

Foremost® Dwelling Fire and Specialty Homeowners Insurance Answers to Some Common Questions

Here are answers to some questions we've been asked about our Dwelling Fire and Specialty Homeowners programs. Please keep in mind that this information is a high-level summary. Not all products and coverages are available in all states. For specific information about our insurance in your state, please see the Program Guide.

Foremost Dwelling Fire Insurance

Our Dwelling Fire program is designed as a solution for landlord, vacant, vacation rental, seasonal and primary homes. Our broad underwriting accepts a wide range of customers, from customers or homes that may not qualify with other carriers all the way up to standard and preferred.

What Dwelling Fire forms are available?

We offer Dwelling Fire One and Dwelling Fire Three policies.

Our Dwelling Fire One policies are similar to an ISO DP-1 policy. The settlement method for a total loss is an Agreed Loss Provision. The settlement method for a partial loss is Actual Cash Value. Our Dwelling Fire One policies are as follows:

- Dwelling Fire One – Landlord
- Dwelling Fire One – Owner-occupied
- Dwelling Fire One – Vacant or Unoccupied

Our Dwelling Fire Three policies provide broader, Comprehensive coverage. It is similar to an ISO DP-3 policy. The settlement method for a total loss is an Agreed Loss Provision. The settlement method for a partial loss is Actual Cash Value, or optional Replacement Cost. Our Dwelling Fire Three policies are as follows:

- Dwelling Fire Three – Landlord
- Dwelling Fire Three – Owner-occupied

What is an Agreed Loss settlement?

Our Dwelling Fire policies include an Agreed Loss settlement. That means that in the case of an insured total loss on the dwelling, your customer's settlement would be the Amount of Insurance listed on the Declarations Page. They don't have to argue about what their home was worth, or make guesses at what their settlement will be.

Is Replacement Cost available?

Replacement Cost coverage on the dwelling and on personal property is optional with Dwelling Fire Three policies. It is not available for Dwelling Fire One policies.

We also offer optional Extended Replacement Cost on the dwelling. If a customer purchases Extended Replacement Cost coverage, up to an additional 25% of the Amount of Insurance on the dwelling is available, if needed to replace the home.

Why would I use Foremost's Dwelling Fire program?

Our broad eligibility includes the following types of properties:

- Professional landlords, with multiple properties
- Properties with minor cosmetic problems, up to properties in perfect condition
- Urban dwellings
- Properties valued from \$5,000 up to \$1,000,000
- Seasonal and Vacation Rentals, including unsupported
- Homes of any age
- Properties with a market value below 70% of replacement cost
- Vacant dwellings with Vandalism and Malicious Mischief and Liability options
- Risks with up to five physical damage losses (Underwriting will review for eligibility)
- Customers with nearly perfect insurance scores – and customers with less-than-perfect insurance scores
- Customers with one liability loss
- All Fire Protection Classes, including 9 and 10

Underwriting guidelines apply. Insurance score is only used as a rating or underwriting factor where allowed by state law.

What benefits does this program offer my customer?

Besides solid coverage and superior service, our program offers:

- Competitive rates
- Discounts for professional landlords
- Agreed Loss settlement
- Coverage on vacant dwellings for up to three years, with pro-rated cancellation
- High liability limits – up to \$1,000,000
- High deductibles – up to \$5,000
- No minimum square-foot requirements
- No surcharge for seasonal properties
- Unbundled coverages – you can tailor to provide the coverages your customer wants
- Optional Landlord Package and Landlord Platinum Package
- Optional Replacement Cost on Personal Property on Dwelling Fire Three policies
- Many optional endorsements, so your customers can customize their policies
- The ability to schedule rental policies

If a landlord has a vacant property that then becomes rented, do I have to cancel and rewrite that policy?

No – you can endorse the existing policy up to a landlord policy. There's no need to cancel and rewrite.

What is the term on your vacant policy?

Our vacant policy is written as a one-year policy, with pro-rated cancellation (subject to a minimum-earned premium). We'll renew for up to three years of coverage.

Do you offer a package for landlords?

We have three choices for landlords. Our dwelling-only base policy provides solid, no-frills coverage. We also offer a Landlord Package and a Landlord Platinum Package, for your customers who want more extensive coverage for their properties. (*Platinum Package is not available in all states.*)

Does Foremost's program accept all customers?

