

**PROGRAM DIVISION
BULLETIN**

2008-04

February 6, 2008

**South Carolina Windstorm Loss Mitigation
Potential Premium Credit**

In accordance with South Carolina law and regulatory requirements, effective January 1, 2008 ISO rules are being implemented to provide premium credits for documented windstorm loss mitigation on properties. The credits will be available in Coastal Areas and Seacoast Areas, as well as "Remainder of State", as defined in Rule 70 of the Commercial Fire and Allied Lines rules (South Carolina).

The South Carolina – Potential Eligibility For Windstorm Loss Mitigation Premium Discounts Advisory Notice to Policyholders – CP P 008 11 07 (attached), must be included for all policies, new and renewal, that provide property coverage including windstorm and hail causes of loss.

In order to be eligible for such windstorm loss mitigation premium discounts, the insured must provide written evidence that mitigation measures have been implemented. The acceptable forms of evidence include either:

- A written certification or a report (with certification) from a licensed professional with expertise in construction techniques, building design or property inspection or appraisal including but not limited to an: architect; appraiser; building inspector; or contractor that the retrofitting technique or mitigation measure has been implemented in accordance with applicable standards; or
- Affidavit from a property owner certifying that the mitigation or construction techniques have been implemented. Certified copies of the applicable receipts must accompany the affidavit.

In addition, the Company may verify through physical inspection that the described work has been performed. If an inspection is requested by the insured, the Company may require the insured to pay the reasonable cost of the inspection.

Please implement procedures immediately to include the policyholder notice with all pertinent policies, and to advise additional information to insureds regarding the potential credits, when

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requested. Form CP P009 11 07 is attached, Rule 70, South Carolina exception pages from the Commercial Lines Manual will provide the range of discounts.

Coverall will be updated, if you have an account that qualifies now, please contact your Program Manager.

If you have any questions concerning these procedures please contact your Program Manager.

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SOUTH CAROLINA – POTENTIAL ELIGIBILITY FOR WINDSTORM LOSS MITIGATION PREMIUM DISCOUNTS ADVISORY NOTICE TO POLICYHOLDERS

The purpose of this Notice is to advise you that you may be eligible for a reduction in the premium for your Commercial Property insurance if certain steps have been taken to prevent or reduce damage from windstorm. The discounts, if any, would apply only to the portion of the premium attributable to wind coverage.

Contact your producer or insurer for additional information.

SOUTH CAROLINA – INFORMATION ON WINDSTORM LOSS MITIGATION FEATURES AND AVAILABLE PREMIUM DISCOUNTS – ADVISORY NOTICE TO POLICYHOLDERS

This Notice provides information on the availability and range of premium discounts for properties on which fixtures or construction techniques demonstrated to reduce the amount of loss in a windstorm have been installed or implemented. The discounts apply only to the portion of the premium attributable to wind coverage. Listed below is general information about available discounts. The estimates below are general in nature and the actual amount of the discount(s), if any, may vary depending on specific features and conditions of the insured property. Please contact your producer or insurer for more specific information.

Description Of Mitigation Measure	Estimated Premium Discount Percent Or Range
Roof Covering and Roof Covering Attachment <ul style="list-style-type: none"> ● South Carolina Building Code (SCBC) Equivalent: Roof coverings and attachments in compliance with the SCBC. 	
Roof Deck and Roof Deck Attachment <ul style="list-style-type: none"> ● Plywood/Oriented Strand Board with nails 2 1/2-inches long spaced at 6 inches from the edge of the plywood and 12 inches in the field on 24-inch truss spacing; ● Plywood/Oriented Strand Board with nails 2 1/2-inches long spaced at 6 inches from the edge of the plywood and 6 inches in the field on 24-inch truss spacing; or ● Dimensional Lumber and Tongue and Groove Decks composed of 3/4-inch thick boards with nominal widths of 4 inches or more. 	
Roof-To-Wall Connection (Roof Anchorage) <ul style="list-style-type: none"> ● Clips: Pieces of metal that are nailed into the side of the rafter/truss and into the side of the top plate or wall stud. The metal does not wrap around the top of the rafter/truss, and the clip is only located on one side of the connection; ● Hurricane Ties – Single Wraps: A single strap that is attached to the side and/or bottom of the top plate and is nailed to the rafter/truss; or ● Hurricane Ties – Double Wraps: Straps that are wrapped on both sides, are attached to the side and/or bottom of the top plate, and are nailed to the rafter/truss. 	
Door Strength <ul style="list-style-type: none"> ● Reinforced Single-Width Doors. 	
Opening Protection <ul style="list-style-type: none"> ● Tempered, Heat-Strengthened or Laminated Glass or Insulating Glass Units with no Engineered Shutters; or ● Hurricane Engineered Shutters: All openings protected to meet the requirements of the SCBC. 	
Roof Shape <ul style="list-style-type: none"> ● Hip: Roof has sloping ends and sloping sides down to the roof eaves line; or ● Gable: Roof has vertical walls that extend all the way to the top of the inverted V. Gable roof must be braced to qualify for a discount. 	

Description Of Mitigation Measure	Estimated Premium Discount Percent Or Range
<p>Secondary Water Resistance</p> <ul style="list-style-type: none"> ● Self-adhering modified bitumen tape to the plywood joints of the roof; or ● Foamed polyurethane structural adhesive from inside the attic to cover the joints between all plywood sheets of the roof. 	
<p>Other</p>	