

**MASSACHUSETTS
MOTORCYCLE
INSURANCE MANUAL
12/11/2017**

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**Safeco Insurance Company
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RULE 1: Massachusetts Motorcycle Insurance Policy – Eligibility

Definition of Motorcycle

1. Motorcycle – means a motorcycle, motorbike, motor scooter, or motorized trike that is designed for operation principally upon public roads and has at least two wheels, but not more than three wheels. The term motorcycle does not include:
 - a. Any vehicle operated on rails or crawler treads.
 - b. Any vehicle while it is located for use as a residence or premises.
 - c. A farm tractor or other equipment designed for use principally off public roads.
 - d. Any vehicle not subject to Massachusetts Motor Vehicle registration such as a moped, dirt bike, mini-bike, snowmobile or all-terrain vehicle (ATV).
2. Off-road vehicle – means any ATV, dirt bike, golf cart, Segway®, or snowmobile which is designed for operation principally off public roads.

Unacceptable Risks

- Operators with a canceled, revoked, or suspended license
- Any operator of a ‘dirt’ motorcycle/ATV/Snowmobile/Golf Cart who is not 14 years of age or older
- Any operator of a ‘street’ motorcycle who does not have a valid driver’s license
- Operators of ‘street’ or ‘dual’ motorcycles who do not have valid motorcycle endorsed driver’s license
- Operators of ‘dirt’ vehicles eligible for a driver’s license (not licensed for road use) who do not have a valid driver’s license
- Operators who are not permanent residents (ten-month intended stay) of the rating state
- Operators who do not have a permanent in state garaging address
- Operators who have been convicted of insurance fraud
- Any applicant who has more than 6 minors, 2 majors, and 3 at fault accidents in the experience period
- Any applicant requiring an SR22 filing
- Operators who are not a permanent resident of the named insured’s household
- Vehicles rented or leased to others
- Vehicles used for business purposes or commercial purposes including pick up or delivery of goods, funerals, or escort service
- Vehicles to be used for racing or speed contests
- Vehicles containing nitrous oxide kits
- Motorcycles with front fork extension greater than 6 inches over original manufacturers length
- Motorcycles with handlebar extension greater than 6 inches over original manufacturers length
- Dune buggies and go-carts
- Physical damage only policies
- Vehicles on a consignment lot
- Vehicles not fully assembled or individual parts
- 3 wheeled ATV’s
- Previously totaled or vehicles with salvage titles are not eligible for physical damage coverage
- Risks without Optional BI coverage

RULE 2: Coverage's and Limits

Compulsory Insurance Coverage's

Compulsory Bodily Injury (Part 1)

- Compulsory Bodily Injury is a mandatory coverage
- Each vehicle on the policy must carry the same Compulsory BI limits
- The compulsory limit is \$20,000 each person and \$40,000 each accident

Personal Injury Protection (Part 2 – Mandatory for all eligible vehicle types)

The policyholder, at his/her option, may elect an amount to be deducted from the amounts otherwise due each person subject to the deduction, under the following conditions:

- The option of electing a deductible shall be limited to individual insured's and shall apply only to private passenger vehicles owned by such insured's. As used herein, "individual" includes joint ownership by lawfully married individuals residing in the same household.
- The eligible policyholder may select a deductible amount of \$100, \$250, \$500, \$1,000, \$2,000, \$4,000 or \$8,000.
- The basic limit is \$8,000 each person
- The deductible applicable to the "Policyholder alone" is the only deductible available if the policyholder is the only member of the household, regardless of the number of vehicles which he owns. Lawfully married individuals having joint ownership and registration of a single motor vehicle which is the only vehicle in the household shall be considered to be an individual for purposes of bullet 5 of this rule. In such a case the same form of deductible must apply to both of the lawfully married individuals.
- Either the deductible for the policyholder "alone" or the policyholder and household members is available to a policyholder who has two or more members in his household and there is one motor vehicle in the household.
- The deductible applicable to the policyholder and household members is the only deductible available for the election if there are two or more members in the household, and also two or more motor vehicles insured for Personal Injury Protection by household members.
- If two or more vehicles are insured under a single policy, the same deductible election shall apply to all vehicles insured under such a policy.
- As used in this rule, the term "household members" means those persons living in the policyholder's household who are related to the policyholder by blood, marriage or adoption. This includes wards or foster children.
- Pursuant to 211 CMR 3.00, PIP does not cover owners or operators of, or guests upon, motorcycles who suffer bodily injury while operating, or riding as a guest upon, such vehicles.
- PIP is not available for symbols 50, 51 and 52.

UM (Part 3)

- UM is a mandatory coverage
- The compulsory limit is \$20,000 each person and \$40,000 each accident, increased limits are available.
- This coverage does not duplicate payments under PIP
- UM limits may never be greater than limits of Part 5

Property Damage (Part 4)

- Property Damage is a mandatory coverage
- Each vehicle on the policy must carry the same PD limits
- The basic limit is \$5,000 each accident, increased limits are available

Optional Coverage's

Optional Bodily Injury (Part 5)

- Optional Bodily Injury is an optional coverage
- Each vehicle on the policy must carry the same Optional BI limits
- The basic limit is \$20,000 each person and \$40,000 each accident, increased limits are available.

Medical Payments (Part 6)

- Medical Payments is an optional coverage
- Each vehicle on the policy must carry the same limit of medical payments
- A limit of \$5,000 each person will be offered at the time of application; higher and lower limits are available.
- This coverage does not duplicate payments under PIP

Physical Damage (Part 7, 8 and 9)

Physical damage coverage is applied at a vehicle level:

- Comprehensive and Collision/Limited Collision deductibles may be different
- Collision/ Limited Collision are not available without comprehensive coverage
- No Physical Damage only policies will be written
- Comprehensive and Collision/ Limited Collision are subject to a basic deductible of \$500. A deductible of \$300 is available subject to underwriting requirements established by the insurer, as permitted by law. Higher deductibles are available at the option of the insured.
- If Collision coverage is selected on a vehicle then Limited Collision is not available on that same vehicle
- Physical Damage coverage is written on an actual cash value basis
- Physical Damage coverage is not available for symbols 26, 27 or vehicles 25 years of age or older at new business
- Waiver of Deductible for collision coverage is available at the option of the insured

Roadside Assistance Coverage (Part 10)

A. Roadside Assistance

- Comprehensive and collision coverage must be present
- Provides towing expense to the nearest qualified repair facility
- Labor at the time and place of disablement due to:
 - Electrical or mechanical breakdown

- Dead Battery
- Flat tire
- Lack of essential fluids (fuel, oil, water, or other fluid)
- Trip charges
- Maximum out of network limit is \$300 per occurrence
- Roadside Assistance will not be available for symbols 50, 51 or 52.

Includes trailers being towed by motorcycle/ATV.

B. Trip Interruption Coverage

- We will pay up to \$400 per occurrence for lodging, meals and transportation costs when a covered Comprehensive or Collision loss occurs more than 100 miles from your primary residence.
- Trip Interruption coverage is only available for vehicles that are licensed and registered for street use.
- No deductible applies to this coverage
- Trip Interruption will not be available for symbols 50, 51 or 52

Custom Parts & Equipment/Safety Riding Apparel Coverage (Part 11)

Custom Parts & Equipment cover after-market non original manufacturer installed equipment, devices, accessories, enhancements and changes which alter the appearance or performance of the insured vehicle. This will include but is not limited to: electronic equipment that is permanently installed using bolts or brackets; sidecars; trike conversion kits; trailers to be pulled behind the insured vehicle; safety riding apparel; and custom paint, exhaust or plating.

- Safety apparel which includes leather, helmets, etc... will not be covered for the peril of theft
- This is a vehicle level coverage
- Comprehensive must be present
- Deductibles are the same as physical damage
- First \$3,000 covered at no extra premium
- \$500 maximum limit on per helmet
- \$2,000 maximum limit on custom paint
- Maximum insurable amount is \$20,000 per vehicle

UIM (Part 12)

- UIM is an optional coverage
- If UIM is selected for one vehicle it must be selected for all vehicles at the same limits
- The basic limit is \$20,000 each person and \$40,000 each accident, increased limits are available.
- This coverage does not duplicate payments under PIP
- UIM limits may never be greater than limits of Part 5
- If UIM is selected it must carry the same limit as Part 3

RULE 3: Mandatory Offer of Coverage

Massachusetts law requires the company that provides Compulsory Insurance Coverage's to make a mandatory offer to issue to any person so insured additional coverage's consisting of:

- Limits up to \$35,000 each person and \$80,000 each accident for parts 3, 5, and 12.
- \$5,000 each person for Part 6.
- Parts 7, 8, and 9, subject to a basic deductible of \$500.
- Part 10 – Roadside Assistance.

This rule does not apply to off-road vehicles.

RULE 4: Standard Procedures

A. Cancellations

- There will be no minimum earned premium
- All insured requested cancellations will be computed pro-rata
- Non-Payment of premium will be computed pro-rata
- Company requested cancels will be computed pro-rata

B. Reactivations

- A policy may be eligible for reactivation.
- The reactivation will be effective the time and day the coverage cancelled.

RULE 5: Residence and Location

The proper rate schedules and rules are those effective in the city or town where the vehicle is principally garaged. No adjustment of the premium shall be made by reason of a change in the place of principal garaging during the policy period unless such change is permanent.

Massachusetts registration is required of non-residents in accordance with reciprocal agreements with the various states as determined by the Registry of Motor Vehicles.

Any motor vehicle owned by a NON-RESIDENT of Massachusetts for which Massachusetts registration is required, regularly garaged INSIDE the Commonwealth, shall be charged the rate for the territory in which the motor vehicle is principally garaged by such NON-RESIDENT during the period of Massachusetts registration.

RULE 6: Reserved For Future Use

RULE 7: Policy Period

- The policy term will be a 12 months.

RULE 8: Changes

- A. All changes to a policy during its term which require adjustments of premium shall be computed pro rata based on the rates in effect on the policy inception date.
- B. We will compute any additional or return premium pro rata. Additional or return premium of \$5 or less will be waived unless specifically requested by your customer.
- C. If additional premium is due, we will bill your customer with instructions to pay the additional premium directly to us (Safeco). Return premium checks will be issued by us and sent to your customer.
- D. Endorsements that are effective prior to the most current renewal processing period will be rated using rates applicable to that policy term or with new rates in the event of a rate revision.

RULE 9: Reserved For Future Use

RULE 10: Certified Risks – Financial Responsibility Laws

- At the insured's request, the Company will issue a Type-1 (any vehicle owned) financial responsibility filing for any listed driver on the policy.
- Any policy with a filing must offer liability limits that satisfy minimum financial responsibility requirements for the state requesting the filing. Any driver requesting a filing must have a verifiable driving record and cannot be excluded from the policy.
- The Company will cancel the filing upon lapse or expiration of the policy. The filing will be reinstated if the policy reactivates or renews.

RULE 11: Premium Calculation Rule

Refer to the Rate Manual Pages

RULE 12: Whole Dollar Premium Rule

- The premium for each vehicle shall be rounded to the nearest whole dollar after the application of all applicable discounts and surcharges, separately for each coverage provided by the policy.
- This procedure shall apply to all interim premium adjustments, including endorsements or cancellations at the request of the insured.

RULE 13: Installment Payment of Premiums

Refer to the Billing Plan (A separate motor vehicle insurance billing plan filing is pending)

RULE 14: Reserved For Future Use

RULE 15: Minimum Written Premium

There will be a minimum written premium of \$100.00 per policy.

RULE 16: Deductibles – Parts 7, 8 and 9

- Deductibles, higher than the standard deductible, are available for Collision, Limited Collision and Comprehensive Coverage's.
- Refer to Rate Manual Pages for available limits and factors.
- Waiver of Deductible for collision coverage is available at the option of the insured

RULE 17: Roadside Assistance (Part 10)

A. Roadside Assistance

- Comprehensive and collision coverage must be present
- Provides towing expense to the nearest qualified repair facility
- Labor at the time and place of disablement due to:
 - Electrical or mechanical breakdown
 - Dead Battery
 - Flat tire
 - Lack of essential fluids (fuel, oil, water, or other fluid)
- Trip charges
- Maximum out of network limit is \$300 per occurrence
- Roadside Assistance will not be available for symbols 50, 51 or 52.

