



Alabama Manufactured Home Program Guidelines

1. Policy Forms and Primary Coverage Limits

| DESCRIPTION | POLICY FORM | PRIMARY COVERAGE |
|---|-------------------|---|
| Coverage A - Manufactured Home (Open Peril) | AGMH-1 | Min \$5,000 / Max \$300,000 |
| Coverage B – Other Structures (Open Peril) | AGMH-1 | Owner, Seasonal & Rental Optional |
| Coverage C – Personal Effects (Open Peril) | AGMH-1 | Owner, Seasonal & Rental Optional Named Peril for Tenant Occupied |
| Coverage D – Loss of Use | AGMH-1 | 10% of Coverage A included (Owner, Seasonal and Rental) 20% of Coverage C included (Tenant) |
| Coverage E – Personal Liability | AGMH-1 AGMH-12 | Personal Liability (Owner & Tenant) Premises Liability (Rental & Seasonal) Maximum Liability Limit: \$500,000 |

2. Eligibility by Occupancies

- a. *Owner Occupied*: a manufactured home that is owner occupied five consecutive months or greater on an annual basis as a full-time, permanent residence by the titled owner.
- b. *Seasonal/Secondary Occupied*: a manufactured home that is used as a seasonal or secondary residence by the titled owner and his/her immediate family.
- c. *Rental Occupied*: a manufactured home that is rented to others. Insurance is provided to protect the interest of the titled owner.
- d. *Tenant Occupied*: per a rental agreement, the insured is entitled to use and occupancy of a manufactured home.

3. Policy Terms

Policies are written for a 12-month term.

4. Application and Binding

All application questions must be fully completed by the producer and the applicant. After the policy is bound and a policy number is issued, the application must be signed by both the producer and the applicant. The application and any supporting documentation must be maintained by the producer.

5. Inspections, Fees, and Minimum Premiums

- a. Expense Constant:* An expense constant of \$65 is charged for new and renewal business. This fee is fully earned and non-refundable.
- b. Inspection Fees:* All owner, rental and seasonal policies are subject to a new business inspection. This fee is fully earned and non-refundable.
 - 1. *Property Observation Report:* \$50
 - 2. *eSurvey Report:* \$25
- c. Minimum Premiums:* All owner, rental and seasonal policies are subject to a minimum written premium of \$350 and all tenant policies are subject to a minimum written premium of \$100. All policies are subject to a minimum earned premium of \$100.
- d. Installment Plans:* A \$10 service fee is added to all direct bill installment payments. The service fee is reduced to \$2 if installments are paid electronically using automatic payments. The installment fee will not apply to the down payment.
- e. NSF Fee:* \$25
- f. Reinstatement Fee:* \$20

6. Billing Plans

- a. Escrow Bill*
- b. Full Pay*
- c. Three Pay*
- d. Five Pay*
- e. Eight Pay*

7. Catastrophe Management and Capacity Restrictions

To effectively manage large-scale events, the company may impose restrictions on binding authority. When binding authority is restricted, applications for new policies that meet the restriction criteria will not be accepted by the Company or Underwriting Authority. In addition, requests to change coverage or decrease deductible to existing policies in the restricted area that have the effect of increasing the Company's exposure will not be allowed. Such restrictions will not impact normal policy renewals.

Please be mindful of restrictions when submitting business or requesting changes to existing policies. Aegis will make every attempt to provide timely updates on the company's website as events unfold that trigger restrictions.

