

June 11, 2021

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Dwelling Policy Program
Revised Named Storm Deductible

The Commissioner of Insurance has recently approved optional Named Storm Deductible factors to be used in conjunction with the recently approved All Other Perils Deductible Amounts designed for use in the beach and coastal counties in North Carolina.

The following manual rule has been revised in the North Carolina exception pages of the Dwelling Manual:

- **Rule 406. D. Named Storm Percentage Deductibles – Territories 110, 120, 130, 140, 150, And 160 – Named Storm Percentage Table 406.B.3.a.(7)#1 & #2 and Named Storm Deductible Fixed-dollar Amounts Table 406.B.3.b.(7)#1 & 2** have been revised to include recently approved All Other Perils Deductible Amounts along with corresponding deductible factors.

For your convenience, please find attached revised tables for the Named Storm Percentage and Named Storm Fixed-dollar Amounts.

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

These revisions become effective with respect to all new and renewal policies becoming effective on or after September 1, 2021.

The enclosed exhibits are intended to enable you to implement the approved revisions in accordance with the above Rule of Application. Reprinted manual pages will be distributed in the usual manner as soon as possible.

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

Sincerely,

Andy Montano

Director, Personal Lines

AM:ko
Attachment
P-21-9

406. DEDUCTIBLES

Territories 110, 120, 130, 140, 150 And 160 (Beach & Coastal)					
Coverage A, B, D Or E And Coverage Options For Buildings And Non-building Structures					
Named Storm Deductible Percentage	All Other Perils Deductible Amount	Coverages A, B, D And E Limit			
		Up To \$125,000	\$125,001 To \$175,000	\$175,001 To \$250,000	\$250,001 And Above
1%	\$ 100	0.958	0.928	0.918	0.902
	250	0.954	0.927	0.917	0.901
	500	0.947	0.925	0.915	0.900
	1,000	0.933	0.922	0.912	0.897
	<u>1,500</u>	=	<u>0.919</u>	<u>0.910</u>	<u>0.893</u>
	<u>2,000</u>	=	=	<u>0.908</u>	<u>0.889</u>
	2,500	-	-	-	0.886
	<u>3,000</u>	=	=	=	<u>0.884</u>
	<u>4,000</u>	=	=	=	<u>0.881</u>
	5,000	-	-	-	0.878
	7,500	-	-	-	0.872
	10,000	-	-	-	0.855
	<u>1%</u>	=	=	=	=
2%	\$ 100	0.872	0.845	0.837	0.824
	250	0.869	0.844	0.836	0.823
	500	0.865	0.842	0.834	0.821
	1,000	0.857	0.838	0.831	0.819
	<u>1,500</u>	<u>0.850</u>	<u>0.835</u>	<u>0.828</u>	<u>0.817</u>
	<u>2,000</u>	<u>0.843</u>	<u>0.833</u>	<u>0.826</u>	<u>0.815</u>
	2,500	-	0.831	0.824	0.813
	<u>3,000</u>	=	<u>0.829</u>	<u>0.822</u>	<u>0.811</u>
	<u>4,000</u>	=	=	<u>0.819</u>	<u>0.809</u>
	5,000	-	-	-	0.806
	7,500	-	-	-	0.798
	10,000	-	-	-	0.792
	<u>1%</u>	<u>0.866</u>	<u>0.835</u>	<u>0.826</u>	<u>0.809</u>
5%	\$ 100	0.711	0.688	0.683	0.673
	250	0.709	0.687	0.682	0.672
	500	0.707	0.685	0.680	0.671
	1,000	0.702	0.681	0.677	0.668
	<u>1,500</u>	<u>0.697</u>	<u>0.678</u>	<u>0.674</u>	<u>0.666</u>
	<u>2,000</u>	<u>0.693</u>	<u>0.676</u>	<u>0.672</u>	<u>0.664</u>
	2,500	0.689	0.674	0.670	0.663
	<u>3,000</u>	<u>0.685</u>	<u>0.672</u>	<u>0.668</u>	<u>0.662</u>
	<u>4,000</u>	<u>0.678</u>	<u>0.668</u>	<u>0.665</u>	<u>0.659</u>
	5,000	0.671	0.665	0.662	0.656
	7,500	-	0.657	0.656	0.651
	10,000	-	-	0.652	0.647
	<u>1%</u>	<u>0.708</u>	<u>0.678</u>	<u>0.672</u>	<u>0.659</u>
7.5%	\$ 100	0.629	0.608	0.603	0.594
	250	0.628	0.606	0.602	0.594
	500	0.625	0.605	0.600	0.592
	1,000	0.621	0.601	0.597	0.590

