

CALIFORNIA RESIDENTIAL PROPERTY INSURANCE DISCLOSURE

This disclosure is required by California law (Section 10102 of the Insurance Code). It describes the principal forms of insurance coverage in California for residential dwellings. It also identifies the form of dwelling coverage you have purchased or selected.

This disclosure form contains only a general description of coverages and is not part of your residential property insurance policy. Only the specific provisions of your policy will determine whether a particular loss is covered and, if so, the amount payable. Regardless of which type of coverage you purchase, your policy may exclude or limit certain risks.

The cost to rebuild your home may be very different from the market value of your home since reconstruction is based primarily on the cost of labor and materials. Many factors can affect the cost to rebuild your home, including the size of your home, the type of construction, and any unique features. Please review the following coverages carefully. If you have questions regarding the level of coverage in your policy, please contact your insurance agent or company. Additional coverage may be available for an additional premium.

READ YOUR POLICY CAREFULLY. If you do not understand any part of it or have questions about what it covers, contact your insurance agent or company. You may also call the California Department of Insurance consumer information line at 1-800-927-4357.

IF THE DECLARATIONS PAGE LISTS FORM DH 07-12, THE FOLLOWING COVERAGE FORM APPLIES TO YOUR POLICY:

LIMITED REPLACEMENT COST COVERAGE WITH NO ADDITIONAL PERCENTAGE PAYS REPLACEMENT COSTS UP TO POLICY LIMITS ONLY. In the event of any covered loss to your home, the insurance company will to repair or replace the damaged or destroyed dwelling with like or equivalent construction only up to the policy limit. See the declarations page of your policy for the limit that applies to your dwelling. Your policy will specify whether you must actually repair or replace the damaged or destroyed dwelling in order to recover this benefit. The amount of recovery will be reduced by any deductible you have agreed to pay.

IF THE DECLARATIONS PAGE DOES NOT LIST DH 07-12, THE FOLLOWING COVERAGE FORM APPLIES TO YOUR POLICY:

ACTUAL CASH VALUE COVERAGE PAYS THE FAIR MARKET VALUE OF THE DWELLING AT THE TIME OF LOSS, OR THE COST TO REPAIR, REBUILD, OR REPLACE THE DAMAGED OR DESTROYED DWELLING WITH LIKE KIND AND QUALITY CONSTRUCTION, UP TO THE POLICY LIMIT. In the event of any covered loss to your home, the insurance company will pay either the fair market value of the damaged or destroyed dwelling (excluding the value of land) at the time of the loss or the cost to repair, rebuild, or replace the damaged or destroyed dwelling with like kind and quality construction Up to the policy limit with possible consideration of physical depreciation. The amount of recovery will be reduced by any deductible you have agreed to pay. Read your declaration page to determine whether your policy includes coverage for building code upgrades.

THE FOLLOWING COVERAGE FORM APPLIES TO YOUR POLICY:

BUILDING CODE UPGRADE – ORDINANCE AND LAW COVERAGE PAYS, UP TO LIMITS SPECIFIED IN YOUR POLICY, ADDITIONAL COSTS REQUIRED TO BRING THE DWELLING “UP TO CODE.” In the event of any covered loss, the insurance company will pay any additional costs, up to the stated limits, of repairing or replacing a damaged or destroyed dwelling to conform with any building standards such as building codes or zoning laws required by government agencies and in effect at the time of the loss or rebuilding (see your policy).

This disclosure form does not explain the types of contents coverage provided by your policy. Some policies do not replace contents with new items, but instead, only pay for the current market value of an item. Read your policy to determine whether or not contents coverage is provided. If you have any questions, contact your insurer or agent.

CALIFORNIA RESIDENTIAL PROPERTY INSURANCE BILL OF RIGHTS

"The largest single investment most consumers make is their home and related property. In order to best protect these assets, it is wise for consumers to understand the homeowner's insurance market. Consumers should consider the following:

Read your policy carefully and understand the coverage and limits provided. Homeowner's insurance policies contain sublimits for various coverages such as personal property, debris removal, additional living expense, detached fences, garages, etc.

Keep accurate records of renovations and improvements to the structure of your home, as it could affect your need to increase your coverage.

Maintaining a list of all personal property, pictures, and video equipment may help in the case of a loss. The list should be stored away from your home.

Comparison shop for insurance, as not all policies are the same and coverage and prices vary.

Take time to determine the cost to rebuild or replace your property in today's market. You can seek an independent evaluation of this cost.

You may select a licensed contractor or vendor to repair, replace, or rebuild damaged property covered by the insurance policy.

An agent or insurance company may help you establish policy limits that are adequate to rebuild your home.

Once the policy is in force, contact your agent or insurance company immediately if you believe your policy limits may be inadequate.

A consumer is entitled to receive information regarding homeowner's insurance. The following is a limited overview of information that your insurance company can provide:

The California Residential Property Insurance Disclosure.

An explanation of how your policy limits were established.

The insurance company's customer service telephone number for underwriting, rating, and claims inquiries.

An explanation for any cancellation or nonrenewal of your policy.

A copy of your policy.

The toll-free telephone number and Internet address for reporting complaints and concerns about homeowner's insurance issues to the department's consumer service unit.

In the event of a claim, notification of a consumer's rights with respect to the appraisal process for resolving claims disputes.

In the event of a claim, a copy of the Unfair Practices Act and a copy of the Fair Claims Practices Regulations.

The information provided herein is not all inclusive and does not negate or preempt existing California law. If you have any concerns or questions, the officers at our Consumer Hotline are there to help you. Please call them at 1-800-927-HELP (4357) or contact us at www.insurance.ca.gov."