

# Personal Lines Deductibles & Limited Roof Endorsement| FAQ



## What is happening with deductibles?

Deductibles haven't kept up with replacement costs of homes or inflation over the past several years. To help protect and preserve capital and to help customers manage the increasing costs of insurance, we are taking action to increase the minimum All Peril and Wind/Hail deductible.

## All Peril Deductible

The minimum All Peril deductible will be based on the Amount of Insurance ("AOI")/Dwelling Coverage Amount on the policy for all new policies (after the applicable New Business Effective Date for the state).

For all new policies with an AOI of:

- \$250,000 or higher: the minimum all peril deductible is \$2500
- Under \$250,000: the minimum all peril deductible is \$1000

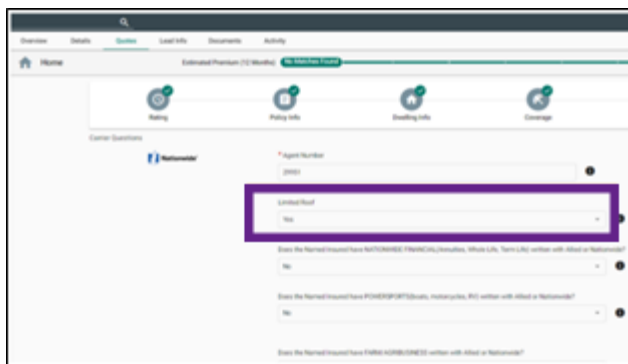
If an existing customer chooses to increase their All Peril Deductible, the new minimums will apply. Rewrites will be considered new business and the new minimums will apply.

## Where can I include (or not include) Limited Roof Coverage in Comp Raters?

Comparative raters will vary slightly in appearance, but each will include a question on the carrier-specific question screen.

- If the roof age is **under 11 years** and the endorsement is optional for the policy, the system will default to "No."
- If the roof age is 11 years or older, the endorsement is mandatory and the system will default to "Yes."

An example of the EZLynx Rater screen is shown here.



By accepting a copy of these materials:

- (1) I agree that I am either: (a) an employee or Contractor working for Nationwide Mutual Insurance Company or one of its affiliates or subsidiaries ("Nationwide"); or (b) an Independent Sales Agent who has a contract and valid appointment with Nationwide; or (c) an employee of or an independent contractor retained by an Independent Sales Agent; or (d) an Independent Adjuster who has a contract with Nationwide; or (e) an employee of or an independent contractor retained by an Independent Adjuster.
- (2) I agree that the information contained in this training presentation is confidential and proprietary to Nationwide and may not be disclosed or provided to third parties without Nationwide's prior written consent.
- (3) I acknowledge that: (i) certain information contained in this training presentation may be applicable to licensed individuals only and access to this information should not be construed as permission to perform any functions that would require a license; and (ii) I am responsible for acting in accordance with all applicable laws and regulations.
- (4) I agree that I will return or destroy any material provided to me during this training, including any copies of such training material, when or if any of the following circumstances apply: (a) my Independent Sales Agent agreement with Nationwide is cancelled or I no longer hold any appointments with Nationwide; (b) my employment with or contract with a Nationwide Independent Sales Agent is terminated; (c) my Independent Adjuster contract with Nationwide is terminated; (d) my employment with or contract with a Nationwide Independent Adjuster is terminated; or (e) my employment or contract with Nationwide is terminated for any reason.



### What is Limited Roof Endorsement?

This endorsement revises the homeowner policy settlement provisions for roof losses, resulting from windstorm or hail to a pre-determined schedule of replacement cost based on roof age and roof type as shown on the policy declarations. In the states where available, the Limited Roof endorsement is optional until the roof age is **11 years** or more.

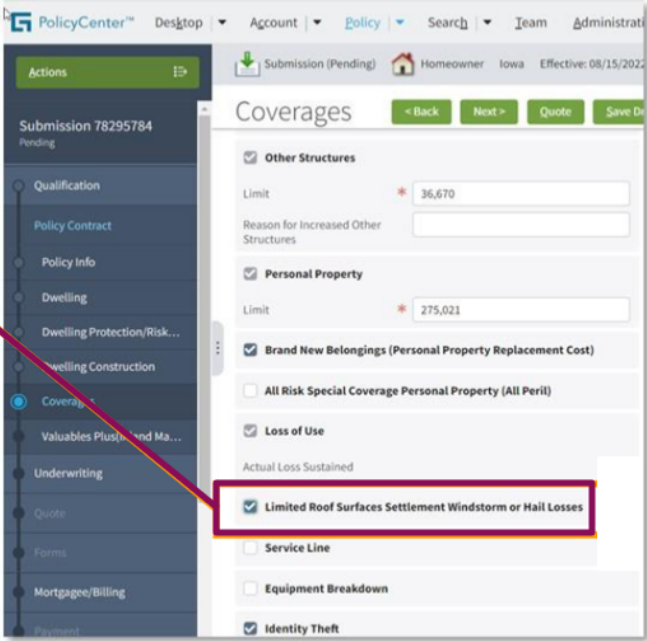
Once the roof age is 11 years or older, the endorsement is systematically applied to all major Homeowner new and renewal business. The requirement to include this endorsement does not apply for roof type surfaces of Slate, Tile, Metal and Wood/Shake. As of April 2024, the mandatory application of this endorsement applies to the following states only: IA, IL OH, and MO.

