

FAIR Plan 101

June 9, 2023

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CALIFORNIA
FAIR PLAN
PROPERTY INSURANCE

The FAIR Plan's Promise

The FAIR Plan provides access to **basic property coverage** when it's needed, ensuring that **all Californians**, including those who live in areas threatened by wildfire, have access to the fire coverage and the **peace of mind they deserve**.

About the FAIR Plan

The FAIR Plan writes **basic property insurance**, including fire coverage, for homeowners who cannot obtain it from a traditional insurance carrier.

The FAIR Plan is often a temporary **safety net** for homeowners, established to ensure **all homeowners have access** to fire insurance when other insurers won't provide it.

The FAIR Plan is a **private association comprised of all insurers licensed to write property insurance in California**. the FAIR Plan is overseen by a Governing Board that includes the California Insurance Commissioner and insurance company executives.

How does the FAIR Plan work?

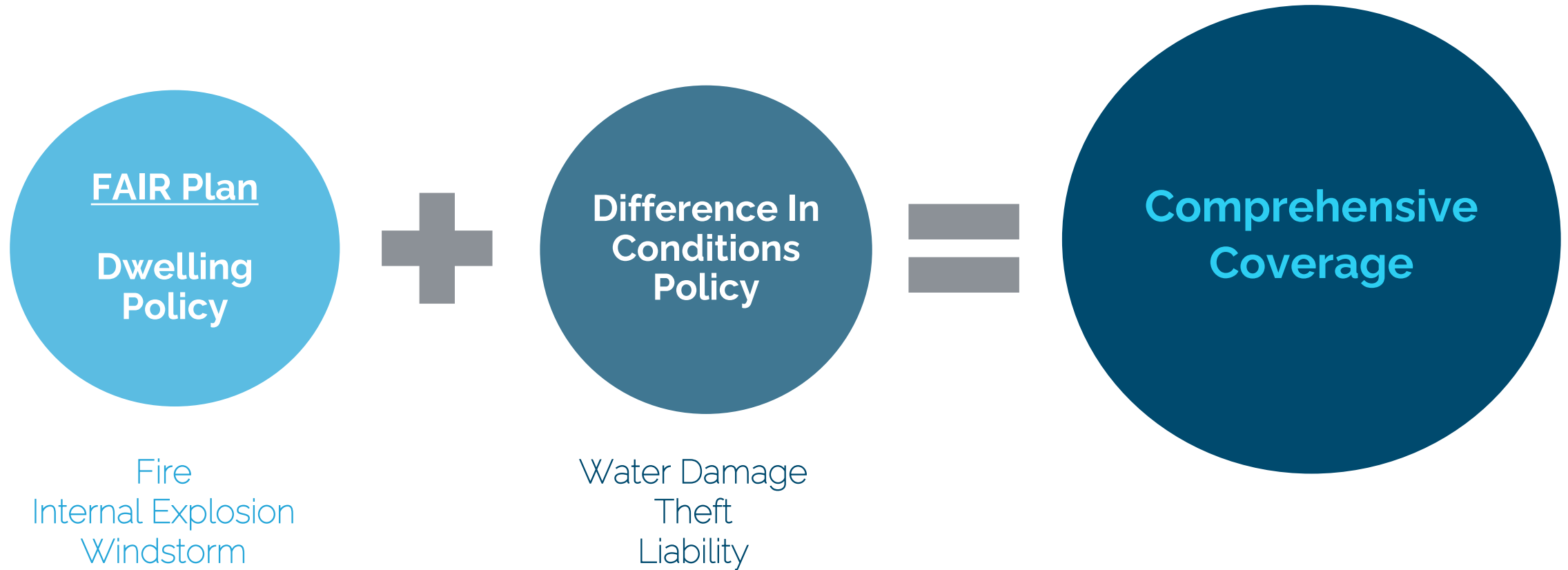
The FAIR Plan will **insure property in California regardless of wildfire risk**, if:

- It's in insurable condition
- It has not been vacant for more than a year
- No illegal activities take place at the property

The FAIR Plan is required by law to issue policies with **actuarially sound rates sufficient to cover risk exposure** and anticipated losses.



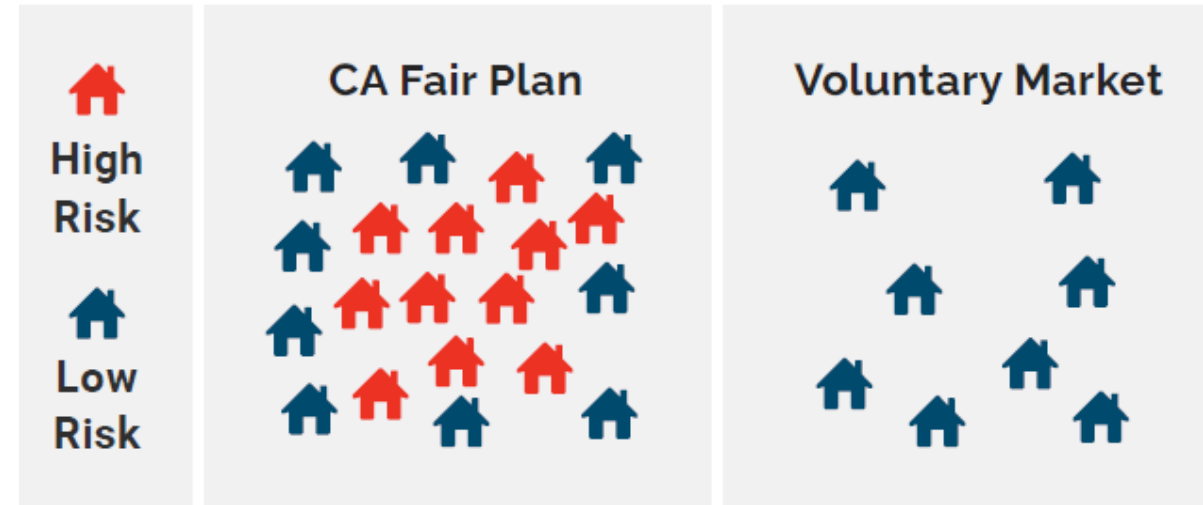
FAIR Plan Can be Part of Comprehensive Coverage



FAIR Plan Cost v. Voluntary Market Cost

A FAIR Plan policy typically costs more than traditional insurance coverage because:

- Traditional carriers select lower risk properties and manage the number of properties in any given area to limit their risk.
- In contrast, the FAIR Plan has a high concentration of policies in high-risk wildfire areas and does not decline risks based on location.



Getting Covered by the FAIR Plan

- **Contact your insurance agent or broker** for support in determining eligibility for a FAIR Plan policy and to ensure get necessary coverage. To find a broker, use the FAIR Plan's Find a Broker tool on our website, cfpnet.com.
- **Shop around** for a policy through a traditional insurance carrier before purchasing a policy through the FAIR Plan.
- **Check out the California Department of Insurance's website, insurance.ca.gov**, to find insurers that write Difference-in-Conditions policies and other property insurers that may cover your home.

Recent Changes and What's Coming

- **Latest Enhancements**

- Launched new FAIR Plan training course
- Farm Coverage
- Increased commercial coverage
- Online credit card payment option
- Claims pay

- **Coming Soon**

- Increased commercial coverage limits (\$20 million per location)
- Monthly payment options
- Home hardening discounts (pending CDI approval)



Questions?



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