



NORTH CAROLINA RATE BUREAU
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June 6, 2002

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Acknowledgment of No Coverage
for Windstorm or Hail

By Circular Letter to All Member Companies P-02-11 dated May 24, 2002, this Bureau announced a new endorsement HO 32 94 08 02 - Absolute Windstorm or Hail Exclusion - North Carolina which replaces the current HO 04 94 Windstorm or Hail Exclusion. The new HO 32 94 eliminated the exception to the exclusion regarding Coverage D - Loss of Use.

As a result of the implementation of the new HO 32 94, it has been necessary to revise the current Acknowledgment of No Coverage for Windstorm or Hail - WH 00 01 which is required to be signed by the policyholder when the Windstorm or Hail Coverage has been excluded from the Homeowners Policy.

In that regard, please find attached a revised Acknowledgment of No Coverage for Windstorm or Hail - WH 00 01 08 02 which has been amended as a result of the implementation of the new HO 32 94.

This change becomes effective in accordance with the following Rule of Application:

This change becomes effective with respect to all new and renewal policies effective on or after August 15, 2002.

Please see to it that this circular is brought to the attention of all interested personnel in your Company.

Very truly yours,

F. Timothy Lucas

Personal Lines Manager

FTL:dp

Enclosure

P-02-13

**ACKNOWLEDGMENT OF NO COVERAGE FOR
WINDSTORM OR HAIL**

The undersigned policyholder or applicant acknowledges that the policy or application referenced on this form includes a windstorm or hail exclusion endorsement. This means that the policy or application *does not insure* for loss caused directly or indirectly by the peril of windstorm or hail. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. Direct loss by fire or explosion resulting from windstorm or hail damage is covered. This exclusion does not apply to the coverages marked below:

- ~~Homeowners Coverage D - Loss of Use.~~
- Dwelling Coverage D - Fair Rental Value and if covered Coverage E - Additional Living Expense.
- Mobile Home Owners MH(C) Additional Living Expense or Debris Removal Coverage.
- Mobile Homeowners MH(F) Coverage D - Loss of Use.

This Acknowledgment applies to any renewal, reinstatement, substitute, amended, altered, modified, transfer or replacement policy with this company or with any affiliated company. This Acknowledgment is valid and binding on all insureds and persons claiming benefits under the policy/application.

The undersigned also acknowledges that the property is located in an area eligible for coverage for the peril of windstorm or hail from the North Carolina Insurance Underwriting Association (also known as the "Beach Plan"). Failure by the undersigned to apply for or obtain coverage for the peril of windstorm or hail through the Association (Beach Plan) does not alter the fact that there is no coverage for the peril of windstorm or hail under the policy/application referenced on this form.

Name of Insurance Company	Policy/Application Number	
A Policyholder/Applicant	Signature	Date
Agent	Signature	Date

Note: All or part of matter in brackets may be included or omitted as necessary.

Material that has been struck-through has been deleted.