



REPORT ON COVERAGE OF LOSS CAUSED BY DISCHARGE OF WATER

JANUARY 2011

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Executive Summary

The Maryland Insurance Administration (“MIA”) agreed to conduct the study described in SB 906 from the 2010 Legislative Session and report its findings and recommendations to the committees of jurisdiction; the Senate Finance Committee and the House Economic Matters Committee. In order to explore how best to improve consumer understanding of homeowner’s insurance generally and their policy in particular, the MIA reviewed the current required disclosures, met with industry representatives (both insurers and producers), People’s Insurance Counsel, reviewed a sampling of homeowners’ insurance policies issued by some of the largest insurers writing homeowners’ insurance in the State, including policy forms developed by the Insurance Services Organization (ISO) for its member companies, and surveyed other states.

Based on this, the MIA will work with stakeholders to improve the disclosures and other notices required to be provided to consumers to better facilitate their understanding of their homeowner’s insurance policy and the additional coverages available for purchase to provide greater protection.

Introduction

In the 2010 legislative session, the General Assembly considered SB 906, “Homeowner’s Insurance - Coverage for Loss Caused by Discharge of Water – Study.” While the bill did not pass, the Maryland Insurance Administration (“MIA”) noted it would conduct the study and report its findings and recommendations to the committees of jurisdiction; the Senate Finance Committee and the House Economic Matters Committee. A copy of SB 906 is included here in Exhibit 1.

After Tropical Storm Isabel deluged Maryland in 2003, it became apparent that many consumers were unaware of those perils that are covered and those perils that are not covered by their homeowners’ insurance policies generally and particularly for floods and surface water and water that backs up through sewers and drains (hereinafter “water/sewer backup”). Following Tropical Storm Isabel, the General Assembly modified the statute to provide more disclosures to consumers. These disclosure requirements are summarized in the next section.

Since 2003, there has been an uptick in the number of events across Maryland resulting in flood-type losses. These include, but are not limited to:

- a gas pipe/water main break in Overlea (2004);
- the torrential rain storms in Harford County (2004) and in Dorchester County (2006);
- the water main break in Montgomery County (2008); and
- the water main break in eastern Baltimore County (2009).

After each event, MIA employees have been to the impacted areas to assist and educate those citizens who sustained damage to their dwellings and personal property. This includes, but is not limited to, helping consumers identify their insurer and file a claim, as well as investigating complaints consumers have about their insurance. MIA employees report that many consumers remain unaware of the details of their insurance policies.

In order to explore how best to improve consumer understanding of homeowner’s insurance generally and their policy in particular, the MIA:

- Reviewed the current required disclosures;
- Met with industry representatives (both insurers and producers) and People’s Insurance Counsel;
- Reviewed a sampling of homeowners’ insurance policies issued by some of the largest insurers writing homeowner’s insurance in the State, including policy forms developed by the Insurance Services Organization (ISO) for its member companies; and
- Surveyed other states.

The remainder of this report summarizes the MIA’s findings and recommendations.

Disclosures

Under Maryland law, insurers must disclose certain information to consumers. At the time of application or purchase, an insurer must provide a notice of the:

- Exclusion for damage caused by floods and how to obtain from the National Flood Insurance Program. (See §19-206 of the Insurance Article attached hereto as Exhibit 2.)
- Additional optional coverages available. (See §19-207 of the Insurance Article attached hereto as Exhibit 3)

On an annual basis, insurers must:

- Provide an annual statement summarizing the insured's coverages and exclusions (See §19-205 of the Insurance Article attached hereto as Exhibit 4.)
- Disclose the modification of the deductible for hurricane or storm damage during a hurricane warning or a hurricane as approved by the Commissioner. (See §19-209 of the Insurance Article attached hereto as Exhibit 5.)
- Advise of the availability of a premium discount for insureds who provide proof of improvements to mitigate losses from a hurricane, if applicable, and how to apply for the discount. (See §19-210 of the Insurance Article attached hereto as Exhibit 6.)

At the time the policy is issued and at each renewal, insurers must disclose to their insureds if the insurer considers claims history for the purposes of canceling or nonrenewing the policy. (See §27-501 (n) of the Insurance Article attached hereto as Exhibit 7.)

Through Bulletin 06-21, attached as Exhibit 8, the MIA has provided guidance to insurers about how to disclose some of the required information. It contains a sample of an acceptable format for the annual statement of coverages, the exclusion for damage caused by floods and the lead-in language insurers are to use when preparing the list of additional optional coverage. .

Although most insurers have adopted the format for the annual statement of coverages set forth in Bulletin 06-21, some insurers have elected to draft and use their own versions. Examples of annual statements of coverage that conform to the MIA's format and differ from it can be found in Exhibits 9 and 10, respectively.

As is evident from this summary of disclosures insurers are currently required to provide to applicants and policy holders, it would appear that insureds are given enough information regarding coverages and exclusions to make informed decisions based on their particular circumstances as to what coverages they have purchased and what they do not have coverage for; however, we know, both from anecdotal evidence and direct testimony, that many people not only fail to take the time to read their policy, but they

also fail to read the disclosures to understand what is being covered or excluded. The information that was gathered and evaluated, as well as the ideas and options considered to improve the disclosures and comprehension of the information contained therein will be detailed in the next sections.

Mandatory Optional Coverage

Insurers are required to offer in writing, both at the time of application and at each renewal, to insureds and potential insureds coverage for water/sewer back-up not caused by the negligence of the insured. (See §19-202 of the Insurance Article attached hereto as Exhibit 11.) However, purchase of this water/sewer back-up endorsement does not provide coverage for flooding or surface water damage.

Disclosures and Mandated Coverages: Other States

The MIA surveyed other states through the National Association of Insurance Commissioners (NAIC) to determine what types of coverage for water losses, if any, are mandated under a homeowner's insurance policy, as well as the types of disclosures being utilized in those jurisdictions.

A summary of the survey of other states can be found at Exhibit 12. Of the sixteen states that responded, all advised there was no statutorily required offer of coverage or mandated coverage for losses stemming from water. Only four states advised that there was a requirement either by statute or regulation to provide an annual summary of coverage or a "Homeowners" Bill of Rights" that required insurers to disclose the coverages and exclusions under the policy. Six of the states statutorily require insurers to advise their policy holders that the homeowner's insurance policy does not provide coverage for losses due to flood and only one state requires its insurance department by statute to publicize homeowners' insurance coverage or policy information through brochures, bulletins and the like. Given the results, it appears that the State of Maryland is ahead of the national curve on this issue.

Overview of Typical Homeowners Insurance Policies in Maryland

An analysis of the policy language of the top twenty insurance groups writing homeowners' insurance in the State of Maryland indicates there is a great deal of variation in coverage from insurer to insurer and from policy to policy. This, in and of itself, makes comparison of the terms and conditions of the policies difficult and confusing, if not nearly impossible. A summary of the policy analysis is presented as Exhibit 13.

Virtually all homeowners insurance policy excludes losses from flood and surface water. In these circumstances, the only option available to consumers who wish to protect themselves from these types of losses is to purchase a flood insurance policy through the National Flood Insurance Program (NFIP) or one of the NFIP's write your own insurance company partners.

Typically, homeowners' insurance policies do not routinely include coverage for water/sewer back-ups. As mentioned previously, all insurers are required to offer such coverage for an additional cost.

There are exceptions to this general rule. Two insurer groups that market to high value homeowners do offer coverage for damage caused by flood, either as a separate policy or an endorsement to the homeowners' insurance policy. In addition, these policies include coverage for losses from water/sewer back-ups.

The actual coverage offered for water/sewer back-ups also varies from insurer to insurer. For example, some insurers limit coverage to the over flow of water from a drain, sump pit or well located within the dwelling, as opposed to others that provide coverage for overflows of drains, sump pits or wells on the residence premises. In the first instance, if the drain or sump pump that backs up or over flows is located outside of the home (in an outside basement stairwell, for example), the policy provides no coverage for the subsequent loss. For those with a sump pump pit or well located inside the home, there would be no problem; however, if you are a homeowner whose sump is located outdoors, purchasing a policy with the more restrictive language could prove detrimental.

Because of these important differences, simply disclosing to an applicant or a homeowner renewing coverage that water/sewer back-up coverage is available for purchase may not provide sufficient information for the consumer to make an informed decision. At a minimum, the consumer would need to know the extent of the coverage being offered and how it would apply to his/her particular circumstances.

While all homeowners' insurance policies cover the accidental and direct physical loss from water or steam that escapes suddenly from an appliance, plumbing, heating or air conditioning system located within the dwelling, few cover the loss if the accidental discharge or over flow of water or steam results from a storm drain, water, steam or sewer pipe located off the residence premises. For those policies that do provide coverage for the ensuing water loss from a drain or pipe located off the residence premises, the coverage is provided by way of an exception to a policy exclusion. In addition, while there may be coverage, it is limited to the damage to the dwelling or structure only. Any damage to personal property or contents located on the residence premises would still be excluded from coverage. There are a few companies offering policies that provide coverage for both the dwelling and contents for the ensuing water loss from a drain or pipe located off the residence premises; however, again, these tend to be limited to those offered to the high value homeowners.

Knowledge of the actual terms of the various homeowners' insurance policies offered by the insurance companies is essential to obtain the most comprehensive coverage available in the Maryland insurance market.

Stakeholders Views

Insurer representatives maintain that water main breaks are floods and thus, the damage caused by a water main break is not covered under the homeowner's insurance policy. Insurer representatives appear to believe that the best solution for consumers who wish to fully protect themselves is to purchase a separate flood insurance policy through the NFIP to protect the dwelling and contents from damage due to flood (water).

Producer representatives did not appear to disagree with insurer representatives, but noted that consumers are price sensitive and, depending upon each individual's circumstance, may elect to purchase or decline optional coverages, including flood insurance. Moreover, they observed that consumers do not read the "additional optional coverages" disclosure provided at the time of application, nor do they seem interested in the flood exclusion disclosure.

Producers described the process of purchasing a homeowner's insurance policy as something that occurs quickly because the applicant or insured generally needs documentation of coverage to satisfy the requirements of a bank or mortgage lender at settlement. While they did not object to providing the various disclosures to the applicants or policy holders, the producers' general impression was that the disclosures are largely ineffective.

