

# E&S Homeowners Product Overview



<b>Policy Form</b>	HO-3
<b>Eligible States</b>	FL, GA, MA, MD, NC, NJ, SC, TX, and VA
<b>Maximum TIV</b>	\$3.6m
<b>Carrier Partners</b>	Certain Underwriters at Lloyd's of London, rated "A+" by AM Best Emerald Bay Specialty Insurance Company, rated "A-" by AM Best
<b>Occupancy Types</b>	Primary, secondary homes and annual rentals

## Core Coverage Limits

<b>Coverage A</b>	\$100k - \$2.0m
<b>Coverage B</b>	10% of Coverage A by default; max of 20% of Coverage A
<b>Coverage C</b>	40% of Coverage A by default; max of 80% of Coverage A
<b>Coverage D</b>	20% of Coverage A by default; max of 30% of Coverage A
<b>Coverage E</b>	\$300k by default; max of \$500k
<b>Coverage F</b>	\$2k by default; max of \$5k

## Deductibles

<b>AOP</b>	\$1k, \$2k, \$3k, \$4k, \$5k, \$10k
<b>Wind</b>	TX & FL: 2% min., 5% min. in FL tri-county area or within a mile of the coast. 10% max. Other States: 1% to 10%

## Ancillary Coverage Information

<b>Coverage C Settlement</b>	ACV/RCV	<b>Ordinance or Law</b>	10%-25%
<b>Extended Replacement</b>	100%-150%	<b>Water Damage</b>	\$25k (\$10k for certain risks)
<b>Mold</b>	\$25k max	<b>Personal Injury</b>	Up to Coverage E
<b>Inflation Guard</b>	5%	<b>Water Backup</b>	\$25k (\$10k for certain risks)

## Ineligible Risks

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### Construction & Condition

- Space heater or wood stove as primary heating source
- Galvanized, steel, iron or polybutylene plumbing
- Electrical systems with fuses
- EIFS construction prior to 2000
- Less than 1,000 sq ft (DP3, HO3, HO5), or 500 sq ft (HO6)
- Unconventional, non-standard, or architecturally unique homes such as mobile, modular, manufactured, log homes, airplane hangars, or over water homes
- Farms or ranches (both hobby or commercial) and/or properties with over 10 acres
- Homes with pre-existing damage
- Vacant, condemned, historic registry, or course of construction homes
- Properties constructed before 1950
- Homes held in trusts
- ISO Protection Class 9 & 10
- Homes with electric breaker panels by Challenger, Federal Pacific, Zinsco & Pushmatic, from any year
- Homes with Square D Panels from 1988, 2004, 2006 & 2022

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### Risk Location

- Outside the lower 48 states
- High risk wildfire zip codes in California
- Monroe County, FL

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### Occupancy

- Homes in foreclosure
- Homes with more than 4 families
- Homes with two or more non GSE mortgages
- Homes with a coverage lapse over 180 days
- Homes with a daycare / assisted living at premises
- Short term rental for over 20 weeks a year/investment properties

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### Claims History

- Within the last 3 years:
  - Properties with 2 or more non-cat claims of any size
  - One non-cat claim greater than \$25k
- Prior animal bite claims render risk ineligible

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### Insured History

- Prior bankruptcy
  - Prior non-renewal / cancellation due to misrepresentation or fraud
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## Current Moratorium Zip Codes

### Florida

- 33924 - Captiva
- 33957 - Sanibel
- 33931 - Fort Myers Beach
- 34134 - Bonita Springs

## Additional Restrictions

### Key coverage restrictions

- Theft coverage is excluded on risks with prior theft claims
- Homes with prior water losses in FL, or older home services, have a water damage exclusion
- Water Damage and Water Backup are capped at \$25k for most homes; however for certain risks we will only offer \$10k. Denials at \$25k may be eligible if re-quoted at \$10k.
- Pool claims excluded if pool is not fenced/to code

### Roofs

- RCV, ACV settlement or exclusion based on roof age, roof material, and county (if south FL). See "Roof Settlement Information" contained in this product guide

### Animals

- \$50k liability sublimit if coverage E is purchased
- We exclude coverage for claims arising from the ownership of dangerous dog breeds (i.e. Pit Bulls), attack/guard dogs, dogs with a history of biting, animals whose possession is prohibited by applicable local, state or federal regulations or laws or animals bred or kept for commercial purposes or other animals excluded

