

## SECTION IX PAYMENT OF PREMIUMS

Premium payments may be made to the Plan by a licensed property insurance agent's or broker's check, by a mortgagee's check, by personal check, money order or cash, if the cash is personally delivered to the Plan office. (No cash should be mailed.) Payment may also be made by a bank cashiers or treasurers check, by a check issued by a licensed premium finance company, or by credit card or bank account transfer (EFT) via the FAIR Plan's website.

All checks and/or money orders shall be made payable to "The WV FAIR Plan" or "The West Virginia Essential Property Insurance Association" which may be abbreviated WVEPIA.

Once timely payment has been received, the Plan will not cancel a policy for non-payment of premium. Producers are cautioned against advancing the premium for an insured since policies will not be cancelled for an insured's failure to reimburse the producer for premiums paid on their behalf.

### **A. NOTICE OF PREMIUM DUE**

No coverage will be provided by the Plan until the required premium is received in the Plan office. If mailed, such remittance must accompany the "Notice of Premium Due". The File Number appearing on the "Notice of Premium Due" should be shown on the remittance for proper identification.

### **B. ADDITIONAL PREMIUMS**

1. When an additional premium becomes due, the Plan will mail a bill for such additional premium to the insured or his/her representative who shall make prompt remittance. Failure to pay an additional premium by the due date may cause the policy to be cancelled. A request for reinspection will not extend the time limit for payment of a bill for additional premium.
2. Cancellation of a policy for non-payment of additional premium will be rescinded if full payment is received prior to the due date. Once a policy has been cancelled for non-payment, a new application is required, including payment of any outstanding premium balance from the prior policy as well as payment for the new policy.

**C. MINIMUM POLICY WRITING PREMIUM**

Dwelling Policy	\$ 75.00
Commercial Policy	\$100.00

**D. RETURN PREMIUMS**

Should a return premium become due as the result of an endorsement or policy cancellation, the Plan will remit a check to the insured or his/her representative.

1. A check will be mailed to the producer who shall promptly remit to the insured his own check for the full gross return premium.
2. Should any insured make demand upon the Plan for the gross return premium, or should the Plan be called upon to return the gross return premium to a premium finance company, mortgagee or loss payee on policies written through an insurance producer, such producer shall promptly refund to the Plan, on demand, any unearned commission.
3. If payment is made by credit card, the return premium may be processed as a credit on that account.

**E. WAIVER OF ADDITIONAL OR RETURN PREMIUMS**

1. No additional premium shall be charged, and no return premium allowed, except on full term endorsements if rated from the I.S.O. Dwelling Program, when the amount of such additional or return premium is less than three dollars (\$5.00), except upon demand.

**F. COMMISSIONS**

The commission to licensed property insurance producers is 10% of the gross premium. Should premium adjustments be made that result in return premiums to the insured, the Plan will make necessary adjustments on the next monthly commission statement.

The West Virginia Offices of the Insurance Commissioner either licensed property insurance agents or brokers from making any additional charge or charging any fee for the placing of any coverage in the Plan. Producer remuneration shall be limited to the commission allowance on the earned premiums.

**Effective Date: 02/2006**  
**Revision Date: 08/2020**

**G. PREMIUM PAYMENT PLAN**

A premium payment plan is available which requires sixty percent (60%) of the estimated annual premium payable in advance and the remaining 40% payable within 90 days of the inception date of the policy along with any increase in the final annual premium.

**H. DISHONORED CHECKS FROM THE INSURED**

No coverage will be effective if the premium remittance is justifiably dishonored by the financial institution.