

Tower Hill Prime® Insurance Company

*An affiliate of Tower Hill Specialty*

# Dwelling Program

---

*Texas*



**New Business Effective Date:** 04/29/2026

**Manual Edition Date:** 04/29/2026



**Tower Hill Specialty**

Proprietary & Confidential

# *Table of Contents*

---

Program Characteristics .....	3-4
Eligibility and Coverages .....	5
Policy Form Comparison .....	6-7
Optional Coverages .....	8-11
Liability Coverages .....	12
Exclusions.....	13
Settlement Options .....	14-15
Discounts and Surcharges.....	16-17
Underwriting Rules	
Prior Loss History.....	18
Matrix .....	19-24
General Rules and Rating Information .....	25
Temporary Binding Restrictions.....	26
Cancellation Procedures.....	26
Quoting Process .....	27
Payment Plans.....	27
Contact Us .....	28

# *Dwelling Property 1 (DP-1) Program*

Tower Hill Prime Insurance Company's DP-1 program provides **named peril** coverage for an **Owner, Rental, or Seasonally occupied dwelling as well as structures not intended to be occupied or are currently vacant.**

- **Condition:** Risks should be in fair or better condition.
  - **Fair** condition means the home is structurally sound with no visible sagging porches or rooflines. A home in fair condition may also need cosmetic repairs such as paint, missing shutters, or other items that may affect the visible condition but does not affect the integrity of the structure.
  - **Unacceptable** condition includes, but is not limited to, broken or boarded up windows (Exception: Boarded up windows are acceptable for vacant homes when intended to protect the home and the home is well maintained.), excessively worn or damaged roof, unrepaired vandalism or damage, sagging porches and roofs, damage to any parts of the structure, or excessive debris in the yard.
- **Designed Use:**
  - The Tower Hill Prime Insurance Company's DP-1 program is designed for property owners who do not desire or do not qualify for a standard homeowner's form.
- **Residence Types:**
  - A **Dwelling** is a building intended for people to live in. It may allow for up to four families and be no more than three stories tall.
  - A **Condominium (Vacant Only)** is a home in a shared building or development. The buyer gets the title of the space inside the unit, shares the common areas with other unit owners and pays a maintenance fee to the condominium association to pay for needed maintenance, repairs, and improvements.
  - A **Mobile Home/ Manufactured Home (Vacant Only)** is a factory fabricated, transportable housing unit, which is at least 8 body feet in width and built on a chassis. It is designed to be used as a dwelling with or without a permanent foundation when connected to required utilities.
  - A **Tiny Home** is a site built housing unit with usually less than 400 square feet. The dwelling must be stationary and connected to required utilities. For a non-site built housing unit see our Manufactured Home program.
  - A **Boat House Without Living Quarters, Covered Boat Slip/Dock** is a boat house or boat slip/dock structure that has a roof, may or may not be fully enclosed, and does not have living quarters.
  - A **Non-Dwelling Structure** (e.g. Pole Barn) is a structure that has a roof, may or may not be fully enclosed, and does not have living quarters.

## *Dwelling Property 3 (DP-3) Program*

Tower Hill Prime Insurance Company's DP-3 program provides **open peril** coverage for an **Owner, Rental, Seasonal, or Vacant occupied dwelling**.

- **Condition:** Risks should be in above average or better condition.
  - **Above Average** condition means the home is structurally sound and free of cosmetic defects. The condition of the home should reflect responsible ownership in the maintenance and upkeep of the home. The heating, wiring, and plumbing systems should be in good working order and the roof must be in good condition.
  - **Unacceptable** condition includes, but is not limited to, peeling paint, overgrown foliage, overhanging or touching branches, sagging gutters, broken or boarded up windows, excessively worn or damaged roof, unrepaired vandalism or damage, sagging porches and roofs, damage to any parts of the structure, or debris in the yard.
- **Designed Use:**
  - The Tower Hill Prime Insurance Company's DP-3 program is designed for property owners who do not desire a standard homeowner's form or may have difficulty finding homeowner's form coverage with standard carriers due to occupancy or unfavorable liability risks such as swimming pools, trampolines, incidental business exposure, or animals.
- **Residence Types:**
  - A **Dwelling** is a building intended for people to live in. It may allow for up to four families and be no more than three stories tall.

## *Occupancies (DP-1 and DP-3)*

- **Owner:** A dwelling used as the insured's primary residence for a period of five (5) consecutive months or more annually. Homes may not be rented to others for any period of time unless Occasional Rental is selected in which case the rental time should be limited to less than one month over the course of the year.
- **Seasonal:** A dwelling that is not the primary residence of the insured, but one that is used on an intermittent basis as a seasonal, vacation, or secondary residence by the insured and his/her immediate family. Homes may not be rented to others for any period of time unless Occasional Rental is selected in which case the rental time should be limited to less than one month over the course of the year.
- **Rental:** A dwelling that is rented to others for residential purposes or homes used for light office (light to no foot traffic), professional, or institutional purposes. Insurance is written to cover the interest of the owner of a rented dwelling.
- **Vacant:** A dwelling temporarily vacant for one of the following reasons: Renovation/Remodeling, Between Tenancy or Real Estate Closings, Dwellings Held for Sale and On the Market, or Investment Properties. **Available in the DP-1 program and Existing DP-3 policies only.**
- **Not a Residence:** A structure not intended for people to live in such as a Pole Barn or Picnic Shelter. If the structure looks more like a dwelling, then it should be written normally depending on the occupancy. When 2 or more structures need to be insured on the same premise and neither is a dwelling, the largest structure should be insured as the Coverage A with the Structure Endorsement. The second structure should be written as Other Structure Coverage on the same policy. If multiple structures are on the premises, they all must be in a condition acceptable for the program. **Available in the DP-1 program only.**

