



WIND AND HAIL UPDATE

*South Carolina Wind And Hail
Underwriting Association
P. O. Box 407
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April 23, 2006
06-03

FLOOD FACTOIDS

In response to the flood losses related to the 2004 and 2005 hurricane seasons, the Federal Emergency Management Agency is encouraging the purchase of flood insurance. FEMA's pres release included a number of important points.

- Floods are the #1 natural disaster in the United States
- Just a few inches of water can cause thousands of dollars in damage
- The homeowners policy does not cover flood damage
- The SC Wind policy does not cover flood damage
- Residents need flood insurance in order to qualify for federal disaster grants and federally backed low interest loans
- 20 to 25% of all flood claims are filed in low-to-moderate risk areas
- New land development can increase flood risk, especially if construction changes natural runoff paths
- There is a 30 day waiting period after purchase for a flood policy to take effect
- Failure to advise your clients about the availability of flood insurance could result in an E&O claim for your agency

Are you selling flood insurance or documenting the rejection of the flood insurance?

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WWW.SCWIND.COM

Are you using Quick Quote? Over 200 inquiries per day are taking place at our web site.

The Association Staff is currently working on Phase II which will involve the application. In addition, we will be adding a function which will allow the producer to determine if the risk is "in or out" of the territory.

Keeping watching for further updates!

JUNE 1, 2006 CHANGES

Effective June 1, 2006, there will be an overall 4.3% rate increase. This change has already been added to Quick Quote.

Other changes include . . .

- More deductible options
- ICC endorsement
- Limited contents coverage for builders risk
- Rate credit for IBHS Fortified Homes
- Change to the modular home rule
- Commercial rate simplification

The updated *Rates, Rules, and Forms Manual* is available at the web site.