

INSURANCE

DEPARTMENT OF BANKING AND INSURANCE

DIVISION OF INSURANCE

Homeowners Insurance Consumer Information Brochure; Summary of Notable Coverages and Exclusions

Proposed New Rules: N.J.A.C. 11:2-41

Authorized By: Kenneth E. Kobylowski, Commissioner, Department of Banking and Insurance.

Authority: N.J.S.A. 17:1-8.1, 17:1-15.e, and P.L. 2013, c. 53.

Calendar Reference: See Summary below for explanation of exception to calendar requirements.

Proposal Number: PRN 2014-059.

Submit comments by July 4, 2014, to:

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The agency proposal follows:

Summary

In the wake of “Superstorm Sandy” (Sandy) some New Jersey policyholders learned that all of their losses were not covered by their homeowners insurance policies, particularly property

damage caused by flooding. To alleviate this problem, the Legislature enacted P.L. 2013, c. 53, to amend N.J.S.A. 17:36-5.36 to require insurance companies to provide a one-page summary of notable coverages and coverage exclusions, as determined by the Commissioner of Banking and Insurance, with other information previously required by that law to be provided to consumers with their homeowners insurance policies. The Department of Banking and Insurance (the Department) is proposing new N.J.A.C. 11:2-41 to implement the amended law.

As proposed, the one-page summary will give consumers a clear and concise statement of notable coverages and exclusions in their homeowners policy and direct them to their policies for more specific information. It also provides consumers with information on accessing the “Insuring Your Home” guide on the Department’s website.

In conjunction with the industry, the Department has crafted model summaries that: explain the common coverages; note general policy features; and delineate the notable coverages and exclusions by type of loss, for the five most common types of homeowners insurance policies sold in New Jersey. These model summaries for homeowners, condominium, renters, mobile home and dwelling fire policies are included in the proposed new rules as Subchapter 41 Appendix Exhibits. Insurers may utilize the appropriate model summary when issuing a policy whose notable coverages and exclusions by type of loss conform to those set forth in the model summary for the type of homeowners policy being issued. However, because the model summaries will not match the notable coverages and exclusions by type of loss for all policies, the proposed new rules also include provisions that address such cases. These provisions require insurers to create templates of their own summaries, which may be used 30 days after filing with the Department unless the insurer is notified otherwise in writing. The template shall be capable of being modified to indicate: any different notable coverages and/or exclusions by type of loss

that are included as part of the insurer's standard policy; any additional notable coverages purchased as endorsements by the consumer; and any additional notable exclusions unique to the policy to which the summary pertains. Insurers shall also file text explaining the different notable coverages and/or exclusions that will or may be included in the templates of their one-page summaries and indicate where such text will be located on the filed template. Such filings shall also include a certification by an authorized representative of the insurer that the filing complies with all requirements imposed by this subchapter. The template and related filings shall be submitted through the National Association of Insurance Commissioners' (NAIC) System for Electronic Rate and Form Filing (SERFF) in accordance with N.J.A.C. 11:1-2.

Thus, the proposed new rules provide, and it is the Department's intent, that if the notable coverages and exclusions by type of loss in a policy exactly match an applicable model summary included in the subchapter Appendix, then the insurer may use that model summary. If a policy differs from the applicable model summary with regard to the notable coverages and exclusions by type of loss, then the insurer shall, subject to its being filed with the Department as set forth above, use its own summary template, customized as necessary to accurately reflect the notable coverages and exclusions by type of loss in the policy being issued to the consumer to whom the summary is provided.

The proposed new rules also codify the additional requirements in N.J.S.A. 17:36-5.36 that pre-date the enactment of the law requiring insurers to provide a one-page summary. Those requirements relate to insurers providing information on hurricane deductibles and flood insurance. The proposed new rules do not require, and it is the Department's intention that they shall not require, any changes in the manner in which insurers currently provide these statutorily mandated notices regarding hurricane deductibles and flood insurance.

Proposed new N.J.A.C. 11:2-41.1(a) sets forth the purpose of the proposed new subchapter. The purpose is to implement the provisions of N.J.S.A. 17:36-5.36 and to set forth the minimum standards for a one-page summary containing the notable coverages and exclusions included in a homeowners policy, which will accompany the issuance, delivery, or renewal of the policy to the policyholder.

Proposed new N.J.A.C. 11:2-41.1(b) sets forth the scope of the subchapter as applying to all homeowners insurance policies, including, but not limited to, homeowners, tenants, condominium, dwelling/fire, and mobile home owners.

Proposed new N.J.A.C. 11:2-41.2 sets forth the required notices, which, pursuant to N.J.S.A. 17:36-5.36, must accompany all homeowners insurance policies issued, delivered, or renewed in this State. As required by that law, insurers shall provide: an explanation of the insurer's hurricane deductible program if any, which program shall comply with all applicable provisions of N.J.S.A. 17:36-5.34 and N.J.A.C. 11:2-42; information on flood insurance as required by N.J.S.A. 17:36-5.31; and a one-page summary of the policy including notable coverages and exclusions as set forth in this subchapter.

