



DELOS VACANT HOME PRODUCT & UNDERWRITING OVERVIEW

For Delos sales agent & broker distribution only. Additional forms and information can be found on the [Resources page](#).

This document is intended to provide an overview of the coverages available in the Delos/Lloyd's Vacant Home program. It is not inclusive of all guidelines, coverages, and exclusions. We evaluate the general aspects of every risk to determine its underwriting profile, uniformly reviewing policy characteristics. Delos/Lloyd's will provide coverage for a one or two-family vacant home.

POLICY AND FORM COVERAGES

Delos/Lloyd's provides a non-admitted DP-3 based policy with open perils coverage on the dwelling and other structures, and named perils on personal property, subject to policy exclusions for each coverage. We write on A rated paper from Lloyd's.

PROPERTY COVERAGES

	Limits
Maximum TIV:	\$1,500,000 maximum
Coverage A: Dwelling	\$100,000 to \$1,500,000
Coverage B: Other Structures	Up to 20% of Coverage A
Coverage C: Personal Property	Up to 20% of Coverage A
Coverage D: Loss of Use (including Fair Rental Value)	Not available

UNDERWRITING GUIDELINES

The following risks are not acceptable:

Occupancy

- Homes that are rented to others (this includes short-term rentals like Airbnb/VRBO, and any other time-sharing lease or rental agreement)
- Business on the premises
- Commercial or retail farming on the premises
- Home daycare
- Properties with more than one home on the property (even if there are two separate addresses)
- More than 2 separate living units
- Number of families per unit > 2
- Number of roomers/boarders per family > 2
- Risks with exotic animals and liability coverage is requested

Dwelling Condition & Features

- Square footage $\geq$ 5000
- Homes 100 or more years old
- Log homes and/or homes with wood roofs
- Mobile/modular/manufactured homes
- Homes supported by piers, pilings, posts or stilts
- Polybutylene or galvanized pipes
- Underground fuel storage tanks
- Knob and tube or aluminum wiring, and/or fuses
- Electrical panels from Federal Pacific Electric (FPE) Stab-Lok, Challenger, Pushmatic, or Zinsco
- Homes with HVAC systems > 30 years old
- Wood stoves or space heaters as primary heat
- Homes with ADUs
- Non-standard construction (earth, dome, green, straw bales, etc)
- Properties >10 acres
- Dwellings >3 stories
- Homes on a slope $\geq$ 45 degrees
- Homes recognized as historical buildings
- Homes that have been vacant >36 months

- Risks with buildings that are not secured against unauthorized entry
- Risks where insured's property isn't kept locked inside a building or secure fence
- Home insured <100% of replacement cost
- Risks >7 miles from a fire dept or >1500 feet from a hydrant/water source
- PPC 9/10 will be evaluated by Delos wildfire model and may be ineligible
- Homes with structural damage
- Homes condemned or set for demolition
- Renovation coverage is requested, but the renovations are structural*
- Residences that are not accessible to emergency vehicles year-round
- Homes with adverse conditions/hazards that display a lack of maintenance
- Liability coverage is requested, but the swimming pool or spa is not adequately fenced or covered

UNDERWRITING GUIDELINES (CONTINUED)

The following risks are not acceptable:

Applicants

- Applicants who do not have an ownership interest in the property
- High profile individuals
- Applicants with 3 or more mortgages
- Applicants who, during the last 5 years, have been indicted for or convicted of any degree of the crime of fraud, bribery, arson or any other arson-related crime in connection with this or any other property
- Applicants who have been indicted for or convicted of any degree of any arson-related crime
- Applicants who had a foreclosure, repossession, bankruptcy, or filed for bankruptcy during the past 5 years
- Applicants who had a judgment or lien during the past 5 years

Insurance/Claim History

- >3 losses in past 3 years
- >1 claim of same type in the past 3 years
- 'Non-act-of-god' fire claim(s) with cumulative losses >\$10k in past 5 years
- >2 cancellations due to non-payment in past 3 years
- Note: all claims/losses experienced by an applicant will be considered in the underwriting process, regardless of the location of the claim/loss.

