

# The Norfolk & Dedham Mutual Fire Insurance Company®

## MASSACHUSETTS ENDORSEMENT – ND-0003-S

### ACCIDENT FORGIVENESS

The terms of the policy apply unless modified below.

#### 1. Accident Forgiveness

**Accident Forgiveness** means that **we** will provide a premium discount equal to the sum of any SDIP surcharge added and any SDIP credit removed as a result of a single eligible at fault **accident**. At fault **accident** means any **accident** where a claim payment of at least \$500 was made, in excess of any deductible, and where **we** have determined that the operator was more than 50% at fault.

A. **We** only provide **Accident Forgiveness** if:

- (1) This endorsement was purchased before the at fault **accident** occurred; and
- (2) The at fault **accident** is covered under your policy with us, that this endorsement is attached to; and
- (3) This endorsement remains on your policy.

B. The increased Merit Rating premium costs relating to an at fault **accident** are waived subject to the following terms and conditions:

- (1) The operator and **your auto** involved in the **accident** were listed on the Coverage Selections Page at the time of the **accident**.
- (2) The listed operator involved in the **accident** was not deferred or excluded from coverage.
- (3) The listed operator involved in the **accident** had a Merit Rating Code of 99 or 98 as of the policy effective date immediately prior to the surcharge date.
- (4) The Coverage Selections Page indicates Optional Insurance, Part 9. Comprehensive and either Part 7. Collision or Part 8. Limited Collision as applying to **your auto** involved in the **accident**.
- (5) The at fault **accident** was reported to us by **you** or by someone on your behalf within 30 days of the **accident**.
- (6) Only one at fault **accident** per policy will be forgiven at any point in time.
- (7) Where there are multiple at fault **accidents** per policy, the oldest eligible **accident** will be forgiven.
- (8) The Merit Rating Board's surcharge date will be used to determine which at fault **accident** is the oldest eligible **accident**.
- (9) Any other **accidents** that occur while one **accident** is forgiven, will not qualify for **Accident Forgiveness** unless the surcharge for the older at fault **accident** is reversed by the Board of Appeals.
- (10) Other at fault **accidents** will be reflected in your premium based on our filed Merit Rating Plan.
- (11) Traffic violations of any kind are not eligible for **Accident Forgiveness**.

- C. **We** will remove the application of **Accident Forgiveness** if:
- (1) **You** request us to remove this endorsement from your policy; or
  - (2) If the operator involved in the **accident** is no longer listed on the Coverage Selections Page; or
  - (3) This policy is canceled and not reinstated by the company.
- D. If this endorsement is removed from your policy or the application of **Accident Forgiveness** is removed during a policy term, policy premium will be adjusted as follows:
- (1) Return premium charged for this endorsement shall be calculated on a pro-rata basis; and
  - (2) Additional premium for an at fault **accident** being forgiven shall be calculated under the Merit Rating Plan on a pro-rata basis.
- E. **We** will remove this endorsement from the policy upon renewal if;
- (1) There are no at fault **Accidents** eligible for forgiveness on the policy, and
  - (2) The policy does not meet the requirements to purchase the endorsement.
- F. If the endorsement is removed from your policy, it will not be re-attached to the policy in a later policy year unless;
- (1) **You** request that it be added, and
  - (2) The policy fulfills all eligibility criteria for the endorsement at the time of the request.

How we understand **Accident Forgiveness** will work:

1. The Operator SDIP Points will be reduced by eliminating the impact of the Surcharge from the oldest eligible **accident**.
2. The Coverage Selections Page will be amended by inserting, **Accident Forgiveness** and the applicable premium discount, below Coverage 12.
3. The premium discount will be equal to the difference in the SDIP charge or credit from the calculated SDIP charge or credit based on 1. above, and the surcharge calculated on the Coverage Selections Page.

**EXAMPLE 1:**

**Policy Effective Date: 01/01/2015**

<u>DESCRIPTION</u>	<u>INCIDENT DATE</u>	<u>SURCHARGE DATE</u>	<u>SURCHARGE VALUE</u>
1. Starting Date		01/01/2009	00
2. Major At Fault Accident	04/01/2014	08/14/2014	04
3. Operator SDIP Points			04
4. (Not Clean-in-Three)			

The Coverage Selections Page will reflect a Merit Rating Plan charge due to the Operator SDIP Points of 04.

