

March 8, 2013

CIRCULAR LETTER TO ALL MEMBER COMPANIES

IMMEDIATE
ATTENTION REQUIRED

Re: Revised Homeowners Wind Mitigation Credits

On March 6, 2013, the Rate Bureau announced revisions to the Homeowners insurance base rates as well as revised windstorm or hail exclusion credits as a result of a negotiated settlement with the Department of Insurance involving a Homeowners rate filing that was submitted on October 1, 2012. As a result of this settlement, it is necessary to amend the wind mitigation credits contained in the Homeowners manual.

In that regard, please find enclosed amended wind mitigation credits that are a result of the implementation of revised base rates.

The approved changes are to be implemented in accordance with the following Rule of Application:

These changes are applicable to all new and renewal policies becoming effective on or after July 1, 2013.

Reprinted manual pages will be distributed in the usual manner as soon as possible. In the meantime, notice of the changes should be sent as soon as possible to your company's North Carolina agents to make them aware of the revisions.

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

Very truly yours,

F. Timothy Lucas

Personal Lines Manager

FTL:dms

Attachments

P-13-4

HOMEOWNERS POLICY PROGRAM MANUAL
RATE PAGES

RULE A12.
WINDSTORM MITIGATION PROGRAM – ALL FORMS EXCEPT HO 00 04 AND HO 00 06

Mitigation Feature	Territory 7	Territory 8	Territory 48	Territory 49	Territory 52
Total Hip Roof	\$ <u>7894</u>	\$ <u>86106</u>	\$ <u>5254</u>	\$ 43	\$ <u>5561</u>
Opening Protection	<u>8096</u>	<u>89109</u>	<u>5254</u>	41	<u>5662</u>
Total Hip Roof and Opening Protection	<u>158190</u>	<u>176215</u>	<u>104108</u>	<u>8485</u>	<u>112122</u>
IBHS Designation:					
Hurricane Fortified for Safer Living®	<u>257308</u>	<u>305375</u>	<u>449155</u>	<u>9492</u>	<u>485204</u>
Hurricane Fortified for Existing Homes® Bronze Option 1	<u>6274</u>	<u>6985</u>	<u>4443</u>	33	<u>4448</u>
Hurricane Fortified for Existing Homes® Bronze Option 2	<u>96115</u>	<u>109134</u>	<u>5961</u>	41	<u>6976</u>
Hurricane Fortified for Existing Homes® Silver Option 1	<u>154185</u>	<u>184226</u>	<u>8487</u>	44	<u>113124</u>
Hurricane Fortified for Existing Homes® Silver Option 2	<u>185222</u>	<u>222276</u>	<u>100104</u>	<u>6051</u>	<u>138152</u>
Hurricane Fortified for Existing Homes® Gold Option 1	<u>197236</u>	<u>234288</u>	<u>112116</u>	<u>6465</u>	<u>144155</u>
Hurricane Fortified for Existing Homes® Gold Option 2	<u>228274</u>	<u>273336</u>	<u>128133</u>	<u>7472</u>	<u>166183</u>

Table A9. Windstorm Loss Mitigation Credit