

**Underwriting Guidelines**

**Commercial Property Non-Residential**

**Florida**

**I. Company Selection Guidelines**

**A. Non-Residential Commercial Risks** – may be written by the following companies pursuant to the Underwriting Company Tiered Pricing and Company Placement Criteria:

<b>Underwriting Company Tiered Pricing</b>	
<b>Underwriting Criteria</b>	<b>Underwriting Companies</b>
Must meet the superior Wind Mitigation criteria and at least two other criteria rated Superior	New Hampshire Insurance Company
Must meet the standard Wind Mitigation criteria and at least three other criteria rated Standard or better	Granite State Insurance Company
Must meet the substandard Wind Mitigation Criteria and at least two or more other criteria rated Substandard	Illinois National Insurance Co.
When there is a tie on the number of other criteria on the Company Placement in the above Tier Pricing Table the Wind Mitigation Criteria will be used in the determination of the selection of the Company.	

**Note:**

1. All risks with wind coverage must attest to a satisfactory inspection on the property on the roof and wind mitigation features before allowing the Underwriting Company Tiered Pricing criteria to be applied. Without this attestation the risk will be placed in the Substandard Company.
2. For risks that opt to exclude wind coverage, the Wind Mitigation criteria would not be applicable in the Underwriting Company Tiered Pricing Placement.

Granite State Insurance Company, Illinois National Insurance Co. and New Hampshire Insurance Company  
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<b>Underwriting Company Placement Criteria</b> <b>(Note: All risks that attest to a satisfactory inspection on the property on the roof and wind mitigation features before allowing the rating to be applied to the hurricane/wind/hail loss costs, i.e. BG2 loss costs)</b>			
<b>Criteria</b>	<b>Superior</b>	<b>Standard</b>	<b>Substandard</b>
Account Size	<ul style="list-style-type: none"> <li>Estimated manual property policy premium is equal to or greater than \$12,000</li> </ul>	<ul style="list-style-type: none"> <li>Property premium more than \$1,000 and less than \$12,000</li> </ul>	<ul style="list-style-type: none"> <li>Estimated manual property policy premium less than \$1,000 (not eligible for IRPM/Schedule Rating)</li> </ul>
Years in Business (any bankruptcy eliminates this criteria from consideration)	<ul style="list-style-type: none"> <li>At least 5 years in business within the same industry or the management team has a minimum of 5 years of experience within the same industry</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>At least 3 years but less than 5 years</li> </ul>	<ul style="list-style-type: none"> <li>Less than 3 years</li> </ul>
Financial Strength	<ul style="list-style-type: none"> <li>Financial indicators based on D&amp;B report Score of 1 - 2</li> </ul>	<ul style="list-style-type: none"> <li>Financial indicators based on D&amp;B report Score 3 - 4</li> </ul>	<ul style="list-style-type: none"> <li>Financial indicators based on D&amp;B report Score 5, 0 or not available</li> </ul>
Loss Experience (Excludes all catastrophic losses including hurricane, wind/hail, weather and other acts of god)	<ul style="list-style-type: none"> <li>Better than average loss experience with loss ratio being equal to or less than 25%</li> <li>5 or more years of loss history available</li> </ul>	<ul style="list-style-type: none"> <li>Loss experience greater than or equal 25% or less than 75%</li> <li>At least 3 years, but less than 5 years of loss history available</li> </ul>	<ul style="list-style-type: none"> <li>Loss experience greater than 75%</li> <li>Less than 3 years of loss history available</li> </ul>
Wind Mitigation (mandatory criteria for policies with Wind Coverage)	<ul style="list-style-type: none"> <li>Roofs are 5 years old or less</li> </ul>	<ul style="list-style-type: none"> <li>Roofs are between 6 years and 20 years old</li> </ul>	<ul style="list-style-type: none"> <li>Roofs are 21 years or older</li> </ul>

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- II. Florida ISO Eligibility Exception Rule** - Commercial Residential Risk, defined by Section 627.4025(1), F.S., including but not limited to residential condo associations, apartments, homeowners associations, mobile homeowners associations, assisted living facilities, residential dwellings, dormitory/fraternity/sorority, parsonage/monastery/nunnery/convent, group homes, continue care retirement community, and certain nursing homes, etc. will not be eligible for coverage for commercial property program.
- III. Minimum Premium** – The Companies will charge a minimum premium of \$100.00. To the extent such minimum premium is charged, the policy must state “minimum premium policy”
- IV. Waiver of Additional Premium** – Any additional premium of \$25.00 or less will be waived.
- V. Waiver of Return Premium** - No amount of return premium shall be waived.
- VI. Florida Exception to Rule A12 – Sinkhole Coverage Underwriting/Insurability Guideline and Inspection** – The Companies provide catastrophic ground cover collapse on all policies by way of ISO’s Florida amendatory endorsement. The Companies provide Sinkhole Loss coverage to all insureds who request it.
- VII. Payment Plans** – The Companies offer the following installment payment plans (Note the last payment will adjust for any remaining amount):
- Semi-annual installments
  - 12 equal monthly installments
  - 10% Deposit with the remainder paid over 9 equal payments
  - 15% Deposit with the remainder paid over 9 equal payments
  - 17% Deposit with the remainder paid over 9 equal payments
  - 20% Deposit with the remainder paid over 9 equal payments
  - 25% Deposit with the remainder paid over 8 or 9 equal payments
  - 35% Deposit with the remainder paid over 3 quarters
  - 40% Deposit with the remainder paid over 3 quarters

Note: Where direct bill has been selected, an installment fee of \$3.00 per installment is imposed for any of the above installment payment plans.