## *Eligibility and Coverages*

Coverages	DP-1	DP-3
Policy Form	D1-CW-P-0001	D3-CW-P-0001
Policy Term	12 months, Effective 12:01am Standard Time	
Loss Settlement	Actual Cash Value (ACV)	Replacement Cost (RC)
Minimum Dwelling Limit	No Minimum	\$75,000
Maximum Dwelling Limit	Owner/Rental/ Seasonal/Not a Residence: \$500,000 Vacant: \$1,000,000	Owner/Rental: \$750,000 Seasonal/Vacant: \$1,000,000
Maximum Dwelling Age	N/A	80 years of age
Occupancy	Owner/Seasonal/Rental/Vacant/Not a Residence	Owner/Seasonal/Rental/Vacant
Multi-Family	1-4 Family Up to 3 Stories	
Location of Home	Protection Class 1-10	
Additional Coverages	DP-1	DP-3
Debris Removal	Reasonable Expenses	Reasonable Expenses
Reasonable Repairs	Reasonable and Necessary	Reasonable and Necessary
Fire Department Service Charge	\$500	\$500

## *Policy Form Comparison*

Policy Form	DP-1	DP-3
<b>Dwelling Coverage (A)</b>	Named Peril	Open Peril
Fire, Lightning, and Internal Explosion	Yes	
Smoke	Yes, but not by fireplaces or agricultural smudging.	Yes
Explosion	Yes, but not by steam boilers or steam pipes.	Yes
Windstorm/Hail	Yes	
Riot/Civil Commotion	Yes	
Aircraft	Yes	Yes
Vehicles	Yes, but not by vehicles owned by insured.	Yes
Volcanic Eruption	Yes	
Vandalism or Malicious Mischief	Optional	Yes
Burglary	Optional	Yes
Collapse	No	Yes
Freezing	No	Yes
Water from Plumbing, Heating, or A/C System	No	Yes, but not gradual seepage
Power Interruption	No, but ensuing loss covered if cause of interruption occurred on premises.	No, unless cause of interruption occurred on premises.
Water Damage and Mold Property	Optional	10% of Cov. A with \$10,000 mold sublimit (Non-Vacant) 10% of Cov. A (\$50,000 maximum) with \$10,000 mold sublimit (Vacant)
Ordinance or Law	No	10% Included
Earthquake	Optional	
Flood, Neglect, War, Nuclear Hazard, and Intentional Loss	No	

Policy Form	DP-1	DP-3
<b>Other Structures Coverage (B)</b>	Named Peril	Open Peril
Included Amount	10% of Cov. A	

## *Policy Form Comparison (Continued)*

Policy Form	DP-1	DP-3
<b>Personal Property Coverage (C)</b>	Named Peril	
On Premises	100% of Coverage C	
Off Premises	10% of Coverage C	
Included Amount	None but Optional to Buy	

Policy Form	DP-1	DP-3
<b>Additional Living Expense/ Fair Rental Value Coverage (D)</b>	Named Peril	Open Peril
Included Amount	20% of Cov. A Fair Rental Value Only (Reduces Cov. A)	20% of Cov. A Additional Living Expense/ Fair Rental Value

Policy Form	DP-1	DP-3
<b>Additional Coverages</b>		
Property Removed	Covered for up to 5 days	Covered for up to 30 days
Fire Department Service Charge	\$500 if not located in the fire district providing coverage	
Plants, Trees, Shrubs, and Lawns	No	5% of Coverage A (Max \$500 per plant)

## Optional Coverages

Coverages	Important Information	Included Limits	Optional Limits	DP-1				DP-3			
				Owner	Seasonal Rental	Vacant	Not a Residence	Owner	Seasonal Rental	Vacant	
Additional Living Expense/ Fair Rental Value	This coverage when purchased may be used for either Additional Living Expense (ALE) or Fair Rental Value. DP-1 includes 20% Fair Rental Value coverage which reduces Coverage A. DP-3 includes 20% of ALE/Fair Rental Value which does not reduce Coverage A.	20% of Cov. A	Up to 40% of Cov. A	X	X	X		X	X	X	
Builder's Risk Renovation and/or New Construction Coverage	For homes that are undergoing major renovations or completion of new construction (home must be fully enclosed). The renovation amount should equal the value of improvements, alterations or repairs to buildings or structures under renovation. Upon completion of renovations, the Builder's Risk Coverage must be requested to be removed by the insured. Examples of when the Builder's Risk Renovation could be endorsed: ▶ Just purchased home undergoing major renovation ▶ Unfinished newly constructed homes that have been purchased out of foreclosure prior to the home being 100% complete by the builder.		100% of Cov. A				X				
Earthquake	Provides coverage for direct physical loss caused by an earthquake. The 15% deductible shown on the Declarations page will apply <b>separately to each coverage.</b>			X	X	X	X	X	X	X	
Equipment Breakdown	Provides Equipment Breakdown protection for appliances in the home. Subject to a \$500 deductible.		\$100,000	X	X	X	X	X	X	X	
Identity Fraud Expense	Provides coverage for expenses resulting from identity fraud first discovered or learned of during the policy period. \$250 Deductible.		\$15,000	X	X			X	X		
Loss Assessment	Provides coverage for claims involving the condominium building or its common areas. Only available to Vacant Condos.	\$1,000	\$5,000				X				