	<u>1,500</u>	<u>0.617</u>	<u>0.598</u>	<u>0.594</u>	<u>0.588</u>
	<u>2,000</u>	<u>0.613</u>	<u>0.595</u>	<u>0.592</u>	<u>0.586</u>
	2,500	0.609	0.593	0.590	0.584
	<u>3,000</u>	<u>0.606</u>	<u>0.591</u>	<u>0.588</u>	<u>0.582</u>
	<u>4,000</u>	<u>0.600</u>	<u>0.587</u>	<u>0.585</u>	<u>0.579</u>
	5,000	0.595	0.584	0.582	0.577
	7,500	0.585	0.579	0.577	0.572
	10,000	–	0.575	0.573	0.569
	<u>1%</u>	<u>0.625</u>	<u>0.598</u>	<u>0.592</u>	<u>0.579</u>
10%	\$ 100	0.565	0.545	0.541	0.532
	250	0.563	0.543	0.539	0.531
	500	0.561	0.541	0.538	0.530
	1,000	0.557	0.538	0.535	0.527
	<u>1,500</u>	<u>0.553</u>	<u>0.535</u>	<u>0.532</u>	<u>0.525</u>
	<u>2,000</u>	<u>0.549</u>	<u>0.532</u>	<u>0.530</u>	<u>0.523</u>
	2,500	0.546	0.530	0.528	0.521
	<u>3,000</u>	<u>0.543</u>	<u>0.528</u>	<u>0.526</u>	<u>0.519</u>
	<u>4,000</u>	<u>0.538</u>	<u>0.524</u>	<u>0.522</u>	<u>0.517</u>
	5,000	0.534	0.521	0.519	0.515
	7,500	0.525	0.516	0.514	0.510
	10,000	0.519	0.512	0.510	0.506
	<u>1%</u>	<u>0.561</u>	<u>0.535</u>	<u>0.530</u>	<u>0.517</u>

Table 406.B.3.a.(7)#1 Coverage A, B, D Or E Named Storm Percentage Deductibles

406. DEDUCTIBLES

Territories 110, 120, 130, 140, 150 And 160 (Beach & Coastal)													
Coverage C And Other Personal Property Coverage Options*													
Named Storm Deductible Percentage	All Other Perils Deductible Amount												
	\$100	\$250	\$500	\$1,000	<u>\$1,500</u>	<u>\$2,000</u>	\$2,500	<u>\$3,000</u>	<u>\$4,000</u>	\$5,000	\$7,500	\$10,000	<u>1%</u>
1%	0.912	0.910	0.908	0.904	<u>0.899</u>	<u>0.894</u>	0.890	<u>0.887</u>	<u>0.882</u>	0.876	0.869	0.852	=
2%	0.832	0.831	0.829	0.825	<u>0.822</u>	<u>0.819</u>	0.817	<u>0.814</u>	<u>0.809</u>	0.804	0.795	0.790	<u>0.831</u>
5%	0.679	0.678	0.676	0.673	<u>0.670</u>	<u>0.668</u>	0.666	<u>0.664</u>	<u>0.661</u>	0.658	0.651	0.646	<u>0.678</u>
7.5%	0.600	0.599	0.597	0.594	<u>0.591</u>	<u>0.589</u>	0.587	<u>0.585</u>	<u>0.582</u>	0.579	0.573	0.569	<u>0.599</u>
10%	0.537	0.536	0.534	0.531	<u>0.529</u>	<u>0.527</u>	0.525	<u>0.523</u>	<u>0.519</u>	0.516	0.511	0.507	<u>0.536</u>

* Only use when policy also covers building or non-building structures.

