

# Limited Roof Surfaces Settlement Windstorm or Hail Losses Endorsement



## 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.

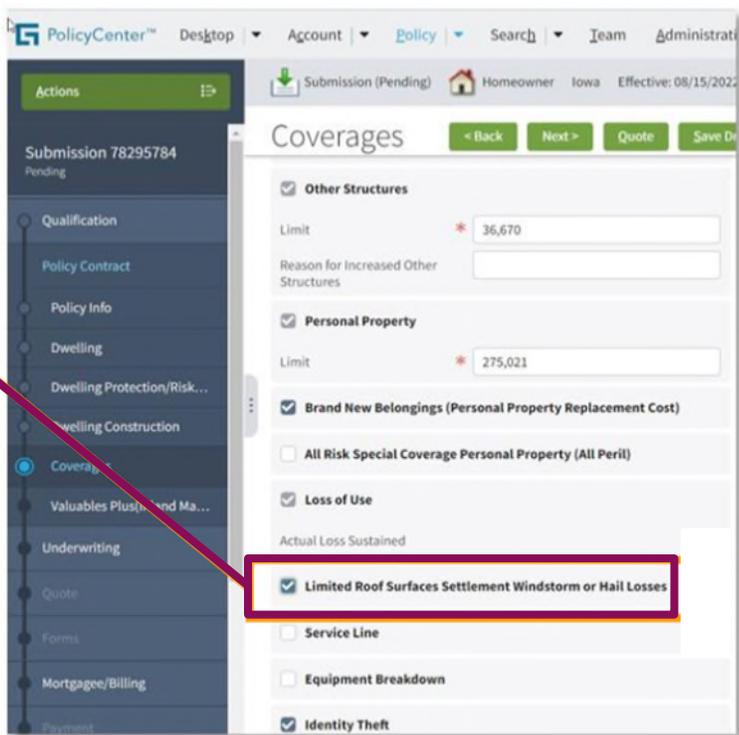
Tornado and hurricane losses, among other types of weather that fall under the windstorm or hail peril, fall under this endorsement; however, if a home is deemed to be a total loss, the schedule would not be applied to the roof surfaces.

## Customer Benefits

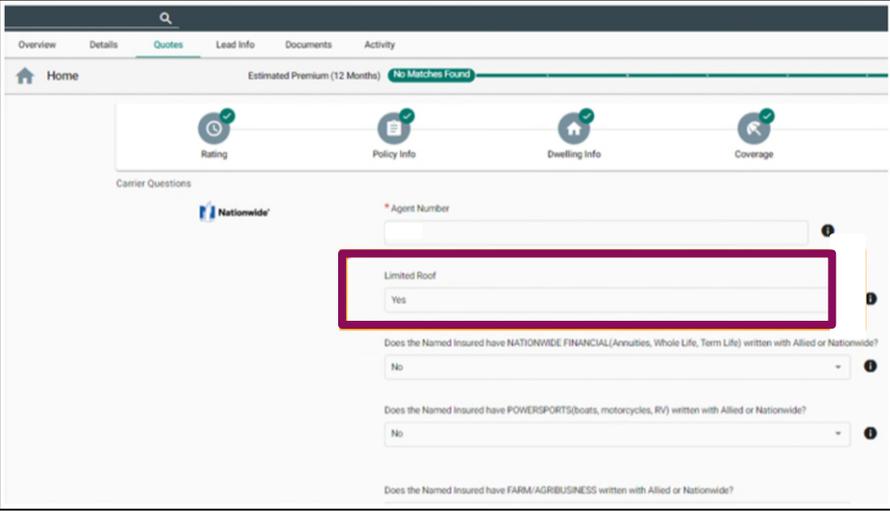
- Allows for competitive quotes, as some carriers are already using and/or requiring roof schedules.
- Limited Roof can save customers up to 20% on their premium, with average savings of 6% - 15%\*.

*\*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 <i>Coverages</i> screen in PolicyCenter.	 A screenshot of the PolicyCenter web application. The left sidebar shows a navigation menu with 'Coverages' selected. The main content area is titled 'Coverages' and shows a list of coverage options. The 'Limited Roof Surfaces Settlement Windstorm or Hail Losses' checkbox is checked and highlighted with a red box. Other visible options include 'Other Structures', 'Personal Property', 'Brand New Belongings (Personal Property Replacement Cost)', 'All Risk Special Coverage Personal Property (All Peril)', 'Loss of Use', 'Service Line', 'Equipment Breakdown', and 'Identity Theft'. The top navigation bar includes 'PolicyCenter', 'Desktop', 'Account', 'Policy', 'Search', 'Team', and 'Administration'. The submission details at the top right show 'Submission (Pending)', 'Homeowner Iowa', and 'Effective: 08/15/2022'.

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

Action	Screen
<p>Comparative raters will vary slightly in appearance, but each will include a question on the carrier-specific question screen.</p> <ul style="list-style-type: none"> <li>If the roof age is <u>under</u> 11 years and the endorsement is optional for the policy, the system will default to “No.”</li> <li>If the roof age is 11 years or older, the endorsement is mandatory and the system will default to “Yes.”</li> </ul> <p>An example of the EZLynx Rater screen is shown here.</p>	

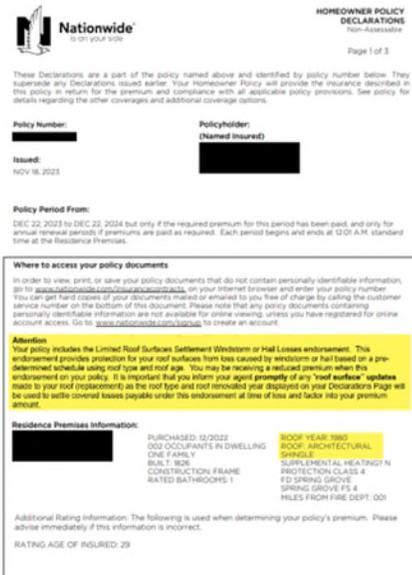
## Customers should be adequately informed of their coverage

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

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

### Example Declarations






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>  <b>NOTE:</b> Forms are found on Reference Connect. Forms may vary by state.	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 <b>new business customers</b> 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 <b>cannot be added</b> to a policy that has Limited Roof.</li> <li>Cosmetic Roof <b>can be added</b> to a policy that has Limited Roof.</li> </ul>			

## Limited Roof FAQs

- 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.
- 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.
- Will customers with an ACV Roof endorsement be automatically rolled to the Limited Roof endorsement?** Renewing customers that already have ACV 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.
- 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.
- Why can't I select Better Roof coverage AND Limited Roof?**  
These roof coverages contradict each other and therefore cannot co-exist.
- 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.
- 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)**.

Submission (Pending) Homeowner Indiana Effective: 02/20/2024 Account: [REDACTED]

Dwelling Construction < Back Next > Quote Withdraw Submission

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

**MSB**

Create new

Find existing using estimate number \* [REDACTED]

Find existing using policy number \* [REDACTED]

Launch MSB

Retrieve from MSB

Information from completed estimate

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**

Add Remove

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

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

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

By accepting a copy of these materials:

- 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"); (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.
- 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.
- 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.
- 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.