Additionally, the independent insurance producers (i.e. those that represent many, unaffiliated insurance companies) expressed concerns with respect to the variation in the types of disclosures used by the insurers. The more insurers they represent, the more disclosures with which they need to be familiar. From the perspective of these producers, this creates a greater errors and omissions liability risk to them.

The representative from the People's Insurance Counsel indicated that all of these issues could be eliminated with a statute that either mandates the coverage or the offer of coverage for most water-type losses, including those arising from a water main break. In their view, this is the only way to ensure consumers have coverage for this type of peril.

Options

The MIA presented a number of ideas for discussion and consideration to the stakeholders. These included:

- posting copies of all homeowners' insurance policies approved for sale in Maryland on the Administration's website or providing links to copies of the policies posted on the insurers' websites;
- modifying the annual statement summarizing coverage and exclusions by providing a coverage matrix in question and answer format;
- making disclosure of water losses of all types more prominent and advising insureds how to obtain more information regarding coverage options;
- maximizing the use of technology by requiring insurers to allow insureds online access to complete copies of their policies, the ability to view all endorsements

- developing a list of questions for publication in the MIA's *A Consumer Guide to Homeowners Insurance* and on the website highlighting differences in coverage for consumers to ask the producers or companies when purchasing a homeowners insurance policy.

Based on the feedback from stakeholders, the MIA has concluded that at this time the feasible options are:

- modifying the annual statement summarizing coverage and exclusions by providing a coverage matrix in question and answer format;
- making disclosure of water losses of all types more prominent and advising insureds how to obtain more information regarding coverage options; and
- developing a list of questions for publication in the MIA's *A Consumer Guide to Homeowners Insurance* and on the website highlighting differences in coverage for consumers to ask the producers or companies when purchasing a homeowners insurance policy.

The MIA will work with stakeholders to improve the disclosures and other notices required to be provided to consumers in order to facilitate their understanding of their homeowner's insurance policy and the additional coverages available to them that provide greater protection.

SENATE BILL 906

C4

0lr2985
CF HB 1088

By: Senator Stone
Introduced and read first time: February 16, 2010
Assigned to: Rules
Re-referred to: Finance, February 19, 2010
Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: April 2, 2010

CHAPTER _____

1 AN ACT concerning

2 Homeowner's Insurance - ~~Offer of~~ Coverage for Loss Caused by Discharge of
3 Water - Study

4 FOR the purpose of requiring ~~certain insurers to offer in writing, at time of application~~
5 ~~and renewal, to provide~~ the Maryland Insurance Administration to conduct a
6 certain study relating to coverage for loss that is caused by or results from a
7 discharge of water from a certain system or source; ~~requiring certain insurers to~~
8 ~~include a certain statement with the offer, providing that if an application or~~
9 ~~renewal is made by telephone, an insurer is deemed to be in compliance with a~~
10 ~~certain provision of this Act under certain circumstances; providing that if an~~
11 ~~application or renewal is made using the Internet, an insurer is deemed to be in~~
12 ~~compliance with a certain provision of this Act under certain circumstances;~~
13 ~~providing for the application of this Act; requiring certain insurers to submit~~
14 ~~certain annual reports to the Maryland Insurance Administration requiring the~~
15 Administration to consult with certain stakeholders; requiring the
16 Administration to report its findings and recommendations on or before a
17 certain date to certain committees of the General Assembly; and generally
18 relating to homeowner's insurance ~~and offers of~~ coverage for loss caused by a
19 discharge of water.

20 ~~BY adding to~~
21 ~~Article Insurance~~
22 ~~Section 10-813~~
23 ~~Annotated Code of Maryland~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ~~(2006 Replacement Volume and 2000 Supplement)~~

2 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
3 MARYLAND, That ~~the Laws of Maryland read as follows:~~

4 ~~Article Insurance~~

5 ~~10-213.~~

6 ~~(a) (1) AN INSURED THAT ISSUES, SELLS, OR DELIVERS A~~
7 ~~HOMEOWNER'S INSURANCE POLICY IN THE STATE SHALL, AT TIME OF~~
8 ~~APPLICATION AND RENEWAL, OFFER IN WRITING TO PROVIDE COVERAGE FOR~~
9 ~~LOSS THAT:~~

10 ~~(i) IS CAUSED BY OR RESULTS FROM A DISCHARGE OF~~
11 ~~WATER FROM A PLUMBING SYSTEM OR PLUMBING SOURCE, INCLUDING A~~
12 ~~DISCHARGE FROM A WATER MAIN BREAK, WHETHER THE PLUMBING SYSTEM OR~~
13 ~~SOURCE IS LOCATED ON OR OFF THE INSURED PREMISES, AND~~

14 ~~(ii) IS NOT CAUSED BY THE NEGLIGENCE OF THE INSURED.~~

15 ~~(2) AN INSURED SHALL INCLUDE THE FOLLOWING STATEMENT IN~~
16 ~~THE OFFER REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION,~~

17 ~~"THIS COVERAGE IS FOR LOSS THAT IS CAUSED BY OR RESULTS FROM A~~
18 ~~DISCHARGE OF WATER FROM A PLUMBING SYSTEM OR PLUMBING SOURCE,~~
19 ~~INCLUDING A DISCHARGE FROM A WATER MAIN BREAK, WHETHER THE~~
20 ~~PLUMBING SYSTEM OR SOURCE IS LOCATED ON OR OFF THE INSURED~~
21 ~~PREMISES."~~

22 ~~(b) IF AN APPLICATION OR RENEWAL IS MADE BY TELEPHONE, THE~~
23 ~~INSURED IS DEEMED TO BE IN COMPLIANCE WITH SUBSECTION (A) OF THIS~~
24 ~~SECTION IF, WITHIN 7 CALENDAR DAYS AFTER THE DATE OF THE APPLICATION~~
25 ~~OR RENEWAL, THE INSURED SENDS BY CERTIFICATE OF MAILING THE OFFER TO~~
26 ~~THE APPLICANT OR INSURED.~~

27 ~~(c) IF AN APPLICATION OR RENEWAL IS MADE USING THE INTERNET,~~
28 ~~THE INSURED IS DEEMED TO BE IN COMPLIANCE WITH SUBSECTION (A) OF THIS~~
29 ~~SECTION IF THE INSURED PROVIDES THE OFFER TO THE APPLICANT OR~~
30 ~~INSURED PRIOR TO SUBMISSION OF THE APPLICATION OR RENEWAL.~~

31 ~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all~~
32 ~~homeowner's insurance policies issued, delivered, or renewed in the State on or after~~
33 ~~October 1, 2010.~~

1 ~~SECTION 3. AND BE IT FURTHER ENACTED, That, on or before October 1 of~~
2 ~~each year beginning with October 1, 2011, an insurer that issues, sells, or delivers a~~
3 ~~homeowner's insurance policy in the State shall report to the Maryland Insurance~~
4 ~~Administration on:~~

5 ~~(1) the number of new and renewal applicants who elect to purchase~~
6 ~~the coverage described in Section 1 of this Act; and~~

7 ~~(2) the average premium assessed by the insurer for the insurer's book~~
8 ~~of business in the State for the coverage described in Section 1 of this Act.~~

9 (a) The Maryland Insurance Administration shall conduct a study of how
10 best to inform consumers about how to determine the existence and scope of
11 homeowner's insurance coverage for loss from the discharge of water from a plumbing
12 system or plumbing source, including a discharge from a water main break, whether
13 the plumbing system or source is located on or off the insured premises.

14 (b) In conducting its study, the Administration shall consult with relevant
15 stakeholders, as determined by the Administration, including representatives of the
16 homeowner's insurance industry and the People's Insurance Counsel.

17 (c) On or before December 1, 2010, the Administration shall report, in
18 accordance with § 2-1246 of the State Government Article, its findings and
19 recommendations, including draft legislation, if any, to the Senate Finance Committee
20 and the House Economic Matters Committee.

21 SECTION ~~4~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take
22 effect ~~October~~ July 1, 2010.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.

Exhibit 2

§ 19-206. Insurer to provide information and advice concerning flood insurance.

(a) Notice that standard policy does not cover flood damage.-

- (1) An insurer that sells or negotiates homeowner's insurance in the State shall provide an applicant, at the time a policy of homeowner's insurance is initially purchased, with a written notice that states that a standard homeowner's insurance policy does not cover losses from flood.
- (2) If an application is made by telephone, the insurer is deemed to be in compliance with this section if, within 7 calendar days after the date of application, the insurer sends by certificate of mailing the notice to the applicant or insured.
- (3) If an application is made using the Internet, the insurer is deemed to be in compliance with this section if the insurer provides the notice to the applicant prior to the submission of the application.

(b) Information contained in notice.- The notice shall:

- (1) state that flood insurance may be available through the National Flood Insurance Program or other sources;
- (2) provide the applicant with the contact information for the National Flood Insurance Program;
- (3) advise the applicant to confirm the need for flood insurance with the National Flood Insurance Program or the applicant's mortgage lender;
- (4) advise the applicant to contact the National Flood Insurance Program, the applicant's insurer, or the applicant's insurance producer for information about flood insurance;
- (5) advise the applicant that flood insurance may be available for covered structures and their contents;
- (6) advise the applicant that a claim under a flood insurance policy may be adjusted and paid on a different basis than a claim under a homeowner's insurance policy; and
- (7) advise the applicant that a separate application must be completed to purchase flood insurance.

(c) Mailing of notice with statement permitted.- A notice required to be sent by certificate of mailing under this section may be sent with the statement required under § 19-207 of this article.

(d) Effect of notice.- A notice provided under this section does not create a private right of action.

[2006, ch. 388, § 2; 2007, ch. 576.]

Exhibit 3

§ 19-207. Statement of optional coverage available.

(a) In general.-

- (1) An insurer that sells or negotiates homeowner's insurance in the State shall provide an applicant, at the time of application for homeowner's insurance, with a written statement that lists all additional optional coverage available from the insurer to the applicant.
- (2) If an application is made by telephone, the insurer is deemed to be in compliance with this section if, within 7 calendar days after the date of application, the insurer sends by certificate of mailing the statement to the applicant or insured.
- (3) If an application is made using the Internet, the insurer is deemed to be in compliance with this section if the insurer provides the statement to the applicant prior to submission of the application.

