



Memo

To: State Fire and Tornado Fund policyholders
From: Insurance Commissioner Adam Hamm and Administrator Jeff Bitz
Re: Policy Renewal
Date: July 1, 2016

Your 2016 State Fire and Tornado Fund renewal information for the period July 1, 2016– June 30, 2017 is enclosed. The following documents are included:

- Renewal Instructions and Information
- Commercial Building and Personal Property Scheduled Insurance Coverage Declaration
- Premium Notice (attached to above document)
- Schedule of Property

Your premium for the new policy year effective July 1, 2016 has been billed at your July 1, 2015 blanket average rate. In other words, your premium rate is not changing. You will, however, see an increase in your premium due to increases in property values or property added to your schedule this past year.

If you have purchased the equipment breakdown coverage endorsement, the premium for this coverage is included in your premium notice and is shown on the premium notice attached at the bottom of your coverage Declaration.

The following documents are available for policyholders to download from the Department's website at www.nd.gov/ndins. Click on Special Funds and then State Fire and Tornado Fund.

- 2016 Renewal Packet (Commercial Property Policy & Guides)
- Coverage Changes Form
- Notice of Loss
- Building Application
- Equipment Breakdown Coverage

To renew your policy, please follow the enclosed renewal instructions and read about important coverage changes. It is your responsibility to determine whether all your property is insured and

whether the limit of insurance adequately reflects the value of that property. If you have questions regarding the renewal process or insuring your property, please call our office at (701) 328-9600.

We continue to encourage policyholders to utilize responsible risk prevention measures on property insured by the Fund.

We continually strive to keep the Fund financially sound and appreciate your continued trust.

Encs.

State Fire & Tornado Fund 2016 Policy Renewal Instructions



For more information and all documents go to www.nd.gov/ndins.
Click on Special Funds and Fire and Tornado Fund
Contact staff with any questions at (701) 328-9600 or ndspeciallyfunds@nd.gov.

Review all three sections of the <i>Commercial Building and Personal Property Scheduled Insurance Declaration</i> document for accuracy.	<ol style="list-style-type: none"> 1. The top section contains current information, such as mailing information and deductible. See the Minimum Deductible Table below. 2. The middle section contains limits of liability, additional coverage endorsements and special limits of liability. 3. The bottom section is your <i>Premium Notice</i> containing your premium amount due for the period of July 1, 2016 – June 30, 2017. 														
Review your <i>Schedule of Property</i> document for accuracy and adequacy of coverage.	<ol style="list-style-type: none"> 1. The <i>Schedule of Property</i> is a listing of covered property and insurance limits. It is your responsibility as the policyholder to review the adequacy of the insurance limits on the <i>Schedule of Property</i>. 2. All property insurance limits have been adjusted to reflect approximate 2016 values. All personal, outdoor and trailer property have been adjusted four percent (4%) depending on coverage selected. 3. For help with valuation, see the <i>Policyholder Property Valuation Guide</i> located online. 														
Download the 2016 <i>Commercial Property Policy</i> from the Fire & Tornado Fund's web site.	<ol style="list-style-type: none"> 1. Your 2016 <i>Commercial Property Policy</i> is online. 2. The Fire & Tornado Fund continues to participate in the Terrorism Risk Insurance Act (TRIA). One percent (1%) of your premium goes toward terrorism coverage. 														
2016 Coverage forms	<p>There are no coverage changes to the State Fire & Tornado Fund's Commercial Building and Personal Property Policy Coverage forms for 2016. Please take note of the following changes:</p> <ul style="list-style-type: none"> • Minimum deductibles have changed. Please see the deductible table for all minimum deductible changes based on insured values. • Reminder, the transfer of rights of recovery against others has changed. You may not waive your rights against another party without our written consent (Commercial Property Conditions, page 2, I. Transfer of Rights of Recovery Against Others to Us). 														
Minimum deductibles have changed. Raising your deductible can lower premium.	Minimum Deductible Table <table border="1" style="margin: auto;"> <thead> <tr> <th style="text-align: center;">Insured Value</th> <th style="text-align: center;">Minimum Deductible</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">< \$20 million</td> <td style="text-align: center;">\$1,000</td> </tr> <tr> <td style="text-align: center;">\$20 million – \$50 million</td> <td style="text-align: center;">\$2,000</td> </tr> <tr> <td style="text-align: center;">> \$50 million – \$250 million</td> <td style="text-align: center;">\$5,000</td> </tr> <tr> <td style="text-align: center;">< \$250 million – \$500 million</td> <td style="text-align: center;">\$7,500</td> </tr> <tr> <td style="text-align: center;">< \$500 million – \$1 billion</td> <td style="text-align: center;">\$10,000</td> </tr> <tr> <td style="text-align: center;">< \$1 billion</td> <td style="text-align: center;">\$15,000</td> </tr> </tbody> </table> <p>The Fund offers other deductible amounts. Call or email for more information.</p>	Insured Value	Minimum Deductible	< \$20 million	\$1,000	\$20 million – \$50 million	\$2,000	> \$50 million – \$250 million	\$5,000	< \$250 million – \$500 million	\$7,500	< \$500 million – \$1 billion	\$10,000	< \$1 billion	\$15,000
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<p>Mail your premium before September 1 to: State Fire & Tornado Fund 600 E. Boulevard Ave. Bismarck, ND 58505-0320</p>	<ol style="list-style-type: none"> 1. Detach perforated Premium Notice from the bottom of your Commercial Building and Personal Property Scheduled Insurance Coverage Declaration. 2. Check both boxes on the Premium Notice indicating the Schedule of Property is correct and a personal property inventory has been completed for each location. 3. Sign and date the Premium Notice. 4. Return the Premium Notice with your payment before September 1.
<p>Equipment Breakdown Endorsement</p>	<p>If your entity has this coverage with the Fund, the cost is included in your premium notice. The endorsement for this coverage can be found at www.nd.gov/ndins; click on Special Funds and then Fire & Tornado Fund.</p>
<p>To make changes in your current coverage:</p>	<p>Download form SFN 03380 Coverage Changes on Current Property Insured at www.nd.gov/eforms/Doc/sfn03380.pdf</p>
<p>To apply for coverage of new buildings and additions to existing buildings:</p>	<p>Download form SFN 16259 Building Application at http://www.nd.gov/eforms/Doc/sfn16259.pdf</p>
<p>Report losses immediately. To report a loss:</p>	<p>Download form SFN 09576 Notice of Loss at www.nd.gov/eforms/Doc/sfn09576.pdf</p>
<p>Questionnaire forms</p>	<ol style="list-style-type: none"> 1. Download form SFN 53166 Loss Prevention Questionnaire at www.nd.gov/eforms/Doc/sfn53166.pdf 2. Download form SFN 52655 Commercial Roof Questionnaire at www.nd.gov/eforms/Doc/sfn52655.pdf
<p>Risk advisories and policyholder guides</p>	<p>Download a copy of the following online policyholder guides at www.nd.gov/ndins. Click on Special Funds, then Fire and Tornado Fund, and then Policyholder guides and advisories.</p> <ul style="list-style-type: none"> • Boilers • Claim Adjustment • Fire Damage • Lightning Loss • Property Valuation • Water Damage • Snow Load • Furnace Tune-Up and Carbon Monoxide Safety • Photography Guide • Preventing Ice Dams on Roofs • Proms and Graduations – Understanding the Risks • Roof Inspections