Includes trailers being towed by motorcycle/ATV.

B. Trip Interruption Coverage

- We will pay up to \$400 per occurrence for lodging, meals and transportation costs when a covered Comprehensive or Collision loss occurs more than 100 miles from your primary residence.
- Trip Interruption coverage is only available for vehicles that are licensed and registered for street use.
- No deductible applies to this coverage
- Trip Interruption will not be available for symbols 50, 51 or 52

RULE 18: Termination of Insurance

A. Cancellations

The following provisions apply when a policy is cancelled:

1. If a policy is canceled by the company or by the insured at any time the return premium shall be computed pro rata. "Policy" in this instance includes a copy of the coverage selections page showing the final approved rates for that policy year.

2. **Theft of Vehicle or Plates**
 - a. If the insured vehicle is stolen or destroyed (total or constructive total loss) and cancellation is requested by the insured within thirty days following the date the vehicle is stolen or destroyed, the return premium for all coverage's (including the premium for the coverages under which loss was paid) shall be calculated on a pro rata basis from the day following the date of such loss.

 - b. If the insured registration plates are stolen or destroyed, a lost plate affidavit is to be issued to the Registry of Motor Vehicles canceling only coverage with respect to such plates effective the day following the date of such loss, and the policy shall continue to provide coverage with respect to any replacement plates.

 - c. If the insured files a lost plate affidavit with the Registry of Motor Vehicles, the Company may cancel the policy.

3. Except as otherwise provided by law, no cancellation of the policy, or any of its parts, whether by the company or by the insured, shall be valid unless written notice thereof is given by the party proposing cancellation to the other party at least twenty days in each case prior to the intended effective date thereof. Notice of cancellation sent by the Company to the insured and the loss payee at the addresses stated in the policy by regular mail for which a certificate of mailing receipt has been obtained from the United States Postal Service, shall be a sufficient notice and that an affidavit of any officer, producer, or employee of the company, duly authorized for the purpose that he has so sent such addressed as aforesaid, shall be prima facie evidence of the sending thereof as aforesaid. When the cancellation becomes effective, the Company shall electronically transmit the pertinent data to the Registry of Motor Vehicles in the manner prescribed by the Uninsured Motorists System (UMS). The written notice to the insured shall specify the reason or reasons for cancellation. If the reason for cancellation is non-payment of premium, the notice of cancellation shall state the amount of deficiency of the premium and fees owed to the Company for all the insurance provided and shall state in substance that the cancellation will not be effective if the insured pays the full amount of the premium and fees due on or prior to the effective date of the cancellation. If a cancellation of the policy results in a return premium of less than \$5.00, no refund need be made except at the request of the insured, in which case the actual return premium shall be allowed.

B. Sale or Transfer of Motor Vehicle, Surrender of Registration Plates, or Filing of a New Certificate

The policy shall terminate upon:

1. The sale or transfer of title by the owner of the motor vehicle or trailer thirty (30) days after the transfer unless the owner has registered a replacement motor vehicle.
2. The surrender to the Registry of Motor Vehicles of the registration plates issued to the owner of the motor vehicle by the Registrar of Motor Vehicles under Chapter 90, with a written statement, in such form as the Registrar may require, that they are surrendered to cancel the registration of, and the insurance under, the policy for such motor vehicle or trailer.
3. The filing with the Registry a certificate of insurance of another company as of the effective date of such certificate.

NOTE: If more than one motor vehicle or trailer is described in the policy, the termination of coverage applies only to the motor vehicle or trailer involved in one of the situations described above.

C. Reinstatement

If a policy has been cancelled by the Company, and such policy is later reinstated by the Board of Appeal on Motor Vehicle Liability Policies and Bonds or by a court of competent jurisdiction, the premium charge for the unexpired term of the policy shall be calculated pro rata on the premium applicable to the policy when originally issued.

D. Plates Returned Receipt

In the event that a policy has been terminated by

- (a) sale or transfer of the motor vehicle, or
- (b) surrender of the registration plates by the owner of the motor vehicle with a written statement in such form as the Registrar may require, that they are surrendered to cancel the registration of, and the insurance under, the policy for such motor vehicle or trailer.

A receipt from the Registry of Motor Vehicles stating that the registration plates have been surrendered must be furnished to the Company, except that the Company may verify plate return electronically in lieu of receipt.

E. Leased Vehicles under Long Term Contract

In the event a policy on a leased vehicle under a long-term contract is cancelled, the cancellation notice is to be issued in the name of the person or organization to whom the policy was issued. A copy of the cancellation notice must be sent to the owner/registrant also, if it is other than the person to whom the policy was issued.

Upon the intended effective date of cancellation, a notice issued in the name of the actual owner/registrant must be electronically transmitted to the Registry by the Company.

RULE 19: Discounts

A. Motorcycle Safety Credit

- Motorcycle Safety Course/Instructor
 - Must have certificate verifying completion of course or instructor certificate within the past 3 years
 - Credit will maintain 3 years after completion/certificate date
 - A credit applies to all coverage's except Custom Parts & Equipment, PIP and Roadside Assistance.

B. Multi-Cycle Credit

A credit may be applied to all coverages excluding PIP and Roadside Assistance if the policy contains more than one motorcycle/ATV/Snowmobile/Golf Cart.

C. Companion Policy Credit

Any supporting personal lines property & casualty Safeco insurance product for the named insured reduces all coverages excluding PIP and Roadside Assistance.

D. Prior Insurance Credit

When the below criteria are met a credit will apply to all coverage's excluding PIP and Roadside Assistance.

- Continuous motorcycle insurance in the previous 12 months
- Up to 5 day gap between the effective date of our policy and the prior insurance expiration date is allowable
- The discount is eligible at new business only.

E. Garaging Credit

A credit will apply to comprehensive coverage when the motorcycle/ATV/Snowmobile/Golf Cart is locked in a secured structure overnight

F. Paid In Full Credit

If the policy term premium is paid in full at inception or renewal a credit will apply to all coverage's.

G. Maximum Discount

A maximum discount of 40% per coverage is allowed. All discounts are included in the maximum discount calculation with the exception of the Paid in Full, Claim Free, Experience & Senior.

H. Recovery Device Credit

A credit will apply to comprehensive coverage if a vehicle is equipped with a device that uses a radio frequency network in conjunction with a participating police agency to locate the vehicle.

I. Anti-Lock Braking System Credit

A credit will apply to all coverage s except PIP, Comprehensive and Roadside Assistance if the vehicle is equipped with a factory installed Anti-Lock Braking System (ABS).

J. Claim Free Renewal Credit

- A Claim Free Renewal discount of will be applied to all coverages except PIP and Roadside Assistance when policy has been in effect for at least 12 months and no at-fault claims have been paid during the previous term.
- Discount will be removed on first subsequent renewal after a payment is made for an at-fault claim.

K. Experience Credit

A discount will be applied to all coverages except PIP and Roadside Assistance for each rider when their motorcycle/ATV/snowmobile operating experience is 1 or more years (Riding experience will be determined at new business). Symbols 18 and 23 (Golf Carts) are ineligible for this discount.

L. Ownership Credit

A discount will be applied to all coverages except PIP and Roadside Assistance on any vehicle the named insured has owned for 2 or more calendar years.

M. Residence Insurance Credit

A discount applies to all coverages excluding PIP and Roadside Assistance when the named insured is also a named insured under a homeowner, condominium owner, renters, or mobile home owner's policy covering their principal residence.

N. Senior Discount

- Operators aged 65 or older shall receive the Senior Discount. "Age" shall mean an operator's age at policy expiration for the purpose of the Senior Discount.
- Refer to rate order calculation for application of the discount

O. Policy Transfer Discount

The Policy Transfer Discount is applied to a new business policy which is part of an agreed, qualified book transfer from a designated Non-Safeco company. The discount is applied at the policy level and will decrease by 2 percentage points per policy term until the effective discount is zero percent.

RULE 20 - 24: Reserved For Future Use

RULE 25: Symbol Designation

A. Symbols

Motorcycle/ATV/Snowmobile/Golf Cart symbols will be assigned by the agent using a lookup table. If a vehicle does not have a symbol assigned it will be assigned by the agent using a symbol definition sheet containing pictures and descriptions.

| SYMBOL | DESCRIPTION |
|--------|--|
| 2 | Standard |
| 3 | Off Road |
| 4 | HD Group – (FX Dyna Models) |
| 5 | HD Group – (FL Tour Models) |
| 6 | HD Group - (XL/Sportsters Models) |
| 7 | Cruiser |
| 8 | Tour |
| 9 | Tour Sport |
| 10 | HD Group - (V-Rod/CVO Models) |
| 11 | Sport Bike – (Naked Sport Models) |
| 12 | Sport Bike – (Partial Fairing/Remaining Models) |
| 13 | Super Sport – (Full Fairing/Remaining Models) |
| 14 | Super Sport - (Full Fairing/Mid Performance Models) |
| 15 | Super Sport - (Full Fairing/High Performance Models) |
| 16 | HD Group - (FL/FX ex Dyna/Tour Models) |
| 17 | Performance Cruiser |
| 18 | Street Golf Cart |
| 19 | ATV Steering |
| 20 | ATV Utility |
| 21 | ATV Sport |
| 22 | Dual |
| 23 | Golf Carts |
| 24 | Limited Production Cruisers (Other Models*) |
| 25 | Limited Production Scooters/Mopeds |
| 26 | Homemade / Kit Bikes |
| 27 | Limited Production Cruisers (Custom one of a kind**) |
| 28 | Electric |
| 29 | Trikes |
| 30 | Scooter / Mopeds |
| 31 | Street ATV Utility |
| 32 | Street ATV Sport |
| 33 | Street ATV Steering |
| 34 | Electric ATV |
| 35 | Electric Dirt Bike |
| 50 | Regular Snowmobile |
| 51 | Sport Snowmobile |
| 52 | Touring Snowmobile |

*Example: Big Dog or Titan

**Example: Thunder Cycle Design or Arlen Ness

B. Homemade/Kit Motorcycle/ATV/Snowmobile Symbol Classification

- Any Motorcycle/ATV/Snowmobile constructed or assembled including, but not limited to: non-factory built, built from kit, after-market frame, been rebuilt, re-titled, salvaged, or has a non-factory engine case.
- Any Motorcycle/ATV/Snowmobile with a state assigned VIN
- Physical damage is not available for these vehicles

C. Trike Symbol Classification

A trike must be a motorcycle converted to a 3-wheeled vehicle with a trike conversion kit. The kit must be produced by an established manufacturer In addition:

- Must have the original motorcycle manufacturer's engine
- May not have any front fork modifications
- A photo of the trike must accompany the application
- For proper coverage the trike conversion kit must be listed under Custom Parts & Equipment and a separate premium paid

D. Cycle Age

- The original Motorcycle/ATV/Snowmobile/Golf Cart manufacturer assigns the model year. If the Motorcycle/ATV/Snowmobile/Golf Cart is rebuilt or structurally altered, the model year of the chassis determines the model year of the Motorcycle/ATV/Snowmobile/Golf Cart. The cycle age will be computed by subtracting the model year of the Motorcycle/ATV/Snowmobile/Golf Cart from the term effective year of the policy

RULE 26 - 27: Reserved For Future Use

RULE 28: Motorcycle Classification

Driver Assignment

1. Drivers will be placed into two categories – those who will drive only off-road – “dirt” vehicles (restricted) and those who may drive all vehicles (unrestricted).
2. Vehicles will be grouped into two categories – ‘dirt’ vehicles and vehicles that may be driven on the “street” (dual purpose vehicles will be considered the latter).
3. When assigning drivers we will first pool the unrestricted drivers and on-road “street” vehicles (Group 1). We will assign the highest rated Group 1 driver to the highest rated Group 1 vehicle. We will then match the 2nd highest rated driver to the 2nd highest rated vehicle and so on. We will continue to do this until we run out of vehicles.
 - A. If we have more drivers than vehicles in Group 1 the excess drivers will not be assigned to a Group 1 vehicle.
 - B. If we have more vehicles than drivers in Group 1 we will assign the vehicles that have not yet been matched to a driver to the lowest rated driver in Group 1.
4. We will next create the second driver assignment pool. This will include any drivers who were not rated in Group 1, all restricted drivers and all ‘dirt’ vehicles. This group will be called Group 2.
5. We will then assign the highest rated driver in Group 2 to the highest rated Group 2 (off-road – “dirt”) vehicle. We will then match the 2nd highest rated driver to the 2nd highest rated vehicle and so on. We will continue to do this until we run out of vehicles.
 - A. If we have more drivers than vehicles in Group 2 the excess drivers will not be assigned to a Group 2 vehicle.
 - B. If we have more vehicles than drivers in Group 2 we will assign the vehicles that have not yet been matched to a driver to the lowest rated driver on the policy.