### Unoccupied water damage restriction endorsement

- If home is unoccupied for a given duration, coverage is excluded from loss or damage arising from the accidental discharge/overflow of water/steam from plumbing systems, heating systems, AC units, automatic fire sprinkler systems or household appliances or from discharge or overflow of water or steam from within the system or from malfunction of the system or appliance
- 10 days: TX, FL
- 21 days: NC, SC
- 30 days: GA, MA, MD, NJ, and VA

### Rental properties

- Homes rented between 20 and 51 weeks a year are ineligible. Homes rented to annual tenants are eligible, and homes rented <20 weeks a year are eligible
- We do not cover liability claims arising from the rental of a property

## Additional Details

<b>Endorsements &amp; Cancellations</b>	<ul style="list-style-type: none"> <li>- Email requested endorsements or cancellations to <a href="mailto:support@annexrisk.com">support@annexrisk.com</a> or call support at 415-209-5469.</li> <li>- Requested endorsements and cancellations will be processed within one business day.</li> </ul>
<b>Agent Portal</b>	<ul style="list-style-type: none"> <li>- Current functionality: document retrieval, policy status indication and continue quote functionality</li> <li>- Coming soon: self-service endorsements, effective date changes and select cancellations</li> </ul>
<b>Inspections</b>	<p>We require inspections for all new business and every 3 years for renewals. <a href="#">Bees360</a> conducts our property inspections nationwide:</p> <ul style="list-style-type: none"> <li>- Properties less than or equal to \$750k of Cov A receive an exterior inspection (roof and siding)</li> <li>- Properties greater than \$750k of Cov, A or built prior to 1994, receive an interior and exterior inspection (roof, siding, HVAC, plumbing, and electricals)</li> </ul>
<b>Claims</b>	<p><a href="#">Blair and Company</a> handles our claims nationwide:          Eastern Regional Office          3111 Springbank Lane Suite C Charlotte, NC 28226          Email: <a href="mailto:claims@blairandco.net">claims@blairandco.net</a>          Phone: 800-487-1263          Annex claims support: <a href="mailto:claims@annexrisk.com">claims@annexrisk.com</a></p>
<b>Payment Methods</b>	<ul style="list-style-type: none"> <li>- Credit Card</li> <li>- ACH</li> <li>- Premium finance (monthly, with downpayment)</li> <li>- Mortgage bill escrow</li> </ul>
<b>Payment Frequency</b>	Pay in full, monthly (premium finance only)
<b>Terms and Conditions</b>	Application must be e-signed by the insured within 7 days
<b>Questions</b>	Email <a href="mailto:support@annexrisk.com">support@annexrisk.com</a> or call 415-209-5469.

## Steps to Quote

### Address

- Enter an insured's information contact information and the risk address
- If you would like to quote a policy for an existing insured select them from the dropdown

### Basics

- Select a policy form; currently only HO-3 policies are offered
- Enter number of renters + weeks rented; this ensures the insured has adequate coverage if they rent their home occasionally

### Property

- Some of this information may be pre-filled; all information should be confirmed with the insured

### Policy

- Risks can only be quoted within 90 days of policy inception
- Enter any prior claim, additional insureds or mortgagee info
- Confirm explicitly that all eligibility criteria are met

### Quotes

- Annex defaults coverage A to equal the RCE; several coverages are also defaulted based on the Coverage A
- The limits and AOP/wind deductibles can be edited. To lock in the limits you select, press "save". To change them, press "edit"
- On the right, select "Get Price" to receive a bindable quote.
- Select "Request Bind" to initiate the bind process
- You can return to a in-process quote in the agent portal; simply hit "Continue Quote". The agent portal is located here:

NEW QUOTE

AGENT PORTAL

CONTACT US

LOG OUT

### Quote PDF

- A PDF summarizing quotes for insureds is available at checkout, click "Quote PDF" here:

GET PRICE

QUOTE PDF

REQUEST BIND

### Checkout

- Details on next steps for insureds on signing an application, inspections are here. In addition, you can enter declination information

### Invoices

- Invoices are available on our agent portal for download, along with other policy documents and EOI

## What Comes Next

### Payments

- Enter the insured's payment details
- Payment will process automatically, nothing further is required.
- Payment is due no later than the policy effective date
- If payment is not received by the policy effective date, the policy will enter a 15 day grace period after which it will be cancelled.

