



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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NOTICE OF MEETING

MAIP STEERING COMMITTEE

A meeting of the MAIP Steering Committee will be held virtually via Zoom video conferencing software on

THURSDAY, MARCH 14, 2024, AT 10:00 A.M.

If you plan to attend this meeting and are not a member of this Committee, please RSVP by completing the Visitor Security Form located in the Contact Us/Visitor Information section of CAR's website. CAR will then forward to you, via email, meeting access information. Please do not share access information provided by CAR, but refer others wishing to attend the meeting to CAR's Visitor Security Form.

MEMBERS OF THE COMMITTEE

Mr. Barry Tagen – Chair
Pilgrim Insurance Company

Mr. Matthew Cote
Ms. Ida Denard Jones
Ms. Sheila Doherty
Mr. Cory Hanson
Ms. Jean Houghton
Mr. Shaun Farley
Mr. Robert Jackson
Ms. Mary McConnell
Mr. Henry Risman
Mr. Gavin Traverso
Mr. Mark Winiker

Arbella Insurance Group
Denard Insurance Agency, Inc.
Doherty Insurance Agency, Inc.
The Hanover Insurance Company
Norfolk and Dedham Group
Vermont Mutual Insurance Group
GEICO
Safety Insurance Company
Risman Insurance Agency, Inc.
MAPFRE U.S.A. Corporation
A-Affordable Insurance Agency, Inc.

AGENDA

MSC

23.01 Records of Previous Meeting

The Records of the MAIP Steering Committee meeting of August 29, 2023, should be read and approved.

MSC

24.03 CAR Conflict of Interest Policy

The Chair will read a statement relative to CAR's Conflict of Interest Policy.

MSC

22.08 MAIP Physical Damage Maximum Loss Payable

At its last meeting, the Committee continued its discussion of adopting a maximum limit of loss on physical damage coverage of \$175,000 for MAIP policies. CAR Staff will review with the Committee an implementation outline for this change, which includes draft amendments to Rule 27 of the Rules of Operation, corresponding amendments to the manual rule and rate pages and a draft endorsement MP-0004. The Committee should also discuss direction for completing the insurance binder and coverage selections page and notification to policyholders and lienholders. A package including the draft amendments, a copy of the endorsement form, a notice to policyholders, and copies of the insurance binder and coverage selections page is attached for the Committee's discussion. (Docket #MSC22.08, Exhibit #3)

MSC

24.04 Rule 30 – Assigned Risk Company Requirements

An Assigned Risk Company (ARC) has requested a review of Rule 30 of the Rules of Operation Section C.1.c. - Procedures for Voluntary Writing of Risks from the MAIP relative to timeframes for notifying the producer of record and the method of notification. The Rule states: "The producer of record must be mailed notification of such offer ninety days prior to policy expiration, which shall contain the premium quotation to be offered. The policyholder shall be mailed the offer for voluntary coverage forty-five days prior to policy expiration with a copy to the producer of record."

The ARC requested that the Committee discuss the timeframes of notification indicating that a company may not have rates 90 days in advance to provide a premium quote and suggested updating the wording to remove the word "mail" and replace it with provide or deliver so that there would be other options for notification to the producer of record and policyholder.

Other Business

To transact any other business that may properly come before this Committee.

Executive Session

The MAIP Steering Committee may convene in Executive Session in accordance with the provisions of G.L. c. 30A, § 21.

ADRIANNE DONOVAN
Residual Market Services Liaison

Attachment

Boston, Massachusetts
March 4, 2024

MAIP Steering Committee – March 14, 2024
Physical Damage Maximum Limit of Loss
Implementation Process

The following documents are attached for Committee consideration and are intended to implement the \$175,00 physical damage maximum limit of loss for private passenger residual market policies proposed by the MAIP Steering Committee. Issues requiring further Committee direction are identified below for discussion purposes.

Amendments to Rule 27 – Coverages of CAR Rules of Operation

Attached for the Committee's consideration are draft amendments to the CAR Rules of Operation to introduce the proposed limit of loss.

- The proposed effective date will be dependent upon Division of Insurance approval. The Committee should discuss lead-time required for implementation.

Amendments to Manual Rules

Attached for the Committee's consideration are draft amendments to the MAIP Insurance Manual to address the proposed coverage limit.

