roofing Materials

The endorsement provides coverage for that undamaged portion of the roof on your dwelling or other structure when coverage is not afforded by the claim. Coverage is provided for 5% of the Coverage A limit for roofing material and is subject to an additional \$1,000 deductible.

Ineligible Risks:

- Any dwelling or outbuilding containing slate or cedar shakes, copper materials, or asphalt shingles over 20 years old.
- Any roof damaged or repaired in the past 10 years.

Rate: \$.05 per thousand of coverage subject to a \$25 minimum premium.

Attach endorsement [LM-46](#).

7.26 Matching of Undamaged Siding Materials

The endorsement provides coverage for that undamaged portion of the siding on your dwelling or other structure when coverage is not afforded by the claim. Coverage is provided for 5% of the Coverage A limit for siding material and is subject to an additional \$1,000 deductible.

A dwelling or private structure containing Stucco, EFIS, or Asbestos siding materials is ineligible for coverage.

For purposes of this endorsement, brick or stone veneer is not considered a siding material.

Rate: \$.05 per thousand of coverage subject to a \$25 minimum premium.

Attach endorsement [LM-47](#).

HO-48

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

7.27 Inland Flood Coverage – Coverages A, B, C, and D

The endorsement provides coverage for the dwelling, other structures (like a shed or detached garage) and personal property, including personal property in a basement. It also provides coverage for debris removal and additional living expenses.

An inland flood occurs when inland waters, such as streams or rivers, overflow and partially or completely inundate normally dry land; unusual rapid rain accumulation, runoff, or snowmelt that does not drain away or soak into the ground; when water carries mud and becomes a mudflow.

Eligibility includes single and multiple family dwellings in FEMA Flood Zones except those beginning with A and V prefixes. The Inland Flood Coverage does NOT satisfy federally regulated mortgage lender requirements.

Rates:

(Zone is dependent upon the location's proximity to a flood zone)

Coverage Options	1-2	3-4	5-6	7	8	9	10
\$10,000	\$25	\$36	\$60	\$150	\$300	\$425	\$550
\$25,000	\$32	\$51	\$100	\$270	\$563	\$805	\$1,050
\$50,000	\$39	\$71	\$142	\$410	\$875	\$1,275	\$1,650

Attach endorsement [LM-27](#). \$500 deductible applies.

HO-49

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

RULE 8 - OPTIONAL LIABILITY COVERAGES

All mandatory and optional liability coverages must be written at the same limit.

8.1 Increased Limits - Coverages L and M

The limits for Coverages L and M can be increased as follows:

1 or 2 Families

Coverage L Liability	Coverage M - Med Pay			
	\$1,000.	\$2,000.	\$3,000.	\$5,000.
\$ 100,000.		3.	6.	9.
\$ 200,000.	4.	7.	10.	13.
\$ 300,000.	8.	11.	14.	17.
\$ 500,000.	12.	15.	18.	21.
\$1,000,000.	25.	28.	31.	34.

3 or 4 Families

Coverage L Liability	Coverage M - Med Pay			
	\$1,000.	\$2,000.	\$3,000.	\$5,000.
\$ 100,000.		6.	9.	12.
\$ 200,000.	10.	16.	19.	22.
\$ 300,000.	19.	25.	28.	31.
\$ 500,000.	28.	34.	37.	40.
\$1,000,000.	41.	47.	50.	53.

HO-50

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

8.2 Domestic Employees

Coverage for liability arising out of injuries sustained by domestic employees of an insured not covered or not required to be covered by Workers' Compensation Insurance is included under the liability section of the policy. A charge is required for each domestic employee in excess of two, except:

- employees working less than half of the customary full time; or
- employees to whom the policy's Coverage L exclusion for bodily injury to persons covered or required to be covered by workers' compensation insurance applies.

Rating information as follows (per employee):

Coverage L Liability	Coverage M - Med Pay			
	\$1,000.	\$2,000.	\$3,000.	\$5,000.
\$ 100,000.	6.	8.	10.	14.
\$ 200,000.	7.	9.	11.	15.
\$ 300,000.	8.	10.	12.	16.
\$ 500,000.	10.	11.	13.	18.
\$1,000,000.	13.	15.	17.	21.

Make an entry on the declarations to show the number of domestic employees.