RULE 29: Reserved For Future Use

RULE 30: Personal Injury Protection (Part 2)

The policyholder, at his/her option, may elect an amount to be deducted from the amounts otherwise due each person subject to the deduction, under the following conditions:

- The option of electing a deductible shall be limited to individual insured's and shall apply only to private passenger vehicles owned by such insured's. As used herein, "individual" includes joint ownership by lawfully married individuals residing in the same household.
- The eligible policyholder may select a deductible amount of \$100, \$250, \$500, \$1,000, \$2,000, \$4,000 or \$8,000.
- The basic limit is \$8,000 each person
- The deductible applicable to the "Policyholder alone" is the only deductible available if the policyholder is the only member of the household, regardless of the number of vehicles which he owns. Lawfully married individuals having joint ownership and registration of a single motor vehicle which is the only vehicle in the household shall be considered to be an individual for purposes of bullet 5 of this rule. In such a case the same form of deductible must apply to both of the lawfully married individuals.
- Either the deductible for the policyholder "alone" or the policyholder and household members is available to a policyholder who has two or more members in his household and there is one motor vehicle in the household.
- The deductible applicable to the policyholder and household members is the only deductible available for the election if there are two or more members in the household, and also two or more motor vehicles insured for Personal Injury Protection by household members.
- If two or more vehicles are insured under a single policy, the same deductible election shall apply to all vehicles insured under such a policy.
- As used in this rule, the term "household members" means those persons living in the policyholder's household who are related to the policyholder by blood, marriage or adoption. This includes wards or foster children.
- Pursuant to 211 CMR 3.00, PIP does not cover owners or operators of, or guests upon, motorcycles who suffer bodily injury while operating, or riding as a guest upon, such vehicles.
- PIP is not available for symbols 50, 51 and 52.

RULE 31 - 35: Reserved For Future Use

RULE 36: Years Driving Experience Factor

The number of years driving experience is considered in rating. It is measured as the number of years since first licensed to drive an automobile anywhere in the world. Refer to the Rate Manual Pages.

RULE 37 - 45: Reserved For Future Use

RULE 46: Custom Parts & Equipment/Safety Riding Apparel Coverage (Part 11)

Custom Parts & Equipment cover after-market non original manufacturer installed equipment, devices, accessories, enhancements and changes which alter the appearance or performance of the insured vehicle. This will include but is not limited to: electronic equipment that is permanently installed using bolts or brackets; sidecars; trike conversion kits; trailers to be pulled behind the insured vehicle; safety riding apparel; and custom paint, exhaust or plating.

- Safety apparel which includes leather, helmets, etc... will not be covered for the peril of theft
- This is a vehicle level coverage
- Comprehensive must be present
- Deductibles are the same as physical damage
- First \$3,000 covered at no extra premium
- \$500 maximum limit on per helmet
- \$2,000 maximum limit on custom paint
- Maximum insurable amount is \$20,000 per vehicle

RULE 47 - 55: Reserved For Future Use

RULE 56: Driving Record Rating

Point charges are assessed on both violations and accidents based on the conviction date (see point assessment overview at the bottom of the rule). When multiple points are applicable to one occurrence, only the accident or violation with the highest points will be charged.

The experience period is 36 months prior to the effective date of the policy.

Three points shall be assigned for chargeable motor vehicle accidents involving the applicant, or any operator of the motorcycle/ATV/Snowmobile/Golf Cart currently a resident in the same household, while operating any vehicle. At-fault accidents, occurring prior to July 1, 2015, which result in payment greater than or equal to \$500 for Property Damage liability, Collision or Bodily Injury liability result in a merit surcharge. At-fault accidents, occurring on or after July 1, 2015, which result in payment greater than or equal to \$1,000 for Property Damage liability, Collision or Bodily Injury liability result in a merit surcharge. Accidents are chargeable unless proof of not-at-fault is provided. Such proof should establish that the accident in question:

- Was not caused by or significantly contributed to by the actions of the insured; or
- That the insured was less than 50% at fault. Proper proof includes:
 - A copy of the police report or court documentation; or
 - A letter from the previous carrier; or
 - Any other documentation which proves lack of fault

No point shall be assigned for an accident if the insured demonstrates that the accident occurred under the following circumstances:

The vehicle was lawfully parked

- The accident was caused by collision with a bird or animal
- The vehicle was struck by a “hit and run” driver and the accident was reported to the proper authorities within 72 hours
- A non-rated driver was convicted of a moving violation in connection with the accident
- The accident is one judgment or reimbursement is obtained from other party, providing the company makes no liability payment on behalf of the insured
- The vehicle was stopped at a stop sign or traffic light when it was rear-ended by another vehicle, or the rated driver was clearly not at fault
- The accident involved physical damage limited to and caused by flying gravel, missiles, or falling objects
- The owner or operator of the insured vehicle was reimbursed (or received judgment against another) for more than 50% of the property damage

Violations

| Violation Type | 1 st | 2 nd | 3 rd | 4 th or more |
|-----------------------|-----------------|-----------------|-----------------|-------------------------|
| | All Products | | | |
| Minor* | 2 | 2 | 4 | 4 |
| Major or DWI† | 5 | 5 | 5‡ | 5‡ |
| Speeding | 2 | 2 | 4 | 4 |
| Accident not at-fault | 0 | 0 | 0 | 0 |
| Accident at-fault | 3 | 3 | 3 | 3‡ |

* Example: bus, car pool or HOV lane violation

† Example: aggravated assault with a vehicle

‡ Not available for new business

RULE 57 – Structural/Performance Modification Surcharge

A surcharge will apply to all coverage's excluding PIP and Roadside Assistance when the performance of the motorcycle/ATV/Snowmobile has been enhanced through the addition of a turbo kit or when any structural change/modification or physical alteration of the frame has occurred.

RULE 58: Registry of Motor Vehicle Procedures

The following is a general summary of Registry of Motor Vehicles procedures. For specific details about procedures, contact the Registry.

Registration Requirements

A Registration is required for all vehicles and trailers. A complete "RMV-1" form must be submitted, along with the previous owner's title or certificate of origin, or bill of sale for a vehicle that has not been titled previously.

Six to eight weeks prior to the expiration date of registration, the Registry will mail an "RMV-2" renewal card, which will show the current registration data for the owner of the vehicle and the vehicle. Certain changes may be made by the owner on the application.

An "RMV-3" Amendment of Registration form may be used to change information on a current registration, renew a current registration if an "RMV-2" form has not been received, swap from one license plate to another type of plate, such as a vanity plate, and re-register a vehicle for the same owner, if a new title is not required.

Registration Transfer

Valid plates from a previously-owned vehicle may be transferred to a newly acquired vehicle provided the owner is at least eighteen and has lost possession of the vehicle through either a transfer of ownership or sale of the vehicle.

An owner has seven (7) calendar days to operate a newly acquired vehicle with current plates before the transfer is processed at the Registry, and the intent of the owner is to transfer the registration from the previous vehicle to a newly acquired vehicle of the same type. Restrictions on a registration transfer are: the owner must be the same on both vehicles, the transferred registration must be active, and the new vehicle must have the same type of plates.

Salvage Titles

All vehicles for which an insurance company has made a total loss payment must be titled as salvage vehicle except for vehicles 10 years old or older. A vehicle which has a Salvage Title may not be provided with physical damage insurance until a new Certificate of Title is issued by the Registry. The Reconstructed or Recovered Theft Title will be awarded after the vehicle has passed a salvage inspection. The vehicle must either be towed to the salvage inspection title site or a repair plate must be attached.

RULE 59 - 61: Reserved For Future Use

**MASSACHUSETTS
MOTORCYCLE
INSURANCE MANUAL**
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RULE 1: Massachusetts Motorcycle Insurance Policy – Eligibility

Definition of Motorcycle

1. Motorcycle – means a motorcycle, motorbike, motor scooter, or motorized trike that is designed for operation principally upon public roads and has at least two wheels, but not more than three wheels. The term motorcycle does not include:
 - a. Any vehicle operated on rails or crawler treads.
 - b. Any vehicle while it is located for use as a residence or premises.
 - c. A farm tractor or other equipment designed for use principally off public roads.
 - d. Any vehicle not subject to Massachusetts Motor Vehicle registration such as a moped, dirt bike, mini-bike, snowmobile or all-terrain vehicle (ATV).
2. Off-road vehicle – means any ATV, dirt bike, golf cart, Segway®, or snowmobile which is designed for operation principally off public roads.

Unacceptable Risks

- Operators with a canceled, revoked, or suspended license
- Any operator of a ‘dirt’ motorcycle/ATV/Snowmobile/Golf Cart who is not 14 years of age or older
- Any operator of a ‘street’ motorcycle who does not have a valid driver’s license
- Operators of ‘street’ or ‘dual’ motorcycles who do not have valid motorcycle endorsed driver’s license
- Operators of ‘dirt’ vehicles eligible for a driver’s license (not licensed for road use) who do not have a valid driver’s license
- Operators who are not permanent residents (ten-month intended stay) of the rating state
- Operators who do not have a permanent in state garaging address
- Operators who have been convicted of insurance fraud
- Any applicant who has more than 6 minors, 2 majors, and 3 at fault accidents in the experience period
- Any applicant requiring an SR22 filing
- Operators who are not a permanent resident of the named insured’s household
- Vehicles rented or leased to others
- Vehicles used for business purposes or commercial purposes including pick up or delivery of goods, funerals, or escort service
- Vehicles to be used for racing or speed contests
- Vehicles containing nitrous oxide kits
- Motorcycles with front fork extension greater than 6 inches over original manufacturers length
- Motorcycles with handlebar extension greater than 6 inches over original manufacturers length
- Dune buggies and go-carts
- Physical damage only policies
- Vehicles on a consignment lot
- Vehicles not fully assembled or individual parts
- 3 wheeled ATV’s
- Previously totaled or vehicles with salvage titles are not eligible for physical damage coverage
- Risks without Optional BI coverage

RULE 2: Coverage's and Limits

Compulsory Insurance Coverage's

Compulsory Bodily Injury (Part 1)

- Compulsory Bodily Injury is a mandatory coverage
- Each vehicle on the policy must carry the same Compulsory BI limits
- The compulsory limit is \$20,000 each person and \$40,000 each accident

Personal Injury Protection (Part 2 – Mandatory for all eligible vehicle types)

The policyholder, at his/her option, may elect an amount to be deducted from the amounts otherwise due each person subject to the deduction, under the following conditions:

- The option of electing a deductible shall be limited to individual insured's and shall apply only to private passenger vehicles owned by such insured's. As used herein, "individual" includes joint ownership by lawfully married individuals residing in the same household.
- The eligible policyholder may select a deductible amount of \$100, \$250, \$500, \$1,000, \$2,000, \$4,000 or \$8,000.
- The basic limit is \$8,000 each person
- The deductible applicable to the "Policyholder alone" is the only deductible available if the policyholder is the only member of the household, regardless of the number of vehicles which he owns. Lawfully married individuals having joint ownership and registration of a single motor vehicle which is the only vehicle in the household shall be considered to be an individual for purposes of bullet 5 of this rule. In such a case the same form of deductible must apply to both of the lawfully married individuals.
- Either the deductible for the policyholder "alone" or the policyholder and household members is available to a policyholder who has two or more members in his household and there is one motor vehicle in the household.
- The deductible applicable to the policyholder and household members is the only deductible available for the election if there are two or more members in the household, and also two or more motor vehicles insured for Personal Injury Protection by household members.
- If two or more vehicles are insured under a single policy, the same deductible election shall apply to all vehicles insured under such a policy.
- As used in this rule, the term "household members" means those persons living in the policyholder's household who are related to the policyholder by blood, marriage or adoption. This includes wards or foster children.
- Pursuant to 211 CMR 3.00, PIP does not cover owners or operators of, or guests upon, motorcycles who suffer bodily injury while operating, or riding as a guest upon, such vehicles.
- PIP is not available for symbols 50, 51 and 52.