Endorsement Draft

Attached for the Committee's consideration is a draft endorsement modifying physical damage coverage afforded under the MA Automobile Insurance Policy to be attached to all MAIP policies with new business or renewal effective dates of January 1, 2025 and later. (Note: this date serves as a placeholder and will be updated to reflect the approved effective date of the change after all of the necessary approvals have been attained).

Notice to Policyholders and Notice to Lienholders

To ensure consistent notification to existing MAIP policyholders impacted by this change, all Assigned Risk Carriers will use the attached Notice to Policyholder which will be sent to the insured, with a copy to the producer of record, at least 45 days prior to the renewal effective date.

- The Committee should discuss whether the notice will be attached to all MAIP policies renewing during the 12-month renewal cycle following the effective date of implementation, only to those policies with vehicles exceeding the \$175,000 ACV, or left to the discretion of the ARC.
- The Committee should discuss whether the lienholder may be copied on the Notice to Policyholder or whether a separate notification should be drafted.
- The Committee should confirm the detailed data required to be included in the Notice to Policyholders, and if applicable to the separate Notice to Lienholders (i.e. policy ID, VIN, etc.).
- To assist ARCs in identifying policyholders impacted by this change, CAR will provide a listing to each ARC identifying those insured VINs with a VRG equal to 50.

Insurance Binder

Attached is a copy of the ACORD insurance binder used by producers to notify lienholders of coverage availability. Instructions embedded in the ACORD form for completing the physical damage section indicate that the limit associated with comprehensive and collision coverage, if applicable, shall be

stated in the “amount” field in the physical damage section of the form. Specifically, relevant instructions specify as follows:

- ACV: indicates the valuation method used in determining the value of the vehicle at the time of loss is the ACV or market value.
- Stated Amount: indicates the valuation method used in determining the value of the vehicle at the time of loss is the stated amount.
- Other: indicates the valuation method used in determining the value of the vehicle at the time of loss is other than those listed. Enter text to indicate the valuation method used in determining the value of the vehicle at the time of loss.
- Limit Amount: enter the limit associated with comprehensive and collision coverage is the ACV, unless an amount is stated here. As used here, the combined sum of the vehicle’s physical damage valuation.

The Committee should discuss or confirm:

- The procedures that producers should follow for completing the binder for new policies.
- Whether a new binder is required for policies renewing during the first 12-month renewal cycle.

Coverage Selections Page

Attached is a copy of the Coverage Selections Page on file by AIB. Assigned Risk Companies will be required to indicate the limits of physical damage coverage accordingly by adding replacing “Actual Cash Value” with “for ALL vehicles maximum \$175,000.”

MAIP Policy Application System

To alert the producer and the risk of the maximum limit of loss, CAR will modify the Vehicle, Coverage, Remarks, and Summary Pages of its application to reflect the change in coverage limits. Additional information relative to planned system changes will be provided to the Committee at a future meeting.

CAR | **Rules of Operation**
Rule 27 | **Coverages**
Revision Date | **2019.07.23** **Draft 2025.01.01**
Page | **1 of 2**

An Eligible Risk, as defined in Rule 22 – Definitions, may choose to purchase up to the following limits for Private Passenger Motor Vehicle Insurance and, upon request, the Assigned Risk Company (ARC) shall provide such coverage. For liability coverages, Aan ARC is not required to provide coverage for any higher limits unless the ARC agrees to do so at the request of an Eligible Risk.

1. Bodily Injury Liability: Total policy limits of \$250,000 each person, \$500,000 each accident;
2. Personal Injury Protection: \$8,000 per person, per accident;
3. Property Damage Liability: Total policy limits of \$250,000 each accident;
4. Medical Payments: \$25,000 each person;
5. Uninsured Motorists: \$250,000 each person, \$500,000 each accident for bodily injury;
6. Underinsured Motorists: \$250,000 each person, \$500,000 each accident for bodily injury;
7. Physical Damage Insurance, which shall mean: (a) collision coverage or limited collision coverage, (b) fire and theft coverage, or (c) comprehensive coverage, as those coverages are defined in the Private Passenger Motor Vehicle Insurance policy approved for the MAIP.

For policies effective January 1, 2025 and later, physical damage coverage is subject to a maximum limit of loss of \$175,000 per vehicle.

