

# Texas Republic Personal Lines Property

## Products and Rate Overview May 1, 2017



Republic Group  
An AmTrust Financial Company

# Agenda

- Texas Homeowner Changes
  - Underwriting Tiers
  - Rating & Eligibility
  - Endorsements & Credits
- Texas Condo Changes
  - Pricing & Underwriting Tiers
  - Endorsements & Credits
- Texas Renter Changes
  - Pricing & Underwriting Tiers
  - Endorsements & Credits



# Texas Republic Property Products

## Homeowner HO-3

- New business program
- No change to agency commissions - **15% new and renewal**
- Homeowner HO-3
  - Introducing ISO 2011 form
  - New rate structure with emphasis on Coverage A and Insurance Score
- Conversion of HO-3 Legacy renewal book will occur after the new system implementation

# Texas Republic Home Rate Structure Overview

- **Designed to price risks more effectively, to be more competitive on target risks**
  - 6 Underwriting Tiers – one additional preferred tier
  - 7 Insurance Score Groups
  - More price points that vary within each UW Tier
- **Same rating territories as current program**
- **Policy will be rated in an Underwriting Tier based on the following factors:**
  - Primary factors:
    - Insurance Score
    - Coverage A Limit
  - Secondary factors:
    - Prior loss history
    - Line of business
    - Protection Class
    - Dwelling use (primary vs seasonal/secondary)
    - Age of home
  - Quote will reflect the best qualifying tier

# Texas Republic Home HO-3 Underwriting Tiers

Primary Residence:	Tier Placement	Coverage A	Age of Home	Minimum Insurance Score	Maximum loss count	Fire Protection Class
	*Reward	\$350,000 and above	All	2	1 weather	1-8
	Elite	\$350,000 and above	All	4	1	1-8
		\$225,000 - \$349,999	All	1	1	1-8
	Select	\$125,000 - \$224,999	All	2	1	1-8
		\$225,000 - \$349,999	All	3	1	1-8
	Preferred	\$125,000 and above	All	4	1	1-9
		\$125,000 and above	Up to 15 years	5	1	1-9
	Standard	\$125,000 and above	All	6	1	1-9
		\$ 75,000 and above	All	6	0	1-8
	Guardian	Up to \$350,000	All	7	0	1-9

\*Reward Tier not available for Tier One Counties, Orange County, and for risks less than \$300,000 liability coverage

<b>Seasonal /</b>	Select	\$125,000 and above	All	3	1 weather	1-8
<b>Secondary:**</b>	Preferred	\$125,000 and above	All	4	1	1-9
	Standard	\$100,000 and above	All	6	1	1-9
	Guardian	Up to \$200,000	All	7	0	1-9

\*\*With primary residence written by a company of Republic Group

# Texas Republic Home HO-3 Policy Credits

- **Companion Credits**
  - Auto with HO3 15%
  - Umbrella 5%
  - Scheduled & Blanket Personal Property (min \$100 SPP premium) 2%
- **Loss Free**
  - 36 month loss free, with prior insurance 5%
  - Losses not considered include: <\$750 paid; weather-related; Equipment Breakdown; Identity Theft; SPP
- **Mature Homeowner** age 55 and older 2 - 5%
- **Protective Devices**
  - Central Station Reporting Burglar & Fire Alarm 5% each
  - Local, Police, or Fire Department Alarms 2 - 3%
  - Automatic Sprinklers 5 - 8%
- **Gated Community **NEW!****
  - Vehicle entrance controlled by guards or locked gates; *and* ID access code/card *or* visitors announced 5%
- **Superior Construction**
  - Non-Combustible, Masonry Non-Combustible, or Fire Resistive 15%
- **New Home** – percentage varies by UW Tier up to 42%
- **Hail Resistive Composition Roof** (U.L. Classes 1-4) 2 - 25%
  - Metal Roof requires signed Cosmetic Damage Exclusion

# Texas Republic Home HO-3 Optional Endorsements

- **Enhancement Endorsements**
  - Lone Star, Choice, and Choice Plus *(Not for Guardian Tier)*
  - Dwelling Replacement Cost Protector *(Not for Guardian Tier)*
- **Equipment Breakdown**
  - \$100,000 limits (\$50,000 previously) with \$500 deductible
  - 'Green' upgrade up to 150% of replacement cost
  - **Premium remains at \$24**
- **HO-15 Special Personal Property** *(Not for Guardian)*
  - Open Peril Personal Property, with specified exclusions
- **Identity Theft with Recovery Service**
- **Scheduled Personal Property:** \$1 Rate on Jewelry - **Much lower rate!** *(Not for Guardian Tier)*
- **Personal Injury Aggregate Limit**
- **Personal Property Located in a Self-Storage Facility – NEW!**
  - Increased coverage for personal property; limits up to \$25,000 available
  - Premium is \$3 per \$1,000
- **Trust Endorsement – NEW!**
  - Adds Trust or Estate as an Additional Insured
  - Assists with Estate Planning