8. General underwriting guidelines for all risks submitted

- a. *Applications*: Submitted via www.aegisgeneral.com. The application must be signed by the applicant and the licensed producer, maintained (along with supporting documents) by the producer, and be available upon company request.
- b. *Prior loss history*: Obtained on all submissions as part of the application process.
- c. *Total insured value*: The maximum limit for the Manufactured Home (Coverage A) is \$300,000 and the total exposure for the manufactured home, personal property, and unattached structures is \$450,000.
- d. *Deductible Offerings*:
 - 1. All Other Perils – All occupancies
 - i. \$1,000, \$2,500 and \$5,000
 - 2. Mandatory Windstorm, Tornado, Hurricane and Hail Deductible – All occupancies for Covington, Escambia, Geneva and Houston counties. (Can never be less than the All-Other Perils Deductible)
 - i. 5% or \$2,500, whichever is greater
 - ii. 10% or \$5,000, whichever is greater
 - 3. Mandatory Windstorm, Tornado, Hurricane and Hail Deductible – All occupancies for all other counties. (Can never be less than the All-Other Perils Deductible)
 - i. 2% or \$1,000, whichever is greater
 - ii. 5% or \$2,500, whichever is greater
 - iii. 10% or \$5,000, whichever is greater
 - 4. Mandatory Windstorm, Tornado, Hurricane and Hail Exclusion – All occupancies for Mobile and Baldwin counties.
 - 5. Mandatory Water Damage Deductible – All occupancies (Can never be less than the All-Other Perils Deductible)
 - i. 1% (\$1,000 minimum) or All Other Peril Deductible, whichever is greater
 - ii. 2% (\$2,500 minimum) or All Other Peril Deductible, whichever is greater
 - iii. 5% (\$5,000 minimum) or All Other Peril Deductible, whichever is greater
- e. *Transfer*: Should ownership transfer mid-term, an application for the new owner must be submitted for approval.
- f. *Valuation/loss settlement*: The Aegis General Portal provides access to Verisk 360 valuation software to determine the unit value. The limit requested should not include the value of land.

Types of coverages offered:

- 1. *Actual Cash Value*: Manufactured Homes must be insured to 100% of the actual cash value. If the manufactured home is a new purchase and is insured for Actual Cash Value (ACV), it should not be insured for more than the purchase price, excluding land.

2. *Replacement cost including inflation guard*: Risks that are 30 years old or newer and are owner, seasonal, or rental occupied are eligible for replacement cost. The unit should be insured for 100% of the current year replacement cost valuation.
 3. *Replacement cost for partial losses*: Available for Owner Occupied, Seasonal, and Rental units.
- g. Ownership*: The named insured must be the titled owner of the manufactured home (except tenant). If the risk is occupied by the named insured on a full-time basis or as a seasonal / secondary home, the applicant must be an individual and the home may not be titled in a business name.
- h. Additional insured*: It is permissible to extend coverage without an additional premium charge to cover a non-occupant that has a financial interest in the manufactured home to be insured.
- i. Additional interest*: Additional parties that the insured wants to receive evidence of insurance.
- j. Personal property*:
1. *Owner Occupied*: Limits acceptable up to 100% of the value of the manufactured home or \$25,000, whichever is greater.
 2. *Seasonal*: Limits acceptable up to 100% of the value of the manufactured home or \$25,000, whichever is greater.
 3. *Rental*: \$5,000 maximum limit.
- k. Scheduled personal property*: All scheduled items require an appraisal newer than 2 years old or a purchase receipt. The maximum limit is \$5,000 per item and \$10,000 aggregate for all categories. Coverage is available for owner and tenant occupied units only. Applicants with any prior theft losses over \$500 are not eligible for this coverage.
- l. Cancellation*: Requests must be received within 30 days of the requested cancellation date. If the initial down payment is not honored by the bank for any reason, the policy will be rescinded, and no coverage will have been provided.
1. *Company Request*: Cancelled policies are refunded on a pro-rata basis.
 2. *Insured Request*: Cancelled policies are refunded on a pro-rata basis and are subject to the minimum earned premium of \$100.
- m. Swimming pool*: Liability for swimming pools is excluded in the policy; however, for owner occupied, \$25,000 swimming pool liability may be bought back if the swimming pool is surrounded with a fence that is at least 4' high and has a locked gate. If the swimming pool is not fenced, has a diving board or slide, the risk is ineligible for the buyback coverage.
- n. Prior animal bite history*: If the applicant owns or boards any animal that has bitten or caused injury, the risk must be written with the animal injury exclusion signed by the applicant. If the applicant owns or boards any wild or exotic animals, or any of the following dog breeds, the risk must be written with the animal injury exclusion: Akita, Anatolian Shepherd, Chow, Doberman, Pit Bull, Rottweiler, Great Dane, Wolf, Wolf Hybrids, German Shepherd or Presa Canario.

