



**NORTH CAROLINA  
INSURANCE UNDERWRITING ASSOCIATION**

**BEACH PLAN**

**NORTH CAROLINA  
JOINT UNDERWRITING ASSOCIATION**

**FAIR PLAN**

September 18, 2009

**IMPORTANT NOTICE**

**HB 1305 – NCIUA \$750,000 OR GREATER NON-RENEWAL/BINDER PROVISIONS  
EFFECTIVE DATES OCTOBER 10, 2009 OR GREATER;  
HB1305 – NCIUA OVER \$750,000 NEW BUSINESS BINDER PROVISIONS**

**HB 1305 – NCIUA \$750,000 or Greater Non-Renewal/Binder Provisions**

1. The Association will send a minimum 30 day notice of non-renewal (non-continuation).
2. If coverage is right at \$750,000 without the need for excess coverage the Producer may notify the Association and a recession of non-renewal (non-continuation) will be released.
3. If coverage is greater than \$750,000 and excess coverage is placed prior to the expiration, the Producer may notify the Association of the coverage and a rescission of non-renewal (non-continuation) will be released on primary basis.
4. If coverage is greater than \$750,000 and there is not excess coverage placed by the expiration date (non-renewal date) the Producer may issue a 30-day binder not to exceed the \$750,000 maximum coverage limitation, extension of such a binder requires NCIUA approval.
5. Premium for the binder term should be estimated and collected by the Producer at time of binder and forwarded to the Association along with a copy of the binder within 24 hours of the executed binder date.
6. If excess coverage is not confirmed by the end of the binder term it will expire and coverage will be rejected with any unearned premium returned back to the Producer.
7. If excess coverage is confirmed by the end of the binder term, the Association will issue a policy on a primary basis.

Please do not issue a binder unless you have been unable to place the excess coverage by the expiration date of the policy. If you would have any questions, please contact your Association Underwriter.

**HB1305 – NCIUA Over \$750,000 New Business Binder Provisions**

1. If coverage is greater than \$750,000 and there is not excess coverage placed by the new business effective date the Producer may issue a 30-day binder not to exceed the \$750,000 maximum coverage limitation, extension of such a binder requires NCIUA approval.
2. Premium for the binder term should be estimated and collected by the Producer at time of binder and forwarded to the Association along with a completed application and a copy of the binder within 24 hours of the executed binder date.
3. If excess coverage is not confirmed by the end of the binder term it will expire and coverage will be rejected with any unearned premium returned back to the Producer.
4. If excess coverage is confirmed by the end of the binder term, the Association will issue a policy on a primary basis.

Please do not issue a binder unless you have been unable to place the excess coverage by the effective date of the policy. If you would have any questions, please contact your Association Underwriter.

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This Notice is only a summary for your information, and neither expands nor reduces coverage. The provisions of the policy and any attached endorsements govern coverage in the event of a loss.

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