Proposed new N.J.A.C. 11:2-41.3(a) sets forth the required contents of the one-page summary of a homeowners insurance policy. The required contents include: a standardized heading; descriptions of common coverages with explanations of their purposes; the policy features of the type of policy being issued; and tables of the notable coverages and exclusions by type of loss that are included in the policy to which the summary relates.

Proposed new N.J.A.C. 11:2-41.3(b) requires insurers to provide the summary applicable to the type of homeowners insurance policy being issued, delivered, or renewed either in the form of the applicable model one-page summary set forth in the subchapter Appendix exhibits,

or the insurer's own one-page summary, the content of which matches the applicable model one-page summary, if the information contained therein is accurate with regard to the policy it will accompany and fully captures all notable coverages and exclusions of the policy by type of loss; or where the information in the applicable model one-page summary is not accurate with regard to the policy the summary is to accompany, on the insurer's own summary form which, at a minimum, shall include information on the notable coverages and exclusions by type of loss referenced in the applicable model summary in the subchapter Appendix exhibits, with all edits necessary to ensure that the summary is accurate with regard to the policy it accompanies.

Proposed new N.J.A.C. 11:2-41.3(c) states that the summary shall be provided on one side of a single page, sized 8½ by 11 inches, and shall be printed in not less than 10-point type.

Proposed new N.J.A.C. 11:2-41.3(d) sets forth the location in the subchapter Appendix exhibits of the five model one-page summaries.

Proposed new N.J.A.C. 11:2-41.3(e) requires insurers that offer policies with notable coverages and exclusions by type of loss that do not exactly match the model summaries to create and file with the Department one-page summary templates and the text that will be inserted into the insurer's own one-page summaries. Specifically, insurers that offer policies that include notable coverages and/or exclusions by type of loss that differ from those noted in the corresponding model one-page summary, or include the same notable coverages and exclusions by type of loss, but with terms that differ from those set forth in the applicable model summary, shall file with the Department at least 30 days prior to its use a template of the insurer's one-page summary for each type of such company-specific homeowners policy (namely a separate template for homeowners, condominium, dwelling/fire, mobile home owners, and renters) that the company will issue. The template shall be capable of being modified to include the different

notable coverages, whether available either through the purchase of endorsements or included as part of the standard policy offered by the insurer, and/or exclusions by type of loss. Insurers shall also file the text explaining the different notable coverages and/or exclusions by type of loss that will or may be included in the one-page summary, and shall indicate where such text will be located on the template one-page summary. The filing shall also include a certification by an authorized representative of the insurer that the filing complies with all requirements imposed by this subchapter. The one-page summary template and other filings required by this subsection shall be submitted through the SERFF, in accordance with N.J.A.C. 11:1-2.

Proposed new N.J.A.C. 11:2-41.3(f) states that insurers may use such a policy-specific one-page summary after filing, and may continue to do so for the policy to which the summary pertains, unless otherwise notified by the Department in writing, so long as the content of the summary fully corresponds to the policy.

Proposed new N.J.A.C. 11:2-41.4 provides that the subchapter shall be applicable to all homeowners policies issued, delivered, or renewed on or after the 90th day following the effective date of the adoption of the subchapter.

The proposed new subchapter Appendix contains model homeowners, condominium, renters, mobile home owners and the dwelling fire insurance one-page summaries in Exhibits A through E.

A 60-day comment period is provided for this notice of proposal and, therefore, pursuant to N.J.A.C. 1:30-3.3(a)5, this notice is not subject to provisions of N.J.A.C. 1:30-3.1 and 3.2 governing rulemaking calendars.

Social Impact

The proposed new rules should positively affect New Jersey consumers. After the devastation caused by Sandy, many policyholders realized that they did not fully understand the coverages and exclusions included in their homeowners insurance policies. By providing a summary of the notable coverages and exclusions included in the consumer's policy at the time of its issuance, delivery, or renewal, consumers will have a better understanding of their policies and may opt for additional coverage. This should, in turn, positively affect insurers by reducing the incidence of complaints and disputes that occur when consumers do not fully understand what is and is not covered by their policies.

Economic Impact

In addition to losses they incurred for covered claims caused by Sandy, insurers incurred costs related to addressing consumer's inquiries and complaints generated by a lack of understanding of what losses were and were not covered by their policies. Providing the one-page summary to consumers should mitigate the costs generated by this confusion.

While insurers must produce the one-page summary, expenses will be mitigated by the savings generated by the reduction in staff time needed to respond to consumer questions and complaints. Further, the Department has sought to mitigate the expenses insurers will incur by producing the model summary forms, which can be used for those policies whose provisions match the notable coverages and exclusions and other content set forth in the model summaries, and by providing for the filings on policy-specific summaries to be submitted electronically through SERFF.