(b) Contents.- The statement shall:

- (1) be on a separate form;
- (2) be titled, in at least 12 point type, "Additional Optional Coverage Not Included in the Standard Homeowner's Insurance Policy";
- (3) contain the following disclosure in at least 10 point type:

"Your standard homeowner's insurance policy does not cover all risks. You may need to obtain additional insurance to cover loss or damage to your home, property, and the contents of your home or to cover risks related to business or personal activities on your property.

This statement provides a list of the types of additional insurance coverage that are available. Contact your insurance company, insurance producer, or insurance agent to discuss these additional coverages."; and

- (4) contain a list of additional optional coverage.

(c) Mailing with notice permitted.- A statement required to be sent by certificate of mailing under this section may be sent with the notice required under § 19-206 of this article.

(d) Effect of notice.- A statement provided under this section does not create a private right of action.

[2006, ch. 388, § 2; 2007, ch. 576.]

Additional optional coverages are defined in Section 19-201(b) of the Insurance Article as follows:

- (b) Additional optional coverage.- "Additional optional coverage" means a coverage or service that covers the structures, contents, property, or activities on property that is available for purchase in connection with a standard homeowner's insurance policy.

Exhibit 4

§ 19-205. Annual summary statements.

(a) Summary statement of coverages and exclusions.-

- (1) An insurer shall provide a policyholder with an annual statement that summarizes the coverages and exclusions under the policy issued by the insurer.
- (2) The insurer's statement shall be clear and specific.
- (3) The insurer's statement shall state whether the coverages under the policy provide for replacement cost, actual cash value, or other method of loss payment for covered structures and contents.
- (4) The insurer's statement shall include a disclosure that states:
 - (i) the policyholder should read the policy for complete information on coverages and exclusions;
 - (ii) the policyholder should refer to the declarations page for a listing of coverages purchased;
 - (iii) the policyholder should communicate with the insurance producer or the insurer for any additional information regarding the scope of coverages in the policy;
 - (iv) the statement does not include additional optional coverage purchased by the policyholder, if any;
 - (v) the statement is not part of the policy or contract of insurance and does not create a private right of action;
 - (vi) all rights, duties, and obligations are controlled by the policy and contract of insurance; and
 - (vii) the standard homeowner's insurance policy does not cover losses from flood.

(b) Status of statement.- The statement under subsection (a) of this section:

- (1) is not part of the policy or contract of insurance; and

(2) does not create a private right of action.

(c) Regulations.- The Commissioner may adopt regulations to implement the provisions of this section.

[2006, ch. 388, § 2.]

Exhibit 5

§ 19-209. Underwriting standard in homeowner's insurance policy.

(a) Prohibition; exception; requirements.-

- (1) An insurer that issues a policy of homeowner's insurance may not adopt an underwriting standard that requires a deductible that exceeds 5% of the "Coverage A - Dwelling Limit" of the policy in the case of a hurricane or other storm, unless:
 - (i) the insurer has filed the underwriting standard for approval by the Commissioner; and
 - (ii) the Commissioner has approved the underwriting standard in writing.
- (2) The filing required by paragraph (1) of this subsection shall:
 - (i) be made at least 60 days before the insurer proposes to implement the underwriting standard in the State; and
 - (ii) include any information required by the Commissioner, including:
 1. a copy of the underwriting standard the insurer proposes to implement;
 2. the data relied on by the insurer in developing the underwriting standard; and
 3. the date on which the insurer intends to implement the underwriting standard.
- (3) An underwriting standard subject to this subsection may not take effect until 60 days after it is filed with the Commissioner.
- (4) During the initial 60-day waiting period, the Commissioner may extend the waiting period for an additional period, not to exceed 60 days, by written notice to the insurer that the Commissioner needs additional time for consideration of the filing.
- (5) A filing is deemed approved unless disapproved by the Commissioner during the waiting period or any extension of the waiting period.
- (6) If the Commissioner finds that compliance with paragraph (3) or (4) of this subsection would result in impairment of the insurer or a significant

- (7) An underwriting standard subject to this subsection shall comply with all applicable laws.
- (b) Applicability of deductible.- If an insurer has adopted an underwriting standard that requires a deductible equal to a percentage of the "Coverage A - Dwelling Limit" of the policy in the case of a hurricane or other storm, the deductible may only be applicable beginning at the time the National Hurricane Center of the National Weather Service issues a hurricane warning for any part of the State where the insured's home is located and ending 24 hours following the termination of the last hurricane warning issued for any part of the State in which the insured's home is located.
- (c) Annual statement.-
- (1) An insurer that has adopted an underwriting standard that requires a deductible equal to a percentage of the "Coverage A - Dwelling Limit" of the policy in the case of a hurricane or other storm shall provide a policyholder with an annual statement explaining the manner in which the deductible is applied.
- (2) The insurer shall send a copy of the form used to provide the notice required under paragraph (1) of this subsection to the Commissioner prior to its use.
- (d) Regulations.- The Commissioner may adopt regulations to implement the provisions of this section.

[2008, ch. 540.]

Exhibit 6

§ 19-210. Actuarially justified premium discount.

(a) Offering of discount.- An insurer shall offer at least one actuarially justified premium discount on a policy of homeowner's insurance to a policyholder who submits proof of improvements made to the insured premises as a means of mitigating loss from a hurricane or other storm.

(b) Mitigating loss.- Means of mitigating loss include:

(1) the installation of one or more of the following:

- (i) hurricane shutters;
- (ii) secondary water barrier;
- (iii) reinforced roof coverings;
- (iv) braced gable ends;
- (v) reinforced roof to wall connections;
- (vi) tie downs; and
- (vii) reinforced opening protections;

(1) repair or replacement of:

- (i) exterior doors, including garage doors;
- (ii) hurricane resistant trusses, studs, and other structural components; and
- (iii) repair or replacement of manufactured home piers, anchors, and tie down straps; and

(2) any mitigation effort that materially mitigates loss from a hurricane or other storm otherwise covered under the policy.

(c) Inspection of improvements.- Improvements made to the insured premises under this section shall be inspected by a contractor licensed by the Department of Labor, Licensing, and Regulation.

(d) Inspection of improvements - Verification; inspection certificate.-

- (1) An insurer shall be allowed to inspect the improvements that are the basis of a premium discount under this section.
 - (2) (i) Verification of improvements that are the basis of a premium discount under this section rests with the insurer.

(ii) An insurer may accept an inspection certificate issued by a governmental agency as verification of improvements that are the basis of a premium discount under this section.
- (e) Requirements of discount.- A premium discount offered under this section shall:
- (1) comply with the provisions of Title 11 of this article; and
 - (2) only be offered for improvements identified by the Commissioner as qualified mitigation actions made to the insured premises that may materially mitigate loss from a hurricane or other storm otherwise covered under the policy.
- (f) Annual statement.-
- (1) An insurer that offers a premium discount under this section shall provide a policyholder with an annual statement regarding the availability of the discount and the method of applying for the discount.
 - (2) The notice required under paragraph (1) of this subsection may be sent with the statement required under § 19-205 of this subtitle.
- (g) Regulations.- The Commissioner may adopt regulations to implement the provisions of this section.

[2008, ch. 540.]

Exhibit 7

Section 27-501 (n) of the Insurance Article states:

(n) Factors to be considered in mitigation.-

- (1) Subject to the requirements of this article, if an insurer considers claims history for the purposes of canceling or refusing to renew coverage, the insurer may consider the following factors in mitigation of the proposed decision without producing statistical validation:
 - (i) the severity of the losses;
 - (ii) the length of time that an insured has been a policyholder with the insurer;
 - (iii) loss mitigation of previous losses; and
 - (iv) the availability of a higher deductible for the particular policy and types of losses.
- (2) If an insurer considers claims history for purposes of canceling or refusing to renew coverage, the insurer shall disclose the practice to an insured at the inception of the policy and at each renewal.

Exhibit 8

ROBERT L. EHRLICH, JR.
Governor

MICHAEL S. STEELE
Lt. Governor

R. STEVEN ORR
Commissioner

JAMES V. MCMAHAN, III
Deputy Commissioner

P. RANDI JOHNSON
Associate Commissioner
Property and Casualty

525 St. Paul Place, Baltimore, Maryland 21202-2272
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1-800-492-6116 TTY: 1-800-735-2258

BULLETIN 06-21

To: All Property & Casualty Insurers

RE: HB 1261 Homeowner's Insurance – Summary of Coverages and Exclusions, Notice Regarding Flood Insurance, and Statement of Additional Optional Coverages

Date: October 6, 2006

The purpose of this Bulletin is to notify property and casualty insurers of the passage of House Bill 1261 (2006), which becomes effective January 1, 2007, and its impact on the Insurance Article. The Bill requires certain notices and statements to be provided to homeowner's insurance applicants or policyholders.

The statutes created by the Bill are directed at "homeowners insurance." It is the position of the Administration that these statutes are applicable to homeowners' policies, condominium owners' policies, townhome owners' policies, mobile homeowners' policies, renters' policies and non-commercial farmowners' policies.

19-205

The Bill creates a new section §19-205, which requires that, beginning on January 1, 2007, every insurer that issues or renews a homeowner's insurance policy in the State must provide the policyholder with an Annual Statement that summarizes the coverages and exclusions under the policy. The Annual Statement:

- Must be clear and specific;
- Must identify the method of loss payment for covered structures and personal property;
- Must include a disclosure that contains the elements listed in Section 19-205(a)(4)(i)-(vii) of the Insurance Article; and
- Must be sent with respect to all homeowners insurance policies issued, delivered or renewed after January 1, 2007.

19-206

The Bill creates a new section 19-206, which requires that an insurer or insurance producer that sells homeowners insurance in the State on or after January 1, 2007, to provide to an applicant for homeowner's insurance with a written notice that states that the standard homeowner's insurance policy does not provide coverage for flood.

This written statement must be provided to the applicant when the policy is "*initially purchased.*" In order to be considered timely, the written statement must either be delivered to the insured by the producer or sent to the insured via certificate of mailing on, before, or with the delivery or issuance of the policy – unless the policy application is completed over the telephone or over the internet. If the application is completed over the telephone, the written statement must be sent, via certificate of mailing¹, within seven (7) calendar days of the date of the application for coverage. If the application is completed over the internet, the insurer or insurance producer can comply with this section by sending the statement to the applicant prior to the submission of the application.