**Structural renovation includes but is not limited to any change to the dwelling/structure that modifies the square footage, the envelope of the risk and/or any change that involves a load-bearing wall. Roof replacement is also considered to be a structural renovation.*

MINIMUM PREMIUM

- The base annual minimum written premium is \$1,500, not including taxes and fees
- The minimum earned premium is 25% (as per the Minimum Earned Premium Endorsement ATR-30 10/2004)

DISCOUNTS

Discounts will be automatically applied based on eligibility. The amount of discount is dependent on property characteristics.

Loss-Free Discount: The applicant must be loss/claim-free for the past 36 months prior to the policy effective date.

Protective Devices: TBD

BILLING

Payment method	• Credit card (3% processing fee will apply) • Electronic check (ACH) • Escrow All payments must be made electronically unless being paid by a mortgagee or escrow holder.
Types of billing	Direct or escrow (no agency-bill)
Installment options	Full payment is currently the only available option. Alternatives are being considered and developed.
Bind date	As early as 12:01 am the next day (no back-dating), or as late as 60 days in the future.
Recurring fees & taxes	The policy fee, stamping fee, and state tax are charged every year. Inspection fees are only incurred when inspections actually happen.

DEDUCTIBLES

- All other peril (AOP) deductible options available are \$2,500, \$3,500, \$5,000, \$10,000, and \$25,000.
- The Wind/Hail deductible (mandatory) options are \$2,500, \$5,000, \$10,000 and \$25,000. The Wind/Hail deductible cannot be lower than the AOP deductible. Some wind deductibles may be assigned based on distance to coast.

CLAIMS

Claims are handled by:
Field Pros Direct
claims@fieldprosdirect.com
107 Technology Pkwy #206
Peachtree Corners, GA 30092
Phone: 844-973-4732 • Fax: 877-858-8920

INSPECTIONS

- All homes/properties are subject to an external inspection with a possible wildfire/brush supplement. Refusal of inspection may result in cancellation. Properties meeting the following criteria are also subject to an internal inspection: 1) Age of home > 50 years, 2) homes have a wood burning stove and 3) homes are undergoing renovation. In addition, any home over 30 years old will be inspected for the condition of the electrical, heating and plumbing systems.
- Please be aware:
 - If inspectors determine that the dwelling replacement cost exceeds \$1.5M, a cancellation will be issued
 - If inspectors determine that the replacement cost of other structures exceeds 20% of Coverage A, a cancellation will be issued
 - If inspectors observe that there are issues related to the condition and/or maintenance of the structure(s) or property (i.e. the roof has debris, moss or granular loss), a cancellation may be issued until proof of repairs can be provided
 - If inspectors are unable to reach the insured to arrange a home inspection, the policy may be canceled

ADDITIONAL INCLUDED COVERAGES (See our [sample policy](#) for additional details on each of these coverages)

Debris Removal	Coverage for reasonable expense for the removal of debris if an insured peril causes the loss; or ash, dust or particles from a volcanic eruption that has caused direct loss. This expense is included in the limit of liability that applies to the damaged property.
Ordinance Or Law	Applies to increased costs incurred due to enforcement of any ordinance or law related to remodeling, renovation or repair, etc. Provides up to 10% of Coverage A and 10% of Coverage B.
Fire Department Service Charge	Provides up to \$500 for charges when the fire department is called to save or protect covered property from an insured peril. No coverage if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.
Reasonable Repairs	If covered property is damaged by an insured peril, pays reasonable costs taken to protect against further damage.

LIABILITY COVERAGES

Coverage E: Personal Liability	\$100,000, \$300,000, \$500,000 or \$1,000,000
Coverage F: Medical Payments	\$5,000 is the only option available. Added automatically if liability coverage is selected.
Animal Liability	No coverage for bodily injury, property damage or medical payments caused by a dog of any breed whether or not the dog is owned by the insured (see Exclusion - Dogs endorsement, ATR 71)
Swimming Pool Liability	Liability is limited to \$100,000 for any claim/loss involving a pool. Important Note: Please carefully review the ATR-68 Swimming Pool Limited Premises Liability Coverage endorsement form for important requirements related to liability coverage and swimming pool protection. Liability coverage may be denied if the swimming pool is not adequately protected according to the requirements listed in the endorsement form.