HO-51

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

8.3 Additional Residence Premises - Occupied by an Insured

Coverage for liability arising out of all additional or secondary residence premises where an insured maintains a residence, other than business or farm properties, is required. Out of state locations should be referred to the company.

Rating information as follows:

<u>Section L</u> <u>Liability</u>	<u>Coverage M - Med Pay</u>			
	<u>\$1,000.</u>	<u>\$2,000.</u>	<u>\$3,000.</u>	<u>\$5,000.</u>
\$ 100,000.	\$6.	\$7.	\$8.	10.
\$ 200,000.	7.	8.	9.	11.
\$ 300,000.	8.	9.	10.	12.
\$ 500,000.	9.	10.	11.	13.
\$1,000,000.	11.	12.	13.	15.

Make entries on the declarations to show the locations of all additional and secondary residence premises to which the liability coverages apply.

HO-52

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

8.4 Additional Residence Premises - Rented to Others

Coverage for liability arising out of additional one to four family dwellings owned by the insured and rented or held for rental to others can be added, using the rating information below:

Liability	One-Family				Two-Family			
	1,000.	2,000.	3,000.	5,000.	1,000.	2,000.	3,000.	5,000.
\$ 100,000.	10.	11.	12.	14.	16.	17.	18.	20.
\$ 200,000.	12.	13.	14.	16.	19.	20.	21.	23.
\$ 300,000.	13.	14.	15.	17.	21.	22.	23.	25.
\$ 500,000.	15.	16.	17.	19.	24.	25.	26.	28.
\$1,000,000.	19.	20.	21.	23.	30.	32.	33.	34.

Liability	Three-Family				Four-Family			
	1,000.	2,000.	3,000.	5,000.	1,000.	2,000.	3,000.	5,000.
\$ 100,000.	28.	29.	30.	32.	30.	31.	32.	34.
\$ 200,000.	33.	34.	35.	37.	35.	36.	37.	39.
\$ 300,000.	37.	38.	39.	41.	40.	41.	42.	44.
\$ 500,000.	42.	43.	44.	46.	45.	46.	47.	49.
\$1,000,000.	52.	53.	54.	56.	56.	57.	58.	60.

Attach endorsement [ML-70](#) and make entries to show the location(s) of the covered premises and to indicate the number of families at each premise. Out of state locations should be referred to the company.

8.5 Private Structures - Rented to Others

If coverage is provided under the property coverages for private structures rented to others, coverage for liability arising out of those structures is also provided.

Rating: Use Rating Schedule for 8.4 Additional Residence Premises as shown above.

Attach endorsement [ML-40](#) and make entries to describe the covered structures and indicate the number of families.

HO-53

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

8.6 Business Activities - Business Not Owned by the Insured

Coverage for liability arising out of an insured's business activities, other than activities related to a business of which the insured is sole owner or a partner, can be added.

Eligible business activities are classified as shown below. Make the appropriate charge for each covered person.

Classifications:

- A Clerical Employees
- B Salesperson - installation, demonstration or services included
- C Salesperson - installation, demonstration or services excluded
- D Teachers - labs, athletic, manual, or physical training
- E Teachers - not otherwise classified
- F Corporal Punishment - add to classification D or E

Premium for this exposure is developed as follows:

Cov. L <u>Liability</u>	Cov. M <u>Med Pay</u>	Classifications					
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F*</u>
\$100,000.	1,000.	4.	6.	4.	11.	5.	4.
\$100,000.	2,000.	5.	7.	5.	13.	6.	4.
\$100,000.	3,000.	6.	8.	6.	15.	7.	4.
\$100,000.	5,000.	8.	10.	8.	17.	9.	4.
\$200,000.	1,000.	5.	7.	5.	13.	6.	5.
\$200,000.	2,000.	6.	8.	6.	15.	7.	5.
\$200,000.	3,000.	7.	9.	7.	17.	8.	5.
\$200,000.	5,000.	9.	11.	9.	19.	10.	5.
\$300,000.	1,000.	6.	8.	6.	15.	7.	5.
\$300,000.	2,000.	7.	9.	7.	17.	8.	5.
\$300,000.	3,000.	8.	10.	8.	19.	9.	5.
\$300,000.	5,000.	10.	12.	10.	21.	11.	5.
\$500,000.	1,000.	8.	10.	8.	16.	9.	6.
\$500,000.	2,000.	9.	11.	9.	18.	10.	6.
\$500,000.	3,000.	10.	12.	10.	20.	11.	6.
\$500,000.	5,000.	12.	14.	12.	22.	13.	6.
\$1,000,000.	1,000.	10.	13.	10.	20.	11.	8.
\$1,000,000.	2,000.	11.	14.	11.	21.	12.	8.
\$1,000,000.	3,000.	12.	15.	12.	22.	13.	8.
\$1,000,000.	5,000.	14.	17.	14.	24.	15.	8.