19-207

The Bill creates a new section 19-207, which requires an insurer or insurance producer that sells or negotiates a homeowners insurance policy in the State on or after January 1, 2007, to provide an applicant for homeowner's insurance with a written statement listing all of the additional optional coverages available to be purchased by the insured. The purpose of this written statement is intended to allow the consumer to make an informed choice regarding the types of coverage they wish to purchase. Thus, this written statement must be provided at the time of application. If the application is completed over the telephone, this written statement is to be sent, via certificate of mailing, within seven (7) calendar days of the date of the application for coverage. If the application is completed over the internet, the insurer or insurance producer can comply with this section by sending the statement to the applicant prior to the submission of the application.

Compliance With §§ 19-205, 19-206 and 19-207:

Due to the nature of the Annual Statement that summarizes the coverages and exclusions under the homeowner's policy, the Statement Regarding Flood Insurance and the Statement of Additional Optional Coverages, and their importance to Maryland consumers, the Commissioner is exercising his authority under the Insurance Article to require each insurer that issues or delivers policies of homeowners insurance in the State to submit copies of the Annual Statement forms that it intends to use to the Commissioner for review. Insurers should submit each form it will use with each

¹ The position of the Maryland Insurance Administration ("MIA") with respect to what is required by "certificate of mailing" is set forth in Bulletin 05-15.

product or policy form. These forms are to be submitted for review no later than December 1, 2006.

In order to assist insurers in complying with the requirements of these new sections, the Administration has prepared sample Annual Statements for the standard coverages and exclusions typically contained in policies written on homeowner's forms, as well as a sample flood disclosure notice and sample additional optional coverage statement forms as well. The samples include:

- Annual Summary of Homeowners Coverages and Exclusions (Sample A);
- Annual Summary for Condominium Unit Owners Coverages and Exclusions (Sample B);
- Annual Summary of Renters Policy Coverages and Exclusions (Sample C);
- Annual Summary of Mobile Homeowners Policy Coverages and Exclusions (Sample D);
- Statement Regarding Flood Insurance (Sample E); and
- Statement of Additional Optional Coverages Not Included in the Standard Policy" for homeowners (Sample F), for the condominium unit owner (Sample G), for the renters insurance (Sample H), and the mobile homeowners (Sample I) that the applicant or insured may purchase from the company.

Insurers may not rely solely on the Administration's samples and are required to make those adjustments that reflect variance in their policy forms. However, an insurer that is able to utilize the sample form as drafted and without alteration and elects to do so, need not submit the sample for to the Administration. Such an insurer need only submit to the Administration a letter that indicates its intent to utilize one or more of the forms.

Please note that HB 1261 and the Annual Statement of Coverages and Exclusions does NOT replace the required notice of COMAR 31.08.05.00 Title 31 MARYLAND INSURANCE ADMINISTRATION Subtitle 08 PROPERTY AND CASUALTY INSURANCE Chapter 05 Addition, Reduction, or Elimination in Coverage Notice Requirement.

Any questions or comments regarding this Bulletin and the Sample Statements should be addressed to Cathy Ruppel, Property & Casualty Unit, 410-468-2316 or cruppel@mdinsurance.state.md.us.

R. Steven Orr, Insurance Commissioner

By: _____
P. Randi Johnson
Associate Commissioner
Property & Casualty

Sample A
Annual Summary of Homeowner's Coverages
And Exclusions

This Annual Summary of your Homeowner's Coverages is to assist you by serving as an overview of the coverages and exclusions under your policy; it is not part of your policy; does not create a private right of action; and is not a substitute for your policy. This Summary is being provided for your general information only. You should read your policy for complete information on coverages and exclusions as all rights, duties and obligations are controlled by the policy and contract of insurance, not this Summary. This Summary outlines the usual coverages and exclusions contained in the policy form and does not include any optional coverages you may have purchased. If there is a conflict between this Summary and your policy, the language of your policy will control.

Please note: The Standard Homeowner's Insurance Policy does NOT cover losses from flood. Flood insurance may be purchased through the National Flood Insurance Program or other sources.

Summary of Coverages:

The two general types of coverage provided by your policy are 1) property coverage, also referred to as Section I coverage, and 2) liability coverage, also referred to as Section II coverage.

The Property Coverage portion of your policy covers losses resulting from damage to your residence and structures attached to your residence (Coverage A), it covers losses resulting from damage to other structures on your residence premises set apart from your residence (Coverage B), it covers losses to personal property owned by you or used by you subject to specific coverage limits based on the location and type of personal property (Coverage C), and it covers certain additional living expenses and the fair rental value of the part of your residence in which you live if a covered loss makes your residence not fit to live in (Coverage D).

The Liability Coverage portion of your policy protects you against claims and legal actions resulting from property damage or bodily injury to others as a result of an accident and for which you are legally liable (Coverage E), and medical expenses for bodily injury to others (Coverage F).

In addition to the basic property and liability coverage, your policy contains some additional coverages that are summarized below. Each property, liability and additional coverage is subject to the specific terms, conditions, exclusions, limits and deductibles set forth in your policy and the Declaration Page, which is the front page of your policy that provides a listing of all the coverages and limits of those coverages that you have purchased.

Property (Section I) Coverages:

Please refer to your policy for a description of the Loss Payment method.

Loss Settlement Basis: Losses for damage to covered structures and property will be settled as follows (checked boxes are applicable to your policy):

Coverage A - Dwelling Structure:

- Replacement Cost
- Actual Cash Value
- Other _____

Coverage B - Other Structures:

- Replacement Cost
- Actual Cash Value
- Other _____

Coverage C - Personal Property:

- Replacement Cost
- Actual Cash Value

Coverage D - Loss of Use:

- Actual Cash Value

Perils Insured Against:

- Fire or Lightning
- Windstorm or Hail
- Explosion
- Riot or Civil Commotion
- Aircraft
- Vehicles
- Smoke
- Vandalism or Malicious Mischief
- Theft
- Falling Objects
- Weight of Ice, Snow or Sleet
- Accidental Discharge or Overflow of Water or Steam
- Sudden and Accidental Tearing Apart, Cracking, Burning or Bulging
- Freezing
- Sudden and Accidental Damage from Artificially Generated Electrical Current
- Volcanic Eruption
- Any Other Peril Not Specifically Excluded (dwelling and other structures only)

Exclusions:

- Ordinance or Law
- Collapse
- Earth Movement
- Water Damage –Flood, surface water, waves, etc.
- Mold Remediation
- Power Failure
- Neglect
- War
- Nuclear Hazard
- Intentional Loss
- Governmental Action
- Other Exclusions as Listed Below:

Additional/Other Coverages:

- Debris Removal
- Reasonable Repairs
- Trees, Shrubs or Other Plants
- Fire Department Service Charge
- Property Removed
- Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money
- Collapse
- Glass or Safety Glazing Material
- Landlord's Furnishings
- Law and Ordinance
- Grave Markers
- Identity Theft
- Other Coverages as Listed Below:

Liability (Section II) Coverages:

Additional/Other Liability Coverages:

- Claim Expenses
- First Aid Expenses
- Damage to Property of Others
- Loss Assessment

Exclusions:

- Expected or Intended Injury

- Business
- Professional Services
- Motor Vehicles
- Watercraft
- Aircraft
- Communicable Diseases
- Sexual Molestation, Corporal Punishment or Physical or Mental Abuse
- Controlled Substance
- War

This Annual Summary of Homeowner's Coverages is just a summary of the coverages and exclusions under your policy. It is not an exhaustive list. Some claims may or may not be covered depending on the facts and circumstances surrounding the loss. You should read your policy for complete information regarding your coverage. The Declarations Page, the front page of your policy, will provide a listing of all the coverages and limits of those coverages that you have purchased. Should you have any questions regarding this summary, your policy, its coverages or the limits of coverage, you should contact your insurance producer or agent or your insurance company directly to discuss your policy with them.

(HO. ed. 10/06)

Sample B
Annual Summary of Condominium Unit Owner's Coverages And Exclusions

This Annual Summary of your Condominium Unit Owner's policy is to assist you by serving as an overview of the coverages and exclusions under your policy; it is not part of your policy; does not create a private right of action; and is not a substitute for your policy. This Summary is being provided for your general information only. You should read your policy for complete information on coverages and exclusions as all rights, duties and obligations are controlled by the policy and contract of insurance, not this Summary. This Summary outlines the usual coverages and exclusions contained in the policy form and does not include any optional coverages you may have purchased. If there is a conflict between this Summary and your policy, the language of your policy will control.

Please note: The Standard Condominium Owner's Insurance Policy does NOT cover losses from flood. Flood insurance may be purchased through the National Flood Insurance Program or other sources.

Summary of Coverages:

The two general types of coverage provided by your policy are 1) property coverage, also referred to as Section I coverage, and 2) liability coverage, also referred to as Section II coverage.

The Property Coverage portion of your policy covers losses resulting from damage to your unit (**Coverage A**), it covers losses resulting from damage to the alterations, appliances, fixtures and improvements contained within your unit; as well as items of real property which pertain exclusively to your unit or which is your responsibility under a corporation or association of property owners. It does not cover the land on which the unit is located. Your policy provides you with coverage for your personal property (**Coverage C**) which is losses to personal property owned by you or used by you subject to specific coverage limits based on the location and type of personal property. Your policy also covers certain additional living expenses and the fair rental value of the part of your unit in which you live if a covered loss makes your unit not fit to live in (**Coverage D**).

The Liability Coverage portion of your policy protects you against claims and legal actions resulting from property damage or bodily injury to others as a result of an accident and for which you are legally liable (**Coverage E**), and medical expenses for bodily injury to others (**Coverage F**).

In addition to the basic property and liability coverage, your policy contains some additional coverages that are summarized below. Each property, liability and additional coverage is subject to the specific terms, conditions, exclusions, limits and deductibles set forth in your policy and the Declaration Page, which is the front page of your policy

that provides a listing of all the coverages and limits of those coverages that you have purchased.