Table 406.B.3.a.(7)#2 Coverage C And Other Personal Property Named Storm Percentage Deductibles

406. DEDUCTIBLES

Territories 110, 120, 130, 140, 150 And 160 (Beach & Coastal)					
Coverage A, B, D Or E And Coverage Options For Buildings And Non-building Structures					
Named Storm Deductible Amount	All Other Perils Deductible Amount	Coverage A Or B Limit			
		Up To \$125,000	\$125,001 To \$175,000	\$175,001 To \$250,000	\$250,001 And Above
\$1,000	\$ 100	0.943	0.963	0.973	0.985
	250	0.942	0.962	0.972	0.984
	500	0.939	0.960	0.970	0.983
\$2,000	\$ 100	0.853	0.899	0.923	0.957
	250	0.852	0.897	0.922	0.956
	500	0.849	0.895	0.920	0.955
	1,000	0.845	0.892	0.917	0.953
	<u>1,500</u>	<u>0.841</u>	<u>0.890</u>	<u>0.915</u>	<u>0.952</u>
\$5,000	\$ 100	0.692	0.764	0.812	0.891
	250	0.690	0.763	0.811	0.890
	500	0.687	0.761	0.810	0.889
	1,000	0.683	0.757	0.807	0.887
	<u>1,500</u>	<u>0.680</u>	<u>0.754</u>	<u>0.804</u>	<u>0.885</u>
	<u>2,000</u>	<u>0.677</u>	<u>0.752</u>	<u>0.802</u>	<u>0.883</u>
	2,500	0.674	0.750	0.800	0.881
	<u>3,000</u>	<u>0.671</u>	<u>0.748</u>	<u>0.798</u>	<u>0.879</u>
	<u>4,000</u>	<u>0.667</u>	<u>0.744</u>	<u>0.794</u>	<u>0.876</u>
\$7,500	\$ 100	0.614	0.689	0.745	0.847
	250	0.613	0.687	0.744	0.846
	500	0.610	0.686	0.743	0.845
	1,000	0.606	0.682	0.740	0.842
	<u>1,500</u>	<u>0.603</u>	<u>0.679</u>	<u>0.737</u>	<u>0.840</u>
	<u>2,000</u>	<u>0.600</u>	<u>0.676</u>	<u>0.735</u>	<u>0.838</u>
	2,500	0.597	0.674	0.733	0.837
	<u>3,000</u>	<u>0.595</u>	<u>0.672</u>	<u>0.731</u>	<u>0.836</u>
	<u>4,000</u>	<u>0.591</u>	<u>0.668</u>	<u>0.727</u>	<u>0.833</u>
	5,000	0.587	0.665	0.724	0.830
\$10,000	\$ 100	0.565	0.631	0.692	0.809
	250	0.563	0.630	0.691	0.809
	500	0.561	0.628	0.690	0.807
	1,000	0.557	0.625	0.687	0.805
	<u>1,500</u>	<u>0.554</u>	<u>0.622</u>	<u>0.684</u>	<u>0.803</u>
	<u>2,000</u>	<u>0.551</u>	<u>0.619</u>	<u>0.682</u>	<u>0.801</u>
	2,500	0.548	0.617	0.680	0.799
	<u>3,000</u>	<u>0.546</u>	<u>0.615</u>	<u>0.678</u>	<u>0.797</u>
	<u>4,000</u>	<u>0.542</u>	<u>0.611</u>	<u>0.674</u>	<u>0.794</u>
	5,000	0.538	0.608	0.671	0.792
	7,500	0.533	0.602	0.666	0.787

Table 406.B.3.b.(7)#1 Coverage A, B, D Or E Named Storm Fixed-dollar Deductibles

406. DEDUCTIBLES

Territories 110, 120, 130, 140, 150 And 160 (Beach & Coastal)											
Coverage C And Other Personal Property Coverage Options*											
Named Storm Deductible Amount	All Other Perils Deductible Amount										
	\$100	\$250	\$500	\$1,000	\$1,500	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000	\$7,500
\$ 1,000	0.979	0.978	0.976	–	=	=	–	=	=	–	–
2,000	0.940	0.939	0.937	0.934	<u>0.932</u>	=	–	=	=	–	–
5,000	0.853	0.852	0.850	0.848	<u>0.845</u>	<u>0.843</u>	0.841	<u>0.839</u>	<u>0.835</u>	–	–
7,500	0.800	0.799	0.797	0.794	<u>0.792</u>	<u>0.790</u>	0.788	<u>0.786</u>	<u>0.783</u>	0.780	–
10,000	0.757	0.756	0.754	0.752	<u>0.749</u>	<u>0.747</u>	0.745	<u>0.743</u>	<u>0.740</u>	0.737	0.732

* Only use when policy also covers building or non-building structures.

