

JOINT INSURANCE ASSOCIATION

Thank you for requesting information and applications for Insurance from the Joint Insurance Association.
Enclosed are:

- Application
- Is Your Insurance Coverage Adequate
- Consumer Information Sheet
- Windstorm - Hail Deductible Notice

Please complete the enclosed application and be sure you have:

- A complete property address including the county where the property is located.
- Properly indicate the construction, occupancy and coverage amounts desired and policy type being requested
- Name, Address and Loan number of your Mortgagee(s) if applicable
- Desired Effective Date, but can not be back dated
- Contact name(s) and Phone numbers.
- Please indicate if the Installment Payment Plan is desired

A separate Application must be completed for each building.

An Installment Payment Plan- (3 pay plan) is available for Dwelling policies with premiums in excess of \$200, and Commercial Fire policies in excess of \$500, 40% of the premium is due at inception, 30% in four (4) months and the final 30% seven (7) months after the effective date.

Second and third installment premium notices will be sent to the insured, mortgagee, and the producer (if any).

If a Tentative Binder for is being requested, **please be sure to include a copy of the non-renewal or cancellation letter from your present carrier and a check for the estimated first payment.** Checks returned for insufficient funds will result in the cancellation of the policy or tentative binder as of the inception date with no coverage being provided.

The JIA will inspect the property, after the requested inspection photographs have been provided. If the JIA's inspector is unable to complete the inspection due to the requested inspection photographs not being provided by the applicant, his producer or representative, the JIA will decline the application, or terminate the Tentative Binder giving 30 days' notice to the applicant. A new application will be required if the applicant wishes to re-apply and coverage will not be effective until the property is inspected, an approval notice is issued, and the premium is received in our office.

Additional information is available on our website, www.mdjia.org or by calling JIA Customer Service at 410-539-6808 (toll free 800-492-5670).



**MARYLAND PROPERTY INSURANCE AVAILABILITY PROGRAM
ESSENTIAL PROPERTY INSURANCE INSPECTION AND PLACEMENT**

DATE (MM/DD/YYYY)

TO: JOINT INSURANCE ASSOCIATION
3290 N. RIDGE ROAD, SUITE 210
ELLCOTT CITY, MARYLAND 21043
(410) 539-6808 OR 1-800-492-5670

IMPORTANT NOTICE TO APPLICANT
A TENTATIVE BINDER OF INSURANCE MAY BE OBTAINED THROUGH THE ASSOCIATION UPON PAYMENT OF THE REQUIRED PREMIUM IN THE REQUIRED MANNER IF THE PROPERTY IS ELIGIBLE AT THE TIME OF MAKING APPLICATION TO THE ASSOCIATION. THIS PROCEDURE DOES NOT APPLY TO VACANT PROPERTIES, UNLESS UNDER ACTIVE REHABILITATION OR CONSTRUCTION, MARKETED FOR SALE OR RENTAL.

FOR ASSOCIATION USE ONLY
APPLICATION #

APPLICANT (PLEASE PRINT OR TYPE)		PRODUCER	
NAME		NAME	
NO STREET		MAILING ADDRESS NO STREET	
CITY, COUNTY STATE ZIP CODE		CITY, COUNTY STATE ZIP CODE	
If Applicant is listed as other than an individual(s) - (i.e., Corporation, Partnership, Association, Business, Church, Organization, etc.), complete and attach Form 1B - Corporate Questionnaire.			

IMPORTANT: IF PROPERTY IS LOCATED IN OCEAN CITY, ALSO SUBMIT SUPPLEMENTAL APPLICATION (FORM 1A)	LOCATION OF PROPERTY TO BE INSURED		BUILDING OWNER IF OTHER THAN APPLICANT	
	NO STREET		NAME	
	CITY, COUNTY STATE ZIP CODE		MAILING ADDRESS NO STREET	
CITY, COUNTY STATE ZIP CODE		CITY, COUNTY STATE ZIP CODE		