# Texas Republic Home HO-3 Other Endorsements

- **Foundation – 5%, 10%, and 15%**
- **Limited Fungi or Microbes Coverage**
  - Options: Basic, 25%, 50%, and 100% of Coverage A
- **Water Back Up & Sump Overflow**
  - \$5,000; \$10,000 limits with \$500 deductible
  - \$25,000; \$50,000; \$100,000 limits with \$1,000 deductible
- **Water Damage Coverage**
  - \$50,000 - \$100 premium
  - \$100,000 - \$175 premium
  - Policy limits - \$275 + .50 per \$1,000 over \$200k
- **Canine and Animal Exclusion –**
  - Can be used for New Business and at Underwriter discretion on Renewals
  - Insured Signature Required



# Texas Republic Home Blanket/Scheduled Personal Property

- Scheduled & Blanket Personal Property**

**Now a Lower Rate!**

## Item Scheduled or Blanket Rate per \$100

Jewelry	\$1.00
Furs	.40
Camera Floater Non Professional Only	1.25
Musical Instruments Non Professional Only	.45
Silverware	.30
Golfers Equipment	.80
Fine Arts without Breakage Coverage	.25
Fine Arts with Breakage Coverage	.40
Stamps	.45
Coins	1.25
Collectibles without Breakage Coverage	.45
Collectibles with Breakage Coverage	.60
Miscellaneous/Firearms	1.70
Minimum Premium	17.00

**2% Policy Credit with \$100+ SPP premium**  
**Not available in Guardian Tier**

Class of Personal Articles Blanket or Schedule	*Total Limit per Class HO-4 and Covg A <\$250,000	*Total Limit per Class Covg A \$250,000+
Jewelry	\$ 99,999	\$250,000
Furs	\$ 99,999	\$200,000
Cameras	\$ 10,000	\$ 50,000
Musical Instruments	\$ 99,999	\$200,000
Silverware	\$ 99,999	\$150,000
Golfer's Equipment	\$ 10,000	\$ 30,000
Fine Arts – Breakage optional for Schedule	\$ 99,999	\$250,000
Rare & Current Coins – Available for Schedule only	\$ 10,000	\$ 30,000
Postage Stamps – Available for Schedule only	\$ 10,000	\$ 30,000
Collectibles – Breakage optional for Schedule	\$ 99,999	\$250,000
Miscellaneous / Guns – Available for Schedule only	\$ 30,000	\$100,000

*\*Limits are for Schedule and Blanket combined*

# Texas Republic Home Enhanced Endorsement Comparison

Coverage	HO3 Policy Form	<i>with Lone Star</i>	<i>with Choice</i>	<i>with Choice Plus</i>
<b>Pricing</b>		<b>\$29</b>	<b>\$29 with Variable Charge: 11% (14% Harris and Tier 1)</b>	<b>\$139 with Variable Charge: 17% Statewide</b>
Coverage A	Amount on dec	No increase	<b>Up to 25% increase</b>	<b>Up to 25% increase</b>
Coverage C	Replacement Cost by optional endorsement	Replacement Cost by optional endorsement	<b>60% of Cov A Replacement Cost</b>	<b>70% of Cov A, and up to add 25% increase of Cov A limits Replacement Cost</b>
Coverage D	30% of Cov A (20% Harris & Tier 1)	30% of Cov A (20% Harris & Tier 1)	30% of Cov A (20% Harris & Tier 1)	<b>40% of Cov A (20% Harris &amp; Tier 1) and up to add 25% increase of Cov A limits</b>
Coverage F Medical Payments	Not included	Not included	Not included	<b>\$5,000</b>
Business Property away from Res Premises	\$1,500	\$1,500	\$1,500	<b>\$2,500</b>
Credit Card, Forgery, Counterfeit Money	\$500	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$2,500</b>
Fire Department Service Charge	\$500	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>
Grave markers	\$5,000	\$5,000	\$5,000	<b>\$7,500</b>
Landlord's Furnishings	\$2,500	\$2,500	\$2,500	<b>\$5,000</b>
Land Restoration	Not included	<b>\$10,000</b>	Not included	<b>\$10,000</b>
Lock Replacement	Not included	<b>\$250</b>	<b>\$250</b>	<b>\$250</b>
Loss Assessment	\$1,000	\$1,000	<b>\$2,000</b>	<b>\$5,000</b>
Mortgage Extra Expense (MEE)	Not included	Not included	Not included	<b>\$250/mo; \$5,000/total MEE \$2,000 acquisition costs</b>
Personal Injury	Not included	<b>Included</b>	<b>Included</b>	<b>Included</b>
Personal Property Away from Res Premises	Not included	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>
Refrigerated Property	Not included	<b>\$500 w/\$100 ded</b>	<b>\$500 w/\$100 ded</b>	<b>\$500 w/\$100 ded</b>
Reward Coverage	Not included	<b>\$1,000 Fire or Theft</b>	Not included	<b>10% of loss; \$1,000 max</b>
Sec II Damage to Property of Others	\$1,000	<b>\$1,500</b>	<b>\$1,500</b>	<b>\$2,000</b>
Water Back Up and Sump Overflow	Not included	Not included	Not included	<b>\$5,000 w/\$500 ded</b>
Watercraft Liability	25 hp max	<b>50 hp max</b>	<b>50 hp max</b>	<b>50 hp max</b>
Jewelry, Watches and Furs - Theft	\$1,500	<b>\$2,500; \$1,500 per article</b>	<b>\$2,500; \$1,000 per article</b>	<b>\$6,500; \$2,500 per article</b>
Money	\$200	\$200	\$200	<b>\$300</b>
Portable Electronic Equipment	\$1,500	\$1,500	\$1,500	<b>\$3,000</b>
Securities	\$1,500	\$1,500	\$1,500	<b>\$5,000</b>
Silverware, Goldware and Pewterware - Theft	\$2,500	<b>\$4,000</b>	\$2,500	<b>\$5,000</b>