No. In order to qualify, properties must be structurally sound and in reasonable condition, and customers must have acceptable loss and credit-based insurance scores* and they must meet other underwriting considerations. Foremost will review loss activity and may run a credit report to help determine if a risk qualifies for our program.

*Insurance scores are only used as a rating or underwriting factor where allowed by state law.

Foremost Classic CL Homeowners Insurance

Please keep in mind that this information is a high-level summary. Not all products and coverages are available in all states. For specific information about our insurance in your state, please see the Program Guide.

Foremost Classic CL is not available in Alaska, Connecticut, Georgia, Maryland, Michigan, New Jersey, North Carolina or Texas.

What is Foremost Classic CL?

Foremost Classic CL is a packaged homeowners policy that targets homes that would normally qualify for an HO-3 policy based on the condition of the home, but are ineligible due to another factor. The property must be in above-average condition with no cosmetic concerns, and must exhibit above-average maintenance on both the dwelling and the grounds.

To qualify for Foremost Classic CL, the customer or property must have one of the following conditions, which would typically exclude them from an HO-3 policy:

- Problems with credit* or losses
- Customers with unusual or exotic animals, pets that have caused harm, or unacceptable breeds of dogs (must have Animal Liability exclusion)
- Lapse in coverage
- Log or adobe dwelling
- Incidental business or hobby farm related activities on premises
- Previous declination, cancellation or non-renewal
- Fire Protection Class 9 or 10
- Woodstoves or other heating devices used for auxiliary heat
- Wood roofs
- Trampolines (must have Trampoline Liability exclusion)

- Seasonal/secondary use (including unsupported)
- Under construction (must meet construction eligibility requirements)

*Insurance scores are only used as a rating or underwriting factor where allowed by state law.

Does Foremost Classic CL accept customers who have had losses in the past?

Yes. In most states, customers with up to five paid losses in the past five years may be eligible.

What policy form is Foremost Classic CL?

A Foremost Classic CL policy is modeled after an ISO HO-3 policy. It provides Comprehensive coverage on the dwelling and other structures, and Broad Form Named Peril coverage on personal property. Replacement Cost coverage on the dwelling and other structures is included. Replacement Cost coverage on personal property is optional.

Will insurance score and loss history be re-evaluated when the policy is up for renewal?

Reevaluation of insurance score* varies by state. Customers in all states will have their paid losses reviewed at renewal.

*Insurance scores are only used as a rating or underwriting factor where allowed by state law

Will Foremost Classic CL accept everyone?

No, there are risks that do not qualify for this program. Please see the Program Guide for more information.

Foremost Classic ACV Homeowners Insurance

Please keep in mind that this information is a high-level summary. Not all products and coverages are available in all states. For specific information about our insurance in your state, please see the Program Guide.

Foremost Classic ACV is not available in Connecticut, Michigan, New Mexico, Texas or Virginia.

What is Foremost Classic ACV?

Foremost Classic ACV is designed for customers with homes that don't qualify for a Replacement Cost policy, but who still want Comprehensive coverage. Foremost Classic ACV is a perfect solution for many properties that don't fit the rigid requirements for traditional homeowners insurance. Properties that would qualify include older

homes, lower-valued homes, homes in urban area and homes that need some minor cosmetic repairs.

What kind of coverage does Foremost Classic ACV provide?

It's similar to an ISO HO-3 policy, but with an Actual Cash Value settlement for the dwelling and other structures, and a \$1,000 limit on theft. The policy provides Comprehensive coverage on the dwelling, and Broad Form Named Peril coverage on personal property. There is an optional endorsement for Replacement Cost coverage on personal property.

How is Foremost Classic ACV different from Foremost Classic CL?

Foremost Classic ACV is aimed at customers with homes that don't qualify for Replacement Cost on the dwelling. Foremost Classic CL targets customers whose *homes* would normally qualify for a standard HO-3 policy, but the *customer* doesn't qualify for a variety of reasons.

Will Foremost Classic ACV accept homes in any condition?

No. Properties must be in average condition or better with minimal cosmetic concerns, and must exhibit average or better maintenance on the dwelling and grounds.

Need more information?

The information provided above is only intended as a high-level summary of our programs. Availability, coverages, and other details vary by state. For more information, see the Program Guide for your state.

You can also call ServicePoint® at 1-800-527-3905, or contact your Foremost marketing representative.