**We** would waive the 4 points and apply an Excellent Driver Plus Discount.

The **Accident Forgiveness** Premium Discount = to the Merit Rating Plan charge due to the Operator SDIP Points of 04 + the amount of the SDIP 99 Credit.

**EXAMPLE 2:**

**Policy Effective Date: 01/01/2015**

<u>DESCRIPTION</u>	<u>INCIDENT DATE</u>	<u>SURCHARGE DATE</u>	<u>SURCHARGE VALUE</u>
1. Starting Date		01/01/2009	00
2. Speeding	02/15/2014	03/15/2014	00
3. Major At Fault Accident	04/01/2014	08/14/2014	04
4. Minor At Fault Accident	11/01/2014	11/08/2014	03
5. Operator SDIP Points			07
6. (Not Clean-in-Three)			

The Coverage Selections Page will reflect a Merit Rating Plan charge due to the Operator SDIP Points of 07.

**We** would waive the 4 points for the earliest At Fault Accident.

The **Accident Forgiveness** Premium Discount = to the Merit Rating Plan charge due to the Operator SDIP Points of 07 – Merit Rating Plan charge due to the Operator SDIP Points of 03.

**2014**  
**MEMORANDUM OF CHANGES**

1. Rule 36 – Accident Forgiveness

## **RULE 36. ACCIDENT FORGIVENESS**

### **Coverage:**

Accident forgiveness means that we will provide a premium discount equal to the sum of any SDIP surcharge added and any SDIP credit removed as a result of a single eligible at-fault accident. At-fault accident means any accident where a claim payment of at least \$500 was made, in excess of any deductible, and where the company has determined that the operator was more than 50% at-fault.

### **Conditions:**

1. Accident forgiveness is only provided if:
  - a. This endorsement was purchased before the at-fault accident occurred; and
  - b. The at-fault accident is covered under the policy with N&D, that this endorsement is attached to; and
  - c. This endorsement remains on the policy.
2. The increased Merit Rating premium costs relating to an at-fault accident are waived subject to the following terms and conditions:
  - a. The operator and auto involved in the accident were listed on the Coverage Selections Page at the time of the accident; and
  - b. The operator involved in the accident was not deferred or excluded from coverage; and
  - c. The operator involved in the accident had a Merit Rating Code of 99 or 98 as of the policy effective date immediately prior to the accident.
  - d. The Coverage Selections Page indicates Optional Insurance, Part 9. Comprehensive and either Part 7. Collision or Part 8. Limited Collision apply to your auto involved in the accident.
  - e. The at-fault accident was reported to us by the insured or someone on their behalf within 30 days of the accident.
  - f. Only one at-fault accident per policy will be forgiven at any point in time.
  - g. Where there are multiple at-fault accidents per policy, the oldest eligible accident will be forgiven.
  - h. The Merit Rating Board's surcharge date will be used to determine which at-fault accident is the oldest eligible accident.
  - i. Any other accidents that occur while one accident is forgiven, will not qualify for Accident Forgiveness unless the surcharge for the older at-fault accident is reversed by the Board of Appeals.
  - j. Other at-fault accidents will be reflected in the premium based on N&D's filed Merit Rating Plan.
  - k. Traffic violations of any kind are not eligible for accident forgiveness.
3. N&D® will remove the application of Accident Forgiveness if:
  - a. The insured requests that the company remove the endorsement from the policy; or
  - b. If the operator involved in the accident is no longer listed on the Coverage Selections Page; or
  - c. This policy is canceled and not reinstated by the company.
4. If this endorsement is removed from your policy or the application of Accident Forgiveness is removed during a policy term, policy premium will be adjusted as follows:
  - a. Return premium charged for this endorsement shall be calculated on a pro-rata basis; and
  - b. Additional premium for an at fault accident being forgiven shall be calculated under the Merit Rating Plan on a pro-rata basis.
5. We will remove this endorsement from the policy upon renewal if;
  - a. There are no at-fault accidents eligible for forgiveness on the policy, and
  - b. The policy does not meet the requirements to purchase the endorsement.
6. If the endorsement is removed from your policy, it will not be re-attached to the policy in a later policy year unless;
  - a. You request that it be added, and
  - b. The policy fulfills all eligibility criteria for the endorsement at the time of the request.

