ARROWHEAD
PROGRAMS

HDI Global Specialty SE
California E&S HO3 & DP3 Programs

Carrier Overview

- HDI Global Specialty SE is A.M. Best A+ Rated (Superior), financial size of XV. They also carry an AA- (Outlook Stable) rating by S&P. Located in Hanover Germany, they are a wholly owned subsidiary of HDI Global SE, a leading global insurer, operating in more than 175 countries.

HDI Program Summary

- Coverage A limits up to $2,000,000
- Dwellings built 1900 and newer
- 25% or 50% specified additional amount of coverage A available for dwellings built 1930 and newer
- 25% increased ordinance or law coverage available
- Essentials Package – HO3 only
    - 25% or 50% specified additional amount of coverage A
    - Personal property replacement cost
    - 70% contents coverage (included at no charge)
- Advantage Package – HO3 only
    - Coverages included in the essentials package
    - Water backup coverage - $5,000 limit
    - Personal Liability - $300,000 or $500,000
- One to four family dwellings
- Seasonal/Secondary dwelling acceptable – HO3 only
- Protection classes 1- 8
- Consideration for prior losses
- Difference in Conditions available
- Diving Board or Pool Slide $50,000 limited liability buyback available - HO3 Only
- **Credits** – Protective devices, renewal, tile roof, mature homeowner (HO3 only), renovated home, new purchase, guarded gate or limited access community (HO3 only)

HDI Target Market

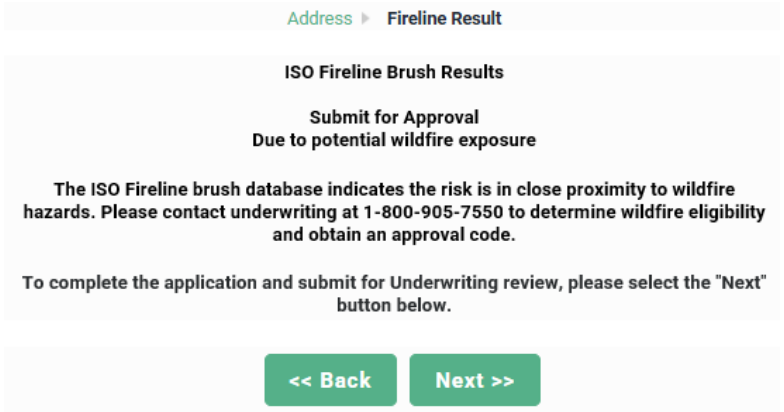
- Standard to preferred homes
- Older well-maintained dwelling with updates
- Pride of ownership must be evident, all homes inspected
  - Coverage A up to $999,999 - external only
  - Coverage A over $1,000,000+ - internal and external
- Dwellings with low exposure to wildfire, Fireline scores 0 – 2, brush within 1/4 mile requires underwriting review
- Coverage A limits up to $2,000,000 for new business, renewals up to 3,000,000.

Submit for Approval

- Coverage A over $1,500,000
- Total amount of scheduled personal property is more than $50,000 or if any one item is more than $10,000 – HO3 only
- Risks within ¼ mile of brush as determined by ISO Fireline
- More than one family if bars on windows, bars must be releasable - HO3 only
- Coverage declined, cancelled or non-renewed in the past three years
- 2 or more losses, at any location, within the last 5 years
- Any loss over $25,000 in severity within the past 3 years
- Any liability or fire loss in the past five years