Property (Section I) Coverages:

Please refer to your policy for a definition of the Loss Payment method.

Loss Settlement Basis: Losses for damage to covered structures and property will be settled as follows (checked boxes are applicable to your policy):

Coverage A - Dwelling Structure:

- Replacement Cost
- Actual Cash Value
- Other _____

Coverage C - Personal Property:

- Replacement Cost
- Actual Cash Value

Coverage D - Loss of Use:

- Actual Cash Value

Perils Insured Against:

- Fire or Lightning
- Windstorm or Hail
- Explosion
- Riot or Civil Commotion
- Aircraft
- Vehicles
- Smoke
- Vandalism or Malicious Mischief
- Theft
- Falling Objects
- Weight of Ice, Snow or Sleet
- Accidental Discharge or Overflow of Water or Steam
- Sudden and Accidental Tearing Apart, Cracking, Busting or Bulging
- Freezing
- Sudden and Accidental Damage from Artificially Generated Electrical Current
- Volcanic Eruption
- Any Other Peril Not Specifically Excluded (dwelling coverage only)

Exclusions:

- Ordinance or Law
- Earth Movement
- Water Damage –Flood, surface water, waves, etc.
- Power Failure

- Neglect
- War
- Nuclear Hazard
- Intentional Loss
- Other Exclusions as Listed Below:

Additional/Other Coverages:

- Debris Removal
- Reasonable Repairs
- Trees, Shrubs or Other Plants
- Fire Department Service Charge
- Property Removed
- Credit Card, Fund Transfer Card, Forgery and Counterfeit Money
- Loss Assessment
- Collapse
- Glass or Safety Glazing Material
- Other Coverages as Listed Below:

Liability (Section II) Coverages:

Additional/Other Liability Coverages:

- Claim Expenses
- First Aid Expenses
- Damage to Property of Others
- Loss Assessment

Exclusions:

- Expected or Intended Injury
- Business
- Professional Service
- Rental
- Motor Vehicles
- Watercraft
- Aircraft
- Communicable Diseases
- Sexual Molestation, Corporal Punishment or Physical or Mental Abuse
- Controlled Substance

This Annual Summary of Unit Owner's Coverages is just a summary of the coverages and exclusions under your policy. It is not an exhaustive list. Some claims may or may not be covered depending on the facts and circumstances surrounding the loss. You should read your policy for complete information regarding your coverage. The Declarations Page, the front page of your policy, will provide a listing of all the coverages and limits of those coverages that you have purchased. Should you have any questions regarding this summary, your policy, its coverages or the limits of coverage, you should contact your insurance producer or agent or your insurance company directly to discuss your policy with them.

(UO. ed. 10/06)

Sample C
Annual Summary of Renter's Coverages
And Exclusions

This Annual Summary of your Renter's policy is to assist you by serving as an overview of the coverages and exclusions under your policy; it is not part of your policy; does not create a private right of action; and is not a substitute for your policy. This Summary is being provided for your general information only. You should read your policy for complete information on coverages and exclusions as all rights, duties and obligations are controlled by the policy and contract of insurance, not this Summary. This Summary outlines the usual coverages and exclusions contained in the policy form and does not include any optional coverages you may have purchased. If there is a conflict between this Summary and your policy, the language of your policy will control.

Please note: The Standard Renter's Insurance Policy does NOT cover losses from flood. Flood insurance may be purchased through the National Flood Insurance Program or other sources.

Summary of Coverages:

The two general types of coverage provided by your policy are 1) property coverage, also referred to as Section I coverage, and 2) liability coverage, also referred to as Section II coverage.

The Property Coverage portion of your policy covers losses to your personal property (Coverage C) which is losses to personal property owned by you or used by you subject to specific coverage limits based on the location and type of personal property. Your policy also covers certain additional living expenses and the fair rental value of the part of your unit in which you live if a covered loss makes your unit not fit to live in (Coverage D).

The Liability Coverage portion of your policy protects you against claims and legal actions resulting from property damage or bodily injury to others as a result of an accident and for which you are legally liable (Coverage E), and medical expenses for bodily injury to others (Coverage F).

In addition to the basic property and liability coverage, your policy contains some additional coverages that are summarized below. Each property, liability and additional coverage is subject to the specific terms, conditions, exclusions, limits and deductibles set forth in your policy and the Declaration Page, which is the front page of your policy that provides a listing of all the coverages and limits of those coverages that you have purchased.

Property (Section I) Coverages:

Please refer to your policy for a definition of the Loss Payment method.

Loss Settlement Basis: Losses for damage to covered structures and property will be settled as follows (checked boxes are applicable to your policy):

Coverage C - Personal Property:

- Replacement Cost
- Actual Cash Value
- Other _____

Coverage D - Loss of Use:

- Actual Cash Value

Perils Insured Against:

- Fire or Lightning
- Windstorm or Hail
- Explosion
- Riot or Civil Commotion
- Aircraft
- Vehicles
- Smoke
- Vandalism or Malicious Mischief
- Theft
- Falling Objects
- Weight of Ice, Snow or Sleet
- Accidental Discharge or Overflow of Water or Steam
- Sudden and Accidental Tearing Apart, Cracking, Busting or Bulging
- Freezing
- Sudden and Accidental Damage from Artificially Generated Electrical Current
- Volcanic Eruption

Exclusions:

- Ordinance or Law
- Earth Movement
- Water Damage –Flood, surface water, waves, etc.
- Power Failure
- Neglect
- War
- Nuclear Hazard
- Intentional Loss
- Other Exclusions as Listed Below:

Additional/Other Coverages:

- Debris Removal

- Reasonable Repairs
 - Trees, Shrubs or Other Plants
 - Fire Department Service Charge
 - Property Removed
 - Credit Card, Fund Transfer Card, Forgery and Counterfeit Money
 - Loss Assessment
 - Collapse
 - Glass or Safety Glazing Material
 - Building Additions and Alterations
 - Other Coverages as Listed Below:
-

Liability (Section II) Coverages:

Additional/Other Liability Coverages:

- Claim Expenses
- First Aid Expenses
- Damage to Property of Others
- Loss Assessment

Exclusions:

- Expected or Intended Injury
- Business
- Professional Service
- Rental
- Motor Vehicles
- Watercraft
- Aircraft
- Communicable Diseases
- Sexual Molestation, Corporal Punishment or Physical or Mental Abuse
- Controlled Substance
- Pollution

This Annual Summary of Renter's Coverages is just a summary of the coverages and exclusions under your policy. It is not an exhaustive list. Some claims may or may not be covered depending on the facts and circumstances surrounding the loss. You should read your policy for complete information regarding your coverage. The Declarations Page, the front page of your policy, will provide a listing of all the coverages and limits of those coverages that you have purchased. Should you have any questions regarding this summary, your policy, its coverages or the limits of coverage, you should contact your insurance producer or agent or your insurance company directly to discuss your policy with them.

(R. ed. 10/06)

Sample D
Annual Summary of Mobile Homeowner's Coverages
And Exclusions

This Annual Summary of your Mobile Homeowner's Coverages is to assist you by serving as an overview of the coverages and exclusions under your policy; it is not part of your policy; does not create a private right of action; and is not a substitute for your policy. This Summary is being provided for your general information only. You should read your policy for complete information on coverages and exclusions as all rights, duties and obligations are controlled by the policy and contract of insurance, not this Summary. This Summary outlines the usual coverages and exclusions contained in the policy form and does not include any optional coverages you may have purchased. If there is a conflict between this Summary and your policy, the language of your policy will control.

Please note: The Standard Mobile Homeowner's Insurance Policy does NOT cover losses from flood. Flood insurance may be purchased through the National Flood Insurance Program or other sources.

Summary of Coverages:

The two general types of coverage provided by your policy are 1) property coverage, also referred to as Section I coverage, and 2) liability coverage, also referred to as Section II coverage.

The Property Coverage portion of your policy covers losses resulting from damage to your residence and structures attached to your residence (Coverage A), it covers losses resulting from damage to other structures on your residence premises set apart from your residence (Coverage B), it covers losses to personal property owned by you or used by you subject to specific coverage limits based on the location and type of personal property (Coverage C), and it covers certain additional living expenses and the fair rental value of the part of your residence in which you live if a covered loss makes your residence not fit to live in (Coverage D).

The Liability Coverage portion of your policy protects you against claims and legal actions resulting from property damage or bodily injury to others as a result of an accident and for which you are legally liable (Coverage E), and medical expenses for bodily injury to others (Coverage F).

In addition to the basic property and liability coverage, your policy contains some additional coverages that are summarized below. Each property, liability and additional coverage is subject to the specific terms, conditions, exclusions, limits and deductibles set forth in your policy and the Declaration Page, which is the front page of your policy that provides a listing of all the coverages and limits of those coverages that you have purchased.

Property (Section I) Coverages:

Please refer to your policy for a definition of the Loss Payment method.

Loss Settlement Basis: Losses for damage to covered structures and property will be settled as follows (checked boxes are applicable to your policy):

Coverage A - Dwelling Structure:

- Replacement Cost
- Actual Cash Value
- Other _____

Coverage B - Other Structures:

- Replacement Cost
- Actual Cash Value
- Other _____

Coverage C - Personal Property:

- Replacement Cost
- Actual Cash Value

Coverage D - Loss of Use:

- Actual Cash Value

Perils Insured Against:

- All risks of direct, sudden and accidental physical loss to covered property unless the loss is excluded.

