

# UNDERSTANDING YOUR HOMEOWNERS INSURANCE DECLARATIONS PAGE

When you purchase a homeowners insurance policy, when you renew your policy, or when you make any changes to your policy, the company will give you a document called a "Declarations Page." The Declarations Page identifies the kinds and amounts of coverage you have and how much it will cost you. It is very important that you review the Declarations Page as soon as you get it to be sure it is accurate and that you know what

your policy will cover. If you see any incorrect or missing information, you should contact your agent or insurance company immediately. The following example may make it easier to help understand your Declarations Page and your coverage. For more information, see our *Consumer Guide to Homeowners Insurance* at [www.insurance.maryland.gov](http://www.insurance.maryland.gov) or contact us at 410-468-2000 for a copy.

- 1 POLICY PERIOD** When coverage begins and ends.
- 2 COVERAGES, PROPERTY AND LIABILITY LIMITS** This contains a list of what is covered (the dwelling, personal property, etc.) and the amount of that coverage. The limits are the most your policy will pay for each claim that is filed.
- 3 INFLATION COVERAGE INDEX** An optional coverage you can purchase that will automatically increase the amount of insurance coverage on your home. Ask your agent or company to learn more.
- 4 DEDUCTIBLE** The part of the insurance claim you are responsible for when you file a claim.
- 5 POLICY PREMIUM** The amount you pay for insurance coverage for the policy period.
- 6 DISCOUNTS** Your company may reduce your premium if you meet certain conditions that are set by the company. For example, having your automobile and homeowners policies with the same company may reduce your premium. Ask to make sure you are receiving all the discounts for which you qualify.
- 7 FORMS, OPTIONS & ENDORSEMENTS** For an additional fee you may be able to purchase additional coverages for your policy. Optional coverages and endorsements may be used to extend or limit your policy.

<b>Your Insurance Company</b> 3535 Second Street Company Town, USA 54321	Policy number XX-XXXXXX-XX	Policy period: 6 months	Effective date: January 1, 2015	Expiration date: July 1, 2015
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**Homeowners Insurance Policy <SAMPLE>**

Named Insured	Address	Mortgagee	Address
John E. Doe	123 E. Main Street Insured Town, USA 12345	Bank of USA	1212 First Street Company Town, USA 54321

XYZ Insurance Company considers your claims history when determining whether to cancel or to non-renew your insurance policy.

<b>Coverages &amp; property</b>	<b>Liability limits</b>
SECTION I	
A Dwelling	\$250,000
B Dwelling extension (garage)	\$25,000
C Personal property	\$125,000
D Loss of use	Actual loss sustained
SECTION II	
L Personal liability (each occurrence)	\$300,000
Damage to property of others	\$1,000
M Medical payments to others (each person)	\$2,000

<b>Inflation coverage index</b>	XXX.X
<b>Deductibles</b>	
All peril	\$2,000

In case of loss under this policy, the deductible will be applied per occurrence and will be deducted from the amount of loss. Other deductibles may apply – refer to your policy.

<b>Policy premium</b>	\$1,000
<b>Discounts applied</b>	
Home/Auto	
Home protection (burglar and fire alarms, smoke detectors)	
Claim record/Customer longevity	

**Loss of settlement provisions (see policy)**  
 A1: Replacement cost – Similar construction  
 B1: Limited replacement cost – Coverage B

<b>Forms, options and endorsements</b>	
Replacement cost coverage	xx-xxxx
Mold, fungus, wet rot, dry rot or bacteria	xx-xxxx
Ordinance or law coverage:	
10% of Coverage A	xx-xxxx
Earthquake excl. masonry veneer	xx-xxxx
Sewer, water backup coverage:	
\$10,000/\$500 deductible	xx-xxxx
Increase dwelling, up to \$50,000	Option XX
Jewelry and furs, \$5,000 each	Option YY

Your policy consists of this page, any endorsements and the policy form. Keep together.



**Maryland**  
INSURANCE ADMINISTRATION

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