### Documents and Signatures

- The agent and the insured will receive a complete policy packet via email containing the declarations page, policy, application, and relevant surplus lines documents.
- The insured must e-sign this document within 7 days of receipt.
- If the insured does not sign this document within 7 days, the document will expire and the policy will be flat cancelled.

### Declinations

- The agent is responsible for providing admitted declinations as applicable in the state.
- Please note non-admitted providers (i.e. Wellington) DO NOT count as declinations.
- Annex will create any relevant forms and retain them on file or file them with state regulators as required by law.

### Inspections

- We inspect every risk. Our inspection partner Bees360 will reach out to the insured within 5 business days to schedule an inspection.
- Risks with coverage A less than \$750K and built after 1994 will receive an exterior inspection only.
- Risk built before 1994 or with coverage A greater than \$750k will receive both an interior and exterior inspection.
- If the inspection reveals discrepancies from the Application, the policy will be re-underwritten or canceled.
- Inspections must be completed within 30 days of the policy effective date or the policy will be flat cancelled.

### Endorsements

- To submit an endorsement, please email [support@annexrisk.com](mailto:support@annexrisk.com) or call 415-209-5469. Mortgagee and Additional Insured changes can be made by agents directly on our portal.

### Cancellations

- To submit a cancellation, please email [support@annexrisk.com](mailto:support@annexrisk.com) or call 415-209-5469.
- Please note that a 25% minimum earned premium will apply if Annex has been on risk

# Mortgagee Bill Instructions

## How to add a mortgagee and checkout

Click here to update effective date, additional insured and mortgagees

Effective Date & Additional Interests

Policy Effective Date

03/11/2023

Mortgagees

ADD MORTGAGEE

Additional Insureds

ADD INSURED

EDIT EFFECTIVE DATE & ADDITIONAL INTERESTS

CHECKOUT

Once you're done adding or editing, click here to checkout

Bank One

123 100 Bank Road

REMOVE

Bank Two

9989 200 Tyler St

REMOVE

Additional Insureds

ADD INSURED

EDIT EFFECTIVE DATE & ADDITIONAL INTERESTS

CHECKOUT

If you have multiple mortgagees, select one as the payor

☒ Mortgagee
 ☐ Credit Card

Select a Mortgagee to be the payor

Payor Mortgagee

Please select

Bank One 123

Bank Two 9989

Confirm the mortgagee, then click "proceed to bind" to bind

☒ Mortgagee
 ☐ Credit Card

Select a Mortgagee to be the payor

Payor Mortgagee

Bank One 123

Name: Bank One

Address: 100 Bank Road, Banktown, FL 21231

Loan ID: 123

Phone: 1231231234

CONFIRM MORTGAGEE AS PAYOR

PROCEED TO BIND

## Frequently Asked Questions

<b>What limits are available?</b>	\$3.6m maximum TIV with \$2.0m maximum coverage A
<b>What's your risk appetite sweet spot?</b>	Coastal properties with significant cat exposure, built after 1994 in Florida and after 2000 outside Florida with coverage A between \$200k and \$800k
<b>What are key policy exclusions?</b>	<ul style="list-style-type: none"> <li>- Swimming pools have a \$300k liability sublimit; if they aren't fenced and to code, claims arising from a swimming pool are excluded from coverage.</li> <li>- Swing sets / playsets result in a total liability exclusion.</li> <li>- Claims arising from trampolines are excluded.</li> <li>- Claims arising from dangerous dog breeds</li> <li>- Flood and/or earthquake</li> <li>- Sinkholes, unless they meet a specific test</li> <li>- Roofs of a certain age in key locales</li> <li>- Water damage for homes with prior water claims.</li> </ul>
<b>What extra coverages are available beyond the core coverages?</b>	<ul style="list-style-type: none"> <li>- Extended Replacement Cost</li> <li>- Inflation guard</li> <li>- Mold</li> <li>- Ordinance / Law</li> <li>- Personal injury</li> <li>- Water backup</li> <li>- Water damage</li> </ul>
<b>Does this policy cover debris removal?</b>	- Yes; this policy covers the greater of 10% of the loss or \$25k for debris removal.
<b>Does this policy include coverage for watercraft or other vehicles?</b>	<ul style="list-style-type: none"> <li>- This policy includes coverage standard to an HO-3; if your insured maintains a watercraft we recommend you consider appropriate standalone coverage.</li> <li>- This policy does not cover autos</li> </ul>
<b>Does this policy cover flood or earthquake?</b>	- No. For flood, we recommend that you offer your insureds flood insurance via the NFIP or private market, and earthquake insurance via the CEA or private market.
<b>Dangerous breed exclusions</b>	- We do not cover claims arising from bodily injury or property damage caused by the following breeds: Rottweiler, Alaskan Malamutes, Huskies, Doberman Pinscher, Akita, Bullmastiff, Wolf Hybrids, Chow Chow, German Shepherds, Great Danes, Rhodesian Ridgebacks, St. Bernards, or Pit Bull.



