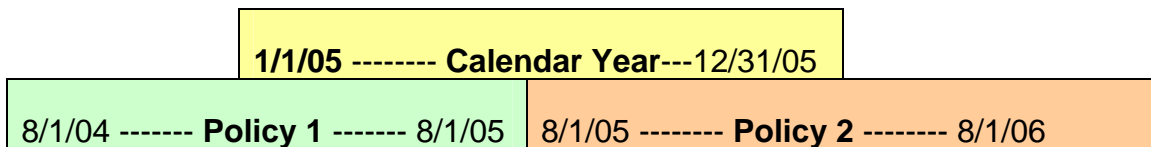


# HURRICANE DEDUCTIBLE

## Example of Two Policies Effective In the Same Calendar Year:



## Application of Hurricane Deductible

### Example 1:

Policy	Date	Event	Loss Amounts	Deductible Amount Applied	Remaining Hurricane Deductible Amount	Payment Amount
<b>Policy 1</b> Coverage "A" = \$200,000  Eff: 6/1/05-06	June 1, 2005	Policy Effective Date	-	Hurricane: 2% = \$4,000 AOP (OWH): \$1,000	-	-
	July 1, 2005	Hurricane Loss	\$20,000	Hurricane: \$4,000	\$0	\$16,000
	August 1, 2005	Hurricane Loss	\$15,000	AOP: \$1,000	\$0	\$14,000

### Example 2: Multiple Losses – Hurricane Deductible Less than AOP/OWH deductible

Policy	Date	Event	Loss Amounts	Deductible Amount Applied	Remaining Hurricane Deductible Amount	Payment Amount
<b>Policy 1</b> Coverage "A" = \$200,000  Eff: 6/1/05 - 06	June 1, 2005	Policy Effective Date	-	Hurricane: 2% = \$4,000 AOP (OWH): \$1,000	-	-
	July 1, 2005	Hurricane Loss	\$2,000	Hurricane: \$2,000	\$2,000	No payment
	August 1, 2005	Hurricane Loss	\$1,500	Hurricane: \$1,500	\$500 (less than AOP)	No payment
	September 1, 2005	Hurricane Loss	\$5,000	AOP: \$1,000	\$500	\$4,000

### Example 3: Multiple Losses, Policies and Calendar Years

Policy	Date	Event	Loss Amounts	Deductible Amount Applied	Remaining Hurricane Deductible Amount	Payment Amount
<b>Policy 1</b> Coverage "A" = \$200,000  Eff: 8/1/04 - 05	August 1, 2004	Policy Effective Date	-	Hurricane: 2% = \$4,000 AOP (OWH): \$1,000		-
	<b>January 1, 2005</b>	<b>Calendar Year 1</b>	-	Hurricane: 2% = \$4,000 AOP (OWH): \$1,000	-	-
	July 1, 2005	Hurricane Loss	\$2,000	Hurricane: \$2,000	\$2,000	No payment
<b>Policy 2</b> Coverage "A" = \$205,000  <i>Note: Cov. "A" increased due to inflation causing hurricane deductible to also increase.</i>  Eff: 8/1/05 - 06	August 1, 2005	-	-	Hurricane: 2% = \$4,100 AOP (OWH): \$1,000 <i>Note: Hurr Ded increased due to inflation.</i>	\$2,100	-
	August 15, 2005	Hurricane Loss	\$3,000	Hurricane: \$2,100	\$0	\$900
	September 1, 2005	Hurricane Loss	\$5,000	AOP: \$1,000	\$0	\$4,000
	<b>January 1, 2006</b>	<b>Calendar Year 2</b> Note: Hurricane deductible begins anew.	-	Hurricane: 2% = \$4,100 AOP (OWH): \$1,000	-	-
	June 1, 2006	Hurricane Loss	\$5,000	Hurricane: \$4,100	\$0	\$900

### Example 4: HRA (wind-only) Multi Item Policy

Policy	Date	Event	Loss Amounts	Deductible Amount Applied	Remaining Hurricane Deductible Amount	Payment Amount
<b>Policy 1</b>  <u>Item 1:</u> Coverage "A" = \$200,000  <u>Item 2:</u> Coverage "A" = \$100,000	June 1, 2005	Policy Effective Date	-	<u>Item #1:</u> Hurricane: 2% = \$4,000 AOP (OWH): \$1,000 <u>Item #2:</u> Hurricane: 2% = \$2,000 AOP (OWH): \$500		-
	July 1, 2005	Hurricane Loss	\$500 - Item #1	Hurricane: \$500	\$3,500	No payment
			\$3,000 - Item #2	Hurricane: \$2,000	\$0	\$1,000
	September 1, 2005	Hurricane Loss	\$2,000 - Item #1	Hurricane: \$2,000	\$1,500	No payment
	October 1, 2005	Hurricane Loss	\$1,000 - Item #2	AOP (OWH): \$500	\$0	\$500
	October 15, 2005	Hurricane Loss	\$3,500 - Item #2	AOP (OWH): \$500	\$0	\$3,000