ARCs must charge the extra risk rate or, in the alternative, refuse to issue collision, fire, theft or comprehensive coverage under any of the following circumstances:

- a. Comprehensive, fire and theft or collision coverage on a vehicle customarily operated by or owned by persons convicted within the most recent five-year period of any category of vehicular homicide, Motor Vehicle Insurance related fraud or motor vehicle theft;
- b. Comprehensive, fire and theft or collision coverage on a vehicle customarily driven by or owned by persons who have, within the

CAR Rule 27 Revision Date Page	Rules of Operation Coverages <u>2019.07.23 Draft 2025.01.01</u> 2 of 2
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most recent five-year period, made an intentional and material misrepresentation in making claim under such coverages;

- c. Collision coverage on a motor vehicle customarily driven by or owned by persons who have been involved in four or more accidents in which such person has been deemed to be at fault in excess of 50% within the three years immediately preceding the effective date of the policy;
 - d. Comprehensive, fire and theft coverage on a motor vehicle customarily driven by or owned by persons who have had two or more total theft or fire claims within the three years immediately preceding the effective date of the policy;
 - e. Comprehensive, fire and theft or collision coverage on a motor vehicle customarily driven, or owned by persons convicted one time within the most recent three year period of any category of driving while under the influence of alcohol or drugs;
 - f. Comprehensive, fire and theft or collision coverage on any motor vehicle for which a salvage title has been issued by the Registrar of Motor Vehicles unless a new certificate of title has been issued pursuant to G.L. c. 90D § 20D; or
 - g. Comprehensive, fire and theft or collision coverage on a high-theft motor vehicle that does not have at least a minimum anti-theft or auto recovery device as prescribed by the Commissioner. The Commissioner may designate as a high-theft vehicle any motor vehicle, classified according to make, model and year of manufacturer, which has both above average incidence of theft and above-average original sales price.
8. An ARC may waive any deductible amount applicable to a payment under comprehensive coverage for glass damage and be reimbursed, when the policyholder has elected to repair rather than replace damaged glass as permitted by law and where satisfactory proof of the repair has been presented to the company.
9. Towing and Labor: \$100.00 per disablement; and
10. Substitute Transportation: \$100.00 per day, 30-day maximum.

Memorandum of Changes

~~May 1, 2024~~January 1, 2025

- Rule 3 – This rule has been modified to include the maximum limit of loss for physical damage coverages. Rule 3 (4) provides the maximum limit and the use of endorsement form MP-0004.
 - Rule 22 – This rule has been modified to include the maximum limit for the calculation of adjusted rate relativities for VRG 50.
 - Endorsement MP-0004 – Coverage for Damage to Your Auto – Maximum \$175,000 Limit of Loss (Ed. 01-25) is placed on file for use with all MAIP policies.
 - Rate Page R-37 – The calculation of adjusted rate relativities for VRG 50 has been modified.
- ~~There are no rule changes effective May 1, 2024.~~

MASSACHUSETTS PRIVATE PASSENGER RESIDUAL MARKET AUTOMOBILE INSURANCE MANUAL

Part 12 - Bodily Injury Caused By an Underinsured Auto

The basic limits are \$20,000 each person and \$40,000 each accident. Increased limits are available. The limits may not exceed the limits of Part 5, or if Part 5 is not purchased, Part 1 of this policy. This coverage is excess over Personal Injury Protection.

Other Coverages Available Are For:

Fire, Theft and Combined Additional Coverage subject to a basic deductible of \$500; higher deductibles are available at the option of the insured.

Theft coverage may be granted only in connection with Fire Coverage, and for a like amount in both cases.

These coverages are written on an actual cash value basis or stated amount basis.

Endorsement MPY-0031-S, titled Other Optional Insurance – Combined Additional Coverage, must be issued with the policy when this coverage is afforded.

Endorsement MPY-0028-S, titled Other Optional Insurance – Fire, Lightning and Transportation, must be issued with the policy when this coverage is afforded.

Endorsement MPY-0029-S, titled Other Optional Insurance – Theft, must be issued with the policy when this coverage is afforded.

RULE 3. COVERAGE AVAILABILITY

Massachusetts law and the provisions of Rule 27 of the MAIP Rules of Operation require insurers to make the following levels of coverage available at the insured's request for policies assigned through the MAIP:

1. Limits up to \$250,000 each person and \$500,000 each accident for Parts 3, 5 and 12. Limits above \$250,000 each person and \$500,000 each accident may be provided at the option of the insurer.
2. \$8,000 each person for Part 2
3. \$25,000 each person for Part 6.
4. Actual cash value subject to a \$500 deductible for Parts 7, 8 and 9, including fire, theft, and combined additional coverage, subject to a maximum limit of loss of \$175,000 per vehicle. Endorsement MP-0004 must be attached.

