



Quincy Mutual Group

ACCOUNTING

7.1

Account Current

06-21-11

Each month we will post your Account Current on our Quincy Online website. Payment on this account is the **preferred** method.

Your Account Current Statement will include all transactions processed for the month which includes:

- New/Renewal Premiums
- Additional/Return Premium Endorsements
- Cancellations
- Net Balance Due

and will be posted by Monday morning following each month end.

If you find differences from your records,

let us know and we will make adjustments to your account NEXT month.



Quincy Mutual Group

ACCOUNTING

7.2

Account Current

08-01-11

If you must pay by your account, please submit your statement to Quincy Mutual Group by the 10th day of the following month.

We will:

compare your account with ours

report differences to you using the Producer Account Discrepancy Memo

expect you to pay the Net Balance Due on the Agency Account Current

You should make any corrections to your account in the next accounting month.



ACCOUNTING

7.3

Agent Account Payment

06-21-11

Agent Account payments are due according to the terms of your Agency Agreement.

prepare your check

- for the BALANCE DUE on our account for the month or on your account for the month
- include your agency # and the month being paid on your check

mail your check to

Account Current
Quincy Mutual Group
PO Box 699150
Quincy, MA 02269-9150

Make your payment for the BALANCE DUE on the Account without changes. This will avoid delays and unnecessary correspondence.



ACCOUNTING

7.4

Direct Bill

06-21-11

Quincy Mutual Group offers your customers a comprehensive direct bill payment plan. The success of this program depends on the accuracy of the information that is provided on the policy application and/or renewal listings.

Agents will receive copies of all Intent to Cancel Notices, Reinstatements and Final Cancellation Memos.

Standard Direct Bill Procedures

a Premium Invoice is sent to the Insured or Mortgagee if applicable. If premium is not received,

an Intent to Cancel notice is sent to the Insured, Mortgagee, Additional Insured and Agent.

a Reinstatement Notice is sent if payment is received after the Intent to Cancel is sent, but before the effective date of cancellation to those who received the Intent to Cancel.

a Final Cancellation Memo is sent to notify the Agent that payment was not received and the policy has been cancelled for nonpayment.

a Premium Invoice for earned premium due on a cancelled policy is sent to the Insured and Agent.

Reinstatement may also be acceptable after the effective date of cancellation, if the overdue installment is received and approved by an Underwriter.

Endorsements

If there are unbilled installments, and:

If the Endorsement is a credit and effective on the effective date, then the reduction in premium will be spread over all installments, including those that have already been billed. Please see page 7.5.2 for an example of this.

If the Endorsement does not fall under the scenario above, then it will be spread out evenly over the remaining installments, regardless of whether it is additional premium or a reduction in premium. Please see page 7.5.3 for an example of this.



ACCOUNTING

7.4.1

Direct Bill

05-18-12

Commissions are paid to the Agent on a Written Premium basis as shown on the monthly Direct Bill Commission Statement as posted on the Quincy Online website.

Commissions may be paid by direct deposit (ACH) to a specified bank account or by check.

24-Hour Billing Inquiry

Information regarding the billing status of a policy may be obtained from the Quincy Online website for Agents Only or by calling 1-877-796-6803 or 617-770-5140. At the prompt, enter the full policy number, including letters followed by the # key.

For Massachusetts Automobile policies, enter AMV or AFV followed by a six-digit number. Do not enter the leading zero in a seven-digit number following.

EFT

Customers may have their payments automatically deducted from their bank account via EFT. Sign up forms are available on QuincyMutual.com under the "Billing" tab.

1. Customers that sign up for EFT will automatically be renewed as a 12-pay.
2. Cancellation Notices for EFT policies must be paid with an alternative payment method. An automatic withdrawal will not be processed. EFT will resume after policy is reinstated.

View and Pay Online

Customers can view and pay their bills via the Internet. They can access this feature by following the link from QuincyMutual.com to MyCheckFree.

Account Bill

Customers can combine their policies onto one monthly bill. Go to the "Billing" tab on QuincyMutual.com to see the benefits and restrictions, and to download an enrollment form.

PayWithApp

Agents can process an e-payment during the application process on Quincy Online. Payment options include; E-Check, Debit Card, Credit Card (Visa, MasterCard & Discover).