UM (Part 3)

- UM is a mandatory coverage
- The compulsory limit is \$20,000 each person and \$40,000 each accident, increased limits are available.
- This coverage does not duplicate payments under PIP
- UM limits may never be greater than limits of Part 5

Property Damage (Part 4)

- Property Damage is a mandatory coverage
- Each vehicle on the policy must carry the same PD limits
- The basic limit is \$5,000 each accident, increased limits are available

Optional Coverage's

Optional Bodily Injury (Part 5)

- Optional Bodily Injury is an optional coverage
- Each vehicle on the policy must carry the same Optional BI limits
- The basic limit is \$20,000 each person and \$40,000 each accident, increased limits are available.

Medical Payments (Part 6)

- Medical Payments is an optional coverage
- Each vehicle on the policy must carry the same limit of medical payments
- A limit of \$5,000 each person will be offered at the time of application; higher and lower limits are available.
- This coverage does not duplicate payments under PIP

Physical Damage (Part 7, 8 and 9)

Physical damage coverage is applied at a vehicle level:

- Comprehensive and Collision/Limited Collision deductibles may be different
- Collision/ Limited Collision are not available without comprehensive coverage
- No Physical Damage only policies will be written
- Comprehensive and Collision/ Limited Collision are subject to a basic deductible of \$500. A deductible of \$300 is available subject to underwriting requirements established by the insurer, as permitted by law. Higher deductibles are available at the option of the insured.
- If Collision coverage is selected on a vehicle then Limited Collision is not available on that same vehicle
- Physical Damage coverage is written on an actual cash value basis
- Physical Damage coverage is not available for symbols 26, 27 or vehicles 25 years of age or older at new business
- Waiver of Deductible for collision coverage is available at the option of the insured

Roadside Assistance Coverage (Part 10)

A. Roadside Assistance

- Comprehensive and collision coverage must be present
- Provides towing expense to the nearest qualified repair facility
- Labor at the time and place of disablement due to:
 - Electrical or mechanical breakdown

- Dead Battery
- Flat tire
- Lack of essential fluids (fuel, oil, water, or other fluid)
- Trip charges
- Maximum out of network limit is \$300 per occurrence
- Roadside Assistance will not be available for symbols 50, 51 or 52.

Includes trailers being towed by motorcycle/ATV.

B. Trip Interruption Coverage

- We will pay up to \$400 per occurrence for lodging, meals and transportation costs when a covered Comprehensive or Collision loss occurs more than 100 miles from your primary residence.
- Trip Interruption coverage is only available for vehicles that are licensed and registered for street use.
- No deductible applies to this coverage
- Trip Interruption will not be available for symbols 50, 51 or 52

Custom Parts & Equipment/Safety Riding Apparel Coverage (Part 11)

Custom Parts & Equipment cover after-market non original manufacturer installed equipment, devices, accessories, enhancements and changes which alter the appearance or performance of the insured vehicle. This will include but is not limited to: electronic equipment that is permanently installed using bolts or brackets; sidecars; trike conversion kits; trailers to be pulled behind the insured vehicle; safety riding apparel; and custom paint, exhaust or plating.

- Safety apparel which includes leather, helmets, etc... will not be covered for the peril of theft
- This is a vehicle level coverage
- Comprehensive must be present
- Deductibles are the same as physical damage
- First \$3,000 covered at no extra premium
- \$500 maximum limit on per helmet
- \$2,000 maximum limit on custom paint
- Maximum insurable amount is \$20,000 per vehicle

UIM (Part 12)

- UIM is an optional coverage
- If UIM is selected for one vehicle it must be selected for all vehicles at the same limits
- The basic limit is \$20,000 each person and \$40,000 each accident, increased limits are available.
- This coverage does not duplicate payments under PIP
- UIM limits may never be greater than limits of Part 5
- If UIM is selected it must carry the same limit as Part 3

RULE 3: Mandatory Offer of Coverage

Massachusetts law requires the company that provides Compulsory Insurance Coverage's to make a mandatory offer to issue to any person so insured additional coverage's consisting of:

- Limits up to \$35,000 each person and \$80,000 each accident for parts 3, 5, and 12.
- \$5,000 each person for Part 6.
- Parts 7, 8, and 9, subject to a basic deductible of \$500.
- Part 10 – Roadside Assistance.

This rule does not apply to off-road vehicles.

RULE 4: Standard Procedures

A. Cancellations

- There will be no minimum earned premium
- All insured requested cancellations will be computed pro-rata
- Non-Payment of premium will be computed pro-rata
- Company requested cancels will be computed pro-rata

B. Reactivations

- A policy may be eligible for reactivation.
- The reactivation will be effective the time and day the coverage cancelled.

RULE 5: Residence and Location

The proper rate schedules and rules are those effective in the city or town where the vehicle is principally garaged. No adjustment of the premium shall be made by reason of a change in the place of principal garaging during the policy period unless such change is permanent.

Massachusetts registration is required of non-residents in accordance with reciprocal agreements with the various states as determined by the Registry of Motor Vehicles.

Any motor vehicle owned by a NON-RESIDENT of Massachusetts for which Massachusetts registration is required, regularly garaged INSIDE the Commonwealth, shall be charged the rate for the territory in which the motor vehicle is principally garaged by such NON-RESIDENT during the period of Massachusetts registration.

RULE 6: Reserved For Future Use

RULE 7: Policy Period

- The policy term will be a 12 months.

RULE 8: Changes

- A. All changes to a policy during its term which require adjustments of premium shall be computed pro rata based on the rates in effect on the policy inception date.
- B. We will compute any additional or return premium pro rata. Additional or return premium of \$5 or less will be waived unless specifically requested by your customer.
- C. If additional premium is due, we will bill your customer with instructions to pay the additional premium directly to us (Safeco). Return premium checks will be issued by us and sent to your customer.
- D. Endorsements that are effective prior to the most current renewal processing period will be rated using rates applicable to that policy term or with new rates in the event of a rate revision.

RULE 9: Reserved For Future Use

RULE 10: Certified Risks – Financial Responsibility Laws

- At the insured's request, the Company will issue a Type-1 (any vehicle owned) financial responsibility filing for any listed driver on the policy.
- Any policy with a filing must offer liability limits that satisfy minimum financial responsibility requirements for the state requesting the filing. Any driver requesting a filing must have a verifiable driving record and cannot be excluded from the policy.
- The Company will cancel the filing upon lapse or expiration of the policy. The filing will be reinstated if the policy reactivates or renews.

RULE 11: Premium Calculation Rule

Refer to the Rate Manual Pages

RULE 12: Whole Dollar Premium Rule

- The premium for each vehicle shall be rounded to the nearest whole dollar after the application of all applicable discounts and surcharges, separately for each coverage provided by the policy.
- This procedure shall apply to all interim premium adjustments, including endorsements or cancellations at the request of the insured.

RULE 13: Installment Payment of Premiums

Refer to the Billing Plan (A separate motor vehicle insurance billing plan filing is pending)

RULE 14: Reserved For Future Use

RULE 15: Minimum Written Premium

There will be a minimum written premium of \$100.00 per policy.

RULE 16: Deductibles – Parts 7, 8 and 9

- Deductibles, higher than the standard deductible, are available for Collision, Limited Collision and Comprehensive Coverage's.
- Refer to Rate Manual Pages for available limits and factors.
- Waiver of Deductible for collision coverage is available at the option of the insured

RULE 17: Roadside Assistance (Part 10)

A. Roadside Assistance

- Comprehensive and collision coverage must be present
- Provides towing expense to the nearest qualified repair facility
- Labor at the time and place of disablement due to:
 - Electrical or mechanical breakdown
 - Dead Battery
 - Flat tire
 - Lack of essential fluids (fuel, oil, water, or other fluid)
- Trip charges
- Maximum out of network limit is \$300 per occurrence
- Roadside Assistance will not be available for symbols 50, 51 or 52.

Includes trailers being towed by motorcycle/ATV.

B. Trip Interruption Coverage

- We will pay up to \$400 per occurrence for lodging, meals and transportation costs when a covered Comprehensive or Collision loss occurs more than 100 miles from your primary residence.
- Trip Interruption coverage is only available for vehicles that are licensed and registered for street use.
- No deductible applies to this coverage
- Trip Interruption will not be available for symbols 50, 51 or 52

RULE 18: Termination of Insurance

A. Cancellations

The following provisions apply when a policy is cancelled:

1. If a policy is canceled by the company or by the insured at any time the return premium shall be computed pro rata. "Policy" in this instance includes a copy of the coverage selections page showing the final approved rates for that policy year.

2. **Theft of Vehicle or Plates**
 - a. If the insured vehicle is stolen or destroyed (total or constructive total loss) and cancellation is requested by the insured within thirty days following the date the vehicle is stolen or destroyed, the return premium for all coverage's (including the premium for the coverages under which loss was paid) shall be calculated on a pro rata basis from the day following the date of such loss.

 - b. If the insured registration plates are stolen or destroyed, a lost plate affidavit is to be issued to the Registry of Motor Vehicles canceling only coverage with respect to such plates effective the day following the date of such loss, and the policy shall continue to provide coverage with respect to any replacement plates.

 - c. If the insured files a lost plate affidavit with the Registry of Motor Vehicles, the Company may cancel the policy.

3. Except as otherwise provided by law, no cancellation of the policy, or any of its parts, whether by the company or by the insured, shall be valid unless written notice thereof is given by the party proposing cancellation to the other party at least twenty days in each case prior to the intended effective date thereof. Notice of cancellation sent by the Company to the insured and the loss payee at the addresses stated in the policy by regular mail for which a certificate of mailing receipt has been obtained from the United States Postal Service, shall be a sufficient notice and that an affidavit of any officer, producer, or employee of the company, duly authorized for the purpose that he has so sent such addressed as aforesaid, shall be prima facie evidence of the sending thereof as aforesaid. When the cancellation becomes effective, the Company shall electronically transmit the pertinent data to the Registry of Motor Vehicles in the manner prescribed by the Uninsured Motorists System (UMS). The written notice to the insured shall specify the reason or reasons for cancellation. If the reason for cancellation is non-payment of premium, the notice of cancellation shall state the amount of deficiency of the premium and fees owed to the Company for all the insurance provided and shall state in substance that the cancellation will not be effective if the insured pays the full amount of the premium and fees due on or prior to the effective date of the cancellation. If a cancellation of the policy results in a return premium of less than \$5.00, no refund need be made except at the request of the insured, in which case the actual return premium shall be allowed.

B. Sale or Transfer of Motor Vehicle, Surrender of Registration Plates, or Filing of a New Certificate

The policy shall terminate upon:

1. The sale or transfer of title by the owner of the motor vehicle or trailer thirty (30) days after the transfer unless the owner has registered a replacement motor vehicle.
2. The surrender to the Registry of Motor Vehicles of the registration plates issued to the owner of the motor vehicle by the Registrar of Motor Vehicles under Chapter 90, with a written statement, in such form as the Registrar may require, that they are surrendered to cancel the registration of, and the insurance under, the policy for such motor vehicle or trailer.
3. The filing with the Registry a certificate of insurance of another company as of the effective date of such certificate.

NOTE: If more than one motor vehicle or trailer is described in the policy, the termination of coverage applies only to the motor vehicle or trailer involved in one of the situations described above.

C. Reinstatement

If a policy has been cancelled by the Company, and such policy is later reinstated by the Board of Appeal on Motor Vehicle Liability Policies and Bonds or by a court of competent jurisdiction, the premium charge for the unexpired term of the policy shall be calculated pro rata on the premium applicable to the policy when originally issued.

D. Plates Returned Receipt

In the event that a policy has been terminated by

- (a) sale or transfer of the motor vehicle, or
- (b) surrender of the registration plates by the owner of the motor vehicle with a written statement in such form as the Registrar may require, that they are surrendered to cancel the registration of, and the insurance under, the policy for such motor vehicle or trailer.

