



BULLETIN

00-001

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Florida Department of Insurance

Bill Nelson

Treasurer, Insurance Commissioner and Fire Marshal

All Property and Casualty Insurers

Wind Exclusion Endorsements

The Department of Insurance has learned that some insurers are interpreting their wind exclusion endorsements to exclude coverage for structural damage when such damage is caused by rain that enters a structure through an opening not created directly or indirectly by wind. We have found some instances where these types of claims have been denied, in contravention of the wind exclusion endorsement.

While individual policy language would have to be considered in context, the Department's approval of wind exclusion endorsements has been predicated on the premise that the only coverage that can properly be excluded under the endorsement is that which is covered by the Florida Windstorm Underwriting Association.

The misapplication of the wind exclusion endorsement and denial of claims for structural damage caused by rain that enters a structure through an opening not created directly or indirectly by wind, appears to present an unfair trade practice, violative of Part IX of Chapter 626 of the Insurance Code, subjecting insurers to administrative fines and other appropriate administrative action.