Exclusions:

- Defective or Improper manufacture
- Transit, Installation or Movement of your dwelling
- Wear and Tear or Lack of Maintenance
- Insects, Vermin, Rodents, Reptiles, Birds or Domestic animals
- Smoke
- Vandalism, Conversion or Concealment
- Freezing or Extremes of Temperature
- Freezing, Thawing or Weight of Water or Ice
- Seepage or Leakage from a Plumbing, Heating or Air Conditioning System, appliances or waterbeds
- Water Damage –Flood, surface water, waves, etc.
- Seepage or Leakage of Rain, Sleet, Ice or Snow
- Mysterious Disappearance
- Power Failure, Surge or Interruption
- Intentional Loss
- Ordinance or Law
- Theft of Building Material or Supplies

- Criminal Activities of the Insured
 - War
 - Motor Vehicle
 - Neglect
 - Settling, Cracking, Shrinking, Bulging or Expansion of Pavements, Patios, Foundations, Walls, floors, Roofs or Ceilings
 - Nuclear Hazard
 - Diminution in Value to Dwelling or Other Structures
 - Pollution
 - Earth Movement
 - Collapse
 - Governmental Action
 - Other Exclusions as Listed Below:
-
-

Additional/Other Coverages:

- Fire Department Service Charge
 - Reasonable Repairs
 - Trees, Shrubs, Plants and Lawn
 - Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money
 - Antenna and Satellite Dishes
 - Food Spoilage
 - Collapse
 - Other Coverages as Listed Below:
-
-

Liability (Section II) Coverages:

Additional/Other Liability Coverages:

- Claim Expenses
- First Aid Expenses
- Damage to Property of Others
- Loss Assessment

Exclusions:

- Intentional Acts
- Criminal Acts
- Business
- Professional Services
- Motor Vehicles
- Watercraft
- Aircraft

- War
- Defective or Improper manufacture
- Communicable Diseases
- Sexual Molestation, Assault, Abuse, Incest or Rape
- Controlled Substance
- Pollution
- Governmental Action
- Corporal Punishment or Physical or Mental Abuse

This Annual Summary of Mobile Homeowner's Coverages is just a summary of the coverages and exclusions under your policy. It is not an exhaustive list. Some claims may or may not be covered depending on the facts and circumstances surrounding the loss. You should read your policy for complete information regarding your coverage. The Declarations Page, the front page of your policy, will provide a listing of all the coverages and limits of those coverages that you have purchased. Should you have any questions regarding this summary, your policy, its coverages or the limits of coverage, you should contact your insurance producer or agent or your insurance company directly to discuss your policy with them.

(MHO. ed. 10/06)

Sample E
Statement Regarding Flood Insurance

Please Note: This policy does NOT cover losses from flood.

Generally, the standard homeowner's insurance policy does not provide coverage for flooding, surface water that enters the home or rising water. However, coverage for these types of losses may be available through the Federal Government's National Flood Insurance Program ("NFIP") or through other sources.

You can obtain information about the National Flood Insurance Program by contacting your insurance company or your insurance agent or by going on the internet to www.FLOODSMART.GOV or by calling 1-800-427-4661. Here are some important facts you should know:

- Flood insurance policies are available for any home located in a community that is a participant in the NFIP.
- Some lenders, as a condition of your mortgage, will require that you purchased flood insurance. You should confirm with your mortgage lender or the NFIP, before settlement, if you are required to purchase flood insurance. Even if you are not required to purchase flood insurance, you should consider purchasing it as additional protection for your home.
- You do not have to be located in a special flood hazard area or be close to a body of water to experience flooding. The risk of flood is present for most homes as floods can be caused by storms, melting snow, heavy rains, dam failures or other causes.
- You must complete a separate application in order to purchase flood insurance; it is not part of your homeowner's insurance application.
- Flood insurance policies have two types of coverage: structural coverage for your home and the items that are permanently attached and contents coverage for your personal property within the home. Structure and contents coverages are purchased separately and carry separate deductibles.
- Generally, there is a thirty (30) day waiting period for a new flood insurance policy to become effective; although there are some exceptions to this general rule.
- As flood insurance through the NFIP is created by federal law, flood claims are adjusted and paid in a different manner than your homeowners' insurance claims.

(Flood. ed. 10/06)

Sample F
Statement of Additional Optional Coverages
Not Included in the Standard Homeowner's Insurance Policy

Your standard homeowner's insurance policy does not cover all risks. You may need to obtain additional insurance to cover loss or damage to your home, property, and the contents of your home or to cover the risks related to business or personal activities on your property.

In addition to the coverages that are part of the standard Homeowner's Insurance Policy, we offer the following additional coverages that you may choose to purchase:

1. Coverage for Water Damage – for losses that result from water backing up through sewers or drains.
2. Liability Coverage for Family Day Care providers – registered family day care providers can purchase liability coverage in the amount of at least \$300,000 to protect you against claims of bodily injury, property damage, or personal injury arising out of your activities as a day care provider.
3. (Insurer should list all additional coverages it sells to homeowners with a brief description of the coverage if the name of the endorsement is not self-explanatory.)

This statement provides a list of the types of additional insurance coverages that are available. Contact your insurance company, insurance producer or agent to discuss these optional coverages.

(AOC.HO. ed. 10/06)

Sample G
Statement of Additional Optional Coverages
Not Included in the Standard Condominium
Unit Owner's Insurance Policy

Your standard condominium unit owner's insurance policy does not cover all risks. You may need to obtain additional insurance to cover loss or damage to your unit, property, and the contents of your home or to cover the risks related to business or personal activities on your property.

In addition to the coverages that are part of the standard Condominium Unit Owner's Insurance Policy, we offer the following additional coverages that you may choose to purchase:

1. Coverage for Water Damage – for losses that result from water backing up through sewers or drains.
2. Liability Coverage for Family Day Care providers – registered family day care providers can purchase liability coverage in the amount of at least \$300,000 to protect you against claims of bodily injury, property damage, or personal injury arising out of your activities as a day care provider.
3. (Insurer should list all additional coverages it sells to condominium unit owners with a brief description of the coverage if the name of the endorsement is not self-explanatory.)

This statement provides a list of the types of additional insurance coverages that are available. Contact your insurance company, insurance producer or agent to discuss these optional coverages.

(AOC.UO. ed. 10/06)

Sample H
Statement of Additional Optional Coverages
Not Included in the Renter's Insurance Policy

Your standard renter's insurance policy does not cover all risks. You may need to obtain additional insurance to cover loss or damage to your personal property and your liability or to cover the risks related to business or personal activities on your property.

In addition to the coverages that are part of the standard Renter's Insurance Policy, we offer the following additional coverages that you may choose to purchase:

1. Coverage for Water Damage – for losses that result from water backing up through sewers or drains.
2. Liability Coverage for Family Day Care providers – registered family day care providers can purchase liability coverage in the amount of at least \$300,000 to protect you against claims of bodily injury, property damage, or personal injury arising out of your activities as a day care provider.
3. (Insurer should list all additional coverages it sells to renters with a brief description of the coverage if the name of the endorsement is not self-explanatory.)

This statement provides a list of the types of additional insurance coverages that are available. Contact your insurance company, insurance producer or agent to discuss these optional coverages.

(AOC.R. ed. 10/06)

Sample I
Statement of Additional Optional Coverages
Not Included in the Mobile Homeowner's
Insurance Policy

Your standard mobile homeowner's insurance policy does not cover all risks. You may need to obtain additional insurance to cover loss or damage to your dwelling, personal property, and your liability or to cover the risks related to business or personal activities on your property.

In addition to the coverages that are part of the standard mobile homeowner's Insurance Policy, we offer the following additional coverages that you may choose to purchase:

4. Coverage for Water Damage – for losses that result from water backing up through sewers or drains.
5. Liability Coverage for Family Day Care providers – registered family day care providers can purchase liability coverage in the amount of at least \$300,000 to protect you against claims of bodily injury, property damage, or personal injury arising out of your activities as a day care provider.
6. (Insurer should list all additional coverages it sells to mobile homeowners with a brief description of the coverage if the name of the endorsement is not self-explanatory.)

This statement provides a list of the types of additional insurance coverages that are available. Contact your insurance company, insurance producer or insurance agent to discuss these optional coverages.

(AOC.MHO. ed. 10/06)

Annual Summary of Homeowner's Coverages and Exclusions

This Annual Summary of your Homeowner's Coverages is to assist you by serving as an overview of the coverages and exclusions under your policy; it is not part of your policy; does not create a private right of action; and is not a substitute for your policy. This Summary is being provided for your general information only. You should read your policy for complete information on coverages and exclusions as all rights, duties and obligations are controlled by the policy and contract of insurance, not this Summary. This Summary outlines the usual coverages and exclusions contained in the policy form and does not include any optional coverages you may have purchased. If there is a conflict between this Summary and your policy, the language of your policy will control.

Please note: The Standard Homeowner's Insurance Policy does NOT cover losses from flood. Flood insurance may be purchased through the National Flood Insurance Program or other sources.

Summary of Coverages:

The two general types of coverage provided by your policy are 1) property coverage, also referred to as Section I coverage, and 2) liability coverage, also referred to as Section II coverage.

The Property Coverage portion of your policy covers losses resulting from damage to your residence and structures attached to your residence (**Coverage A**), it covers losses resulting from damage to other structures on your residence premises set apart from your residence (**Coverage B**), it covers losses to personal property owned by you or used by you subject to specific coverage limits based on the location and type of personal property (**Coverage C**), and it covers certain additional living expenses and the fair rental value of the part of your residence in which you live if a covered loss makes your residence not fit to live in (**Coverage D**).

The Liability Coverage portion of your policy protects you against claims and legal actions resulting from property damage or bodily injury to others as a result of an accident and for which you are legally liable (**Coverage E**), and medical expenses for bodily injury to others (**Coverage F**).

In addition to the basic property and liability coverage, your policy contains some additional coverages that are summarized below. Each property, liability and additional coverage is subject to the specific terms, conditions, exclusions, limits and deductibles set forth in your policy and the Declaration Page, which is the front page of your policy that provides a listing of all the coverages and limits of those coverages that you have purchased.

Property (Section I) Coverages:

Please refer to your policy for a description of the **Loss Payment** method.

Loss Settlement Basis: Losses for damage to covered structures and property will be settled as follows (checked boxes are applicable to your policy).