Federal Standards Statement

A Federal standards analysis is not required because the proposed new rules are not subject to any Federal requirements or standards.

Jobs Impact

The Department does not anticipate that any jobs will be generated or lost as a result of the proposed new rules. The Department invites commenters to submit any data or studies on the potential job impact of the proposed new rules together with their comments on any other aspects of the notice of proposal.

Agriculture Industry Impact

The proposed new rules will not have any impact on the agriculture industry in New Jersey.

Regulatory Flexibility Analysis

The proposed new rules will apply to few, if any, “small businesses,” as that term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The Department believes that no additional professional services will be required in order to comply with the proposed new rules. The proposed new rules provide no differentiation in compliance requirements based on business size. As noted above in the Summary and Economic Impact statement, the proposed new rules do impose reporting and compliance requirements, and may have related costs, to implement the recent amendments to N.J.S.A. 17:36-5.36, which were enacted to alleviate the confusion consumers experienced after Sandy on the extent of the coverage provided by their homeowners insurance policies. Any variations in the requirements based on business size

would not be consistent with the goals of that legislation. Accordingly, all insurers regardless of size must comply by disseminating either the model or the customized one-page summaries to consumers, as appropriate.

Where applicable, the costs for producing and distributing model one-page summaries should be minimal. All companies regardless of size that issue policies with provisions that do not match those mentioned in the model summaries will face the initial cost of designing their policy-specific one page summaries, as well as the ongoing costs of producing and distributing such summaries. As the proposed new rules contain models summaries which can serve as templates for the summaries of such non-conforming policies, the Department does not believe that any outside professional services will be necessary for compliance.

Housing Affordability Impact Analysis

The proposed new rules will not have an impact on housing affordability or the average cost of housing in this State in that the proposed new rules relate to a summary of homeowner policy coverages and exclusions for insurance policies.

Smart Growth Development Impact Analysis

The proposed new rules will not have an impact on smart growth in this State and it is extremely unlikely that the proposed new rules would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey in that the proposed new rules relate to a summary of homeowner policy coverages and exclusions for insurance policies.

Full text of the proposed new rules follows:

SUBCHAPTER 41. HOMEOWNERS INSURANCE CONSUMER INFORMATION
BROCHURE; SUMMARY OF NOTABLE COVERAGES AND EXCLUSIONS

11:2-41.1 Purpose and scope

(a) The purpose of this subchapter is to implement the provisions of N.J.S.A. 17:36-5.36 and to set forth the minimum standards for a one-page summary of a homeowners policy, including notable coverages and exclusions, required to be provided to policyholders.

(b) This subchapter applies to all homeowners insurance policies including, but not limited to:

1. Homeowners forms, including, but not limited to, HO-1, HO-2, HO-3, HO-5, and HO-8;
2. Tenants forms, including, but not limited to, HO-4;
3. Condominium forms, including, but not limited to, HO-6;
4. Dwelling/fire; and
5. Mobile home owners.

11:2-41.2 Consumer information brochure

(a) Pursuant to N.J.S.A. 17:36-5.36, all homeowners insurance policies issued, delivered, or renewed in this State shall be accompanied by notices written in a simple, clear, understandable, and easily readable way, which shall include:

1. An explanation of the insurer's hurricane deductible program if any, which program shall comply with all applicable provisions of N.J.S.A. 17:36-5.34 and N.J.A.C. 11:2-42;
2. Information on flood insurance, as required by N.J.S.A. 17:36-5.31; and

3. A one-page summary of the policy, including notable coverages and exclusions as set forth in this subchapter.

11:2-41.3 Content of one-page summary

(a) All one-page summary forms shall include the following content:

1. A heading, which shall be written in bold print and solid capital letters and shall say the following:

THIS SUMMARY HIGHLIGHTS THE NOTABLE COVERAGES AND EXCLUSIONS ASSOCIATED WITH YOUR [HOMEOWNERS, CONDOMINIUM, RENTERS, MOBILE HOME OWNERS OR DWELLING/FIRE] INSURANCE POLICY AND IS ONLY PROVIDED AS GUIDANCE IN HELPING YOU UNDERSTAND YOUR POLICY. THIS SUMMARY DOES NOT ALTER YOUR COVERAGE IN ANY WAY. YOUR INSURANCE POLICY IS A CONTRACT THAT GOVERNS YOUR LEGAL RIGHTS. PLEASE CONTACT [YOUR AGENT/US] IF YOU HAVE ANY QUESTIONS.

