

# Massachusetts

## Billing Plan



Safeco Insurance



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### Billing Overview

Full

Two-Pay Annual Policies

Four-Pay Annual Policies

Monthly with Automatic  
Deduction or Recurring  
Credit Card

Monthly without Automatic  
Deduction

### Commissions

### Payment Methods

Automatic Deduction

Agency Sweep

Online Check

Credit Card

Check

C.O.D.

### Fees

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Safeco Insurance Company of America



# Massachusetts • Billing Plan

## Billing Overview

Plan	Plan Description	Customer Involvement	Payment Methods	Down Payment	Installment Fees
Full	Customer pays the full premium amount at the beginning of a policy period.	<p>New customers pay the full-term premium.</p> <p>Renewals may be made via automatic deduction. New customers would need to follow the sign up information under Payment Methods.</p>	<ul style="list-style-type: none"><li>• Automatic deduction</li><li>• Agency sweep</li><li>• Recurring Credit Card</li><li>• Online check</li><li>• Credit card</li><li>• Check</li></ul>	All customers pay the full-term premium.	None
Two-Pay Annual Policies	<p>We bill customer in equal installments at least 15 days before the due date.</p> <p>First payment is due at the start of the policy period.</p> <p>Subsequent payment is due approximately six months later.</p>	<p>New customers make the appropriate down payment.</p> <p>Future payments and renewals may be made via automatic deduction. To sign up new customers follow the sign-up information under Payment Methods.</p>	<ul style="list-style-type: none"><li>• Automatic deduction</li><li>• Agency sweep</li><li>• Recurring Credit Card</li><li>• Online check</li><li>• Credit card</li><li>• Check</li></ul>	All customers pay 50 percent down payment.	Yes

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Plan	Plan Description	Customer Involvement	Payment Methods	Down Payment	Installment Fees
Four-Pay Annual Policies	<p>We bill customer in equal installments at least 15 days before the due date.</p> <p>First payment is due at the start of the policy period.</p> <p>Subsequent payments are due in approximately 3-month intervals.</p>	<p>New customers make the appropriate down payment.</p> <p>Future payments and renewals may be made via automatic deduction. To sign up new customers follow the sign-up information under Payment Methods.</p>	<ul style="list-style-type: none"><li>• Automatic deduction</li><li>• Agency sweep</li><li>• Recurring Credit Card</li><li>• Online check</li><li>• Credit card</li><li>• Check</li></ul>	All customers pay 25 percent down.	Yes

# Massachusetts • Billing Plan

Plan	Plan Description	Customer Involvement	Payment Methods	Down Payment	Installment Fees
<p>Monthly with Automatic Deduction or Recurring Credit Card</p>	<p>Between one and 15 policies can be on the same account.</p> <p>We send a notice to customer at least 10 days before the first deduction. We update the notice if the amount of the deduction or the selected deduction date changes.</p>	<p>New customers send a signed automatic deduction authorization form and the down payment. Payments will be deducted from the account on which the down payment is drawn unless separate bank information (such as a voided check) is also included.</p> <p>Renewal customers have monthly payments deducted from their checking account on or after the deduction day they select. To switch to monthly with automatic deduction customer should mark the box and send in the appropriate amount, or they can change their account options at <a href="http://www.safeco.com">www.safeco.com</a> and sign up online.</p>	<ul style="list-style-type: none"> <li>• Automatic deduction</li> <li>• Recurring credit card</li> </ul>	<p>New customers:</p> <ul style="list-style-type: none"> <li>• Pay no down payment if the policy is effective more than 30 days in the future (applies to motorcycle, rec vehicle, umbrella and watercraft policies only)</li> <li>• Pay one-month down payment (10% down for Standard annual auto; 20% down for Standard Semi-Annual auto; 25% down for Non-Standard semi-annual auto) if effective date is less than 30 days in the future.</li> <li>• Pay a minimum of two-months down payment if the policy effective date is in the past (applies to motorcycle, rec vehicle, umbrella and watercraft policies only)</li> <li>• The down payment must be paid separately and will not be automatically deducted</li> </ul> <p>Renewal customers:</p> <ul style="list-style-type: none"> <li>• Pay amount shown on the initial renewal billing statement equaling one-month down payment</li> <li>• Pay no down payments on subsequent policy terms</li> </ul>	<p>Yes</p>

