

# NORTH CAROLINA RATE BUREAU

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November 19, 1997

## CIRCULAR LETTER TO ALL MEMBER COMPANIES

### **Re: Windstorm and Hail Exclusion Homeowners and Dwelling Policy Programs**

The North Carolina Commissioner of Insurance has approved windstorm and hail exclusion credits for Territories 42 and 43 under the Homeowners and Dwelling Policy Programs.

As a result of the enactment of House Bill 452 during the 1997 Session of the North Carolina General Assembly, the jurisdiction of the Beach Plan has been expanded to include the "coastal area". That area is defined as Beaufort, Brunswick, Camden, Carteret, Chowan, Craven, Currituck, Dare, Hyde, Jones, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimmons, Terrell, and Washington Counties. Prior to the enactment of House Bill 452 the jurisdiction of the Beach Plan included only that portion of the State of North Carolina defined as "beach area" which included the area that is south and east of the inland waterway. As a result of this change, it is necessary to introduce windstorm and hail exclusion credits for Territories 42 and 43 under the Homeowners and Dwelling Policy Programs. This will allow member companies to exclude the windstorm and hail coverage. The windstorm and hail coverage could then be written in the Beach Plan.

In that regard, please find attached manual revisions showing the necessary editorial changes to implement windstorm and hail exclusion credits for Territories 42 and 43. In addition, please note that the manual revisions for the Dwelling Policy Program include changes to provide for a windstorm and hail rejection form.

Also, attached is a copy of a revised Windstorm and Hail Rejection Form WH 00 01 10 97 which is to be used when the windstorm and hail coverage is excluded from policies written in Territories 05, 06, 42 and 43. The earlier edition of the Form was previously introduced with the 1991 Homeowners Policy Program. The language contained in the revised Form is identical to the language in the original Form with the exception that the revised Form is designed to allow the use of one form for all property lines under the Rate Bureau's jurisdiction. Please note that companies may elect to print the appropriate policy program on the Form as necessary or to indicate the appropriate policy program in the check box provided.

These changes become effective in accordance with the following Rule of Application:

These changes are effective with respect to policies written

on or after January 1, 1998.

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 Supervisor

FTL:dp

Enclosures

P-97-21