## Frequently Asked Questions

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### What are the taxes and fees listed here?

#### General Taxes and Fees

- Broker Fee: Percent of premium that is paid to Annex to cover the costs of issuing the policy, including state filings and administrative expenses.
- Inspection Fee: A flat \$75 to cover the cost of inspecting homes.
- Surplus Lines Tax: Percent of premium and fees paid to state insurance regulators, generally between 3% and 6% depending on state (4.94% in FL, 4.85% in TX)
- Stamping Fee / Assessment Fee: Percent of premium and/or fees paid to state insurance regulators, generally <1%

#### Florida-Specific

- FLSO Service Fee: Florida Surplus Lines Services Office
- EMPA Surcharge: A flat \$2 fee per policy paid to the Florida Division of Emergency Management

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### What should I enter for claims in the last 3 years?

- Property: Any claims within the last 3 years at the insured property
  - Liability: Any claims within the last 3 years for the insured
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## Frequently Asked Questions - Florida & Texas

### How are roofs covered in Florida?

- Cosmetic damage to roofs is not covered and pre-existing damage to any part of the risk is not covered.
- Annex inspects every risk for pre-existing roof damage.
- Roofs are covered at replacement value, unless the age of the roof, composition of the roof, and location of the risk mandate ACV settlement or exclude coverage for the roof

### Are solar panels covered?

- Alternative power systems, including solar panels, are not covered for the peril of wind or hail. Homes with solar panels are eligible.

### Do we cover lanais?

- Screens and their supports around pools, patios and other areas that are not part of the dwelling are not covered. Porch screens are covered.

### Florida water damage limitation / exclusion

- For homes without prior water claims or more up to date heating and plumbing, Annex policies contain a mandatory \$10k limitation of liability for water damage
- For homes with a prior water loss, homes with a heating system over 25 years old or a plumbing system over 40 years old Annex policies Annex policies contain a mandatory water damage exclusion

### Texas water damage limitation / exclusion

- All homes in Texas have mandatory water damage limitation of \$10k, regardless of the age of the home

### Water coverage - accidental discharge & seepage

- All states: We cover losses to property covered under Coverage A or B resulting from an accidental discharge or overflow of water or steam from within an off-residence storm drain/pipe or plumbing system, provided it is not otherwise excluded
- All states: we do not cover damage from water below the surface of the ground, including seepage, except in FL as below.
- FL: We cover damage from seepage, leakage of water or the presence or condensation of humidity, moisture or vapor if the resulting damage is unknown to all insureds and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure

### Are sinkholes covered in Florida?

- Damage from sinkholes is covered, provided the event meets the four-point definition of a "Catastrophic Ground Collapse", namely:
  - The abrupt collapse of the ground cover;
  - A depression in the ground cover clearly visible to the naked eye;
  - "Structural damage" of the "principal building" insured under this Policy, including the foundation; and
  - The "principal building" being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that "principal building".

