

EXPIRING COVERAGE

All FAIR Plan policies are reviewed well in advance of expiration to determine their eligibility for renewal. Listed below are descriptions of various documents which the FAIR Plan uses to advise the insured and the agent of record of pending policy expiration.

A. OFFER(S) TO RENEW

1. The Plan will review its latest policy information on file and, if it is in possession of sufficient underwriting information, may issue a "Renewal Notification", showing final rates and the premium required, to effect a new one year policy. Refer to Section B4, "Policy Order Form", below.
2. The Plan will review its latest policy information on file and, if additional information or a new inspection is required, may issue a "Renewal Notification", showing the PROVISIONAL rates and premium required to effect a new one year policy. Refer to Section B4, "Policy Order Form", below.

B. POLICY ORDER FORM

1. At the bottom of the "Renewal Notification", is a detachable "Policy Order Form" identified by the wording "Detach this portion and return it with payment."
2. Changes in producer, lienholder, mailing address and description of property are permissible, with proper documentation, on the reverse side of the "Policy Order Form". Refer to the "Request for Endorsement Section."
3. Increases or decreases in policy amounts are subject to review and acceptance by the Plan.
 - a) If Acceptable, and the correct revised premium has been submitted, a policy will be issued reflecting the new limit(s) of liability.
 - b) If unacceptable, but there is sufficient remittance to process for the quoted amount(s) of coverage, a policy will be issued in the amount of the expiring policy and any overpayment refunded. Notice of rejection of increase or decrease in coverage will be mailed to the insured and the agent of record within three working days of receipt of the "Policy Order Form".
 - c) Incomplete "Policy Order Forms" or those accompanied by insufficient remittance will be rejected and returned and no coverage shall be provided.
4. Policies obtained from a "Policy Order Form" attached to a "Provisional Premium Notice" are subject to the same provisions as any immediate coverage policy. Refer to the "Immediate Coverage" Section.

C. RENEWAL PREMIUM NOTIFICATION

When a "Renewal Notification" is mailed to a producer, a "Renewal Premium Notification", is mailed to the insured advising him/her to contact the soliciting agent to make arrangements for the payment of the new premium payment.

D. DECLINATION - NON-RENEWAL NOTICE

In some instances the FAIR Plan will be unable to offer continuing coverage on certain expiring policies. Lack of underwriting compliance, ineligibility or inability to complete an inspection as well

as policies originally written for a non-renewable one year term may cause a non-renewal notice to be mailed.

If the Plan declines and non-renews expiring coverage, a "Notice of Non-Renewal of Insurance", and a "Notice of Declination", stating the reason(s) for declination with a copy of the inspection report, if applicable, will be mailed to the insured and the agent of record.

E. FINAL NOTICE

If, within ten (10) days following the expiration of a policy, a new policy continuing coverage has not been issued, a "Final Notice", advising that the policy has expired will be mailed to the insured and the agent of record. This will be mailed for every expired policy not renewed including those declined or non-renewed by the Plan.

F. MORTGAGEE NOTICE OF EXPIRATION

At least 30 days prior to expiration, on all policies quoted and containing a listed mortgage, a Mortgagee Notice of Expiration will be issued. This is not a bill or invoice, but instead a notice to the mortgagee of the Plan's willingness to renew the policy (see subsections A and B for renewal instructions).