If you have any questions, please contact your Marketing Representative or our Customer Service Department at 800-899-1116 X: 5390.

Please identify on the application whether Premium Invoices are to be sent to the Insured **or** Mortgagee.



ACCOUNTING

7.5

Direct Bill Payment Plans

12-01-13

Your Insured has the following payment options:
(Please note each plan's applicability to the type of policy.)

A. One Payment

This option is typically used for Mortgagee billed policies. Payment in full, due on inception date with no service charge.

B. Two Payments

This option is available on all lines of business.

Fifty percent (50%) due on inception date or with application.

One installment of fifty percent (50%) due at day 156.

Five dollar (\$5.00) service charge per installment.

C. Four Payments

This option is available on all lines of business.

Twenty Five percent (25%) due on inception date or with application.

Three additional equal installments (25%) billed at 60 day intervals.

Five dollar (\$5.00) service charge per installment.

D. Nine Payments

This option is available for all lines of business.

Twenty percent (20%) due on inception date or with application.

Eight additional equal installments of (10%) billed at 30 day intervals.

Five dollar (\$5.00) service charge per installment.

Six dollar (\$6.00) service charge per installment for Massachusetts Auto Insurance Plan (MAIP) policies.

E. Twelve Payments

This option is only available for EFT policies.

Massachusetts Auto Insurance Plan (MAIP) policies are not eligible for EFT.

Installments will be spread evenly for the first year at 30 day intervals (this typically means 10 or 11 equal installments in the first year depending on the date the application is processed). Future terms will renew with 12 equal installments.

Two dollar (\$2.00) service charge per installment (no service charges for EFT customers on E-Bill).

Notes:

The installment service charge is \$ 2.00 for customers that sign up to receive e-Bills through MyCheckFree.com.

The installment service charge is \$ 6.00 for Massachusetts Insurance Plan (MAIP) customers that receive e-bills through MyCheckFree.com.

Late Fee

A fee of \$25 will be applied to the second and any subsequent Cancellation Pending Notice for each policy term on MA Personal Auto policies, and \$ 20 for all other MA lines of business.

Insufficient Funds Processing (Bounced Checks)

Checks and electronic payments not honored by a financial institution are subject to a processing fee of \$25.00 for Massachusetts Auto Insurance Plan (MAIP) policies and \$20.00 for all other. Future payments may require a Cashier's or Certified Check. When a payment that reinstated a policy is not honored, we will rescind the notice of reinstatement and cancel the policy on the original date of cancellation.



ACCOUNTING

7.5.1

Direct Bill - Examples

06-21-11

SAMPLE OF HOW THE PLAN WORKS

Policy effective 1-01-06

Policy premium \$1,000

Application Plan selected 60 days prior to expiration for renewal policies.

 Plan selected 35 days prior to effective date for new policies.

Payment Plan	Payment	Bill Sent	Due	Premium Amount	Service Charges
Four Payments*	Down Payment	11-Dec-05	01-Jan-06	\$250.00	
	1st Installment	09-Feb-06	01-Mar-06	\$250.00	\$5.00
	2nd Installment	10-Apr-06	30-Apr-06	\$250.00	\$5.00
	3rd Installment	09-Jun-06	29-Jun-06	\$250.00	\$5.00
Total				\$1,000.00	\$15.00

Nine Payments*	Down Payment	11-Dec-05	01-Jan-06	\$200.00	
	1st Installment	10-Jan-06	30-Jan-06	\$100.00	\$5.00
	2nd Installment	09-Feb-06	01-Mar-06	\$100.00	\$5.00
	3rd Installment	11-Mar-06	31-Mar-06	\$100.00	\$5.00
	4th Installment	10-Apr-06	30-Apr-06	\$100.00	\$5.00
	5th Installment	10-May-06	30-May-06	\$100.00	\$5.00
	6th Installment	09-Jun-06	29-Jun-06	\$100.00	\$5.00
	7th Installment	09-Jul-06	29-Jul-06	\$100.00	\$5.00
	8th Installment	08-Aug-06	28-Aug-06	\$100.00	\$5.00
Total				\$1,000.00	\$40.00