Coverage A - Dwelling Structure:

- Replacement Cost
- Actual Cash Value
- Other _____

Coverage B - Other Structures:

- Replacement Cost
- Actual Cash Value
- Other

Coverage C - Personal Property:

- Replacement Cost
- Actual Cash Value

Coverage D - Loss of Use:

- Actual Cash Value

Perils Insured Against:

- Fire or Lightning
- Windstorm or Hail
- Explosion
- Riot or Civil Commotion
- Aircraft
- Vehicles
- Smoke
- Vandalism or Malicious Mischief
- Theft
- Falling Objects
- Weight of Ice, Snow or Sleet
- Accidental Discharge or Overflow of Water or Steam
- Sudden and Accidental Tearing Apart, Cracking, Burning or Bulging
- Freezing
- Sudden and Accidental Damage from Artificially Generated Electrical Current
- Volcanic Eruption
- Any Other Peril Not Specifically Excluded (dwelling and other structures only)

Exclusions:

- Ordinance or Law
 - Collapse
 - Earth Movement
 - Water Damage -Flood, surface water, waves, etc.
 - Mold Remediation
 - Power Failure
 - Neglect
 - War
 - Nuclear Hazard
 - Intentional Loss
 - Governmental Action
 - Other Exclusions as Listed Below:
"Fungi", Wet or Dry Rot, Viruses, Bacteria or Pathogenic Organisms
-
-

Additional/Other Coverages:

- Debris Removal
 - Reasonable Repairs
 - Trees, Shrubs or Other Plants
 - Fire Department Service Charge
 - Property Removed
 - Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money
 - Collapse
 - Glass or Safety Glazing Material
 - Landlord's Furnishings
 - Law and Ordinance
 - Grave Markers
 - Identity Theft
 - Other Coverages as Listed Below:
-
-
-

Liability (Section II) Coverages:

Additional/Other Liability Coverages:

- Claim Expenses
- First Aid Expenses
- Damage to Property of Others
- Loss Assessment

Exclusions:

- Expected or Intended Injury
- Business
- Professional Services
- Motor Vehicles
- Watercraft
- Aircraft
- Communicable Diseases
- Sexual Molestation, Corporal Punishment or Physical or Mental Abuse
- Controlled Substance
- War

This Annual Summary of Homeowner's Coverages is just a summary of the coverages and exclusions under your policy. It is not an exhaustive list. Some claims may or may not be covered depending on the facts and circumstances surrounding the loss. You should read your policy for complete information regarding your coverage. The Declarations Page, the front page of your policy, will provide a listing of all the coverages and limits of those coverages that you have purchased. Should you have any questions regarding this summary, your policy, its coverages or the limits of coverage, you should contact your insurance producer or your insurance agent or your insurance company directly to discuss your policy with them.

Annual Summary of Homeowners Coverages

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Please note: The standard homeowner's insurance Policy does NOT cover losses from flood. Flood insurance may be purchased through the National Flood Insurance Program or other sources.

Summary of coverages:

The two general types of coverage provided by your policy are 1) property coverage, also referred to as Section I coverage, and 2) liability coverage, also referred to as Section II coverage.

Homeowner

The property coverage portion of your policy covers losses resulting from damage to your residence and structures attached to your residence (Coverage A), it covers losses resulting from damage to other structures on your residence premises set apart from your residence (Coverage B).

Condominium Unit Owner

For Condominium unit owner's coverage, the property coverage portion of your policy covers losses resulting from damage to your unit (Coverage A), it covers losses resulting from damage to the alterations, appliances, fixtures and improvements contained within your unit, as well as items of real property which pertain exclusively to your unit or which are your responsibility under a corporation or association of property owners. It does not cover the land on which the unit is located.

Homeowner and Condominium Unit Owner

The property portion coverage portion also covers losses to personal property owned by you or used by you subject to specific coverage limits based on the location and type of personal property (Coverage C), and it covers certain additional living expenses of the part of your residence in which you live if a covered loss makes your residence not fit to live in (Coverage D).

The liability coverage portion of your policy protects you against claims and legal actions resulting from property damage or bodily injury to others as a result of an accident and for which you are legally liable (Coverage E), and medical expenses for bodily injury to others (Coverage F).

In addition to the basic property and liability coverage, your policy contains some additional coverages that are summarized below. Each property, liability and additional coverage is subject to the specific terms, conditions, exclusions, limits and deductibles set forth in your policy and in the Declaration page, which is the front page of your policy that provides a listing of all the coverages and limits of those coverages that you have purchased.

Property Coverages (Section I):

Dwelling Structure-Coverage A (Dwelling or Condominium Building Items)
Loss Settlement Basis: Replacement Cost
Other Structures-Coverage B
Loss Settlement Basis:
Note: Other structures that are buildings are settled at Replacement Cost, and other structures that are not buildings are settled at Actual Cash Value. For Condominium Unit Owners policies, Other Structures Coverage B are covered under Dwelling Structure Coverage A.
Personal Property-Coverage C
Loss Settlement Basis: REPLACEMENT COST
Loss of Use-Coverage D
Loss Settlement Basis: Actual expenses incurred

Perils Insured Against	
Fire or Lightning	Windstorm or Hail
Explosion	Riot or Civil Commotion
Aircraft	Vehicles
Smoke	Vandalism or Malicious Mischief
Theft	Falling Objects
Weight of Ice, Snow or Sleet	Accidental Discharge or Overflow of Water or Steam
Sudden and Accidental Tearing Apart, Cracking, Burning or Bulging	Freezing
Sudden and Accidental Damage from Artificially Generated Electrical Current	Volcanic Eruption
Any Other Peril Not Specifically Excluded DOES NOT APPLY (Dwelling or Condominium Building Items and Other Structures only)	

Special limits and loss settlement exceptions may apply to certain items. Refer to your policy for details.

Exclusions	
Ordinance or Law	Earth Movement
Water Damage – Flood, surface water, waves, etc. NOT including sewer and drain back up if purchased as an additional coverage.	Power Failure
Mold Remediation – Limited to \$15,000	Neglect
War	Nuclear Hazard
Intentional Loss	Governmental Action

Property - Additional/Other Coverages	
Debris Removal	Reasonable Repairs
Trees, Shrubs or Other Plants	Fire Department Service Charge
Property Removed	Credit Card, Fund Transfer Card, Forgery Counterfeit Money
Identity and Financial Fraud	Collapse
Loss Assessment	Refrigerated Products
Lock Replacement	Glass or Safety Glazing Material
Land	Building Ordinance or Law
Landlord's Furnishings	Mold – Remediation coverage in the amount of \$15,000
Temporary Living Expense	

Liability Coverages (Section II):

Additional/Other Liability Coverages	
Claim Expenses	First Aid Expenses
Damage to Property of Others	Loss Assessment
Exclusions	
Expected or Intended Injury	Professional Services
War	Communicable Diseases
Controlled Substance	

This annual summary of homeowners coverages is just an overview of the coverages and exclusions under your policy. It is not an exhaustive list. Some claims may or may not be covered depending on the facts and circumstances surrounding the loss. You should read your policy for complete information regarding your coverage. The Declarations page, the front page of your policy, will provide a listing of the coverages that you have purchased. Should you have any questions regarding your coverages or the limits of coverage, you should contact a member service representative at (800) 531-8111 to discuss the details of your policy.

Exhibit 11

§ 19-202. Coverage for water damage.

- (a) In general.- An insurer that issues, sells, or delivers a homeowner's insurance policy shall at time of application and renewal offer in writing to provide coverage for loss that:
 - (1) is caused by or results from water that backs up through sewers or drains;
and
 - (2) is not caused by the negligence of the insured.
- (b) telephone renewals.- If an application or renewal is made by telephone, the insurer is deemed to be in compliance with subsection (a) of this section if, within 7 calendar days after the date of application or renewal, the insurer sends by certificate of mailing the offer to the applicant or insured.
- (c) Internet renewals.- If an application or renewal is made using the Internet, the insurer is deemed to be in compliance with subsection (a) of this section if the insurer provides the offer to the applicant or insured prior to submission of the application or renewal.

[An. Code 1957, art. 48A, § 4781/2; 1996, ch. 11; 2006, ch. 388, § 1; 2008, ch. 72.]

Summary of the States’ Responses to the Survey

Note: This list is not comprehensive, but reflects the information provided by those states that responded to the MIA’s survey through the NAIC Consumer Assistance Bulletin Board. The numbers 1 through 6 correspond to the questions we posed to the other states, which were:

The MD Insurance Administration is inquiring of other states what, if any, statutes or regulations it may have with respect to HO insurance and coverage for water losses; specifically, does your state:

1. Mandate coverage or the offer of coverage for any type of “water” loss(s)? If so, which types? Please provide a statutory citation.
2. Require an applicant or insured to receive a homeowners “Annual Summary of Coverages and Exclusions” or homeowners “Bill of Rights?” If so, please provide a statutory citation and/or a copy of the document.
3. Require insurers to notify applicants or policy holders that the policy does not provide coverage for losses due to flooding? If so, please provide a statutory citation and/or a copy of the required language.
4. Differentiate coverage for water losses depending on whether the source of the water is domestic or natural (including flood, surface, subsurface or tidal)?
5. Require coverage for water losses due to sewer lines breaking? If so, is it of significance where the breakage occurs; that being on the insured property or off the insured property?
6. Require the insurance department to publicize information through brochures, bulletins, alerts, etc. regarding homeowners insurance coverage or policies issued in the state?

