

FAIR Plan News

October 2006

Internet Tools for Agents

- Submit applications for new business.
- Complete continuation of coverage applications for dwelling coverage.
- Update mortgagee information and print revised declarations pages.
- Print current declarations pages.
- Check payment status.
- Obtain dwelling and commercial rate quotes.
- Obtain customer lists.
- Update agency information.
- Check on the status of applications submitted via the Internet.

Web Based Commercial Applications

The Internet and technology are critical to improving agency productivity. The Association has invested in several new projects to better serve agents and policyholders. Our programming staff is continually adding features to the web site that permit agents to process business and immediately receive declarations pages and customer data.

Rating and online applications were just the beginning of the Association's plans to take advantage of the Internet. Today, agents can update mortgagee information and complete continuation applications on our web site. In order to utilize these resources, agents need a username and password. Please contact customer service if you need data to access our system.

The Association is proud to announce that agents can now submit commercial applications on our web site. The commercial application is similar to the online dwelling application. Agents will receive fewer declinations based on incomplete applications and will receive policy numbers and tentative premiums sooner if they use the online applications. The system provides links to coverage information and eligibility requirements. Online applications are easy to complete and will assist the agent to properly classify

and rate commercial risks. The system will automatically prompt agents to complete the required supplemental applications.

The Association implemented web based continuation applications earlier this year. After consulting with their client, agents can now complete the continuation of coverage application online. This is a wonderful tool to avoid a pending cancellation

because the policyholder failed to submit the application with their payment.

The Association looks forward to increased use of our website by agents. These tools are increasing productivity for both the agents and the Association. They allow for quicker response time and better service to the policyholders.

Change of Address

After 10 years at our present location the Association is moving its offices to the Vantage Pointe Building in Innsbrook. The new office located in Henrico County will provide the Association with more reliable data and electrical service, which will allow the Association to better serve our customers. On October 23, 2006, our address, phone and fax numbers will change.

The Association is implementing new phone and fax numbers so that we can more efficiently route your communications to the appropriate person. There will now be a separate phone number for the claims department. There will be separate fax numbers for different departments so that we can automate the delivery of faxes into the imaging system.

Mailing Address:
P. O. Box 5568
Glen Allen, VA 23058-5568

Physical Address:
4405 Cox Road, Suite 260
Glen Allen, VA 23060

Phone and Fax Numbers:
Main Phone Number
(804) 591-3700

Claims Phone Number
(804) 591-3738
Claims Fax Number
(804) 591-3739

New Application
Fax Number
(804) 591-3735

Correspondence
Fax Number
(804) 591-3736

www.vpia.com

**VIRGINIA
PROPERTY
INSURANCE
ASSOCIATION**

4405 Cox Road
Suite 260
P. O. Box 5568
Glen Allen, VA 23058

Phone: 804-591-3700
Fax: 804-591-3737

administration@vpia.com



Virginia's FAIR Plan

Claims Operations Outsourced

Beginning November 1, 2006 the claims for the Association will be handled by Crawford & Co. from a new branch office in Richmond. The office has been established to exclusively handle FAIR Plan claims. The transition should be seamless and should not cause any problems for agents or policyholders.

The primary reason for using a third party administrator is the added capacity and claims skills that can be marshaled by one of the largest Independent Adjusting firms in the country. This partnership will give the Association access to additional claims resources and expertise that should enhance the service provided to policyholders.

The Association has maintained a catastrophe agreement with Crawford & Co. for several years. The outstanding results in handling major storm events such as Hurricane Isabel was a key factor in the Association's decision to have Crawford handle all of our claims.

The field claims will continue to be handled by Crawford adjusters that are based all over the Commonwealth. Loss reporting, customer inquiries, file review and processing of payments will be handled at the new branch office by people who are fully trained to handle FAIR Plan claims.

Helpful Inspection Hints

The Association uses independent contractors to inspect and photograph every insured structure. The inspection reports are used to verify eligibility and, when appropriate, to apply condition charges. There are things you can do to increase the likelihood of completing an accurate inspection report in a timely manner.

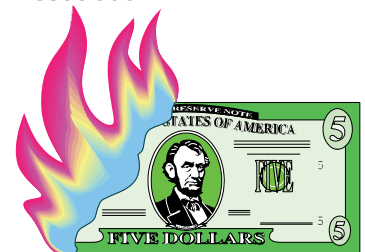
Include contact phone numbers. If the inspector can not locate a home, he will try to contact the insured first. If they can not contact the insured, they will call the agency for better directions.

Include street names and numbers. Do not use a rural location description if your county has adopted 911 street numbering. If you must use rural locations, provide detailed distances from road intersections.

Ask for a copy of the inspection report. Our underwriters can e-mail you a copy of the inspection report and photos while they are on the phone with you. It is easier to resolve problems and explain underwriting decisions if you have a copy of the inspection report.

Arson—Everybody's Problem

Twelve years ago, the Association published an article describing things agents should be aware of when completing applications for new property insurance. Since that time, there has been a noticeable reduction in the frequency of suspicious fires. Arson warning signs are universal and apply to business placed in the voluntary market as well as risks placed with the Association.



Arson Warning Signs

- An applicant travels an unusually long distance to secure coverage.
- An applicant is unusually anxious for coverage confirmation.
- Applicant requests contents limits in excess of 50% of the building value.
- No prior insurance.
- The property has been for sale for a long period of time with no indication of a buyer.
- Frequent requests for changes of the named insured, particularly passing the risk back and forth within a small group.
- Frequent requests for changes in the mortgage holder's name, particularly when mortgagees are individuals.
- Requests for increases in policy limits without explanation.