* Medical Payments Not Applicable to Corporal Punishment

HO-54

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Attach endorsement [ML-71](#), Business Activities, and make entries to show the names of the covered persons and the covered business activities. If applicable, make an entry to show that coverage for liability arising out of the corporal punishment of pupils is included.

8.7 Office, Professional, Private School, or Studio Occupancy

Coverage for liability arising out of an incidental office, professional, private school, or studio occupancy in the residence, in a related private structure on the insured premises, or at an additional residence premises occupied by the insured can be added when:

- the premises are occupied principally for residential purposes;
- the business is conducted by an insured; and
- there is no other business conducted on the premises.

Premium for this exposure is developed as follows:

Coverage L Liability	Coverage M - Medical Payments							
	Residence Premises				Additional Premises			
	1,000	2,000	3,000	5,000	1,000	2,000	3,000	5,000
100,000.	19.	24.	29.	39.	18.	21.	24.	30.
200,000.	22.	27.	32.	42.	21.	24.	27.	33.
300,000.	25.	30.	35.	45.	24.	27.	30.	36.
500,000.	28.	33.	38.	48.	27.	30.	33.	39.
1,000,000.	35.	40.	45.	55.	34.	37.	40.	46.

Attach endorsement [ML-42](#) and make entries to describe the business and its location.

HO-55

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

8.8 Owned Snowmobiles - Off Premises

Coverage for liability arising out of the off-premises use of snowmobiles owned by an insured who resides in the named insured's household can be added. A separate charge applies for each covered snowmobile.

Coverage L Liability	Coverage M - Medical Payments			
	1,000.	2,000.	3,000.	5,000.
100,000.	67.	75.	83.	99.
300,000.	92.	100.	108.	124.

Attach endorsement [ML-164](#) and make entries to describe each covered snowmobile.

8.9 Watercraft

Coverage for liability arising out of the use of certain types of watercraft can be added.

For rating purposes, combine the horsepower of all outboard motors used together with any single watercraft owned by the insured.

For boats not described below or automatically covered in the basic policy forms, coverage is not permitted under the Homeowners Policy. **Jet skis, jet boats, or other jet drive watercraft are ineligible.**

Watercraft powered by outboard, inboard, or inboard-outdrive motors:

<u>Classification</u>	<u>Horsepower</u>	<u>Length of Watercraft</u>
A1	up to 50	Up to 15 feet
A2	up to 50	Over 15, up to 26 feet
B1	51 to 100	Up to 15 feet
B2	51 to 100	Over 15, up to 26 feet
C1	101 to 150	Up to 15 feet
C2	101 to 150	Over 15, up to 26 feet
D	151 to 200	Over 15, up to 26 feet

Watercraft less than 16 feet in length with horsepower over 150 are **not** eligible for coverage.

HO-56

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Limits		Classifications						
Cov. L	Cov. M	A1	A2	B1	B2	C1	C2	D
100,000.	1,000.	22.	30.	37.	45.	52.	64.	95.
100,000.	2,000.	25.	34.	41.	51.	58.	72.	107.
100,000.	3,000.	28.	38.	45.	57.	64.	80.	119.
100,000.	5,000.	34.	46.	53.	69.	76.	96.	143.
200,000.	1,000.	25.	35.	43.	53.	61.	75.	112.
200,000.	2,000.	28.	39.	47.	59.	67.	83.	124.
200,000.	3,000.	31.	43.	51.	65.	73.	91.	136.
200,000.	5,000.	37.	51.	59.	77.	85.	105.	160.
300,000.	1,000.	29.	39.	49.	60.	69.	85.	126.
300,000.	2,000.	32.	43.	53.	66.	75.	93.	138.
300,000.	3,000.	35.	47.	57.	72.	81.	101.	150.
300,000.	5,000.	41.	55.	65.	84.	93.	117.	174.
500,000.	1,000.	32.	44.	54.	66.	78.	96.	143.
500,000.	2,000.	35.	48.	58.	72.	84.	104.	155.
500,000.	3,000.	38.	52.	62.	78.	90.	112.	167.
500,000.	5,000.	44.	60.	70.	90.	102.	128.	191.
1,000,000.	1,000.	40.	55.	68.	83.	120.	134.	165.
1,000,000.	2,000.	43.	59.	72.	89.	126.	142.	177.
1,000,000.	3,000.	46.	63.	76.	95.	132.	150.	189.
1,000,000.	5,000.	52.	71.	84.	107.	144.	166.	213.

