

MISSOURI PROPERTY INSURANCE PLACEMENT FACILITY

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PRODUCER GUIDE

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WHAT IS THE FAIR PLAN?

The Missouri Basic Property Insurance Inspection and Placement Program (Program) operates as the Missouri Property Insurance Placement Facility (the Facility). The Facility is also known as the Missouri FAIR (Fair Access to Insurance Requirements) Plan a syndicate representing all fire insurance companies licensed to do business in the State of Missouri.

House Bill 772 of the 75th Missouri General assembly established the Program in 1969. Section 379.810 through 379.875 Revised Missouri statutes provide the guidelines and limitations of the Program.

The Facility provides basic property insurance; i.e. fire, extended coverage, and vandalism or malicious mischief, on habitational and commercial risks, which are located in the State of Missouri. A standalone Sinkhole policy is also available on habitational property only. This policy does not provide for loss due to liability, flood, earthquake, additional living expense, damaged caused by the weight of ice or snow, damage to or caused by burst water pipes and/or back-up of sewer drains or sumps or any combination of these.

All policies are issued through the Facility.

Missouri Fair Plan is a market of last resort. Property should not be submitted unless coverage is unavailable through the standard market.

Risks, must meet “reasonable” underwriting standards reflecting an interest on the part of the owners in the proper upkeep and maintenance of the property.

Properties considered to be unacceptable include property which the owner has failed, or refused to repair or restore, and property which have characteristics of ownership, condition, occupancy or maintenance which violate public policy.

Neighborhood or area location (environmental hazard) shall not be considered in determining acceptability in the FAIR Plan.

The FAIR Plan will not issue Mortgagee interest only policies.

LICENSING AND AUTHORITY OF PRODUCERS

The Facility will only accept business from producers holding a current agent, agency, or broker license issued by the Missouri Department of Insurance, Financial Institutions and Professional Registration.

Each producer will be assigned a Facility Account Number. Your FACILITY ACCOUNT NUMBER must always be shown on all applications and endorsement requests submitted.

To apply for your account number, complete request for producer account found on the website. You will need to submit a copy of your current Missouri insurance license, a W-9, your mailing address, email, phone number, fax number and Commission Direct Deposit Authorization Form along with a voided check. The Facility will ask you to complete an IRS form W-9 to prevent the need for backup withholding.

Those Producers who wish to have access to our Producer's Portal to access their insureds records will need to execute a Producer's Access Agreement. Once the agreement has been submitted the Producer will be provided a user name and password. You also have the option to receive computer generated documents electronically by completing and returning the Affirmative Consent for Electronic Delivery form.

It is the Producers responsibility to keep us informed of agency name, email and address changes. It is also the Producers responsibility to provide the Facility with a copy of the renewal license when issued by the State of Missouri.

No Producer has a contract or license with the Missouri Property Insurance Placement Facility. Therefore, no producer has the authority to act for the Facility in the binding of coverage, acceptance of premium payment, amending amount of coverage, assigning policies or obligating the Facility in any manner.

Commissions are paid based on the premium paid and the effective date of the policy. Commissions disbursed on or about the 15th of the month following the effective date of a policy. **No commission will be issued when a copy of the producers' current license is not on file.**

Commissions are not paid on the installment payment program handling fee, inspection fee or on the unpaid installment balance. Commission is earned only on paid premium. Return commission is charged back to producers on return premium or premium reversals.

As set by Missouri State Statute, commission is 12% for new business, 10% for renewals, Sinkhole commission is 10% on both new and renewal policies. Commission will be issued in the name that appears on your license. When the commission statement shows a balance due the Facility we expect a prompt remittance from the producer.

MERGERS AND ACQUISITIONS

The Facility requires letters from both parties clearly stating who will be responsible for existing business, the date responsibility transferred from one party to another and disposition of future commission.

Producers are responsible for notifying their clients of their address changes and mergers.

COMPLETING THE APPLICATION

You may obtain an application online at our website www.missourifairplan.com.

An application must be completed for each fire division. **DO NOT FAX PHOTOGRAPHS UNLESS THEY ARE COLOR AND YOUR FAX WILL TRANSMIT IN COLOR. BLACK AND WHITE PHOTOGRAPHS DO NOT FAX WELL.**

A photograph of front and rear of the property is required with every new application. All new purchases should include a copy of an appraisal.

