§ 50.17 Use of model forms.

(a) Policies in force on the date of enactment. (1) An insurer that is required to make the disclosure under §50.10(b) and that makes no change in the existing premium, is deemed to be in compliance with the disclosure requirement if it uses NAIC Model Disclosure Form No. 2.

(2) An insurer that is required to make the disclosure under §50.10(b) and that makes a change in the existing premium, is deemed to be in compliance with the disclosure requirement if it uses either NAIC Model Disclosure Form No. 1 or NAIC Model Disclosure Form No. 2 if appropriate, or other disclosures that meet the requirements of §§50.10(a) and 50.14 may be developed.

(b) Policies issued within 90 days of the date of enactment. An insurer that is required to make the disclosure under §50.10(c) is deemed to be in compliance with the disclosure requirement if it uses either NAIC Model Disclosure Form No. 1 or NAIC Model Disclosure Form No. 2, as long as the form used is modified as appropriate for the particular policy.

(c) Policies issued more than 90 days after the date of enactment. An insurer that is required to make the disclosure under §50.10(d) may continue to use NAIC Model Disclosure Form No. 1 or NAIC Model Disclosure Form No. 2 if appropriate, or other disclosures that meet the requirements of §§50.10(a) and 50.14 may be developed.

(d) Not exclusive means of compliance. An insurer is not required to use NAIC Model Disclosure Form No. 1 or NAIC Model Disclosure Form No. 2 to satisfy the disclosure requirement. An insurer may use other means to comply with the disclosure requirement, as long as the disclosure comports with the requirements of the Act.

(e) Cap disclosure. An insurer may use NAIC Model Disclosure Form No. 1 or NAIC Model Disclosure Form No. 2 dated December 19, 2007, or as subsequently modified in accordance with paragraph (f) of this section, to satisfy the cap disclosure requirement, or another disclosure that meets the requirements of §50.15 may be developed.

(f) Definitions. For purposes of this section, references to NAIC Model Disclosure Form No. 1 and NAIC Model Disclosure Form No. 2 refer to such forms as were in existence on April 18, 2003, or as subsequently modified by the NAIC, provided Treasury has stated that usage by insurers of the subsequently modified forms is deemed to satisfy the disclosure requirements of the Act.

§ 50.18 Notice required by reinstatement provision.

(a) Nullification of terrorism exclusion. Any terrorism exclusion in a contract for property and casualty insurance that was in force on November 26, 2002, is void to the extent it excludes losses that would otherwise be insured losses.

(b) Reinstatement of terrorism exclusion. Notwithstanding paragraph (a) of this section, an insurer may reinstate a preexisting provision in a contract for property and casualty insurance that
§ 50.20 General mandatory availability requirements.

(a) Transition Period and Program Years 1 and 2—period ending December 31, 2004. Under section 103(c) of the Act (unless the time is extended by the Secretary as provided in that section) during the period beginning on November 26, 2002 and ending on December 31, 2004 (the last day of Program Year 2), an insurer must:

(1) Make available, in all of its property and casualty insurance policies, coverage for insured losses;

(2) Make available property and casualty insurance coverage for insured losses that does not differ materially from the terms, amounts, and other coverage limitations applicable to losses arising from events other than acts of terrorism.

(b) Program Year 3—calendar year 2005. In accordance with the determination of the Secretary announced June 18, 2004, an insurer must comply with paragraphs (a)(1) and (a)(2) of this section during Program Year 3.

(c) Program Years 4 and 5—calendar years 2006 and 2007. Under section 103(c) of the Act, an insurer must comply with paragraphs (a)(1) and (a)(2) of this section during Program Years 4 and 5.

(d) Program Years thereafter. Under section 103(c) of the Act, an insurer must comply with paragraphs (a)(1)