### **Cost:**

\$75 per policy for policies that have an Account Credit and \$100 per policy for policies that do not have an Account Credit.

### **Endorsement:**

ND-0003-S

**2014  
MEMORANDUM OF CHANGES**

- ~~1. Private Passenger Endorsement Index~~
- ~~2. Rule 11 – edits to clarify language without changing the premium calculation~~
- ~~3. Rule 18 – table formatting changes~~
- ~~4. Rule 19
  - ~~a. Rule Name change~~
  - ~~b. Advance Purchase – changes to eligibility and application of credit~~
  - ~~c. Annual Mileage – clarification of language~~
  - ~~d. Hybrid Vehicle Discount – changes to include electric vehicles~~~~
- ~~5. Rule 23 – added source of High Theft Auto list~~
- ~~6. Rule 26 – revised rating factors~~
- ~~7. Rule 27 – added definition criteria~~
- ~~8. Rule 29 – revised tiering criteria for Tier 1~~
- ~~9.1. Rule 55 – modified waiver of inspection criteria~~ [Rule 36 – Accident Forgiveness](#)

## **RULE 36. ACCIDENT FORGIVENESS**

### **Coverage:**

Accident forgiveness means that we will provide a premium discount equal to the sum of any SDIP surcharge added and any SDIP credit removed as a result of a single eligible at-fault accident. ~~N&D will waive any premium increase under the Merit Rating Plan resulting from an at-fault accident.~~ At-fault accident means any accident where a claim payment of at least \$500 was made, in excess of any deductible, and where the company has determined that the operator was more than 50% at-fault.

### **Conditions:**

1. Accident forgiveness is only provided if:
  - a. This endorsement was purchased before the at-fault accident occurred; and
  - b. The at-fault accident is covered under the policy with N&D, that this endorsement is attached to; and
  - c. This endorsement remains on the policy.
2. The increased Merit Rating premium costs relating to an at-fault accident are waived subject to the following terms and conditions:
  - a. The operator and auto involved in the accident were listed on the Coverage Selections Page at the time of the accident; and
  - b. The operator involved in the accident was not deferred or excluded from coverage; and
  - c. The operator involved in the accident ~~at the time of the accident~~ had a Merit Rating Code of 99 or 98 as of the policy effective date immediately prior to the accident.
  - d. The Coverage Selections Page indicates Optional Insurance, Part 9. Comprehensive and either Part 7. Collision or Part 8. Limited Collision apply to your auto involved in the accident.
  - e. The at-fault accident was reported to us by the insured or someone on their behalf within 30 days of the accident.
  - f. Only one at-fault accident per policy will be forgiven at any point in time.  
~~g. Only one at-fault accident per operator will be forgiven during a six-year experience period.~~
  - ~~h.g.~~ Where there are multiple at-fault accidents per policy, the oldest eligible accident will be forgiven.
  - ~~h.h.~~ The Merit Rating Board's surcharge date will be used to determine which at-fault accident is the oldest eligible accident.
  - ~~h.i.~~ Any other accidents that occur while one accident is forgiven, will not qualify for Accident Forgiveness unless the surcharge for the older at-fault accident is reversed by the Board of Appeals.
  - ~~h.j.~~ Other at-fault accidents will be reflected in the premium based on N&D's filed Merit Rating Plan.
  - ~~h.k.~~ Traffic violations of any kind are not eligible for accident forgiveness.
3. N&D® will remove the application of Accident Forgiveness if:
  - a. The insured requests that the company ~~to~~ remove ~~the~~ endorsement from the policy; or
  - b. If the operator involved in the accident is no longer listed on the Coverage Selections Page; or
  - ~~c.~~ This policy is canceled and not reinstated by the company.
4. If this endorsement is removed from your policy or the application of Accident Forgiveness is removed during a policy term, policy premium will be adjusted as follows:
  - a. Return premium charged for this endorsement shall be calculated on a pro-rata basis; and
  - b. Additional premium for an at fault accident being forgiven shall be calculated under the Merit Rating Plan on a pro-rata basis.
5. We will remove this endorsement from the policy upon renewal if:
  - a. There are no at-fault accidents eligible for forgiveness on the policy, and
  - b. The policy does not meet the requirements to purchase the endorsement.
6. If the endorsement is removed from your policy, it will not be re-attached to the policy in a later policy year unless:
  - a. You request that it be added, and
  - ~~e.b.~~ The policy fulfills all eligibility criteria for the endorsement at the time of the request.