Tornado and hurricane losses, among other types of weather that fall under the windstorm or hail peril, fall under this endorsement; however, if a home is deemed to be a total loss, the schedule would not be applied to the roof surfaces.

### Customer Benefits

- Allows for competitive quotes, as some carriers are already using and/or requiring roof schedules.
  - Limited Roof can save customers up to 20% on their premium, with average savings of 6% to 15%\*
- \*Percentages are based on internal Pricing impacts.

### Where can I include (or not include) Limited Roof coverage in PolicyCenter?

Action	Screen
Unless the coverage is mandatory, agents may toggle the endorsement on/off on the Coverages screen in PolicyCenter.	




Customers should be adequately informed of their coverage

Roof claim payments with this endorsement may be substantially lower than the cost to repair or replace the roof depending on the roof’s age.

The policy declarations will show the roof year and type as well as include a message about the importance of keeping Nationwide informed of roof updates. See the example below.

The Limited Roof Endorsement form is attached to the customer’s policy and includes the payment schedule based on roof age and type.

Example Declarations



HOMEOWNER POLICY  
DECLARATIONS  
Non-Assignable

Page 1 of 3

These Declarations are a part of the policy named above and identified by policy number below. They supersede any Declarations issued earlier. Your Homeowner Policy will provide the insurance described in this policy in return for the premium and compliance with all applicable policy provisions. See policy for details regarding the other coverages and additional coverage options.

Policy Number:  
[REDACTED]

Policyholder:  
(Named Insured)  
[REDACTED]

Issued:  
NOV 18, 2023

Policy Period From:  
DEC 22, 2023 to DEC 22, 2024 but only if the required premium for this period has been paid, and only for annual renewal periods if premiums are paid as required. Each period begins and ends at 12:01 A.M. standard time at the Residence Premises.

**Where to access your policy documents**

In order to view, print, or save your policy documents that do not contain personally identifiable information, go to [www.nationwide.com/yourpolicydocuments](https://www.nationwide.com/yourpolicydocuments), on your Internet browser and enter your policy number. You can get hard copies of your documents mailed or emailed to you free of charge by calling the customer service number on the bottom of this document. Please note that any policy documents containing personally identifiable information are not available for online viewing, unless you have registered for online account access. Go to [www.nationwide.com/online](https://www.nationwide.com/online) to create an account.

**Attention**

Your policy includes the Limited Roof Surfaces Settlement Windstorm or Hail Losses endorsement. This endorsement provides protection for your roof surfaces from loss caused by windstorm or hail based on a pre-determined schedule using roof type and roof age. You may be receiving a reduced premium when this endorsement on your policy. It is important that you inform your agent promptly of any "roof surface" updates made to your roof (replacement) as the roof type and roof renovated year displayed on your Declarations Page will be used to settle covered losses payable under this endorsement at time of loss and factor into your premium amount.

**Residence Premises Information:**

PURCHASED: 12/2022	ROOF YEAR: 1980
002 OCCUPANTS IN DWELLING	ROOF: ARCHITECTURAL
ONE FAMILY	SHINGLE
BUILT: 1926	SUPPLEMENTAL HEATING N
CONSTRUCTION FRAME	PROTECTION CLASS 4
RATED BATHROOMS: 1	FD SPRING GROVE
	SPRING GROVE FS 4
	MILES FROM FIRE DEPT: 001

Additional Rating Information: The following is used when determining your policy's premium. Please advise immediately if this information is incorrect.

