

June 2009

BULLETIN TO: PRODUCERS

THE DELAWARE FAIR PLAN INTRODUCES

- \* HURRICANE PREPAREDNESS CHECKLIST
- \* HURRICANE DEDUCTIBLE

Each policyholder in coastal zip codes will receive the attached Hurricane Preparedness Checklist postcard which contains plans to consider as the storm season approaches.

The Delaware Insurance Department has approved a \$2,000 Delaware Hurricane Deductible effective 9/1/09. This endorsement (DP HUR FPDE 09 09) replaces the OPTIONAL \$2,000 Wind and Hail Deductible currently in use. Unlike the previous deductible, the Hurricane Deductible is mandatory in five zip codes:



19930	Bethany Beach	19970	Oceanview/Millville
19944	Fenwick Beach	19971	Rehobeth and Dewey Beaches
19958	Lewes		

And optional in eleven zip codes:

19939	Dagsboro	19951	Harbeson	19968	Milton
19941	Ellendale	19960	Lincoln	19969	Nassau
19945	Frankford	19966	Millsboro,	19975	Selbyville
			Massey Landing		
19947	Georgetown	19967	Oceanview		

Policies effective 9/1/09 in all 16 zip codes will be renewed with the deductible and will receive one of two explanatory notices with the policy. The Hurricane Deductible can be removed by endorsement request in the optional zip codes.

THANK YOU FOR YOUR CONTINUED SUPPORT.

Attachments

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.**

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**DELAWARE HURRICANE DEDUCTIBLE**

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With respect to coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

For a reduced premium, this endorsement applies only to the location(s) listed in the Declarations for which **DELAWARE HURRICANE DEDUCTIBLE** is shown.

The Deductible provision on Page 1 of DP 00 01 FPDE is amended as follows:  
The following deductible is added:

With respect to the peril of hurricane, we will pay only that part of the total of all loss that exceeds the Hurricane Deductible shown in the Declarations. No other deductible in the policy applies to loss caused by a hurricane.

A hurricane means a storm system declared by the National Hurricane Center of the National Weather Service which:

- (1) Begins at the time the National Hurricane Center of the National Weather Service issues a hurricane watch or hurricane warning for any part of Delaware;
- (2) Continues as long as hurricane conditions exist in any part of Delaware; and
- (3) Ends 72 hours after the National Hurricane Center of the National Weather Service terminates the last hurricane watch or hurricane warning for any part of Delaware.

DP HUR FPDE 09 09

<b>IMPORTANT NOTICE</b>
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Your policy's deductible increases from \$250 to \$2000 in the event of a covered loss caused by a hurricane. A hurricane means a storm system declared by the National Hurricane Center of the National Weather Service which:

- (1) Begins at the time the National Hurricane Center of the National Weather Service issues a hurricane watch or hurricane warning for any part of Delaware;
- (2) Continues as long as hurricane conditions exist in any part of Delaware; and
- (3) Ends 72 hours after the National Hurricane Center of the National Weather Service terminated the last hurricane watch or hurricane warning for any part of Delaware.

You have a lower premium because of the Hurricane Deductible.

If you have a \$5000 covered loss during a designated hurricane, you will pay the first \$2000, with the remaining \$3000 eligible for an insurance payment. If you have a \$5000 covered loss and there is not a designated hurricane, you will pay the first \$250, with the remaining \$4,750 eligible for an insurance payment.

The Hurricane Deductible is NOT required by state law and can vary by insurance company.

OR

**IMPORTANT NOTICE**

Your policy's deductible increases from \$250 to \$2000 in the event of a covered loss caused by a hurricane. A hurricane means a storm system declared by the National Hurricane Center of the National Weather Service which:

- (1) Begins at the time the National Hurricane Center of the National Weather Service issues a hurricane watch or hurricane warning for any part of Delaware;
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The Hurricane Deductible is NOT required by state law and can vary by insurance company.