A receipt from the Registry of Motor Vehicles stating that the registration plates have been surrendered must be furnished to the Company, except that the Company may verify plate return electronically in lieu of receipt.

E. Leased Vehicles under Long Term Contract

In the event a policy on a leased vehicle under a long-term contract is cancelled, the cancellation notice is to be issued in the name of the person or organization to whom the policy was issued. A copy of the cancellation notice must be sent to the owner/registrant also, if it is other than the person to whom the policy was issued.

Upon the intended effective date of cancellation, a notice issued in the name of the actual owner/registrant must be electronically transmitted to the Registry by the Company.

RULE 19: Discounts

A. Motorcycle Safety Credit

- Motorcycle Safety Course/Instructor
 - Must have certificate verifying completion of course or instructor certificate within the past 3 years
 - Credit will maintain 3 years after completion/certificate date
 - A credit applies to all coverage's except Custom Parts & Equipment, PIP and Roadside Assistance.

B. Multi-Cycle Credit

A credit may be applied to all coverages excluding PIP and Roadside Assistance if the policy contains more than one motorcycle/ATV/Snowmobile/Golf Cart.

C. Companion Policy Credit

Any supporting personal lines property & casualty Safeco insurance product for the named insured reduces all coverages excluding PIP and Roadside Assistance.

D. Prior Insurance Credit

When the below criteria are met a credit will apply to all coverage's excluding PIP and Roadside Assistance.

- Continuous motorcycle insurance in the previous 12 months
- Up to 5 day gap between the effective date of our policy and the prior insurance expiration date is allowable
- The discount is eligible at new business only.

E. Garaging Credit

A credit will apply to comprehensive coverage when the motorcycle/ATV/Snowmobile/Golf Cart is locked in a secured structure overnight

F. Paid In Full Credit

If the policy term premium is paid in full at inception or renewal a credit will apply to all coverage's.

G. Maximum Discount

A maximum discount of 40% per coverage is allowed. All discounts are included in the maximum discount calculation with the exception of the Paid in Full, Claim Free, Experience & Senior.

H. Recovery Device Credit

A credit will apply to comprehensive coverage if a vehicle is equipped with a device that uses a radio frequency network in conjunction with a participating police agency to locate the vehicle.

I. Anti-Lock Braking System Credit

A credit will apply to all coverages except PIP, Comprehensive and Roadside Assistance if the vehicle is equipped with a factory installed Anti-Lock Braking System (ABS).

J. Claim Free Renewal Credit

- A Claim Free Renewal discount will be applied to all coverages except PIP and Roadside Assistance when policy has been in effect for at least 12 months and no at-fault claims have been paid during the previous term.
- Discount will be removed on first subsequent renewal after a payment is made for an at-fault claim.

K. Experience Credit

A discount will be applied to all coverages except PIP and Roadside Assistance for each rider when their motorcycle/ATV/snowmobile operating experience is 1 or more years (Riding experience will be determined at new business). Symbols 18 and 23 (Golf Carts) are ineligible for this discount.

L. Ownership Credit

A discount will be applied to all coverages except PIP and Roadside Assistance on any vehicle the named insured has owned for 2 or more calendar years.

M. Residence Insurance Credit

A discount applies to all coverages excluding PIP and Roadside Assistance when the named insured is also a named insured under a homeowner, condominium owner, renters, or mobile home owner's policy covering their principal residence.

N. Senior Discount

- Operators aged 65 or older shall receive the Senior Discount. "Age" shall mean an operator's age at policy expiration for the purpose of the Senior Discount.
- Refer to rate order calculation for application of the discount

O. Policy Transfer Discount

The Policy Transfer Discount is applied to a new business policy which is part of an agreed, qualified book transfer from a designated Non-Safeco company. The discount is applied at the policy level and will decrease by 2 percentage points per policy term until the effective discount is zero percent.

RULE 20 - 24: Reserved For Future Use

RULE 25: Symbol Designation

A. Symbols

Motorcycle/ATV/Snowmobile/Golf Cart symbols will be assigned by the agent using a lookup table. If a vehicle does not have a symbol assigned it will be assigned by the agent using a symbol definition sheet containing pictures and descriptions.

| SYMBOL | DESCRIPTION |
|--------|--|
| 2 | Standard |
| 3 | Off Road |
| 4 | HD Group – (FX Dyna Models) |
| 5 | HD Group – (FL Tour Models) |
| 6 | HD Group - (XL/Sportsters Models) |
| 7 | Cruiser |
| 8 | Tour |
| 9 | Tour Sport |
| 10 | HD Group - (V-Rod/CVO Models) |
| 11 | Sport Bike – (Naked Sport Models) |
| 12 | Sport Bike – (Partial Fairing/Remaining Models) |
| 13 | Super Sport – (Full Fairing/Remaining Models) |
| 14 | Super Sport - (Full Fairing/Mid Performance Models) |
| 15 | Super Sport - (Full Fairing/High Performance Models) |
| 16 | HD Group - (FL/FX ex Dyna/Tour Models) |
| 17 | Performance Cruiser |
| 18 | Street Golf Cart |
| 19 | ATV Steering |
| 20 | ATV Utility |
| 21 | ATV Sport |
| 22 | Dual |
| 23 | Golf Carts |
| 24 | Limited Production Cruisers (Other Models*) |
| 25 | Limited Production Scooters/Mopeds |
| 26 | Homemade / Kit Bikes |
| 27 | Limited Production Cruisers (Custom one of a kind**) |
| 28 | Electric |
| 29 | Trikes |
| 30 | Scooter / Mopeds |
| 31 | Street ATV Utility |
| 32 | Street ATV Sport |
| 33 | Street ATV Steering |
| 34 | Electric ATV |
| 35 | Electric Dirt Bike |
| 50 | Regular Snowmobile |
| 51 | Sport Snowmobile |
| 52 | Touring Snowmobile |

*Example: Big Dog or Titan

**Example: Thunder Cycle Design or Arlen Ness

B. Homemade/Kit Motorcycle/ATV/Snowmobile Symbol Classification

- Any Motorcycle/ATV/Snowmobile constructed or assembled including, but not limited to: non-factory built, built from kit, after-market frame, been rebuilt, re-titled, salvaged, or has a non-factory engine case.
- Any Motorcycle/ATV/Snowmobile with a state assigned VIN
- Physical damage is not available for these vehicles

C. Trike Symbol Classification

A trike must be a motorcycle converted to a 3-wheeled vehicle with a trike conversion kit. The kit must be produced by an established manufacturer In addition:

- Must have the original motorcycle manufacturer's engine
- May not have any front fork modifications
- A photo of the trike must accompany the application
- For proper coverage the trike conversion kit must be listed under Custom Parts & Equipment and a separate premium paid

D. Cycle Age

- The original Motorcycle/ATV/Snowmobile/Golf Cart manufacturer assigns the model year. If the Motorcycle/ATV/Snowmobile/Golf Cart is rebuilt or structurally altered, the model year of the chassis determines the model year of the Motorcycle/ATV/Snowmobile/Golf Cart. The cycle age will be computed by subtracting the model year of the Motorcycle/ATV/Snowmobile/Golf Cart from the term effective year of the policy

RULE 26 - 27: Reserved For Future Use

RULE 28: Motorcycle Classification

Driver Assignment

1. Drivers will be placed into two categories – those who will drive only off-road – “dirt” vehicles (restricted) and those who may drive all vehicles (unrestricted).
2. Vehicles will be grouped into two categories – ‘dirt’ vehicles and vehicles that may be driven on the “street” (dual purpose vehicles will be considered the latter).
3. When assigning drivers we will first pool the unrestricted drivers and on-road “street” vehicles (Group 1). We will assign the highest rated Group 1 driver to the highest rated Group 1 vehicle. We will then match the 2nd highest rated driver to the 2nd highest rated vehicle and so on. We will continue to do this until we run out of vehicles.
 - A. If we have more drivers than vehicles in Group 1 the excess drivers will not be assigned to a Group 1 vehicle.
 - B. If we have more vehicles than drivers in Group 1 we will assign the vehicles that have not yet been matched to a driver to the lowest rated driver in Group 1.
4. We will next create the second driver assignment pool. This will include any drivers who were not rated in Group 1, all restricted drivers and all ‘dirt’ vehicles. This group will be called Group 2.
5. We will then assign the highest rated driver in Group 2 to the highest rated Group 2 (off-road – “dirt”) vehicle. We will then match the 2nd highest rated driver to the 2nd highest rated vehicle and so on. We will continue to do this until we run out of vehicles.
 - A. If we have more drivers than vehicles in Group 2 the excess drivers will not be assigned to a Group 2 vehicle.
 - B. If we have more vehicles than drivers in Group 2 we will assign the vehicles that have not yet been matched to a driver to the lowest rated driver on the policy.

RULE 29: Reserved For Future Use

RULE 30: Personal Injury Protection (Part 2)

The policyholder, at his/her option, may elect an amount to be deducted from the amounts otherwise due each person subject to the deduction, under the following conditions:

- The option of electing a deductible shall be limited to individual insured's and shall apply only to private passenger vehicles owned by such insured's. As used herein, "individual" includes joint ownership by lawfully married individuals residing in the same household.
- The eligible policyholder may select a deductible amount of \$100, \$250, \$500, \$1,000, \$2,000, \$4,000 or \$8,000.
- The basic limit is \$8,000 each person
- The deductible applicable to the "Policyholder alone" is the only deductible available if the policyholder is the only member of the household, regardless of the number of vehicles which he owns. Lawfully married individuals having joint ownership and registration of a single motor vehicle which is the only vehicle in the household shall be considered to be an individual for purposes of bullet 5 of this rule. In such a case the same form of deductible must apply to both of the lawfully married individuals.
- Either the deductible for the policyholder "alone" or the policyholder and household members is available to a policyholder who has two or more members in his household and there is one motor vehicle in the household.
- The deductible applicable to the policyholder and household members is the only deductible available for the election if there are two or more members in the household, and also two or more motor vehicles insured for Personal Injury Protection by household members.
- If two or more vehicles are insured under a single policy, the same deductible election shall apply to all vehicles insured under such a policy.
- As used in this rule, the term "household members" means those persons living in the policyholder's household who are related to the policyholder by blood, marriage or adoption. This includes wards or foster children.
- Pursuant to 211 CMR 3.00, PIP does not cover owners or operators of, or guests upon, motorcycles who suffer bodily injury while operating, or riding as a guest upon, such vehicles.
- PIP is not available for symbols 50, 51 and 52.

RULE 31 - 35: Reserved For Future Use

RULE 36: Years Driving Experience Factor

The number of years driving experience is considered in rating. It is measured as the number of years since first licensed to drive an automobile anywhere in the world. Refer to the Rate Manual Pages.

RULE 37 - 45: Reserved For Future Use

RULE 46: Custom Parts & Equipment/Safety Riding Apparel Coverage (Part 11)

Custom Parts & Equipment cover after-market non original manufacturer installed equipment, devices, accessories, enhancements and changes which alter the appearance or performance of the insured vehicle. This will include but is not limited to: electronic equipment that is permanently installed using bolts or brackets; sidecars; trike conversion kits; trailers to be pulled behind the insured vehicle; safety riding apparel; and custom paint, exhaust or plating.

- Safety apparel which includes leather, helmets, etc... will not be covered for the peril of theft
- This is a vehicle level coverage
- Comprehensive must be present
- Deductibles are the same as physical damage
- First \$3,000 covered at no extra premium
- \$500 maximum limit on per helmet
- \$2,000 maximum limit on custom paint
- Maximum insurable amount is \$20,000 per vehicle

RULE 47 - 55: Reserved For Future Use

RULE 56: Driving Record Rating

Point charges are assessed on both violations and accidents based on the conviction date (see point assessment overview at the bottom of the rule). When multiple points are applicable to one occurrence, only the accident or violation with the highest points will be charged.

The experience period is 36 months prior to the effective date of the policy.

