



Understanding the Claims Handling Process

About This Brochure

This brochure was designed to answer frequently asked questions about the claim handling process. If you have other questions or would like additional information please call your Claim Representative, at any time.

No coverage is provided by this summary of questions and answers, nor can it be construed to replace any provision of your policy. You should read your policy carefully and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, the provisions of your policy shall prevail.

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DAMAGE TO MY VEHICLE

Can New Jersey Skylands Insurance (NJSI) recommend a repair facility?

Yes. As a valued New Jersey Skylands insured, you are entitled to participate in the "Skylands Priority Repair Program." We have established relationships with qualified licensed repair facilities throughout New Jersey. The advantages of participating in the "Skylands Priority Repair Program" include:

- Conveniently located repair facilities
- Fast, professional and courteous service
- No waiting for an appraiser to inspect your vehicle
- All repairs are guaranteed to meet current industry standards for a safe and proper repair

Can I choose my own repair facility?

Yes. We will attempt to reach an "agreed price" with the licensed repair facility of your choice. We are not allowed, by law, to negotiate the settlement of any physical damage claim with an unlicensed auto body repair facility.

If we cannot reach an "agreed price", we will provide you with the names of qualified licensed repair facilities that can repair your vehicle for the price we have determined. You may also elect to pay the difference between our appraisal and your repair facility's estimate.

Do I have to accept replacement parts which are not made by the original manufacturer of my vehicle?

- New Jersey regulations permit the use of aftermarket parts as long as they are certified and warranted by the manufacturer to be of like kind and quality as the Original Equipment Manufactured (OEM) parts. If we recommend the use of aftermarket parts, you may still choose to use more expensive OEM parts but you will have to pay the difference in cost.

- New Jersey regulations require that we clearly indicate, on all appraisals, which parts are aftermarket and pay for any modifications necessary.
- We will not use aftermarket "sheet metal" replacement parts when estimating repair costs unless authorized by the vehicle owner.

Do I have to accept used parts (like kind and quality) when my vehicle is repaired?

- We may suggest used or recycled parts, if available at commencement of repairs to the vehicle or the time of inspection, on all vehicles with the exception of current model year vehicles and vehicles with less than 15,000 miles. Used or recycled parts should not be confused with aftermarket parts. Aftermarket parts are made by a manufacturer other than the original manufacturer. Used or recycled parts are made by the original manufacturer.
- When used or recycled parts are suggested, you still have the option of using new parts but you will be responsible for paying the difference in cost.
- We will not suggest used or recycled parts for replacement of what are generally considered safety components. Examples of safety components include: steering, suspension, SRS systems, wheels, hood latches, and rack and pinion.

What if I need a rental vehicle?

Based on the coverage and limits provided in your policy, we will arrange for the rental of a comparable vehicle while your vehicle is being repaired. If you need a rental vehicle, call your Claim Representative who will make all the arrangements.

If I rent a vehicle, how long can I keep it?

- If your vehicle is driveable, we will reimburse you for the number of days required to repair your vehicle.
- If your vehicle is not driveable, we will reimburse

you from the date of the accident to the date we appraise your vehicle, plus the number of days required to repair your vehicle.

- If your vehicle has been declared a Total Loss, we will reimburse you for up to three days after an offer of settlement is made.
- In all cases, rental reimbursement is limited to the amount of coverage purchased regardless of the time it actually takes to repair or replace your vehicle.

If I rent a vehicle, do I need to purchase optional insurance coverage offered by the rental company?

As a matter of general business practice, the rental company may ask if you would like to purchase insurance coverage at the time you rent a vehicle. If your policy provides Collision and Comprehensive coverage for the vehicle being repaired, there is no need to purchase optional insurance coverage.

We will NOT reimburse for:

- Gas
- Mileage charges
- Insurance
- Damage waivers
- Rental charges incurred due to delays in:
 - reporting the loss to us
 - making the vehicle available for inspection
 - obtaining repair parts
 - commencing repairs to the vehicle

Who decides whether or not my vehicle can be repaired?

- After evaluating the damages to your vehicle, we have the option of repairing your vehicle, replacing your vehicle, or reimbursing you for the vehicle's Actual Cash Value. Actual Cash Value is the amount your vehicle would have sold for on the date of the accident.
- After estimating the damages to your vehicle, you may be advised that it is a "Total Loss". A vehicle is considered a "Total Loss" when it is economically impractical to repair. If your vehicle is a "Total Loss", we may elect to replace your vehicle or reimburse you for its Actual Cash Value.

What does "economically impractical to repair" mean?

