CHOOSING YOUR HOMEOWNERS INSURANCE POLICY

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A helpful guide when selecting homeowners insurance, including local rates and common questions.

Understanding Rates:

Insurance companies rate your home based on factors such as replacement costs, the city and/or county where you live, your claims history, your credit history, construction materials and local fire protection.

How to Find the Best Rate:

Shop for the company and agent that offer the best service for the best price. Compare prices. Different companies charge different rates. Get quotes from several companies before you buy. Make sure you understand what coverages and perils are included and that you're comparing equivalent policies.

Ask Your Agent the Following Questions:

- Am I in your lowest-priced company/tier? If not, why not?
- How can I get a better rate?
- What perils/coverage are excluded or limited in the policy?
- May I add the peril/coverage back into the policy?

Agents and Company Representatives:

Some agents may represent several companies, while some agents represent only a single company or company group. Some companies market their policies directly to consumers without using agents. To check as many companies' rates as possible, ask to see all the rates of all the companies the agent or company employee represents.

Before You Buy a Policy, Remember:

- In addition to costs, you should consider other important factors, such as the company's financial strengths and customer service.
- Never cancel your old policy until your new policy is effective. A policy becomes effective only when the insurer or its local agent binds coverage.
- Make certain you answer all questions on the application truthfully. Wrong information could cause an incorrect price quote or a denial or cancellation of coverage.

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DEPARTMENT
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Oklahoma City, OK 73112 | 1-800-522-0071
www.oid.ok.gov

Ways to Save Money

You can save money on your premiums by increasing your policy deductibles.

However, you'll have to pay more out of pocket if you have a claim.

If you are offered a policy with a large deductible, consider whether you can afford to pay the amount for each claim you file.

You may qualify for discounts on your rate but remember not all companies offer the same discounts.

Discounts that may be available include but are not limited to:

- Impact-resistant (hail-resistant) roofs
- Dead-bolt locks and/or certain other security measures
- Approved electronic burglar alarms
- Smoke alarms, sprinkler systems and/or other fire prevention systems
- Age of your home
- Heating, electrical and/or plumbing updates
- Companion policies such as your auto policy with same company
- Senior citizens
- Personal property identification marking
- Credit Score
- Continued Policy Renewals
- Claims Free Discount

Market Assistance Program:

If you are having problems finding homeowners insurance, you should contact the Oklahoma Market Assistance Program (OK-MAP). OK-MAP can connect you with insurance companies that may be willing to cover your home. For more information, call (405) 842-9883. Web address—www.mapsprogram.com.

Risks Not Covered:

Reading the Exclusionary Provisions is very important. Homeowners coverage does not include floods, earthquakes, back up of sewer and water, home businesses, home daycare, identity theft, nuclear accidents or war. Flood coverage can be purchased separately through the National Flood Insurance Program (NFIP). Ask your agent or carrier for more information or you may contact the NFIP at: 1-888-CALL-FLOOD or www.floodsmart.gov.

Claims:

A policyholder can contact their insurance company and ask about filing a claim or how to file a claim. Companies cannot increase the premium, cancel a policy or refuse to issue or renew a policy solely because a policyholder inquired about making a claim or requesting information about making a claim. For policies in effect for more than 45 days, companies may not cancel, refuse to renew or increase the premium, solely because a first claim is filed against the policy.

An insurance policy is intended to protect you from certain claims; however, it is not intended to offset minor claims or routine maintenance issues. Insurers may impose a surcharge or additional premium if you file multiple claims but companies are prohibited from surcharging for weather-related claims.

Cancellation and Non-Renewal:

There is a big difference between an insurance company canceling a policy and choosing not to renew it. Insurance companies can cancel a policy for the following reasons:

- You fail to pay the premium
- You have committed fraud or made serious misrepresentations on your application
- You willfully act in a way that increases any hazard that the policy insures against
- You violate any local fire, health, safety, building, or construction regulation or ordinance that increases hazards
- A change in the risk which substantially increases any hazard insured against
- The Commissioner determines that the continuation of the policy would place the insurer in violation of Oklahoma insurance laws
- The insured party is convicted of a crime having as one of its necessary elements an act increasing any hazard the policy insures against

Nonrenewal is a different matter. Either you or your insurance company can decide not to renew the policy when it expires. Companies shall give policyholders at least ten days notice prior to the date of cancellation and 30 days notice prior to the date of non-renewal. If you think the reason is unfair or want a further explanation, call the insurance company's consumer affairs division. If you don't get a satisfactory explanation, call the Oklahoma Insurance Department at 800-522-0071.