### **Cost:**

\$75 per policy for policies that have an Account Credit and \$100 per policy for policies that do not have an Account Credit.

### **Endorsement:**

ND-0003-S

# The Norfolk & Dedham Mutual Fire Insurance Company®

## MASSACHUSETTS ENDORSEMENT – ND-0003-S

### ACCIDENT FORGIVENESS

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#### 1. Accident Forgiveness

**Accident Forgiveness** means that we will provide a premium discount ~~equal~~ to the ~~sum of any~~ SDIP surcharge ~~added and any SDIP credit removed as a result of~~ ~~resulting from a single~~ ~~n~~ eligible at fault **accident**. At fault **accident** means any **accident** where a claim payment of at least \$500 was made, in excess of any deductible, and where we have determined that the operator was more than 50% at fault.

##### A. We only provide **Accident Forgiveness** if:

- (1) This endorsement was purchased before the at fault **accident** occurred; and
- (2) The at fault **accident** is covered under your policy with us, that this endorsement is attached to; and
- (3) This endorsement remains on your policy.

##### B. The increased Merit Rating premium costs relating to an at fault **accident** are waived subject to the following terms and conditions:

- (1) The operator and **your auto** involved in the **accident** were listed on the Coverage Selections Page at the time of the **accident**.
- (2) The listed operator involved in the **accident** was not deferred or excluded from coverage.
- (3) The listed operator involved in the **accident** ~~at the time of the accident~~ had a Merit Rating Code of 99 or 98 ~~as of the policy effective date immediately prior to the surcharge date~~.
- (4) The Coverage Selections Page indicates Optional Insurance, Part 9. Comprehensive and either Part 7. Collision or Part 8. Limited Collision as applying to **your auto** involved in the **accident**.
- (5) The at fault **accident** was reported to us by **you** or by someone on your behalf within 30 days of the **accident**.
- (6) Only one at fault **accident** per policy will be forgiven at any point in time.
- ~~(7) Only one at fault accident per listed operator will be forgiven during a six year experience period.~~
- ~~(8)~~(7) Where there are multiple at fault **accidents** per policy, the oldest eligible **accident** will be forgiven.
- ~~(9)~~(8) The Merit Rating Board's surcharge date will be used to determine which at fault **accident** is the oldest eligible **accident**.
- ~~(10)~~(9) Any other **accidents** that occur while one **accident** is forgiven, will not qualify for **Accident Forgiveness** unless the surcharge for the older at fault **accident** is reversed by the Board of Appeals.
- ~~(11)~~(10) Other at fault **accidents** will be reflected in your premium based on our filed Merit Rating Plan.



~~(12)~~(11) Traffic violations of any kind are not eligible for **Accident Forgiveness**.

C. We will remove the application of **Accident Forgiveness** if:

(1) **You** request us to remove this endorsement from your policy; or

(2) If the operator involved in the **accident** is no longer listed on the Coverage Selections Page; or

~~(2)~~(3)

This policy is canceled and not reinstated by the company.

D. If ~~we remove~~ this endorsement is removed from your policy or the application of **Accident Forgiveness** is removed during a policy term, ~~we will also remove Accident Forgiveness~~; policy premium will be adjusted as follows:

(1) Return premium charged for this endorsement shall be calculated on a pro-rata basis; and

(2) Additional premium for ~~an~~the at fault **accident being forgiven** shall be calculated under the Merit Rating Plan on a pro-rata basis.

E. We will remove this endorsement from the policy upon renewal if;

(1) There are no at fault **Accidents** eligible for forgiveness on the policy, and

(2) The policy does not meet the requirements to purchase the endorsement.