"Economically impractical to repair" means the cost of repairs equals or exceeds a vehicle's Actual Cash Value on the date of the accident. For example, if the estimate to repair a vehicle is \$8,000 and the Actual Cash Value is \$8,000, the vehicle is economically impractical to repair and is considered an Obvious Total Loss.

There are instances where we will declare a vehicle to be a Total Loss even if the cost of repairs do not equal or exceed the vehicle's Actual Cash Value. This occurs when it is determined that a vehicle should not be repaired for the following reasons:

- Total Loss by Salvage - the cost of repairs plus the salvage value (value of the unrepaired vehicle) equals or exceeds a vehicle's Actual Cash Value.
- Constructive Total Loss - a vehicle cannot be reasonably restored to a safe pre-accident condition, due to the type, extent and location of damages. This includes "open" or "untested" components that may be damaged.

What happens if my vehicle is declared a Total Loss?

Since most vehicles are repairable, detailed questions and answers regarding the handling of Total Loss and Total Theft claims are not included in this brochure.

For more information on the handling of Total Loss and Total Theft claims, please call your Claim Representative.

What if there is a Lien Holder listed on my policy or vehicle registration?

We are obligated to protect the interest of the Lien Holder. We may do this by including their name on the settlement check or by verifying satisfactory repairs to your vehicle.

TOTAL THEFT CLAIMS

Am I entitled to a rental vehicle if my vehicle is stolen?

Yes, if your vehicle is stolen, we will reimburse you for the cost of a rental vehicle starting 48 hours after the theft, subject to your policy limits, as long as you report the theft of your vehicle to the police and promptly notify us of the loss.

What information will I be required to provide if my vehicle is stolen?

We will ask you for the following:

- Signed and notarized theft affidavit
- Recorded statement
- Copies of the vehicle's registration, bill of sale, lease / finance agreement, driver's license, and the vehicle's prior service and repair receipts
- Police report and recovery report

What should I do if my vehicle is recovered?

If you receive information that your vehicle has been recovered, you should notify your Claim Representative by telephone, as soon as possible. The police department may ask you to sign a release prior to allowing us access to your vehicle.

Are personal belongings stolen with my vehicle covered under my auto insurance?

No. Personal items stolen with your vehicle may be covered under your homeowners insurance policy.

If my vehicle is not recovered, how will my loss be settled?

If your vehicle is not recovered, it will be handled as a Total Loss. For more information on the evaluation of Total Loss, please call your Claim Representative.

GLASS AND TOWING CLAIMS

My vehicle was towed from the scene of the accident. Is this covered?

If your vehicle sustained damage to the extent that it was unsafe to drive or could not be driven from the scene, we will reimburse you for the cost of the tow service.

Can my windshield be repaired instead of replaced?

Often windshields can be repaired rather than replaced. Our glass vendor will work with you to determine if the damage can be repaired. When a repair is not advisable, our glass vendor will work with you to replace the windshield.

If my windshield is repaired, do I have to pay my deductible?

No. Your deductible will be waived if your windshield is repaired.

Do I need to take my vehicle to a glass shop?

You have the option to have your windshield repaired or replaced at a location designated by you. With one call to our glass vendor, you can set up a convenient appointment time, choosing a location which best fits your schedule. Our glass vendor provides a mobile repair and replacement service that will come right to the vehicle to complete the work.

ABOUT MY DEDUCTIBLE

Do I have to pay my deductible even if I was not at fault for the accident?

Yes. Your deductible is the dollar amount you are responsible for if a claim occurs. We will deduct this amount from the settlement of your claim even if you are not at fault.

As a service to our Members, we may, at our discretion, waive your deductible in cases where:

- Your vehicle is struck while parked and unoccupied and the identity of the responsible party is known.
- You are struck in the rear while stopped and the identity of the responsible party is known.
- You are in an accident with another NJ Skylands insured.

To determine if your situation is eligible for waiver of your deductible, please contact your Claim Representative.

Will NJSI help me recover my deductible if I was not responsible for the accident?

Yes. NJSI's Recovery Unit will aggressively attempt to recover your deductible from the responsible party or their insurance company. We may only be able to collect a portion of your deductible, however, if you were partially responsible for the accident.

How long will it take before I receive my deductible?

- If the responsible party is insured, it usually takes 60-120 days before we recover money from the other insurance company. Your deductible will be refunded as soon as we receive reimbursement.
- If the responsible party is not insured, it may take longer for us to recover your deductible and in some cases we may not be able to do so.

UNINSURED PROPERTY DAMAGE CLAIMS

If I don't have collision coverage, can I make a claim if the responsible party is not insured?

