



Your
Insurance
Policy
Treat it like
any other
asset.

DON'T WAIT UNTIL IT'S TOO LATE

IT'S YOUR JOB TO KNOW WHAT IT WILL AND WON'T DO.

Most insurance policies are very similar to one another because most are based upon the New York Standard policy, first introduced in 1943. The type of policy may vary depending on the coverage and endorsements that it carries. Policies also vary in price due to the competitive market for insurance products. It is most unfortunate that many people do not understand their coverage in detail and believe that they should be covered based on conversations with their agent who sold them the policy. It is only after a disaster that they closely look at their policy and find that they are not properly covered for the peril that befell them.

All policies contain four (4) basic parts: the **Declarations** page, **Insuring Agreement**, **Conditions** and **Exclusions**. In this brief tutorial, we will attempt to clarify these separate parts so that you may become better informed and educated about your entitlements, rights and the processes

required to maximize your insurance settlement. Newer policies may also include **Endorsements** and **Extensions of Coverage** provisions.

Fire policies typically cover real property (your building or structure) and personal property. All fire policies also carry endorsements that define the specific coverages. **Dwelling policies**, while covering the real property (building / structure), never cover contents (personal property), theft or liability. **Windstorm / Hail & Flood Policies** may have additional endorsements to the basic policy.

The Declaration Page: This is normally the very front page of the policy in which the "declarations" appear of what person, entity, property is insured, the duration of the coverage, amount of the premium and the perils against which they are insured.

TIPS



Read Your Policy

After a loss is no time to start trying to make sense of your policy. You need to know the exact limits of your coverage, and the perils it does and doesn't cover. Understand its terms, endorsements and conditions. If you can't make sense of something, that's a good indication that you probably need Concordia's services.



Talk to an Expert

Insurance companies have experts on their side, and so should you. There's no substitute for informed, professional advice: the kind you get from Concordia Claims Managers. It doesn't cost you anything to have our experts review your policy and help you understand your options.

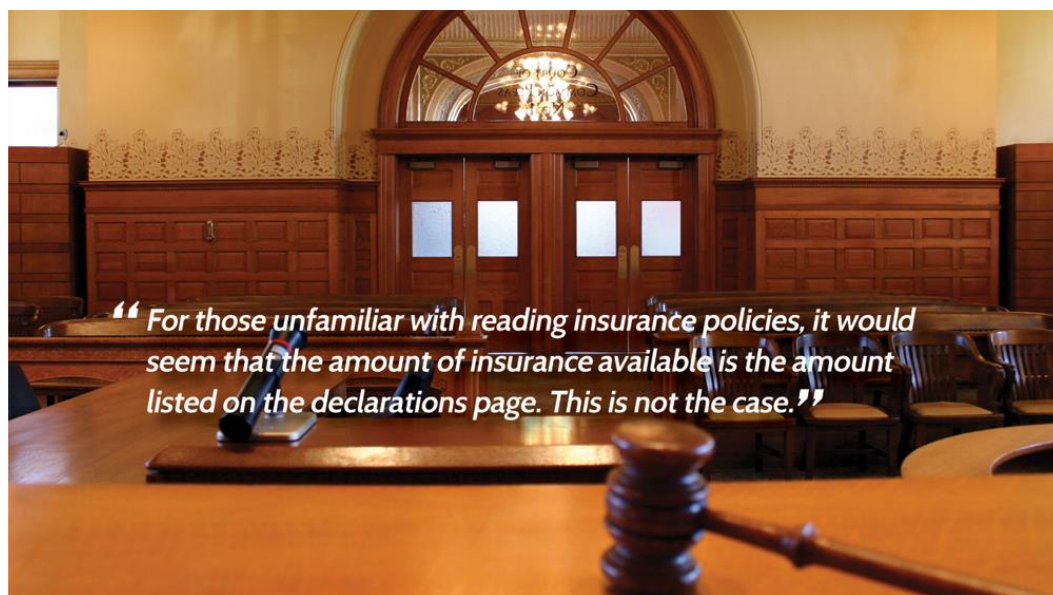
The Insuring Agreement: This is the part of the policy that states whether the policy insures against all of the physical loss to the described property or if the insurance is for only named perils such as fire, lightning, etc.

Conditions: Here, the policy describes under what conditions the insurance is suspended, the conditions under which particular kinds of losses are covered, the conditions under which the policy is voided entirely and those conditions under which both the insurance company and the policyholder may cancel the policy.

Exclusions: There are two kinds of exclusions: exclusions of specific kinds of losses and exclusions of specific kinds of property not covered.

Endorsements: Endorsements are changes, amendments or modification of the coverage provided in the basic policy. The endorsements are usually found on separate pages attached to the basic policy, and they provide the function of further limiting, expanding or clarification of the coverage. These endorsements are necessary to provide desired flexibility.

When insurance is initially acquired, almost any desired coverage can be



affected by selecting standardized endorsement forms or by using even further tailored endorsements. When assessing coverage under an existing policy it is imperative to review all the endorsements.

Extensions of Coverage: Some policies have extensions of coverage to cover items not described in the declarations page, such as: trees, shrubs, plants, lawns and outbuildings. These are usually insured in this way in homeowners' policies.

Measurement of the Loss and Coverage: The principal problem presented by a property insurance claim is how much the payment will be. On the front page of the policy, there is usually a description of the upper limit of liability and measurements of claims contemplated in the policy. The exact wording of this measurement varies, but the basic idea behind the measurement is fairly uniform. The fundamental idea of property insurance is indemnification for loss.

