



# Marketing Bulletin

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## MUTUAL BENEFIT GROUP

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TO: ALL AGENTS

### BINDING AUTHORITY REMINDER FOR 2021 HURRICANE SEASON

The 2021 Atlantic hurricane season begins June 1st and runs through November 30th. Mutual Benefit Group (MBG) reminds you of your binding authority as outlined by our Agency Agreement and the following clause:

*Agent is further authorized by the Company and hereby agrees that, subject to requirements imposed by Applicable Law, the terms of this Agreement and the underwriting rules and policies of the Company, Agent is authorized to:*

- A. *Bind and execute insurance contracts in accordance with the Company underwriting guidelines. However, no binding authority is permitted for any property line of business insurance when a hurricane or tropical storm watch, warning or advisory has been issued by the National Weather Bureau for the area in which the coverage would apply. Binding authority is automatically reinstated no later than twenty-four (24) hours after the hurricane or tropical storm watch, warning or advisory is lifted by the National Weather Bureau.*

MBG will make every effort to send your agency bulletins when binding authority is restricted or lifted. However, it is not always feasible for this to happen, so please be sure to note when a watch, warning or advisory has been issued or lifted.

Below are descriptions of the four storm conditions reported by the National Weather Service that will invoke a binding authority restriction:

**Hurricane Watch** – A Hurricane Watch is issued when a tropical cyclone containing winds of 64 kt (74 mph) or higher poses a possible threat, generally within 48 hours. These winds may be accompanied by storm surge, coastal flooding and/or river flooding. The watch does not mean that hurricane conditions will occur. It only means that these conditions are *possible*.

**Hurricane Warning** – A Hurricane Warning is issued when sustained winds of 64 kt (74 mph) or higher associated with a tropical cyclone are expected in 36 hours or less. These winds may be accompanied by storm surge, coastal flooding and/or river flooding. A hurricane warning can remain in effect when dangerously high water or a combination of dangerously high water and exceptionally high waves continues, even though winds may be less than hurricane force.

**Tropical Storm Watch** – A Tropical Storm Watch is issued when a tropical cyclone containing winds of 34 to 63 kt (39 to 73 mph) or higher poses a possible threat, generally within 48 hours. These winds may be accompanied by storm surge, coastal flooding and/or river flooding. The watch does not mean that tropical storm conditions will occur. It only means that these conditions are *possible*.

**Tropical Storm Warning** – A Tropical Storm Warning is issued when sustained winds of 34 to 63 kt (39 to 73 mph) or higher associated with a tropical cyclone are expected in 36 hours or less. These winds may be accompanied by storm surge, coastal flooding and/or river flooding.

If you have any questions regarding this information, please contact your underwriter or marketing representative. Let us all hope for a quiet hurricane season!

-MM