

A. Requirements

1. Only a company and/or agent licensed or authorized to do business in the State of Alaska may write the policy. The Lender may retain a Certificate of Insurance rather than the original policy, provided the certificate shows the required information.

A complete text of the full policy must be available in the servicer's office.

2. The insurance carrier must have a rating of B/III or better in Best's Key Rating Guide.
3. The deductible may not exceed the higher of \$1,000 or 2% of the coverage amount.
4. The policy must provide for rent loss insurance if the property is a two-to-four family dwelling, and the coverage must protect against a minimum of six months of rent loss.
5. The policy must contain the insurance industry's standard mortgagee clause. Such clause must provide that the insurer will notify the named mortgagee at least 10 days before any reduction in coverage or cancellation of the policy.
6. On Common Interest Communities, if the master or blanket policy does not cover the unit's interior, the borrower must obtain a "walls-in" policy, commonly known as an HO-6 policy. The HO-6 policy must provide coverage in an amount that is no less than 20% of the condominium unit's appraised value.