

**IMPORTANT INFORMATION AND INSTRUCTIONS WHEN APPLYING  
FOR FAIR AND BEACH PLAN COVERAGE**

**INFORMATION**

Each applicant or person having an insurable interest in the property should read and understand these instructions and statements before completing an ACORD application and submitting it to the North Carolina Joint Underwriting Association or North Carolina Insurance Underwriting Association.

The North Carolina Joint/Insurance Underwriting Association has adopted the use of the Standard ACORD applications due to their being standard in the insurance industry.

The applicable ACORD applications are:

Dwellings	.....	ACORD 84, 190
Mobile Homes	.....	ACORD 85, 190
Farm Property	.....	ACORD 401, 402, 403, 190
Commercial Property	.....	ACORD 125, 140, 190

Other ACORD applications for specific coverages, e.g. Builders Risk, should be submitted when applicable.

If you have questions regarding the ACORD applications or any other matter regarding insurance obtained through these Associations, you may contact us at (919) 821-1299 or you may call us Toll Free in North Carolina at 1-800-662-7048.

These ACORD applications do have procedural and coverage issues which do not apply to the Associations. Examples of those differences are:

1. Approved Applications meeting the criteria for immediate interim coverage will be effective at 12:01 a.m. the day following the "Post Office" postmark date on the envelope to which the properly completed application and appropriate premium is mailed to the Associations. Applications mailed by office postal meters will be effective the date a properly completed application and premiums are received in the Associations office. Improperly completed applications will be returned by the Associations. The coverage effective date will be based on the reapplication Post Office postmark date or date received by the Associations if no postal postmark is provided.
2. Direct bill payment plan is not available through these Associations.
3. In the event of a situation resulting in a return premium due, the Producer agrees to return the proportionate share of commission on such return premium.
4. Any willful concealment or any misrepresentation of a material fact or circumstances hereon may void the policy ab initio. By signing this application, you (all named insureds) certify that all information contained herein is true and correct to the best of my (our) knowledge and belief.
5. In the event of action on this application submitted to the Association with which you disagree, you may appeal that action to the Board of Directors of the North Carolina Joint/Insurance Underwriting Association within 15 days. Any decision of the Board of Directors may be further appealed to the Commissioner of Insurance, State of North Carolina, Raleigh, North Carolina.

## INSTRUCTIONS

If an ACORD application is being submitted to the FAIR/Beach Plan through a licensed insurance agent, please be advised that the Association accepts applications submitted through insurance agents as a convenience to applicants, as this Association has no licensed insurance agents. Because of this, knowledge that the agent has is not knowledge that the Association has, and agents cannot bind coverage or make any representation or warranty that alters the contract of insurance between you and this Association. Applications may be submitted directly to the Association without going through an agent.

1. All persons or entities having an insurable interest in the property who are to be insured by an Association policy must be listed under "applicant's name and mailing address" and must sign the Application either in person or through a legal representative. Only one spouse needs to sign. All persons and entities having an insurable interest in the property who are not to be insured by an Association policy must be listed in the "Remarks" section with an explanation as to why they are not to be insured by the Association.
2. An inspection of this property, at no cost to the applicant, will probably be made by a representative of one of our inspection firms. You or your representative must accompany the inspector during the inspection. Whoever accompanies the inspector must have a key to provide entrance into the building.
3. When you sign the application you are signing with the understanding that you or your representative agree to accompany the inspector while inspecting this property. You understand that this application in no way binds the Association or any company to afford insurance on this described property. Inspection(s) made under the program and any report of the inspection(s) is for insurance underwriting purposes. Regardless of whether a policy is issued, neither the North Carolina Joint/Insurance Underwriting Association nor the Inspection Bureau will be liable for any injury or damage claimed to arise from the inspection(s). The inspection report(s) of the physical condition of the premises, the action report(s), omissions from such inspection(s) or reports(s), or from compliance or non-compliance by the property owner or other with recommendation, if any, contained in said inspection report(s). Nothing contained in or omitted from said inspection report(s) shall be construed to infer or imply that the hazardous physical conditions, if any, so noted or omitted, constitute all such conditions existing on the property at the time of said inspection(s). Permission is granted to submit copies of any inspection or action report(s) to the North Carolina Insurance Department, insurers and their producers or representatives.
4. For purposes of application, Actual Cash Value, Market Value and Replacement Cost are defined as follows:  
  
Actual Cash Value is defined as the replacement value less depreciation, less items not covered by the policy forms.  
  
Market Value is defined as the value which a property will bring on the open market, less the value of the land on which the building or structure is situated.  
  
Replacement Cost is defined as what it would cost to rebuild at same quality and kind.
5. "Vacancy" is defined as "not lived in and void of furnishing". "Unoccupancy" is defined as "furnished but not lived in". If a risk is 50% or more vacant or unoccupied, complete ACORD Supplemental Property application, ACORD 190.
6. If Application is being submitted for Beach Property (Habitational or Commercial) the application may be signed by the applicant or authorized representative. Pictures showing the entire structure being submitted must accompany the application.
7. If Windstorm and Hail only is being requested, indicate this under the Coverage/Limits of Liability Section. If Replacement Cost is requested, complete Replacement Cost Information and under Remarks section show information of essential Property Insurance. Show Company, Policy Number, term, amount of insurance and forms attached to Essential Property Insurance policy.