

**SECTION III - MISCELLANEOUS MOTOR VEHICLES AND COVERAGES**

**RULE 39. MOTOR HOMES/CAMPER BODIES**

**A. Motor Homes**

Any motor vehicle originally designed or permanently altered as living quarters (including cooking, dining, plumbing or refrigeration facilities), and which is used exclusively for human habitation or camping purposes. This also includes pick-up trucks used solely to transport a camper body or other similar living quarters. A motor vehicle designed primarily to transport property which has been temporarily altered or equipped for human habitation shall not be deemed to be a motor home.

Refer to the Miscellaneous Motor Vehicles page under Motor Homes for rating methods and factors; for Parts 7, 8 and 9, refer to Rule 22 to determine vehicle rating group.

Refer to the assigned insurer's rating procedure for purposes of comparing the MAIP premiums to the assigned insurer's voluntary premiums.

**B. Camper Bodies**

A pick-up truck used to transport a portable camper body or similar living quarters, but which is also used for other purposes should be rated, both pick-up and camper body, according to the otherwise regular use of the vehicle.

For Collision (Part 7), Limited Collision (Part 8), or Comprehensive (Part 9) coverages, the vehicle should be rated as follows:

Vehicle Rating Group Pick-Up

1. Obtain the vehicle rating group from the AIB Vehicle Rating Group Program.
2. Match the vehicle rating group with the appropriate price table in Rule 22. The value of the vehicle is the higher price displayed in the price range for the corresponding vehicle rating group.
3. Develop the revised vehicle rating group by adding the value of the camper body to the value of the vehicle as determined in item 2.
4. Develop the premium according to the vehicle rating group determined in item 3 and the model year indicated in the rate section.

Non-Vehicle Rating Group Pick-Up

1. Determine the base list price, and include the value of the camper body.
2. Based on the price developed in item 1 refer to Rule 22 to determine the vehicle rating group.
3. Develop the premium according to the vehicle rating group determined in item 2 and the model year indicated in the rate section.

Refer to the assigned insurer's rating procedure for purposes of comparing the MAIP premiums to the assigned insurer's voluntary premiums.

**RULE 40. RESERVED FOR FUTURE USE**

**RULE 41. STATED AMOUNT COVERAGE**

A motor vehicle may be insured on a stated amount basis when it can be clearly established that its value will produce an inadequate premium charge using normal rating procedures. An appraisal shall be made at the time of application to establish the current market value of the vehicle. The insurer shall verify the accuracy of the appraisal. The stated amount rate is determined as follows. The premium is then calculated in accordance with Rule 11 beginning with step 2.e.

**Part 7:**

1. Identify the manual rate by class and territory
2. Using the appraisal, identify the VRG from the VRG Assignment by Price Table in the Rate Section
3. Identify the model year/VRG relativity from the Rate Section
4. Identify the Stated Amount Divisor for the applicable VRG using the table in the Rate Section
5. Determine the rate per \$100 of appraised value as:  $[(1) \times (3) \times 100] / (4)$  (rounded to the nearest cents)

**Part 9:**

**Comprehensive**

1. Using the appraisal, identify the VRG from the VRG Assignment by Price Table in the Rate Section
2. Identify the Stated Amount Comprehensive \$500 Deductible Rate per \$100 of appraised value for the applicable territory and VRG from the Rate Section

**Fire**

1. Using the appraisal, identify the VRG from the VRG Assignment by Price Table in the Rate Section
2. Identify the Stated Amount Fire \$500 Deductible Rate per \$100 of appraised value for the applicable VRG from the Rate Section

**Theft**

1. Using the appraisal, identify the VRG from the VRG Assignment by Price Table in the Rate Section
2. Identify the Stated Amount Theft \$500 Deductible Rate per \$100 of appraised value for the applicable territory and VRG from the Rate Section

Endorsement MPY-0027-S titled Stated Amount Coverage must be issued with the policy

**RULES 42. RESERVED FOR FUTURE USE**

**RULE 43. LOW SPEED VEHICLES**

The term "low speed vehicle" shall include any 4-wheel motor vehicle that has a seventeen digit Vehicle Identification Number (VIN), has been issued a Certificate of Origin, has a gross vehicle weight rating (GVWR) of less than 3000 pounds, and has a top speed greater than 20 mph but not greater than 25 mph. The motor vehicle must be National Highway Traffic Safety Administration (NHTSA) certified as a "Low Speed Vehicle" demonstrated by the Certificate of Origin listing the body style as "LSV" or "Low Speed Vehicle" or by the Manufacturer's Certification Label posted on the vehicle containing the VIN and indicating the Type of Vehicle as "LSV" or "Low Speed Vehicle."