# Roof settlement information

Roof Type	RCV	ACV	Roof Excluded
Tri-County Area (Miami-Dade, Broward, Palm Beach counties)			
Asphalt Shingles	<11 years	11-25 years	>25 years
Light metal panels	<11 years	11-25 years	>25 years
Built-up roof with gravel or Built-up roof without gravel	<11 years	11-25 years	>25 years
Single ply membrane or Single ply membrane ballasted	<11 years	11-25 years	>25 years
Clay/concrete tiles	<11 years	11-25 years	>25 years
Hurricane Rated Shingles	<15 years	15-25 years	>25 years
Wooden Shingles	<15 years	15-25 years	>25 years
Standing seam metal roofs	<25 years	25-40 years	>40 years
Slate	<25 years	25-40 years	>40 years
Rest of Florida			
Asphalt Shingles	<11 years	11-25 years	>25 years
Light metal panels	<11 years	11-25 years	>25 years
Built-up roof with gravel or Built-up roof without gravel	<11 years	11-25 years	>25 years
Single ply membrane or Single ply membrane ballasted	<11 years	11-25 years	>25 years
Clay/concrete tiles	<15 years	15-25 years	>25 years
Hurricane Rated Shingles	<15 years	15-25 years	>25 years
Wooden Shingles	<15 years	15-25 years	>25 years
Standing seam metal roofs	<25 years	25-40 years	>40 years
Slate	<25 years	25-40 years	>40 years
Rest of US			
Asphalt Shingles	<15 years	15-25 years	>25 years
Light metal panels	<15 years	15-25 years	>25 years
Built-up roof with gravel or Built-up roof without gravel	<15 years	15-25 years	>25 years
Single ply membrane or Single ply membrane ballasted	<15 years	15-25 years	>25 years
Clay/concrete tiles	<35 years	35-40 years	>40 years
Hurricane Rated Shingles	<20 years	20-25 years	>25 years
Wooden Shingles	<20 years	20-25 years	>25 years
Standing seam metal roofs	<35 years	35-40 years	>40 years
Slate	<35 years	35-40 years	>40 years

# Checking out with Premium Finance or ACH/Card

←

Annex Risk

A

Premium Finance

- 25% down payment payable via card, ACH, or wire
- 10 monthly payments
- Finance charge
- Finance disclosure

Review your loan terms

Loan principal and terms

Policy premium & fees

\$3,953.18

Annual percentage rate

17.79%

Finance charge (includes taxes and fees)

\$247.96

Total charge

\$4,201.14

Downpayment

What you pay now

\$977.84

Amount financed

\$2,975.34

Payment plan

Duration

10 installments

Payment per term

\$322.33

Next payment due on

July 3, 2023

\$322.33/payment until April 3, 2024

▼

☐ I agree with the terms described in the Premium Finance Disclosure Agreement

Continue to pay

Return to payment options

Powered by ascend

B

ACH and Card

Card

3.1% non-refundable processing fee

Complete your transaction

Payment method

Card

ACH

Wire

Name on the card

Name

Card details

Card number

MM / YY

CVC

Complete transaction

Return to payment options

By clicking Complete transaction, you agree to our Terms of Use.

ACH

\$5 non-refundable processing fee

Complete your transaction

Payment method

Card

ACH

Wire

Link your bank

Recommended

Secure and works with most banks

PLAID

OR

Name of account holder

Account type

Individual

Account number

Confirm account number

Routing number

Complete transaction

Return to payment options

By clicking Complete transaction, you agree to our Terms of Use.

Annex Risk

1

Annex Risk

Invoice for John Doe

ISSUED BY

**Annex Risk**  
123 Main Street, San Francisco CA 94109  
(650) 787-1231

BILL TO

**John Doe**  
4116 Buckingham Way, Plano TX 75093  
johnstest@yahoo.com  
99999991234

ITEMS

Commercial Property - [101024686] (Carrier: Lloyds of London)  
June 3rd, 2023 - June 3rd, 2024

Premium: **\$3,533.61**  
Taxes and fees: **\$185.56**  
Broker fee: **\$159.01**  
Other fees: **\$75.00**

Payment options

Pay with CC, ACH or Wire

FINANCED

Available until July 23rd, 2023

Transaction fees not included.

Total

\$4,201.14

Downpayment

\$977.84

APR

17.79% (\$247.96)

Loan duration

10 installments • \$322.33/ea starting July 3rd, 2023

PAY IN FULL

Transaction fees not included.

Total

\$3,953.18

Make payment

If you have any questions regarding your payments, please contact your agent, Michael Goodwin at [mike@annexrisk.com](mailto:mike@annexrisk.com) or

Information in this document is meant to act as a guide, not a final Underwriting determination.