



DISCLOSURE NOTICE HURRICANE DEDUCTIBLE – FOR USE WITH DWELLING POLICIES

Your policy includes a Hurricane Deductible. Please review this important notice and retain it with your insurance policy. It is recommended that you review your policy carefully to determine your rights, duties and obligations. This information is intended to assist you in the review of your policy. If there are any conflicts between this Disclosure Notice and your policy, the provisions of the policy shall prevail.

New York Insurance Regulation 159 requires insurers to provide policyholders with a notice when their homeowner or fire policy includes a hurricane deductible. Deductibles serve both the needs of continuing to provide affordable insurance for all insureds and sharing the loss with property owners. A deductible is the portion of a loss for which you are responsible to pay in the event of damage resulting from a covered cause of loss. Your policy contains separate hurricane deductible provisions. These hurricane deductible provisions apply separately to each residence if this policy covers more than one residence. Your policy continues to have a deductible that will apply to all other non-hurricane losses caused by a covered cause of loss. The company is responsible for the portion of a covered loss above the deductible amount up to the policy coverage limit.

The hurricane deductible percentage applies to category 2 hurricanes, or greater, as defined in the endorsement to your policy that adds the deductible. The hurricane deductible percentage will be applied to the amount of insurance shown for Coverage A, B or C, whichever is greatest. We will deduct the percent stated of the amount of insurance for Coverage A, B or C, as is applicable, to each covered claim for loss or damage in any one occurrence.

The hurricane deductible applicable to category 2 hurricanes, or greater, is based on a percentage of the Coverage A, B or C amount of insurance. The amount of your hurricane deductible is determined by multiplying the hurricane deductible percentage by the greatest of the Coverage A, B or C amount of insurance at the time of loss. The resulting dollar amount is your hurricane deductible. The hurricane deductible applies to the total of all covered loss under Coverage A, B and C.

The following are examples of how the hurricane deductible percentage is determined and applied assuming that at the time of the loss, the Coverage A amount of insurance is \$100,000 and the hurricane deductible percentage is 3%, with the resulting hurricane deductible amount being \$3,000 ($\$100,000 \times 3\%$).

- Loss to the dwelling is \$10,000 and loss to personal property is \$2,000 for a loss in the amount of \$12,000. You are responsible for the first \$3,000 of the loss due to the hurricane deductible. The company will be responsible for the balance of \$9,000.
- Loss to the dwelling is \$2,500 and there is no loss of personal property. You are responsible for the first \$3,000 of the loss. Since the total amount of loss is less than the hurricane deductible, the company would not pay for any of the loss.

A \$1,000 deductible applies to covered windstorm losses resulting from category 1 hurricanes as defined in the endorsement to your policy that adds the deductible. Under those circumstances, we will deduct \$1,000 from each covered claim for loss or damage in any one occurrence. If both category 1 hurricane winds and category 2 hurricane winds or hurricane force winds of a greater velocity exist during the hurricane deductible duration as defined in your policy, the hurricane deductible percentage shall apply as set forth above.

The hurricane deductible provisions apply regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events occur concurrently or in any sequence to the loss.

If the amount of insurance for Coverage A, B or C on your policy is changed for example due to contractual inflation or provisions or adjustments reflecting an increased replacement cost, then the amount of the deductible will be changed based on the new amount of insurance for the applicable coverage.

If you have any questions as to these changes on the completion of your review, please contact your agent or this company for further information.