If contents coverage is requested, you should include one content photo for each \$10,000 in coverage. Photos should be of different rooms.

Commercial and Farm property require the producer to provide a signed letter indicating coverage cannot be placed on the standard market.

A generic application is used for Dwelling, Commercial and Farm risks. All policies are issued on Named Peril basis, only those perils listed below may be covered:

Fire, Lightning, Windstorm, Hail, Explosion, Riot, Civil Commotion, Aircraft, Vehicle, Smoke, Volcanic Eruption, Vandalism or Malicious Mischief and Theft (To be eligible for theft applicant must carry separate dwelling contents along with Extended Coverage and Vandalism and Malicious Mischief).

Sinkhole coverage for dwellings require a separate application to be completed.

THIS IS NOT A HOMEOWNERS POLICY! THIS IS NOT A REPLACEMENT COST POLICY!

DEFINITIONS

DWELLING

Dwelling is a residential structure that contains one to four units. Incidental service occupancies are permitted, such as daycare, beauty shop or office. Sales or manufacturing are not permitted.

COMMERCIAL

Buildings occupied for business purposes, such as:

- * Apartment Risk-(over 4 units)
- * Contractors Risk
- * Motel/Hotel Risk
- * Industrial and Processing Risk
- * Institutional Risk
- * Mercantile Risk - (An establishment which the principal business is the buying and selling of goods, retail/wholesale. Included are bars, grills and restaurants.)
- * Office Risk
- * Service Risk

FARM

A farm is property used to generate income, i.e., raising crops or livestock. A dwelling with additional buildings situated on a large parcel of land does not necessarily qualify for farm property coverage.

The policy covers dwellings, contents of dwellings, other structures used in connections with dwellings and farm structures. We do not cover crops or livestock. The perils are fire, lightning, wind, hail, explosion, riot or civil commotion, aircraft, vehicles, vandalism, limited theft, sinkhole collapse and volcanic action.

ASSIGNMENTS OF INTEREST

The policy cannot be assigned to a new policy holder. You will need to cancel the current policy and submit a new application for the new owner.

DWELLING, COMMERCIAL AND FARM APPLICATION

LOCATION OF PROPERTY

To avoid any confusion on coverage a complete description of where the property is located is required. Properties outside the city limits require the legal description (section, township and range,) or 911 address (preferred), city, county and zip code. Also, if the property location is outside the city limits we require specific driving instructions to assist our inspectors in locating the correct property. The legal description can be located on the on the property tax bill or property deed.

NAME AND MAILING ADDRESS OF APPLICANT

We do not write mortgage interest only policies.

For building coverage, complete the applicant name as it appears on the property deed/title and provide their mailing address. Always provide email address if available.

For content only coverage complete the name of the tenant applying for coverage and the mailing address of tenant.

OCCUPANCY

For dwelling applications indicate if property is occupied by the owner or a tenant.

PREMIUM ESCROWED

If escrowed, check yes and a copy of the quote will be sent to the mortgage holder at the address provided.

All quotes will be sent to the applicant or his representative, as indicated on the application. One copy of the quote will be sent to the producer. Please return one copy of the quotation letter to the Facility with payment.

NAME AND ADDRESS OF MORTGAGEE

Complete information is required about all mortgagees or loss payees. This includes name, address and loan number.

If "Contract for Deed" provide the name and mailing address of seller.

NAME OF PERSON INSPECTOR CAN CONTACT

All new policies are inspected if the premium is paid. We require the name and telephone number of person to contact.

A letter is sent out to the insured when the inspection is ordered. The inspector does not always contact applicant prior to inspection. The inspector does carry a photo ID and will produce it upon request.

Surcharges are assessed by our contract inspectors for all deficiencies. A copy of the inspection with written notification will be sent to the owner explaining what surcharges are applied. The owner will be given the opportunity to correct the deficiency.

PRODUCER NAME AND ADDRESS

Please indicate your name as it appears on your state insurance license. Include your mailing address, email address and phone number. Enter your Facility account number to receive commission. If we do not have the proper information the application cannot be processed and will be returned to your office for completion.