## Optional Coverages (Continued)

Coverages	Important Information	Included Limits	Optional Limits	DP-1				DP-3					
				Owner	Seasonal	Rental	Vacant	Not a Residence	Owner	Seasonal	Rental	Vacant	
Optional All Other Perils Deductible	The included All Other Perils (AOP) deductible may be changed to higher optional amounts. The change does not apply to any coverages with specific deductibles listed in the endorsement.  Depending on risk characteristics deductible minimums will vary, refer to system messaging.		\$1,000 \$2,500 \$5,000	X	X	X	X	X	X	X	X	X	X
Windstorm or Hail Deductible	The included Windstorm or Hail deductible will vary based on risk characteristics, refer to system messaging. The Windstorm or Hail deductible cannot be less than the All Other Perils deductible. Changing this deductible does not apply to any coverages with specific deductibles listed in the endorsement.  Depending on risk characteristics deductible minimums will vary, refer to system messaging.		1% (Renewal Business Only) 2% 3% 4% 5%	X	X	X	X	X	X	X	X	X	X
Other Structures	Limits available up to 50% of Coverage A. <b>Higher limits may be available, Refer to Underwriting.</b>		Up to 50% of Cov. A	X	X	X	X	X	X	X	X	X	X
Personal Property	Limits available up to 100% of Coverage A. <b>Higher limits may be available, Refer to Underwriting.</b> Not a Residence limited to \$10,000.		Up to 100% of Cov. A	X	X	X	X	X	X	X	X	X	X
Residence Burglary	Adds burglary as a peril insured against for the dwelling and personal property from within the premises.		Up to 100% of Cov. A or Cov. C (whichever is greater)	X	X	X	X	X					
Residence Burglary – Personal Property	Adds burglary as a peril insured against for the personal property from within the premises.		Up to 100% of Cov. C						X	X	X	X	
Service Line	Provides protection for Service Line damage or failure. Subject to a \$500 deductible.		\$10,000	X	X	X	X	X	X	X	X	X	X

## Optional Coverages (Continued)

Coverages	Important Information	Included Limits	Optional Limits	DP-1				DP-3					
				Owner	Seasonal	Rental	Vacant	Not a Residence	Owner	Seasonal	Rental	Vacant	
Theft Coverage	Adds Theft and Vandalism or Malicious Mischief resulting from theft or attempted theft as perils insured against for direct physical losses to household or personal property. <b>Theft cannot exceed 25% if any prior Theft loss exists. Risks with 2 or more Theft losses are not eligible for Theft Coverage.</b>		10% 25% 50% 75% 100% of Cov. C	X						X	X		
Vandalism or Malicious Mischief	Adds Vandalism and Malicious Mischief as a peril insured against.			X	X	X	X	X					Incl.
Roofing Materials Payment Schedule – Actual Cash Value	Changes the loss settlement for Roofing Materials damaged by windstorm or hail to the depreciation schedule as stated in the endorsement.			X	X	X	X	X	X	X	X	X	X
Solar Panel Coverage	Property Coverage for Solar Panels is excluded in the base policy but may be purchased for an additional premium.  See also Solar Panel Liability Limitation for Liability Details.		\$15,000 \$20,000 \$25,000 \$30,000 \$35,000 \$40,000 \$45,000 \$50,000	X	X	X	X		X	X	X	X	X
Water Backup and Sump Overflow	Provides coverage for losses caused by water which backs up through sewers or drains. \$250 Deductible.  Not available when Water Damage is excluded.		\$5,000 \$10,000 \$25,000						X	X	X	X	X

## Optional Coverages (Continued)

Coverages	Important Information	Included Limits	Optional Limits	DP-1				DP-3			
				Owner	Seasonal	Rental	Vacant	Not a Residence	Owner	Seasonal	Rental
Water Damage – DP-1	<p>A Water Damage Limit of \$10,000 may be purchased which includes a \$5,000 Mold and Remediation sub-limit.</p> <p>Perils Insured Against:</p> <ul style="list-style-type: none"> <li>▶ Accidental Discharge or Overflow of Water or Steam</li> <li>▶ Freezing of a Plumbing, Heating, Air Conditioning or Automatic Fire Protective Sprinkler System or of a Household Appliance</li> <li>▶ Sudden and Accidental Tearing Apart, Cracking, Burning, or Bulging</li> </ul> <p>Refer to system messaging of whether water coverage should be reduced or if the risk needs to be referred to underwriting.</p>		\$10,000	X	X	X	X				
Water Damage – DP-3	<p>Water Coverage as provided for by the DP-3 policy may be decreased to lower limits or excluded.</p> <p>The coverage includes a \$10,000 Mold and Remediation sub-limit. Water coverage is provided in the policy subject to exclusions. Flood is excluded from this coverage.</p> <p>Refer to system messaging of whether water coverage should be reduced or if the risk needs to be referred to underwriting.</p>	Full Coverage	Exclude \$10,000 \$25,000 10% of Cov. A						X	X	X

