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SPECIAL NOTICE

MAIP Policy 3 Year Non-Renewals

An Assigned Risk Company (ARC) is obligated to insure a MAIP assigned policy for a period of three consecutive years, provided that the policyholder has met his/her obligations relative to the payment of premiums.

All ARCs that have serviced a MAIP assigned policyholder for three consecutive years should be providing your agency with a list of those policies that the ARC intends to non-renew 120 days in advance of their 3rd year expiration date.

If your agency is unable to place the expiring policy in the voluntary market, the risk can be resubmitted to the MAIP.

If the risk is resubmitted to the MAIP prior to 60 days before the expiration date AND THE NEW APPLICATION:

- 1) accurately identifies the expiring policy effective date as the new policy effective date and**
- 2) accurately identifies the named insured drivers license number**

the MAIP Policy Application will use these two pieces of data to verify that the insured has been assigned for 3 consecutive years to the same ARC when the "Assign" button is clicked.

Once the 3 year assignment has been confirmed in the MAIP Application, a message will appear in the Comments section of the application noting that the applicant is an expiring 3 year former MAIP assignment. The comments will also note that the policy down payment has been waived and that the newly assigned company will issue a bill for 20% of the policy premium. The down payment amount calculation will be reflected as zero and the policy will be assigned to a company other than to the ARC to which it had previously been assigned.

If you do not submit the risk prior to 60 days before expiration then a new business down payment will be calculated (25%) and must be collected and forwarded to the newly assigned company along with the submission of the application.

Should a down payment be collected on a risk that is submitted prior to 60 days before expiration, simply remit the payment to the assigned company. The company will apply the payment and establish a standard billing cycle/plan (no different than any other MAIP submission).

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