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
Five Corporate Plaza
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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 $323 for $100,000 coverage.
$78 to $574 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 $10 for $5,000 coverage.

Earthquake Coverage:
This coverage is excluded in the policy but can often be puirchased as a rider by endorsement.
Cost: 27¢ to 86¢ 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: $2 to $29 for $2,000 coverage.
$8 to $83 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.***	1061	1187	1497	1818	985	1102	1383	1677	879	980	1226	1490	816	911	1136	1373
ALLSTATE INSURANCE CO.***	1746	2620	4155	5518	1386	2080	3299	4380	1384	2076	3291	4370	1098	1648	2616	3476
ALLSTATE INDEMNITY CO.***	1588	2341	3715	4941	1280	1875	2951	3919	1370	2009	3172	4217	1107	1615	2521	3350
ALLSTATE PROPERTY & CASUALTY INSURANCE CO.***	2291	2861	3839	4855	2141	2672	3583	4531	1821	2270	3039	3838	1703	2121	2837	3581
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.***	2538	3004	3948	4814	2359	2792	3671	4475	1773	2101	2762	3367	1643	1945	2559	3120
COUNTRY MUTUAL INSURANCE CO.***	1547	2103	2858	3634	1421	1932	2625	3339	1084	1472	2000	2542	996	1352	1837	2337
FARMERS INSURANCE CO.***	1937	2779	4095	5309	1918	2755	4060	5261	1227	1730	2526	3273	1210	1708	2494	3229
HANOVER INUSURANCE CO.***	1952	2354	3529	4362	1757	2119	3177	3907	1377	1661	2489	3048	1239	1494	2240	2742
LIBERTY INSURANCE CORP.***	3424	3678	4127	4418	3343	3576	4010	4290	3032	3415	3813	4075	2960	3323	3708	3958
METROPOLITAN PROPERTY & CASUALTY INS. CO.***	1984	2625	3444	4434	1806	2389	3134	4025	1457	1929	2530	3249	1326	1756	2303	2957
NORTH STAR MUTUAL INSURANCE CO.***	1576	1693	2150	2649	1418	1523	1934	2382	1339	1438	1825	2249	1204	1293	1642	2023
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***	1974	2975	4246	5388	1878	2829	4036	5121	1662	2500	3565	4521	1582	2378	3389	4297
SAFECO INSURANCE CO. OF AMERICA***	1617	1723	1929	2422	1563	1665	1865	2341	1603	1709	1913	2402	1550	1652	1849	2322
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.***	2511	3029	3945	4723	2260	2726	3551	4251	1798	2170	2826	3383	1618	1953	2543	3045
TRAVELERS HOME AND MARINE INSURANCE CO.***	1460	1917	2776	3511	1369	1797	2597	3284	1203	1577	2307	2918	1129	1480	2159	2731

***F** denotes **F**rame structure and **M** denotes **M**asonry. The numbers following the **F**rame or **M**asonry represent the Scenario.

UNITED SERVICES AUTOMOBILE ASSOCIATION***	1518	1737	2157	2586	1417	1623	2020	2426	1414	1602	1971	2355	1325	1501	1850	2213
USAA CASUALTY INSURANCE CO.***	1469	1680	2084	2499	1374	1572	1955	2347	1372	1552	1909	2280	1288	1457	1795	2146
	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.***	1003	1121	1408	1710	931	1038	1302	1580	973	1089	1370	1659	910	1013	1266	1536
ALLSTATE INSURANCE CO.***	1329	1997	3165	4203	1057	1587	2516	3345	1427	2142	3397	4511	1134	1702	2699	3584
ALLSTATE INDEMNITY CO.***	1243	1819	2857	3797	1006	1463	2267	3017	1354	1985	3133	4163	1094	1595	2487	3306
ALLSTATE PROPERTY & CASUALTY INSURANCE CO.***	1910	2381	3189	4029	1784	2224	2976	3760	1705	2123	2839	3586	1594	1984	2652	3346
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.***	2209	2616	3437	4191	2055	2433	3198	3900	1849	2189	2878	3509	1707	2021	2657	3240
COUNTRY MUTUAL INSURANCE CO.***	1261	1714	2328	2960	1159	1574	2139	2721	1240	1686	2290	2912	1140	1549	2104	2676
FARMERS INSURANCE CO.***	1605	2306	3405	4421	1589	2284	3373	4377	1315	1882	2779	3608	1300	1862	2750	3569
HANOVER INUSURANCE CO.***	1526	1840	2759	3377	1373	1657	2483	3040	1366	1647	2470	3023	1230	1482	2222	2720
LIBERTY INSURANCE CORP.***	3774	4071	4574	4927	3650	3944	4429	4766	3262	3497	3909	4190	3189	3416	3816	4087
METROPOLITAN PROPERTY & CASUALTY INS. CO.***	1565	2071	2716	3488	1424	1884	2473	3174	2007	2655	3485	4490	1826	2417	3171	4071
NORTH STAR MUTUAL INSURANCE CO.***	1623	1745	2214	2729	1461	1579	1992	2454	1576	1693	2150	2649	1418	1523	1934	2382
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***	1457	2189	3118	3952	1387	2082	2964	3757	1632	2454	3499	4437	1553	2334	3326	4217
SAFECO INSURANCE CO. OF AMERICA***	1575	1678	1879	2359	1522	1622	1816	2281	1464	1560	1747	2194	1415	1508	1689	2120
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.***	2891	3487	4542	5438	2602	3139	4088	4894	1918	2314	3014	3609	1727	2083	2713	3248
TRAVELERS HOME AND MARINE INSURANCE CO.***	1304	1712	2517	3191	1224	1606	2356	2988	1139	1481	2101	2675	1078	1402	1985	2528
UNITED SERVICES AUTOMOBILE ASSOCIATION***	1391	1556	1891	2247	1294	1447	1762	2096	1394	1564	1902	2261	1278	1435	1750	2083
USAA CASUALTY INSURANCE CO.***	1350	1510	1834	2178	1259	1407	1711	2036	1351	1515	1842	2189	1241	1392	1697	2020