



**NORTH CAROLINA
INSURANCE UNDERWRITING ASSOCIATION**

**NORTH CAROLINA
JOINT UNDERWRITING ASSOCIATION**

BEACH PLAN **AIRPLAN**
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January 5, 2007

(Revised January 29, 2007)

(Revised February 1, 2007)

**IMPORTANT NOTICE - THE BELOW REQUIREMENTS HAVE IMMEDIATELY BEEN
WITHDRAWN AND WILL NOT APPLY**

NEW UNDERWRITING AND DEDUCTIBLE REQUIREMENTS FOR COMMERCIAL LINES WIND-DRIVEN RAIN COVERAGE

The North Carolina Insurance Underwriting Association will implement the following minimum deductible policies that carry Wind-Driven Rain Coverage for new business effective February 7, 2007, and continuations effective March 30, 2007.

Wind-Driven Rain Coverage Endorsements, page 13 of the Manual of Rules and Procedures in the Frequently Asked Questions Section has been updated as follows:

Wind-Driven Rain Coverage Endorsements

This coverage extension applies only to Windstorm and Hail Policies. The Commercial Wind-Driven Rain Endorsement (BP0401) and dwelling Wind-Driven Rain Endorsement (WHD201) were intended to parallel open peril property coverage forms that would have otherwise covered Wind-Driven Rain if the peril of Windstorm and Hail had not been excluded by the essential carrier.

All Commercial Open Peril or Special Policy forms submissions and continuation of coverage applications requesting the Wind-Driven Rain coverage endorsement will require recertification via the Beach Plan's WH0005 or other format (copy of the policy, etc.) that the primary coverage form included Wind-Driven Rain coverage before the Windstorm or Hail peril had been excluded. In addition, Commercial Lines will have the following Guidelines applied:

Commercial Deductible Guideline

Minimum Windstorm and Hail Deductible for any risk property limit. ISO, CLM Division Five, rules apply.

Commercial Prior Claim Guideline

The occurrence of two (2) WDR claims within a five year period will disqualify a business.

For residential risks with the primary written one responsibility of the producer to provide a copy of the form, which provided Wind-Driven Rain when it is written in a form other than an HO-3 or DP-3.

Wind-Driven Rain that would have otherwise been excluded by a mandatory separate endorsement for Wind-Driven Rain coverage through the Beach Plan.

We thank you for your continued support of the North Carolina Insurance Underwriting Association.

Sincerely,
Bruce D. Lee
Underwriting Manager

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