Additional Insurance Information

The National Association of Insurance Commissioners (NAIC) has a web site that provides consumer insurance information for those considering or buying insurance at **www.insureuonline.org**.

INEXPENSIVE HOMEOWNER ADD-ONS 3

Back Up of Sewer and Water Coverage:
This coverage is excluded from most homeowners policies but can be purchased as a rider. Coverage is provided for direct physical loss not caused by negligence of the insured caused by water or sewer that backs up through sewers or drains not caused by flood.
Cost: $5.98 to $111 for $5,000 coverage.

Child Care Liability Coverage:
This coverage provides personal liability for bodily injury and property damage arising out of a home day care service.
Cost: $42 to $104 for $100,000 coverage.
$62 to $152 for $500,000 coverage.

Credit Card, Fund Transfer card, Forgery and Counterfeit Money (Increased Limits):
This coverage provides increased limits for the legal obligation of an insured to pay because of the theft or unauthorized use of credit cards or electronic funds transfer cards, loss to an insured caused by forgery or alternation of their check and loss through acceptance of counterfeit money.
Cost: $2 to $5 for $5,000 coverage.

Earthquake Coverage:
This coverage is excluded in the policy but can often be puirchased as a rider by endorsement.
Cost: 6¢ to 35¢ per $1,000 of the dwelling limit.

Identity Fraud Expense Coverage:
This coverage is available to pay for expenses incurred as a result of identity fraud. Such expenses include the costs for notarizing fraud affidavits; certified mail sent to law enforcement, financial institutions and credit agencies; lost income resulting from time off work to meet with law enforcement or credit agencies; loan application fees for reapplying for a loan; and reasonable attorney fees incurred to defend lawsuits brought against the insured and to remove criminal or civil judgments.
Cost: $12 to $45 for $15,000 to $25,000 coverage.

Increased Medical Payments to Others:
This coverage, also known as first aide coverage, provides for increased limits for bodily injury to others. It does not cover the insured or person residing in the household.
Cost: $3 to $29 for $2,000 coverage.
$12 to $29 for $5,000 coverage.

Increased Personal Liability Limits:
This coverage provides for increased liability limits for bodily injury or property damages caused by an insured.
Cost: $9 to $96 for $300,000 coverage.
$13 to $140 for $500,000 coverage.

Personal Injury Coverage:
This coverage provides liability coverage for slander or libel, generally excluded in regular policy.
Cost: $4 to $50 for $100,000 to $300,000 coverage.

Personal Property Replacement Cost:
This coverage provides payment for losses to personal property at replacement cost rather than actual cash value.
Cost: 2% to 25% of base premium.

Refrigerated Property Coverage:
This coverage is available for property stored in freezers or refrigerators.
Cost: $3.06 to $12 for $500 coverage.

Special Personal Property Coverage:
This coverage provides personal property coverage against all risks with certain exceptions in lieu of named peril.
Cost: 5% to 40% of base premium.

Rate Comparison Chart

Keep These Basics in Mind. This guide lists annual rates for four typical homeowners policies. The companies listed are those with the largest market share in Oklahoma that responded to a department survey. The sample policies may not match your home exactly, but they provide a way to compare prices among companies.
The premiums in this guide are not the exact amounts you will be quoted. Your premium will vary according to your individual circumstances.
Be sure to read your policy carefully! Make certain you understand your coverage.

Companies were asked to provide rates for their standard Homeowners program for each of the four scenarios shown using the following assumptions:

1. Policy Form HO-3 without any other optional coverages, debits, credits, etc.
2. The dwelling amount would be considered to be 80% (some companies require minimum 90 to 100%) of the dwelling replacement value.
3. The rates are for the most favorable fire protection class in the city.
4. A replacement cost policy including replacement for composition roof surfacing.

The cities used in the scenario are Oklahoma City, Tulsa, Lawton and McAlester.

