



**NORTH CAROLINA
INSURANCE UNDERWRITING ASSOCIATION**

COASTAL PROPERTY INSURANCE POOL

**NORTH CAROLINA
JOINT UNDERWRITING ASSOCIATION**

FAIR PLAN

October 2023

Dear Producers:

Below are announcements and reminders from both the North Carolina Insurance Underwriting Association (Coastal Property Insurance Pool) and the North Carolina Joint Underwriting Association (FAIR Plan).

**NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
(COASTAL PROPERTY INSURANCE POOL)**

Increased Maximum Limits

Effective November 2, 2023, the North Carolina General Assembly increased the maximum limits available for both residential and commercial property:

- Residential - \$1,000,000 Coverage A-Building value
- Commercial - \$4,000,000 per firewall and \$10,000,000 aggregate

Our policy administration system, RPM, will be updated with limits and rates prior to October 23, 2023. The Association will send another announcement when producers can quote risks in RPM.

If your customer requests increased coverage for an existing policy with an effective date prior to November 2, 2023, please contact your underwriter. These policies can be rewritten with a November 2, 2023, effective date. However, the base rates in effect on the new effective date will apply. Depending on the product and effective date, the change in effective date could generate an increase in premium.

Windstorm or Hail Policy Reminders

There are two important reminders for Windstorm or Hail policies:

- The Windstorm or Hail policy must be written with the same coverage type as the Essential Property Coverage policy. For example, if the essential policy form is HO 00 03, then the Windstorm or Hail policy must be HW 00 03.
- The underlying Essential Property Coverage policy and the NCIUA Windstorm or Hail policy must be written with policy terms that are as concurrent as possible, subject to coverage, limits, and forms filed and approved for use by the Association. For example, if the Coverage A Building limit is \$300,000 on the essential coverage policy, then the Coverage A Building limit on the Windstorm or Hail policy should also be \$300,000.

**NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
(FAIR PLAN)**

Commercial Loss Cost Multiplier Adjustment

The FAIR Plan has received approval to increase the Loss Cost Multipliers (LCM) effective November 1, 2023. Group I increased 2.04% and Group II increased 4.57%.

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AND

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Consumer Report A Loss System

NCIUA and NCJUA consumers may report a loss directly to the Associations by using the link <https://reportmynclaim.com/> or through our website <https://www.ncjua-nciua.org/>.

Credit Card Fees

The North Carolina General Assembly approved the implementation of a fee for payment of insurance premiums via debit or credit card. The anticipated implementation date for the Associations is October 18, 2023. This fee will be assessed by our third-party payment vendor. When a payment is made online, the following message will display prior to the payment being submitted:

Effective October 18, 2023, a 2.99% fee will be applied when policy payments are made using a Credit Card or Debit Card. There are no fees when payments are made directly from your bank account.

Coverage A Renewal Increase

The Associations may increase Coverage A Building Value on both ACV and RCV renewals. If you or your customer disagrees with the valuation, you may provide documentation to support a change to the Coverage A valuation, such as another cost estimator or property appraisal.

Thank you,

NCJUA/NCIUA