AMOUNT OF INSURANCE

The Facility will write a maximum combined limit for building and contents coverage for any one location of \$200,000 on residential and \$1,000,000 for commercial and farm risks.

Coinsurance is only offered on Commercial contents coverage for no-co, 80%, 90% or 100% coinsurance.

If you are applying for Extended Coverage or Vandalism in addition to Fire coverage check appropriate box.

For "On Premises Theft" for Dwellings check the appropriate box and enter amount of coverage desired. Minimum \$1,000 and maximum of \$25,000. Please enter in \$1,000 increments.

A Class Rate form must be completed and submitted along with the application on all commercial class rated risks containing 15,000 or less square feet in a single fire division. All occupancies in the building and square footage for each occupancy must be shown.

For coverage of contents only, the application must show the specific occupancy to be covered and include two (2) interior photos along with the exterior photo.

If the occupancy is a tavern, you must indicate if any cooking is being done on premises.

If occupancy is an auto repair shop, you must indicate if there is any spray painting or welding being done on premises.

SEASONAL OCCUPANCY

A seasonal dwelling is a dwelling that is continuously unoccupied for three or more consecutive months during any one year. A secondary dwelling is when an insured owns 2 dwellings and frequently spends time at both properties.

FARM

You must enter the type of crop or livestock for farm operation.

Form FAC - FM - 01 must be completed and submitted along with the application on all farm risks. A photo of each building or structure is required along with a diagram of the layout of the premises.

OUTBUILDINGS

DWELLING - A 10% extension of the building value applies to other structures used with the dwelling and in good condition. Make sure to advise the condition of each outbuilding if more than one. Provide photo for our records.

FARM - A 10% extension of Coverage A applies to other private structures appurtenant to dwelling, not farm buildings. Provide the construction, condition and a photo of all outbuildings located on the farm property.

OUTDOOR RADIO/TV EQUIPMENT

If windstorm or hail coverage is desired on outdoor radio or television equipment, indicate the amount of insurance being requested. We require the serial number, brand name, model and photograph of all items to be insured. Amount of insurance requested must be higher than the policy deductible.

AWNINGS/SIGNS/CANOPIES

If windstorm or hail coverage is desired on awnings, canopies or signs, indicate the amount of insurance being requested. We require a photograph of all awnings, canopies or signs to be insured. The amount of insurance requested must be higher than the policy deductible.

DEDUCTIBLE

The standard deductible is \$500.00 for dwelling, commercial, and farm risks. If a higher deductible is desired so indicate. The theft coverage deductible for dwelling must be the same as other perils.

NEW CONSTRUCTION

For a new construction to be eligible the application must be submitted along with photograph prior to construction being started. We need the estimated cost of construction and the expected date when the building will be completed. The structure must be completed and occupied within one year or the policy will not be renewed.

The Facility will not insure any building on which construction has begun.

VACANT OR UNOCCUPIED

The Facility will insure vacant or unoccupied dwellings that meet our underwriting guidelines. Commercial property is not eligible if 70% or more total square footage is vacant or unoccupied. Farm is not eligible if more than 50% of the property is vacant and/or unoccupied. A Supplement Vacancy Information Form must also be completed and submitted with the application. Increased rates will apply for vacant and/or unoccupied dwellings. See additional requirements/notes on Page 17.

PRIOR FIRE LOSSES

All fire losses over \$500.00 on property for which the applicant had an insurable interest, must be listed explaining the cause of loss, property location of loss, amount of claim paid and the date that the loss occurred.

RATING INFORMATION

All questions must be answered to compute the correct premium.

The number of families and construction determine what loss costs are applied.

If the construction type is a mobile home, you must complete the information describing the mobile home.

If there is an incidental service type occupancy, with 2 or less employees, you must describe the business in detail. (i.e. - offices, daycare, beauty shop). Sales or manufacturing are considered commercial property.

You must provide feet from fire hydrant and miles to fire department so the proper protection class can be applied. If there is a subscription type fire department we must know if the applicant subscribes to services. If inadequate information is provided class 10 will be assigned.