ITEM #	AMOUNT OF INSURANCE	COMMERCIAL CO-INS *	DESCRIPTION OF PROPERTY TO BE COVERED	# OF FAMILIES:	SEASONAL?	YES	NO		
1			BUILDING - CONSTRUCTION	# OF FLOORS:	SECONDARY?	YES	NO		
			OCCUPIED AS						
2			HOUSEHOLD CONTENTS	DEDUCTIBLE All Perils	WINDSTORM OR HAIL DEDUCTIBLE Percent of Coverage A (Commercial Only)	1% <input type="checkbox"/>	2% <input type="checkbox"/>	5% <input type="checkbox"/>	OTHER: _____ %
3			OTHER CONTENTS OF	\$ 250 <input type="checkbox"/>	FIXED WINDSTORM OR HAIL DEDUCTIBLE (Dwelling Only)	\$ 1,000 <input type="checkbox"/>	\$ 5,000 <input type="checkbox"/>	OTHER: \$	
				OTHER \$					

COVERAGES REQUESTED				* COMMERCIAL CO-INSURANCE NOTE:	APPLICANT IS
<input type="checkbox"/> DWELLING	<input type="checkbox"/> FIRE	<input type="checkbox"/> COMMERCIAL	<input type="checkbox"/> FIRE, LIGHTNING, EXPLOSION	<input type="checkbox"/> CO-INSURANCE OPTIONS ARE 80 %, 90%, 100% OR FLAT.	<input type="checkbox"/> OWNER OCCUPANT <input type="checkbox"/> TENANT
<input type="checkbox"/> EXTENDED COVERAGE	<input type="checkbox"/> VANDALISM & MALICIOUS MISCHIEF (NOT AVAILABLE IF VACANT / UNOCCUPIED)	<input type="checkbox"/>	<input type="checkbox"/> WINDSTORM OR HAIL, SMOKE, AIRCRAFT OR VEHICLES, RIOT OR CIVIL COMMOTION, SINKHOLE COLLAPSE, VOLCANIC ACTION		<input type="checkbox"/> ABSENTEE-OWNER
		<input type="checkbox"/>	<input type="checkbox"/> VANDALISM (NOT AVAILABLE IF VACANT/UNOCCUPIED)		<input type="checkbox"/> OTHER:

BUILDING MORTGAGEE(S)				CONTENTS LOSS PAYEE(S) (IF APPLICABLE)			
NAME:				NAME:			
ADDRESS:				ADDRESS:			
IS PROPERTY FULLY OR PARTIALLY VACANT OR UNOCCUPIED?		<input type="checkbox"/> YES <input type="checkbox"/> NO		PURCHASE DATE		PURCHASE PRICE	
IF YES, IS SUCH AREA PROPERLY BOARDED?		<input type="checkbox"/> YES <input type="checkbox"/> NO				APPROXIMATE DWELLING AGE (YEARS)	
IMPORTANT: IF PROPERTY IS VACANT, ALSO SUBMIT SUPPLEMENTAL VACANCY FORM.				OTHER INSURANCE IN FORCE ON THIS PROPERTY (COMPANY)			
EXISTING DAMAGE TO PROPERTY?		<input type="checkbox"/> NONE <input type="checkbox"/> OTHER (if OTHER, explain)		AMOUNT		EXPIRATION	
LIST ALL LOSSES IN LAST THREE YEARS							
CAUSE	DATE	REPAIRED	AMOUNT	NAME OF PREVIOUS CARRIER			
1		<input type="checkbox"/> YES <input type="checkbox"/> NO	\$	PREVIOUS AMOUNT ON DWELLING:			
2		<input type="checkbox"/> YES <input type="checkbox"/> NO	\$				
3		<input type="checkbox"/> YES <input type="checkbox"/> NO	\$				

HAS ANY CARRIER CANCELLED, DECLINED TO INSURE, REFUSED RENEWAL OR REQUIRED POLICY RESTITUTION ON SIMILAR INSURANCE? IF "YES", SUBMIT COPY WITH APPLICATION. YES NO

