**Target Member Profile**

- Successful families with clear claims history and strong financial stability
- Full account submissions
- Low Media / Public Profile

**Where We’ll Look Most Competitive**

- Total accounts
- Great financial responsibility scores
- Scheduled Jewelry, particularly recently valued and balanced collections
- Multiple Vehicles households, including Collector Cars

**Member Eligibility**

**Eligible Limits**
Applicants insuring a home with the following minimum values are eligible for coverage:
- $1,000,000 minimum dwelling limit for all primary locations
- $500,000 minimum personal property (contents and A&A combined) for primary condo/co-op/rental
- Secondary homes with a qualifying primary, subject to proper caretaking measures while unoccupied.

**Account Considerations.** To be eligible, PURE should be provided the opportunity to quote on all lines of the applicants account. If PURE is not the best option on a given line of business, the account may be written without that line.

**High Value Homeowners**

**Alarm Requirements.** Central reporting alarms are strongly recommended and may be required by Underwriting based on the unique characteristics of an individual home (including prior losses, location, other insured values, occupancy and remainder of the account). Under the following circumstances, alarms will be required.*

- **Fire & Burglar Alarms** are required for
  - Primary Homes $2M+ Coverage A
  - Secondary or Seasonal Homes $1M+ Coverage A
  - All PC9, PC10 Homes, or otherwise remote homes

- **Low Temp Monitoring System** is required for
  - All Homes with a previous cold weather loss; or
  - Homes $5M+ Coverage A

- **Water Leak Detection System** is required for –
  - All Homes with a previous plumbing or appliance related loss over $50,000
  - Homes $5M+ Coverage A

- **Sprinkler System Flow Alarm** are required for
  - Any Home $5M+ with a sprinkler system

* Exceptions will be considered for unusual risks, or when the cost of installation or monitoring is unusually high.
Protection Class 9 & 10 – Well managed homes are eligible for coverage subject to underwriter approval.

High Hazard Flood Zones (A or V zones) – NFIP A or V flood zone are eligible subject to an elevation certificate showing acceptable elevation and carrying NFIP primary flood coverage up to the maximum limits available. Exceptions will be considered for otherwise good risks.

Homes Rented to Others for residential purposes will be considered as part of a total account, up to a maximum of two rental properties per account and subject to restrictions for homes at high risk of wildfire.

Vacant Homes are generally not eligible for coverage but may be considered as part of a total account.

Homes under Renovation or Construction – we will insure homes during renovations or additions, subject to special guidelines (“Homes under Renovation or Construction Guidelines”). Ground-Up construction risks or ‘Gut Renovations’ that are expected to take more than one year to complete are generally not eligible for coverage. Exceptions may be made for existing members.

Loss Experience - If a loss history exists for the applicant or the property, applicant must clearly demonstrate the steps taken to mitigate future losses.
  • Applicants with two (2) or more losses in last 3 years will not be eligible.
  • For all water losses over $25,000, the applicant must provide documentation that the system involved in the cause of loss has been reviewed and deemed acceptable by a licensed professional and steps have been taken to mitigate a future loss.
  • Documentation of repair/replacement is required for all prior losses

Insurance to Value - Homes will be insured to their full replacement cost. Post bind, we may order an interior appraisal or an exterior appraisal. We will also consider existing carrier’s recent appraisals and review for Replacement Cost adequacy.

Hail Underwriting Guidelines
All homes located in the Eastern part of the state (as outlined here) are subject to the following hail specific underwriting guidelines. Adams, Arapahoe, Boulder, Denver, Douglas, El Paso, Elbert, Jefferson, Teller, Larimer, Pueblo and all counties to the east of those listed here are subject to these guidelines.
Underwriting Strategy
Colorado – August 2017

Deductible Requirements
- For all homes with a roof age of 0-15 years, a minimum $5,000 hail deductible will apply.
- For homes with a roof that is 16 years or older the following mandatory hail deductibles will apply:

<table>
<thead>
<tr>
<th>Coverage A Range</th>
<th>Minimum Hail Deductible</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $1,250,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>$1,250,001 - $3,000,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>$3,000,001 - $5,000,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>$5,000,001+</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

Ineligible Roof Types
- Wood Roofs
- Clay Tile Roofs over 50 years old
- Flat Roofs

Cosmetic Damage Exclusion
- All Metal Roofs will be subject to a cosmetic damage exclusion. (including flashing on non-metal roofs)

Qualifying for newer roof discount & newer roof deductible
If age of roof submitted is newer than the year built, acceptable documentation will be required such as an invoice from roof replacement, building permit, or completed work order. CLUE reports showing a prior loss/payment shall not be considered acceptable proof of replacement.

Pre-existing hail damage
We will use weather data to identify homes that have been subject to hail storms in the past three years. Homes that are likely to have pre-existing hail damage with not be considered unless acceptable proof of roof replacement has been submitted.

Wildfire Underwriting Guidelines
All homes will be mapped for wildfire exposure. Homes in High Wildfire Hazard areas will be subject to individual underwriting to determine eligibility. Homes that present a high risk of loss by wildfire may not be eligible for coverage.

For High Hazard areas:
- Threat of Wildfire to the home must be assessed favorably –
  - No Wood Shake/Shingle Roof Coverings (unless post 2010 Class A rated) are eligible for coverage within 1 mile of wildlands
  - Multiple Access points to the home or the community are required
  - Home must be located in a community of 26+ homes
Underwriting Strategy

Colorado – August 2017

- Home must be located some distance from the wildlands, depending on the vegetation:
  - 1,250ft+ from any large expanse (3+miles) of wildlands comprising Pine Trees or Scrub Fuels;
  - 500ft+ from any small expanse (<3 miles) of wildlands comprising Pine Trees or Scrub Fuels; or
  - 500ft+ from any wildlands comprising only managed ski slopes, meadows/grasslands or Aspen forest.
- For a home located in ‘Wooded Community’ where the community is built within the wooded / forested area, the community must manage fuels throughout the community, clearing brush scrub and removing trees limbs within 8ft of the ground (examples include Evergreen, CO)
- Home must meet PURE Wildfire Zone Protection Requirements (see form in Appendix for full details), in summary –
  - Construction Requirements:
    - Eave soffits and attic vents must be fitted with narrow mesh screens
    - Openings in tile or metal roofs must be effectively bird stopped (filled)
    - Chimneys must be fitted with spark arrestors
  - Defensible Space: The landscape around the home must be managed to create a defensible space:
    - Within 100ft of the home – landscaping managed to slow down and reduce the energy of a wildfire
    - Within 30ft of the home - no stored firewood (unless covered by Approved Fire Blanket), no gas tanks or combustible structures.
    - No overhanging trees to any structures on the property, unless limbed 8 feet above structure
    - If the home is upslope of fuels additional clearance may be required up to 1,000 feet in specific counties

PURE Wildfire Emergency Response is a service that must be enrolled for, in order to provide Firebreak with authorization to access the property in the event of a wildfire. Firebreak specialists may take precautionary measures to help protect a home including removal of combustible items, or applying a thin layer of fire retardant to combustible components of the home and landscape.

Private Fleet Automobile

- All Vehicle types can be insured on a single policy including Regular Use Autos, Collector Cars, Golfcarts, RV’s, Motorcycles, High Value & Performance Vehicles, subject to underwriting.
- Operators or Policies with multiple incidents/accidents will be subject to underwriting approval.
- Operator experience and driving history will be considered in the evaluation of the risk
- Drivers with foreign drivers licenses will be considered subject to underwriting approval
- CLUE / MVR will be run on all drivers at time of request to bind
- In High Hazard Wildfire areas, we will not offer insurance for more than $2,000,000 of Collector Car values at any single location.