REFER TO YOUR DECLARATIONS PAGE FOR INFORMATION ON DEDUCTIBLES AND THE SPECIFIC LIMITS OF YOUR POLICY FOR EACH OF THE INCLUDED COVERAGES. REFER TO THE APPLICABLE POLICY PROVISIONS FOR OTHER INFORMATION SPECIFIC TO THESE COVERAGES, AND ON ANY ADDED COVERAGES OR EXCLUSIONS IN YOUR POLICY. ALSO, SEE THE “INSURING YOUR HOME GUIDE” FOR ADDITIONAL GUIDANCE AND INFORMATION ON THE N.J. DEPT. OF BANKING AND INSURANCE WEBSITE AT

http://www.state.nj.us/dobi/division_consumers/pdf/insuringyourhome.pdf;

2. A description of the common coverages typically included in homeowners policies of that type, as set forth in the applicable model summary. The content of this section of the applicable model summary shall be included by insurers verbatim;

3. The policy features set forth in the model summary for the policy type being issued. However, where an insurer’s policy’s features differ from the description of such features

contained in that model summary, the company issuing such a policy may revise that text, so as to have it accurately reflect the content of the policy; and

4. Tables specifying the notable coverages and exclusions by type of loss that are included in the policy, which the one-page summary accompanies. The tables shall include headings entitled: “Your Policy Covers Losses Caused by” and “Your Policy Does Not Cover Losses Caused by,” as shown in the model summaries in the Appendix to this subchapter.

(b) Insurers shall provide the summary applicable to the type of homeowners insurance policy being issued, delivered, or renewed as follows:

1. If the information in the applicable model one-page summary provided in the subchapter Appendix is accurate with regard to the policy it is to accompany and fully captures all notable coverages and exclusions of the policy by type of loss, the insurer may either:

i. Use the applicable model one-page summary provided in the subchapter Appendix; or

ii. Opt to use its own one-page summary that complies in all respects with (a) above and the content of which shall match that of the applicable model one-page summary in the subchapter Appendix; or

2. If the information in the applicable model one-page summary provided in the subchapter Appendix is not accurate with regard to the policy the summary is to accompany and/or does not fully capture all notable coverages and exclusions of the policy by type of loss, the insurer shall design and use its own one-page summary form. Any such form shall, at a minimum, comply in all respects with (a) above and include a table of the notable coverages and exclusions by type of loss as contained in the applicable model summary in the subchapter

Appendix, with all necessary edits to ensure that the table is accurate with regard to the policy it is to accompany.

(c) The one-page summary shall be provided on one side of a single page, sized 8½ by 11 inches, and shall be printed in not less than 10-point type.

(d) The following model one-page summaries are provided in the subchapter Appendix and are incorporated herein by reference:

1. Homeowners insurance one-page summary at Appendix Exhibit A;
2. Condominium insurance one-page summary at Appendix Exhibit B;
3. Renters insurance one-page summary at Appendix Exhibit C;
4. Mobile home owners insurance one-page summary at Appendix Exhibit D; and
5. Dwelling/fire insurance one-page summary at Appendix Exhibit E.

(e) An insurer that offers a policy that includes notable coverages and/or exclusions by type of loss that differ from those contained in the applicable model summary, and/or that includes additional notable coverages or exclusions by type of loss, shall file with the Department at least 30 days prior to its use a template of the insurer's one-page summary for each such policy. The templates shall include all of the information required in (a) above. The tables required by (a)4 above shall be capable of being modified to include the different notable coverages (whether available through the purchase of endorsements or included as part of the standard policy offered by the insurer) and/or exclusions by type of loss for each policy. Insurers shall also file the text explaining the different notable coverages and/or exclusions by type of loss that will or may be included in the tables of the one-page summary and indicate where such text will be located on the template. All such filings shall also include a certification by an authorized representative of the insurer confirming that the filing complies with all requirements imposed by this subchapter.

All one-page summary templates and other filings required by this subsection shall be submitted through the National Association of Insurance Commissioners' System for Electronic Rate and Form Filing (SERFF) in accordance with N.J.A.C. 11:1-2.

(f) Insurers may use such a policy-specific one-page summary after filing, in accordance with (e) above, and may continue to do so for the policy to which the summary pertains unless otherwise notified by the Department in writing, so long as the policy remains unchanged and the summary fully corresponds to its content.

11:2-41.4 Policies affected

This subchapter shall apply to all homeowners insurance policies as set forth in N.J.A.C. 11:2-41.1(b) issued, delivered, or renewed on or after (the 90th day following the effective date of the adoption of the subchapter).

