

## UNDERWRITING REQUIREMENTS

### Eligibility

- The following define the class(es) eligible for underwriting in the program:
  - Has an association registered with the real estate commission in accordance with chapter 514B, part VI
  - Consists of units as defined in section 514B-3
  - Is used for residential purposes where this is defined as at least 50% of the association's occupancy
- The association must have separate companion policies from another insurer covering all the below:
  - Non-wind perils
  - Full wind coverage below the attachment point of the HHRF policy with a minimum 2% deductible for the underlying policy
  - Full wind coverage above the exhaustion point of the HHRF policy covering the full replacement cost of all insured buildings on the policy
- The association must have written declination of coverage from at least two "admitted" property insurance companies doing business in Hawaii.
  - The declination should be for excess hurricane property coverage for limit and attachment amounts like the HHRF policy provides and may therefore be a "full" or "partial" declination:
    - A "full" declination declines to quote or provide coverage regardless of limited or sublimited amount for either hurricane or all perils including hurricane coverage
    - A "partial" declination declines to quote or provide coverage sufficient to fully insure the association for either hurricane or all perils including hurricane coverage; a policy with sublimited hurricane coverage insufficient to fully insure the association would be a partial declination
  - The declination must be for property coverage and that coverage must be for either:
    - A policy covering hurricane risk
    - A policy covering all perils including hurricane risk
- "Admitted" property insurance company means an insurer licensed to transact any one or more classes of insurance authorized in section 431:3-204 where premiums written within the authority are required to be reported in the "Exhibit of Premiums and Losses" for Hawaii in the National Association of Insurance Commissioners fire and casualty annual statement convention blank that is required to be filed with the commissioner under section 431:3-30

### Coverage Limitations:

- The HHRF policy limits include all the following:
  - Maximum of \$90,000,000 policy limit
  - The total amount of hurricane limit (stacking all policy limits, including the HHRF, providing hurricane coverage) must be equivalent to the total amount of non-wind perils (stacking all policy limits providing non-wind coverage)

### Unacceptable Risks:

- Mobile home parks where residences are mobile homes, motor homes, or trailers