



MASSACHUSETTS PROPERTY INSURANCE UNDERWRITING ASSOCIATION

Two Center Plaza
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September 26, 2018

To: All Massachusetts Producers

The Massachusetts Property Insurance Underwriting Association (Association) filed changes to its Homeowners and Dwelling Policies with the Division of Insurance. These changes switch from the use of a minimum mandatory Windstorm or Hail Deductible to a minimum mandatory Named Storm Deductible. The Division of Insurance approved the filing effective 8/1/2018.

The Association was not able to complete the necessary programming in time to implement this change for Homeowners and Dwelling Policies with a new business or renewal date that fell between 8/1/2018 and 8/31/2018. As a result, Homeowners and Dwelling Policies issued or renewed in August 2018 included an incorrect Windstorm or Hail Deductible, rather than the appropriate Named Storm Deductible. This only impacts those Policies issued in August 2018 as the Association was able to complete the necessary programming for policies issued or renewed on and after 9/1/2018. As such, all policies issued or renewed after 8/31/2018 will include the appropriate Named Storm Deductible.

Although the Association will be sending letters to policyholders to clarify this issue, we are issuing this letter to make clear that the Association considers all Homeowners and Dwelling Policies, with a start or renewal date between 8/1/2018 and 8/31/2018, to be covered according to the approved Named Storm Deductible and not the Windstorm or Hail Deductible that is identified in the policy.

We have attached a template letter being mailed to the affected policyholders, for your information.

If you have any questions regarding this letter, please contact the Association's Customer Service Department at (617) 723-3800.



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Dear Policyholder,

We are sending this letter about a correction to the coverage identified in your policy. Please keep this letter with your insurance records for future reference.

The Massachusetts Property Insurance Underwriting Association (Association) received approval from Division of Insurance to modify Homeowners and Dwelling Policies that are effective on and after 8/1/2018 so that what was previously identified as a minimum mandatory Windstorm or Hail Deductible has now been changed to a minimum mandatory Named Storm Deductible.

Unfortunately, the Association was not able to complete the necessary programming in time to implement this change for Homeowners and Dwelling Policies which were issued or renewed between 8/1/2018 and 8/31/2018. As a result, your Policy, which has an effective date issued or renewed in August 2018, included an incorrect Windstorm or Hail Deductible, rather than the appropriate Named Storm Deductible.

We are sending this letter to make clear that the Association considers all Homeowners and Dwelling Policies, with a start or renewal date between 8/1/2018 and 8/31/2018, to provide coverage according to the approved Named Storm Deductible and not the Windstorm or Hail Deductible that is identified in the policy. As such, the Deductible will apply only if you suffer a direct physical loss or damage to property caused directly or indirectly by wind during a Named Storm in your current policy term.

The Named Storm Deductible does not change the amount of your deductible, but it limits the application of the deductible only to Named Storms, rather than to all windstorms. Named Storm is defined as a hurricane or tropical storm given a name by the National Weather Service. Therefore, the Windstorm or Hail Deductible will not apply to any windstorm claim under your current policy unless your loss or damage occurs during a Named Storm, as defined above.

The amount of this Deductible, which will be applied during a Named Storm, can be found in the Deductible Section of your Policy Declarations identified as the Windstorm or Hail Deductible and will be subtracted from the total of the loss only if caused directly or indirectly by wind during a Named Storm.

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