- o. Water Damage Sublimit:* This is an optional coverage for all customers. The coverage options are \$10,000 and Full Coverage.
- p. Roofs:*
1. Risks with a Flat/Built-up/Roll or Wood Shake/Shingle roof are ineligible.
 2. Roofs over 25 years old that are Asphalt/Composition will be required to have the AGMH-124 Actual Cash Value Roof Endorsement.
 3. Roofs over 30 years old that have Impact Resistant Shingles will be required to have the AGMH-124 Actual Cash Value Roof Endorsement.
 4. Roofs over 40 years old that are Metal will be required to have the AGMH-124 Actual Cash Value Roof Endorsement.
 5. Roofs over 50 years old that are Tile or Concrete/Slate will be required to have the AGMH-124 Actual Cash Value Endorsement.
- q. Unacceptable risk:*
1. *If the Manufactured Home Is:*
 - i. Vacant or unoccupied
 - ii. Under construction or renovation
 - iii. Condemned
 - iv. Without utilities
 - v. Used for student housing
 - vi. On stilts
 - vii. Located within 1,000 feet of the coast
 2. *Supplemental heat sources where:*
 - i. There is a kerosene or space heater anywhere on the premises of the manufactured home, including attached and unattached structures.
 - ii. The supplemental heat source is the only means of heating the home.
 - iii. The supplemental heat source is not Underwriters Laboratory (UL) approved.
 - iv. There is a stove that is not 36 inches from the wall or at least 18 inches from the wall with a heat shield that has a one-inch air space between the heat shield and the wall.
 - v. There is not at least 18 inches from the top of the stove pipe and the ceiling, combustible side walls or any combustible material.
 - vi. There is an exterior flue pipe that does not extend 3 feet from the roof line.
 3. *Physical condition of the Manufactured Home:*
 - i. Is not well maintained.
 - ii. Is substantially modified from original condition.

- iii. There is any hazardous liability exposure on the premises. This risk may be written without liability coverage.
 - iv. There is business conducted on the premises or in the manufactured home or any attached or unattached structure.
 - 4. *Prior Loss History*: If the applicant had any fire, theft, or liability loss or
 - i. 3 or more other losses (1-5 units) in the past three years or
 - ii. 5 or more other losses (6+ unit policies) in the past three years or
 - iii. If they have an open / unresolved loss with a previous carrier.
 - 5. *Prior Insurance*: If the applicant has been previously uninsured for more than 90 days.
 - 6. *Year Built*: Homes built prior to 1960 are ineligible.
- o. *Seasonal program*:
 - 1. Swimming pool liability buyback and scheduled personal property coverages are not available.
 - 2. Maximum personal property is the Coverage A limit or \$25,000, whichever is greater.
 - 3. May purchase additional coverage for Loss of Use.
 - 4. All other underwriting guidelines apply.
- p. *Rental program*:
 - 1. Coverages not available - replacement cost for personal property, swimming pool liability, golf cart, and scheduled personal property.
 - 2. Maximum personal property limit is \$5,000.
 - 3. Any risk with a supplemental heat source, including wood, coal, pellet, etc. stoves are unacceptable.
 - 4. Up to 12 units may be scheduled on one policy for any applicant.
 - 5. May purchase additional coverage for Loss of Use.
 - 6. All other underwriting guidelines apply.
- q. *Tenant program*:
 - 1. Coverage not available - swimming pool liability
 - 2. Any risk with a supplemental heat source, including wood, coal, pellet, etc. stoves is unacceptable.
 - 3. Maximum personal property limit is \$50,000. If the applicant was previously uninsured, the maximum personal property limit available is \$25,000.
 - 4. All other underwriting guidelines apply.

9. Credits and Surcharges

a. Credits:

- 1. *Claims Free*: Applies if applicant has had no claims with over \$500 paid in the past 3

years. Discount applies to owner, seasonal, and tenant occupancies.

2. *Continuous Coverage Discount*: Applies to risks with fewer than 7-days lapse in coverage or new purchases. Discount applies to owner, seasonal, and tenant occupancies.

b. *Surcharges*:

1. *Claims Surcharge*: Applies if the insured has had 2 or more claims with over \$500 paid in the past 3 years. Surcharge applies to owner, seasonal, and tenant occupancies.
2. *Supplemental Heating Source*: Applies when there is a supplemental heating source in the manufactured home.
3. *Occasional Rental*: Applies to owner and seasonal manufactured homes that are occasionally rented to others.
4. *Continuous Coverage Surcharge*: Applies to policies that have had an extended lapse in coverage. Surcharge applies to owner, seasonal and tenant occupancies.

