



B U L L E T I N

December 23, 2021

Bulletin No. 13-2021

To: NISS Member Companies

Re: Homeowners and Dwelling Exception Code Additions

In order to be consistent with industry standards, NISS is introducing the following new Exception Code for both Homeowners and Dwelling policies:

- Motorized Golf Cart – Physical Damage Coverage – 17

And the following three new Exception codes for Homeowners policies:

- Special Coverage – Spoilage of Perishable Stock – 18
- Identity Fraud Expense Coverage – 19
- Green Upgrades Coverage Endorsement (Policy Forms 2, 3, 5, and 6 only) – 20

For all four of these endorsements, only the endorsement should be exception coded and the remainder of the policy should be reported with whatever Exception Code applies.

We are updating Section D of the General Instructions to include these four new Exception Codes and the appropriate pages in the Homeowners and Dwelling coding sections.

These changes are effective on all new and renewal policies effective on or after January 1, 2022. The attached pages set forth the changes as they will appear in the 1st Quarter 2022 revisions to the NISS Statistical Plan for Homeowners, Mobilehome and Dwelling Policies.

Very truly yours,

A handwritten signature in cursive script that reads "Theresa A. Szwast".

Theresa A. Szwast
President & CEO

Attachment

D. EXCEPTION CODES FOR HOMEOWNERS AND DWELLING POLICIES

Policies with the following endorsements require that only the endorsement be exception coded. The remainder of the policy should be reported with whatever Exception Code applies. Exception Codes marked with an asterisk (*) are applicable for Homeowners Policies only.

1. Water Back-up Damage Endorsement (Exception Code 01)
2. Mechanical Breakdown Coverage Endorsement (Exception Code 14)
3. Sinkhole Collapse Coverage (Exception Code 15)
4. Home-sharing Coverage Endorsement* (Exception Code 16)
5. Motorized Golf Cart - Physical Damage Coverage* (Exception Code 17)
6. Special Coverage - Spoilage of Perishable Stock* (Exception Code 18)
7. Identity Fraud Expense Coverage* (Exception Code 19)
8. Green Upgrades Coverage Endorsement* (Exception Code 20)

All other policies subject to exception coding must have all premium and loss records exception coded for both the endorsement and the policy. If reporting the endorsement premium as a separate record, exposure should be zero.

All exception coded records should be reported to NISS in full detail.

For Exception coding applicable to the Hawaii Hurricane Exclusion and Coverage Option, see item G. below.

E. MORE THAN ONE DWELLING UNDER A SINGLE POLICY

Homeowners:

When a policy insures more than one dwelling, each dwelling shall be coded separately and the classification information shall be determined separately.

Comprehensive Dwelling Policies and other Dwelling Policies:

Premiums for dwelling policies insuring more than three dwellings may be identified only by State, Line of Business, Policy Form and Term. In addition to coding required for premiums, losses are to be identified by cause of loss and number of claims.

When a dwelling policy insures two or three dwellings, the premium for each dwelling and its contents shall be recorded separately and the classification information shall be determined separately for each item.

F. STAT PLAN I.D.

A code "P" must be entered in position 9 of the record format to indicate the new format is being reported.

G. HAWAII HURRICANE EXCLUSION AND COVERAGE OPTION

Underlying Homeowner Policy:

On all Homeowner Policy premium and loss records, indicate whether or not a Hurricane Exclusion Endorsement has been attached to the policy by coding the appropriate Exception Code.

Optional Hurricane Coverage:

In addition, in situations where Hurricane Coverage has been excluded on an underlying policy, and this coverage is purchased separately, via the Hurricane Coverage Endorsement, a separate record is required to identify premiums and losses associated with the hurricane coverage using Exception Code 12.

EXCEPTION CODES

DESCRIPTION	CODE
Water Back-Up Damage Endorsement.....	01*
Policy subject to Multiple Company Insurance Endorsements.....	02#
North Carolina Absolute Wind or Hail Exclusion Endorsement (Territory codes 11, 12, 13, 14, 15, and 16 only).....	03#
California Wrap-Around Policy.....	04#
Michigan Homeowners Optional Loss Settlement Endorsement.....	04#
New York Homeowners Policy with Windstorm Wrap-Around (NYPIUA) Endorsement.....	04#
North Carolina Homeowners Home Business Insurance Coverage Endorsement.....	05#
North Carolina Consent to Rate Risks.....	08
Hawaii Hurricane Exclusion and Coverage Option Underlying policy	
Policies without Hurricane Exclusion Endorsement.....	10#
Policies with Hurricane Exclusion Endorsement.....	11#
Optional Hurricane Coverage Hurricane Coverage Endorsement.....	12#
North Carolina Assisted Living Care Endorsement.....	13#
Mechanical Breakdown Coverage Endorsement.....	14*
Sinkhole Collapse Coverage.....	15*
Home-sharing Coverage Endorsement.....	16*
Motorized Golf Cart - Physical Damage Coverage.....	17*
Special Coverage - Spoilage of Perishable Stock.....	18*
Identity Fraud Expense Coverage.....	19*
Green Upgrades Coverage Endorsement (Policy Forms 2, 3, 5, and 6 only)	20*
None of the above.....	00

* Policies with this endorsement require that only the endorsement be exception coded.

Policies with these endorsements must have all premium and loss records exception coded for both the endorsement and the policy. If reporting the endorsement premium as a separate record, exposure should be zero.

NOTE: Exception Codes 01, 10-12, and 14-20 are the only valid exception codes in Hawaii.

ZIP CODE

Report the five-digit postal ZIP code applicable to the location of the insured.

EXCEPTION CODES

DESCRIPTION	CODE
Water Back-Up Damage Endorsement	01*
Policy subject to Multiple Company Insurance Endorsement	02#
California Supplemental Policy	04#
Policy insuring more than 3 dwellings	06
Awnings, signs, screens, antennas, outdoor equipment, merchandise in storage, trees and shrubs, outbuildings, etc. <u>when written alone</u> as a separate policy	07
North Carolina Consent to Rate Risks	08
Hawaii Hurricane Exclusion and Coverage Option	
Underlying policy	10#
Policies without Hurricane Exclusion Endorsement	11#
Policies with Hurricane Exclusion Endorsement	12#
Optional Hurricane Coverage	
Hurricane Coverage Endorsement	
North Carolina Assisted Living Care Endorsement	13#
Mechanical Breakdown Coverage Endorsement	14*
Sinkhole Collapse Coverage	15*
Motorized Golf Cart - Physical Damage Coverage Endorsement	17*
None of the above	00

* Policies with this endorsement require that only the endorsement be exception coded. These endorsement records should be reported separately with coding that matches the underlying Fire policy subline 10.

Policies with these endorsements must have all premium and loss records exception coded for both the endorsement and the policy. If reporting the endorsement premium as a separate record, exposure should be zero.

NOTE: Exception Codes 01, 10-12, 14, 15, and 17 are the only valid exception codes in Hawaii.

ZIP CODE

Report the five-digit postal ZIP code applicable to the location of the insured.

NUMBER OF FAMILIES CODES

New Jersey Only

DESCRIPTION	CODE
One Family	1
Two Families	3
Three or Four Families	6
Five or more Families (Contents only)	8