If we are able to identify and verify that the responsible party is not insured, we will pay for damages which you are legally entitled to recover from the owner or operator of the uninsured or under insured vehicle.

Does a deductible apply to uninsured property damage coverage?

Yes. The deductible is \$500.

How will my uninsured property damage claim be handled?

Please refer to Page 2 of this brochure - Damage to my vehicle.

PERSONAL INJURY PROTECTION CLAIMS (PIP)

What if I was injured in an accident?

If you were injured in the accident, you should notify your Claim Representative, as soon as possible. Your injury claim may be referred to another Claim Representative who specializes in the handling of personal injury claims.

Who else is eligible for PIP benefits under my policy?

You should let us know if anyone else in your vehicle was injured. Your Claim Representative will determine if your policy provides Personal Injury Protection benefits.

Where can I get more information regarding the handling of my PIP claim?

Your PIP Claim Representative will send you a brochure explaining PIP benefits and pre-certification requirements. You can also review the brochure online at www.njsi.com.

All accident-related medical bills should be submitted to:

NGIC PIP
PO Box 2989
Clinton, IA 52733-2989
Fax: 859-497-7348

Make sure to include your claim number on all bills.

PROPERTY DAMAGE OR BODILY INJURY TO SOMEONE ELSE

Who decides who is at fault for the accident?

Your Claim Representative will conduct a complete investigation which may include recorded statements, a review of the police report, witness interviews and a visit to the scene of the accident. When completed, your Claim Representative will make a determination of fault, which can range from 0% to 100% for each party involved.

What information will be required to provide for the investigation of the claim?

We need any and all information you can provide about the facts of the accident. In some cases we will ask to record your statement over the phone or in person. We also need as much information as possible regarding anyone who was injured in the accident.

What do I do if I am sued?

If you receive a summons and complaint (lawsuit), you should call your Claim Representative and mail the lawsuit to us, as soon as possible. We recommend sending important legal documents to us via certified mail.

Will I be reimbursed for lost wages and expenses if I am required to attend trials or arbitration hearings?

If we ask you to attend hearings or trials, your policy will pay up to \$50 a day for loss of earnings, but not other income.

What if I receive a traffic summons for the accident?

If you receive a traffic summons, you should notify your Claim Representative. It remains your responsibility, however, to dispute the summons or pay any fines.

Where can I get more information regarding the handling of my PIP claim?

You can review the PIP brochure online at www.njsi.com.

All bills should be sent to New Jersey Skylands Insurance:

NGIC PIP
PO Box 2989
Clinton, IA 52733-2989
Fax: 859-497-7348

Make sure to include your claim number on all bills.

What if I am contacted by the other party, their insurance carrier or legal representative?

You should not discuss the accident with the other party, their insurance company, or their attorney without consulting your Claim Representative.

WHAT RECOURSE DO I HAVE IF I DISAGREE WITH THE SETTLEMENT OF MY CLAIM?

Our objective is to settle all claims fairly and as quickly as possible. If, however, you do not agree with our settlement offer, you have several options as outlined below:

- You can speak with your Claim Representative or their supervisor. They will ask you for additional information supporting the difference between the amount you are claiming and our settlement offer. You will be advised of any changes in the settlement offer.
- If you do not agree with a damage appraisal or Total Loss evaluation, you may also demand an impartial appraisal of the loss.

- You may have your claim settlement reviewed by our Internal Appeals Panel.

Requests for an appeal can be submitted in writing to:

New Jersey Skylands Insurance
Internal Appeals Coordinator
P.O. Box 1623
Winston-Salem, NC 27102

You always have the right to contact the Office of The Insurance Claims Ombudsman established in the Department of Banking and Insurance to investigate and help resolve complaints from consumers, including complaints relating to the payment of claims, inquiries concerning policy provisions, and the availability of insurance coverage.

The Office of Insurance Claims Ombudsman can be reached at 1-800-446-7467 or by mail at:

Office of Insurance Claims Ombudsman
Department of Banking and Insurance
P.O. Box 472
Trenton, NJ 08625

About New Jersey Skylands Insurance

New Jersey Skylands Insurance Association is a full-service property/casualty insurance company. The company is rated A (Exceptional) by Demotech, Inc., a long-time provider of Financial Stability Ratings® of property/casualty insurance companies.

New Jersey Skylands Insurance Association is managed by an Attorney-in-Fact, New Jersey Skylands Management, LLC (NJSM). NJSM is an indirectly wholly owned subsidiary of National General Holdings Corp., which is listed on the NASDAQ Global Market under the symbol NGHC.

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