Insurers must charge an extra-risk rate or refuse Collision and Comprehensive coverages under certain circumstances as required by law. Refer to Rule 24 for extra-risk rating procedures.

RULE 4. STANDARD PROCEDURES

A. Renewals

1. The insurer shall provide the coverage selections page not less than twenty days prior to policy expiration. The coverage selections page may be accompanied by the Massachusetts renewal form.

If the Massachusetts renewal form is sent to the policyholder, it is not necessary for the policyholder to return this form to the producer or company representative unless the information contained on the coverage selections page or the Massachusetts renewal form is inaccurate or obsolete.

2. The insurer may elect to secure payment of a deposit premium. The premium quotation shall be based on the latest classification information and premium charges established for the renewal policy.
3. Failure to pay the deposit premium may result in cancellation of the policy. The specific reason for cancellation is non-payment of any required premium.

The Cancellation Notice must also contain the following statement:

"This cancellation will not take effect if the full amount due shown above is paid on or prior to the effective date of cancellation."

MASSACHUSETTS PRIVATE PASSENGER RESIDUAL MARKET AUTOMOBILE INSURANCE MANUAL

1. Subtract the maximum price in the table below from the base list price and divide by \$1000.
If the base list price is greater than \$ 175,000, use \$175,000 as the base list price in this step.
2. Multiply the amount from Step 1 by the factor in the table below.
3. The adjusted VRG 50 relativity is determined by adding the amount from Step 2 to the unadjusted VRG 50 rate relativity.

	Collision		Comprehensive
	Van/Wagon/ Pick-up*	All Other PP Vehicles **	All Vehicles
Max Price	\$145,000	\$110,000	\$75,000
Factor	0.02	0.025	0.035

* The Van/Wagon/Pick-up group in the table above consists of private passenger vehicles with the following styles: vans, wagons, pick-up trucks, sport utility vehicles (SUV), and wagon/SUV-styled crossover vehicles.

** The All Other group consists of all other private passenger vehicles with body styles such as: sedans, convertibles, coupes, luxury cars, hatchbacks, performance cars, and sedan-styled crossover vehicles.

RULE 23. HIGH-THEFT VEHICLES

For certain model years, some makes and models are designated high-theft vehicles by the Commissioner of Insurance. Refer to the MA Division of Insurance Filing Guidance Notices for most recent High Theft vehicle listing.

The insurer may, at its option, charge an extra-risk rate, refuse to write, or cancel coverage under parts 7, 8, or 9 if a vehicle designated as a high-theft vehicle is not equipped with a category III, IV or V anti-theft device or vehicle recovery system as follows:

1. Definitions

As used in this regulation, the following words shall mean:

"Passive device or system" describes an anti-theft device or system which is activated automatically when the operator turns the ignition key to the off position.

"Alarm," except where otherwise specified, means horn, bell, siren or other sounding device which is audible at 300 feet.

"Tubular" describes a type of lock whose key is cylindrically shaped and which has at least 50,000 combinations.

"Electronic lock or keyless device" is an electronic coding device that has more than 10,000 combinations. The combination used to unlock the device can be entered through a keyboard or similar data entry device or by means of a remote control device.

2. General

Stickers identifying the particular anti-theft system installed may not be attached to the car unless specifically permitted in these rules.

Categories Defined

Category III

(a) **Passive Alarm System** - This is an alarm system meeting the following criteria:

MASSACHUSETTS PRIVATE PASSENGER RESIDUAL MARKET AUTOMOBILE INSURANCE MANUAL

**PRIVATE PASSENGER ENDORSEMENTS
ALPHABETICAL INDEX**

<u>TITLE</u>	<u>FORM NO.</u>
Agreed Amount – Comprehensive	MPY-0034-S (Ed. 04-08)
Coverage for Anyone Renting an Auto To You	M-0070-S (Ed. 04-08)
Coverage for Customized Vans and Pickups	MPY-0037-S (Ed. 04-08)
<u>Coverage for Damage to Your Auto – Maximum \$175,000 Limit of Loss</u>	<u>MP-0004 (Ed. 01-25)</u>
Excess Electronic Equipment Coverage	MPY-0041-S (Ed. 04-08)
\$100 Glass Deductible	MPY-0039-S (Ed. 04-08)
Guest Occupants Exclusion – Motorcycles	M-0002-S (Ed. 04-08)
Massachusetts Mandatory Endorsement	M-0099-S (Ed. 12-16)
Non-Renewal of Policy – Motorcycles, Recreational Vehicles and Trailers	M-0103-S (Ed. 04-08)
Notice of Expiration of Policy Assignment Form	MP-0002 (Ed. 10-13)
Operator Exclusion Form	M-0106-S (Ed. 02-17)
Other Optional Insurance – Combined Additional Coverage	MPY-0031-S (Ed. 04-08)
Other Optional Insurance – Fire, Lightning and Transportation	MPY-0028-S (Ed. 04-08)
Other Optional Insurance – Theft	MPY-0029-S (Ed. 04-08)
Premium Calculation Disclosure Form	MP-0001 (Ed. 04-09)
Specialty and Classic Cars and Motorcycles	MP-0003 (Ed. 04-21)
Stated Amount Coverage	MPY-0027-S (Ed. 04-08)
Suspension of Coverage - Reduction of Limits	MPY-0032-S (Ed. 04-08)
Use of Other Autos - Vehicles Furnished or Available for Regular Use	M-0051-S (Ed. 04-08)
Use of Other Autos - Vehicles Furnished or Available for Use As Public or Livery Conveyances	M-0052-S (Ed. 04-08)
Waiver of Deductible	MPY-0016-S (Ed. 04-08)

MASSACHUSETTS PRIVATE PASSENGER RESIDUAL MARKET AUTOMOBILE INSURANCE MANUAL

VRG ASSIGNMENT BY PRICE LIST (RULE 22)

RULE 22	COLLISION				COMPREHENSIVE	
	Vans/Wagons/Pickups		All Other Vehicles		All Vehicles	
	VRG	Base List Price	VRG	Base List Price	VRG	Base List Price
	11	\$0 - \$8,000	11	\$0 - \$7,000	11	\$0 - \$7,000
	12	\$8,001 - \$9,000	12	\$7,001 - \$7,500	12	\$7,001 - \$8,000
	13	\$9,001 - \$10,000	13	\$7,501 - \$8,000	13	\$8,001 - \$9,000
	14	\$10,001 - \$11,000	14	\$8,001 - \$8,500	14	\$9,001 - \$10,000
	15	\$11,001 - \$12,000	15	\$8,501 - \$9,000	15	\$10,001 - \$11,000
	16	\$12,001 - \$13,000	16	\$9,001 - \$9,500	16	\$11,001 - \$12,000
	17	\$13,001 - \$14,000	17	\$9,501 - \$10,000	17	\$12,001 - \$13,000
	18	\$14,001 - \$16,000	18	\$10,001 - \$10,500	18	\$13,001 - \$14,000
	19	\$16,001 - \$18,000	19	\$10,501 - \$11,000	19	\$14,001 - \$15,000
	20	\$18,001 - \$20,000	20	\$11,001 - \$11,500	20	\$15,001 - \$16,000
	21	\$20,001 - \$23,000	21	\$11,501 - \$12,000	21	\$16,001 - \$17,000
	22	\$23,001 - \$26,000	22	\$12,001 - \$13,500	22	\$17,001 - \$18,000
	23	\$26,001 - \$29,000	23	\$13,501 - \$15,000	23	\$18,001 - \$19,000
	24	\$29,001 - \$33,000	24	\$15,001 - \$17,500	24	\$19,001 - \$20,000
	25	\$33,001 - \$37,000	25	\$17,501 - \$20,000	25	\$20,001 - \$22,500
	26	\$37,001 - \$41,000	26	\$20,001 - \$22,500	26	\$22,501 - \$25,000
	27	\$41,001 - \$45,000	27	\$22,501 - \$25,000	27	\$25,001 - \$27,500
	28	\$45,001 - \$49,000	28	\$25,001 - \$27,500	28	\$27,501 - \$30,000
	29	\$49,001 - \$53,000	29	\$27,501 - \$30,000	29	\$30,001 - \$32,500
	30	\$53,001 - \$57,000	30	\$30,001 - \$33,000	30	\$32,501 - \$35,000
	31	\$57,001 - \$61,000	31	\$33,001 - \$36,000	31	\$35,001 - \$37,000
	32	\$61,001 - \$65,000	32	\$36,001 - \$39,000	32	\$37,001 - \$39,000
	33	\$65,001 - \$70,000	33	\$39,001 - \$42,000	33	\$39,001 - \$41,000
	34	\$70,001 - \$75,000	34	\$42,001 - \$45,000	34	\$41,001 - \$43,000
	35	\$75,001 - \$80,000	35	\$45,001 - \$48,000	35	\$43,001 - \$45,000
	36	\$80,001 - \$84,000	36	\$48,001 - \$52,000	36	\$45,001 - \$47,000
	37	\$84,001 - \$88,000	37	\$52,001 - \$56,000	37	\$47,001 - \$49,000
	38	\$88,001 - \$92,000	38	\$56,001 - \$60,000	38	\$49,001 - \$51,000
	39	\$92,001 - \$96,000	39	\$60,001 - \$64,000	39	\$51,001 - \$53,000
	40	\$96,001 - \$100,000	40	\$64,001 - \$68,000	40	\$53,001 - \$55,000
	41	\$100,001 - \$104,000	41	\$68,001 - \$72,000	41	\$55,001 - \$57,000
	42	\$104,001 - \$108,000	42	\$72,001 - \$76,000	42	\$57,001 - \$59,000
	43	\$108,001 - \$112,000	43	\$76,001 - \$80,000	43	\$59,001 - \$61,000
	44	\$112,001 - \$116,000	44	\$80,001 - \$84,000	44	\$61,001 - \$63,000
	45	\$116,001 - \$120,000	45	\$84,001 - \$88,000	45	\$63,001 - \$65,000
	46	\$120,001 - \$125,000	46	\$88,001 - \$92,000	46	\$65,001 - \$67,000
	47	\$125,001 - \$130,000	47	\$92,001 - \$96,000	47	\$67,001 - \$69,000
	48	\$130,001 - \$135,000	48	\$96,001 - \$100,000	48	\$69,001 - \$71,000
	49	\$135,001 - \$140,000	49	\$100,001 - \$105,000	49	\$71,001 - \$73,000
	50	\$140,001 - \$145,000	50	\$105,001 - \$110,000	50	\$73,001 - \$75,000
VRG 50	Factor 0.020	Maximum Price \$145,000	Factor 0.025	Maximum Price \$110,000	Factor 0.035	Maximum Price \$75,000

