

The Home Insurance Guide provides crucial information regarding coverage, rating, and eligibility for homeowners insurance. It highlights the necessity of reviewing the policy and Declaration Certificate to ensure coverage meets the homeowner's needs, lifestyle changes, and property value. The policy is divided into two main parts: Part I addresses loss or damage to the Dwelling (Coverage A), Additional Structures (Coverage B), Personal Property (Coverage C), and Additional Expenses for temporary housing (Coverage D). Part II includes Liability coverage (Coverage E) and Medical Payments to Others (Coverage F), along with additional coverages for living expenses, landscaping, debris removal, and emergency property removal.

AAA Michigan offers various policy types, such as the H-3 Homeowners Policy for owner-occupants, the H-4 Renters Policy for tenants, and the H-6 Condominium Policy for condominium owners. Optional coverages are available to enhance protection, including increased limits for personal liability and specific personal property items. Coverage limits can be adjusted at renewal to reflect changes in property value, with the policyholder responsible for ensuring limits are appropriate. Homeowners are advised to consider home improvements, inventory personal property, and document new purchases, as the policy includes special limits on certain personal property types, with the option to purchase additional coverage.

The guide notes that homeowners insurance in Michigan is regulated for affordability and fairness, with premiums influenced by location, fire protection class, policy limits, deductibles, construction type, and loss history. Eligibility for homeowners insurance is generally broad, but certain conditions may lead to denial or discontinuation of coverage, such as illegal use of the dwelling, insufficient coverage amounts, unoccupied properties, and specific physical hazards. Compliance with safety codes is emphasized, and homeowners must address any physical conditions that may pose a risk of significant loss.

Key aspects of coverage and obligations for policyholders include that coverage is not applicable for

professional contractors unless the policy is written at 80% replacement cost and endorsed for a duration exceeding 365 days. Properties owned by builders, contractors, or real estate agents are excluded from coverage, particularly for Coverage E exceeding \$300,000. Policyholders must maintain an Automobile Club of Michigan membership, and incidents involving threats or physical assaults against insurer employees by the insured may result in coverage denial if reported to law enforcement.

Policyholders have the right to appeal decisions regarding rule or rate filings, including wrongful denials or excessive charges, by contacting their AAA agent for clarification and, if necessary, writing to the Insurance Regulatory Complaint Resolution office. A representative will follow up within 30 days to arrange an informal management conference, with further appeals possible to the Department of Insurance and Financial Services if unresolved.

In the event of a loss, policyholders must report claims promptly by calling 1-800-AAA-MICH, make reasonable temporary repairs, document all damages, and provide requested documentation. They should notify the police in cases of theft and maintain accurate records of repair expenses. The policy offers various discounts, including those for AAA membership, advance purchase, electronic fund transfer (EFT) payment, new home buyers, paperless documentation, and claim-free history, as well as additional discounts for safety devices, smoke-free homes, and fortified structures. Policyholders can also reduce premiums by increasing deductibles or bundling multiple insurance products.

Fraudulent acts in insurance applications or claims are punishable under Michigan law, and the policy includes a notice regarding underwriting practices, indicating reliance on consumer reports for determining rates and qualifications. Policyholders are encouraged to consult their AAA agent for personalized coverage advice and to understand the implications of consumer reports on their insurance. All coverages are subject to limits, exclusions, and conditions as detailed in the policy.