10. Forms List

| MANDATORY FORMS | FORM # | REV. DATE | OCCUPANCY |
|--|---------------|------------------|------------------|
| Declarations Pages | AGIA.MH.DEC | (03/24) | ALL |
| Policy Jacket | AGMH-1 | (04/24) | ALL |
| Harassment, Intimidation or Bullying Exclusion | AGMH-13 | (01/24) | ALL |
| Seasonal/Secondary Manufactured Home Extension | AGMH-22 | (01/24) | S |
| Cannabis Exclusion | AGMH-25 | (01/24) | ALL |
| Hydrofracking Exclusion | AGMH-58 | (01/24) | ALL |
| Mold Exclusion | AGMH-63AL | (01/24) | ALL |
| Solar Panel Exclusion | AGMH-85 | (01/24) | O/S/R |
| Windstorm, Tornado, Hurricane or Hail Deductible | AGMH-102 | (01/24) | ALL |
| Water Damage Deductible | AGMH-109 | (01/24) | ALL |
| Amendment of Policy Provisions – Alabama | AGMH-200AL | (01/24) | ALL |
| Cancellation/Non-Renewal Provisions – Alabama | AGMH-250AL | (01/24) | ALL |
| Residential Property Insurance Outline of Coverage | ALNOTICE1 | (01/24) | ALL |
| Windstorm, Tornado, Hurricane, Hail Exclusion Acknowledgement (Mandatory when Windstorm, Tornado, Hurricane and Hail is excluded. Must be signed by the insured and returned to Aegis) | ALACK | (01/24) | ALL |
| Diminution of Value Exclusion | DIMX | (01/24) | ALL |
| U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) Advisory Notice to Policyholders | OFAC | (01/24) | ALL |
| OPTIONAL FORMS | FORM # | REV. DATE | OCCUPANCY |
| Additional Insured – Section I & II Coverage | AGMH-2 | (09/24) | ALL |
| Additional Insured - Section I Coverage | AGMH-2P | (09/24) | ALL |
| Additional Insured - Section II Coverage | AGMH-2L | (09/24) | ALL |
| Scheduled Personal Property | AGMH-3 | (01/24) | O/T |
| Personal Property Replacement Cost | AGMH-4 | (01/24) | O/S/T |
| Vacant/Unoccupied Manufactured Home Endorsement (only used on risks that become vacant during the policy period - not for new business) | AGMH-5 | (01/24) | O/S/R |
| Replacement Cost Coverage and Inflation Coverage – 30 years and | AGMH-6 | (01/24) | O/S/R O/S/R |
| Manufactured Home Earthquake Endorsement | AGMH-7 | (01/24) | O/S/R |
| Golf Cart Coverage | AGMH-9 | (06/24) | O/S/T |
| Limited Swimming Pool or Spa Liability Endorsement | AGMH-11 | (01/24) | O/S/T |
| Seasonal/Secondary/Rental Occupancy Liability Endorsement | AGMH-12 | (01/24) | S/R |
| Occasional Rental | AGMH-26 | (01/24) | O/S |
| Animal Injury Exclusion | AGMH-51 | (01/24) | ALL |
| Building Exclusion | AGMH-60 | (01/24) | O/S/R |
| Roof Exclusion | AGMH-61 | (01/24) | O/S/R |
| Coverage Endorsement for Vacant/Unoccupied Occupancy | AGMH-66 | (01/24) | O/S/R |

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|--|-------------|---------|-------|
| Replacement Cost on Partial Losses | AGMH-70 | (01/24) | O/S/R |
| Water Damage Limitation | AGMH-79 | (01/24) | ALL |
| Windstorm, Tornado, Hurricane, Hail Exclusion | AGMH-111 | (01/24) | ALL |
| Actual Cash Value Roof Settlement Endorsement | AGMH-124 | (01/24) | O/S/R |
| Replacement Cost and Inflation Coverage Removal Notice (mandatory for risks approaching 31 years of age at next renewal if Replacement Cost Coverage is on the policy) | CWNOTICE(1) | (01/24) | O/S/R |
| Notice of Cancellation or Non-Renewal | ODEN Notice | | ALL |
| Reinstatement Notice | RN-01 | | ALL |