APPENDIX

EXHIBIT A

Homeowners Insurance

THIS SUMMARY HIGHLIGHTS THE NOTABLE COVERAGES AND EXCLUSIONS ASSOCIATED WITH YOUR HOMEOWNERS INSURANCE POLICY AND IS ONLY PROVIDED AS GUIDANCE IN HELPING YOU UNDERSTAND YOUR POLICY. THIS SUMMARY DOES NOT ALTER YOUR COVERAGE IN ANY WAY. YOUR INSURANCE POLICY IS A CONTRACT THAT GOVERNS YOUR LEGAL RIGHTS. PLEASE CONTACT [YOUR AGENT / US] IF YOU HAVE ANY QUESTIONS. REFER TO YOUR DECLARATIONS PAGE FOR INFORMATION ON DEDUCTIBLES AND THE SPECIFIC LIMITS OF YOUR POLICY FOR EACH OF THE INCLUDED COVERAGES. REFER TO THE APPLICABLE POLICY PROVISIONS FOR OTHER INFORMATION SPECIFIC TO THESE COVERAGES, AND ON ANY ADDED COVERAGES OR EXCLUSIONS IN YOUR POLICY. FOR ADDITIONAL GUIDANCE AND INFORMATION, SEE THE "INSURING YOUR HOME" GUIDE ON THE N.J. DEPT. OF BANKING AND INSURANCE WEBSITE AT http://www.state.nj.us/dobi/division_consumers/pdf/insuringyourhome.pdf

Most homeowners policies in New Jersey include the following common coverages:

- **Dwelling (Coverage A)** pays if your house is damaged or destroyed by a covered loss.
- **Other structures (Coverage B)** pays if structures not attached to your house, such as detached garages, storage sheds, and fences are damaged or destroyed by a covered loss.
- **Personal property (Coverage C)** pays if the items in your house (such as furniture, clothing, and appliances) are damaged, stolen, or destroyed by a covered loss.

- **Loss of use (Coverage D)** pays your additional living expenses (costs over the normal amount for housing, food, and other essential expenses) if you must temporarily move because damage to your house from a covered loss renders it uninhabitable.
- **Personal liability (Coverage E)** pays to defend you in court against certain lawsuits and provides coverage if you are found legally responsible for someone else’s injury or property damage.
- **Medical payments to others (Coverage F)** pays the medical bills of people hurt on your property. It might also pay for some injuries that happen away from your home, such as your dog biting someone at the park.

Policy Features

- Companies may exclude coverage for certain losses. Even the most comprehensive policy will exclude certain types of damage.
- All policies include an all-peril deductible. The deductible is the portion for which you are responsible on a covered property loss.
- Some policies may include a separate, optional wind/hail deductible, and/or a mandatory or optional hurricane deductible.
- Companies may offer optional coverages that include oil tank liability, coverage for water back up and sump pump overflow, ordinance or law coverage, earthquake and scheduled personal property such as jewelry, fine arts, furs or silverware.

Your Policy Covers Losses Caused by	Your Policy Does Not Cover Losses Caused by
Fire and lightning	Flooding including tidal surge (Note: Flood insurance may be available through the National Flood Insurance Program (www.floodsmart.gov))
Sudden and accidental damage by smoke	Earthquakes, earth movement, landslides, mudslides & sinkholes
Explosion	Termites, insects, rats, mice, birds or other vermin
Theft	Freezing pipes (unless water was shut off or building was heated)
Vandalism and malicious mischief	Losses if your house is vacant for the number of days specified by your policy
Aircraft and vehicles	Wear and tear, rotting, maintenance and pollution
Windstorm or hail	Wind or hail damage to trees and shrubs
Sudden and accidental water damage	Mold, unless it is as a result of a covered loss (for example, mold damage due to flood would not be covered)
Weight of ice, snow or sleet	Water damage resulting from continuous and repeated seepage
Riot and civil commotion	Liability which results from the ownership or use of an automobile and other types of motorized land vehicles, aircraft or certain watercraft
	Intentional acts caused by you or a resident of your home
	War or Nuclear Hazard

EXHIBIT B

Condominium Insurance

THIS SUMMARY HIGHLIGHTS THE NOTABLE COVERAGES AND EXCLUSIONS ASSOCIATED WITH YOUR CONDOMINIUM INSURANCE POLICY AND IS ONLY PROVIDED AS GUIDANCE IN HELPING YOU UNDERSTAND YOUR POLICY. THIS SUMMARY DOES NOT ALTER YOUR COVERAGE IN ANY WAY. YOUR INSURANCE POLICY IS A CONTRACT THAT GOVERNS YOUR LEGAL RIGHTS. PLEASE CONTACT [YOUR AGENT / US] IF YOU HAVE ANY QUESTIONS.

REFER TO YOUR DECLARATIONS PAGE FOR INFORMATION ON DEDUCTIBLES AND THE SPECIFIC LIMITS OF YOUR POLICY FOR EACH OF THE INCLUDED COVERAGES. REFER TO THE APPLICABLE POLICY PROVISIONS FOR OTHER INFORMATION SPECIFIC TO THESE COVERAGES, AND ON ANY ADDED COVERAGES OR EXCLUSIONS IN YOUR POLICY. FOR ADDITIONAL GUIDANCE AND INFORMATION, SEE THE “INSURING YOUR HOME” GUIDE ON THE N.J. DEPARTMENT OF BANKING AND INSURANCE WEBSITE AT

http://www.state.nj.us/dobi/division_consumers/pdf/insuringyourhome.pdf

Most condominium policies in New Jersey include the following common coverages:

- **Dwelling (Coverage A)** Your condominium policy will cover property that is permanently installed in your condo unit that is not otherwise covered by your condominium association’s insurance policy.
- **Personal property (Coverage C)** pays if the items in your condo unit (such as furniture, clothing, computers and TVs) are damaged, stolen, or destroyed by a covered loss.
- **Loss of use (Coverage D)** pays your additional living expenses (costs over the normal amount for housing, food, and other essential expenses) if you must temporarily move because damage to your condo unit from a covered loss renders it uninhabitable.
- **Loss Assessment (Coverage D)** covers your share of an assessment charged by your condominium association for covered losses under your policy that are incurred by the association.
- **Personal liability (Coverage E)** pays to defend you in court against certain lawsuits and provides coverage if you are found legally responsible for someone else’s injury or property damage.
- **Medical payments to others (Coverage F)** pays the medical bills of people hurt on your property. It might also pay for some injuries that happen away from your condo unit, such as your dog biting someone at the park.

Policy Features

- Companies may exclude coverage for certain losses. Even the most comprehensive policy will exclude certain types of damage.
- All policies include an all-peril deductible. The deductible is the portion for which you are responsible on a covered property loss.
- Some policies may include a separate optional wind/hail and/or a mandatory or optional hurricane deductible.
- Companies may offer optional coverages that include loss assessment, coverage for oil tank liability, water back up and sump pump overflow, ordinance or law coverage, earthquake and scheduled personal property such as jewelry, fine arts, furs or silverware.

Your Policy Covers Losses Caused by	Your Policy Does Not Cover Losses Caused by
Fire and lightning	Flooding including tidal surge (Note: Flood insurance may be available through the National Flood Insurance Program (www.floodsmart.gov))
Sudden and accidental damage by smoke	Earthquakes, earth movement, landslides, mudslides & sinkholes
Explosion	Termites, insects, rats, mice, birds or other vermin
Theft	Freezing pipes (unless water was shut off or building was heated)
Vandalism and malicious mischief	Certain losses if your condo unit is vacant for the number of days specified by your policy
Aircraft and vehicles	Wear and tear, rotting, maintenance and pollution
Windstorm or hail	Wind or hail damage to trees and shrubs
Sudden and accidental water damage	Mold, unless it is as a result of a covered loss (for example, mold damage due to flood would not be covered)
Weight of ice, snow or sleet	Water damage resulting from continuous and repeated seepage
Riot and civil commotion	Liability which results from the ownership or use of an automobile and other types of motorized land vehicles, aircraft or certain watercraft
	Intentional acts caused by you or a resident of your home
	War and Nuclear Hazard

EXHIBIT C

Renters Insurance

THIS SUMMARY HIGHLIGHTS THE NOTABLE COVERAGES AND EXCLUSIONS ASSOCIATED WITH YOUR RENTERS INSURANCE POLICY AND IS ONLY PROVIDED AS GUIDANCE IN HELPING YOU UNDERSTAND YOUR POLICY. THIS SUMMARY DOES NOT ALTER YOUR COVERAGE IN ANY WAY. YOUR INSURANCE POLICY IS A CONTRACT THAT GOVERNS YOUR LEGAL RIGHTS. PLEASE CONTACT [YOUR AGENT / US] IF YOU HAVE ANY QUESTIONS.

REFER TO YOUR DECLARATIONS PAGE FOR INFORMATION ON DEDUCTIBLES AND THE SPECIFIC LIMITS OF YOUR POLICY FOR EACH OF THE INCLUDED COVERAGES. REFER TO THE APPLICABLE POLICY PROVISIONS FOR OTHER INFORMATION SPECIFIC TO THESE COVERAGES, AND ON ANY ADDED COVERAGES OR EXCLUSIONS IN YOUR POLICY. FOR ADDITIONAL GUIDANCE AND INFORMATION, SEE THE “INSURING YOUR HOME” GUIDE ON THE N.J. DEPT. OF BANKING AND INSURANCE WEBSITE AT http://www.state.nj.us/dobi/division_consumers/pdf/insuringyourhome.pdf

Most renters’ policies in New Jersey include the following common coverages:

- **Personal property (Coverage C)** pays if your personal property is damaged or destroyed by a covered loss.
- **Loss of use (Coverage D)** pays your additional living expenses (costs over the normal amount for housing, food, and other essential expenses) if you must temporarily move because damage to your rental from a covered loss renders it uninhabitable.
- **Personal liability (Coverage E)** pays to defend you in court against certain lawsuits and provides coverage if you are found legally responsible for someone else’s injury or property damage.
- **Medical payments to others (Coverage F)** pays the medical bills of people hurt on your property. It might also pay for some injuries that happen away from your rental, such as your dog biting someone at the park.