Jewelry, Art, & Collectibles

This strategy is proprietary and confidential and may not be disclosed or distributed for outside circulation without prior written approval from PURE. In addition, this strategy is subject to change and all risks are subject to underwriting approval.
All types of collections are eligible, subject to a Maximum $50,000,000 Insured Value of all property at a single location. Requests above $50,000,000 on a case by case basis.

Coverage available for “Blanket” and “Scheduled” Coverage

Art & Collectibles are subject to the same Wildfire Underwriting requirements as the home in which they are located.

Appraisals are required for items over $100,000; however appraisals/evidence of value are encouraged to be included in every submission

If the supporting value documentation is not current (within 3-5 years), a new appraisal may be required, and/or the “Agreed Value Settlement” endorsement may be required.

If loss history exists, member must clearly demonstrate the steps taken to mitigate future losses.

Available premium credits apply for the following:
  o 20% discount applies for collections appraised within last 2 years
  o Bank-Vault rates available for Jewelry
  o In-home safe discount available with an option to limit off-premises Jewelry losses

Excess Liability

Liability limits available from $1,000,000 to $50,000,000.

Uninsured Motorist available with limits up to $10,000,000 subject to underwriting.

Limited EPLI available at limits of $250,000, $500,000, and $1,000,000 for domestic employees, subject to Underwriting.

Directors and Officers coverage for not-for-profit boards is available with limits up to $2,000,000. Limits above $2,000,000 may be available on a case by case bases.

Uninsured liability is available at a limit of $1,000,000

Prospective members with prior loss history will be considered subject to underwriting.

Driving records will be considered in the underwriting process.

Watercraft

All types of vessels (sail, power, antique) are eligible and can be packaged on one Watercraft policy.

Owners driving record, prior watercraft accidents and losses and history of owning and operating vessels will be considered

Vessels of any size and value will be considered, up to $15 million hull value.

Pricing will favor newer vessels. For any vessel over 10 years of age a satisfactory marine survey will be required.

High performance watercraft with a design speed of 65 mph or greater are not eligible.

Watercraft for sale, jet skis or other Personal Watercrafts (PWCs) are not eligible.

This strategy is proprietary and confidential and may not be disclosed or distributed for outside circulation without prior written approval from PURE. In addition, this strategy is subject to change and all risks are subject to underwriting approval.
Appendix

Wildfire-Zone Protection Requirements

The following standards must be met to be eligible for coverage with PURE within an area at risk of wildfire. If your home does not meet these standards, or you are unsure as to whether your home does, please speak to your agent before you place your insurance with PURE. Compliance with these requirements will be confirmed by Risk Management Inspection.

**ROOF**

- Gutters and roof must be clear of leaves, pine needles or other combustible debris
- Eave soffits and attic vents must be fitted with narrow mesh screens
- Openings in tile or metal roofs must be effectively bird stopped (filled)
- Chimneys must be fitted with spark arrestors

**FIREWOOD & COMBUSTIBLE MATERIALS**

- Firewood and other combustible materials must be stored at least 30 feet from the home or covered by a fireproof cover
- The area under decks should not be used to store combustible materials

**YARD & GARDEN STRUCTURES**

- Gazebos, playground equipment, Pergolas and other combustible structures must be located at least 30 feet from the home
- Fuel tanks must be at least 30 feet from the home and have at least 10 feet around clear of combustible materials

**DEFENSIBLE SPACE**

**WITHIN 30 FEET OF THE HOME** - the area must be well managed to prevent wildfire from reaching the home, including:

1. Only non-flammable landscaping materials and/or high moisture-content annuals and perennials must be present within 5 feet of the home
2. No overhanging trees to any structures on the property, unless limbed 8 feet above structure
3. Plants should be carefully spaced, low growing and free of resins, oils and waxes that burn easily and all dead vegetation must be removed

**WITHIN 100 FEET OF THE HOME** – trees and vegetation in this zone should be managed to slow down and reduce the energy of a wildfire, including:
1. Trees must have lower branches removed to create six to ten feet of clearance from the ground
2. Smaller conifers growing between taller trees should be removed
3. Vegetation should be kept to a minimum and dead plant materials should be removed.