## *Liability Coverages*

Coverages	Important Information	Optional Limits	DP-1				DP-3					
			Owner	Seasonal	Rental	Vacant	Not a Residence	Owner	Seasonal	Rental	Vacant	
Animal Liability Sub-Limit	\$10,000 included when Personal Liability is present. Cannot exceed the limit selected for Personal Liability.	\$10,000 \$25,000 \$50,000 \$100,000 \$300,000 \$500,000	X						X			
Medical Payments	\$500 Each Person / \$25,000 Each Occurrence included when Personal or Premises Liability is present	\$1,000 - \$10,000 / \$25,000	X	X	X	X	X	X	X	X	X	X
Personal Liability	Included When Purchased: Damage to Property of Others - \$500 Each Occurrence	\$25,000 \$50,000 \$100,000 \$300,000 \$500,000	X						X			
Premises Liability	Included When Purchased: Property Manager – Premises Liability	\$25,000 \$50,000 \$100,000 \$300,000 \$500,000		X	X	X	X		X	X	X	
Landlord Personal Injury	Premises Liability is a pre-requisite. The limit must match the Premises Liability limit selected.				X					X		
Solar Panel Liability Limitation	Applies to all policies when Personal Liability OR Premises Liability is present. Total liability shall not exceed \$25,000 per occurrence.  The limitation will be removed if the Property Solar Panel Coverage is purchased and when electricity is stored, there is a rapid shut off installed by a licensed professional that will turn-off the solar panels when electricity is lost.		X	X	X	X	X	X	X	X	X	X

## *Exclusions*

Exclusion	Important Information	DP-1				DP-3				
		Owner	Seasonal	Rental	Vacant	Not a Residence	Owner	Seasonal	Rental	Vacant
Animal Liability Exclusion	Removes Animal Liability for underwriting acceptability.	X					X			
Specific Building / Structure Exclusion	This exclusion removes coverage for a specific structure when the structure is in disrepair and would otherwise make the risk ineligible. The specific structure to be excluded must be provided.	X	X	X	X		X	X	X	X
Roof Exclusion	Excludes roof coverage for risks that would otherwise be ineligible due to condition of roof or unrepaired roof damage. Risks where the Roof Exclusion is approved by underwriting will be required to use Actual Cash Value Loss Settlement and No Water Coverage will be available	X	X	X	X	X				
Windstorm or Hail Exclusion	This exclusion is optional in the catastrophe area designated by the Texas Windstorm Insurance Association (TWIA), and is mandatory for dwellings within 20 miles of the coast.	X	X	X	X	X	X	X	X	X
Water Damage Exclusion	This exclusion removes water damage coverage from the policy.						X	X	X	X
Solar Panel Property Exclusion	This exclusion applies to all policies unless solar panel property coverage is selected.	X	X	X	X	X	X	X	X	X

## *Settlement Options – Dwelling and Other Structures*

Loss Settlement Option	Important Information	Insurance Value	DP-1				DP-3			
			Owner	Seasonal Rental	Vacant	Not a Residence	Owner	Seasonal Rental	Vacant	
Actual Cash Value (ACV)	The actual cash value at the time of the loss, but not more than the amount required to repair or replace the damaged property, subject to conditions set in the policy form. <ul style="list-style-type: none"> <li>This is included for the DP-1 policy.</li> </ul>	100% Actual Cash Value	X	X	X	X	X	X	X	X
Full Repair Cost	Full Repair includes the full cost of repair without deduction for depreciation of the structure, subject to conditions set in the policy form. DP-3 homes built before 1945 are required to use the Modified Functional Replacement Cost, Full Repair Cost, or Actual Cash Value. Roof coverings 15 Years old or greater are settled at actual cash value.	100% Full Replacement Cost					X	X	X	X
Replacement Cost (RC)	The cost to replace or repair without deduction for depreciation or obsolescence, subject to conditions set in the policy form. Roof Coverings 15 Years old or greater are settled at actual cash value. <ul style="list-style-type: none"> <li>This is included for the DP-3 policy.</li> </ul>	100% Full Replacement Cost					X	X	X	X
Extended Replacement Cost (ERC)	The cost to replace or repair without deduction for depreciation or obsolescence. The Dwelling limit can be extended up to 20% in the event that the cost to replace or repair exceeds the Dwelling limit on the Declarations Page, subject to conditions set in the policy form. Roof Coverings 15 Years old or greater are settled at actual cash value.	100% Full Replacement Cost					X	X	X	X
Modified Functional Replacement Cost	Modified Functional Replacement Cost will replace materials with common constructed materials. This loss settlement option is available for older dwellings that were built using materials and methods which may now be considered obsolete or antique. DP-3 homes built before 1945 are required to use the Modified Functional Replacement Cost as their settlement option. Roof Coverings 15 Years old or greater are settled at actual cash value.	100% Full Replacement Cost					X	X	X	X

## *Settlement Options – Personal Property*

Loss Settlement Option	Important Information	DP-1				DP-3				
		Owner	Seasonal	Rental	Vacant	Not a Residence	Owner	Seasonal	Rental	Vacant
Actual Cash Value (ACV)	<p>The actual cash value at the time of the loss, but not more than the amount required to repair or replace the damaged property, subject to conditions set in the policy form.</p> <ul style="list-style-type: none"> <li>This is included for the policy when Personal Property is purchased.</li> </ul>	X	X	X	X	X	X	X	X	X
Replacement Cost (RC)	<p>The cost to replace or repair without deduction for depreciation or obsolescence, subject to conditions set in the policy form. <b>When adding coverage to an existing policy with two or more losses, Refer to Underwriting.</b></p>						X	X	X	X

## *Discounts*

Protective Devices	Important Information	Rate*	DP-1				DP-3			
			Owner	Seasonal	Rental	Vacant	Not a Residence	Owner	Seasonal	Rental
Central Station Fire & Smoke Alarm	This system is connected to an independent and fully staffed security agent from which trained operators are available to act in case of a fire.	-5%	X	X	X		X	X	X	X
Central Station Burglar Alarm	This system is connected to an independent and fully staffed security agent from which trained operators are available to act in case of a break in.	-5%	X	X	X		X	X	X	X
Local Smoke and/or Burglar Alarm	This system sets off a loud alarm on the premises if there is a break in or fire. It is designed to alert the inhabitants and neighbors of the break in or fire.	-2%	X	X	X		X	X	X	X
Deadbolts, Smoke Alarm & Fire Extinguisher	This discount is available when the dwelling has deadbolts, smoke alarms, and a fire extinguisher.	-5%	X	X	X		X	X	X	X

\*Discounts not to total more than 10%. Copies of alarm system certificates are required for a credit.