Rates for low speed vehicles are based on the class 10 rate times a factor. Refer to the Miscellaneous Motor Vehicles section for rating methods and factors. Refer to Rule 22 to determine the vehicle rating group. Annual mileage, multi-car, continuous coverage, low frequency, and class 15 discounts apply. Low speed vehicles shall be eligible for a 20% discount if the vehicle is equipped with a Vehicle Recovery System which falls under Category IV of the Anti-Theft Device Standards and Discounts, as defined in Rule 54. This discount is applicable to Comprehensive coverage or other combinations of specified perils which afford Theft coverage.

The merit rating status shall be determined as follows:

1. The merit rating status of operators shall be assigned to low speed vehicles in order of the highest merit rating status, after assignment to other private passenger vehicles on the policy.
2. If only one operator is listed on the policy, the merit rating status assigned to the low speed vehicle will reflect the merit rating status of the operator.
3. If the merit rating status of each listed operator has been used in rating an automobile on the policy, any remaining low speed vehicles shall be assigned the lowest merit rating status of the listed operators.

The merit rating adjustment shall be determined using the merit rating factor defined in Rule 56 applicable to Class 10 operators.

RULE 44. MOTORCYCLES, MOTORSCOOTERS, MOPEDS AND SIMILAR MOTOR VEHICLES

Experienced or inexperienced operator classifications apply to coverage parts 1, 2, 4, 5, 7 and 8. The experienced operator classification is applied when the operator of the motorcycle has been licensed to operate a motorcycle for at least six years. The inexperienced operator class is applied when the operator of the motorcycle has been licensed to operate a motorcycle for less than six years, or holds a motorcycle permit. When an inexperienced operator classification is applied to a motorcycle, the rates for parts 1, 2, 4, 5, 7 and 8 must be multiplied by a factor of 1.50. The merit rating assigned to an operator on a private passenger automobile insurance policy, if available, shall also be applied to the motorcycle policy. Operators assigned to motorcycles will also be considered for assignment to automobiles listed on the policy in accordance with Rule 28.

If there is more than one operator on a policy, the operators shall be assigned to the motorcycles in the order which produces the highest Combined Premium. The Combined Premium is the sum of the premium for Parts 1, 2, 4, 5, 7, 8 and 9 for the operator's classification, including the 25% discount for operators age 65 and over, and the operator's merit rating adjustment. Any motorcycles remaining after assignment of all operators shall be assigned the classification and merit rating adjustment producing the lowest Combined Premium for the listed operators. If an inexperienced operator is the only listed operator of the motorcycle on the policy, all motorcycles shall be assigned an inexperienced operator classification.

Personal Injury Protection coverage for any operator or occupant of a motorcycle is excluded under the policy. The Personal Injury Protection premium in the rate pages must be charged for all motorcycles subject to the Compulsory Law. If Optional Bodily Injury to Others (Part 5) is purchased with guest occupants excluded, Endorsement M-0002-S titled "Guest Occupants Exclusion" must be issued with the policy.

The term "Motorcycle" shall include any motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, including any bicycle with a motor or driving wheel attached, except a tractor, a motorized lawnmower, a motor vehicle designed for the carrying of golf clubs and not more than four persons, an industrial three wheel truck, or a motor vehicle on which the operator and passengers ride within an enclosed cab.

The multi-car discount does not apply to any motorcycle.

Motorcycles shall be classified on the basis of cubic centimeter displacement in accordance with the following groups and written at the rate shown on the Rate Sheets.

Group A - Cubic Centimeter Engine Displacement of 100 or less.

Group B - Cubic Centimeter Engine Displacement of 101-350.