<input type="checkbox"/> INSTALLMENT	DESIRED EFFECTIVE DATE OF COVERAGE *	ANY PERSON WHO KNOWINGLY OR WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY OR WILLFULLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.
<input type="checkbox"/> YES <input type="checkbox"/> NO		
AMOUNT OF DEPOSIT PREMIUM PAID WITH APPLICATION		THIS REQUEST IS MADE WITH THE UNDERSTANDING THAT I (WE) AGREE TO ACCOMPANY YOUR INSPECTOR WHILE INSPECTING THIS PROPERTY. I (WE) UNDERSTAND THAT THIS APPLICATION IN NO WAY BINDS ANY COMPANY TO PROVIDE INSURANCE ON THE DESCRIBED PROPERTY AND THAT INSPECTION(S) MADE UNDER THIS PROGRAM AND ANY REPORT OF SUCH INSPECTION(S) IS FOR INSURANCE UNDERWRITING AND RATING PURPOSES. PERMISSION IS GRANTED TO SUBMIT COPIES OF ANY INSPECTION OR ACTION REPORT(S) TO THE INSURANCE COMMISSIONER OF THE STATE OF MARYLAND, INSURANCE SERVICES OFFICE (ISO), TO INSURERS AND THEIR AGENTS.
\$		

* COVERAGE CANNOT BE EFFECTIVE UNTIL THE APPLICATION, AND REQUIRED PREMIUM IS RECEIVED AND SUBSEQUENTLY APPROVED BY THE ASSOCIATION APPLICANT'S PRODUCER CANNOT BIND COVERAGE!

IMPORTANT: I CERTIFY THE ABOVE INFORMATION FURNISHED IN THIS APPLICATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

APPLICANT(S) UNDERSTAND AND ACKNOWLEDGE THAT THE PROPERTY WILL BE INSPECTED AND FAILURE TO PROVIDE REQUIRED PHOTOGRAPHS AND COOPERATE WITH THE INSPECTOR CAN RESULT IN ADDITIONAL COSTS AND/OR TERMINATION OF COVERAGE		
SIGNATURE AND TELEPHONE NUMBER OF APPLICANT	DATE	NAME AND TELEPHONE NUMBER OF PERSON FOR INSPECTION
APPLICANT'S E-MAIL:	APPLICANT'S PRODUCER TELEPHONE NUMBER:	
SIGNATURE OF APPLICANT'S PRODUCER	APPLICANT'S PRODUCER E-MAIL	

ATTACH A COPY OF YOUR PRESENT MARYLAND INSURANCE LICENSE TO THIS APPLICATION, IF NOT PREVIOUSLY SUBMITTED

IS AGENCY INCORPORATED? YES NO TIN # OR SOCIAL SECURITY NUMBER (IF NO TIN):

Is Your Insurance Coverage Adequate?

The Joint Insurance Association suggests that you take the time to review your coverage limits and determine if you are adequately protected.

The following information is a summary of the dwelling and building coverage limit provisions provided in the Homeowners, Dwelling Fire, and Commercial Fire Programs offered by the Association.

Homeowner 2 – Broad Form: The policy provides building loss settlement on a replacement cost basis if at the time of loss the amount of insurance on the damaged building represents at least 80% of the full replacement cost of the building immediately before the loss.

If, at the time of loss, the amount of insurance provided by the policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under the policy that applies to the building:

- 1) The actual cash value of that part of the building damaged; or
- 2) That proportion of the cost to repair or replace, after application of any deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in the policy on the damaged building bears to 80% of the replacement cost of the building.

Homeowner 4 – Tenants Contents Form: The policy provides for loss to contents (Personal Property) on an Actual Cash Value basis for your personal property including furniture and clothing. In the event of a loss the applicable deductible will be applied.

Homeowner 6 – Condominium Owners Contents Form: The policy provides for loss to contents (Personal Property) on an Actual Cash Value basis for your personal property including furniture and clothing. In the event of a loss the applicable deductible will be applied. The policy can also provide coverage losses resulting from damage to the alterations, appliances, fixtures and improvements contained within your unit; as well as items of real property which pertain exclusively to your unit. You should check with your Condominium Association as to what part of your unit is your responsibility. In the event of a loss the applicable deductible will be applied.

