

1. CANCELLED, NONRENEWED, OR OTHERWISE TERMINATED BY AN INSURED; OR

2. CANCELLED OR NONRENEWED BY AN INSURER PURSUANT TO REASONS OTHER THAN A MATERIAL REDUCTION PLAN.

(3) (I) "MINIMIZES MARKET DISRUPTION" MEANS ACTIONS TO BE TAKEN BY AN INSURER THAT INTENDS TO ENGAGE IN A PLAN OF MATERIAL REDUCTION OF ITS VOLUME OF POLICIES TO PROVIDE FOR THE ORDERLY REDUCTION IN HOMEOWNER'S INSURANCE COVERAGE.

(II) "MINIMIZES MARKET DISRUPTION" INCLUDES:

1. EFFORTS BY THE INSURER TO MAINTAIN A SERVICE FORCE IN AFFECTED AREAS DURING THE PERIOD OF MATERIAL REDUCTION;

2. EFFORTS TO INFORM INSUREDS OF OPTIONS AVAILABLE FOR REPLACEMENT OF COVERAGE WITH AUTHORIZED INSURERS; AND

3. ANY ACTIONS SERVING TO MINIMIZE MARKET DISRUPTION.

(B) (1) AT LEAST 60 DAYS IN ADVANCE OF IMPLEMENTING A PLAN OF MATERIAL REDUCTION, AN INSURER SHALL FILE WITH THE COMMISSIONER A PLAN FOR ORDERLY REDUCTION.

(2) THE PLAN SHALL:

(I) DESCRIBE THE INSURER'S CONTEMPLATED ACTIONS;

(II) SET FORTH THE REASONS FOR THE ACTIONS;

(III) DESCRIBE THE MEASURES THE INSURER INTENDS TO TAKE IN ORDER TO MINIMIZE MARKET DISRUPTION; AND

(IV) PROVIDE ANY OTHER INFORMATION REQUIRED BY THE COMMISSIONER.

(C) (1) EXCEPT AS PROVIDED IN THIS SECTION, A FILING UNDER THIS SECTION MAY NOT TAKE EFFECT UNTIL 60 DAYS AFTER IT IS FILED WITH THE COMMISSIONER.