

JULY 2010

BULLETIN: TO ALL DELAWARE PRODUCERS

DWELLING RATES REDUCED

DIRECT BILL IMPLEMENTATION

Dwelling rates have been reduced -11.8% effective 6/1/10. This may be a good time to increase limits and still have a premium that compares well to the prior year.

In preparation for direct bill, a future billing option is now available on the FAIR Plan's website new business application as well as the updated ACORD application, ACORD 64 DE (2010/5). In addition, the FAIR Plan will now issue commission checks as soon as a premium is paid rather than waiting for inspection finalization. Any premium modification as a result of the inspection will be billed separately.

All new business billings will continue to be handled the same as currently done. When the inspection is completed and the policy rating is finalized, any additional or return premiums will be sent to the producer for closure. Once the new business processing is finished, all future bills will be sent to the insured or mortgagee as selected.

Earlier this year, you provided the FAIR Plan with a listing of policies to be billed directly to the insured or mortgagee. These choices have been entered into our system. The billing option program is scheduled to begin in September.

Because of commission implications, *ALL RETURN PREMIUMS WILL continue to BE RETURNED TO THE PRODUCER FOR PROPER DISBURSEMENT*, which is the current procedure.

When the insured or mortgagee is billed direct on a future transaction, you will receive a copy of the bill with the notation "This is not a bill. Producer copy only. Bill sent to xxxxx. "

Please note: Electronic payments can be made at the FAIR Plan website *by you or the policyholder* which provides both a convenient and quick means to pay a bill. Go to www.defairplan.com under Requests, Make a Payment.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT Paul Smolinsky at Ext. 137.

THANK YOU FOR YOUR CONTINUED SUPPORT.