Homeowner 8 – Modified Coverage Form: The policy provides building loss settlement on a functional replacement cost basis, without any coinsurance provision. In the event of a loss the applicable deductible will be applied.

Dwelling Fire Program – Loss Settlement (DP 00 01): Covered property losses are settled at actual cash value at the time of loss but not more than the amount required to repair or replace the damaged property, and not more than the coverage limit being provided under the policy. In the event of a loss depreciation is taken into consideration with the applicable deductible being applied.

Commercial Fire Program – Valuation (CP 00 99): The value of Covered Property in the event of loss or damage at actual cash value as of the time of loss or damage. An additional condition pertains to coinsurance, if a coinsurance percentage is shown in the Declarations; we will not pay the full amount of any loss if the value of Covered Property at the time of loss times the coinsurance percentage shown for it in the Declaration is greater than the Limit of Insurance for the property. You will have a coinsurance penalty applied and you will have to share in the loss. In the event of a loss the applicable deductible will be applied.

If you would like to adjust your building or contents coverage limit after taking this information into consideration, please contact your producer or submit a written request to the Association.

Joint Insurance Association

Consumer Information Sheet

The Maryland Joint Insurance Association provides Homeowners, Dwelling and Commercial Property coverages to individuals and businesses of the State of Maryland who are unable to obtain coverage through the voluntary insurance market. We strive to:

- Make sure basic property insurance is available for all qualified properties.
- Assure stability in the property insurance market
- Provide for the equitable distribution of risk to all licensed insurers

The Maryland Joint Insurance Association is established under provisions of the Annotated Code of Maryland. The Association is not a government agency or organization.

The following coverages are available from the Association:

Dwelling Fire:

DP-1 Dwelling Basic Form

Commercial Fire:

CP0099 Standard Property Policy

Homeowner Forms

HO-2 Broad Form Dwelling

HO-4 Tenants Form

HO-6 Condominium Owners Form

HO-8 Modified Coverage Form

JIA Maximum Coverage Limits:

Homeowners and Dwelling Fire

Coverage A Dwelling \$455,000

Coverage C Contents \$228,000

Commercial

Fire-resistive \$1,500,000

Masonry \$1,500,000

Frame \$1,500,000

COVERAGES PROVIDED:

THE ASSOCIATION DOES NOT PROVIDE COVERAGE FOR DAMAGE BY FLOOD

PERILS:

Commercial and Dwelling Fire

- **FIRE OR LIGHTNING**
- **EXTENDED COVERAGE** - coverage against direct loss to property caused by windstorm, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke.
- **VANDALISM & MALICIOUS MISCHIEF** - coverage against direct loss to property caused by vandalism and malicious mischief. This coverage is NOT available if property is vacant or unoccupied.

Coverage is NOT provided for loss caused by other perils or for indirect loss. Further, coverage is limited to those forms offered by the Association. No "scheduled" policies are available.

COMMERCIAL and DWELLING properties will NOT be written under the same policy. Each of these risk categories requires a separate application and policy.

Commercial properties require a separate application be submitted for each individual building.

Homeowners

- **Broad Form Perils - Forms HO-2, 4, &6**
- **Limited Perils - Form HO-8**

Ineligible Classes of Risks - The following classes of property are not acceptable for Homeowners coverage:

- (1) Seasonal dwellings
- (2) Farm property unless inactive
- (3) Mobile homes or trailer units
- (4) Vacant or unoccupied properties
- (5) Properties in the course of construction or major renovation, until occupied as a residence.

Optional Coverages are available as outlined in the STATEMENT OF ADDITIONAL COVERAGES NOT AVAILABLE ON THE STANDARD HOMEOWNERS INSURANCE POLICY information sheet.

To request coverage, a properly completed application, signed by the applicant(s) must be submitted on each property including a copy of the cancellation or non-renewal statement from the present carrier, with required photographs. Applications and may be obtained from our website, www.mdjia.org or by contacting the Association at 1-800-492-5670 (FAX 410-244-7268).

All properties will be inspected to determine insurability. The Inspection may result in condition charges and/or exclusions being applied to the policy, or the cancellation of the Tentative Binder. Condition charges will be removed on a pro-rata basis after correction of the condition(s) and confirmation of the correction by the Association.