MARKET VALUE

Enter the market value of the property to be insured subject to the Facility limits. Do not use replacement cost, the amount it would cost to replace the building at today's cost. The Facility does not write replacement cost insurance. Always include a recent appraisal on all recent purchases and all other property if available.

WOOD/COAL BURNING STOVE

The woodstove should sit at least 36 inches away from any combustible wall and have protected pad under it. If closer than 36 inches, advise the construction of the surrounding walls. A photograph of the stove is required. Homemade woodstoves are not acceptable.

PURCHASE DATE

If building coverage you must indicate the day, month and year the property was purchased. If property was inherited please indicate. **THIS IS THE ORIGINAL DATE OF PURCHASE NOT THE REFINANCED DATE!**

PURCHASE PRICE

This is the amount the applicant paid for the property. If land was included indicate the amount of land included. **THIS IS THE ORIGINAL AMOUNT OF PURCHASE NOT THE REFINANCED AMOUNT!**

AMOUNT OF ALTERATIONS OR IMPROVEMENT COMPLETED

Alterations and improvements are monies spent by owner or tenant to improve the physical condition of the building. Include copies of paid receipts if possible. This amount should not include money spent on general maintenance or upkeep of the property.

ATTACH A FRONT AND REAR PHOTOGRAPH OF THE DWELLING ALONG WITH REQUIRED CONTENT PHOTOGRAPHS.

MANDATORY DISCLOSURE OF EXCLUDED COVERAGE

The following coverages are examples of coverage not provided:

loss due to liability, flood, earthquake, additional living expense, weight of ice and snow, burst water pipes, backup of sewer drains and/or sumps or any other combination of these. Make sure you specifically point out these exclusions to the applicant.

SIGNATURE

All applications must be signed by the applicant, legal guardian, partner if a partnership or officer if a corporation.

SINKHOLE APPLICATION

The policy cannot be assigned to a new policy holder. You will need to cancel the current policy and submit a new application for the new owner.

LOCATION OF PROPERTY

To avoid any confusion on coverage a complete description of where the property is located is required. Properties outside the city limits require the legal description (section, township and range,) or 911 address (preferred), city, county and zip code. Also, if the property location is outside the city limits we require specific driving instructions to assist our inspectors in locating the correct property. The legal description can be located on the on the property tax bill or property deed.

OCCUPANCY

Indicate if property is occupied by the owner or a tenant.

NAME AND MAILING ADDRESS OF APPLICANT

We do not write mortgage interest only policies.

For building coverage, complete the applicants name as it appears on the property deed/title and provide their mailing address.

You must include the telephone number and email address of the application so the inspector can contact applicant for inspection.

All new policies are inspected if the premium is paid. A letter is sent out to the insured when the inspection is ordered. The inspector does not always contact applicant prior to inspection. The inspector does carry a photo ID and will produce it upon request.

PREMIUM ESCROWED

If escrowed, check yes and a copy of the quote will be sent to the mortgage holder at the address provided.

All quotes will be sent to the applicant or his representative, as indicated on the application. One copy of the quote will be sent to the producer. Please return one copy of the quotation letter to the Facility with payment.

NAME AND ADDRESS OF MORTGAGEE

Complete information is required about all mortgagees or loss payees. This includes name, address and loan number.

If "Contract for Deed" include the name and mailing address of seller.

PRODUCER NAME AND ADDRESS

Please indicate your name as it appears on your state insurance license include your mailing address, email address and phone number. Enter your Facility account number to receive commission. If we do not have the proper information the application cannot be processed and will be returned to your office for completion.

AMOUNT OF INSURANCE

The Facility will write a maximum combined limit of building and contents coverage for any one location of \$200,000 total. We do not offer content only for sinkhole coverage.

OUTBUILDINGS

There is NO coverage for outbuildings on the Sinkhole policy.

VACANT OR UNOCCUPIED

The Facility will not insure vacant or unoccupied dwellings. A complete explanation should be provided, advising percentage of vacancy, reason and length of time building will be vacant.

RATING INFORMATION

All questions must be answered to compute the correct premium.

The number of families and construction determine what loss costs are applied.

If the construction type is a mobile home, you must complete the information describing the mobile home.