Table 406.B.3.b.(7)#2 Coverage C And Other Personal Property Named Storm Fixed-dollar Deductibles

406. DEDUCTIBLES

Territories 110, 120, 130, 140, 150 And 160 (Beach & Coastal)					
Coverage A, B, D Or E And Coverage Options For Buildings And Non-building Structures					
Named Storm Deductible Percentage	All Other Perils Deductible Amount	Coverages A, B, D And E Limit			
		Up To \$125,000	\$125,001 To \$175,000	\$175,001 To \$250,000	\$250,001 And Above
1%	\$ 100	0.958	0.928	0.918	0.902
	250	0.954	0.927	0.917	0.901
	500	0.947	0.925	0.915	0.900
	1,000	0.933	0.922	0.912	0.897
	1,500	–	0.919	0.910	0.893
	2,000	–	–	0.908	0.889
	2,500	–	–	–	0.886
	3,000	–	–	–	0.884
	4,000	–	–	–	0.881
	5,000	–	–	–	0.878
	7,500	–	–	–	0.872
	10,000	–	–	–	0.855
1%	–	–	–	–	
2%	\$ 100	0.872	0.845	0.837	0.824
	250	0.869	0.844	0.836	0.823
	500	0.865	0.842	0.834	0.821
	1,000	0.857	0.838	0.831	0.819
	1,500	0.850	0.835	0.828	0.817
	2,000	0.843	0.833	0.826	0.815
	2,500	–	0.831	0.824	0.813
	3,000	–	0.829	0.822	0.811
	4,000	–	–	0.819	0.809
	5,000	–	–	–	0.806
	7,500	–	–	–	0.798
	10,000	–	–	–	0.792
1%	0.866	0.835	0.826	0.809	
5%	\$ 100	0.711	0.688	0.683	0.673
	250	0.709	0.687	0.682	0.672
	500	0.707	0.685	0.680	0.671
	1,000	0.702	0.681	0.677	0.668
	1,500	0.697	0.678	0.674	0.666
	2,000	0.693	0.676	0.672	0.664
	2,500	0.689	0.674	0.670	0.663
	3,000	0.685	0.672	0.668	0.662
	4,000	0.678	0.668	0.665	0.659
	5,000	0.671	0.665	0.662	0.656
	7,500	–	0.657	0.656	0.651
	10,000	–	–	0.652	0.647
1%	0.708	0.678	0.672	0.659	
7.5%	\$ 100	0.629	0.608	0.603	0.594
	250	0.628	0.606	0.602	0.594
	500	0.625	0.605	0.600	0.592
	1,000	0.621	0.601	0.597	0.590

	1,500	0.617	0.598	0.594	0.588
	2,000	0.613	0.595	0.592	0.586
	2,500	0.609	0.593	0.590	0.584
	3,000	0.606	0.591	0.588	0.582
	4,000	0.600	0.587	0.585	0.579
	5,000	0.595	0.584	0.582	0.577
	7,500	0.585	0.579	0.577	0.572
	10,000	–	0.575	0.573	0.569
	1%	0.625	0.598	0.592	0.579
10%	\$ 100	0.565	0.545	0.541	0.532
	250	0.563	0.543	0.539	0.531
	500	0.561	0.541	0.538	0.530
	1,000	0.557	0.538	0.535	0.527
	1,500	0.553	0.535	0.532	0.525
	2,000	0.549	0.532	0.530	0.523
	2,500	0.546	0.530	0.528	0.521
	3,000	0.543	0.528	0.526	0.519
	4,000	0.538	0.524	0.522	0.517
	5,000	0.534	0.521	0.519	0.515
	7,500	0.525	0.516	0.514	0.510
	10,000	0.519	0.512	0.510	0.506
	1%	0.561	0.535	0.530	0.517

