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## THINGS YOU SHOULD KNOW ABOUT AUTO INSURANCE FROM NJM INSURANCE GROUP

This document is designed to supplement the Buyer's Guide prepared by the New Jersey Department of Banking and Insurance. Please contact our Personal Lines Department at 1-800-232-6600 if you have any questions.

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### ***Qualifying for NJM***

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To be considered for Personal Auto coverage through New Jersey Manufacturers Insurance Company (NJM), one must live in New Jersey and meet the acceptance criteria and membership eligibility.

#### ***Membership Eligibility Requirements***

You are eligible to apply for NJM car insurance coverage if you or your spouse are:

- Currently employed by a member organization of the New Jersey Business & Industry Association (NJBIA); or
- Currently employed by the State of New Jersey; or
- Currently employed by a New Jersey county, municipality, or township; or
- Currently employed by a New Jersey public school; or
- Currently employed by the federal government; or
- The named insured or resident spouse on a current or previous NJM policy for car insurance or homeowners insurance; or
- A current or previous resident insured operator of a vehicle covered under an NJM car insurance policy; or
- A current or previous insured operator on an NJM commercial auto policy.

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### **DIVIDENDS**

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As part of its pledge to exercise stewardship of policyholders' funds, NJM has shared its financial success by paying dividends to policyholders every year since 1918.

Each policyholder's dividend is computed as a percentage of the premium paid for the past policy year. The percentage amount varies based on the Company's operating experience and payment of dividends are not guaranteed in the future.

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### **PREMIUM DISCOUNTS AVAILABLE IN NEW JERSEY**

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#### **Driver Training**

A discount *may* apply if an operator is under 21 years of age and has successfully completed 30 hours of classroom instruction and one of the following:

- 6 hours of "behind-the-wheel" training; or 3 hours of "behind-the-wheel" training and 12 hours of practice with an approved driving simulator.

To apply for the Driver Training Discount, please provide a certificate signed by a school official or driving school instructor verifying that the classroom and behind-the-wheel training requirements have been fulfilled. Attach the student's name and your auto policy number to the certificate.

### **Good Student**

A discount may apply to an operator under 30 years of age who is a full-time high school, college or university student and meets at least one of the following requirements:

- Ranks in the upper 20% of the class; maintains at least a "B" average or a 3-point average on a 4-point scale; or is included on the Dean's List or Honor Roll.

You do not need a form to apply for this discount. Simply provide a copy to us of the grades for the college semester or the two (2) high school marking periods immediately preceding the policy renewal date. For newly added drivers, submit the grades immediately preceding the addition of the student to the policy. Attach the student's name and your auto policy number to the grades.

Additionally, updated Good Student information must be resubmitted at each renewal in order for the applicant to be eligible for this discount.

### **Operator Away at School**

If a youthful driver in your household (age 29 or younger) resides at an educational institution more than 100 road miles from your garage location without regular access to a vehicle, that driver may be eligible for a premium discount. If you have a student who may qualify for this premium discount, please contact our Personal Lines Department at 1-800-232-6600 for further information.

### **Defensive Driving**

A discount may apply to drivers who have successfully completed a defensive driving course approved by the New Jersey Motor Vehicle Commission (MVC). The discount is applied at the policy inception or at the renewal following completion of the course and is limited to three years. For information on approved courses, please visit the New Jersey Department of Banking and Insurance Web Site ([www.state.nj.us/dobi/dmvschl.htm](http://www.state.nj.us/dobi/dmvschl.htm)) or call the Department at 1-800-446-7467 to request a list by mail.

If you have completed one of these approved courses, send a copy of the certificate to us with your automobile policy number on it.

### **Passive Restraint**

Your premium for Personal Injury Protection ("PIP") may be discounted by up to 30% if your private passenger auto is equipped with a factory-installed passive restraint system, such as an air bag or passive restraints, in both front outboard seat positions. If your vehicle has a passive restraint system installed in the driver's side only, a discount of up to 20% may be applicable. A passive restraint system enables the driver and/or front passenger to be fastened closing the front door(s). Either system must be installed at the time your automobile is purchased and it must meet published federal safety standards. If you believe that your vehicle may be eligible for this discount, send a copy of the window sticker, purchase order or dealer's invoice to us so that we may determine if you qualify for this discount.

### **Anti-Lock Braking System**

A reduction may apply to your Liability, PIP, and Collision premiums if your covered private passenger auto is equipped with an Anti-Lock Brake System. If you are not currently receiving this discount and believe that your vehicle may be eligible, please contact us. We may require a copy of the window sticker, purchase order or dealer's invoice so that we may determine if you qualify.

### **Anti-Theft Device**

NJM encourages the use of anti-theft and vehicle recovery devices as another means to reduce losses. The following types of devices are among those that may qualify for a reduction in the Other Than Collision (comprehensive) premium:

- Alarm system;
- Fuel cut-off;
- Emergency brake lock;
- Steering wheel collar;
- Tracking device that enables the location of the vehicle to be tracked;
- Window etching vehicle identification system; and
- Car transmission lock.

Other devices may also qualify. If your auto is equipped with an anti-theft or vehicle recovery device, you may contact our Personal Lines Department at 1-800-232-6600 or print our request form for the Anti-Theft Device Discount from our Web site, [www.NJM.com](http://www.NJM.com), fill in the form and mail it to us along with the requested documentation.

### **Multi-Vehicle**

If more than one vehicle is insured under a policy, the Multi-Vehicle discount is applied automatically to the premiums for Liability, Personal Injury Protection (PIP) and Physical Damage (Collision and/or Other Than Collision).