STATE	1	2	3	4	5	6
Alabama						
Alaska						
Arizona	No	No	No	No	No	Not required; has info
Arkansas						
California						

STATE	1	2	3	4	5	6
Colorado	No	Yes; Section 10-4-111 C.R.S. and Bulletin B-5.15	Yes, in the Summary	No	No	Not required; has info
Connecticut						
Delaware						
District of Columbia						
Florida						
Georgia						
Hawaii						
Idaho	No	No	No	No	No	No
Illinois	No	No	No	“policy language”	No	No
Indiana	No	No	Yes, IC 27-7-13-2	No	No	No
Iowa						
Kansas						
Kentucky	No	No	No	No	No	No
Louisiana	No	Yes; LDI Bulletin No. 09-08	Yes; LDI Bulletin No. 09-08	No	No	Not required; has info
Maine						
Maryland						
Massachusetts	No	No	No	No	No	No
Michigan						
Minnesota						
Mississippi						
Missouri						
Montana						
Nebraska						
Nevada						
New Hampshire						
New Jersey						
New Mexico						
New York	No	Yes; Part 62-1.1 of Title 11 of NYCRR	Yes; Section 3444 of NYS Ins Law	No	No	Not required; has

STATE	1	2	3	4	5	6
North Carolina						
North Dakota	No	No	No	No	No	Not required; has
Ohio						
Oklahoma						
Oregon	No	No	No	No	No	Not required; has
Pennsylvania						
Rhode Island	No	No, only notice of "material change"	Yes; RIGL Section 27-5-3.6	No	No	No
South Carolina						
South Dakota	No	No	No	No	No	No
Tennessee						
Texas	No	Yes; TIC Section 501.156 and TX Admn Code, Section 5.9970	No	May	No	Yes; Section 32.102 of the Insurance Code
Utah						
Vermont						
Virginia						
Washington						
West Virginia	No	No	Yes; WV Code 33-17-6a	No	No	No
Wisconsin						
Wyoming	No	No	No	No	No	No

Exhibit 13

Group Name	Market Share (%)	ISO (Y/N)?	Policies Reviewed	Coverage A & B Off Premises H ₂ O Exclusion	Coverage A & B Off Premises H ₂ O Coverage	Coverage C Off Premises H ₂ O Exclusion	Coverage C Off Premises H ₂ O Coverage	Coverage A & B Water/Sewer Backup Exclusion	Coverage A & B Water/Sewer Backup Coverage	Coverage C Water/Sewer Backup Exclusion	Coverage C Water/Sewer Backup Coverage
1. State Farm	21.2	N	HO3, HO4, HO6	HO3, HO6		HO3, HO4, HO6		HO3, HO6		HO3, HO4, HO6	
2. Allstate	15.7	N	Deluxe, DeluxePlus Deluxe Select Value Select Value, Renters, Condo (Note: This reflects only Allstate's policies. Encompasses is using modified 1990 ISO policies; therefore, everything is excluded from coverage.)	Deluxe, DeluxePlus Deluxe Select Value Select Value, Condo		Deluxe, DeluxePlus Deluxe Select Value Select Value, Renters, Condo		Deluxe, DeluxePlus Deluxe Select Value Select Value, Condo		Deluxe, DeluxePlus Deluxe Select Value Select Value, Renters, Condo	
3. Travelers	13.0	Y/N	HO2 Named Peril, HO3 High Value, HO3, HO4 Apt Renters, HO4 Broad Form, HO6 High Value, HO6	HO2 Named Peril, HO3 High Value, HO3, HO6 High Value, HO6		HO2 Named Peril, HO3 High Value, HO3, HO4 Apt Renters, HO4 Broad Form, HO6 High Value, HO6		HO2 Named Peril, HO3, HO6	HO3 High Value, HO6 High Value	HO2 Named Peril, HO3, HO4 Apt Renters, HO4 Broad Form, HO6	HO3 High Value, HO6 High Value
4. Nationwide	10.8	Y/N	Homeowners, Tenants, Condominium, Comprehensive Condominium	Homeowners, Condominium, Comprehensive Condominium		Homeowners, Condominium, Comprehensive Condominium		Homeowners, Condominium, Comprehensive Condominium		Homeowners, Tenants, Condominium, Comprehensive Condominium	
5. Erie	7.7	Y/N	Ultra Cover, Extra Cover, Broad Cover, Tenant Cover, Condominium Cover	Ultra Cover, Extra Cover, Broad Cover, Condominium Cover		Ultra Cover, Extra Cover, Broad Cover, Tenant Cover, Condominium Cover		Ultra Cover, Extra Cover, Broad Cover, Condominium Cover		Ultra Cover, Extra Cover, Broad Cover, Tenant Cover, Condominium Cover	
6. USAA	6.6	Y/N	HO3 Preferred Policy, HO3 Special Form, HO6	HO3 Preferred Policy, HO3 Special Form, HO6		HO3 Preferred Policy, HO3 Special Form, HO6		HO3 Preferred Policy, HO3 Special Form, HO6		HO3 Preferred Policy, HO3 Special Form, HO6	
7. Liberty Mutual	5.7	Y/N	Safeco HO3 (not ISO), Montgomery Mutual (1990- ISO), Ohio Casualty (1999- ISO), Liberty Mutual (1999-ISO)	Safeco HO3 (not ISO), Montgomery Mutual (1990- ISO),	Ohio Casualty (1999- ISO), Liberty Mutual (1999-ISO)	Safeco HO3 (not ISO), Montgomery Mutual (1990-ISO), Ohio Casualty (1999-ISO), Liberty Mutual (1999- ISO)		Safeco HO3 (not ISO), Montgomery Mutual (1990- ISO), Ohio Casualty (1999- ISO), Liberty Mutual (1999-ISO)		Safeco HO3 (not ISO), Montgomery Mutual (1990- ISO), Ohio Casualty (1999- ISO), Liberty Mutual (1999-ISO)	
8. Chubb	2.1	N	Masterpiece Policy	Masterpiece Policy		Masterpiece Policy		Masterpiece Policy		Masterpiece Policy	

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9. Allianz	1.8	Y/N	Prestige Premier (not ISO), Prestige (not ISO), HO3 (1990- ISO), HO4 (1990-ISO), HO6 (1990-ISO)	HO3 (1990-ISO), HO6 (1990- ISO)	Prestige Premier (not ISO), Prestige (not ISO)	Prestige (not ISO), HO3 (1990- ISO), HO4 (1990-ISO), HO6 (1990- ISO)	Prestige Premier (not ISO)	Prestige (not ISO), HO3 (1990- ISO), HO6 (1990-ISO)	Prestige Premier (not ISO)	Prestige (not ISO), HO3 (1990- ISO), HO4 (1990-ISO), HO6 (1990-ISO)	Prestige Premier (not ISO)
10. Zurich	1.8	Y	Empire Fire & Marine/F &D: HO3 (1999-ISO), HO6 (1999- ISO); Farmers Insurance/Truck Insurance Exchange: HO3 (1990-ISO), HO3 (1999-ISO), HO4 (1990-ISO), HO6 (1990- ISO)	Empire Fire & Marine/F &D: HO6 (1999-ISO); Farmers Insurance/Truck Insurance Exchange: HO3 (1990-ISO), HO6 (1990-ISO)	Empire Fire & Marine/F &D: HO3 (1999-ISO); Farmers Insurance/Truck Insurance HO3 (1999-ISO)	Empire Fire & Marine/F &D: HO3 (1999-ISO), HO6 (1999-ISO); Farmers Insurance/Truck Insurance Exchange: HO3 (1990- ISO), HO3 (1999-ISO), HO4 (1990 ISO), HO6 (1990-ISO)		Empire Fire & Marine/F &D: HO3 (1999-ISO), HO6 (1999-ISO); Farmers Insurance/Truck Insurance Exchange: HO3 (1990 ISO), HO3 (1999-ISO), HO6 (1990-ISO)		Empire Fire & Marine/F &D: HO3 (1999-ISO), HO6 (1999-ISO); Farmers Insurance/Truck Insurance Exchange: HO3 (1990 ISO), HO3 (1999-ISO), HO4 (1990-ISO), HO6 (1990-ISO)	
11. Hartford	1.5	Y	HO3 (1999-ISO)		HO3 (1999-ISO)	HO3 (1999-ISO)		HO3 (1999-ISO)		HO3 (1999-ISO)	
12. Brethren Mutual	1.3	Y	Brethren Preferred HO3 (1990- ISO), Brethren Elite HO5 (1999- ISO)	Brethren Preferred HO3 (1990- ISO)	Brethren Elite HO5 (1999-ISO)	Brethren Preferred HO3 (1990- ISO), Brethren Elite HO5 (1999- ISO)		Brethren Preferred HO3 (1990- ISO), Brethren Elite HO5 (1999- ISO)		Brethren Preferred HO3 (1990- ISO), Brethren Elite HO5 (1999- ISO)	
13. Metropolitan	0.9	Y	HO3 (1990-ISO)	HO3 (1990-ISO)		HO3 (1990-ISO)		HO3 (1990-ISO)		HO3 (1990-ISO)	
14. State Auto	0.9	Y	HO3, HO4, HO5, HO6 (1999- ISO)	HO6 (1999-ISO)	HO3, HO5, (1999-ISO)	HO3, HO4, HO6 (1999-ISO)	HO5 (1999-ISO)	HO3, HO4, HO5, HO6 (1999- ISO)		HO3, HO4, HO5, HO6 (1999- ISO)	
15. Donegal	0.8	Y	Peninsula: HO3 (1999-ISO)		Peninsula: HO3 (1999-ISO)	Peninsula: HO3 (1999-ISO)		Peninsula: HO3 (1999-ISO)		Peninsula: HO3 (1999-ISO)	
16. Unizin	0.8	Y	HO3, HO4, HO6 (1999-ISO)	HO6 (1999-ISO)	HO3 (1999-ISO)	HO3, HO4, HO6 (1999-ISO)		HO3,HO6 (1999-ISO)		HO3, HO4, HO6 (1999-ISO)	

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17. Frederick Mutual	0.7	Y	HO2, HO3, HO4, HO6 (1990-ISO)	HO2, HO3, HO6 (1990-ISO)		HO2, HO3, HO4, HO6 (1990-ISO)		HO2, HO3, HO6 (1990-ISO)		HO2, HO3, HO4, HO6 (1990-ISO)	
18. Allegheny	0.7	Y	Homesite Insurance Company of the Midwest HO3 (1990-ISO)	Homesite Insurance Company of the Midwest HO3 (1990-ISO)		Homesite Insurance Company of the Midwest HO3 (1990-ISO)		Homesite Insurance Company of the Midwest HO3 (1990-ISO)		Homesite Insurance Company of the Midwest HO3 (1990-ISO)	
19. Amica	0.6	Y	HO3, HO4, HO5, HO6 (1999-ISO)	HO6 (1999-ISO)	HO3,HO5 (1999-ISO)	HO3, HO4, HO6 (1999-ISO)	HO5 (1999-ISO)	HO3, HO5, HO6 (1999-ISO)		HO3, HO4, HO5, HO6 (1999-ISO)	
20. BankAmerica	0.5	Y	Balboa Insurance Company and MeritPlan Insurance Company HO3 (1990-ISO)	Balboa Insurance Company and MeritPlan Insurance Company HO3 (1990-ISO)		Balboa Insurance Company and MeritPlan Insurance Company HO3 (1990-ISO)		Balboa Insurance Company and MeritPlan Insurance Company HO3 (1990-ISO)		Balboa Insurance Company and MeritPlan Insurance Company HO3 (1990-ISO)	

