



**North Carolina
Insurance Underwriting Association**

Beach Plan

**North Carolina
Joint Underwriting Association**

FAIR Plan

June 9, 2010

**IMPORTANT NOTICE – EFFECTIVE SEPTEMBER 1, 2010
NCIUA – COASTAL PROPERTY INSURANCE POOL DEDUCTIBLE AND NAMED
STORM DEDUCTIBLE REQUIREMENTS**

In August of 2009, the NCIUA – Coastal Property Insurance Pool was required to offer a Named Storm Deductible due to North Carolina General Statute 58-45-45(a2). The NCIUA has recently received approval to implement deductible changes including a Named Storm Deductible effective September 1, 2010, new business and continuations (renewals).

The new NCIUA Deductible and Named Storm Deductible requirements are as follows:

Residential, Full Peril Policy		
Amount of Building Coverage	Minimum All Peril or All Other Peril Deductible if Named Storm Applies	Minimum Named Storm Deductible (NSD)
Up to \$100,000	\$500	1%
\$100,000 up to \$250,000	\$1,000	1%
\$250,000 and above	\$2,500	1%

*Note the NSD may not be less than the Other Peril Deductible, except for coverage under \$50,000.

Residential, Windstorm and Hail Only Policy		
Amount of Building Coverage	Minimum Windstorm or Hail or All Other Windstorm and Hail Peril Deductible if Named Storm Applies	Minimum Named Storm Deductible (NSD)
Up to \$100,000	\$500	1%
\$100,000 up to \$250,000	\$1,000	1%
\$250,000 and above	\$2,500	1%

*Note the Other Peril Deductible and NSD may not be less than the Essential Carrier (master policy) deductible.

Commercial, Full Peril Policy		
Amount of Combined Coverage per Building (Building plus Contents)	Minimum All Peril or All Other Peril Deductible if Named Storm Applies	Minimum Named Storm Deductible (NSD)
Less than \$100,000	\$1,000	NSD Does Not Apply
\$100,000 up to \$250,000	\$1,000	1%
\$250,000 and above	\$2,500	1%

*Note the NSD may not be less than the Other Peril Deductible.

Commercial, Windstorm and Hail Only Policy		
Amount of Combined Coverage per Building (Building plus Contents)	Minimum Windstorm or Hail or All Other Windstorm and Hail Peril Deductible if Named Storm Applies	Minimum Named Storm Deductible (NSD)
Less than \$100,000	\$1,000	NSD Does Not Apply
\$100,000 up to \$250,000	\$1,000	1%
\$250,000 and above	\$2,500	1%

*Note on Windstorm and Hail only policies, the Other Peril Deductible and NSD may not be less than the Essential Carrier (master policy) deductible.

The **Continuation Declaration** will reflect these new deductible requirements and will include a Notice to the Policyholder NP 00 21 advising that the deductible has changed, if applicable. There will not be a notice if the policy was not affected by these minimum deductible requirements.

The **Dynamic Web** will be updated in the coming weeks to reflect these minimum deductible requirements. At this time you can not enter new business with an effective date of September 1, 2010 or later. We will update you through the Dynamic Web once this has been released.

If you have any questions, please contact your Underwriter at the Association.