



INFORMATIONAL MEMORANDUM

OIR-12-05M

ISSUED

August 30, 2012

Florida Office of Insurance Regulation

Kevin M. McCarty, Commissioner

To Residential Property Insurers in the State of Florida Deductible Applicable to Tropical Storm/Hurricane Isaac Claims

The purpose of this informational memorandum is to advise property insurers that Tropical Storm/Hurricane Isaac was declared a hurricane by the National Hurricane Center of the National Weather Service on Tuesday, August 28, 2012, at 11:20 A.M. CDT.

Before Tuesday, August 28, 2012, at 11:20 A.M. CDT, Tropical Storm/Hurricane Isaac was classified as a Tropical Storm. Section 627.4025(2)(a), Florida Statutes, specifically defines “**hurricane coverage**” as coverage for loss or damage caused by the peril of windstorm **during a hurricane** and furthermore (2)(b) provides “Windstorm” for purposes of paragraph (a) means wind, wind gusts, hail, rain, tornadoes, or cyclones caused by or resulting from a hurricane which results in direct physical loss or damage to property.

Insurers are hereby notified that the hurricane deductible shall not apply to property losses associated with a Tropical Storm/Hurricane Isaac damage claim that occurred prior to Tuesday, August 28, 2012, at 11:20 A.M. CDT.

For these property losses, all insurers must apply the deductible that is unrelated to hurricane, generally referred to as the “all other perils deductible” or “other than hurricane deductible.” An insurer that fails to apply the appropriate deductible is subject to administrative action.

To view information regarding deductibles, the National Flood Insurance Program, and other important insurance related matters, please visit <http://www.floir.com/>.

If you have any questions regarding this memorandum, please contact David Altmaier, Financial Administrator, Property and Casualty Financial Oversight, Florida Office of Insurance Regulation at david.altmaier@floir.com or 850-413-3849.