

## FREQUENTLY ASKED QUESTIONS (FAQ)

### SPECIAL PERIL INSURANCE FACILITY

SEPTEMBER 2020

**1. What is the Special Peril Insurance Facility (SPIF)?**

**Answer:** The Special Peril Insurance Facility allows mortgagors the option to continue their peril insurance arrangement with the NHT following the settlement of their loans.

**2. Who is eligible for this facility?**

**Answer:** All mortgagors whose loans were settled on or after April 01, 2020 will have the option to continue their peril insurance coverage, provided that there is a peril insurance arrangement in place at the time of settlement.

**3. Will I be eligible for this facility if my loan has already been settled?**

**Answer:** You will not be eligible:

- if your loan was settled prior to April 01, 2020 or
- if your loan was settled on or after April 01, 2020 and the peril insurance arrangement was discontinued

**4. How do I apply for the Special Peril Insurance Facility?**

**Answer:** Customers may apply by completing the 'Application for Special Peril Insurance' form available via our website ([www.nht.gov.jm](http://www.nht.gov.jm)) and submitting the completed form to [loansettlement@nht.gov.jm](mailto:loansettlement@nht.gov.jm).

**5. Do I need to submit a Valuation report to benefit from the Special Peril Insurance facility?**

**Answer:** No, a valuation report is not mandatory, however, customers may choose to send one. Where none is provided, the NHT will use its internal formula to determine the property insurance coverage.

**6. How will my insurance coverage be determined?**

**Answer:** The NHT will use one of two approaches to determine your peril insurance premium. These are:

- a) Using the square footage from a recently prepared and submitted Valuation report (*not older than one (1) year*); or
- b) Using the NHT's internal formula to estimate the property replacement value based on the square footage on record.

**7. How will I make peril insurance premium payments?**

**Answer:** Customers will be required to pay their premiums in advance to their Peril account number (this will be provided following receipt and processing of the relevant application). Payments can either be made on an annual or quarterly basis.

**8. Does the NHT offer payment options for this arrangement?**

**Answer:** Customers may choose between making an annual payment or quarterly payments in equal instalments (*see below*):

- Annually- September 1<sup>st</sup>; or
- Quarterly- September 1<sup>st</sup>, December 1<sup>st</sup>, March 1<sup>st</sup>, June 1<sup>st</sup>; *subject to a fee.*

**9. Where can payments be made?**

**Answer:** Customers may make payments via:

- a) Salary Deduction
- b) Over the Counter
- c) Online
- d) Other Payment Agencies – Banks, Bill Express, etc.

**10. What will be the outcome if I am unable to pay the peril insurance premium by the specified due dates?**

**Answer:** Premium outstanding for thirty (30) days following the due date, will result in the cancellation of the arrangement. The customer will also be barred from future engagement under this facility and any outstanding payments recovered from available contribution refund, external debt collector and/or litigation.

**11. Can the insurance coverage be discontinued?**

**Answer:** Yes.

- a) The customer can discontinue the peril insurance arrangement at any time. However, once the arrangement is terminated it cannot be reinstated.
- b) The NHT can discontinue the peril insurance arrangement due to non-payment of premium.

**12. If I have a mortgage loan with another institution, can that institution's interest be endorsed on the Special Peril Insurance policy?**

**Answer:** Yes, other Institutions' interest can be endorsed.

**13. What if I decide to discontinue the arrangement after paying the insurance premium, will the premium be refunded?**

**Answer:** Peril insurance premiums advanced are non-refundable.

**14. In the event that a peril is experienced, how do I file a claim?**

**Answer:** Customers can file peril insurance claims by completing the 'Peril Insurance Claim Form' and submitting same along with the necessary supporting documents to an NHT Customer Service Representative.

**15. Do I get a rebate for no claims on the insurance?**

**Answer:** NHT's current property insurance arrangement does not allow no-claim rebates.