

Condo Owners Insurance Buyer's Guide

Serving Customers for More Than 100 Years
This isn't just insurance. It's NJM.

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NJM Insurance
Group

EST. 1913

This guide contains only general information and is not a legal document.

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NJM Customer Service Hours

Monday-Friday, 7 a.m. -9 p.m.

Saturday, 8:30 a.m. - 4:30 p.m.

Call us toll-free at (800) 232-6600 or (800) 367-6564 (Claims, available 24/7)

Online services are available 24/7 at njm.com to access policy documents,
make payments, and file claims.

More information about NJM is available at njm.com.



Thank you for giving NJM the opportunity to protect you, your family, and your home — and the important things inside it! Just keep in mind that this guide contains only general information and is not a legal document. Your condo owners policy serves as the official contract between you and NJM and is available through your online NJM account.

We created this Buyer's Guide to:

- Explain some of the coverages provided by your condo owners policy
- Help you customize your policy to fit your needs
- Advise you of the availability of different discounts and deductibles
- Describe how our claim process works
- Make you aware of other NJM products that you might find useful, because life happens — and you want to be protected when it does

NJM provides a Condominium Unit-Owners Form (also known as an **HO-6 policy**) for condo owners. This is a “package” policy, which means several types of coverage are offered in one contract. Besides your home and personal property (known as Section I), these policies also cover injuries or damage that you or a resident family member may cause (Section II).

Section I: Property Coverages

Condo owners insurance is made up of coverages that can help pay to fix or replace damages caused by a loss that your policy covers.

Coverage A: Dwelling provides coverage for the part of the building which is your responsibility, which may include interior walls or upgraded floors, cabinetry, or countertops. This may vary by association. The basic condo owners policy provides \$5,000 for Building Additions and Alterations Coverage at no additional cost. If necessary, the amount of coverage can be increased for an additional premium.



Contact your association to determine what they cover.

NOTE: Coverage B: Other Structures does not apply to condo owners policies.

Coverage C: Personal Property provides coverage for the stuff you own or use (like furniture, clothes, and kitchenware). We can help you figure out how much coverage you need.



Inventory your personal property so you know what you have before a claim. While not required, it can expedite the claims process and help ensure that you have enough coverage. Go to njm.com for tips on how to complete a personal property inventory.

Special limits of coverage apply to some categories of personal property; higher limits are available for these coverages. Refer to your policy for the complete list.

Money	\$200
Securities	\$1,500
Jewelry, watches, furs, and precious/semi-precious stones	\$1,500 theft only
Firearms	\$2,500 theft only
Silverware	\$2,500 theft only
Computer Equipment	\$4,000

Coverage D: Loss of Use provides coverage for additional expenses you'd have, like a hotel, food, or laundry services, if you couldn't live in your home because of a covered loss. Your policy automatically covers up to 50% of your Coverage C: Personal Property amount. Just ask us if you need more coverage!

Which Types of Losses Are Covered by Your NJM Condo Owners Insurance Policy

A condo owners policy is designed to cover the more common causes of loss. Your personal property is covered against specific causes of loss, such as (*refer to your policy for the complete list*):

- Theft
- Fire
- Water damage from a plumbing leak
- Vandalism or Malicious Mischief



Which Types of Losses Are Not Covered – Damage or Loss Caused By

(refer to your policy for the complete list):

- Flood
- Power failure
- Earth movement
- Intentional loss
- Neglect
- Governmental action (the destruction, confiscation, or seizure of covered property by any governmental or public authority)

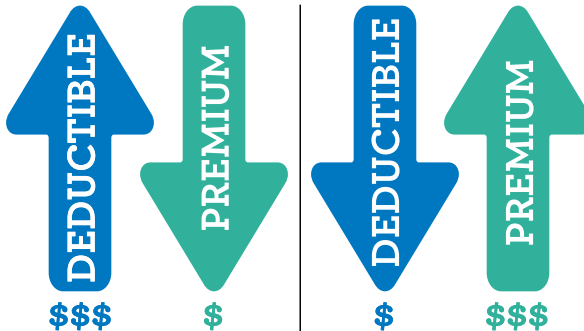
Deductibles

The main purpose of condo owners insurance is to protect you against more serious damage, not against smaller losses you could pay out-of-pocket. Each policy has a deductible, the dollar amount you're personally responsible for in the event of a covered loss. The higher your deductible is, the lower your premium will be.



If you're looking to lower your premium, a higher deductible can help.

Relationship Between Deductible and Premiums



Section II: Liability Coverages



It's not something you want to think about, but it's possible that a guest can get hurt on your property or you can accidentally injure someone away from your property (like on a golf course, at a supermarket, or on vacation anywhere in the world). Here's how your condo owners policy can help:

Coverage E: Personal Liability may cover bodily injury or damage to someone else's property if you're legally responsible after a claim or lawsuit. Condo owners policies automatically provide a \$100,000 limit, which can be increased if you feel you need it.

Coverage F: Medical Payments to Others pays the medical bills for people if they get hurt on your property. Condo owners policies automatically provide a \$1,000 limit, which can be increased if you feel you need it.

Endorsements

NJM offers many endorsements (also known as amendments or riders), that can increase or add coverage to your policy. Below are some of our common endorsements — feel free to give us a call so we can help you choose the right coverage for your situation.

