**SOUTH CAROLINA NOTICE TO POLICYHOLDER**

**WINDSTORM OR HAIL WITH NAMED STORM**

**PERCENTAGE DEDUCTIBLE**

**THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR NAMED STORM OR WIND/HAIL LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU. THE ENCLOSED EXAMPLES ILLUSTRATE HOW THE DEDUCTIBLE MIGHT AFFECT YOU.**

**EXAMPLES – APPLICATION OF DEDUCTIBLE:**

**APPLICATION OF DEDUCTIBLE – SPECIFIC INSURANCE**

The Percentage Deductible is 2%.

The minimum per occurrence deductible is $1,000.

**Example #1**

The Limits of Insurance of the damaged buildings at time of loss are:

Building #1: $100,000.

Building #2: $ 5,000.

Building #1 is undamaged.

The amount of loss to Building #2 is $4,000.

Step **(1)** :  $5,000 X 2% = $100. (percentage deductible)

Step **(2):** The percentage deductible is less than the Minimum Per Occurrence Deductible

Step **(3)** : Therefore the Minimum Per Occurrence Deductible is $1,000. applies

Step **(4)** :  $4,000 – $1,000 = $3,000

The most we will pay is $3,000.

**Example #2**

The Limits of Insurance of the damaged buildings at time of loss are:

Building #1: $100,000.

Building #2: $ 5,000.

The amount of loss to Building #1 is $25,000.

The amount of loss to Building #2 is $4,000.

Calculation of deductible for Building #1:

* $100,000 X 2% = $2,000. (percentage deductible)

Calculation of deductible for Building #2:

* $5,000 X 2% = $100. (percentage deductible)

Step **(1)** :  Total deductibles applicable are $2,100. which exceeds the Minimum Per Occurrence Deductible

Step **(2)** : Therefore the Minimum Per Occurrence Deductible does not apply, and the Percentage Deductibles shall be applied to the property that has sustained covered loss

Step **(3)** :  Building #1: $25,000 - $2,000 = $23,000

Step **(4)**: Building #2: $4,000 – $100 = $3,900

The most we will pay is $26,900.

**Example #3**

The Limits of Insurance of the damaged buildings at time of loss are:

Building #1: $100,000. Building and $10,000. Personal Property

Building #2: $ 5,000. Building and $ 1,000. Personal Property

Building #1 is undamaged.

The amount of loss at Building #2 is $4,000 Building and $500 Personal Property.

Step **(1)** :  $5,000 X 2% = $100. (percentage deductible - building)

Step **(2)**: $1,000 X 2% = $ 20. (percentage deductible – personal property)

Step **(3)**: The percentage deductible is less than the Minimum Per Occurrence Deductible

Step **(4)** : Therefore the Minimum Per Occurrence Deductible is $1,000. applies

Step **(5)** :  $4,500 – $1,000 = $3,500

The most we will pay is $3,500.

**Example #4**

The Limits of Insurance of the damaged buildings at time of loss are:

Building #1: $100,000. Building and $10,000. Personal Property

Building #2: $ 5,000. Building and $ 1,000. Personal Property

The amount of loss at Building #1 is $25,000 Building and $5,000 Personal Property.

The amount of loss at Building #2 is $4,000 Building and $500 Personal Property.

Calculation of deductible for Building #1:

* $100,000 X 2% = $2,000. (percentage deductible - building)
* $ 10,000 X 2% = $ 200. (percentage deductible – personal property)

Calculation of deductible for Building #2:

* $5,000 X 2% = $100. (percentage deductible - building)
* $1,000 X 2% = $ 20. (percentage deductible – personal property)

Step **(1)** :  Total deductibles applicable are $2,320. which exceeds the Minimum Per Occurrence Deductible.

Step **(2)** : Therefore Minimum Per Occurrence Deductible does not apply, and the Percentage Deductibles shall be applied to the property that has sustained covered loss.

Step **(3)** :  Building #1: $30,000 - $2,200 = $27,800

Step **(4)**: Building #2: $ 4,500 - $ 120 = $ 4,380

The most we will pay is $32,180.