Discounts	Important Information	Rate	DP-1				DP-3				
			Owner	Seasonal	Rental	Vacant	Not a Residence	Owner	Seasonal	Rental	Vacant
Auto/Home	This discount is available for insureds who have an auto policy that is directly written by an agency partner.	-5%	X	X	X	X	X	X	X	X	X
Claims Free	This discount is available for insureds who have not made a chargeable claim in the last three years.	-10%	X	X	X	X	X	X	X	X	X
Paid in Full	This discount is available when a Paid In Full payment plan is selected. This discount is not available for lienholder billed policies.	-5%	X	X	X	X	X	X	X	X	X
Paperless	This discount is available when electronic delivery of policy documents is selected.	-1%	X	X	X	X	X	X	X	X	X

## *Surcharges*

Surcharges	Important Information	Rate	DP-1				DP-3				
			Owner	Seasonal Rental	Vacant	Not a Residence	Owner	Seasonal Rental	Vacant		
Occasional Rental	Applicable when an owner or seasonal occupied home is occasionally rented to others.	15%	X	X			X	X	X		
Short Term Rental	Applicable when a home is rented for an abbreviated period of time, less than 3 months to each occupant, such as with a vacation rental. Insured must live within 100 miles of the property or the property must be managed by a property manager.	5%			X					X	
Row Home/ Town Home	This surcharge is applicable when the dwelling is a row home/ town home. A row home/ town home is a residence where more than two units are connected by a common wall to the other dwellings/units not owned by our insured. The interior and exterior walls must be owned by the insured and should not be considered a condominium.	25%	X	X	X	X		X	X	X	X
Supplemental Heating Source	Includes wood, coal, or pellet burning stoves, and any other heating devices that are not centralized. Permanently attached thermostatically controlled space heaters do not require the Supplemental Heating Device Surcharge. Note: Fireplaces are <b>NOT</b> considered supplemental heating devices unless equipped with a fireplace insert.	\$50	X	X	X		X	X	X	X	

## *Underwriting Rules - Prior Loss History*

- A CLUE report will be obtained for all new business risks.
- Subject losses are relevant to rating when \$500 or more has been paid and they occur within three years of the policy effective date.
- Underwriting eligibility and condition reviews can be for losses \$0 paid and up, and that have occurred within five years of the policy effective date.
- Where losses have occurred at the risk location and are subject to underwriting review to confirm condition, confirmation of repairs, mitigation against future loss or proof of the current condition of the property will be required.
- All prior loss activity is subject to underwriting review and acceptance for new and renewal business.

Refer to Underwriting, Do Not Bind	
General Losses	<ul style="list-style-type: none"> <li>• Any losses, other than weather losses, where the system does not allow binding.</li> <li>• Prior Wind or Hail losses at the risk location, where the roof has not been replaced after the loss, and where the system does not allow binding, will require proof of the condition to determine eligibility.</li> <li>• Prior Water losses at the risk location where full water coverage is included in the quote or where any required water limitation and deductible option have not been met. Optionally, water coverage can be removed and no underwriting review is required where the system allows. Refer to system messages for instructions.</li> </ul>
Excluding a CLUE Loss	<ul style="list-style-type: none"> <li>• Customers disputing CLUE loss results being used for rating or underwriting eligibility.</li> <li>• Evidence or documentation supporting that the CLUE Loss should be excluded. This justification may come from the carrier who reported the loss to CLUE or from a successful dispute with Lexis Nexis.</li> </ul>
Any Losses needing Review	<ul style="list-style-type: none"> <li>• When referring to Underwriting provide prior loss details including preventative and mitigation measures taken.</li> </ul>
Fire Losses	<ul style="list-style-type: none"> <li>• When referring to Underwriting provide details of fire, including preventative and mitigation measures taken.</li> <li>• A copy of the fire report is required.</li> <li>• Arson, undetermined cause, or intentional act by applicant NOT acceptable.</li> </ul>

**Note: For appliance-related water damage claims that have been properly certified as remediated on form WDR-1, please contact Underwriting to review the application of this claim for use in underwriting and surcharging.**