MARKET VALUE

Enter the market value of the property to be insured subject to the Facility limits. Do not use replacement cost, the amount it would cost to replace the building at today's cost. The Facility does not write replacement cost insurance. Always include a recent appraisal on all recent purchases and all other property if available.

PURCHASE DATE

You must indicate the day, month and year the property was purchased. If property was inherited please indicate. THIS IS THE ORIGINAL DATE OF PURCHASE NOT THE REFINANCED.

PURCHASE PRICE

This is the amount the applicant paid for the property. If land was included indicate the amount of land included. THIS IS THE ORIGINAL AMOUNT OF PURCHASE NOT THE REFINANCED AMOUNT!

AMOUNT OF ALTERATIONS OR IMPROVEMENT COMPLETED

Alterations and improvements are monies spent by owner or tenant to improve the physical condition of the building. Include copies of paid receipts if possible. This amount should not include money spent on general maintenance or upkeep of the property.

NAME OF PRIMARY CARRIER

Complete the name, policy number and policy period for current Homeowners coverage.

ATTACH FRONT AND REAR PHOTOGRAPHS OF THE DWELLING. PHOTOGRAPHS MUST SHOW ENTIRE BUILDING.

DEDUCTIBLE

The deductible for Sinkhole is 10% of the limit of liability for all coverages combined.

SIGNATURE

All applications must be signed by the applicant, legal guardian, partner if a partnership or officer if a corporation.

NEW BUSINESS

Upon receipt of a properly completed application including all photographs of the property and the quick quote, the Facility will review for acceptability. If payment is submitted a policy may be issued and an inspection of the property requested. If the inspection indicates deficiencies in the property a surcharge may apply and additional premium will be billed. If it is determined that the property does not meet underwriting standards after the inspection, a thirty day notice of cancellation will be issued.

There will be a \$25.00 non-refundable inspection fee on all new business policies that are issued. The fee must be paid before a policy can be issued. Under no circumstance will the Facility waive this fee.

ENDORSEMENTS

Producers are not authorized to issue endorsements for the Facility. A written request must be submitted for policy changes. Be sure that you give us the location of the property insured and not the mailing address. The policy number and the name of the insured are also required. The request may be mailed, faxed or emailed to uw@mpipf.com.

An increase in coverage, if approved, will be made effective the day the request is received in our office or the date requested if later. Any additional premium due will be billed unless the policy has outstanding installments, in which case the amount will be added to those installments. A decrease in coverage will be made effective the day the Facility receives the endorsement request in our office or on the date requested if later. Most requests are processed within five (5) business days of receipt.

WAIVER OF ENDORSEMENT PREMIUM

When a policy is endorsed after the inception date, the Facility may waive any additional or return premium up to \$3.00 on habitational risks and \$15.00 on commercial and farm risks.

RENEWAL BUSINESS

The Facility offers a one year term policy that does NOT automatically renew.

An expiration notice is sent to both the Producer and Mortgagee approximately thirty (30) days prior to the expiration date. The producer is responsible to maintain their own system to determine policy expiration dates and to assist with renewal coverage for their insured.

The notice of Policy Expiration and Renewal Notice will be sent to the Insured approximately thirty (30) days prior to the expiration date. To avoid a lapse in coverage the insured should review the form and submit changes with the quoted premium to the Facility office prior to 12:01 A. M., on the expiration date of the current policy.

Commercial and Farm business require the producer to submit a letter indicating they cannot obtain coverage from standard carriers for the renewal every year. The letters must be dated within six months of the renewal date.

It should not be assumed that the Facility would automatically issue a renewal policy. New underwriting information may determine the risk to be ineligible for insurance coverage.

DECLINATIONS AND NON-RENEWALS

If a risk is not accepted, the applicant/insured, producer and mortgagee, if any, will be notified. Non-renewals notices will be issued a minimum of thirty (30) days prior to expiration date of current policy.

DECLARATIONS PAGE

The Facility will send a Declaration to the first named insured's mailing address, the mortgagee and the producer. The insured's and mortgagee's copy will include the policy forms only if there has been a change to the policy forms.