Three points shall be assigned for chargeable motor vehicle accidents involving the applicant, or any operator of the motorcycle/ATV/Snowmobile/Golf Cart currently a resident in the same household, while operating any vehicle. At-fault accidents, occurring prior to July 1, 2015, which result in payment greater than or equal to \$5040 for Property Damage liability, Collision or Bodily Injury liability result in a merit surcharge. At-fault accidents, occurring on or after July 1, 2015, which result in payment greater than or equal to \$1,000 for Property Damage liability, Collision or Bodily Injury liability result in a merit surcharge. Accidents are chargeable unless proof of not-at-fault is provided. Such proof should establish that the accident in question:

- Was not caused by or significantly contributed to by the actions of the insured; or
- That the insured was less than 50% at fault. Proper proof includes:
 - A copy of the police report or court documentation; or
 - A letter from the previous carrier; or
 - Any other documentation which proves lack of fault

No point shall be assigned for an accident if the insured demonstrates that the accident occurred under the following circumstances:

The vehicle was lawfully parked

- The accident was caused by collision with a bird or animal
- The vehicle was struck by a “hit and run” driver and the accident was reported to the proper authorities within 72 hours
- A non-rated driver was convicted of a moving violation in connection with the accident
- The accident is one judgment or reimbursement is obtained from other party, providing the company makes no liability payment on behalf of the insured
- The vehicle was stopped at a stop sign or traffic light when it was rear-ended by another vehicle, or the rated driver was clearly not at fault
- The accident involved physical damage limited to and caused by flying gravel, missiles, or falling objects
- The owner or operator of the insured vehicle was reimbursed (or received judgment against another) for more than 50% of the property damage

Violations

| Violation Type | 1 st | 2 nd | 3 rd | 4 th or more |
|-----------------------|-----------------|-----------------|-----------------|-------------------------|
| | All Products | | | |
| Minor* | 2 | 2 | 4 | 4 |
| Major or DWI† | 5 | 5 | 5‡ | 5‡ |
| Speeding | 2 | 2 | 4 | 4 |
| Accident not at-fault | 0 | 0 | 0 | 0 |
| Accident at-fault | 3 | 3 | 3 | 3‡ |

* Example: bus, car pool or HOV lane violation

† Example: aggravated assault with a vehicle

‡ Not available for new business

RULE 57 – Structural/Performance Modification Surcharge

A surcharge will apply to all coverage's excluding PIP and Roadside Assistance when the performance of the motorcycle/ATV/Snowmobile has been enhanced through the addition of a turbo kit or when any structural change/modification or physical alteration of the frame has occurred.

RULE 58: Registry of Motor Vehicle Procedures

The following is a general summary of Registry of Motor Vehicles procedures. For specific details about procedures, contact the Registry.

Registration Requirements

A Registration is required for all vehicles and trailers. A complete "RMV-1" form must be submitted, along with the previous owner's title or certificate of origin, or bill of sale for a vehicle that has not been titled previously.

Six to eight weeks prior to the expiration date of registration, the Registry will mail an "RMV-2" renewal card, which will show the current registration data for the owner of the vehicle and the vehicle. Certain changes may be made by the owner on the application.

An "RMV-3" Amendment of Registration form may be used to change information on a current registration, renew a current registration if an "RMV-2" form has not been received, swap from one license plate to another type of plate, such as a vanity plate, and re-register a vehicle for the same owner, if a new title is not required.

Registration Transfer

Valid plates from a previously-owned vehicle may be transferred to a newly acquired vehicle provided the owner is at least eighteen and has lost possession of the vehicle through either a transfer of ownership or sale of the vehicle.

An owner has seven (7) calendar days to operate a newly acquired vehicle with current plates before the transfer is processed at the Registry, and the intent of the owner is to transfer the registration from the previous vehicle to a newly acquired vehicle of the same type. Restrictions on a registration transfer are: the owner must be the same on both vehicles, the transferred registration must be active, and the new vehicle must have the same type of plates.

Salvage Titles

All vehicles for which an insurance company has made a total loss payment must be titled as salvage vehicle except for vehicles 10 years old or older. A vehicle which has a Salvage Title may not be provided with physical damage insurance until a new Certificate of Title is issued by the Registry. The Reconstructed or Recovered Theft Title will be awarded after the vehicle has passed a salvage inspection. The vehicle must either be towed to the salvage inspection title site or a repair plate must be attached.

RULE 59 - 61: Reserved For Future Use

**MASSACHUSETTS
MOTORCYCLE
INSURANCE MANUAL**
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RULE 1: Massachusetts Motorcycle Insurance Policy – Eligibility

Definition of Motorcycle

1. Motorcycle – means a motorcycle, motorbike, motor scooter, or motorized trike that is designed for operation principally upon public roads and has at least two wheels, but not more than three wheels. The term motorcycle does not include:
 - a. Any vehicle operated on rails or crawler treads.
 - b. Any vehicle while it is located for use as a residence or premises.
 - c. A farm tractor or other equipment designed for use principally off public roads.
 - d. Any vehicle not subject to Massachusetts Motor Vehicle registration such as a moped, dirt bike, mini-bike, snowmobile or all-terrain vehicle (ATV).
2. Off-road vehicle – means any ATV, dirt bike, golf cart, Segway®, or snowmobile which is designed for operation principally off public roads.

Unacceptable Risks

- Operators with a canceled, revoked, or suspended license
- Any operator of a ‘dirt’ motorcycle/ATV/Snowmobile/Golf Cart who is not 14 years of age or older
- Any operator of a ‘street’ motorcycle who does not have a valid driver’s license
- Operators of ‘street’ or ‘dual’ motorcycles who do not have valid motorcycle endorsed driver’s license
- Operators of ‘dirt’ vehicles eligible for a driver’s license (not licensed for road use) who do not have a valid driver’s license
- Operators who are not permanent residents (ten-month intended stay) of the rating state
- Operators who do not have a permanent in state garaging address
- Operators who have been convicted of insurance fraud
- Any applicant who has more than 6 minors, 2 majors, and 3 at fault accidents in the experience period
- Any applicant requiring an SR22 filing
- Operators who are not a permanent resident of the named insured’s household
- Vehicles rented or leased to others
- Vehicles used for business purposes or commercial purposes including pick up or delivery of goods, funerals, or escort service
- Vehicles to be used for racing or speed contests
- Vehicles containing nitrous oxide kits
- Motorcycles with front fork extension greater than 6 inches over original manufacturers length
- Motorcycles with handlebar extension greater than 6 inches over original manufacturers length
- Dune buggies and go-carts
- Physical damage only policies
- Vehicles on a consignment lot
- Vehicles not fully assembled or individual parts
- 3 wheeled ATV’s
- Previously totaled or vehicles with salvage titles are not eligible for physical damage coverage
- Risks without Optional BI coverage

RULE 2: Coverage's and Limits

Compulsory Insurance Coverage's

Compulsory Bodily Injury (Part 1)

- Compulsory Bodily Injury is a mandatory coverage
- Each vehicle on the policy must carry the same Compulsory BI limits
- The compulsory limit is \$20,000 each person and \$40,000 each accident

Personal Injury Protection (Part 2 – Mandatory for all eligible vehicle types)

The policyholder, at his/her option, may elect an amount to be deducted from the amounts otherwise due each person subject to the deduction, under the following conditions:

- The option of electing a deductible shall be limited to individual insured's and shall apply only to private passenger vehicles owned by such insured's. As used herein, "individual" includes joint ownership by lawfully married individuals residing in the same household.
- The eligible policyholder may select a deductible amount of \$100, \$250, \$500, \$1,000, \$2,000, \$4,000 or \$8,000.
- The basic limit is \$8,000 each person
- The deductible applicable to the "Policyholder alone" is the only deductible available if the policyholder is the only member of the household, regardless of the number of vehicles which he owns. Lawfully married individuals having joint ownership and registration of a single motor vehicle which is the only vehicle in the household shall be considered to be an individual for purposes of bullet 5 of this rule. In such a case the same form of deductible must apply to both of the lawfully married individuals.
- Either the deductible for the policyholder "alone" or the policyholder and household members is available to a policyholder who has two or more members in his household and there is one motor vehicle in the household.
- The deductible applicable to the policyholder and household members is the only deductible available for the election if there are two or more members in the household, and also two or more motor vehicles insured for Personal Injury Protection by household members.
- If two or more vehicles are insured under a single policy, the same deductible election shall apply to all vehicles insured under such a policy.
- As used in this rule, the term "household members" means those persons living in the policyholder's household who are related to the policyholder by blood, marriage or adoption. This includes wards or foster children.
- Pursuant to 211 CMR 3.00, PIP does not cover owners or operators of, or guests upon, motorcycles who suffer bodily injury while operating, or riding as a guest upon, such vehicles.
- PIP is not available for symbols 50, 51 and 52.

UM (Part 3)

- UM is a mandatory coverage
- The compulsory limit is \$20,000 each person and \$40,000 each accident, increased limits are available.
- This coverage does not duplicate payments under PIP
- UM limits may never be greater than limits of Part 5

Property Damage (Part 4)

- Property Damage is a mandatory coverage
- Each vehicle on the policy must carry the same PD limits
- The basic limit is \$5,000 each accident, increased limits are available

Optional Coverage's

Optional Bodily Injury (Part 5)

- Optional Bodily Injury is an optional coverage
- Each vehicle on the policy must carry the same Optional BI limits
- The basic limit is \$20,000 each person and \$40,000 each accident, increased limits are available.

Medical Payments (Part 6)

- Medical Payments is an optional coverage
- Each vehicle on the policy must carry the same limit of medical payments
- A limit of \$5,000 each person will be offered at the time of application; higher and lower limits are available.
- This coverage does not duplicate payments under PIP

Physical Damage (Part 7, 8 and 9)

Physical damage coverage is applied at a vehicle level:

- Comprehensive and Collision/Limited Collision deductibles may be different
- Collision/ Limited Collision are not available without comprehensive coverage
- No Physical Damage only policies will be written
- Comprehensive and Collision/ Limited Collision are subject to a basic deductible of \$500. A deductible of \$300 is available subject to underwriting requirements established by the insurer, as permitted by law. Higher deductibles are available at the option of the insured.
- If Collision coverage is selected on a vehicle then Limited Collision is not available on that same vehicle
- Physical Damage coverage is written on an actual cash value basis
- Physical Damage coverage is not available for symbols 26, 27 or vehicles 25 years of age or older at new business
- Waiver of Deductible for collision coverage is available at the option of the insured

Roadside Assistance Coverage (Part 10)

A. Roadside Assistance

- Comprehensive and collision coverage must be present
- Provides towing expense to the nearest qualified repair facility
- Labor at the time and place of disablement due to:
 - Electrical or mechanical breakdown

- Dead Battery
- Flat tire
- Lack of essential fluids (fuel, oil, water, or other fluid)
- Trip charges
- Maximum out of network limit is \$300 per occurrence
- Roadside Assistance will not be available for symbols 50, 51 or 52.

Includes trailers being towed by motorcycle/ATV.

B. Trip Interruption Coverage

- We will pay up to \$400 per occurrence for lodging, meals and transportation costs when a covered Comprehensive or Collision loss occurs more than 100 miles from your primary residence.
- Trip Interruption coverage is only available for vehicles that are licensed and registered for street use.
- No deductible applies to this coverage
- Trip Interruption will not be available for symbols 50, 51 or 52

Custom Parts & Equipment/Safety Riding Apparel Coverage (Part 11)

Custom Parts & Equipment cover after-market non original manufacturer installed equipment, devices, accessories, enhancements and changes which alter the appearance or performance of the insured vehicle. This will include but is not limited to: electronic equipment that is permanently installed using bolts or brackets; sidecars; trike conversion kits; trailers to be pulled behind the insured vehicle; safety riding apparel; and custom paint, exhaust or plating.

- Safety apparel which includes leather, helmets, etc... will not be covered for the peril of theft
- This is a vehicle level coverage
- Comprehensive must be present
- Deductibles are the same as physical damage
- First \$3,000 covered at no extra premium
- \$500 maximum limit on per helmet
- \$2,000 maximum limit on custom paint
- Maximum insurable amount is \$20,000 per vehicle

UIM (Part 12)

- UIM is an optional coverage
- If UIM is selected for one vehicle it must be selected for all vehicles at the same limits
- The basic limit is \$20,000 each person and \$40,000 each accident, increased limits are available.
- This coverage does not duplicate payments under PIP
- UIM limits may never be greater than limits of Part 5
- If UIM is selected it must carry the same limit as Part 3

RULE 3: Mandatory Offer of Coverage

Massachusetts law requires the company that provides Compulsory Insurance Coverage's to make a mandatory offer to issue to any person so insured additional coverage's consisting of:

- Limits up to \$35,000 each person and \$80,000 each accident for parts 3, 5, and 12.
- \$5,000 each person for Part 6.
- Parts 7, 8, and 9, subject to a basic deductible of \$500.
- Part 10 – Roadside Assistance.