## *Underwriting Rules - Matrix*

Underwriting Issue	Refer to Underwriting, Do Not Bind	Ineligible, Do Not Submit
Adding, removing, or changing a deductible, endorsement, or coverage limit on an existing policy	X	
Additional insureds when: <ul style="list-style-type: none"> <li>• More than three or</li> <li>• More than one additional insured is added as Primary or</li> <li>• Relationship to primary named insured is “other”</li> </ul>	X	
Backdating policy changes and rewrite transactions when there is an open claim on the policy	X	
Uninsured DP-1 (Seasonal and Not a Residence) <ul style="list-style-type: none"> <li>• If dwelling value is greater than or equal to \$30,000 and dwelling has been uninsured for more than 30 days, Refer to Underwriting for approval with explanation.</li> <li>• If the dwelling value is less than \$30,000, there is no prior insurance requirement.</li> </ul>	X	
Uninsured DP-1 (Owner, Rental, and Vacant) and DP-3 <ul style="list-style-type: none"> <li>• If the risk has been uninsured for 31-90 days Refer to Underwriting with explanation.</li> </ul>	X	
Uninsured DP-1 (Owner, Rental, and Vacant) and DP-3 <ul style="list-style-type: none"> <li>• If the risk has been uninsured for more than 90 days then Do NOT Bind and Do NOT Refer to Underwriting.</li> </ul>		X
More than one property manager per unit	X	
More than two mortgagees	X	
Previously Non-Renewed or Cancelled <ul style="list-style-type: none"> <li>• Applicants non-renewed or canceled by the prior carrier due to excess losses, large losses, payment problems or physical hazards must provide additional explanation for non-renewal or cancellation and refer to Underwriting for approval.</li> </ul>	X	
Primary heat source is “other”	X	
Purchase price of \$0 or \$1.00	X	
Reinstatement requests more than 15 days after the cancellation effective date	X	
Total living area less than 100 sq. ft. or greater than 9,950 sq. ft.		X
Reason for vacant occupancy is “other”	X	
<b>Applicant with these Characteristics:</b>		
Named applicant is not a deeded owner		X
If an Insured is a minor		X

## *Underwriting Rules – Matrix (Continued)*

Underwriting Issue	Refer to Underwriting, Do Not Bind	Ineligible, Do Not Submit
Mortgage payments 60 days or more past due or currently in foreclosure		X
Past conviction for arson, fraud, other insurance-related offenses, or cancelled or non-renewed for material misrepresentation.		X
<b>Liability Concerns:</b>		
Akitas, Dobermans, Chows, Rottweilers, Pit Bulls, wolves or wolf hybrids or any mix of these breeds on the premises when Personal Liability is purchased unless the Animal Liability Exclusion is selected.		X
Animals on the premises that have a previous bite history or vicious propensities, or wild or exotic animals or farm animals Personal Liability is purchased unless the Animal Liability Exclusion is selected.		X
Business employees who work on the premises when Liability is requested.		X
Business on the premises which increases the property or liability hazard, for example (but not limited to): hazardous chemicals, pollutants, extreme heat or flame, riding stable or dog kennel.		X
Dwelling is a boat house or covered slip and liability is requested.		X
Farming on the premises when liability is requested		X
Pools that are not enclosed by a fence at least 4 feet tall that has a locked gate, or the steps and ladders to the pool cannot be secured or removed when it is not being used when requesting Liability coverage. Above-ground pools must have either a fence at least 4 feet high with a locking gate that encloses the pool, or steps and ladders that can be secured, locked, or removed when the pool is not in use. Risks not meeting these criteria are acceptable if liability coverage is NOT included.		X
Primary named insured is a company other than a trust and Personal Liability Coverage is requested.		X
Steps, Porches, and Decks not secured by handrails and 3 feet or more or 5 steps above the ground. Risks not meeting these criteria are acceptable if liability coverage is <b>NOT</b> included.		X
Underground fuel storage tank when liability is requested.		X
DP-1 Program with: • Personal Liability limit greater than \$300,000	X	
Excessive liability exposures		X
Attractive nuisance liability characteristics, including, but not limited to: Bicycle ramps, unmaintained/empty swimming pools, excessive debris, trampolines, tree houses. <b>Exceptions:</b> trampolines & tree houses may be acceptable with when liability is less than \$500,000, refer to UW		X
Unusual or increased liability hazards; including, but not limited to, missing steps and raised decks with railing balusters more than 4 inches apart, risks with non-running, unused, or non-tagged vehicles on the premises	X	

## *Underwriting Rules – Matrix (Continued)*

Underwriting Issue	Refer to Underwriting, Do Not Bind	Ineligible, Do Not Submit
<b>Construction/Condition/Use:</b>		
Owner or Seasonal residence not occupied by the owner's immediate family.		X
Incidental businesses on premises may be eligible. This could include home offices, and other small businesses with very light or no foot traffic. Depending on the nature of the business, it may be eligible either with or without liability coverage, at the underwriter's discretion.	X	
Risks that are 30 and older, or any age risks with prior water claims at the risk location, where the water coverage and deductible rules have not been met.	X	
Business on the premises which increases the property or liability hazard. Ineligible businesses include, but are not limited to: home day care, beauty salons, automotive repair, welding, dog kennels, retail stores, businesses with increased liability hazards, and any business where potentially dangerous chemicals, pollutants, extreme heat/flame or dangerous activities may be involved.		X
Condemned or abandoned		X
"Do It Yourself" Construction: Buildings or structures that are homemade or rebuilt, or any extensive remodeling. <b>Exception:</b> If approved by local government building or zoning department and a certificate of occupancy has been issued (refer to UW)		X
DP-3: <ul style="list-style-type: none"> <li>• Open Foundation</li> <li>• Non-Dwelling Structures</li> </ul>		X
Earth homes, dome homes, or other non-conventional design		X
Fraternity, sorority, student housing, group home, halfway house, or similar occupancy		X
Daycare on the premises with liability coverage selected		X
Log homes		X
Homes that are not fully enclosed.		X
Manufactured Homes or condominiums (except when DP-1 Vacant)		X
Trailers (Occupied Stationary Travel Trailers may be eligible for the Manufactured Home program)		X
Other structures in poor physical condition and not properly maintained (except when Specific Other Structure Exclusion attached)		X