CANCELLATION AND MINIMUM PREMIUMS

The first named insured shown in the Declaration may cancel the policy at any time. Notice must be submitted prior to the requested cancellation date. Return premium is always made payable to the insured and mailed directly to the insured. If the insured requests a policy to be cancelled for any reason we may retain a minimum premium of \$100.00 on Dwelling and Sinkhole. The minimum premium for Farm and Commercial is \$175.00.

If the Facility cancels a policy, a thirty (30) day notice of cancellation will be sent by delivery confirmation.

On all cancellations, the producer will be charged the return commission on his monthly commission statement.

REINSTATEMENTS

The request for reinstatement must be made **BEFORE** the effective date of cancellation. A policy may be reinstated only when the reason(s) for cancellation have been corrected and acknowledged by the Facility prior to the effective date of cancellation. Any required premium must also be submitted.

NO POLICY WILL BE REINSTATED AFTER THE DATE OF CANCELLATION

INSPECTION CONDITIONS CHARGES

Interior inspections will be completed on all New Business applications. There will be a \$25.00 non-refundable inspection fee on all new applications that are converted to a policy. The property will then be re-inspected every four years at no additional cost to the insured. Unless otherwise necessary, the renewal inspection will be an exterior only. Re-inspections will be conducted more frequently on properties where changes in the appearance or condition of the property become known to the Facility.

All Commercial and Farm property will have a mandatory interior inspection for both new and renewal. The \$25.00 fee will also apply on new applications converted to policies.

Surcharges may be applied for vacant and/or unoccupied dwellings, heating/cooling, wiring, housekeeping, and physical condition deficiencies of the property at the time of inspection. The surcharges can be removed by submitting evidence, photos, of the area showing the corrected deficiencies. If the deficiencies are severe or the property is vacant any policy in force will be cancelled.

When any of the conditions noted below exist in a building or other structure an additional charge per \$100 of insurance for each condition may be applied to the building and/or contents base premium.

Each condition does not necessarily apply to all perils covered in the policy. For example, if it involves a fire hazard, only the fire premium may be surcharged; if an E.C., hazard is involved, the E.C., premium may be surcharged.

- A. **Heating:** Unsafe arrangement of heating of chimneys, woodstoves including proper clearance, stovepipes, or gas vents and improper use of space heaters.

Surcharge .25

- B. **Wiring:** Unsafe or inadequate electric wiring, spliced wires, nonstandard extensions cords, overloading and over fusing.

Surcharge .25

- C. **Conversions:** Subdivision or conversion of original living space to multiple units with overcrowded occupancy, inadequate sanitary facilities, unsafe arrangement of cooking devices.

Surcharge .50

- D. **Physical Conditions and Housekeeping:** Tuck pointing, wood surfaces unpainted or decaying, porches not well maintained, roof deterioration, plumbing, plaster, broken windows unsatisfactory control of combustibles.

Surcharge .50

E. **Housekeeping**: Yards, basements, interiors, or attics not kept clean and free from combustibles, rubbish and litter.

Surcharge .50

If the applicant/insured corrects all deficiencies and provides written evidence of repair to all items and a photo showing all areas in question the Facility will remove the surcharge.

ELIGIBILITY

The following risks are considered unacceptable by the Facility:

1. Property is considered vacant or unoccupied when 70% of commercial, 50% of sinkhole and 50% of farm square footage is not occupied. (This does not apply to Dwelling.)
2. Property that is in a severe state of disrepair.
3. Property with unrepaired damage of any kind including damage due to prior losses.
4. Property where the applicant has had an unsatisfactory loss history.
5. Any risk having characteristics of occupancy or ownership which may be in violation of law or public policy.
6. Applications submitted where information provided has been misrepresented to the Facility.

Risks which are found to have one or more of the following conditions, may be considered unacceptable:

1. Unsafe heating arrangements, such as:
 - a) Seriously rusted or deteriorated equipment.
 - b) Deteriorated chimneys and vents, including from furnaces to chimneys.
 - c) Improper use of space heaters, solid, liquid or gas with insufficient clearance to combustibles.
2. Unsafe electric wiring, such as:
 - a) Exposed or frayed wires
 - b) Improperly spliced wires
 - c) Overloaded circuits
 - d) Improper use or improperly installed wiring and/or fixtures
 - e) Improper use of extension cords
3. Poor housekeeping (accumulated combustibles, trash, debris or garbage).
7. Sinkhole properties that have evidence of existing sinkhole damage to the structure or foundation.
8. Sinkhole properties that have existing ground depressions that may be signs of an existing sinkhole.