Group C - Cubic Centimeter Engine Displacement of 351-650

Group D - Cubic Centimeter Engine Displacement over 650

**Fire** - See rate section.

**Theft** - See rate section.

**Comprehensive** - See rate section.

**Collision** - See rate section.

**Limited Collision** - See rate section.

**Substitute Transportation** – See Miscellaneous Rating Factors page.

**Towing and Labor** – See Miscellaneous Rating Factors page.

Motorcycles subject to the Compulsory Law and classified in accordance with this Rule, shall be eligible for a 25% discount if the experienced operator has attained age 65, or older. The discount applies to all Parts.

Motorcycles subject to the Compulsory Law and classified in accordance with this Rule shall be eligible for a 10% discount if the principal operator has completed an approved motorcycle rider training program. The discount applies to Parts 1, 2, 3, 4, 5, 6, 7, 8 and 12. Refer to the Miscellaneous Motor Vehicles Page for a list of approved sites.

Motorcycles subject to the Compulsory Law and classified in accordance with this Rule shall be eligible for a 20% discount if the motorcycle is equipped with a Vehicle Recovery System which falls under Category IV of the Anti-Theft Device Standards and Discounts, as defined in Rule 54. This discount is applicable to Comprehensive coverage or other combinations of specified perils which afford Theft coverage.

**RULE 45. AGREED AMOUNT COVERAGE - COMPREHENSIVE**

At the option of the policyholder, Comprehensive (Part 9) coverage may be written to provide that in determining the actual cash value of a motor vehicle to be insured, no deduction shall be made to reduce the value of the vehicle to less than the agreed value in the event of loss. "Agreed value" means the value of the vehicle as determined by agreement between the insurer and the policyholder. As a condition to this coverage, the insurer shall be permitted to inspect the vehicle at the time of application. The vehicle shall be rated as follows:

1. An appraisal is to be made to establish the current market value of the vehicle. The cost of appraisal shall be borne by the policyholder.
2. Refer to Rule 22 to determine the appraised value vehicle rating group.
3. Obtain the stated amount rate from the Rate Page Section of the Manual.
4. Apply the rate obtained to each \$100 of valuation.
5. Multiply the premium obtained in (4) above by the factor of 110%.

Endorsement MPY-0034-S titled "Agreed Amount Coverage - Comprehensive" must be issued with the policy.

**RULE 46. EXCESS ELECTRONIC EQUIPMENT COVERAGE**

Coverage for loss or damage to any electronic equipment that reproduces, receives, or transmits audio, visual or data signals, is excluded under the Massachusetts Automobile Insurance Policy, unless the electronic equipment has been permanently installed in the auto in locations used by the auto manufacturer for installation of such equipment. However, electronic equipment which is permanently installed in the auto in locations not used by the auto manufacturer for installation of such equipment is covered up to \$1,000. Coverage in excess of \$1,000 is available, as follows:

1. Determine the value of the equipment, including installation, in excess of \$1,000
2. The rate charged is a flat rate and is not subject to any discount, other than that applicable to Class 15.
3. Endorsement MPY-0041-S, "Excess Electronic Equipment Coverage," must be issued with the policy.

Refer to the Miscellaneous Rating Factors page for premium charges.

**RULE 47. CUSTOMIZED VANS AND PICK-UPS**

Coverage for loss or damage to customizing equipment located in or upon a pick-up or van is excluded under the Massachusetts Automobile Insurance Policy. Coverage for customizing equipment is available for any pick-up or van insured under the policy for Collision (Part 7), Limited Collision (Part 8), or Comprehensive (Part 9) by attaching Endorsement MPY-0037-S, Coverage for Customized Vans and Pick-Ups, and adding the value of the customized equipment to the value of the vehicle.

The vehicle should be rated as follows:

**A. Vehicle Rating Group Pick-Up or Van**

1. Obtain the vehicle rating group from the AIB Vehicle Rating Group Program.
2. Match the vehicle rating group with the appropriate price table in Rule 22. The value of the vehicle is the higher price displayed in the price range for the corresponding vehicle rating group.
3. Develop the revised vehicle rating group by adding the value of the customized equipment to the value of the vehicle as determined in Item 2.
4. Develop the premium according to the vehicle rating group determined in Item 3 and the model year indicated in the rate section.

**B. Non-Vehicle Rating Group Pick-Up or Van**

1. Determine the base list price, and include the value of the customized equipment.
2. Based on the price developed in Item 1, refer to Rule 22 to determine the vehicle rating group.
3. Develop the premium according to the vehicle rating group determined in Item 2 and the model year indicated in the rate section.