## *Underwriting Rules – Matrix (Continued)*

Underwriting Issue	Refer to Underwriting, Do Not Bind	Ineligible, Do Not Submit
<p>Roofs:</p> <ul style="list-style-type: none"> <li>• DP-1 &amp; DP-3 roofs greater than 15 years and Windstorm/Hail Deductible &lt;\$2,500.</li> <li>• DP-3 roofs greater than 20 years that are any eligible material other than steel or heavy gauge metal.</li> <li>• DP-3 roofs greater than 30 years that are steel or heavy gauge metal.</li> <li>• DP-1 &amp; DP-3 roofs greater than or equal to 15 years that are any eligible material other than steel or heavy gauge metal where the Roofing Materials Payment Schedule is not applied or where Dwelling Loss Settlement is not Actual Cash Value.</li> <li>• DP-1 &amp; DP-3 roofs greater than or equal to 20 years that are steel or heavy gauge metal where the Roofing Materials Payment Schedule is not applied or where Dwelling Loss Settlement is not Actual Cash Value.</li> <li>• Roofs not in good condition</li> <li>• Risks with structures having unusual roof shapes including, but not limited to round, shed, or dome.</li> <li>• DP-3 roof coverage materials other than architectural shingle, composition shingle, heavy gauge steel, tile, slate, or fiber cement/concrete are ineligible.</li> <li>• DP-1 roof coverage materials other than architectural shingle, composition shingle, heavy gauge steel, roll roofing, rubber, tar and gravel, tile, slate, or fiber cement/concrete are ineligible.</li> <li>• Any roofs exhibiting deficiencies such as (but not limited to): deterioration of the roof membrane, flashing or any other components, cracked tiles or shingles, granular loss, excessive staining, mold and mildew, improper repairs, loose tiles or shingles, pitch pockets, ponding water, roof leaks, shrinkage, slippage, vegetation, and environmental debris, or where roof is worn or has unrepaired damages, including evidence of curling, lifting, buckling, patches, or broken tiles, shingles, or metal panels are ineligible.</li> <li>• Solar tiles, shingles or solar roof systems.</li> <li>• Roofs with more than two layers of shingles</li> </ul>		X
<p>Roofs:</p> <ul style="list-style-type: none"> <li>• DP-1 roofs greater than 30 years that are steel or heavy gauge metal.</li> <li>• DP-1 roofs greater than 25 years that are any eligible material other than steel or heavy gauge metal.</li> </ul>	X	

## *Underwriting Rules – Matrix (Continued)*

Underwriting Issue	Refer to Underwriting, Do Not Bind	Ineligible, Do Not Submit
If the dwelling has any of the following characteristics: <ul style="list-style-type: none"> <li>• Any water leaks or unrepaired water damage (except Not a Residence)</li> <li>• Any windows that are broken or boarded-up</li> <li>• Any other unrepaired damage</li> <li>• Under construction or undergoing a major renovation (Minor renovations are acceptable and include painting, roof repairs, carpeting, and plastering) (except when Builder's Risk is selected)</li> </ul>		X
Owner and seasonally occupied dwellings that are rented out for any length of time unless the Occasional Rental Coverage is purchased. Home must be occupied for at least 4 months and only occasionally rented.		X
Rented out for less than three months at a time, including weekly rentals (except when Short Term Rental attached)		X
Floating homes		X
Row Homes or Town Homes greater than 60 years of age and both Roof and Electric greater than 20 years old	X	
Row Homes or Town Homes with any of the following characteristics: <ul style="list-style-type: none"> <li>• Does NOT have firewalls that extend to the roof separating each unit</li> <li>• Considered a condominium</li> <li>• Contain more than eight units in a row</li> </ul>		X
Conformity to Law: Insured properties not conforming to all applicable laws, ordinances, deeds, covenants, restrictions, construction codes, and other legal requirements.		X
Attached to or converted from a commercial risk.	X	
The unit is occupied as a commercial risk.		X
Vacant homes with a Coverage A limit equal to or greater than \$500,000. A property/estate manager who completes regular visits or proof of a Central Station Fire & Burglar alarm system is required.	X	
DP-3 Program: Properties with a market value (excluding land) less than 50% of the Replacement Cost	X	
Vacant homes with the intent to demolish or physically relocate the building		X
<b>Utilities:</b>		
Active Knob and Tube wiring		X
DP-3 Program with: <ul style="list-style-type: none"> <li>• Fuse boxes (full or partial)</li> </ul>		X
Polybutylene Piping (Interior or Supply Line)		X

## *Underwriting Rules – Matrix (Continued)*

Underwriting Issue	Refer to Underwriting, Do Not Bind	Ineligible, Do Not Submit
Primary heat source is not thermostatically controlled (except when DP-1 Seasonal)		X
Home equipped with a supplemental heating device that was NOT installed by the home's builder or by a licensed contractor.		X
Kerosene and other portable space heaters are NOT acceptable.		X
Without utilities such as natural gas, electric, or water (except when DP-1 Seasonal).		X
<b>Location and Other:</b>		
Dwelling located on an island with no Fire Protection Service.		X
If the dwelling cannot be reached by a road (except when DP-1 Seasonal or Not a Residence) or where emergency vehicles are unable to access a property due to road in poor condition. A road in poor condition includes but is not limited to: ungraded or unstable dirt, potholes, deep sand or other obstructions preventing emergency vehicles.		X
Located in an area that is prone to or has had a prior occurrence of landslide, forest fires, or brush fire.		X
Dwelling located within 1,000 feet of rising water or in an area prone to flooding.		X

*Circumstances reflecting an unusual exposure or increase in hazard not addressed above are unacceptable. This includes, but is not limited to, behavior intended to injure or financially harm Tower Hill Insurance Group employees or representatives indicating that trust and confidence required for the continuation of an insurance relationship no longer exists.*

*All risks are subject to inspection.*

*CAPACITY RESTRICTIONS – In order to manage geographic concentrations, overall portfolio exposure and reinsurance, the Company may establish temporary and/or permanent restrictions on binding authority to properly control and maintain appropriate geographic concentration levels.*

# *General Rules and Rating Information*

## **1. APPLICATION**

The application and all forms should be completed in RPM, printed, and signed. The agent's and applicant's signatures are required.

