



August 22, 2006

DE ISSUES BULLETIN REQUIRING NOTICES FOR TERMINATION OF POLICIES

BACKGROUND

The Delaware Insurance Department recently issued Bulletin No. 21 which requires property insurers (Homeowners and Commercial Property) terminating a policy to provide "... prominent notification that the policyholder should begin immediately seeking alternative property insurance...." and "... that the policyholder may be entitled to purchase insurance from the state's industry placement facility (the FAIR Plan)".

NOTIFICATION REQUIREMENTS

Bulletin No. 21 requires that the notification:

- Contain the name and contact information for the FAIR Plan, including the website address <http://www.defairplan.com>;
- Be in at least 18 point type;
- Also sent to any producer through whom the policyholder purchased the policy.

EFFECTIVE

Immediately

AVAILABILITY

Bulletin No. 21 may be accessed on the Department's website at: <http://www.state.de.us/inscom/departments/documents/bulletins/Bull21.pdf>.

QUESTIONS

Contact Jan Kozlowski at (800) 935-6900 or e-mail: jkozlowski@msonet.com.