Policy Features

- Companies may exclude coverage for certain losses. Even the most comprehensive policy will exclude certain types of damage.
- All policies include an all-peril deductible. The deductible is the portion for which you are responsible on a covered property loss.
- Some policies may include a separate optional wind/hail deductible and/or a mandatory or optional hurricane deductible.
- Companies may offer optional coverages that include earthquake and scheduled personal property such as jewelry, fine arts, furs or silverware

Your Policy Covers Losses Caused by	Your Policy Does Not Cover Losses Caused by
Fire and lightning	Flooding including tidal surge (Note: Flood insurance may be available through the National Flood Insurance Program (www.floodsmart.gov))
Sudden and accidental damage by smoke	Earthquakes, earth movement, landslides, mudslides & sinkholes
Explosion	Termites, insects, rats, mice, birds or other vermin
Theft	Freezing pipes (unless water was shut off or building was heated)
Vandalism and malicious mischief	Losses if your rental unit is vacant for the number of days specified by your policy
Aircraft and vehicles	Wear and tear, rotting, maintenance and pollution
Windstorm or hail	Wind or hail damage to trees and shrubs
Sudden and accidental water damage	Mold, unless it is as a result of a covered loss (for example, mold damage due to flood would not be covered)
Weight of ice, snow or sleet	Water damage resulting from continuous and repeated seepage
Riot and civil commotion	Liability which results from the ownership or use of an automobile and other types of motorized land vehicles, aircraft or certain watercraft
	Intentional acts caused by you or a resident of your home
	War or Nuclear Hazard

EXHIBIT D

Mobile Home Owners Insurance

THIS SUMMARY HIGHLIGHTS THE NOTABLE COVERAGES AND EXCLUSIONS ASSOCIATED WITH YOUR MOBILE HOME OWNERS INSURANCE POLICY AND IS ONLY PROVIDED AS GUIDANCE IN HELPING YOU UNDERSTAND YOUR POLICY. THIS SUMMARY DOES NOT ALTER YOUR COVERAGE IN ANY WAY. YOUR INSURANCE POLICY IS A CONTRACT THAT GOVERNS YOUR LEGAL RIGHTS. PLEASE CONTACT [YOUR AGENT / US] IF YOU HAVE ANY QUESTIONS

REFER TO YOUR DECLARATIONS PAGE FOR INFORMATION ON DEDUCTIBLES AND THE SPECIFIC LIMITS OF YOUR POLICY FOR EACH OF THE INCLUDED COVERAGES. REFER TO THE APPLICABLE POLICY PROVISIONS FOR OTHER INFORMATION SPECIFIC TO THESE COVERAGES, AND ON ANY ADDED COVERAGES OR EXCLUSIONS IN YOUR POLICY. FOR ADDITIONAL GUIDANCE AND INFORMATION, SEE THE “INSURING YOUR HOME” GUIDE ON THE N.J. DEPT. OF BANKING AND INSURANCE WEBSITE AT http://www.state.nj.us/dobi/division_consumers/pdf/insuringyourhome.pdf

Most mobile home owners policies in New Jersey include the following common coverages:

- **Dwelling (Coverage A)** pays if your mobile home is damaged or destroyed by a covered loss.
- **Other structures (Coverage B)** pays if structures that are not attached to your mobile home, such as detached garages, storage sheds, and fences are damaged or destroyed by a covered loss.
- **Personal property (Coverage C)** pays if the items in your mobile home (such as furniture, clothing, and appliances) are damaged, stolen, or destroyed by a covered loss.
- **Loss of use (Coverage D)** pays your additional living expenses (costs over the normal amount for housing, food, and other essential expenses) if you must temporarily move because damage to your mobile home from a covered loss renders it uninhabitable.
- **Personal liability (Coverage E)** pays to defend you in court against certain lawsuits and provides coverage if you are found legally responsible for someone else’s injury or property damage.
- **Medical payments to others (Coverage F)** pays the medical bills of people hurt on your property. It might also pay for some injuries that happen away from your mobile home, such as your dog biting someone at the park.

Policy Features

- Companies may exclude coverage for certain losses. Even the most comprehensive policy will exclude certain types of damage.
- All policies include an all-peril deductible. The deductible is the portion for which you are responsible on a covered property loss. Some policies may include a separate, optional wind/hail deductible, and/or a mandatory or optional hurricane deductible.
- Companies may offer optional coverages that include transportation/permission to move, earthquake and scheduled personal property such as jewelry, fine arts, furs or silverware.