This rule does not apply to off-road vehicles.

RULE 4: Standard Procedures

A. Cancellations

- There will be no minimum earned premium
- All insured requested cancellations will be computed pro-rata
- Non-Payment of premium will be computed pro-rata
- Company requested cancels will be computed pro-rata

B. Reactivations

- A policy may be eligible for reactivation.
- The reactivation will be effective the time and day the coverage cancelled.

RULE 5: Residence and Location

The proper rate schedules and rules are those effective in the city or town where the vehicle is principally garaged. No adjustment of the premium shall be made by reason of a change in the place of principal garaging during the policy period unless such change is permanent.

Massachusetts registration is required of non-residents in accordance with reciprocal agreements with the various states as determined by the Registry of Motor Vehicles.

Any motor vehicle owned by a NON-RESIDENT of Massachusetts for which Massachusetts registration is required, regularly garaged INSIDE the Commonwealth, shall be charged the rate for the territory in which the motor vehicle is principally garaged by such NON-RESIDENT during the period of Massachusetts registration.

RULE 6: Reserved For Future Use

RULE 7: Policy Period

- The policy term will be a 12 months.

RULE 8: Changes

- A. All changes to a policy during its term which require adjustments of premium shall be computed pro rata based on the rates in effect on the policy inception date.
- B. We will compute any additional or return premium pro rata. Additional or return premium of \$5 or less will be waived unless specifically requested by your customer.
- C. If additional premium is due, we will bill your customer with instructions to pay the additional premium directly to us (Safeco). Return premium checks will be issued by us and sent to your customer.
- D. Endorsements that are effective prior to the most current renewal processing period will be rated using rates applicable to that policy term or with new rates in the event of a rate revision.

RULE 9: Reserved For Future Use

RULE 10: Certified Risks – Financial Responsibility Laws

- At the insured's request, the Company will issue a Type-1 (any vehicle owned) financial responsibility filing for any listed driver on the policy.
- Any policy with a filing must offer liability limits that satisfy minimum financial responsibility requirements for the state requesting the filing. Any driver requesting a filing must have a verifiable driving record and cannot be excluded from the policy.
- The Company will cancel the filing upon lapse or expiration of the policy. The filing will be reinstated if the policy reactivates or renews.

RULE 11: Premium Calculation Rule

Refer to the Rate Manual Pages

RULE 12: Whole Dollar Premium Rule

- The premium for each vehicle shall be rounded to the nearest whole dollar after the application of all applicable discounts and surcharges, separately for each coverage provided by the policy.
- This procedure shall apply to all interim premium adjustments, including endorsements or cancellations at the request of the insured.

RULE 13: Installment Payment of Premiums

Refer to the Billing Plan (A separate motor vehicle insurance billing plan filing is pending)

RULE 14: Reserved For Future Use

RULE 15: Minimum Written Premium

There will be a minimum written premium of \$100.00 per policy.

RULE 16: Deductibles – Parts 7, 8 and 9

- Deductibles, higher than the standard deductible, are available for Collision, Limited Collision and Comprehensive Coverage's.
- Refer to Rate Manual Pages for available limits and factors.
- Waiver of Deductible for collision coverage is available at the option of the insured

RULE 17: Roadside Assistance (Part 10)

A. Roadside Assistance

- Comprehensive and collision coverage must be present
- Provides towing expense to the nearest qualified repair facility
- Labor at the time and place of disablement due to:
 - Electrical or mechanical breakdown
 - Dead Battery
 - Flat tire
 - Lack of essential fluids (fuel, oil, water, or other fluid)
- Trip charges
- Maximum out of network limit is \$300 per occurrence
- Roadside Assistance will not be available for symbols 50, 51 or 52.

Includes trailers being towed by motorcycle/ATV.

B. Trip Interruption Coverage

- We will pay up to \$400 per occurrence for lodging, meals and transportation costs when a covered Comprehensive or Collision loss occurs more than 100 miles from your primary residence.
- Trip Interruption coverage is only available for vehicles that are licensed and registered for street use.
- No deductible applies to this coverage
- Trip Interruption will not be available for symbols 50, 51 or 52

RULE 18: Termination of Insurance

A. Cancellations

The following provisions apply when a policy is cancelled:

1. If a policy is canceled by the company or by the insured at any time the return premium shall be computed pro rata. "Policy" in this instance includes a copy of the coverage selections page showing the final approved rates for that policy year.

2. **Theft of Vehicle or Plates**
 - a. If the insured vehicle is stolen or destroyed (total or constructive total loss) and cancellation is requested by the insured within thirty days following the date the vehicle is stolen or destroyed, the return premium for all coverage's (including the premium for the coverages under which loss was paid) shall be calculated on a pro rata basis from the day following the date of such loss.

 - b. If the insured registration plates are stolen or destroyed, a lost plate affidavit is to be issued to the Registry of Motor Vehicles canceling only coverage with respect to such plates effective the day following the date of such loss, and the policy shall continue to provide coverage with respect to any replacement plates.

 - c. If the insured files a lost plate affidavit with the Registry of Motor Vehicles, the Company may cancel the policy.

3. Except as otherwise provided by law, no cancellation of the policy, or any of its parts, whether by the company or by the insured, shall be valid unless written notice thereof is given by the party proposing cancellation to the other party at least twenty days in each case prior to the intended effective date thereof. Notice of cancellation sent by the Company to the insured and the loss payee at the addresses stated in the policy by regular mail for which a certificate of mailing receipt has been obtained from the United States Postal Service, shall be a sufficient notice and that an affidavit of any officer, producer, or employee of the company, duly authorized for the purpose that he has so sent such addressed as aforesaid, shall be prima facie evidence of the sending thereof as aforesaid. When the cancellation becomes effective, the Company shall electronically transmit the pertinent data to the Registry of Motor Vehicles in the manner prescribed by the Uninsured Motorists System (UMS). The written notice to the insured shall specify the reason or reasons for cancellation. If the reason for cancellation is non-payment of premium, the notice of cancellation shall state the amount of deficiency of the premium and fees owed to the Company for all the insurance provided and shall state in substance that the cancellation will not be effective if the insured pays the full amount of the premium and fees due on or prior to the effective date of the cancellation. If a cancellation of the policy results in a return premium of less than \$5.00, no refund need be made except at the request of the insured, in which case the actual return premium shall be allowed.

B. Sale or Transfer of Motor Vehicle, Surrender of Registration Plates, or Filing of a New Certificate

The policy shall terminate upon:

1. The sale or transfer of title by the owner of the motor vehicle or trailer thirty (30) days after the transfer unless the owner has registered a replacement motor vehicle.
2. The surrender to the Registry of Motor Vehicles of the registration plates issued to the owner of the motor vehicle by the Registrar of Motor Vehicles under Chapter 90, with a written statement, in such form as the Registrar may require, that they are surrendered to cancel the registration of, and the insurance under, the policy for such motor vehicle or trailer.
3. The filing with the Registry a certificate of insurance of another company as of the effective date of such certificate.

NOTE: If more than one motor vehicle or trailer is described in the policy, the termination of coverage applies only to the motor vehicle or trailer involved in one of the situations described above.

C. Reinstatement

If a policy has been cancelled by the Company, and such policy is later reinstated by the Board of Appeal on Motor Vehicle Liability Policies and Bonds or by a court of competent jurisdiction, the premium charge for the unexpired term of the policy shall be calculated pro rata on the premium applicable to the policy when originally issued.

D. Plates Returned Receipt

In the event that a policy has been terminated by

- (a) sale or transfer of the motor vehicle, or
- (b) surrender of the registration plates by the owner of the motor vehicle with a written statement in such form as the Registrar may require, that they are surrendered to cancel the registration of, and the insurance under, the policy for such motor vehicle or trailer.

A receipt from the Registry of Motor Vehicles stating that the registration plates have been surrendered must be furnished to the Company, except that the Company may verify plate return electronically in lieu of receipt.

E. Leased Vehicles under Long Term Contract

In the event a policy on a leased vehicle under a long-term contract is cancelled, the cancellation notice is to be issued in the name of the person or organization to whom the policy was issued. A copy of the cancellation notice must be sent to the owner/registant also, if it is other than the person to whom the policy was issued.

Upon the intended effective date of cancellation, a notice issued in the name of the actual owner/registant must be electronically transmitted to the Registry by the Company.

RULE 19: Discounts

A. Motorcycle Safety Credit

- Motorcycle Safety Course/Instructor
 - Must have certificate verifying completion of course or instructor certificate within the past 3 years
 - Credit will maintain 3 years after completion/certificate date
 - A credit applies to all coverage's except Custom Parts & Equipment, PIP and Roadside Assistance.

B. Multi-Cycle Credit

A credit may be applied to all coverages excluding PIP and Roadside Assistance if the policy contains more than one motorcycle/ATV/Snowmobile/Golf Cart.

C. Companion Policy Credit

Any supporting personal lines property & casualty Safeco insurance product for the named insured reduces all coverages excluding PIP and Roadside Assistance.

D. Prior Insurance Credit

When the below criteria are met a credit will apply to all coverage's excluding PIP and Roadside Assistance.

- Continuous motorcycle insurance in the previous 12 months
- Up to 5 day gap between the effective date of our policy and the prior insurance expiration date is allowable
- The discount is eligible at new business only.

E. Garaging Credit

A credit will apply to comprehensive coverage when the motorcycle/ATV/Snowmobile/Golf Cart is locked in a secured structure overnight

F. Paid In Full Credit

If the policy term premium is paid in full at inception or renewal a credit will apply to all coverage's.

G. Maximum Discount

A maximum discount of 40% per coverage is allowed. All discounts are included in the maximum discount calculation with the exception of the Paid in Full, Claim Free, Experience & Senior.

H. Recovery Device Credit

A credit will apply to comprehensive coverage if a vehicle is equipped with a device that uses a radio frequency network in conjunction with a participating police agency to locate the vehicle.

I. Anti-Lock Braking System Credit

A credit will apply to all coverages except PIP, Comprehensive and Roadside Assistance if the vehicle is equipped with a factory installed Anti-Lock Braking System (ABS).

J. Claim Free Renewal Credit

- A Claim Free Renewal discount will be applied to all coverages except PIP and Roadside Assistance when policy has been in effect for at least 12 months and no at-fault claims have been paid during the previous term.
- Discount will be removed on first subsequent renewal after a payment is made for an at-fault claim.

K. Experience Credit

A discount will be applied to all coverages except PIP and Roadside Assistance for each rider when their motorcycle/ATV/snowmobile operating experience is 1 or more years (Riding experience will be determined at new business). Symbols 18 and 23 (Golf Carts) are ineligible for this discount.

L. Ownership Credit

A discount will be applied to all coverages except PIP and Roadside Assistance on any vehicle the named insured has owned for 2 or more calendar years.

M. Residence Insurance Credit

A discount applies to all coverages excluding PIP and Roadside Assistance when the named insured is also a named insured under a homeowner, condominium owner, renters, or mobile home owner's policy covering their principal residence.

N. Senior Discount

- Operators aged 65 or older shall receive the Senior Discount. "Age" shall mean an operator's age at policy expiration for the purpose of the Senior Discount.
- Refer to rate order calculation for application of the discount

O. Policy Transfer Discount

The Policy Transfer Discount is applied to a new business policy which is part of an agreed, qualified book transfer from a designated Non-Safeco company. The discount is applied at the policy level and will decrease by 2 percentage points per policy term until the effective discount is zero percent.