If you have a \$5000 covered loss during a designated hurricane, you will pay the first \$2000, with the remaining \$3000 eligible for an insurance payment. If you have a \$5000 covered loss and there is not a designated hurricane, you will pay the first \$250, with the remaining \$4,750 eligible for an insurance payment.

YOU HAVE THE OPTION TO REMOVE THE \$2000 DEDUCTIBLE BY NOTIFYING YOUR PRODUCER OR THE FAIR PLAN. Since your policy has a premium credit for the Hurricane Deductible, your premium will increase if the Hurricane Deductible is removed.

Insurance Placement Facility of Delaware  
530 Walnut Street, Suite 1650  
Philadelphia, PA 19106  
1 - (800) 462-4972

**HURRICANE PREPAREDNESS**

Dear Coastal Policyholder:

Hurricane season is upon us. The attached pages regarding Hurricane Preparedness offer suggestions to homeowners on how to prepare themselves and their home in the event a severe storm threatens our region and the steps to take in the unfortunate event that you suffer storm damage.

Your home is a valuable asset. The costs associated with property damage caused by storms and the disruption to your life in the aftermath of a storm can be significant.

We encourage you to review the listed suggestions and implement them where appropriate. If you experience a Loss, please report it through our website, [www.defairplan.com](http://www.defairplan.com) or by calling 1 (800) 462-4972.

Additional information regarding preventive measures and disaster information is available at the following websites:

[www.disastersafety.org](http://www.disastersafety.org)

[www.redcross.org](http://www.redcross.org)

[www.naic.org](http://www.naic.org)

Your house is in a great location for summer fun, but please remember that the threat of a hurricane is real.

Have a safe and sunny summer.

Insurance Placement Facility of Delaware

## **HURRICANE PREPAREDNESS CHECKLIST**

The Atlantic Hurricane Season runs from June 1 - November 30. This checklist is provided to assist you in making preparations for the upcoming Hurricane Season.

### **PREPARING AHEAD OF THE STORM**

- ☐ Review your insurance policy to determine if you have adequate coverage. Dwelling Fire Policies do not cover damage caused by flood. A separate Flood Policy is needed to protect your property from flooding. To obtain more information contact your insurance producer.
- ☐ Prepare an inventory of your personal property and document with photos or videotape. Keep one copy at home and another at a location away from home that will not be damaged in a storm.
- ☐ Plan an evacuation route and destination if it is necessary to leave your home.
- ☐ Teach your children what to do in the event of an emergency.
- ☐ Make a plan for what to do with your pets in the event you must evacuate your home.
- ☐ Maintain a supply of water and non-perishable food, juice, etc.
- ☐ Have a portable radio, flashlight, cell phone and fresh batteries.
- ☐ Have an out-of-state friend/relative as a "family contact".

### **WHEN A HURRICANE *WATCH* IS ISSUED (Threat of a hurricane within 24-36 hours)**

- ☐ Fill all vehicles with gasoline.
- ☐ Check to determine that you have an adequate supply of medicine/prescription drugs.
- ☐ Procure cash, as Banks/ATMs may not be available for extended periods.
- ☐ Turn refrigerator/freezers to coldest setting.
- ☐ Bring outside furniture, toys, etc. into the house or garage.
- ☐ Cut tree branches that could damage windows or walls.
- ☐ Assemble a first aid kit.
- ☐ Assemble important documents (medical records, insurance policies, checkbook, etc.) in a waterproof container or watertight resealable bag.
- ☐ Review evacuation route and destination.

### **WHEN A HURRICANE WARNING IS ISSUED (Hurricane conditions within 24 hours)**

- ☐ Board or shutter windows.
- ☐ Tape exposed glass, close drapes and move furniture away from exposed doors and windows.

#### **If you remain at home:**

- ☐ Stay indoors in an inside room preferably without windows.
- ☐ Keep the radio or television on to obtain information from official sources.
- ☐ If flooding is possible, shut off all utilities at the main switch and move valuables to a higher floor.