F. If the endorsement is removed from your policy, it will not be re-attached to the policy in a later policy year unless;

(1) **You** request that it be added, and

(2) The policy fulfills all eligibility criteria for the endorsement at the time of the request.

How we understand **Accident Forgiveness** will work:

1. The Operator SDIP Points will be reduced by **eliminating the impact of the ~~the~~ Surcharge Value** from the oldest eligible **accident**.
2. The Coverage Selections Page will be amended by inserting, **Accident Forgiveness** and the applicable premium discount, below Coverage 12.
3. The premium discount will be equal to the difference in the SDIP charge **or credit** from the calculated SDIP charge **or credit** based on 1. above, and the surcharge calculated on the Coverage Selections Page.

**EXAMPLE 1:**

**Policy Effective Date: 01/01/2015**

DESCRIPTION	INCIDENT DATE	SURCHARGE DATE	SURCHARGE VALUE
1. Starting Date		01/01/2009	00
2. Major At Fault Accident	04/01/2014	08/14/2014	04
3. Operator SDIP Points			04
4. (Not Clean-in-Three)			

The Coverage Selections Page will reflect a Merit Rating Plan charge due to the Operator SDIP Points of 04.

We would waive the 4 points and **apply an Excellent Driver Plus Discount**.

~~The~~ **therefore have an Accident Forgiveness** Premium Discount = to the ~~SDIP surcharge~~ Merit Rating Plan charge due to the Operator SDIP Points of 04 + the amount of the SDIP 99 Credit.

**EXAMPLE 2:**

**Policy Effective Date: 01/01/2015**

DESCRIPTION	INCIDENT DATE	SURCHARGE DATE	SURCHARGE VALUE
1. Starting Date		01/01/2009	00
2. Speeding	02/15/2014	03/15/2014	00
<del>2.</del> 3. Major At Fault Accident	04/01/2014	08/14/2014	04
<del>3.</del> 4. Minor At Fault Accident <del>Speeding</del>	<del>03/15/2014</del>	11/01/2014	11/08/2014
<del>4.</del> 5. Operator SDIP Points			07 <del>6</del>
<del>5.</del> 6. (Not Clean-in-Three)			

The Coverage Selections Page will reflect a Merit Rating Plan charge due to the Operator SDIP Points of 07~~6~~.

We would waive the 4 points **for the earliest At Fault Accident**. ~~and therefore have an~~

**The Accident Forgiveness** Premium Discount = to the

~~(Merit Rating Plan charge due to the Operator SDIP Points of 07~~2~~) - (Merit Rating Plan charge due to the Operator SDIP Points of 03~~6~~.)~~

# The Norfolk & Dedham Mutual Fire Insurance Company®

## MASSACHUSETTS ENDORSEMENT – ND-0003-S

### ACCIDENT FORGIVENESS

The terms of the policy apply unless modified below.

#### 1. Accident Forgiveness

**Accident Forgiveness** means that we will provide a premium discount ~~equal~~ to the sum of any SDIP surcharge added and any SDIP credit removed as a result of ~~resulting from a single~~ eligible at fault **accident**. At fault **accident** means any **accident** where a claim payment of at least \$500 was made, in excess of any deductible, and where we have determined that the operator was more than 50% at fault.

A. We only provide **Accident Forgiveness** if:

- (1) This endorsement was purchased before the at fault **accident** occurred; and
- (2) The at fault **accident** is covered under your policy with us, that this endorsement is attached to; and
- (3) This endorsement remains on your policy.

B. The increased Merit Rating premium costs relating to an at fault **accident** are waived subject to the following terms and conditions:

- (1) The operator and **your auto** involved in the **accident** were listed on the Coverage Selections Page at the time of the **accident**.
- (2) The listed operator involved in the **accident** was not deferred or excluded from coverage.
- (3) The listed operator involved in the **accident** ~~at the time of the accident~~ had a Merit Rating Code of 99 or 98 as of the policy effective date immediately prior to the surcharge date.
- (4) The Coverage Selections Page indicates Optional Insurance, Part 9. Comprehensive and either Part 7. Collision or Part 8. Limited Collision as applying to **your auto** involved in the **accident**.
- (5) The at fault **accident** was reported to us by **you** or by someone on your behalf within 30 days of the **accident**.
- (6) Only one at fault **accident** per policy will be forgiven at any point in time.
- ~~(7) Only one at fault accident per listed operator will be forgiven during a six year experience period.~~
- ~~(8)~~(7) Where there are multiple at fault **accidents** per policy, the oldest eligible **accident** will be forgiven.
- ~~(9)~~(8) The Merit Rating Board's surcharge date will be used to determine which at fault **accident** is the oldest eligible **accident**.
- ~~(10)~~(9) Any other **accidents** that occur while one **accident** is forgiven, will not qualify for **Accident Forgiveness** unless the surcharge for the older at fault **accident** is reversed by the Board of Appeals.
- ~~(11)~~(10) Other at fault **accidents** will be reflected in your premium based on our filed Merit Rating Plan.

~~(12)~~(11) Traffic violations of any kind are not eligible for **Accident Forgiveness**.

C. We will remove the application of Accident Forgiveness if:

(1) **You** request us to remove this endorsement from your policy; or

(2) If the operator involved in the **accident** is no longer listed on the Coverage Selections Page; or

~~(2)~~(3)

This policy is canceled and not reinstated by the company.

D. If ~~we remove~~ this endorsement is removed from your policy or the application of Accident Forgiveness is removed during a policy term, ~~we will also remove Accident Forgiveness~~; policy premium will be adjusted as follows:

(1) Return premium charged for this endorsement shall be calculated on a pro-rata basis; and

(2) Additional premium for ~~an~~the at fault **accident** being forgiven shall be calculated under the Merit Rating Plan on a pro-rata basis.

E. We will remove this endorsement from the policy upon renewal if;

(1) There are no at fault **Accidents** eligible for forgiveness on the policy, and

(2) The policy does not meet the requirements to purchase the endorsement.

F. If the endorsement is removed from your policy, it will not be re-attached to the policy in a later policy year unless;

(1) **You** request that it be added, and

(2) The policy fulfills all eligibility criteria for the endorsement at the time of the request.

How we understand **Accident Forgiveness** will work:

1. The Operator SDIP Points will be reduced by eliminating the impact of the ~~the~~ Surcharge ~~Value~~ from the oldest eligible **accident**.
2. The Coverage Selections Page will be amended by inserting, **Accident Forgiveness** and the applicable premium discount, below Coverage 12.
3. The premium discount will be equal to the difference in the SDIP charge or credit from the calculated SDIP charge or credit based on 1. above, and the surcharge calculated on the Coverage Selections Page.

**EXAMPLE 1:**

Policy Effective Date: 01/01/2015

DESCRIPTION	INCIDENT DATE	SURCHARGE DATE	SURCHARGE VALUE
1. Starting Date		01/01/2009	00
2. Major At Fault Accident	04/01/2014	08/14/2014	04
3. Operator SDIP Points			04
4. (Not Clean-in-Three)			

The Coverage Selections Page will reflect a Merit Rating Plan charge due to the Operator SDIP Points of 04.

We would waive the 4 points and apply an Excellent Driver Plus Discount.

~~The~~ ~~therefore have an~~ **Accident Forgiveness** Premium Discount = to the ~~SDIP surcharge~~ Merit Rating Plan charge due to the Operator SDIP Points of 04 + the amount of the SDIP 99 Credit.

**EXAMPLE 2:**

Policy Effective Date: 01/01/2015

DESCRIPTION	INCIDENT DATE	SURCHARGE DATE	SURCHARGE VALUE
1. Starting Date		01/01/2009	00
<u>2. Speeding</u>	<u>02/15/2014</u>	<u>03/15/2014</u>	<u>00</u>
<del>2.3.</del> Major At Fault Accident	04/01/2014	08/14/2014	04
<del>3.4.</del> <u>Minor At Fault Accident</u> <del>Speeding</del>	<del>03/2</del>	<u>11/01/2014</u>	11/08/2014
<del>4.5.</del> Operator SDIP Points			<u>076</u>
<del>5.6.</del> (Not Clean-in-Three)			

The Coverage Selections Page will reflect a Merit Rating Plan charge due to the Operator SDIP Points of 076.