	SCENARIO 1	SCENARIO 2	SCENARIO 3	SCENARIO 4
Dwelling Amount	$50,000 $70,000***	$70,000 $100,000***	$100,000 $150,000***	$150,000 $200,000***
Deductible	$1,000	$1,000	$1,000	$1,000
Contents	$25,000 $35,000***	$35,000 $50,000***	$50,000 $75,000***	$75,000 $75,000***
Personal Liability	$100,000	$100,000	$100,000	$100,000
Medical Expenses	$1,000	$1,000	$1,000	$1,000

	OKC	OKC	OKC	OKC	OKC	OKC	OKC	OKC	TUL	TUL	TUL	TUL	TUL	TUL	TUL	TUL
	F1	F 2	F 3	F 4	M 1	M 2	M 3	M 4	F 1	F 2	F 3	F 4	M 1	M 2	M 3	M 4
ACA INS. CO. dba CSAA FIRE & CASUALTY INSURANCE CO.***	958	1070	1344	1632	892	993	1242	1505	793	886	1106	1334	737	824	1021	1235
ALLSTATE INSURANCE CO.	1067	1662	2495	3957	1099	1552	2330	3695	845	1318	1977	3134	791	1230	1847	2930
ALLSTATE INDEMNITY CO.	1795	2539	3890	6227	1680	2373	3630	5816	1534	2168	3308	5304	1434	2027	3087	4954
ALLSTATE PROPERTY & CASUALTY INSURANCE CO.	1841	2197	2746	3705	1807	2157	2695	3636	1467	1747	2179	2933	1440	1716	2138	2878
AMERICAN FARMERS & RANCHERS MUTUAL INS. CO. --HO-8	973	1217	1562	2303	876	1096	1406	2074	800	1002	1285	1895	721	901	1157	1707
AMERICAN NATIONAL PROPERTY & CASUALTY CO.	2840	3317	3924	5104	2654	3100	3666	4769	1943	2269	2684	3491	1815	2119	2507	3261
COUNTRY MUTUAL INSURANCE CO.	1069	1239	1700	2309	987	1140	1564	2124	792	919	1259	1711	731	846	1159	1574
FARMERS INSURANCE CO.	1341	1713	2549	3932	1339	1711	2549	3933	911	1161	1721	2638	909	1159	1721	2638
HANOVER INUSURANCE CO.	1706	1838	2193	3287	1536	1654	1974	2959	1204	1296	1547	2319	1083	1166	1392	2087
LIBERTY INSURANCE CORP.	2571	2752	2992	3561	2534	2712	2945	3503	2589	2774	3022	3606	2550	2728	2971	3543
METROPOLITAN PROPERTY & CASUALTY INS. CO.***	2124	2890	3946	5302	1933	2602	3565	4799	1258	1665	2220	3019	1144	1516	2008	2721
NORTH STAR MUTUAL INSURANCE CO.***	1637	1755	2228	2746	1473	1579	2003	2469	1559	1671	2121	2614	1403	1504	1907	2351
OKLAHOMA FARM BUREAU MUTUAL INSURANCE CO.***	2000	2716	3402	4224	1802	2446	3065	3807	1510	2050	2569	3190	1362	1848	2314	2874
PROPERTY & CASUALTY INS. CO. OF HARTFORD	1165	1467	2203	3138	1109	1396	2096	2984	984	1237	1854	2637	937	1177	1763	2507
SAFECO INSURANCE CO. OF AMERICA***	756	947	1420	1915	730	915	1373	1851	749	939	1408	1899	725	908	1363	1836
SHELTER MUTUAL INSURANCE CO.***	1744	2436	3511	4681	1659	2317	3339	4451	1380	1928	2779	3704	1315	1837	2647	3529
STATE FARM FIRE AND CASUALTY CO.	1912	2270	2766	3690	1683	1997	2434	3248	1288	1529	1864	2486	1133	1346	1640	2188
TRAVELERS HOME AND MARINE INSURANCE CO.	1044	1188	1584	2069	980	1115	1485	1939	856	976	1299	1706	804	917	1220	1600

*F denotes Frame structure and M denotes Masonry. The numbers following the Frame or Masonry represent the Scenario.