## **2. BINDING**

- a. All applications should be entered completely into RPM. Rules in RPM will determine if coverage can be bound.
- b. If the quote is required to be referred to underwriting for review, it is the agent's responsibility to notify the customer at the time of referral that the risk is not bound.
- c. Unbound referred applications in RPM that do not meet our underwriting guidelines will be rejected and the agent will be notified by an assigned activity in RPM or by email.
- d. If an issue is rejected, a notice will not go out to the customer so it is the agent's responsibility to notify the customer that a policy will not be issued. A declination notice may be produced upon request.

## **3. WHOLE DOLLAR PREMIUM**

The premium shall be rounded separately for each coverage to the nearest whole dollar.

## **4. MINIMUM WRITTEN AND EARNED PREMIUMS**

The minimum written is \$100 for all programs, the minimum earned is \$50.

## **5. INSURANCE SCORE**

Will be used to determine financial responsibility.

## **6. TRANSFER OR ASSIGNMENT**

Our policies may **NOT** be transferred or assigned.

## **7. PRIMARY NAMED INSURED IS A COMPANY/ORGANIZATION**

An Officer, Owner, or Trustee must be listed on the policy as an Additional Named Insured.

## ***Temporary Binding Restrictions***

During Temporary Binding Restrictions, do not accept any applications for new coverage, requests to increase coverage limits, or requests to lower deductibles on existing policies. Existing policies will renew during this time, provided there is no increase in coverage or lapse between policies.

### **IMPENDING SEVERE WEATHER**

- Tropical storm or hurricane watches and/or warnings
- Other weather events as determined by the company

### **EARTHQUAKE**

Restrictions begin with the occurrence of an earthquake or aftershock, of 5.0 Richter or greater, and continue for a period of 72 hours for dwellings located in counties, in their entirety, within 100 miles of the epicenter.

### **WILDFIRE**

No risks may be bound within a 25 mile radius of any existing wildfire.

Temporary Binding Restrictions and updates are posted in RPM for Impending Severe Weather. Producers are encouraged to monitor information resources such as the news when there is impending severe weather or catastrophic events in the area.

For Updates log onto RPM.

## ***Cancellation Procedures***

A request to cancel a policy with Tower Hill should be made within 90 days of the requested cancellation date. If the request is received more than 90 days after the requested cancellation date, the request must also be accompanied by the following:

- A Dec page from another carrier showing coverage inforce from that date; or
- A bill of sale or other proof that the insured no longer had an interest in the home from the date.

### ***Other acceptable reasons for backdating a cancellation request:***

- A duplicate Tower Hill policy providing coverage for the same risk exists. A valid Tower Hill policy number must be provided.
- The request to cancel is due to a total loss to the home and the cancellation date is after the total loss.

## *Quoting Process*

Quoting and issuance of policies will only be available through RPM. If you do not have access to our website, please call your Account Manager or General Agent, whichever applies.

In RPM, an accurate quote will be ensured by entering all of the requested information. You will be asked to verify some information about the applicant before reports can be ordered. Disclosures to the insured that third party reports may be ordered will be shown in RPM. You must read the disclosure statement(s) to the insured before proceeding.

## *Payment Plans*

Payment plan availability varies based on the premium of the policy. RPM will only display payment plans that are available based on the policy premium.

<b>Payment Plan</b>	<b>Recurring EFT or Invoice Option</b>	<b>Down Payment %</b>	<b>Remaining Installments*</b>
Full Payment	Both	100.0%	N/A
25% Down, 3 Pay Payment Plan	Both	25.0%	3
Quarterly Payment Plan	Both	40.0%	3
Semi-Annual Payment Plan	Both	60.0%	1
Monthly Payment Plan	EFT Only	16.7%	10

\* A service fee will be assessed for each remaining installment. Late fees, reinstatement fees and insufficient fund fees may apply.

# Contact Us

---

## PHONE

**1.888.795.7256**

Monday – Friday, 7am to 6pm EST

*(After hours support for filing claims is handled by a voicemail return service)*

## FAX

1.352.332.9999

## EMAIL

*Sales/Marketing:* Marketing@thspecialty.com

*Customer Service:* CustomerService@thspecialty.com

*Underwriting:* Underwriting@thspecialty.com

## PAYMENT MAILING ADDRESS

Tower Hill Specialty  
P.O. Box 71365  
Charlotte, NC 28272-1365



**Tower Hill<sup>®</sup>**  
**Specialty**

---

*The content of this manual is the proprietary and confidential information of Tower Hill Specialty. No part of this manual may be disclosed in any manner to a third party without the prior written consent of Tower Hill Specialty.*

*Coverage is subject to policy terms, conditions, limitations, exclusions, underwriting review and approval, and may not be available for all risks or in all states. Rates and discounts vary, are determined by many factors and are subject to change. Policies are written by one of the licensed insurers of Tower Hill Insurance Group.*