Sailboats with or without auxiliary power 26 to 40 feet in length:

Limits			Limits		
Cov. L	Cov. M	Premium	Cov. L	Cov. M	Premium
100,000.	1,000.	25.	500,000.	1,000.	47.
100,000.	2,000.	28.	500,000.	2,000.	50.
100,000.	3,000.	31.	500,000.	3,000.	53.
100,000.	5,000.	37.	500,000.	5,000.	59.
200,000.	1,000.	31.	1,000,000.	1,000.	51.
200,000.	2,000.	34.	1,000,000.	2,000.	54.
200,000.	3,000.	37.	1,000,000.	3,000.	57.
200,000.	5,000.	43.	1,000,000.	5,000.	63.
300,000.	1,000.	37.			
300,000.	2,000.	40.			
300,000.	3,000.	43.			
300,000.	5,000.	49.			

Attach endorsement [ML-75](#) and make entries to describe each covered watercraft.

- * Outboard motors of up to 25 horsepower, inboard or inboard-outdrive motorboats with motor power up to 50 horsepower or sailboats less than 26 feet with or without auxiliary power are covered in the basic policy form.

HO-57

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

UNDERWRITING NOTE: The driving record of all boat operators should be reviewed before providing liability coverage on watercraft. Driver's license number, date of birth and the names of all the operators needs to be provided. If the watercraft has over 200HP and is over 26 feet, call your underwriter for approval.

8.10 Personal Injury - Forms 1, 2, 3, 4, 5 and 6

Personal liability coverage can be extended to include coverage for personal injury. Personal injury means damages for which the insured is liable arising out of offenses such as false arrest, libel, slander, and invasion of privacy of another.

<u>Coverage L Limit</u>	<u>Premium</u>
100,000	13
200,000	15
300,000	17
500,000	21
1,000,000	27

Attach endorsement [ML-46](#).

8.11 Care Provided For Others

Coverage for liability arising out of care provided by an insured for up to three persons on the insured premises as a business activity can be added. The rating information reflects an annual aggregate limit that is equal to the Coverage L limit.

Maximum Limits: \$300,000 Liability
\$1,000 Medical Payments

The following rates apply per person:

<u>Liability Limit</u>	<u>Premium</u>	<u>Medical Pay Limit</u>	<u>Premium</u>
100,000.	39.	1,000	20.
200,000.	46.		
300,000.	52.		

Minimum premium per policy: \$100.

Attach endorsement [ML-157](#) and make entries to describe the location of the business and show the annual aggregate limit.

HO-58

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

8.12 Golf Cart Liability Coverage (Provided at the option of the company - included if [LM-16](#), Guardian Plus, or Masterguard [LM-99](#) and Masterguard Classic [LM-299](#) are attached)

Coverage for liability arising out of the off-premises use of golf carts for purposes other than golfing can be added. The golf carts must be owned by an insured who resides in the named insured's household and must not be subject to motor vehicle registration. A separate charge applies for each covered golf cart.

Coverage L Liability	Coverage M - Medical Payments			
	1,000.	2,000.	3,000.	5,000.
100,000.	69.	79.	89.	99.
200,000.	81.	89.	97.	107.
300,000.	92.	100.	108.	118.
500,000.	103.	111.	119.	129.
1,000,000.	135.	143.	151.	159.

Attach endorsement [ML-432](#) and make entries to describe each covered golf cart.

