

NYPIUA PRODUCER NEWS

January 2006

WEB SITE UPDATE www.nypiua.com

If you have not visited the NYPIUA Web site lately, you will be surprised at just how much you can see and do at www.nypiua.com.

Select the “*Electronic Web Submissions*” Icon to submit a new business application, endorsement, cancellation request, anti-arson application, report a loss, or make a balance due payment using a checking account, MasterCard or Visa.

Select the “*TRAK*” Icon to track the real-time processing of your client’s new business application, endorsement or cancellation request, return premium, anti-arson submission, and payment receipt.

Select the “*Payment Inquiry*” Icon to view payments received during the past 60 days. To obtain a dwelling premium quote click the “*Dwelling Premium Quotation*” Icon.

Select the “*To View Your Policy*” Icon to view your insured’s policy and associated forms. You will need to enter the 10 digit policy number and your NYPIUA Internet Access ID. If you don’t have an ID number, request one using the Internet ID Request Form found on Page 2.

ISO PUBLISHES NEW COMMERCIAL LOSS COSTS

The Insurance Services Office has introduced new Loss Costs. The average statewide effect of the change is a decrease of 3.5%; however, the effect on each policy may vary depending on location and building type.

In conjunction with the revised Commercial Loss Costs, the New York State Insurance Department has approved new Commercial Multipliers for NYPIUA as follows:

| | Loss Cost Multipliers |
|--------------|-----------------------|
| Fire | 1.846 |
| Allied Lines | 1.812 |

The Dwelling Loss Cost Multipliers remain unchanged:

| | Loss Cost Multipliers |
|--------------|-----------------------|
| Fire | 1.818 |
| Allied Lines | 1.772 |

Remember to apply the Association’s “Adjustment Factors” of 20%, 30%, or 40% as a final step when calculating the rate. Visit our Web site WWW.NYPIUA.COM (The Facts Icon) for additional information.

NYPIUA will begin using the new Commercial Loss Cost Multipliers for new business effective February 1, 2006 and renewals effective April 1, 2006.

ISO INTRODUCES NEW DWELLING PROPERTY PROGRAM FORMS

The New York State Insurance Department has approved use of the 2002 edition of the Dwelling Program forms and endorsements.

The new forms and endorsements will be effective February 1, 2006 for new business and April 1, 2006 for renewals. Due to the volume of renewals, please inform your clients that the revised DP 00 01 will be mailed under separate cover.

If you have a NYPIUA access code, you can view and/or print the new forms and highlights of the changes from our Web site, WWW.NYPIUA.COM. Click the “To Print a Form” link, then “Click here.”

If you do not have an access code, complete and submit the Internet Access ID Request form from page 2.

Producer News is published by New York Property Insurance Underwriting Association

UNDERWRITING CORNER: FOCUS ON VACANT/UNOCCUPIED BUILDINGS

To minimize the number of applications rejected and policies cancelled because buildings do not meet NYPIUA's insurability requirements, listed below are the most frequently asked questions about vacant buildings.

Does NYPIUA insure vacant/unoccupied buildings?

Buildings which are vacant/unoccupied for 60 days or longer are uninsurable except when secured as noted below. Buildings described as occupied on a seasonal basis or actively in the course of construction, repair, or reconstruction are not considered vacant/unoccupied.

Are there coverage restrictions if the building is vacant/unoccupied?

Coverage for commercial and personal contents and vandalism or malicious mischief are not available. Coverage is written on a "no coinsurance" basis and without automatic reinstatement of the amount of insurance. Dwellings are subject to a maximum limit of \$100,000. Commercial building limits are dependent on the construction type: fire resistive-\$500,000, masonry-\$300,000, and frame-\$100,000. The deductible is 5% of the insurance amount for both dwelling and commercial buildings.

What are the boarding requirements for a vacant/unoccupied building?

The vacant building must be secured to HUD requirements as detailed in the Application Supplement for Vacant, or Partially Vacant Buildings and Those Under Repair or Reconstruction (NYPIUA form UA-484). The applicant must complete Part 1 of the form. A copy of the form can be found at WWW.NYPIUA.COM "To Print a Form" Icon. A central station intrusion alarm may be acceptable in lieu of boarding, if proof is submitted that the alarm monitoring service is active. A caretaker is not an acceptable substitution for boarding.

What is the binding date for a new business application?

If the property is secure against unauthorized entry as described above, coverage will be bound seventeen (17) days after receipt of the application by the Association.

Must utilities be turned off?

Yes. All utilities (electricity, gas, heat, water) must be shut off. Of course, if the building has a central station intrusion alarm, the electricity must remain on.

Are there any other requirements?

Each month, the insured must inspect the building and certify that it continues to be secured in accordance with HUD standards. Form UA-483 must be completed and returned to NYPIUA by the 10th of each month. A copy of the form

Providing Top-Quality Service To You

The Association is always seeking new ways to provide the best service we can for producers. We want to know how you think we can serve you better. If you have a suggestion, comment or idea:

Call us at: (212) 208-9700, Press 7, then 3 (customer service)

E-Mail us at: fairplan@nypiua.com

Write to us at: *Producer News*, New York Property Insurance Underwriting Association
100 William St., 4th Floor, New York, NY 10038

Visit us on the Web at: www.nypiua.com

NYPIUA INTERNET ACCESS ID REQUEST

Contact Name: _____

Company Name: _____

Contact Address: _____

Contact E-Mail Address: _____ **Telephone:** _____

Please Mail this form to: *New York Property Insurance Underwriting Association*
100 William St., 4th fl., New York, NY 10038 or

Fax to: 212-344-9879 or

E-Mail us at: fairplan@nypiua.com

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