

**MARYLAND JOINT INSURANCE ASSOCIATION  
INFORMATION DIGEST FOR HOMEOWNERS INSURANCE**

**DESCRIPTIONS OF COVERAGE**

The following are not intended as complete statements of coverage; for full details, see the policy contract.

**ELIGIBILITY**

Eligibility for a Homeowners or Tenants Policy including optional coverages is dependant on the Association's underwriting requirements. In addition, you must occupy a 1, 2, 3 or 4 family dwelling and use it exclusively for residential purposes (incidental occupancies excepted). Not more than one additional family or two (2) roomers or boarders may occupy an individual family unit (does not apply to tenants). Property situated on a premises used for farming purposes is ineligible.

**COVERAGES**

Our policy form, along with important coverage options, has been designed to provide insurance protection with the following basic coverages:

Fire	Aircraft	*Sudden and Accidental
Lightning	Damage by Vehicles	Rupture of a steam or hot
Windstorm	*Collapse of Buildings	water heating system or
Hail	Credit Card Forgery	appliance
Explosion	*Freezing of Water or	*Falling Objects
Riot	Accidental Discharge	*Weight of Ice or Snow
Smoke	from plumbing, heating	
*Ordinance or Law	or air conditioning	Loss of Use
Vandalism	systems	Personal Liability with
Malicious Mischief		damage to property of
		others

**\* Not available with Form HO-8**

Theft- \$1,000 limit under HO-8.

A \$250 deductible applies to most property losses.

**THE ASSOCIATION DOES NOT PROVIDE COVERAGE FOR DAMAGE BY FLOOD**

**DWELLING FORMS:**

Additional amounts of insurance for other structures, personal property and loss of use are provided based on the dwelling amount percentages shown below.

**CONTENTS AND CONDOMINIUM OWNER'S FORMS:**

You select the amount of insurance to be placed on your personal property. An additional amount of insurance is provided for loss of use based upon the Personal Property amount percentage below. Condominium owners may also select additional coverage for dwelling coverage.

If you have questions, please contact your producer or our office.

<b>Amount of Insurance</b>	<b>HO-2 Broad form</b>	<b>HO-8</b>	<b>HO-4 Tenants Form</b>	<b>HO-6 Condominium owners Form</b>
<b>Dwelling</b>	You select this amount	You select this amount	N/A	\$5,000- may be increased
<b>Other Structures</b>	10% of Dwelling	10% of Dwelling		
<b>Personal Property</b>	50% of Dwelling	50% of Dwelling	You select this amount	You select this amount
<b>Loss of Use</b>	30% of Dwelling	10% of Dwelling	30% of personal Property	50% of Personal Property
<b>Personal Liability</b>	\$100,000	\$100,000	\$100,000	\$100,000
<b>Medical Payments to Others</b>	\$1,000	\$1,000	\$1,000	\$1,000

\* based on 1 or 2 Family dwelling.

### **HOW MUCH SHOULD I BUY?**

To be fully protected in the event of a total loss, you should keep your dwelling insured up to 100% of replacement cost.

HO-2 Broad Form coverage should be at least 80% of your dwellings replacement or functional replacement cost to be sure that partial dwelling losses are paid on a replacement cost basis. Otherwise you risk having your settlement reduced as a penalty for underinsurance.

### **HOW CAN I REDUCE THE COST?**

#### **Alarm Systems:**

Credits are available for burglar alarms, sprinkler systems or fire alarms-including smoke detectors.

#### **Higher Deductibles**

Higher deductibles up to \$2,500 are available which will reduce the costs.

### **OPTIONAL COVERAGES**

#### **Water Backup And Sump Discharge**

This optional coverage provides coverage up to \$5000 for damage caused by water which backs up through sewers or drains or which overflows from a sump. Your policy deductible applies. Higher limits are available for additional premium.

#### **Increased Personal Liability**

Liability Limits of \$200,000 and \$300,000 are available for an additional premium.

#### **Loss Assessment:**

Increased Loss Assessment coverage is available under Form HO-6

## **Earthquake Coverage**

Earthquake coverage is available for an additional premium. Special deductible provisions apply. (Not available with HO-8)

## **Sinkhole Coverage**

Property coverage may be extended to include direct loss by sinkhole collapse. Sinkhole collapse means damage caused by collapse of the earth supporting property resulting from subterranean voids created by the action of water on limestone-like formations.

## **Identity Fraud Expense Coverage**

This provides coverage up to \$15,000 for expenses incurred by you as the direct result of identity theft. A \$250 deductible applies.

## **Flood Insurance.**

Do you live on a hillside, in a valley, near a body of water or on level land? You may need flood insurance no matter where you live. Homeowners policies do not provide coverage for flood, mudslide, erosion, surface runoff or similar occurrences. Property owners in eligible areas may obtain coverage through the National Flood Insurance Program. Contact your Producer for more information.

## **OUR POLICY DOES NOT COVER LOSS BY FLOOD**

### **Some Policy Limitations Apply:**

**Loss by theft of all jewelry and furs** taken in one occurrence is limited to \$1,500. (\$1,000 under form HO-8).

#### **Limitations on loss to other property:**

- \$200 Money, Coin Collections and some precious metals.
- \$1,000 Credit Card, Fund Transfer Card, Forgery and counterfeit Money
- \$1,500 Electronic apparatus (such as mobile telephones), which may be operated from a vehicle, as well as other power sources.
- \$1,500 Securities, Manuscripts, Stamp Collection, Trailers and Watercraft including their furnishings, equipment and outboard motors.
- \$2,500 Theft of Firearms and related Equipment. (\$1,000 on form HO-8)
- \$2,500 Theft of Silverware, Gold ware, Platinum ware and Pewter ware. (\$1,000 on form HO-8)
- \$2,500 certain on premises Business Property with \$500 applicable to off premises. (\$1,000 on form HO-8 on premises)

There is no theft coverage away from home for (1) watercraft, including furnishings equipment and outboard motors and (2) trailers including boat trailers

Liability, theft and physical damage coverages are limited or excluded for many motorized vehicles such as midget automobiles, golf mobiles, snowmobiles and mopeds.

There is no coverage for C.B. radios, radios or tape players, including their accessories and tapes if the equipment is designed solely for use in a motor vehicle and is in or upon the vehicle.

**NOTE. The MDJIA policies are issued for one year only and do not automatically renew. To continue coverage past the expiration date, you or your producer must reapply and pay the required premium prior to the expiration of the existing policy.**