



STATE OF WEST VIRGINIA

Offices of the Insurance Commissioner

JOE MANCHIN III
Governor

Rates and Forms Division

JANE L. CLINE
Insurance Commissioner

IMPORTANT NOTICE

PROPERTY INSURANCE DECLINATION, TERMINATION AND DISCLOSURE NONRENEWAL ELECTION FORM

Attn: To All Insurers Transacting the Business of Property Insurance in the State of West Virginia

Re: Manner of Making Election Relating to Property Insurance Nonrenewals

Date: May 19, 2005

The enclosed Property Insurance Nonrenewal Election Form ("Nonrenewal Election Form") shall be completed by all insurance companies transacting the business of property insurance in West Virginia. Property insurance for purposes of this notice shall mean policies of property insurance covering risks to property located in this state and which insure against: (1) loss or damage to real property used predominately for the residential purposes of the named insured and which consist of not more than four dwelling units; or (2) loss or damage to personal property in which the named insured has an insurable interest and where the personal property is used for personal, family or household purposes and is located within a residential dwelling. For purposes of this notice, property insurance does not include inland marine insurance, or property insurance issued through a residual market mechanism.

During the 2005 Legislative Session, the Legislature amended Article 17A, Chapter 33 of the West Virginia Code pertaining to the nonrenewal of property insurance. The 2005 amendments resulted in two methods by which insurers may nonrenew property insurance policies effective July 1, 2005.

First, an insurer may elect to nonrenew policies of property insurance based upon the reasons enumerated in West Virginia Code Sections 33-17A-4 and 33-17A-5 as amended through 2005. Alternatively, an insurer may elect to nonrenew policies of property insurance pursuant to newly enacted West Virginia Code Section 33-17A-4a (the one percent (1%) alternative nonrenewal methodology). Insurers are advised to review the above-cited code provisions prior to making an election.

Each insurer is required to notify the Office of the Insurance Commissioner which nonrenewal method it intends to utilize by no later than July 1, 2005. Please complete the attached Nonrenewal Election Form and return it to the attention of Jack Rife, Director of the Rates and Forms Division, Office of the Insurance Commissioner at the address shown below. An insurer's election will be considered to have been made on the date the election form is signed by the company representative. Each insurer will be bound by its election for a period of five (5) years.



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It is important to remember that property insurance policy forms, including Amendatory Endorsements, that are inconsistent with the statutory provisions of West Virginia Code Sections 33-17A-4 (as amended), or 33-17A-4a, must be filed with the Rates and Forms Division and receive approval before they may be issued to insureds. Although an insurer may have made its election by July 1, 2005, it may not act in a manner that violates the terms of its contract with an insured. Once policy forms have been filed, received approval and issued to insureds, an insurer may then nonrenew under the amended or newly enacted statutory provisions referenced above. A separate copy of the Nonrenewal Election Form must be remitted by each insurer transacting the business of property insurance in West Virginia.

Please contact the Rates & Forms Division at (304) 558-2094 if you have any questions.

Sincerely,

Jack M. Rife, Director
Rates & Forms Division

JMR/cb

Enclosure

**PROPERTY INSURANCE DECLINATION,
TERMINATION AND DISCLOSURE
NONRENEWAL ELECTION FORM**

Date Completed: _____

Implementation Date: _____

Please select one of the following options:

Option 1: §33-17A-4 _____ (enumerated reasons)

Option 2: §33-17A-4a _____ (percentage limitations)

Company Name: _____

NAIC Number: _____

CERTIFICATION

By acknowledging below, I hereby certify that all policies of property insurance as defined by and subject to Article 17A, Chapter 33 of the Code of West Virginia shall only be nonrenewed by the specified method selected above for the five (5) year period subsequent to the proposed implementation date.

(Signed)

(Title)

(Date)

(Telephone Number)