For VRG 50 relativities:

1) Subtract the Maximum Price above from the Base List Price and divide by \$1000.

If the base list price is greater than \$ 175,000, use \$175,000 as the base list price in this step.

2) Multiply the amount in Step 1 by the factor above.

3) The adjusted VRG relativity is determined by adding the amount from Step 2 to the unadjusted VRG 50 rate relativity.

**MASSACHUSETTS ENDORSEMENT – MP-0004
COVERAGE FOR DAMAGE TO YOUR AUTO
(\$175,000 MAXIMUM LIMIT OF LOSS)**

This endorsement includes changes that affect your auto insurance. Please read this endorsement carefully to see how it affects your policy.

Part 7 Collision

Part 8 Limited Collision

Part 9 Comprehensive

Coverage provided under Collision, Limited Collision, and Comprehensive, is changed by the following:

The most we will pay will be the lesser of:

- the actual cash value of the stolen or damaged auto at the time of the loss,
- the cost to repair the auto or any of its parts, or
- \$175,000

In all cases we will subtract the deductible amount shown on the Coverage Selections Page.

General Provisions and Exclusions:

12. Sales Tax

The sales tax provision is changed by adding the following:

Any payment for applicable sales tax will be subject to the \$175,000 maximum limit of loss and subject to your deductible.

13. Secured Lenders

Replace the first paragraph with the following paragraph:

When your Coverage Selections Page shows that a lender has a secured interest in **your auto**, we will make payments under Collision, Limited Collision and Comprehensive (Parts 7,8, and 9) according to the legal interests of each party, subject to the \$175,000 maximum limit of loss.

_____ Insurance Company

IMPORTANT NOTICE TO POLICYHOLDER

Policy Number: _____ Policy Renewal Effective Date: _____

Named Insured: _____

Vehicle Identification Number(s): _____

Massachusetts law requires that you be notified of any reductions or eliminations made in coverage, conditions or definitions of your automobile insurance policy. This notice is provided to you to inform you of a change to physical damage coverage available for automobile insurance policies assigned through the Massachusetts Automobile Insurance Plan (MAIP) for policies effective January 1, 2025 and later. The specific coverage afforded by your insurance is determined by the terms and provisions of your policy and Coverage Selections Page.

