

Dwelling Insurance Buyer's Guide

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

[njm.com](https://www.njm.com) | 1-800-232-6600

NJM Insurance
Group

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

Contents

Introduction	1
Section I: Property Coverages	1
Coverage A: Dwelling	
Coverage B: Other Structures	
Coverage C: Personal Property	
Coverage D: Loss of Use	
Coverage E: Additional Living Expenses	
Which Types of Losses Are Covered by Your NJM Dwelling Policy	2
Deductibles	2
Liability Coverages	3
Endorsements	3
Discounts	4
Filing a Claim	5
Third-Party Notification	5
Additional NJM Products	5

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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 dwelling 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 dwelling 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 Dwelling policy known as a **DP-3 Special Form** for properties that are rented out and/or generally used seasonally (not occupied full-time). Coverage may also be available for homes under construction.

Section I: Property Coverages

Dwelling insurance is made up of coverages that you choose, which can help pay to fix or replace your home and personal items if they're damaged by a loss that your policy covers.

Coverage A: Dwelling provides coverage for your structure itself (while it's being used as a residence) and any structures attached to it. To completely protect your home, this coverage has to equal the amount it would cost to fully rebuild it. NJM will give you an estimate of how much it would cost to rebuild your home in the event of a total loss.

Coverage B: Other Structures provides coverage for structures on your property that aren't attached to your home (like a detached garage or storage shed). Just let us know if you need more.

Coverage C: Personal Property is an *optional* coverage for the stuff you or resident family members own or use in the home (like furniture, clothes, and kitchenware). We can help you figure out how much coverage you need.

Coverage D: Fair Rental Value / Coverage E: Additional Living Expenses are automatically provided; how they apply depends on how you use your home. For example, this coverage is used to reimburse your loss of rental income or additional expenses you'd have (like a hotel, food, or laundry services) if your home was unlivable due to a covered loss.



Inventory your personal property in the home 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.



Which Types of Losses Are Covered by Your NJM Dwelling Policy

A DP-3 policy is designed to cover causes of loss to your home and structures, unless specifically excluded. Some of the most common losses we cover are (*refer to your policy for the complete list*):

- Fire
- Lightning
- Windstorm or Hail

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

Deductibles

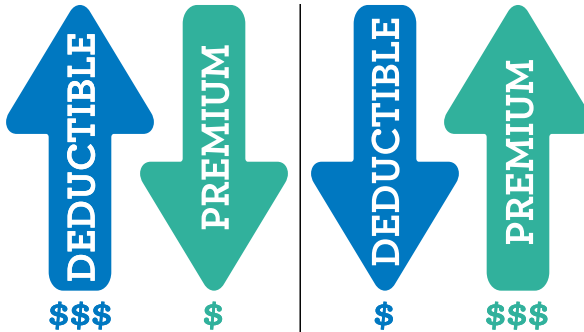
The main purpose of dwelling insurance is to protect you against more serious damage, not against smaller losses you could pay out-of-pocket. Each policy has a deductible, the dollar amount you're personally responsible for in the event of a covered loss. The higher your deductible is, the lower your premium will be. A hurricane deductible will apply to homes located in coastal regions in the event of a hurricane, which will be a percentage of your Coverage A: Dwelling or Coverage B: Other Structures amount based on your location.



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



Relationship Between Deductible and Premiums



Liability Coverages

It's not something you want to think about, but it's possible that a guest can get hurt on your property. Please keep in mind that personal liability and medical payments to others coverage **are not automatically provided by your dwelling policy**, and must be added separately. Give us a call so we can help you choose the right coverage for your situation.

Endorsements

NJM offers many endorsements 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 ones for you.

- **Broad Theft Coverage** (available for owner-occupied properties)
Coverage against direct physical loss to personal property caused by theft or attempted theft and/or vandalism or malicious mischief on and off the premises.
- **Limited Theft Coverage** (available for tenant-occupied properties)
Coverage against direct physical loss to personal property caused by theft or attempted theft and/or vandalism or malicious mischief on the premises only.
- **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.



- **Water Back-Up and Sump Discharge or Overflow Coverage**
This adds coverage for up to \$5,000 of 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.
- **Water Back-Up Coverage**
This adds coverage for up to \$5,000 of damage caused by water backup for homes without a sump pump.
- **Ordinance or Law Coverage**
Your community may require that a damaged home is rebuilt according to current building code standards, rather than as it was pre-damage. Because building codes vary, we recommend checking with your municipality to determine if modifications would be required if your home needs to be rebuilt.

Discounts

Here are ways to save you some money! Policy discounts may be applied for the following:

- **\$ Premises Alarm:** Approved burglar alarms, fire alarms, automatic sprinklers, and Wi-Fi or cellular (Smart Home) detection and monitoring systems in the home.
- **\$ 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.

Note: 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.