



**NORTH CAROLINA  
INSURANCE UNDERWRITING ASSOCIATION**

**BEACH PLAN**

**NORTH CAROLINA  
JOINT UNDERWRITING ASSOCIATION**

**FAIR PLAN**

**NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
(NCIUA)**

**INSTALLMENT PAYMENT PLAN ANNOUNCEMENT**

January 1, 2011

**Effective Date for Installment Plans**

- In addition to our 1 Pay-full annual payment plan beginning January 1, 2011, the NCIUA will offer the following installment payment plans:

2 Pay-Semi Annual with initial 50% payment and the second 50% installment to be paid by the 180<sup>th</sup> day.

4 Pay-Quarterly with initial 25% payment and three remaining installments to be paid by the 90<sup>th</sup>, 180<sup>th</sup> and 270<sup>th</sup> day.

**Policies Canceled for Non-Payment of Installment**

- The intent of this program is not to allow any period of installment to create unearned premium; therefore, if any installment is still unpaid 15 days prior to its due date a notice of cancellation for non-payment of premium will be sent.
- If a policy cancels but money is received within 30 days of the cancellation date the policy will reinstate with a lapse in coverage and will retain the original expiration date. The policy would then no longer be eligible for a payment plan for that policy term. The NCIUA will bill for the remaining balance to be paid within 30 days and any cancellation for non-payment will be based on equity as it is today. Upon policy continuation (renewal) the original payment plan will apply as long as eligibility requirements are met.

**Endorsements to Installment Plan Policies**

- If an additional premium is incurred by endorsement on a policy with an installment plan, we will spread the balance due over the remaining installments.
- If a return premium is incurred by endorsement on a policy with an installment plan, we will utilize the credit to adjust future installments or current balance due.

**Selection of Installment Plans**

- Installment plan options are only available at policy inception (new business) or when the policy continues (renews).

**PO Box 8009 Cary, North Carolina, 27512  
5520 Dillard Drive, Suite 180, Cary, North Carolina 27518  
(919) 821-1299 (800) 662-7048 Fax (919) 829-1793**

## **New Business**

Beginning January 1, 2011 installment plan can be selected at the time the new business application is submitted to NCIUA.

## **Continuation Bills Issued Prior To January 1, 2011**

If the annual continuation bill has been issued prior to January 1, 2011, for a policy effective January 1, 2011 or later, and no payment has been received by NCIUA, then the Policyholder can select a payment plan option by contacting the Payment Plan Unit at (800) 662-7048 or (919) 821-1299 Extension 5358.

A payment plan **must** be selected prior to any payment being received or processed through our credit card feature.

**NCIUA must know that the Policyholder is selecting a payment plan before any payment is made.**

## **Continuation Bills Issued Beginning January 1, 2011**

All continuation bills issued beginning January 1, 2011 will include a section on the remittance portion for the Policyholder to select if they wish to participate in a payment plan.

The remittance portion of the bill **must** accompany the check when the payment is mailed to NCIUA.

If the Policyholder wishes to make a payment via our credit card feature they **must** contact the Payment Plan Unit at (800) 662-7048 or (919) 821-1299 Extension 5358 before the making the credit card transaction.

- Installment plans **cannot** be selected or changed mid-term of policies

## **Fee for Installment Plans**

- There is a \$3.00 installment fee for each installment

## **Eligibility Rules**

- All NCIUA policies are eligible (except Crime and Farm policies)
- Applies only to a full-term annual policy; short term policies are **not** eligible for payment plans.
- Total annual premium **must** be \$250.00 and greater
- Mortgagee billed policies are **not** eligible for an installment plan
- Premium Finance policies are **not** eligible for an installment plan
- If Policyholder has more than three prior cancellations for non-payment of premium then the policy is **not** eligible for an installment plan

**NOTE: The Installment Plans are not available in the NCJUA - FAIR Plan.**