

MISSION STATEMENT OF THE KENTUCKY FAIR PLAN

The mission of the **Kentucky FAIR Plan Reinsurance Association** is to provide basic Dwelling Fire and Extended Coverage, Commercial Fire, Farm Fire and Homeowners insurance to property owners in the Commonwealth in accordance with the Articles of Association. Any person, firm or corporation desiring insurance coverage who is unable to obtain such coverage directly from an Insurer may apply to the Association through a Producer licensed to do business in Kentucky.

MARKET OF LAST RESORT

The **Kentucky FAIR Plan Reinsurance Association** offers property insurance to qualified applicants in Kentucky who are unable to buy insurance through the standard insurance market for reasons beyond their control. The **FAIR Plan** may be an answer for responsible property owners or homeowners who are having a problem obtaining property insurance in the standard market.

PROGRAMS AND PERILS

The **FAIR Plan** offers Dwelling Fire, Commercial Fire, Commercial Farm Fire and Homeowners coverage for property owners. They provide protection against loss from such hazards as fire, lightning, wind, hail, explosion, smoke, vehicles, aircraft, and vandalism and malicious mischief. The **FAIR Plan** Homeowners policy also protects against all these as well as limited theft and personal liability coverage.

KENTUCKY FAIR PLAN FACTS

- Minimum written annual premium for Dwelling Fire, Commercial Fire, Farm Property is \$100 plus Kentucky surcharge.
- Minimum written annual premium for Homeowners is \$200 plus Kentucky surcharge.
- Minimum retained premium for all lines of business is \$100 plus Kentucky surcharge, which shall be fully earned when any period of coverage is provided by the issuance of a policy.
- **All policies are ACV (Actual Cash Value).**
- All policies are written on an annual basis.
- Earthquake coverage premium is fully earned.

- Producer commissions are paid on a percentage basis per line of business (5% of written premium for homeowners; 10% for Dwelling, Farm Property and Commercial Property). Direct deposit is not currently offered.