ACCOUNTING

7.5.2

Direct Bill - Examples

06-21-11

Sample of how an effective date Return Premium Endorsement works:

Policy Effective 1/1/2006
 Policy Premium \$ 1,000
 Endorsement Premium (\$ 400.00)
(Processed on 1/8/06, effective 1/1/06)

Prior To Endorsement:

Payment Plan	Payment	Bill Sent	Due	Premium	Service Charges	Endorsement Amount	Minimum Due
Four Payments	Down Payment	12/11/2005	1/1/2006	\$250.00	\$0.00	\$0.00	\$250.00
	1 st Installment	2/9/2006	3/2/2006	\$250.00	\$5.00	\$0.00	\$255.00
	2 nd Installment	4/10/2006	5/1/2006	\$250.00	\$5.00	\$0.00	\$255.00
	3 rd Installment	6/9/2006	6/30/2006	\$250.00	\$5.00	\$0.00	\$255.00

After Endorsement:

Payment Plan	Payment	Bill Sent	Due	Premium	Service Charges	Endorsement Amount	Minimum Due
Four Payments	Down Payment	12/11/2005	1/1/2006	\$250.00	\$0.00	-\$100.00	\$150.00
	1 st Installment	2/9/2006	3/2/2006	\$250.00	\$5.00	-\$100.00	\$155.00
	2 nd Installment	4/10/2006	5/1/2006	\$250.00	\$5.00	-\$100.00	\$155.00
	3 rd Installment	6/9/2006	6/30/2006	\$250.00	\$5.00	-\$100.00	\$155.00



ACCOUNTING

7.5.3

Direct Bill - Examples

06-21-11

Sample of how a non-effective date Additional Premium Endorsement works:

Policy Effective 1/1/2006
 Policy Premium \$ 1,000
 Endorsement Premium (\$ 400.00)
(Processed on 2/10/06, effective 2/1/06)

Payment Plan	Payment	Bill Sent	Due	Premium	Service Charges	Endorsement Amount	Minimum Due
Four Payments	Down Payment	12/11/2005	1/1/2006	\$250.00	\$0.00	\$0.00	\$250.00
	1 st Installment	2/9/2006	3/2/2006	\$250.00	\$5.00	\$0.00	\$255.00
	2 nd Installment	4/10/2006	5/1/2006	\$250.00	\$5.00	\$200.00	\$455.00
	3 rd Installment	6/9/2006	6/30/2006	\$250.00	\$5.00	\$200.00	\$455.00

Total Premium + Service Charges \$1,415.00

Sample of how a non-effective date Return Premium Endorsement works:

Policy Effective 1/1/2006
 Policy Premium \$ 1,000
 Endorsement Premium (\$ 300.00)
(Processed on 2/10/06, effective 2/1/06)

Payment Plan	Payment	Bill Sent	Due	Premium	Service Charges	Endorsement Amount	Minimum Due
Nine Payments	Down Payment	12/11/2005	1/1/2006	\$200.00	\$0.00	\$0.00	\$200.00
	1 st Installment	1/10/2006	1/31/2006	\$100.00	\$5.00	\$0.00	\$105.00
	2 nd Installment	2/9/2006	3/2/2006	\$100.00	\$5.00	\$0.00	\$105.00
	3 rd Installment	3/11/2006	4/1/2006	\$100.00	\$5.00	-\$50.00	\$55.00
	4 th Installment	4/10/2006	5/1/2006	\$100.00	\$5.00	-\$50.00	\$55.00
	5 th Installment	5/10/2006	5/31/2006	\$100.00	\$5.00	-\$50.00	\$55.00
	6 th Installment	6/9/2006	6/30/2006	\$100.00	\$5.00	-\$50.00	\$55.00
	7 th Installment	7/9/2006	7/30/2006	\$100.00	\$5.00	-\$50.00	\$55.00
	8 th Installment	8/8/2006	8/29/2006	\$100.00	\$5.00	-\$50.00	\$55.00

Total Premium + Service Charges \$740.00

Justification for Increase in Service Charges From \$0 to \$20.00 for EFT Customers who receive paper invoices:

Description

Cost

The expense associated with installment billing includes costs to:

a.) Produce and mail invoices

\$2.00