RULE 20 - 24: Reserved For Future Use

RULE 25: Symbol Designation

A. Symbols

Motorcycle/ATV/Snowmobile/Golf Cart symbols will be assigned by the agent using a lookup table. If a vehicle does not have a symbol assigned it will be assigned by the agent using a symbol definition sheet containing pictures and descriptions.

| SYMBOL | DESCRIPTION |
|--------|--|
| 2 | Standard |
| 3 | Off Road |
| 4 | HD Group – (FX Dyna Models) |
| 5 | HD Group – (FL Tour Models) |
| 6 | HD Group - (XL/Sportsters Models) |
| 7 | Cruiser |
| 8 | Tour |
| 9 | Tour Sport |
| 10 | HD Group - (V-Rod/CVO Models) |
| 11 | Sport Bike – (Naked Sport Models) |
| 12 | Sport Bike – (Partial Fairing/Remaining Models) |
| 13 | Super Sport – (Full Fairing/Remaining Models) |
| 14 | Super Sport - (Full Fairing/Mid Performance Models) |
| 15 | Super Sport - (Full Fairing/High Performance Models) |
| 16 | HD Group - (FL/FX ex Dyna/Tour Models) |
| 17 | Performance Cruiser |
| 18 | Street Golf Cart |
| 19 | ATV Steering |
| 20 | ATV Utility |
| 21 | ATV Sport |
| 22 | Dual |
| 23 | Golf Carts |
| 24 | Limited Production Cruisers (Other Models*) |
| 25 | Limited Production Scooters/Mopeds |
| 26 | Homemade / Kit Bikes |
| 27 | Limited Production Cruisers (Custom one of a kind**) |
| 28 | Electric |
| 29 | Trikes |
| 30 | Scooter / Mopeds |
| 31 | Street ATV Utility |
| 32 | Street ATV Sport |
| 33 | Street ATV Steering |
| 34 | Electric ATV |
| 35 | Electric Dirt Bike |
| 50 | Regular Snowmobile |
| 51 | Sport Snowmobile |
| 52 | Touring Snowmobile |

*Example: Big Dog or Titan

**Example: Thunder Cycle Design or Arlen Ness

B. Homemade/Kit Motorcycle/ATV/Snowmobile Symbol Classification

- Any Motorcycle/ATV/Snowmobile constructed or assembled including, but not limited to: non-factory built, built from kit, after-market frame, been rebuilt, re-titled, salvaged, or has a non-factory engine case.
- Any Motorcycle/ATV/Snowmobile with a state assigned VIN
- Physical damage is not available for these vehicles

C. Trike Symbol Classification

A trike must be a motorcycle converted to a 3-wheeled vehicle with a trike conversion kit. The kit must be produced by an established manufacturer In addition:

- Must have the original motorcycle manufacturer's engine
- May not have any front fork modifications
- A photo of the trike must accompany the application
- For proper coverage the trike conversion kit must be listed under Custom Parts & Equipment and a separate premium paid

D. Cycle Age

- The original Motorcycle/ATV/Snowmobile/Golf Cart manufacturer assigns the model year. If the Motorcycle/ATV/Snowmobile/Golf Cart is rebuilt or structurally altered, the model year of the chassis determines the model year of the Motorcycle/ATV/Snowmobile/Golf Cart. The cycle age will be computed by subtracting the model year of the Motorcycle/ATV/Snowmobile/Golf Cart from the term effective year of the policy

RULE 26 - 27: Reserved For Future Use

RULE 28: Motorcycle Classification

Driver Assignment

1. Drivers will be placed into two categories – those who will drive only off-road – “dirt” vehicles (restricted) and those who may drive all vehicles (unrestricted).
2. Vehicles will be grouped into two categories – ‘dirt’ vehicles and vehicles that may be driven on the “street” (dual purpose vehicles will be considered the latter).
3. When assigning drivers we will first pool the unrestricted drivers and on-road “street” vehicles (Group 1). We will assign the highest rated Group 1 driver to the highest rated Group 1 vehicle. We will then match the 2nd highest rated driver to the 2nd highest rated vehicle and so on. We will continue to do this until we run out of vehicles.
 - A. If we have more drivers than vehicles in Group 1 the excess drivers will not be assigned to a Group 1 vehicle.
 - B. If we have more vehicles than drivers in Group 1 we will assign the vehicles that have not yet been matched to a driver to the lowest rated driver in Group 1.
4. We will next create the second driver assignment pool. This will include any drivers who were not rated in Group 1, all restricted drivers and all ‘dirt’ vehicles. This group will be called Group 2.
5. We will then assign the highest rated driver in Group 2 to the highest rated Group 2 (off-road – “dirt”) vehicle. We will then match the 2nd highest rated driver to the 2nd highest rated vehicle and so on. We will continue to do this until we run out of vehicles.
 - A. If we have more drivers than vehicles in Group 2 the excess drivers will not be assigned to a Group 2 vehicle.
 - B. If we have more vehicles than drivers in Group 2 we will assign the vehicles that have not yet been matched to a driver to the lowest rated driver on the policy.

RULE 29: Reserved For Future Use

RULE 30: Personal Injury Protection (Part 2)

The policyholder, at his/her option, may elect an amount to be deducted from the amounts otherwise due each person subject to the deduction, under the following conditions:

- The option of electing a deductible shall be limited to individual insured's and shall apply only to private passenger vehicles owned by such insured's. As used herein, "individual" includes joint ownership by lawfully married individuals residing in the same household.
- The eligible policyholder may select a deductible amount of \$100, \$250, \$500, \$1,000, \$2,000, \$4,000 or \$8,000.
- The basic limit is \$8,000 each person
- The deductible applicable to the "Policyholder alone" is the only deductible available if the policyholder is the only member of the household, regardless of the number of vehicles which he owns. Lawfully married individuals having joint ownership and registration of a single motor vehicle which is the only vehicle in the household shall be considered to be an individual for purposes of bullet 5 of this rule. In such a case the same form of deductible must apply to both of the lawfully married individuals.
- Either the deductible for the policyholder "alone" or the policyholder and household members is available to a policyholder who has two or more members in his household and there is one motor vehicle in the household.
- The deductible applicable to the policyholder and household members is the only deductible available for the election if there are two or more members in the household, and also two or more motor vehicles insured for Personal Injury Protection by household members.
- If two or more vehicles are insured under a single policy, the same deductible election shall apply to all vehicles insured under such a policy.
- As used in this rule, the term "household members" means those persons living in the policyholder's household who are related to the policyholder by blood, marriage or adoption. This includes wards or foster children.
- Pursuant to 211 CMR 3.00, PIP does not cover owners or operators of, or guests upon, motorcycles who suffer bodily injury while operating, or riding as a guest upon, such vehicles.
- PIP is not available for symbols 50, 51 and 52.

RULE 31 - 35: Reserved For Future Use

RULE 36: Years Driving Experience Factor

The number of years driving experience is considered in rating. It is measured as the number of years since first licensed to drive an automobile anywhere in the world. Refer to the Rate Manual Pages.

RULE 37 - 45: Reserved For Future Use

RULE 46: Custom Parts & Equipment/Safety Riding Apparel Coverage (Part 11)

Custom Parts & Equipment cover after-market non original manufacturer installed equipment, devices, accessories, enhancements and changes which alter the appearance or performance of the insured vehicle. This will include but is not limited to: electronic equipment that is permanently installed using bolts or brackets; sidecars; trike conversion kits; trailers to be pulled behind the insured vehicle; safety riding apparel; and custom paint, exhaust or plating.

- Safety apparel which includes leather, helmets, etc... will not be covered for the peril of theft
- This is a vehicle level coverage
- Comprehensive must be present
- Deductibles are the same as physical damage
- First \$3,000 covered at no extra premium
- \$500 maximum limit on per helmet
- \$2,000 maximum limit on custom paint
- Maximum insurable amount is \$20,000 per vehicle

RULE 47 - 55: Reserved For Future Use

RULE 56: Driving Record Rating

Point charges are assessed on both violations and accidents based on the conviction date (see point assessment overview at the bottom of the rule). When multiple points are applicable to one occurrence, only the accident or violation with the highest points will be charged.

The experience period is 36 months prior to the effective date of the policy.

Three points shall be assigned for chargeable motor vehicle accidents involving the applicant, or any operator of the motorcycle/ATV/Snowmobile/Golf Cart currently a resident in the same household, while operating any vehicle. At-fault accidents, occurring prior to July 1, 2015, which result in payment greater than or equal to \$5040 for Property Damage liability, Collision or Bodily Injury liability result in a merit surcharge. At-fault accidents, occurring on or after July 1, 2015, which result in payment greater than or equal to \$1,000 for Property Damage liability, Collision or Bodily Injury liability result in a merit surcharge. Accidents are chargeable unless proof of not-at-fault is provided. Such proof should establish that the accident in question:

- Was not caused by or significantly contributed to by the actions of the insured; or
- That the insured was less than 50% at fault. Proper proof includes:
 - A copy of the police report or court documentation; or
 - A letter from the previous carrier; or
 - Any other documentation which proves lack of fault

No point shall be assigned for an accident if the insured demonstrates that the accident occurred under the following circumstances:

The vehicle was lawfully parked

- The accident was caused by collision with a bird or animal
- The vehicle was struck by a “hit and run” driver and the accident was reported to the proper authorities within 72 hours
- A non-rated driver was convicted of a moving violation in connection with the accident
- The accident is one judgment or reimbursement is obtained from other party, providing the company makes no liability payment on behalf of the insured
- The vehicle was stopped at a stop sign or traffic light when it was rear-ended by another vehicle, or the rated driver was clearly not at fault
- The accident involved physical damage limited to and caused by flying gravel, missiles, or falling objects
- The owner or operator of the insured vehicle was reimbursed (or received judgment against another) for more than 50% of the property damage

Violations

| Violation Type | 1 st | 2 nd | 3 rd | 4 th or more |
|-----------------------|-----------------|-----------------|-----------------|-------------------------|
| | All Products | | | |
| Minor* | 2 | 2 | 4 | 4 |
| Major or DWI† | 5 | 5 | 5‡ | 5‡ |
| Speeding | 2 | 2 | 4 | 4 |
| Accident not at-fault | 0 | 0 | 0 | 0 |
| Accident at-fault | 3 | 3 | 3 | 3‡ |

* Example: bus, car pool or HOV lane violation

† Example: aggravated assault with a vehicle

‡ Not available for new business

RULE 57 – Structural/Performance Modification Surcharge

A surcharge will apply to all coverage's excluding PIP and Roadside Assistance when the performance of the motorcycle/ATV/Snowmobile has been enhanced through the addition of a turbo kit or when any structural change/modification or physical alteration of the frame has occurred.

RULE 58: Registry of Motor Vehicle Procedures

The following is a general summary of Registry of Motor Vehicles procedures. For specific details about procedures, contact the Registry.

Registration Requirements

A Registration is required for all vehicles and trailers. A complete "RMV-1" form must be submitted, along with the previous owner's title or certificate of origin, or bill of sale for a vehicle that has not been titled previously.

Six to eight weeks prior to the expiration date of registration, the Registry will mail an "RMV-2" renewal card, which will show the current registration data for the owner of the vehicle and the vehicle. Certain changes may be made by the owner on the application.

An "RMV-3" Amendment of Registration form may be used to change information on a current registration, renew a current registration if an "RMV-2" form has not been received, swap from one license plate to another type of plate, such as a vanity plate, and re-register a vehicle for the same owner, if a new title is not required.

Registration Transfer

Valid plates from a previously-owned vehicle may be transferred to a newly acquired vehicle provided the owner is at least eighteen and has lost possession of the vehicle through either a transfer of ownership or sale of the vehicle.

An owner has seven (7) calendar days to operate a newly acquired vehicle with current plates before the transfer is processed at the Registry, and the intent of the owner is to transfer the registration from the previous vehicle to a newly acquired vehicle of the same type. Restrictions on a registration transfer are: the owner must be the same on both vehicles, the transferred registration must be active, and the new vehicle must have the same type of plates.

Salvage Titles

All vehicles for which an insurance company has made a total loss payment must be titled as salvage vehicle except for vehicles 10 years old or older. A vehicle which has a Salvage Title may not be provided with physical damage insurance until a new Certificate of Title is issued by the Registry. The Reconstructed or Recovered Theft Title will be awarded after the vehicle has passed a salvage inspection. The vehicle must either be towed to the salvage inspection title site or a repair plate must be attached.

RULE 59 - 61: Reserved For Future Use