

Texas Guide to the Hail-Resistant Roofing Discount

Standing Seam metal roofing provides many advantages to the residential consumer. Water tightness and color selection are two significant advantages. Metal roofs also possess excellent impact resistance properties. Texas is the first state to require insurance companies to offer discounts if a homeowner installs a qualifying hail-resistant roof. Effective May 1, 1998 the Texas Department of Insurance (TDI) requires that insurance companies provide mandatory discounts for hail-resistant metal roofs.

Several insurance companies now provide incentives for the use of roofing material that are hail resistive. Premium discounts will be given for all roofs that pass Underwriter Laboratories test criteria under U.L. Standard 2218. The premium discounts will be offered for roof coverings classified "1" through "4" with a Class 4 roof covering offering the best hail protection and the highest discount. Berridge standing seam products have a hail resistance rating of "Class 4".

The discounts vary among eight different regions across the state for residences with "homeowners" type insurance coverage, and six regions for residences with "dwelling/extended" type insurance coverage. Areas with the worst history of hailstorms would get the biggest discounts. Homeowners will be eligible for homeowner discounts as high as 35 percent, depending on the area of the state where they live. For buildings classified (for insurance purposes) as dwellings with extended coverage, the discount maybe as high as 46 percent. See state map and tables below for details. The graphics appearing in this document are available for review online at the TDI web site.

Discounts for hail-resistant roofs installed prior to February 17, 1998, maybe available at the discretion of the insurance company. Both rate-regulated and non-rate-regulated insurance companies must offer discounts. Lloyds companies and reciprocal exchanges, which are exempt from rate regulation,

may decide the amount of discount they will offer. If you are considering the hail-resistant discount for a new roof installation, Berridge strongly recommends that you contact your insurance company to verify the discount you will receive.

Insurance companies may require homeowners who purchase hail-resistant roofs and receive the mandatory discounts to accept endorsements on their policy that exclude coverage for cosmetic damage. Cosmetic damage is defined as: *"Hail damage that alters the physical appearance of the roof covering but does not result in damage that allows penetration of water through the roof covering or fail to perform its intended function to keep out the elements over an extended period of time."*

Discount Calculation by TDI rules: How to calculate the discount:

The Texas Department of Insurance specifies the amount of the discount. To determine your discount, do the following:

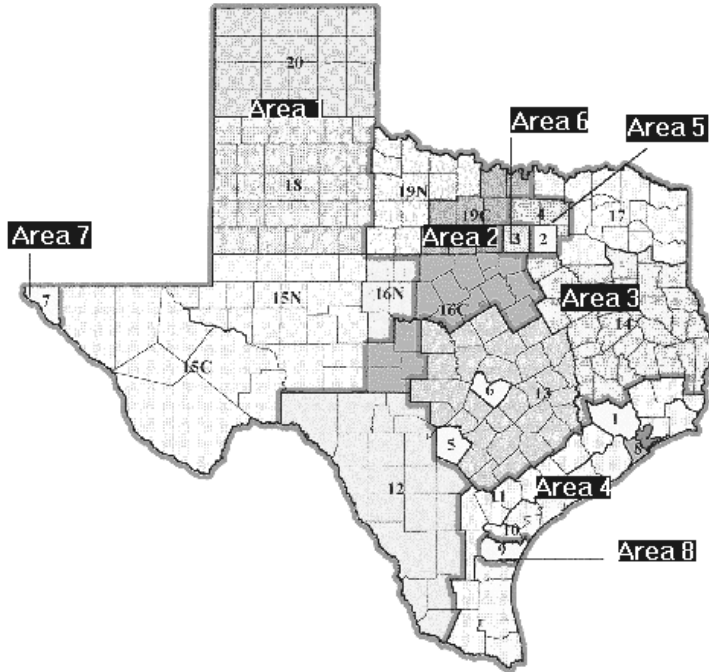
- First, determine what type of policy you have, homeowners or dwelling,
- Then, locate the territory where your residence is located from the enclosed map,
- Then, select the appropriate table: Index the designation for your territory against the classification of your roof covering in the table and you will find the percentage discount for your residence.

For example: If your residence is located in Amarillo, you have a *homeowners* policy, and you have installed a Berridge standing seam roof. Then your territory would be "20," your roofing classification would be "Class 4." By examining the table for a *"homeowners"* insurance policy, you will find that the insurance discount for your residence is 35%. Note, however, that if you



obtain your insurance from a non-rate-regulated company, such as Lloyd's, then the insurance discount is determined by Lloyd's and they are not obligated to provide the discount shown in the enclosed tables.

TERRITORIAL GROUPS FOR DETERMINATION OF HOMEOWNERS HAIL RESISTANT ROOF CREDIT



Discount table for residences with a "homeowners" insurance policy:

HOMEOWNERS				
Territory	Class 1 % Discount	Class 2 % Discount	Class 3 % Discount	Class 4 % Discount
9	1	2	3	4
1,8,10,11	2	4	5	7
7	4	8	12	15
5,6,13,14,17	4	9	13	17
2,4	6	12	17	23
12,16C,19C,19N	7	14	21	28
3	9	17	26	34
15C,15N,16N,18,20	9	17	26	35

If your residence is classified as a dwelling on your insurance policy; then, the chart below lists discounts available for all four roof cover classifications for all territories under a dwelling insurance policy:





Discount Table for residences with a "dwelling" insurance policy:

DWELLING/EXTENDED COVERAGE

Discount Table for residences with a "dwelling" insurance policy:

DWELLING/EXTENDED COVERAGE				
Territory	Class 1 % Discount	Class 2 % Discount	Class 3 % Discount	Class 4 % Discount
9	3	5	8	11
1,8,10,11	4	5	9	13
5,6,13	10	15	25	36
2,4,14	11	16	27	38
7,12,15C	12	18	30	42
3,15N,16C,16N,17,18,19C,19N, 20	13	20	33	46

Discounts for Hail-Resistant Roof Installations - Other than Texas:

Insurance companies do provide discounts for hail-resistive roofing in many states. Please contact your insurance company for information.

Contact Information:

The Texas Department of Insurance (TDI) maintains a web site. Valuable information can be found at the web site regarding the hail discount, as well as, other insurance related topics.

TDI - phone number 1-800-252-3439
 TDI - web site www.tdi.state.tx.us