Table 406.B.3.a.(7)#1 Coverage A, B, D Or E Named Storm Percentage Deductibles

406. DEDUCTIBLES

Territories 110, 120, 130, 140, 150 And 160 (Beach & Coastal)													
Coverage C And Other Personal Property Coverage Options*													
Named Storm Deductible Percentage	All Other Perils Deductible Amount												
	\$100	\$250	\$500	\$1,000	\$1,500	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000	\$7,500	\$10,000	1%
1%	0.912	0.910	0.908	0.904	0.899	0.894	0.890	0.887	0.882	0.876	0.869	0.852	–
2%	0.832	0.831	0.829	0.825	0.822	0.819	0.817	0.814	0.809	0.804	0.795	0.790	0.831
5%	0.679	0.678	0.676	0.673	0.670	0.668	0.666	0.664	0.661	0.658	0.651	0.646	0.678
7.5%	0.600	0.599	0.597	0.594	0.591	0.589	0.587	0.585	0.582	0.579	0.573	0.569	0.599
10%	0.537	0.536	0.534	0.531	0.529	0.527	0.525	0.523	0.519	0.516	0.511	0.507	0.536

* Only use when policy also covers building or non-building structures.

Table 406.B.3.a.(7)#2 Coverage C And Other Personal Property Named Storm Percentage Deductibles

406. DEDUCTIBLES

Territories 110, 120, 130, 140, 150 And 160 (Beach & Coastal)					
Coverage A, B, D Or E And Coverage Options For Buildings And Non-building Structures					
Named Storm Deductible Amount	All Other Perils Deductible Amount	Coverage A Or B Limit			
		Up To \$125,000	\$125,001 To \$175,000	\$175,001 To \$250,000	\$250,001 And Above
\$1,000	\$ 100	0.943	0.963	0.973	0.985
	250	0.942	0.962	0.972	0.984
	500	0.939	0.960	0.970	0.983
\$2,000	\$ 100	0.853	0.899	0.923	0.957
	250	0.852	0.897	0.922	0.956
	500	0.849	0.895	0.920	0.955
	1,000	0.845	0.892	0.917	0.953
	1,500	0.841	0.890	0.915	0.952
\$5,000	\$ 100	0.692	0.764	0.812	0.891
	250	0.690	0.763	0.811	0.890
	500	0.687	0.761	0.810	0.889
	1,000	0.683	0.757	0.807	0.887
	1,500	0.680	0.754	0.804	0.885
	2,000	0.677	0.752	0.802	0.883
	2,500	0.674	0.750	0.800	0.881
	3,000	0.671	0.748	0.798	0.879
\$7,500	\$ 100	0.614	0.689	0.745	0.847
	250	0.613	0.687	0.744	0.846
	500	0.610	0.686	0.743	0.845
	1,000	0.606	0.682	0.740	0.842
	1,500	0.603	0.679	0.737	0.840
	2,000	0.600	0.676	0.735	0.838
	2,500	0.597	0.674	0.733	0.837
	3,000	0.595	0.672	0.731	0.836
	4,000	0.591	0.668	0.727	0.833
\$10,000	\$ 100	0.565	0.631	0.692	0.809
	250	0.563	0.630	0.691	0.809
	500	0.561	0.628	0.690	0.807
	1,000	0.557	0.625	0.687	0.805
	1,500	0.554	0.622	0.684	0.803
	2,000	0.551	0.619	0.682	0.801
	2,500	0.548	0.617	0.680	0.799
	3,000	0.546	0.615	0.678	0.797
	4,000	0.542	0.611	0.674	0.794
	5,000	0.538	0.608	0.671	0.792
7,500	0.533	0.602	0.666	0.787	

Table 406.B.3.b.(7)#1 Coverage A, B, D Or E Named Storm Fixed-dollar Deductibles

406. DEDUCTIBLES

Territories 110, 120, 130, 140, 150 And 160 (Beach & Coastal)											
Coverage C And Other Personal Property Coverage Options*											
Named Storm Deductible Amount	All Other Perils Deductible Amount										
	\$100	\$250	\$500	\$1,000	\$1,500	\$2,000	\$2,500	\$3,000	\$4,000	\$5,000	\$7,500
\$ 1,000	0.979	0.978	0.976	–	–	–	–	–	–	–	–
2,000	0.940	0.939	0.937	0.934	0.932	–	–	–	–	–	–
5,000	0.853	0.852	0.850	0.848	0.845	0.843	0.841	0.839	0.835	–	–
7,500	0.800	0.799	0.797	0.794	0.792	0.790	0.788	0.786	0.783	0.780	–
10,000	0.757	0.756	0.754	0.752	0.749	0.747	0.745	0.743	0.740	0.737	0.732

* Only use when policy also covers building or non-building structures.

Table 406.B.3.b.(7)#2 Coverage C And Other Personal Property Named Storm Fixed-dollar Deductibles