ADDITIONAL AVAILABLE COVERAGES (For more info about these endorsements, see the "[Optional Vacant Home Endorsements](#)" document)

Vandalism and Malicious Mischief (VMM) Coverage: Provides coverage for direct physical loss or damage caused by vandalism or malicious mischief, which is otherwise excluded under the policy. This coverage will be automatically added when the Coverage A Theft Limitation Coverage Endorsement (see below) is added.

Renovation Construction and Operations Coverage Endorsement: Extends coverage to include the value of cosmetic renovation (not structural) or construction work completed at the insured premises during the policy period. Coverage cannot exceed \$400,000 or 50% of the Dwelling coverage, whichever is less.

ADDITIONAL AVAILABLE COVERAGES (CONTINUED)

Water Steam Freezing System Coverage Endorsement:

Provides coverage for the Dwelling and Other Structures for the perils of accidental discharge or overflow of water or steam, sudden and accidental tearing apart, cracking, burning or bulging and freezing for items such as plumbing, heating, AC, and sprinkler systems. These perils are otherwise excluded under the policy.

Coverage A Theft Limitation

Coverage Endorsement: Modifies the Coverage A – Dwelling portion of policy to provide coverage for direct physical loss to items covered under Coverage A - Dwelling coverage, caused by or resulting from theft or attempted theft.

Theft of Building Materials Coverage:

Pays for loss or damage by theft or attempted theft of building materials or supplies if the materials are intended to be permanently located in or on the building or structure described in the Declarations page or within 100 feet of its premises.

Note: There is a premium charge for each of these additional coverages.

ADDITIONAL OFFERINGS, REQUIREMENTS & EXCLUSIONS

ACV on losses to roof surfacing is applied in these three scenarios:

- Roof = Architecture Shingles, Asphalt/Composition Shingles, Built-Up Tar & Gravel, Cedar Shake, Composition Tile or Wood Shake/ Shingle AND roof is 11-25 years old
- Roof = Aluminum, Copper/Metal or Galvanized Sheet Metal AND roof is 16-30 years old
- Roof = Clay/Concrete Tile, Clay Tile, Concrete Tile or Concrete AND roof is 21-45 years old

Roof damage exclusion is applied in these three scenarios:

- Roof = Architecture Shingles, Asphalt/Composition Shingles, Built-Up Tar & Gravel, Cedar Shake, Composition Tile or Wood Shake/ Shingle AND roof >25 years old
- Roof = Aluminum, Copper/Metal or Galvanized Sheet Metal AND roof is >30 years old
- Roof = Clay/Concrete Tile, Clay Tile, Concrete Tile or Concrete AND roof is >45 years old

Cosmetic Damage to Roof Exclusion is attached when the roof type is copper/ steel, galvanized sheet metal or aluminum.

The following additional coverages normally available under a DP-3 are not available under this Vacant Home policy: Other Structures (unless a coverage amount is listed on the declaration page), Collapse, Glass or Safety Glazing Material, Improvements, Alterations and Additions, Property Removed, Rental Value and Additional Living Expense and World-wide Coverage.

Exclusions include (but are not limited to) mold, sprinkler leakage, pre-existing damage, smoke damage, theft or personal property, pollution and seepage, biological and chemical materials, day care, cyber/data, asbestos, renovations, water damage and punitive damages. For a full list of exclusions, see the policy package.

Based on the results of the Delos Wildfire Hazard Model, some dwellings will be required to have: 1) Double-paned windows and 2) all attached fences, decks and detached structures treated with flame retardant or made from non-combustible material.

If the named insured is an entity, the policy may be written in the name of an LLC, LLP or trust, but the deed to the property must exactly match the name of the respective entity. Also, the entity must be US-based and incorporated.

BINDING MORATORIUMS

- Agents will be notified via email when a binding moratorium is implemented and when rescinded.
- Moratoriums will be applied on a zip code basis.