RATING AGE OF INSURED: 29

HOMEOWNER POLICY DECLARATIONS  
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SECTION I

Property Coverages	Limits of Liability	Deductible: \$1,000 ALL PERILS
COVERAGE-A-DWELLING	\$269,069	In case of a loss under Section I, we cover only that part of each loss over the deductible stated.
COVERAGE-B-OTHER STRUCTURES	\$26,907	
COVERAGE-C-PERSONAL PROPERTY	\$201,802	
COVERAGE-D-LOSS OF USE	ALS*	EXCEPTIONS % OF COVERAGE A - DWELLING LIMIT +\$269K THIS DEDUCTIBLE APPLIES TO WINDSTORM OR HAIL LOSSES.
*ACTUAL LOSS SUSTAINED		
PAYMENT NOT TO EXCEED 24 MONTHS		

SECTION II

Liability Coverages	Limits of Liability
COVERAGE-E-PERSONAL LIABILITY	\$100,000
FOR EACH OCCURRENCE: PROPERTY DAMAGE AND BODILY INJURY	
COVERAGE-F-MEDICAL PAYMENTS TO OTHERS EACH PERSON	\$1,000

OTHER COVERAGES APPLICABLE

See Policy or Endorsements for details regarding the Other Coverages that apply to your policy.

Other Coverages	Limits of Liability
Biological Deterioration or Damage	\$10,000
Brand New Belongings	APPLIES
Building Ordinance or Law	10%
Identity Theft	\$25,000
Inflation Protection	APPLIES
Bowch Index 12317	\$2,500
Landlord's Furnishings	\$1,000
Loss Assessment	\$100,000
Personal Injury Liability	\$2,500
Toys	\$2,500
Limited Roof Surfaces Settlement Windstorm or Hail Losses	APPLIES

PREMIUM SUMMARY

Policy Premium	Premium Based On	Premium Amount
		\$1,069.46
Annual Premium		\$1,069.46

Annual Premium Includes Discounts For:

- HOME/CAR
- HOME PURCHASE
- CLAIM FREE
- HOME PROTECTIVE DEVICE

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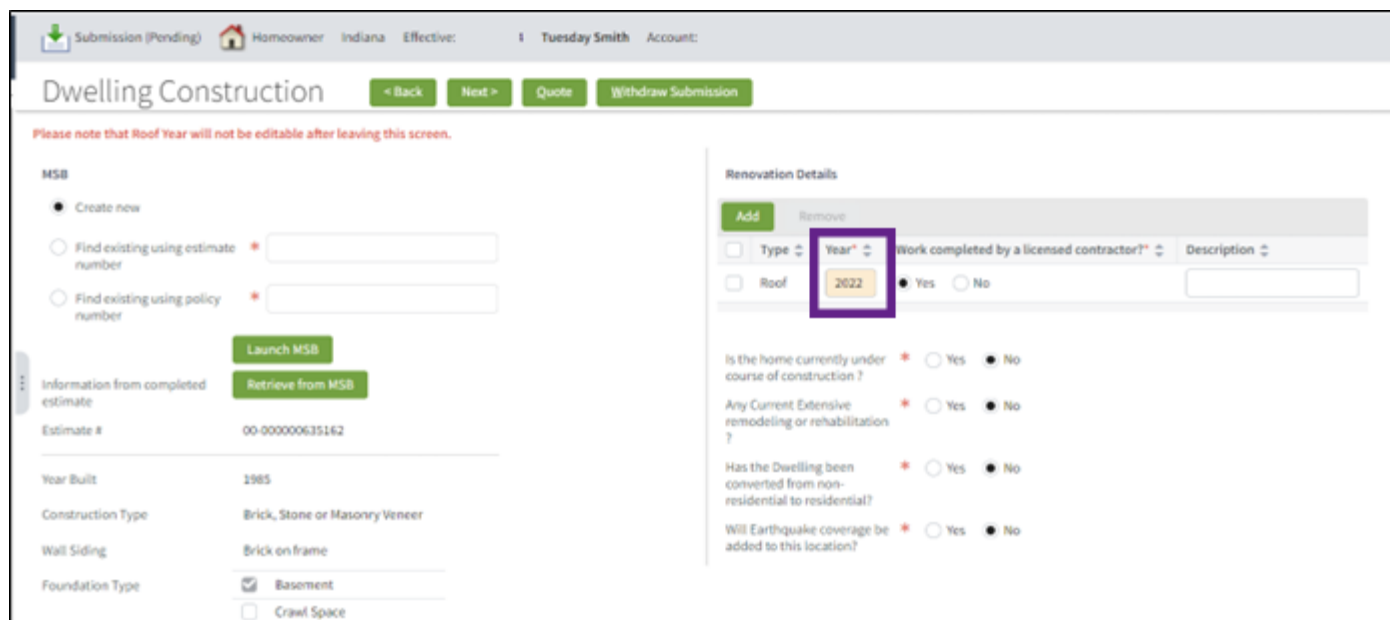
## What are the differences between the available roof coverages?

