

November 6, 2008

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Mobile Home MH(C) Policy Program
MH(C) 300 Special Provisions Endorsement

The Commissioner of Insurance has recently approved revisions to the attached MH(C) 300 – Special Provisions Endorsement which is designed for use on a mandatory basis in North Carolina with the Mobile Home Policy Program.

The revised MH(C) 300 includes language under General Policy Conditions – What To Do When You Have A Loss, extending the time that a proof of loss must be sent to an insurer whenever a state of disaster is proclaimed or declared in North Carolina. (NC General Statute 58-2-46)

The revised Endorsement MH(C) 300 – Special Provisions becomes effective in accordance with the following Rule of Application:

This revision becomes effective with respect to all new and renewal policies effective on or after May 1, 2009.

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:dms

Attachments

P-08-20

**SPECIAL PROVISIONS
AMENDATORY ENDORSEMENT**

LIABILITY

The Claim Expense coverage is deleted and replaced by the following:

For claim expenses WE pay:

1. Expenses incurred by US and costs taxed against YOU in any suit WE defend;
2. Premiums on bonds required in a suit defended by US, but not for bond amounts greater than the Limit of Liability for Personal Liability Coverage. WE are not obligated to apply for or furnish any bonds;
3. Expenses incurred by YOU at OUR request, including up to \$25 a day actual loss of earnings, for assisting US in the investigation or defense of any claim or suit;
4. Interest on the entire judgment which accrues after entry of the judgment and before WE pay, formally offer, or deposit in Court that part of the judgment which does not exceed the limit of OUR liability on that judgment; and
5. Prejudgment interest awarded against YOU on that part of the judgment WE pay. If WE make an offer to pay the applicable limit of liability, WE will not pay any prejudgment interest based on that period of time after the offer.

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The **LIABILITY DOESN'T PROVIDE PAYMENT FOR** Section is deleted and replaced by the following:

PERSONAL LIABILITY COVERAGE AND MEDICAL PAYMENTS TO OTHERS COVERAGE DOESN'T PAY FOR BODILY INJURY OR PROPERTY DAMAGE:

- Arising out of the serving or furnishing of alcoholic beverages to any person;
- Arising out of YOUR business pursuits;
- Arising out of the rental of holding for rental of any premises owned by YOU intended for use as a residence for more than two roomers or boarders;
- Arising out of the rendering of failing to render professional services;
- Arising out of any premises owned or rented to YOU unless it is shown on Page One or a premium charge has been made;
- Arising out of the ownership, maintenance, use, loading or unloading of;
 - Any motor vehicle licensed or not for road use, on or off public roads except golf carts while used for golfing, riding lawn mowers or equipment usual and incidental to the maintenance of YOUR mobile home premises;
 - Aircraft;
 - Watercraft;
 - If the watercraft has inboard or inboard-outboard motor(s) exceeding 50 horsepower;
 - If it is a sailing vessel, with or without auxiliary power, 26 feet or more in overall length; or
 - If it is powered by one or more outboard motors with more than 25 combined total horsepower owned by YOU;
- Caused directly or indirectly by war, hostile or war-like action in time of peace. or war whether or not declared, riot or civil disorder; or which is expected or intended by YOU;
- Arising out of sexual molestation, corporal punishment or physical or mental abuse.

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**SPECIAL PROVISIONS
AMENDATORY ENDORSEMENT**

GENERAL POLICY CONDITIONS

WHAT TO DO WHEN YOU HAVE A LOSS

The following is added to the sixth paragraph:

However, if a state of disaster is proclaimed or declared for the State of North Carolina or for an area within the state in accordance with North Carolina law and the covered property that has sustained loss is located within the geographic area designated in the disaster proclamation or declaration, this 90 day period shall not commence until the expiration of the disaster proclamation or declaration, including all renewals of the proclamation or 45 days, whichever is later.

All other provisions of this policy apply.

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