8.13 Incidental Rental to Others (Home Sharing)

This coverage is to be used for any homeowner renting their home for less than 30 days annually. The exclusion for theft of personal property from a rented space is deleted. Coverage is provided for rental of a Coverage B structure. Coverage is also provided for Coverage C Property of Renters for \$5,000 and \$5,000 sign coverage. Damage to Property of Others is increased to \$2,500.

Rate: \$100.00

Attach endorsement [LM-442](#).

HO-59

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

RULE 9 - OPTIONAL FARM COVERAGES

All mandatory and optional liability coverages must be written at the same limit. See eligibility guidelines to determine if risk should be written under the Farmowners Program.

9.1 Incidental Farming

When farming is not the business of the insured, coverages for liability arising out of an insured's incidental farming activities on or away from the insured premises can be added. Incidental farming includes activities such as the farming of garden plots and the grazing of small numbers of animals.

Coverage L Liability	Coverage M - Medical Payments			
	<u>1,000.</u>	<u>2,000.</u>	<u>3,000.</u>	<u>5,000.</u>
100,000.	30.	31.	32.	34.
200,000.	35.	36.	37.	39.
300,000.	40.	41.	42.	44.
500,000.	45.	46.	47.	49.
1,000,000.	60.	61.	62.	64.

Attach endorsement [ML-320](#) and make an entry to show the location of the farming activities.

HO-60

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

9.2 Farm Personal Liability

Instructions for Calculating Premium:

Using the Exposure Classifications shown below, determine the premium as follows:

1. Determine whether initial farm premises Classification A, Operated by the Insured or B, Rented to Others applies.
2. Determine which, if any, of Classifications C through E apply. If any do apply, add the appropriate charge to the premium for the initial farm premises.

NOTE: Any dwellings rented to others located on any farm premises are to be rated as additional residence premises.

Exposure Classifications:

- A *Initial Farm Premises - Operated by the insured
- B *Initial Farm Premises - Rented to others (regardless of acreage)
- C Each Additional Farm Premises with Building - Operated by the insured or rented to others
- D Total Acreage - 160 to 499 inclusive (Applies to farms operated by insured only)
- E Total Acreage - 500 and over (Applies to farms operated by insured only)

*Initial farm premises means the primary farm location including adjoining farm acreage whether owned or rented by the insured.

Limits		Classifications				
Cov. L	Cov. M	A	B	C	D	E
100,000.	1,000.	41.	16.	14.	28.	82.
	2,000.	43.	17.	15.	28.	82.
	3,000.	46.	17.	16.	28.	82.
	5,000.	52.	23.	22.	34.	88.
200,000.	1,000.	47.	18.	16.	33.	96.
	2,000.	49.	19.	17.	33.	96.
	3,000.	52.	20.	18.	33.	96.
	5,000.	58.	26.	24.	39.	102.
300,000.	1,000.	54.	20.	18.	37.	109.
	2,000.	56.	21.	19.	37.	109.
	3,000.	59.	22.	20.	37.	109.
	5,000.	65.	28.	26.	43.	115.

HO-61

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

	1,000.	60.	22.	20.	42.	122.
500,000.	2,000.	62.	23.	21.	42.	122.
	3,000.	65.	24.	22.	42.	122.
	5,000.	71.	30.	28.	42.	122.
	1,000.	67.	27.	25.	52.	153.
1,000,000.	2,000.	69.	34.	26.	52.	153.
	3,000.	72.	35.	27.	52.	153.
	5,000.	78.	41.	29.	52.	153.

Attach endorsement [ML-29](#).

9.3 Employer's Liability - Farm Employees (Applicable only if ML-29 is attached)

Liability and medical payments coverage for injuries sustained by farm employees during their employment can be added to policies that include farm personal liability coverage.

Rate as follows:

- A. Farm Employees - Part-time working less than 40 days per year (100-man days basis)
- B. Farm Employees - Part-time working over 40 days, but less than 180 days per year
- C. Farm Employees - Full-time working over 180 days per year

Limits		Classifications		
Cov. L	Cov. M	A	B	C
100,000.	1,000.	8.	10.	23.
100,000.	2,000.	13.	15.	28.
100,000.	3,000.	18.	20.	33.
100,000.	5,000.	28.	30.	43.
200,000.	1,000.	10.	11.	27.
200,000.	2,000.	15.	16.	32.
200,000.	3,000.	20.	21.	37.
200,000.	5,000.	30.	31.	47.
300,000.	1,000.	11.	13.	31.
300,000.	2,000.	16.	18.	36.
300,000.	3,000.	21.	23.	41.
300,000.	5,000.	31.	33.	51.
500,000.	1,000.	12.	15.	35.
500,000.	2,000.	17.	20.	40.
500,000.	3,000.	22.	25.	45.
500,000.	5,000.	32.	35.	55.