We would waive the 4 points for the earliest At Fault Accident ~~and therefore have an~~

The Accident Forgiveness Premium Discount = to the

~~(Merit Rating Plan charge due to the Operator SDIP Points of 072) – (Merit Rating Plan charge due to the Operator SDIP Points of 036.)~~

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- (3) The listed operator involved in the **accident** had a Merit Rating Code of 99 or 98 as of the policy effective date immediately prior to the surcharge date.
- (4) The Coverage Selections Page indicates Optional Insurance, Part 9. Comprehensive and either Part 7. Collision or Part 8. Limited Collision as applying to **your auto** involved in the **accident**.
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- (10) Other at fault **accidents** will be reflected in your premium based on our filed Merit Rating Plan.
- (11) Traffic violations of any kind are not eligible for **Accident Forgiveness**.

- C. **We** will remove the application of **Accident Forgiveness** if:
- (1) **You** request us to remove this endorsement from your policy; or
  - (2) If the operator involved in the **accident** is no longer listed on the Coverage Selections Page; or
  - (3) This policy is canceled and not reinstated by the company.
- D. If this endorsement is removed from your policy or the application of **Accident Forgiveness** is removed during a policy term, policy premium will be adjusted as follows:
- (1) Return premium charged for this endorsement shall be calculated on a pro-rata basis; and
  - (2) Additional premium for an at fault **accident** being forgiven shall be calculated under the Merit Rating Plan on a pro-rata basis.
- E. **We** will remove this endorsement from the policy upon renewal if;
- (1) There are no at fault **Accidents** eligible for forgiveness on the policy, and
  - (2) The policy does not meet the requirements to purchase the endorsement.
- F. If the endorsement is removed from your policy, it will not be re-attached to the policy in a later policy year unless;
- (1) **You** request that it be added, and
  - (2) The policy fulfills all eligibility criteria for the endorsement at the time of the request.

How we understand **Accident Forgiveness** will work:

1. The Operator SDIP Points will be reduced by eliminating the impact of the Surcharge from the oldest eligible **accident**.
2. The Coverage Selections Page will be amended by inserting, **Accident Forgiveness** and the applicable premium discount, below Coverage 12.
3. The premium discount will be equal to the difference in the SDIP charge or credit from the calculated SDIP charge or credit based on 1. above, and the surcharge calculated on the Coverage Selections Page.

**EXAMPLE 1:**

**Policy Effective Date: 01/01/2015**

<u>DESCRIPTION</u>	<u>INCIDENT DATE</u>	<u>SURCHARGE DATE</u>	<u>SURCHARGE VALUE</u>
1. Starting Date		01/01/2009	00
2. Major At Fault Accident	04/01/2014	08/14/2014	04
3. Operator SDIP Points			04
4. (Not Clean-in-Three)			

The Coverage Selections Page will reflect a Merit Rating Plan charge due to the Operator SDIP Points of 04.

**We** would waive the 4 points and apply an Excellent Driver Plus Discount.

The **Accident Forgiveness** Premium Discount = to the Merit Rating Plan charge due to the Operator SDIP Points of 04 + the amount of the SDIP 99 Credit.

**EXAMPLE 2:**

**Policy Effective Date: 01/01/2015**

<u>DESCRIPTION</u>	<u>INCIDENT DATE</u>	<u>SURCHARGE DATE</u>	<u>SURCHARGE VALUE</u>
1. Starting Date		01/01/2009	00
2. Speeding	02/15/2014	03/15/2014	00
3. Major At Fault Accident	04/01/2014	08/14/2014	04
4. Minor At Fault Accident	11/01/2014	11/08/2014	03
5. Operator SDIP Points			07
6. (Not Clean-in-Three)			

The Coverage Selections Page will reflect a Merit Rating Plan charge due to the Operator SDIP Points of 07.

**We** would waive the 4 points for the earliest At Fault Accident.

The **Accident Forgiveness** Premium Discount = to the Merit Rating Plan charge due to the Operator SDIP Points of 07 – Merit Rating Plan charge due to the Operator SDIP Points of 03.