Submit for Approval-Potential Brush Exposure

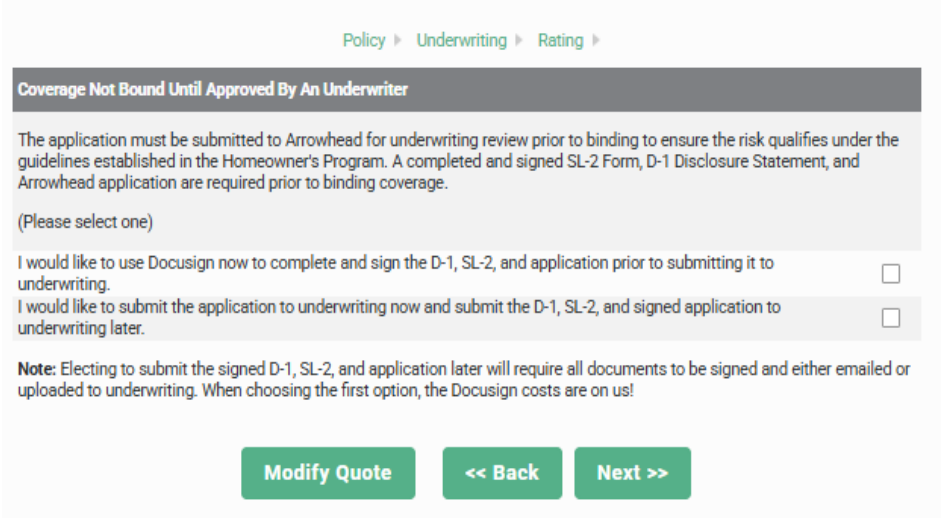
How the screen will display



Steps to get pre-approval

- **Call 1-800-905-7550**
- **Have the location address ready to provide to Underwriting**
- **If approved, you will be given an “approval code” which can be entered in the Underwriting comments box for reference**
- **Underwriting takes calls Monday – Friday from 6am – 5pm Pacific Time**

Submit for Approval –Submission Options



Option 1: Submit Documents Upfront

- Use embedded DocuSign or download forms
- Sign and upload with your submission for underwriting review

Option 2: Submit First, Sign Later

- Skip document signatures during initial submission
- Underwriting will review your application first
- If approved, you'll receive a pre-bound application plus blank SL-2 and D-1 forms
- Return signed forms to bind and issue coverage

Underwriting will respond within 2 business days

Unacceptable - Dwelling

- Vacant dwellings or dwellings under construction, including dwellings undergoing major remodeling
- Dwellings not occupied by the owner, or 2, 3 or 4-family dwellings where the owner does not reside in at least one of the units – HO3 only
- Three or more structures designed for residential use (i.e. ADU's) and/or any location with a combined total of more than 4 four family units.
- Mobile homes, modular homes, manufactured homes, trailer homes, house trailers, pre-fab, converted dwellings, and boathouses
- Dwellings built prior to 1900
- Dwellings located in Protection Class 9 & 10
- Dwellings with a lapse in coverage greater than 60 days,
- Dwellings with fuses rather than circuit breakers, and/or with aluminum or knob and tube wiring
- Dwellings with less than 100-amp electrical service
- Dwellings with an electrical panel manufactured by Zinsco, GTE Sylvania, Challenger, or Federal Pacific "Stab-Lok"
- Dwellings with portable heaters, wood or coal burning stoves, or fireplace inserts as the primary heat source
- Dwellings with polybutylene or galvanized plumbing supply lines
- Dwellings located on or in proximity to any commercial exposure
- Dwellings with kerosene or coal heaters
- Dwellings not exhibiting "pride of ownership"
- Dwellings with roofs:
  - Over 20 years of age if composition 3-tab, flat or built-up (hot mopped)
  - Over 30 years of age if composition-architectural, composition-impact resistant, metal (corrugated/tin unacceptable), and synthetic composite
  - Over 40 years of age if concrete tile, clay tile, glazed tile, cement fiber tile, or slate
  - Roofs not meeting acceptable age requirements will be issued with roof or roof surfacing limited peril endorsement – see Coverage Limitations slide for details.