Tentative Binder:

In the event the applicant desires coverage to be bound for either Homeowners or Fire Policy Program prior to notification by the Association of the acceptance or declination of the requested coverage, the applicant may request a Tentative Binder.

1. In order to facilitate the prompt processing of requests for Tentative Binders, the applicant shall submit to the Association:
 - (1) For Non-Homeowner risks, a properly completed application along with the required estimated premium.
 - (2) For Homeowners HO-2 or HO-8 Coverage, a properly completed application, the required estimated premium, and a copy of the cancellation notice from the previous insurance carrier and 2 photos of the dwelling (front and rear) plus photos of any outbuildings.
2. The Association upon request for Tentative Binding will review the request. If approved, a Notice of Tentative Binding will be issued, and inspection information letter will be provided. The Association may elect not to tentatively bind coverage until the inspection of the property is completed and reviewed by the Association. Coverage is not bound until the Notice of Tentative Binding is issued by the Association.
3. If the property is tentatively bound by the Association and prior to the issuance of the policy of insurance be determined to be ineligible for coverage or to fail to meet reasonable underwriting standards, the Association shall terminate the tentative binder, with 15 days notice, shall notify the applicant of the termination, shall retain a pro-rata portion of the appropriate premium and shall return the remainder of the deposit premium to the applicant or producer.

4. Except for the HO-4 Tenant form, Homeowners tentatively bound property must be owner occupied and will be cancelled flat if the Association should determine that the property is vacant, unoccupied or tenant occupied.
5. The estimated annual premium shall be in accordance with the rates filed on behalf of or for use by the Association and shall be subject to an appropriate premium adjustment, if necessary, after the property has been inspected. If the coverage to be bound is presently provided under an expiring policy written through the Association, the deposit premium shall not be less than the premium charged under such policy.
6. If the Association terminates the tentative binder or declines to insure a property for the reason that it is ineligible for coverage or that it fails to meet reasonable underwriting standards, the subject property subsequently shall not be eligible to be tentatively bound by the Association.
7. If the property is tentatively bound by the Association and upon inspection is determined to be subject to condition charges, exclusions and/or additional premium charge under any applicable rating plan, the Association shall notify the applicant or producer of the premium due in excess of the deposit premium. The Association shall terminate coverage if the full additional premium is not received by the Association within 30 days of the notice of the additional premium being due.
8. If the Association's inspector is unable to successfully complete an inspection of the tentatively bound property due to requested photographs not being received or the fault of the applicant or his representative, the Association will terminate the Tentative Binder giving 30 days notice to the applicant and retaining a pro rata portion of the annual premium for the time coverage was in force.
9. If a policy is cancelled as a result of unsuccessful inspections the subject property shall not be eligible to be tentatively bound by the Association until the Association's Approval Notice has been issued and the premium paid.
10. Tentative Binding is not available on vacant or unoccupied property. Properties under active rehabilitation or construction or actively marketed for sale or rental shall not be considered to be vacant or unoccupied properties for the purposes of this rule. Coverage for contents and the peril of Vandalism and Malicious Mischief is not available on vacant or unoccupied properties.

Note: These tentative binder rules shall apply both to new applications and applications for continuation of coverage on properties presently insured by the Association.

INSTALLMENT PAYMENT PROGRAM:

- 1) The premium installment plan is available for those policies which meet or exceed the following minimum premium requirements:
 - a) Habitational risks - Dwelling Fire Program or Homeowners Program \$200.00
 - b) All other risks - \$500.00
- 2) The minimum premium requirement must be satisfied by the premium on specific property prior to the application of any surcharge under the substandard rating plan.
- 3) The premium installment plan must be requested at the time of the inception of the policy or binder or at the time of receipt of the approval notice. The premium installment plan must be specifically requested each year; requests for continuation of coverage will not be interpreted to include the premium installment plan unless specifically requested.
- 4) The premium installment plan will allow a qualifying premium to be paid in three (3) installments, subject to a service charge to offset the additional expense required

to administer the plan. Forty percent (40%) of the premium is due at the inception of the policy. The remaining balance will be billed in 2 installments of 50% of the unbilled balance plus the service fee. The second installment will be billed 90 days from the inception date, due 30 days after the billing date. The third installment will be billed 180 days from the inception date, due 30 days from the billing date. Should the policyholder fail to make the required premium payment by the due date, notice of cancellation will be sent by the Association to the policyholder and the mortgagee/loss payee, if any, notifying them that the policy will be cancelled for nonpayment of premium on a pro rated equity basis.