# Texas Republic Property Products Condominium HO-6

- No change to agency commissions
  - 15% new and renewal
- 4 Underwriting Tiers
- Overall Rate Change of **-13.2%**
- Condo HO-6
  - ISO 2011 form introduced with new rate structure
  - OK to rewrite current HOB-CON business to form and new rating plan
  - Conversions will occur after the new system implementation

# Texas Republic Home HO6 Underwriting Tiers

<u>HO-6</u>	Tier Placement	Coverage A & C combined	Age of Home	Minimum Insurance Score	Maximum loss count	Fire Protection Class
	Select	\$150,000 and above	All	2	1 weather	1-8
	Preferred	\$ 75,000 and above	All	4	1	1-9
	Standard	\$ 40,000 and above	All	6	1	1-9
	Guardian	Up to \$75,000	All	7	0	1-9

Tenant-occupied Condo risk may qualify in Standard or Guardian

Note: For all forms, if the placement criteria indicates a policy qualifies for more than 1 tier, the policy will be placed in the best tier for which it qualifies.

# Texas Republic Home HO-6 Policy Credits

- **Companion Credits**
  - Auto with HO6 15%
  - Umbrella 5%
  - Scheduled & Blanket Personal Property (min \$100 SPP premium) 2%
- **Loss Free**
  - 36 month loss free, with prior insurance 5%
  - Losses not considered include: <\$750 paid; weather-related; Equipment Breakdown; Identity Theft; SPP
- **Mature Homeowner** age 55 and older 2 - 5%
- **Protective Devices**
  - Central Station Reporting Burglar & Fire Alarm 5% each
  - Local, Police, or Fire Department Alarms 2 - 3%
  - Automatic Sprinklers 5 - 8%
- **Gated Community NEW!**
  - Vehicle entrance controlled by guards or locked gates; *and* ID access code/card *or* visitors announced 5%
- **Superior Construction**
  - Non-Combustible, Masonry Non-Combustible, or Fire Resistive 15%

# Texas Republic Home HO-6 (Condo) Optional Endorsements

- **Enhancement Endorsements** *(Not available in Guardian Tier)*
  - **Dwelling Replacement Cost Protector** - Provides additional 25% coverage on Dwelling Coverage A
  - **Unit Owners Coverage A Special Coverage** - Broadens Perils Insured Against to cover additional risks of loss.
  - **Unit Owners Rental to Others** - Permits Personal Property & Liability when condo is occupied as a rental
- **Equipment Breakdown**
  - **\$100,000 limits** (\$50,000 previously) with \$500 deductible
  - 'Green' upgrade up to 150% of replacement cost
  - **Premium remains at \$24**
- **HO-15 Special Personal Property** *(Not available in Guardian Tier)*
  - Open Peril Personal Property, with specified exclusions
- **Scheduled Personal Property:** \$1 Rate on Jewelry - **Much lower rate!** *(Not for Guardian Tier)*
- **Identity Theft with Recovery Service**
- **Personal Injury Aggregate Limit**
- **Personal Property Located in a Self-Storage Facility – NEW!**
  - Increased coverage for personal property with limits up to \$25,000
  - Premium is \$3 per \$1,000
- **Trust Endorsement – NEW!**
  - Adds Trust or Estate as an Additional Insured

