

February, 2002

PENNSYLVANIA

BULLETIN TO: AGENTS, BROKERS AND COMPANIES

**THE PENNSYLVANIA FAIR PLAN ANNOUNCES
SEVERAL MAJOR CHANGES**

- Maximum Limits are Increased
- Personal Checks are now Accepted
- Burglary and Robbery Coverage is Available

In addition the FAIR Plan notes:

- Endorsement Request Form is no longer required.
- If renewal gap in coverage is less than 90 days, a new Application is no longer required.
- Binder Card is replaced with Acknowledgment letter, eliminating paperwork and streamlining the application process.
- The General Rules Manual of Procedures is updated.

- Pennsylvania FAIR Plan Doubles Maximum Limits

Effective February 1, 2002, the Maximum Limits of Insurance are approved as follows:

<u>Dwelling</u> coverage is now available	\$ 200,000 Building
up to	50,000 Contents
<u>Commercial</u> coverage is available	\$1,500,000 Building
up to	250,000 Contents

(Fire Resistive and Masonry Non-combustible Construction)

Masonry Construction	\$1,000,000 Building 200,000 Contents
Frame Construction	\$ 500,000 Building 100,000 Contents

Maximum limits for commercial unprotected properties are one half the above limits. Maximum Limits for all vacant and unoccupied properties properly boarded are two thirds of the above limits.

In the tightening commercial marketplace, it should also be noted that the FAIR Plan provides Primary Insurance under Excess Insurance. Call us for details.

- Burglary and Robbery Coverage is available under a separate FAIR Plan policy

It can be written through an agent or broker or directly with the FAIR Plan. Call our Customer Service Department if you have any questions.

- Other Changes

- Pennsylvania FAIR Plan now accepts personal checks
- FAIR Plan endorsement form is no longer needed. A clearly worded letter is all that is required.
- New Application is not required if gap in coverage is less than 90 days.

Below is a listing of the manual pages and a brief description of the change made:

Highlights of Changes to the Pennsylvania FAIR Plan
General Rules Manual of Procedures

<u>Section</u>	<u>Description</u>
Maximum Limits of Liability	Maximum Limits are increased
Immediate Coverage	Binder Card is replaced with Acknowledgment Letter

Inspections	A new application may be required after a policy has been cancelled as a result of an inspection.
Payment of Premiums	Personal checks are now acceptable
Request for Endorsement	A special form is no longer required for an endorsement request as long as it is in writing
Pennsylvania Crime Insurance Program	Crime policies can now be written direct
Sample Forms	Sample Forms Table of Contents revised Form FP 400 - Pennsylvania for Commercial Policies Revised Pennsylvania Residential Crime Insurance Application

If you have any questions regarding the content of this Bulletin, please contact :

Customer Service (800) 462-4972

Select Option 1 (Customer Service/Underwriting) on our telephone menu.