See producer manual for additional items and details

Unacceptable - Liability

- Unfenced pools or pools with less than a five (5) foot high fence, and pools without a self-locking gate. Pools with a fence less than 5 feet high are acceptable only if the fence meets or exceeds existing height requirements set forth by city or county building codes.
- Pools with diving boards and/or slides not built to code, or that are in disrepair. Coverage is not provided for liability involving swimming pool diving boards and /or pools unless the additional coverage is purchased - HO3 Only
- Swimming pool liability is excluded, unless additional coverage is purchased. Swimming pool diving boards and slides remain excluded when purchasing the swimming pool liability coverage - DP3 only
- Dogs with a bite history or dogs on the unacceptable breed list
- Any applicant/policyholder/tenant convicted of any degree of the crime of arson.
- Business on premises unless incidental in nature, including those that necessitate foot traffic and/or which store inventory over $20,000 in value.
- If Personal Injury is purchased - any high-profile occupation
- Dwellings with trampolines found to be in disrepair. Coverage is not provided for liability involving trampolines
- Dwellings with a Day Care, that:
  - are unlicensed when licensing is required
  - care for more children than allowed by state or local law
  - have employees
- Dwellings with bars on windows, unless all are equipped with quick release – HO3
- Dwellings with bars on windows – DP3
- Exceptionally steep stairs, or stairs with 3 or more steps without properly installed handrails

Unacceptable – Loss History

- Three or more losses in previous 3 years
- Any liability loss in the previous 3 years
- Prior fire losses involving negligence or carelessness on the part of the applicant
- Any unmitigated theft/vandalism claim within the last 3 years
- Any risk with a settled loss that has not been repaired or mitigated within a reasonable period of time
- Risks with two or more losses (other than plumbing or appliance related water losses) require a minimum $5000 AOP deductible
- Risk with multiple prior plumbing or appliance related water losses require a minimum $10,000 water damage deductible
- Risks with two prior plumbing or appliance related water losses must contain documentation that the dwelling has been fully replumbed by a licensed contractor or provide proof that a leak detection device with an automatic shut off valve has been installed
- Risks with two prior vandalism losses within the last three years will require the VM&M exclusion – DP3 only

Coverage Limitations

- Separate AOP and water damage deductibles
- Water risk scores above 70 require a minimum $10,000 water damage deductible
- Wildfire damage deductible – minimum 2% required, except dwellings located within ¼ mile of brush require 5%
- Limited water damage endorsement required - $50,000 of coverage included
  - lower limits available for a premium credit,
  - increased limits of $75,000 or $100,000 (no non-weather-related water losses in the past 3 years)
- Limited asbestos coverage buy back - $15,000 of coverage
- Animal liability coverage buy backs –
  - HO3 - $50,000 - $500,000 of coverage
  - DP3 - $25,000 or $50,000 of coverage
- Vandalism and Malicious Mischief - $50,000 included, lower limits available for a premium credit – DP3 only
- Roof or roof surfacing limited peril endorsement – limits coverage to the perils of fire and lighting only. Interior dwelling damage or personal property damage caused by the failure of the roof is excluded unless the failure is caused by fire or lightning. This endorsement will be added to new and renewal business as follows:
  - Fiberglass, composition/asphalt shingle, tar and gravel or rock roof over 20 years old
  - Concrete tile, slate or clay tile over 40 years old
  - All other roof types over 30 years old

Contact Information

- Marketing – Lauri Thum – 760-710-6827 or lthum@arrowheadgrp.com
- Underwriting – 800-905-7550
- Technical Support – 760-710-6844

Private Client Program Summary

- Dwelling/Coverage A values - $2MM to $5MM and/or Total Insured Value (TIV) up to $10MM
    - Customizable coverage limits for Coverages B, C and D in increments of $1,000 up to $10MM TIV
- Policy forms - HO-3, HO-5 and DP-3 with optional additional coverages
- Eligible properties - Primary, secondary, seasonal and rental dwellings
- Carriers - A and A+ rated
- Billing - Direct billing with installment payment options
- Risk consideration - Low wildfire exposure only
- Submission link available for any quote with a Coverage A limit over $2MM and a FireLine score of zero
- Online brush acceptability verification and premium indications available on Arrowhead Exchange
- Private Client Underwriter will contact you within 2 business days