- **Supplemental Loss Assessment Coverage**
If your condo association is responsible for someone else's bodily injury or property damage, or if you have to pay toward covered damage to the group's jointly owned property (e.g. a pool owned by the association), your policy will cover up to \$5,000 of your share of a covered loss. This endorsement offers additional coverage, or coverage for more than one location, and is valuable if you're part of an association.
- **Scheduled Personal Property Endorsement**
Enhanced protection for specific pieces of jewelry, fur, and/or silverware including accidental loss, with no deductible. Updated appraisals may be needed before we can cover these items; for more information, please request a Scheduled Personal Property application package.
- **Coverage C Increased Special Limits of Liability**
Increases the basic coverage limits for money, securities, jewelry or furs, firearms, silverware, or computer equipment listed in the Special Limits section of this guide.
- **Water Back-Up and Sump Discharge or Overflow Coverage**
This covers damage caused by water backup and sump discharge or overflow, even if due to a mechanical breakdown of a sump pump. Coverage doesn't apply to the repair or replacement of a damaged pump or related equipment caused by a mechanical breakdown.











- **Limited Fungi, Wet or Dry Rot, or Bacteria Coverage**
Provides increased coverage for the testing and removal of fungi, the tearing out of any part of your property to access fungi, and the repair of the property that was damaged in the process.
- **Identity Fraud Expense Coverage**
Provides reimbursement up to \$15,000 for expenses incurred as a result of identity fraud.
- **Other Members of Your Household**
Liability and personal property coverage for a person who lives with you, but isn't an insured, guest, resident employee, tenant, roomer, or boarder. For example, if you live with your significant other (not your spouse or legal partner) or someone who is not a relative, this option can provide coverage for their personal belongings such as clothing, electronics, or furniture.
- **Credit Card, Electronic Fund Transfer Card or Access Device, Forgery, and Counterfeit Money Coverage**
Increases the \$500 amount of available coverage provided by the policy, up to a selected amount, for a loss due to check forgery, counterfeit money, or unauthorized use of a credit card or debit card.
- **Assisted Living Care Coverage**
Liability and Personal Property coverage for a relative who resides at an assisted living facility.
- **Increased Amount of Insurance for Personal Property Located in a Self-Storage Facility**
Your policy automatically provides coverage for 10% of your personal property in a self-storage facility, or \$1,000, whichever is greater. This endorsement increases that coverage.
- **New Jersey Workers' Compensation and Employers Liability Coverage for Residence Employees (NJ policies only)**
New Jersey policies include limited Workers' Comp coverage for part-time residence employees. If you hire anyone other than an occasional residence employee (like a home health aide), additional coverage should be purchased via this endorsement.

Discounts



Here are ways to save you some money! Policy discounts may be applied for the following (*visit njm.com/insurance/discounts for the full list*):

-  **Premises Alarm:** Approved burglar alarms, fire alarms, automatic sprinklers, and Wi-Fi or cellular (Smart Home) detection and monitoring systems in the home.
-  **NJM Automobile Policyholder:** Will be automatically applied if you have both NJM Condo and NJM Auto Insurance.
-  **Age 65 and Over:** The primary or secondary named insured is 65 or older.
-  **Nonsmoker:** All members of the household are nonsmokers.
-  **Generator:** An automatic backup or portable generator is present at the insured location.
-  **Electronic Payment (not applicable to policies paid through your mortgage escrow):** Policies paid using the Automatic Payment Plan.
-  **Storm Shutters (CT, MD, and NJ only):** Storm shutters designed for and permanently installed on the home and any other building (with living space) on the property. Shutters must be installed on all exterior wall and roof openings, such as doors, windows, and skylights.
-  **Impact Resistant Glass (CT, MD, and NJ only):** Impact-resistant glass designed for and permanently installed on the home and any other building (with living space) on the property. Glass must be installed on all exterior wall and roof openings, such as doors, windows, and skylights.

Filing a Claim

Let us know right away if you experience a loss by calling (800) 367-6564 or online at njm.com/insurance/claims. Your claim will be assigned to an NJM Claim Specialist who will guide you through the process. We may inspect the damage and will resolve your claim as quickly as possible. While no one wants to have a claim, rest assured that NJM will be there to assist you every step of the way. We'll also clearly explain how we calculate the estimates of damage to your property, including any depreciation or deductions made based on the condition of the property and your policy deductible.



You should also let your association know, if applicable, as coverage may fall under their policy as well.

Third-Party Notification

In some states, customers may designate a “third-party recipient” such as a relative or friend to receive copies of any policy cancellation, nonrenewal, or conditional renewal notice. Call us at (800) 232-6600 to get the form for this, which must be signed by the third-party recipient and sent by certified mail, with return-receipt. It will take at least 10 business days before it goes into effect. Please contact us for more information.

Additional NJM Products

Most of our customers don’t just have homeowners, condo, or renters insurance with NJM. They also enjoy the peace of mind of having their auto, personal umbrella, and even business insurance with NJM. For more information, visit us at njm.com or give us a call at (800) 232-6600.

Auto: No matter where you’re driving, NJM is committed to your satisfaction. We’ve been recognized by leading consumer publications for our auto insurance products and claim settlement process. We offer a number of discounts for drivers, including a homeowners bundle, good student, multi-vehicle, and anti-theft.

Personal Umbrella Liability (available to NJM auto policyholders): An umbrella policy provides additional liability protection above the \$500,000 maximum coverage limits available on your auto and homeowners policies. Auto accident or dog bite liability often exceeds \$500,000. Many NJM auto and homeowners customers who volunteer, have teenaged children, or own recreational vehicles opt for this additional protection. An umbrella policy can also provide coverage for libel, slander, and other possible lawsuits which are not covered under auto or homeowners policies.

Business Insurance: Many NJM policyholders are also business owners. If you own a business, you can benefit from NJM’s great service while also protecting your business by purchasing one or more of our business insurance policies.