Should the policyholder wish to continue coverage following the sending of a notice of cancellation, the policyholder must pay the entire balance (2nd & 3rd Installment) prior to the equity cancellation date, after that date the former policyholder must reapply for new coverage with the Association.

In the event the policy goes into cancellation status, the policyholder shall not be eligible to participate in the premium installment plan in connection with the subject property or any other property for which insurance is desired through the Association until 18 months following the sending of the notice of cancellation for non-payment of the premium.

- 5) If a policyholder is participating in the premium installment plan and the premium is increased by a surcharge under the substandard rating plan or for any other reason, the additional premium will be added to the unbilled installments.
- 6) Additional premium due to an increase request in the coverage amount or the adding of a covered peril must be paid in order for the change to take effect. These additional premiums can not be added to the installment payment plan.
- 7) The service charge is not returnable to the policyholder nor shall it be considered as paid premium in subsequent adjustments.
- 8) All payments must be made by one of the following methods:
 - a) Check
 - b) Bank Check or Money Order
 - c) Check of a licensed lending institution. Check drawn on the account of a licensed producer
 - d) Other electronic means acceptable to the plan
- 9) Payment will be considered as not having been received where made by checks not honored by the bank. Postdated checks will not be acceptable. **Payments will not be considered to be received until actually received by the Association.** Postmarks will not be considered as dates of receipt.
- 10) All checks will be deposited at the risk of the applicant or insured or may be presented electronically for payment.

INITIAL PAYMENTS NOT HONORED OR RETURNED BY THE BANK WILL RESULT IN THE CANCELLATION OF THE POLICY AS OF ITS INCEPTION DATE.

The Maryland Joint Insurance Association is comprised of all voluntary market insurance companies which are licensed and writing basic property insurance, homeowners' insurance and property insurance components of multi-peril policies in the State of Maryland. The Association is regulated by the Maryland Insurance Administration. For more information, visit our website at www.mdjia.org or contact the Association at 410-539-6808 or 1-800-492-5670.

Windstorm Or Hail Deductible

The Joint Insurance Association's Homeowners, Dwelling and Commercial programs provide for separate deductibles for Windstorm or Hail damage.

Windstorm or Hail deductibles under the Association's Dwelling and Homeowners program are applied as fixed dollar deductibles, and under the Commercial program are applied as percentage deductibles.

If your policy is written under our Commercial program with a windstorm or hail percentage deductible it means that, if a loss is a result of Windstorm or Hail, your deductible for a covered loss will be determined by multiplying the dollar amount of your Coverage A – Building Limit of Liability by this percentage.

In some cases, the Association will require that a Windstorm or Hail deductible be added to a tentative binder or policy. Some of the conditions are:

- If the Dwelling/Building (Coverage A) is within 200' of water (*Note) or in Ocean City, Maryland (on the island) a Windstorm or Hail Deductible will be applied. Under the Association's Dwelling and Homeowners programs a fixed \$5,000 windstorm or hail deductible will be applied. Under the Association's Commercial program a 5% of the Coverage A building limit up to \$100,000 will be applied, windstorm or hail deductibles for building limits in excess of \$100,000 will be applied at underwriter's discretion.
- If Dwelling/Building has trees in contact with the dwelling, or overhanging the dwelling or is situated within a wooded area a Windstorm or Hail Deductible may be applied.
- If the Dwelling/Building has deteriorating / missing siding and/or roof shingles (material) an increased Windstorm or Hail Deductible may be applied.

Note:

- Within 200' of water is defined as the Atlantic Ocean, Chesapeake Bay and their tributaries.

If you have any additional questions, please contact your Producer or the Association.