As of the policy renewal effective date noted above, physical damage coverage provided under Part 7 (Collision), Part 8 (Limited Collision), and Part 9 (Comprehensive) of your policy will be subject to a maximum limit of loss of \$175,000 per auto per incident. Endorsement MP-0004 has been added to your policy documentation to clarify the coverage provided.

If your Coverage Selections Page shows that a lender has a secured interest in your auto(s), the lender has also been provided with a copy of this notice.

Please contact your insurance agent to arrange for separate additional physical damage coverage through the voluntary market if needed.



INSURANCE BINDER

CAR DOCKET #MSC22.08

DATE (MM/DD/YYYY) 3
PAGE 12 OF 14**THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON PAGE 2 OF THIS FORM.**

AGENCY		COMPANY		BINDER #	
		EFFECTIVE		EXPIRATION	
		DATE	TIME	DATE	TIME
			AM		12:01 AM
			PM		NOON
PHONE (A/C, No, Ext):		FAX (A/C, No):		<input type="checkbox"/> THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY #:	
CODE:		SUB CODE:		DESCRIPTION OF OPERATIONS / VEHICLES / PROPERTY (Including Location)	
AGENCY CUSTOMER ID:					
INSURED AND MAILING ADDRESS					

COVERAGES**LIMITS**

TYPE OF INSURANCE	COVERAGE / FORMS	DEDUCTIBLE	COINS %	AMOUNT
PROPERTY CAUSES OF LOSS <input type="checkbox"/> BASIC <input type="checkbox"/> BROAD <input type="checkbox"/> SPEC				
GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE		\$
		DAMAGE TO RENTED PREMISES		\$
		MED EXP (Any one person)		\$
		PERSONAL & ADV INJURY		\$
		GENERAL AGGREGATE		\$
VEHICLE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		PRODUCTS - COMP/OP AGG		\$
VEHICLE PHYSICAL DAMAGE DED	<input type="checkbox"/> ALL VEHICLES <input type="checkbox"/> SCHEDULED VEHICLES	ACTUAL CASH VALUE		
<input type="checkbox"/> COLLISION: _____ <input type="checkbox"/> OTHER THAN COL: _____		STATED AMOUNT		\$
GARAGE LIABILITY <input type="checkbox"/> ANY AUTO		AUTO ONLY - EA ACCIDENT		\$
		OTHER THAN AUTO ONLY:		
		EACH ACCIDENT		\$
		AGGREGATE		\$
EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE		\$
		AGGREGATE		\$
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		SELF-INSURED RETENTION		\$
		PER STATUTE		
		E.L. EACH ACCIDENT		\$
		E.L. DISEASE - EA EMPLOYEE		\$
		E.L. DISEASE - POLICY LIMIT		\$
SPECIAL CONDITIONS / OTHER COVERAGES		FEES		\$
		TAXES		\$
		ESTIMATED TOTAL PREMIUM		\$

NAME & ADDRESS

	ADDITIONAL INSURED	LOSS PAYEE	MORTGAGEE
	LENDER'S LOSS PAYABLE		
	LOAN #:		
	AUTHORIZED REPRESENTATIVE		

COVERAGE SELECTIONS PAGE

This page and any attached endorsements form a part of your policy

CAR DOCKET #MSC22.08
EXHIBIT #3
PAGE 13 OF 14

This policy is Issued By:
ITEM 1. This policy is Issued To:

Massachusetts Personal Automobile
Policy Number
[Producer]

ITEM 2. This policy is effective from:

To:

(12:01 A.M. Eastern Standard Time)

ITEM 3. Description of your Auto:

AUTO	AUTO
------	------

ITEM 4. This policy provides only the coverages for which a premium charge is shown.

