



MASSACHUSETTS PROPERTY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING DIVISION

Two Center Plaza
Boston, Massachusetts 02108-1904
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April 29, 2025

TO: All Massachusetts Producers

Re: **Homeowners Policy Program (HO 2000 Program) New Rule – Rule A12. Assignment of Benefits Revision and New Endorsement form Assignment of Benefits Revision FP HO 02**
Effective Date: Effective June 1, 2025

The Massachusetts Division of Insurance has recently “placed on file” a filing by the Massachusetts Property Insurance Underwriting Association (MPIUA) allowing the introduction of a new Rule A12 - Assignment of Benefits Revision. This new rule introduces a new Assignment of Benefits Revision Endorsement, FP HO 02 to the Homeowner Policy Program. This endorsement will be effective for all new and renewal policies with an inception date of June 1, 2025, or later.

This new form modifies the conditions of Homeowners Policies to help protect insureds when assigning the management of a claim to a third party. The intent of this condition is for MPIUA to validate the legitimacy of any third party before the insured signs away their claims benefits. This issue has become widespread following major catastrophes in other parts of the country and could become a significant problem in the event of a catastrophe in Massachusetts. MPIUA aims to proactively address this potential concern.

Posted on the MPIUA website (www.mpiua.com), along with this letter, you will find MPIUA Exception Page MPIUA-HO-EXC-11 and the new Assignment of Benefits Revision Endorsement. This endorsement is to be used with all Homeowner Policies (HO 00 02, HO 00 03, HO 00 05, HO 00 04, and HO 00 06). In addition, a Notice to Policyholders has been provided, which will be attached to all renewal policies for a period of one year to inform insureds of this new condition.

If you have any questions regarding this change, please contact MPIUA’s Consumer Service Department.

Yours truly,

A handwritten signature in black ink, appearing to read "Paul Driscoll", written over a light blue horizontal line.

Paul Driscoll
Vice President of Underwriting

RULE A10.
FLOOD INSURANCE REQUIREMENT – FORMS
HO 00 02, HO 00 03 AND HO 00 05

- A. The MPIUA will require flood insurance to be carried by all properties within Special Flood Hazard Areas in communities served by the Massachusetts Office of Coastal Zone Management. Flood insurance can be from the National Flood Insurance Program (NFIP), Admitted or non-admitted insurers. Coverage amount must be at least the maximum coverage permitted by the NFIP or the amount of coverage sought from the Association, whichever is less.
- B. Proof of Flood insurance coverage will be required to be submitted within 30 days of each policy inception (new and renewal).
- C. Special Flood Hazard Areas are high-risk flood zones which are shown on flood maps as all zones beginning with "A" and "V".
- D. The Massachusetts Office of Coastal Zone Management oversees seventy-eight coastal communities: Acushnet, Amesbury, Aquinnah, Barnstable, Berkley, Boston, Beverly, Bourne, Braintree, Brewster, Chelsea, Cohasset, Chatham, Chilmark, Danvers, Dartmouth, Dennis, Dighton, Duxbury, Eastham, Edgartown, Essex, Everett, Fairhaven, Fall River, Falmouth, Freetown, Gloucester, Gosnold, Harwich, Hanover, Hingham, Hull, Ipswich, Kingston, Lynn, Manchester-by-the-Sea, Marblehead, Marion, Marshfield, Mashpee, Mattapoisett, Milton, Nahant, Nantucket, Newbury, Newburyport, New Bedford, Norwell, Oak Bluffs, Orleans, Pembroke, Peabody, Plymouth, Provincetown, Quincy, Rehoboth, Revere, Rockport, Rowley, Salem, Salisbury, Sandwich, Saugus, Scituate, Seekonk, Somerset, Swampscott, Swansea, Tisbury, Truro, Wareham, Westport, West Tisbury, Weymouth, Winthrop, Yarmouth

RULE A11.
AMOUNT OF INSURANCE REQUIREMENTS – FORMS
HO 00 02, HO 00 03 AND HO 00 05

Coverage A Limit of Liability must be at least 90% of the replacement value subject to the Associations minimum and maximum limits.

RULE A12.
ASSIGNMENT OF BENEFITS REVISION

Assignment of Benefits Revision Endorsement

FP HO 02:

Use this endorsement with all Homeowners Policies

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASSIGNMENT OF BENEFITS REVISION

(For use with forms HO 00 02 10 00, HO 00 03 10 00, HO 00 04 10 00, HO 00 05 10 00, HO 00 06 10 00)

Under **SECTIONS I AND II - CONDITIONS**, Paragraph **E. Assignment** is replaced by the following:

E. Assignment

1. Assignment of this policy will not be valid unless we give our written consent.
2. Absent our written consent, any attempt to assign any post-loss rights, benefits or obligations under this policy, whether made before or after such loss has occurred, shall be void, invalid, and unenforceable. No such assignment shall be valid or enforceable, neither in whole nor in part, with the exception of:
 - a. An assignment, transfer, or conveyance granted to a subsequent purchaser provided such purchaser has a demonstrated insurable interest in Covered Property that has sustained direct, physical loss; or
 - b. A power of attorney that grants authority to act on behalf of an "insured", as it relates to a claim under Section I of this policy, to a relative of an "insured" or a legal guardian or conservator of an "insured".

All other provisions of this policy shall continue to apply.

ASSIGNMENT CONDITION – RENEWAL CHANGE

NOTICE TO POLICYHOLDERS

CAUTION: NO COVERAGE IS PROVIDED BY THIS NOTICE; NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISION OF YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATION PAGE FOR COMPLETE INFORMATION ON THE COVERAGES THAT YOU ARE PROVIDED. IF THERE IS A CONFLICT BETWEEN THE POLICY AND THIS SUMMARY, THE POLICY SHALL PREVAIL.

Dear Policyholder,

Your renewal policy includes an endorsement that changes the **Assignment** Condition contained in your policy.

Now, under this policy, with limited exception, any attempt to assign post-loss rights, benefits or obligations under this policy, whether made before or after such loss has occurred, shall be void, invalid, and unenforceable absent our written consent.

Please read this new endorsement carefully for the complete terms and contact your insurance producer with any questions you may have.