CLAIMS

1. The Facility will supervise all claim adjustments and direct payment of losses.
2. The following instructions apply in reporting a claim under a policy insured by this Facility:
 - A. All claims must be reported timely to the Facility by phone, fax email or through the agent portal on our website. You may obtain a Notice of Loss form by going to our website at www.missourifairplan.com.
 - B. The “Notice of Loss” must be completed in detail, including the principal party to be contacted and that individual’s phone number where they can be reached. The “Notice of Loss” must contain a SPECIFIC DATE, time the loss occurred and include policy number, loss location, and circumstances of loss.
 - C. The producer or personnel in the producer’s office are not permitted to refer claims directly to any adjustment service company. All claims must be reported to the Facility office at 906 Olive, Suite 1000 St. Louis, Mo. 63101, or faxed (314)421 – 2575 or telephoned (314)421-0170 or email claims@mpipf.com.
 - D. Claims will be assigned to outside qualified independent adjusters, based upon geographic territory and loss circumstances. The Facility reserves the right to make claim assignments to those adjusters deemed qualified to handle the claim settlement. The Facility strives for prompt contact of the policyholder. Routine claims are often closed within 30 days from assignment date.
3. The Facility writes a “basic” named peril policy, covering buildings and contents for both commercial and habitational risks. The policy quotes “direct” loss by named peril. The loss must occur by one of the named perils in the policy to qualify for coverage.
4. All claim settlements are actual cash value at the time of the loss, which also includes those losses that are deemed constructive totals. This means the depreciation is deducted at the time of loss and is NOT paid.
5. If a property sustains two or more losses in any twelve-month period and if we continue coverage, the deductible on that property will be increased to the next level i.e. \$500 will go to \$1,000 on a dwelling. A thirty-day notice will be sent to all parties advising the effective date of the change. The deductible will remain at the new level for five years. If the property remains loss free for the five-year period, the insured or producer may request, in writing, to reduce the deductible back to the prior level, if still available.

FORMS

Listed below are the various application forms used by the Missouri Fair Plan:

- A. **FAC 1 (03/09) Dwelling, Commercial, Farm.**
- B. **MFP-SL-1 (1/2015) Sinkhole**
- C. **FAC 23 - Notice of Policy Expiration**
- D. **FAC 24 - Policy Expiration and Renewal Notice**
- E. **CP 1650 - Class Rate Information**
- F. **FAC - FM - 01 - Schedule of Items Farm Property**
- G. **Property Loss Notice**
- H. **Vacancy Supplement Information Form MFP 100A (12/2018)**

Please access the forms our web site at; www.missourifairplan.com

INSTALLMENT PAYMENT PROGRAM

The Facility offers an Installment Payment Program. **THE MINIMUM PREMIUM ACCEPTED IS THE INSTALLMENT AMOUNT PLUS ANY FEES THAT APPLY. WE DO NO ACCEPT PARTIAL PAYMENT. ANY INSTALLMENT SUBMITTED WITHOUT THE INSPECTION FEE WILL BE RETURNED!**

The conditions and procedures of the plan are as follows:

A. Eligibility

The installment payment program is only available on those policies that meet the following eligibility requirements;

- 1. The first named insured on the policy is the only individual eligible to request the Installment Payment Program. If the insured's premium is paid by a mortgagee out of an escrow account or by a titleholder, the policy will not be eligible for the Installment Payment Program.**
- 2. Dwelling risks must have an annual premium of \$250.00 or more.**
- 3. Commercial and farm risk must have an annual premium of \$450.00 or more.**

B. Installment new business quote and Expiration Renewal Notices.

- 1. The new business quote and policy expiration/renewal notice will include the following:**

Current date of quote
Annual Premium
Date payment is due
Amount of installment payment due
Handling fee
Inspection fee – New business only

- 2. Quotes will be sent to the insured and producer. The insured should send one copy of the quote with the appropriate installment amount due, to the Facility office.**
- 3. The policy expiration/renewal will be sent to the insured. The insured should return with the appropriate installment amount due prior to the expiration date.**
- 4. The 2nd and 3rd installment notices will also be sent to both the insured and the producer 30 days before it is due.**

C. Payment Terms

Payment by one of the methods described below must be submitted with the quote or expiration/renewal notice.