COVERAGES, Parts 1-12				AUTO		
COMPULSORY INSURANCE	LIMITS	DEDUCTIBLE	PREMIUM	LIMITS	DEDUCTIBLE	PREMIUM
1. Bodily Injury To Others	\$ 20,000 per person \$ 40,000 per accident	NONE	\$	\$20,000 per person \$40,000 per accident	NONE	\$
2. Personal Injury Protection	\$ 8,000 per person	\$ <input type="checkbox"/> yourself <input type="checkbox"/> yourself and household members	\$	\$ 8,000 per person	\$ <input type="checkbox"/> yourself <input type="checkbox"/> yourself and household members	\$
3. Bodily Injury Caused By An Uninsured Auto (Compulsory Limits \$20,000/\$40,000)	\$ per person \$ per accident	NONE	\$	\$ per person \$ per accident	NONE	\$
4. Damage To Someone Else's Property (Compulsory Limit \$5,000)	\$ per accident	NONE	\$	\$ per accident	NONE	\$

OPTIONAL INSURANCE						
5. Optional Bodily Injury To Others	\$ per person \$ per accident	NONE	\$	\$ per person \$ per accident	NONE	\$
6. Medical Payments	\$ per person	NONE	\$	\$ per person	NONE	\$
7. Collision	ALL Vehicles Max \$175,000	\$	\$	Actual Cash Value	\$	\$
8. Limited Collision	ALL Vehicles Max \$175,000	\$	\$	Actual Cash Value	\$	\$
9. Comprehensive	ALL Vehicles Max \$175,000	\$	\$	Actual Cash Value	\$	\$
10. Substitute Transportation		NONE	\$	Up to \$ a day, maximum \$	NONE	\$
11. Towing and Labor	Up to \$ For each disablement	NONE	\$	Up to \$ for each disablement	NONE	\$
12. Bodily Injury Caused By An Underinsured Auto	\$ per person \$ per accident	NONE	\$	\$ per person \$ per accident	NONE	\$

MERIT RATING PLAN	ADJUSTMENT	\$	ADJUSTMENT	\$
	PREMIUM	\$	PREMIUM	\$
Identification Numbers of Endorsements Forming a Part of This Policy				TOTAL PREMIUM \$

ITEM 5.Place of Principal Garaging	ITEM 6. Secured Lender/Lessor - Additional Insured, if Rented Auto
AUTO	
AUTO	

Driver Information:

Oper No.	Operator Name	Date of Birth	License Number	Lic. State	Date First Licensed if Less Than 6 Yrs	Driver Training Yes/No	% Use		Operator Status: O - Occasional P - Principal E - Excluded D - Deferred	
					Auto Motor cycle		Auto 1	Auto 2	Auto 1	Auto2

REFER TO OTHER SIDE FOR ADDITIONAL INFORMATION

Check carefully that all operators of your auto(s) are shown. Your failure to list a household member or any individual who customarily operates your auto may have very serious consequences.

NOTICE: You must notify us of changes that have occurred prior to the renewal of this policy and during the policy period. It is a crime to knowingly provide false or fraudulent information for the purpose of defrauding an insurance company. If you or someone else on your behalf has knowingly given us false, deceptive, misleading or incomplete information and if such false, deceptive, misleading or incomplete information increases our risk of loss, we may refuse to pay claims under any or all of the Optional Insurance Parts and we may cancel your policy. Such information includes the description and the place of garaging of the vehicle(s) to be insured, the names of all household members and customary operators required to be listed and the answers given above for all listed operators. We may also limit our payments under Part 3 and Part 4. Check to make certain that you have correctly listed all operators and the completeness of their previous driving records. The Merit Rating Board may verify the accuracy of the previous driving records of all listed operators.

We will not pay for a collision or limited collision loss for an accident which occurs while your auto is being operated by a household member who is not listed as an operator on your policy. Payment is withheld when the household member, if listed, would require the payment of additional premium on your policy because the household member would be classified as an inexperienced operator or would require payment of additional premium on your policy under the merit rating plan.

DISCOUNTS:

Several discounts are available and your premium has been reduced if you are eligible. Contact your agent or company representative for further details.

PART 5 - OPTIONAL BODILY INJURY TO OTHERS

The limits shown for this Part are the total limits you have under Compulsory Bodily Injury to Others (Part 1) and this Part. This means that the Compulsory limits are included within the limits shown for this Part and are not in addition to them.

PART 12 - BODILY INJURY CAUSED BY AN UNDERINSURED AUTO

The limits shown for this Part are subject to adjustment. We will only pay for any unpaid damages up to the difference between the total amount collected from the automobile bodily injury liability insurance covering the owner and operator of the underinsured auto and the limits shown for this Part.

MERIT RATING PLAN

The Merit Rating Plan adjustment shown on the reverse side for each auto is based on the driving records of the operators listed on your policy. The merit rating code and class of each operator are used in assigning the operators to the autos in the manner described in the rating manual.

Countersigned by: _____