



WIND AND HAIL UPDATE

*South Carolina Wind And Hail
Underwriting Association
P. O. Box 407
Columbia, SC 29202*

July 31, 2008
08-08

MITIGATION CREDIT FILING -- APPROVED!!!

Section 38-75-755 requires insurance companies to notify policyholders of the availability and range of each premium discount, credit, other differential, or reduction in deductibles for properties on which fixtures or construction techniques demonstrated to reduce the amount of loss in a windstorm have been installed or implemented. This change in the state code was contained in the DOI sponsored H3820 bill. This provision is effective January 1, 2008.

SC Wind now offers three mitigation discounts.

Institute for Business and Home Safety's Fortified Homes . . . For Safer Living

The discount for the Fortified Home has been in place for several years. For policies effective January 1, 2008, or later, the credit is increased from 10% to 20%.

This discount is available for the dwelling program.

For more information, please go to www.ibhs.org.

SC Safe Homes

The South Carolina Department of Insurance is sponsoring the SC Safe Homes Program. Consumers can have a certified inspector conduct an inspection of the property. If deficiencies are found, there is a list of certified contractors that can perform the work.

There is a grant program from the state to assist in funding these repairs.

There is a 5% discount for structures that complete this process. The premium credit is available at the time of certification for policies effective January 1, 2008, or later.

This credit is available for the dwelling and mobile home programs.

For more information, please go to www.scsafehomes.com.

Other Mitigation Techniques

The Association is also providing premium credits for the following:

- Building Codes – Structures meeting the 2007 building code
- Non-Frame – Structures made of masonry non-combustible or better (does not include brick or masonry veneer)
- Roof Construction – Mitigation efforts such as roof ties or clips
- Openings – Impact windows and / or coverings

A chart summarizing these credits appears at the end of this bulletin.

The premium credit is available at the time of certification for policies effective January 1, 2008, or later.

These credits are available for the dwelling, mobile home, condo unit owners, and commercial programs.

For details on the specific requirements, go to www.scwind.com and click on Forms. Download the mitigation forms.

How do I get credit for the mitigation efforts?

For IBHS Fortified Homes . . . Submit documentation that the home is a Fortified Home. IBHS issues a certificate for each Fortified Home.

For a SC Safe Home . . . Submit a copy of the SC Safe Home Inspection and a copy of the report by the SC Safe Home Contractor indicating that the home is now in compliance.

For Other Mitigation Techniques . . . Download the mitigation affidavits, complete them, and submit the information to the Association. The insured's affidavit and the contractor / engineer / architect affidavits are both required for consideration for applying credits.

Do we need to notify our insureds of these credits?

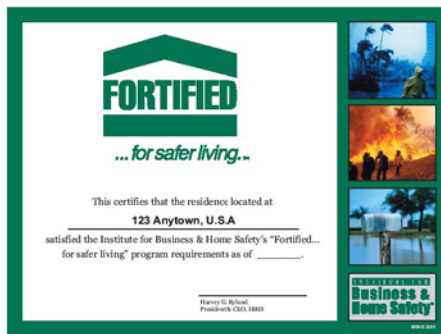
The Association will be sending a letter to all insureds with a policy effective date of January 1, 2008, or later, informing them of the availability of the credits. If they have a Fortified Home, a SC Safe Home, or one or more of the other mitigation techniques, they will be instructed to contact their insurance producer to complete the documentation process.

Why doesn't the web site offer these discounts?

The credits are not on the web site under Quick Quote. Due to the mandatory compliance process associated with the credits, the premium discounts can only be applied by the Association's underwriters once the necessary documentation has been received.

Premium credits which are approved will carry forward on the rewrite notices.

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Sample IBHS Certificate



SC Safe Homes Billboard

OTHER MITIGATION TECHNIQUES

The Association is providing premium credits for the following individual mitigation measures:

	Opening Protection	Roof Tie Downs	Building Codes
Dwellings & Townhomes	X	X	X
Manufactured homes	X		X
Commercial	X	X	X
Condo Unit Owners	X	X	X

X - Indicates credit is available for that mitigation measure for that line of business

Opening protection - Impact resistant windows and/or coverings (does not include glass "film")

Construction standards - Non-frame structures made of masonry or masonry non-combustible or better (doesn't include brick or masonry veneer)

Roof Tie Downs - Includes roof ties or clips

Building Codes - Structures meeting the 2007 building code

Meeting one requirement results in a 1% credit. Meeting two or three requirements results in a 3% credit. Meeting four requirements results in a 5% credit. (Commercial only - one requirement=1%, 2 requirements=3%, 3 requirements=5%)