#### **If you must relocate.**

- ☐ Shut off all utilities at the main switch, if not previously done.
- ☐ Disconnect all appliances.
- ☐ Make reservations at your destination, if necessary.
- ☐ Keep receipts of all relocation expenses for insurance purposes.
- ☐ Notify your family contact person of your destination and how to reach you.
- ☐ Take supplies such as a first-aid kit, water, snacks and prescription medicine.
- ☐ Keep important papers with you.
- ☐ Take family pet and pet supplies.

### **AFTER A HURRICANE**

- ☐ Beware of outdoor hazards such as dangling power lines and broken tree limbs and report them immediately to the proper authority.
- ☐ Boil municipal water until you have been told it is safe to drink.
- ☐ Throw out food that may be contaminated due to power outage or flooding, including canned and/or bottled foods.
- ☐ Make temporary repairs, if possible, to protect property from further damage.
- ☐ Pump out the basement if flooded.
- ☐ Turn on utilities only after it is determined it is safe to do so.
- ☐ Contact your insurance representative as soon as practical regarding losses.
- ☐ Submit claims to the Insurance Placement Facility of Delaware via the website at [www.defairplan.com](http://www.defairplan.com) or by telephone 1- (800) 462-4972.

### **HURRICANE DISASTER SUPPLY KIT**

- ☐ Canned goods and nonperishable foods that do not need cooking:
  - ☐ Canned meats and fish
  - ☐ Canned fruits and vegetables
  - ☐ Canned soups and puddings
  - ☐ Canned fruit juices
  - ☐ Dried fruit and nuts
  - ☐ Bread, cookies and crackers
  - ☐ Peanut butter and jelly
  - ☐ Coffee and Tea
  - ☐ Bottled water
- ☐ Manual can opener
- ☐ Bottled water (1 gallon per person/per day)
- ☐ Prescription medication (2 weeks supply)
- ☐ Pet food/supplies
- ☐ Water purification tablets (halazone)
- ☐ Disposable plates, cups, and utensils
- ☐ Infant care items:
  - ☐ Disposable diapers
  - ☐ Baby wipes
  - ☐ Baby Food
  - ☐ Formulas
- ☐ First aid supplies
- ☐ Masking and duct tape
- ☐ Flashlight or lantern, with extra batteries
- ☐ Battery operated radio, with extra batteries
- ☐ Watch or battery operated clock
- ☐ Matches
- ☐ Canned heat (sterno)
- ☐ Portable outdoor camping stove or grill with fuel supply
- ☐ Plastic trash bags
- ☐ Plastic sheeting or drop cloth
- ☐ Chlorinated bleach
- ☐ Personal hygiene items
- ☐ Other useful items
  - ☐ Work gloves
  - ☐ Sunscreen
  - ☐ Insect repellent
  - ☐ Hammer
  - ☐ Screwdriver
  - ☐ Pliers
  - ☐ Wrenches
  - ☐ Handsaw
  - ☐ Razor knife
  - ☐ Ax or chainsaw
  - ☐ Rope caulking
  - ☐ Nails and screws
  - ☐ Rope and wire
  - ☐ Broom, mop and bucket
  - ☐ All-purpose cleaner
  - ☐ Ladder
  - ☐ Sandbags
  - ☐ Portable generators (Use only in well ventilated areas)
  - ☐ Tree pruner
  - ☐ Shovel, rake and wheelbarrow
  - ☐ Sheets of plywood
- ☐ Ice chest



## **FAMILY COMMUNICATION PLAN**

Develop a 'Family Emergency Plan' in case family members are separated from one another during an emergency (a real possibility during the day when adults are at work or traveling and children are at school, camp or a friend's home). You can then develop a plan for safely getting back together. This will help assure everyone that all family members are safe.

- Ask an out-of-state relative or friend to serve as a 'family contact'. After a disaster, it is often easier to call long distance than locally.
- Make sure everyone knows the name, address and telephone number of the contact person.