HO-62

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

1,000,000.	1,000.	15.	19.	44.
1,000,000.	2,000.	20.	24.	39.
1,000,000.	3,000.	25.	29.	54.
1,000,000.	5,000.	35.	39.	64.

Attach endorsement [ML-311](#) and make entries to show the rating basis and premium.

9.4 Animal Collision (Applicable only if ML-29 or ML-320 is attached)

Coverage for loss by death to cattle, horses, mules, donkeys, hogs, sheep, or goats owned by the insured can be added to policies that include coverage for liability arising out of farming activities. Loss must occur while the animal is on a public road and must be caused or made necessary by collision between the animal and a vehicle not owned or operated by an insured.

<u>Estimated Number of Head</u>	<u>Premium</u>
1 but not more than 100	\$10
101 but not more than 250	20
251 but not more than 500	30
501 but not more than 1,000	40

Attach endorsement [ML-337](#).

9.5 Related Farm Property

Coverage for structures located on the described premises designed or used for farming can be provided. Losses are insured against the perils of fire; windstorm or hail; explosion; riot or civil commotion; aircraft; vehicles; sudden and accidental damage from smoke; sinkhole collapse; volcanic action and vandalism. Losses are settled on an actual cash value basis.

Coverage B specifically does not apply to a structure insured under this endorsement. The Homeowners form provides for \$2,500 in business personal property coverage. Since farming is included in the definition of business, this coverage could be used for loss to farm personal property while on the insured premises.

Rate: \$5 per thousand dollars of insurance, subject to a \$25 minimum.

HO-63

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

Attach endorsement [LM48F](#) and make entries to describe the type, construction and dimensions of each covered structure. Show the amount of coverage that applies to each structure.

9.6 Inland Marine Floater

Inland Marine Floater coverage on Agricultural Machinery and Livestock can be written by attaching the appropriate forms. Rates are as follows, subject to a \$20. minimum premium for the floater.

Rates per \$100	Form A (blanket)	Form B (scheduled)
Livestock	.67	.44
Optional Perils on Livestock (Excluding sheep and goats)	.15	.15
Optional Perils on Sheep and Goats	.90	.90
Machinery (Excluding harvester- thresher combines)	.54	.36

Attach Form [IM-114](#) for Livestock, Form [IM-259](#) for Livestock Optional Perils, and Form [IM-113](#) for machinery. Make the proper entries for applicable coverage limits and premiums.

LOUDOUN MUTUAL INSURANCE COMPANY

HOMEOWNER PROGRAM

RULE 10 - ADDITIONAL RESIDENCE PREMISES

For this rule, an additional residence is a dwelling, other than the dwelling described on the declarations, located in the same state as the primary residence and owned by an insured.

10.1 Separate Policy

Coverage for an additional residence that meets the eligibility requirements set forth in this manual can be provided by issuing a separate policy when the insured's primary residence is covered by a homeowner, or a homeowners policy issued by the same company.

Personal liability coverage can be deleted from the policy that covers the additional residence premises if liability coverage for the additional residence is added to the policy that covers the primary residence.

Use the rating information shown in this manual to determine the premium for the additional residence. If appropriate, apply the credit shown in Rule 10.2 for the deletion of personal liability coverage.

On the primary policy, use the rating information shown in the applicable manual to make a liability charge for the additional residence premises.

10.2 Deletion of Liability Coverage

As noted in Rule 10.1, personal liability coverage can be deleted from a policy that covers an additional residence premises. The policy must be endorsed or amended to indicate that liability coverage for the additional residence premises is provided by the homeowners or homeowner policy covering the primary location.

HO-65

Includes Copyrighted material of American Association of Insurance Services, with its permission. Copyright, American Association of Insurance Services, 1997 (01/22)