UNITED SERVICES AUTOMOBILE ASSOCIATION	1366	1512	1730	2146	1274	1411	1616	2010	1284	1409	1595	1962	1203	1321	1495	1842
USAA CASUALTY INSURANCE CO.	1325	1465	1674	2076	1237	1370	1567	1948	1248	1368	1547	1902	1171	1284	1452	1788
	LAW	LAW	LAW	LAW	LAW	LAW	LAW	LAW	McA	McA	McA	McA	McA	McA	McA	McA
	F 1	F 2	F 3	F 4	M 1	M 2	M 3	M 4	F 1	F 2	F 3	F 4	M 1	M 2	M 3	M 4
ACA INS CO. dba CSAA FIRE & CASUALTY INSURANCE CO.***	905	1011	1267	1535	844	939	1173	1417	880	982	1230	1494	818	912	1138	1378
ALLSTATE INSURANCE CO.	813	1266	1901	3014	760	1184	1778	2820	872	1359	2040	3235	815	1270	1907	3024
ALLSTATE INDEMNITY CO.	1382	1953	2971	4770	1291	1824	2768	4448	1515	2141	3266	5237	1416	2000	3044	4888
ALLSTATE PROPERTY & CASUALTY INSURANCE CO.	1537	1832	2285	3078	1509	1797	2242	3019	1374	1636	2038	2741	1350	1606	2001	2690
AMERICAN FARMERS & RANCHERS MUTUAL INS. CO. --HO-8	872	1091	1401	2064	786	983	1261	1859	742	928	1191	1755	668	836	1073	1581
AMERICAN NATIONAL PROPERTY & CASUALTY CO.	2480	2896	3426	4456	2319	2709	3204	4167	2053	2397	2835	3687	1906	2226	2634	3425
COUNTRY MUTUAL INSURANCE CO.	957	1110	1521	2066	883	1021	1400	1901	936	1085	1488	2022	864	999	1369	1860
FARMERS INSURANCE CO.	1203	1538	2293	3548	1201	1536	2294	3549	912	1165	1737	2681	909	1163	1736	2680
HANOVER INUSURANCE CO.	1333	1436	1714	2659	1200	1292	1542	2311	1159	1249	1490	2234	1043	1123	1340	2009
LIBERTY INSURANCE CORP.	2897	3118	3409	4086	2842	3057	3341	4000	3629	2807	3048	3633	2598	2772	3009	3585
METROPOLITAN PROPERTY & CASUALTY INS. CO.***	1810	2417	3319	4474	1647	2179	2995	4045	2333	3187	4339	5822	2114	2873	3923	5273
NORTH STAR MUTUAL INSURANCE CO.	1463	1513	1656	2100	1317	1361	1490	1889	1393	1441	1576	2000	1253	1296	1418	1799
OKLAHOMA FARM BUREAU MUTUAL INSURANCE CO.***	1570	2130	2669	3314	1420	1928	2414	2998	1424	1934	2421	3006	1283	1742	2181	2708
PROPERTY & CASUALTY INS. CO. OF HARTFORD	865	1086	1624	2308	825	1034	1546	2195	997	1254	1880	2674	950	1194	1788	2543
SAFECO INSURANCE CO. OF AMERICA***	736	922	1383	1866	711	890	1336	1801	684	857	1286	1734	660	827	1242	1676
SHELTER MUTUAL INSURANCE CO.***	1425	1990	2868	3825	1354	1890	2724	3632	1398	1953	2815	3752	1336	1866	2690	3586
STATE FARM FIRE AND CASUALTY CO.	2214	2628	3203	4273	1948	2313	2818	3760	1509	1791	2183	2912	1328	1576	1921	2563
TRAVELERS HOME AND MARINE INSURANCE CO.	924	1056	1406	1853	868	992	1321	1740	830	941	1239	1610	786	892	1173	1524
UNITED SERVICES AUTOMOBILE ASSOCIATION	1276	1387	1551	1884	1187	1290	1443	1756	1277	1390	1559	1895	1169	1274	1430	1743
USAA CASUALTY INSURANCE CO.	1241	1348	1506	1828	1156	1256	1403	1706	1239	1348	1511	1836	1137	1238	1389	1692