Roof Coverage Type	Limited Roof (where available)	ACV Roof (not available to new customers once Limited Roof released in company)	HO-3 (Replacement Cost)	Better Roof (where available)
<b>Premium</b>	Lowest	Low	Mid	Highest
<b>Applicable Perils</b>	Wind or Hail <ul style="list-style-type: none"> <li>All other perils follow base policy settlement</li> <li>Not applicable if home is total loss.</li> </ul>	Wind or Hail <ul style="list-style-type: none"> <li>All other perils follow base policy settlement</li> </ul>	All covered perils	All covered perils
<b>Coverage</b>	Portion of covered roof surfaces Repair/Replacement (after deductible)	Portion of covered roof surfaces Repair/Replacement (after deductible)	All covered roof surfaces Repair/Replacement (after deductible and replacement)	All covered upgraded roof surfaces replacement (after deductible and replacement)
<b>Loss Settlement Approach</b>	Pre-determined schedule based on roof age and roof type as rated on policy at time of loss.  The schedule applies to all aspects of the covered repair and/or replacement: including but not limited to material, labor, overhead and profit, permits, etc.	Depreciation % applied based on age, use and condition of roof at time of loss.  Depreciation applies to material components only.	Depreciation % applied same as ACV for initial payment.  Replacement cost is payable after replacement is completed and receipt submitted to the company.	Depreciation % applied same as ACV for initial payment.  Replacement cost and upgraded material costs are payable after replacement is completed and the receipt submitted to the company.
<b>Form Number</b>  <small><b>NOTE:</b> Forms are found on Reference Connect. Forms may vary by state.</small>	H 03 64 06 22	HO 04 93 03 22	HO 03 12 03 22	HIN 2104
<b>Coverage Interaction with Another Roof Endorsement</b>	<ul style="list-style-type: none"> <li>ACV Roof will no longer be an option for new business customers once Limited Roof is an available coverage in the state. Any existing customer will be able to retain ACV Roof unless Limited Roof is mandatory based on age and type.</li> <li>Better Roof cannot be added to a policy that has Limited Roof.</li> <li>Cosmetic Roof can be added to a policy that has Limited Roof.</li> </ul>			

## Limited Roof FAQs

- 1. Why can't I remove this endorsement from the policy?** The Limited Roof endorsement is required and systematically applied to all major Homeowner new and renewal business with roofs aged 11 years or more, except for roof type surfaces of Slate, Tile, Metal and Wood/Shake.
- 2. Why are Slate, Tile, Metal and Wood/Shake roof types excluded from the systematic application of the endorsement?** These roof types generally have a longer life expectancy and less susceptibility to damage from routine hail and windstorms than other roof type surfaces.
- 3. Will customers with an ACV Roof endorsement be automatically rolled to the Limited Roof endorsement?** Renewing customers that already have ACT Roof on their policy will continue with ACV Roof until the roof age and type require a switch to limited Roof. At that time, the change will occur systematically at renewal.
- 4. Will Nationwide automatically update the roof year on the policy if the roof is replaced because of a claim?** No, it is the responsibility of the customer and agent to update the policy with this information. Claims associates are not authorized to make changes within the policy management system.
- 5. Why can't I select Better Roof coverage AND Limited Roof?** These roof coverages contract each other and therefore cannot co-exist.
- 6. Can the Limited Roof endorsement be added/removed mid-term?** Yes, provided the roof age and type do not make it mandatory, otherwise it cannot be removed.
- 7. Where can I update the roof age on the policy?** Roof Age can be updated in PolicyCenter on the *Dwelling Construction* screen, in the **Renovation Details** section (Roof Year).

**NOTE:** Updating this field may trigger underwriting rules. Additional underwriting review and documentation may be required.



Submission (Pending) Homeowner Indiana Effective: Tuesday Smith Account:

### Dwelling Construction

Please note that Roof Year will not be editable after leaving this screen.

MSB

- ☒ Create new
- ☐ Find existing using estimate number
- ☐ Find existing using policy number

Launch MSB

Retrieve from MSB

Estimate # 00-00000635162

Year Built 1985

Construction Type Brick, Stone or Masonry Veneer

Wall Siding Brick on frame

Foundation Type ☒ Basement ☐ Crawl Space

#### Renovation Details

Type	Year*	Work completed by a licensed contractor**	Description
Roof	2022	<input checked="" type="radio"/> Yes <input type="radio"/> No	

Is the home currently under course of construction? ☐ Yes ☒ No

Any Current Extensive remodeling or rehabilitation? ☐ Yes ☒ No

Has the Dwelling been converted from non-residential to residential? ☐ Yes ☒ No

Will Earthquake coverage be added to this location? ☐ Yes ☒ No