# Massachusetts • Billing Plan

Plan	Plan Description	Customer Involvement	Payment Methods	Down Payment	Installment Fees
Monthly without Automatic Deduction	We send a bill to customer every month.	New customers make the down payment.  For motorcycle business a minimum \$300 annual premium is required unless customer has other policies with Safeco Insurance.	<ul style="list-style-type: none"> <li>• Agency sweep</li> <li>• Online check</li> <li>• Credit card</li> <li>• Check</li> </ul>	<p>New customers:</p> <ul style="list-style-type: none"> <li>• Pay no down payment if policy is effective more than 60 days in the future</li> <li>• Pay one-month down payment if policy is effective more than 30 days in the future</li> <li>• Pay two-months down payment if effective less than 30 days in the future</li> <li>• Pay three-months down payment if effective date is in the past</li> </ul> <p>Once on the plan, customers will continue to receive bills monthly, even after renewal.</p>	Yes

## Commissions

Commissions regardless of payment method, commissions are paid for the full-term premium at the beginning of each policy period.

## Payment Methods

Method	Description
Automatic Deduction	<p>This payment option allows monthly payments to be automatically withdrawn from customer's bank account. The initial down payment must be made by any of the other payment methods and automatic deduction will be set up for all future installments.</p> <p>Customers must complete an authorization form (either paper form or e-sign found on Safeco.com). Future payments will be deducted from the checking or savings account provided. This payment method is available for all billing plans.</p>
Agency Sweep	<p>This payment option allows you to input the amount of the payment you receive from your customer into Safeco Now® and the payment will credit their account that day. You then deposit your customer's payments into your business or premium trust account and we will sweep the funds in three business days. For more information on agency sweep or how to sign up, go to our <a href="#">frequently asked questions</a> document and the <a href="#">authorization form</a> which are available online.</p>
Online Check	<p>This payment option allows customers to make a one-time payment from their checking account by providing their nine-digit bank routing number and account number. This payment option is available in Safeco Now, Safeco.com and the customer self-service line. Payments are posted the day the transaction is completed.</p>
Credit Card	<p>This payment option allows customers to make a one-time or recurring credit card payment by providing their credit card number and expiration date. This payment option is available in Safeco Now, Safeco.com and the customer self-service line. Payments are posted the day the transaction is completed.</p>
Check	<p>This payment option requires mailing customer's check to Safeco Insurance. Payments will not be posted the same day as they are received in your office due to mail and processing time.</p>

# Massachusetts • Billing Plan

Method	Description
C.O.D.	When writing a new business policy, you may choose to issue the policy on a C.O.D. basis. If you do so, customer will be billed based on the billing plan selected. Please note, if the policy cancels for nonpayment of the C.O.D. bill, the customer will be held responsible for any earned premium due. C.O.D. is not available for non-standard, specialty or motorcycle policies.

# Massachusetts • Billing Plan

## Fees

Payments received after a fee has been incurred will apply to the fee first, with the remainder applied to the policy.

### Installment Fees

Payment Method	Fee Amount by Line of Business		
	Non-Standard Auto	Preferred and Standard Auto, Home	Motorcycle, Umbrella, Watercraft and Classic Car
With Automatic Deduction	\$3	\$2	\$2
Recurring Credit Card	\$5	\$5	\$5
Without Automatic Deduction or Recurring Credit Card	\$6	\$5	\$5

### Other Fees

Fee	Description	Fee Amount
Late Fee	Unpaid bills result in fees, which are reflected in customer's next billing statement.	\$15
Returned Bank Item Fee	Payments from customers that are dishonored by their bank for non-sufficient funds (NSF) result in a fee. Payment types include: paper check, online check and automatic deduction.	\$25

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Safeco Insurance Company of America