- 1. Pay the total annual premium at one time.**

2. Pay by installment

- (a) The down payment must be at least 40% of the annual premium quoted and**
- (b) include \$5 handling fee and \$25.00 inspection fee (new business only)**
- (c) The Facility will advise the insured and producer when the additional installments are due.**

3. Payments may be made as follows:

- (a) Personal Check – Note: if any check has been returned by the bank for any reason we will no longer accept personal checks from that party.**
- (b) Certified Check**
- (c) Bank Check**
- (d) Money Order**
- (e) Check from Mortgage**
- (f) Check drawn on the account of the producer**
- (g) Credit Cards, Debit Cards, or E-Checks (Surcharges may apply)**

4. Payments not accepted

- (a) Postdated checks**
- (b) Checks payable to the producer that have not been properly endorsed to Missouri Property Insurance and signed by the Producer.**
- (c) Partial Payment of installment options**
- (d) Starter checks**
- (e) Wire transfers**
- (f) Third party checks**
- (g) Cash**

D. Excess Premiums

Any excess premium will be applied to the next installment due. If policy is paid in full excess premium will be returned to the party making the final payment. Refunds will be held until payment has been processed by our bank, approximately 20 days.

E. Handling Fee

There is \$5.00 per installment handling fee, not refundable!

F. Endorsements

Changes made after the inception date of a policy will be added to the installment balance if any remains at the time of the endorsement. This applies to rate changes, condition charges and coverage changes. Return premium will be deducted from future installments, if any. Return premium caused by an endorsement will be sent directly to the first named insured.

G. Additional Installment Payments

1. Second Installment

If the insured is participating in the premium installment plan, 60 days after the inception date of the policy an invoice will be sent to the insured and to the producer advising that payment is due on the 90th day.

- (a) If the insured fails to pay the second installment when due a notice of cancellation for non-payment will be sent to the insured, producer and the mortgagee, if any.**
- (b) Payment received at the Facility's office on or after the cancellation date will be returned and a new application is required.**
- (c) If payment is received at the Facility's office prior to the cancellation date, a reinstatement notice will be sent to the insured, producer and mortgagee, if any.**

2. Third installment

One hundred fifty (150) days after the inception date, an invoice will be sent to the insured and producer advising that payment is due on the 180th day.

- (a) If the insured fails to pay the third installment when due, a cancellation notice for non-payment will be sent to the insured, producer and mortgagee, if any.**
- (b) Payments received at the Facility's office on or after the cancellation date will be returned and a new application is required.**
- (c) If payment is received at the Facility's office prior to the cancellation date, a reinstatement notice will be sent to the insured, producer and mortgagee, if any.**

VACANT AND/OR UNOCCUPIED GUIDELINES

- 1. Property that is less than 50% occupied is considered essentially unoccupied and will take the vacant rate.**
- 2. Property must be in an insurable condition and cannot be condemned.**
- 3. Property must have all windows, doors, and other openings properly secured.**
- 4. All utility service such as gas, water, and electric must be on throughout the duration of the policy. A recent paid bill must be submitted with all new applications.**
- 5. Property cannot have unrepaired fire damage.**
- 6. All property taxes must be paid in full and proof submitted at time of application.**
- 7. A mandatory interior inspection will be required when policy is issued.**
- 8. A detailed explanation of vacancy/un-occupancy along with the Vacancy Supplement Information Form is required.**
- 9. Foreclosed or mortgage interest policies are not acceptable.**
- 10. No Vandalism and Malicious Mischief or Theft coverage is available on a vacant/unoccupied policy.**
- 11. Minimum \$1000 deductible will apply.**
- 12. This is a 1-year term policy and will be nonrenewed at the end of that term if evidence of occupancy has not been submitted to our office in writing.**
- 13. Once a policy has been non-renewed, there will be a six-month waiting period before coverage can be reconsidered.**