Your Policy Covers Losses Caused by	Your Policy Does Not Cover Losses Caused by
Fire and lightning	Flooding including tidal surge (Note: Flood insurance may be available through the National Flood Insurance Program (www.floodsmart.gov))
Sudden and accidental damage by smoke	Earthquakes, earth movement, landslides, mudslides & sinkholes
Explosion	Termites, insects, rats, mice, birds or other vermin
Theft	Freezing pipes (unless water was shut off or building was heated)
Vandalism and malicious mischief	Losses if your mobile home is vacant for the number of days specified by your policy
Aircraft and vehicles	Wear and tear, rotting, maintenance and pollution
Windstorm or hail	Wind or hail damage to trees and shrubs
Sudden and accidental water damage	Mold, unless it is as a result of a covered loss (for example, mold damage due to flood would not be covered)
Weight of ice, snow or sleet	Water damage resulting from continuous and repeated seepage
Riot and civil commotion	Liability which results from the ownership or use of an automobile and other types of motorized land vehicles, aircraft or certain watercraft
	Intentional acts caused by you or a resident of your home
	War or Nuclear Hazard

EXHIBIT E

Dwelling/Fire Insurance

THIS SUMMARY HIGHLIGHTS THE NOTABLE COVERAGES AND EXCLUSIONS ASSOCIATED WITH YOUR DWELLING FIRE INSURANCE POLICY AND IS ONLY PROVIDED AS GUIDANCE IN HELPING YOU UNDERSTAND YOUR POLICY. THIS SUMMARY DOES NOT ALTER YOUR

COVERAGE IN ANY WAY. YOUR INSURANCE POLICY IS A CONTRACT THAT GOVERNS YOUR LEGAL RIGHTS. PLEASE CONTACT [YOUR AGENT / US] IF YOU HAVE ANY QUESTIONS.

REFER TO YOUR DECLARATIONS PAGE FOR INFORMATION ON DEDUCTIBLES AND THE SPECIFIC LIMITS OF YOUR POLICY FOR EACH OF THE INCLUDED COVERAGES. REFER TO THE APPLICABLE POLICY PROVISIONS FOR OTHER INFORMATION SPECIFIC TO THESE COVERAGES, AND ON ANY ADDED COVERAGES OR EXCLUSIONS IN YOUR POLICY. FOR ADDITIONAL GUIDANCE AND INFORMATION, SEE THE “INSURING YOUR HOME” GUIDE ON THE N.J. DEPT. OF BANKING AND INSURANCE WEBSITE AT http://www.state.nj.us/dobi/division_consumers/pdf/insuringyourhome.pdf

Dwelling fire policies in New Jersey include the following coverage:

- **Dwelling (Coverage A)** pays if your house is damaged or destroyed by a covered loss.

Dwelling fire policies in New Jersey may also include the following common coverages if purchased:

- **Other structures (Coverage B)** pays if structures that are not attached to your house, such as detached garages, storage sheds, and fences are damaged or destroyed by a covered loss.
- **Personal property (Coverage C)** pays if the items in your house (such as furniture, clothing, and appliances) are damaged, stolen, or destroyed by a covered loss. It does not cover a renter’s personal property.
- **Fair rental value (Coverage D)** pays your loss of rental income if your tenant must temporarily move because of damage to your house by a covered loss.
- **Additional living expense (Coverage E)** pays your additional living expenses (costs over the normal amount for housing, food, and other essential expenses) if you must temporarily move because damage to your house from a covered loss renders it uninhabitable.
- **Personal liability (Coverage L)** pays to defend you in court against certain lawsuits and provides coverage if you are found legally responsible for someone else’s injury or property damage.

Policy Features

- Companies may exclude coverage for certain losses. Even the most comprehensive policy will exclude certain types of damage.
- All policies include an all-peril deductible. The deductible is the portion for which you are responsible on a covered property loss.
- Some policies may include a separate, optional wind/hail deductible, and/or a mandatory or optional hurricane deductible.
- Companies may offer optional coverages that include oil tank liability, coverage for water back up and sump pump overflow, ordinance or law coverage, theft, loss assessment, earthquake, gravemarkers or sinkhole collapse.

Your Policy Covers Losses Caused by	Your Policy Does Not Cover Losses Caused by
Fire and lightning	Flooding including tidal surge (Note: Flood insurance may be available through the National Flood Insurance Program (www.floodsmart.gov))
Sudden and accidental damage by smoke	Earthquakes, earth movement, landslides, mudslides & sinkholes
Explosion	Termites, insects, rats, mice, birds or other vermin
Damage by Burglar	Freezing pipes (unless water was shut off or building was heated)
Vandalism and malicious mischief	Losses if your dwelling is vacant for the number of days specified by your policy
Falling Objects	Wear and tear, rotting, maintenance and pollution
Aircraft and vehicles	Wind or hail damage to trees and shrubs
Windstorm or hail	Mold, unless it is as a result of a covered loss (for example, mold damage due to flood would not be covered)
Sudden and accidental water damage	Water damage resulting from continuous and repeated seepage
Weight of ice, snow or sleet	Liability which results from the ownership or use of an automobile and other types of motorized land vehicles, aircraft or certain watercraft
Riot and civil commotion	Intentional acts caused by you or a resident of your home
	War or Nuclear Hazard