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Full	Customer pays the full premium amount at the beginning of a policy period.	<p>New customers pay the full-term premium.</p> <p>Renewals may be made via automatic deduction. New customers would need to follow the sign up information under Payment Methods.</p>	<ul style="list-style-type: none"><li>• Automatic deduction</li><li>• Agency sweep</li><li>• Recurring Credit Card</li><li>• Online check</li><li>• Credit card</li><li>• Check</li></ul>	All customers pay the full-term premium.	None
Two-Pay Annual Policies	<p>We bill customer in equal installments at least 15 days before the due date.</p> <p>First payment is due at the start of the policy period.</p> <p>Subsequent payment is due approximately <del>five</del>-<del>six</del> months later.</p>	<p>New customers make the appropriate down payment.</p> <p>Future payments and renewals may be made via automatic deduction. To sign up new customers follow the sign-up information under Payment Methods.</p>	<ul style="list-style-type: none"><li>• Automatic deduction</li><li>• Agency sweep</li><li>• Recurring Credit Card</li><li>• Online check</li><li>• Credit card</li><li>• Check</li></ul>	All customers pay 50 percent down payment.	Yes

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Four-Pay Annual Policies	<p>We bill customer in equal installments at least 15 days before the due date.</p> <p>First payment is due at the start of the policy period.</p> <p>Subsequent payments are due in approximately <del>60</del>-<del>3</del>-<del>day</del>-<del>month</del> intervals.</p>	<p>New customers make the appropriate down payment.</p> <p>Future payments and renewals may be made via automatic deduction. To sign up new customers follow the sign-up information under Payment Methods.</p>	<ul style="list-style-type: none"><li>• Automatic deduction</li><li>• Agency sweep</li><li>• Recurring Credit Card</li><li>• Online check</li><li>• Credit card</li><li>• Check</li></ul>	All customers pay 25 percent down.	Yes

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<p>Monthly with Automatic Deduction or Recurring Credit Card</p>	<p>Between one and 15 policies can be on the same account.</p> <p>We send a notice to customer at least 10 days before the first deduction. We update the notice if the amount of the deduction or the selected deduction date changes.</p>	<p>New customers send a signed automatic deduction authorization form and the down payment. Payments will be deducted from the account on which the down payment is drawn unless separate bank information (such as a voided check) is also included.</p> <p>Renewal customers have monthly payments deducted from their checking account on or after the deduction day they select. To switch to monthly with automatic deduction customer should mark the box and send in the appropriate amount, or they can change their account options at <a href="http://www.safeco.com">www.safeco.com</a> and sign up online.</p>	<ul style="list-style-type: none"> <li>• Automatic deduction</li> <li>• Recurring credit card</li> </ul>	<p>New customers:</p> <ul style="list-style-type: none"> <li>• Pay no down payment if the policy is effective more than 30 days in the future (applies to motorcycle, rec vehicle, umbrella and watercraft policies only)</li> <li>• Pay one-month down payment (10% down for Standard annual auto; 20% down for Standard Semi-Annual auto; 25% down for Non-Standard semi-annual auto) if effective date is less than 30 days in the future.</li> <li>• Pay a minimum of two-months down payment if the policy effective date is in the past (applies to motorcycle, rec vehicle, umbrella and watercraft policies only)</li> <li>• The down payment must be paid separately and will not be automatically deducted</li> </ul> <p>Renewal customers:</p> <ul style="list-style-type: none"> <li>• Pay amount shown on the initial renewal billing statement equaling one-month down payment</li> <li>• Pay no down payments on subsequent policy terms</li> </ul>	<p>Yes</p>

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Agency Sweep	<p>This payment option allows you to input the amount of the payment you receive from your customer into Safeco Now® and the payment will credit their account that day. You then deposit your customer's payments into your business or premium trust account and we will sweep the funds in three business days. For more information on agency sweep or how to sign up, go to our <a href="#">frequently asked questions</a> document and the <a href="#">authorization form</a> which are available online.</p>
Online Check	<p>This payment option allows customers to make a one-time payment from their checking account by providing their nine-digit bank routing number and account number. This payment option is available in Safeco Now, Safeco.com and the customer self-service line. Payments are posted the day the transaction is completed.</p>
Credit Card	<p>This payment option allows customers to make a one-time or recurring credit card payment by providing their credit card number and expiration date. This payment option is available in Safeco Now, Safeco.com and the customer self-service line. Payments are posted the day the transaction is completed.</p>
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