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TO: PRODUCERS
DATE: JUNE 1, 2010
RE: MINE SUBSIDENCE COVERAGE

BULLETIN

The Kentucky General Assembly adopted insurance legislation that changes the reinsurance limits provided by the Kentucky Mine Subsidence Insurance Fund.

Effective July 15, 2010 the following changes will become effective:

- o Increase the reinsurance limits for damages to structures due to mine subsidence from \$100,000 to \$300,000.
- o Add coverage up to \$25,000 for additional living expenses incurred by owners of a residence temporarily displaced as the direct result of damage to the residence caused by mine subsidence.

These limits are subject to the coverage limitations as stated in the Articles of Association. The maximum coverage provided by the Plan for each line of business are as follows:

-Homeowner and Dwelling Fire	\$150,000
-Farm Fire	\$250,000
-Commercial	
Protection Classes 1-8	\$1,000,000 *
Protection Classes 9-10	\$250,000

*Mine Subsidence coverage is limited to \$300,000 as provided by the Mine Subsidence Insurance Fund.

If the covered location presently has structure coverage in excess of \$100,000 the mine subsidence limits will be increased in accordance with the limitations as listed above.

The covered structure must be in a Qualified Location as outlined in the legislation. Refer to the manuals for Qualified Locations and rates.