# Texas Republic Home HO-6 (Condo) Other Endorsements

- **Limited Fungi or Microbes Coverage**
  - Options: Basic, 25%, 50%, and 100% of Coverage A
- **Water Back Up & Sump Overflow**
  - \$5,000; \$10,000 limits with \$500 deductible
  - \$25,000; \$50,000; \$100,000 limits with \$1,000 deductible
- **Water Damage Coverage**
  - \$50,000 limits
- **Canine and Animal Exclusion**
  - Can be used for New Business and at Underwriter discretion on Renewals
  - Insured Signature Required

# Texas Republic Home ISO HO-6 vs. Texas HOB-Con

- **HOB-Con Personal Property and Dwelling included in one limit**
- **HO6 requires a minimum of \$5,000 Coverage A Dwelling**
  - Replacement Cost Estimator is available on Standalone RCE
  - Replacement Cost Protector - Optional endorsement that allows up to an additional 25% of Coverage A



# Texas Republic Property Products

## Tenant (Renters) HO-4

- **No change to agency commissions – 15% new and renewal**
- **Overall Rate Change of -5.6%**
- **4 Underwriting Tiers**
  - Two additional Preferred Tiers
- **ISO 2011 form introduced with new rate structure**
- **OK to YES rewrite current HO-BT business to ISO form and new rating plan**
- **Conversions will occur after the new system implementation**

# TX Republic Home HO4 Underwriting Tiers

<u>HO-4</u>	Tier Placement	Coverage C	Age of Home	Minimum Insurance Score	Maximum loss count	Fire Protection Class
	Select	\$ 40,000 and above	All	2	0	1-8
	Preferred	\$ 30,000 and above	All	4	0	1-8
	Standard	\$ 20,000 and above	All	6	1	1-8
	Guardian	Up to \$40,000	All	7	0	1-8

Note: For all forms, if the placement criteria indicates a policy qualifies for more than 1 tier, the policy will be placed in the best tier for which it qualifies.

# Texas Republic Home HO-4 Policy Credits

- **Companion Credits**
  - Auto with HO4 10%
  - Umbrella 5%
  - Scheduled & Blanket Personal Property (min \$100 SPP premium) 2%
- **Loss Free**
  - 36 month loss free, with prior insurance 5%
  - Losses not considered include: <\$750 paid; weather-related; Equipment Breakdown; Identity Theft; SPP
- **Mature Homeowner** age 55 and older 2 - 5%
- **Protective Devices**
  - Central Station Reporting Burglar & Fire Alarm 5% each
  - Local, Police, or Fire Department Alarms 2 - 3%
  - Automatic Sprinklers 5 - 8%
- **Gated Community**
  - Vehicle entrance controlled by guards or locked gates; *and* ID access code/card *or* visitors announced 5%
- **Superior Construction**
  - Non-Combustible, Masonry Non-Combustible, or Fire Resistive 15%

# Texas Republic Home HO-4 (Tenant) Optional Endorsements

- **Special Personal Property** – changes the Perils Insured Against for Coverage C to Open Peril with specific exclusions.
- **Identity Theft with Recovery Service**
- **Scheduled Personal Property** (*Not for Guardian Tier*)
  - \$1 Rate on Jewelry - **Much lower rate!**
  - Blanket coverage is available for the following classes: Jewelry, Furs, Cameras, Musical Instruments, Silverware, Golf equipment, Fine Arts without breakage, Collectibles without breakage.
- **Personal Injury Aggregate Limit**
- **Personal Property Located in a Self-Storage Facility**
  - Increased coverage for personal property; limits available up to \$25,000
  - Premium is \$3 per \$1,000

# TX Republic Product Material

- Questions??? Please reach out to your personal lines underwriter or regional sales manager
- All reference materials may be found under the Resource Center within Republic's Agency Business Center (ABC)
  - This Power Point Presentation
  - Policy Enhancement Sell Sheet
  - Tenant and Condo Sell Sheet
  - Equipment Breakdown Sell Sheet
  - Auto Sell Sheet
  - Roadside Assistance Sell Sheet
  - Personal Umbrella Sell Sheet
  - HO-3 Coverage and Limits Comparison Sheet
  - Underwriting Guidelines
  - Insured Signature Required Forms
  - Endorsement Specimens

Thank you for your partnership – we appreciate you  
and your agency!