### **Extra Vehicle – One-Driver Household**

A discount is applied automatically to the Personal Injury Protection (PIP) premium for the extra vehicle(s) in a one-driver household.

### **NJM Homeowner Policyholder (NJM only)**

If you have a New Jersey Automobile and a Homeowners insurance policy with NJM, you may be eligible for a 5% discount on the premiums for your Automobile Liability, Personal Injury Protection, Other Than Collision and Collision coverages. You must own and occupy the residence and insure it under a Homeowners (HO-3) or Condominium (HO-6) policy. We will automatically apply the discount if our records indicate that you qualify.

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## **FILING A CLAIM**

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Notify us **immediately** if you are in an accident or if your car is damaged or stolen. To make the first report of a loss, contact our Claims Department at 1-800-FOR-NJMI (1-800-367-6564). All other calls to us regarding claims should be made to the number listed on the Claim Acknowledgement that will be sent to you.

For Collision and Other Than Collision claims, we may inspect the car and must offer a settlement to you within a reasonable period of time. We will provide an opportunity for you to utilize our Premier Car Care network of preferred auto repair facilities, which feature prompt service and a two-year warranty on quality of the insurance-covered parts and labor, or you may select any State-licensed repair shop of your choice.

We also must give you a written, itemized list of any damage estimates which we have made, all deductions based on the condition of your car, and the deductible applicable to the settlement figure. If we require you to provide more than one repair estimate, we must pay the reasonable cost of all additional estimates. If the car is stolen or damaged, we will inform you whether your policy includes coverage to pay for a rental car and, if so, the daily rate and the length of time.

If you are dissatisfied with the way your claim is being handled, please discuss your concern with a claims representative and his or her supervisor. If, after doing so, the matter is not resolved to your satisfaction, you may follow the Internal Appeals process described below or write to the Office of the President, NJM Insurance Group, 301 Sullivan Way, West Trenton, NJ 08628. If you are still dissatisfied, you can write to the — Consumer Inquiry and Response Center, New Jersey Department of Banking and Insurance, P.O. Box 471, Trenton, NJ 08625-0471.

### **Claims Internal Appeals Process**

If the final offer of claim settlement is unacceptable, you may seek review from an Internal Appeals Panel by providing a written explanation, and any supporting documentation not previously sent, of why you disagree with the decision. Such explanation should be sent by mail, electronic mail or facsimile to the following individual:

Internal Appeals Administrator  
NJM Insurance Group  
301 Sullivan Way  
West Trenton, NJ 08628-3496  
Phone Number: (609) 883-1300 ext. 7015  
Fax Number: (609) 671- 4004  
E-Mail: <mailto:InternalAppeals@NJM.com>

The assigned claims representative can also provide assistance with information pertaining to the Internal Appeals process. Controversies arising from automobile Personal Injury Protection (PIP) coverage claims are not governed by the Internal Appeals process, and all questions regarding PIP dispute resolution should be referred to the assigned PIP claims representative.

If you are dissatisfied with the response of the Internal Appeals Panel, you may also contact the Insurance Claims Ombudsman.

Office of Insurance Claims Ombudsman  
20 West State Street — 9<sup>th</sup> Floor  
P.O. Box 472  
Trenton, New Jersey 08625  
Telephone (609) 292-7272 or (800) 446-7467  
Fax Number: (609) 292-2431  
Webpage: <http://www.state.nj.us/dobi/ombuds.htm>  
E-Mail: [ombudsman@dobi.nj.gov](mailto:ombudsman@dobi.nj.gov)

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### **ADDITIONAL REQUIREMENTS FOR NO-FAULT MEDICAL COVERAGE**

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The requirements of the NJM Insurance Group Decision Point Review Plan have been revised to incorporate additional provisions and guidelines. Benefits will be provided in accordance with the Decision Point Review Plan Requirements in effect at the time of treatment. A copy of the current Decision Point Review Plan Requirements is available upon request.

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### **SENIOR THIRD-PARTY NOTIFICATION**

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If a senior citizen is concerned about understanding critical insurance notices or being able to act quickly, NJM Insurance Group can provide copies of such notices to a relative, friend or other designated person. Policyholders age 62 or older may designate such "third-party recipients" to receive copies of any cancellation, nonrenewal or conditional renewal notice for personal lines insurance coverages.

Policyholders who want this additional notification must request it in writing — with the signature of the third-party recipient — by certified mail, return-receipt requested. NJM Insurance Group provides a form for this purpose, which can be obtained through our Web site, [www.NJM.com](http://www.NJM.com), or by calling our Personal Lines Call Center at 1-800-232-6600. Once we receive the written request, at least 10 business days will be needed to put the notification service into effect.

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### **HIGHER TRANSPORTATION EXPENSE LIMITS**

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If you have purchased Collision and/or Other Than Collision coverage, and your car is stolen or requires repairs because of a covered loss, you are entitled to a \$20-per-day reimbursement for the rental of another vehicle and costs of other forms of transportation, up to a maximum of \$600. Car rental rates vary, and larger vehicles typically cost more per day than smaller ones. To help you cover the escalating costs of renting a vehicle that fits your needs, we offer two options to purchase Higher Transportation Expense Limits.

Options include a daily reimbursement rate of \$30 (maximum reimbursement of \$1,200) or \$50 (maximum reimbursement of \$2,000). Any option you select will apply to every vehicle on the policy with Collision and/or Other Than Collision coverage.