

1. Owners

- a. If an owner is required to file evidence of financial responsibility for owned automobiles and for the operation of automobiles which he does not own, the additional premium shall be computed by multiplying the applicable percentage in Section B to the sum of the total of Parts 1, 2, 4 and 5 premium for the highest rated automobile owned by the insured and the total non-ownership liability premium, modified in accordance with any applicable rating plan.
- b. In all other cases, the additional premium shall be computed by multiplying the applicable percentage in Section B to the total premium for Parts 1, 2, 4 and 5 for the highest rated automobile owned by the insured, modified in accordance with any applicable rating plan.

2. Non-Owners

- a. If the policy is written to insure a Named Operator or Named Non-Owner, the additional premium shall be computed by multiplying the applicable percentage in Section B to the total bodily injury and property damage premium for the policy.
- b. If coverage is provided under a policy which has been extended to cover a named individual in accordance with the Use of Other Automobiles Rule (Rule 50), the additional premium shall be computed by multiplying the applicable percentage to the (1) bodily injury premium for the highest rated automobile insured under the policy for the rating territory in which the named individual is located, or (2) if there is no automobile at such location, the rates for a Class 30 private passenger automobile for the territory in which the named individual is located.

B. Additional Premium Percentages

- 1. The otherwise applicable premium will be increased by 50% if the certificate is required for a conviction listed below. This increase is to be applied for the period of time a certificate is required, but in no event for a period in excess of three years following conviction. Thereafter, the otherwise applicable premium will be increased by 5%.
 - a. Driving a motor vehicle while intoxicated or under the influence of marijuana or a narcotic drug.
 - b. Failing to stop and report when involved in an accident.
 - c. Homicide or assault arising out of the operation of a motor vehicle.
- 2. The otherwise applicable premium will be increased by 25% if the certificate is required for a conviction listed below. This increase is to be applied for the period of time a certificate is required, but in no event for a period in excess of three years following conviction. Thereafter, the otherwise applicable premium will be increased by 5%.
 - a. Driving a motor vehicle at an excess rate of speed where an injury to a person or damage to property actually results there from.
 - b. Driving a motor vehicle in a reckless manner where an injury to person or damage to property actually results there from.
- 3. The otherwise applicable premium will be increased by 5% if the certificate is required for any other cause

RULE 11. PREMIUM CALCULATION RULE

The following sequence shall be used in rating the policy. The manual rate includes any premium adjustment as may be necessary to increase, reduce or eliminate the deductible amount applicable to Parts 7, 8 and 9, or to apply Waiver of Deductible under Part 7.

- 1. Apply the appropriate rating factor under Rule 24 to the manual rate for Parts 7 and 9, if applicable.
- 2. Apply the appropriate rating factor under Rule 48 to the rate for Parts 7, 8 or 9, if applicable.

3. Apply the appropriate discount to the premium developed in Step 2. Refer to Rule 19 for a definition of the available discounts.

Parts 1 through 12 may be subject to more than one discount or rating factor. The order of application shall be (1) Annual Mileage, (2) Multi-car, (3) Passive Restraint, (4) Anti-theft, (5) Group, (6) Liberty Preferred, (7) Driver Training, (8) Good Student, (9) Driving Years, (10) License Years Factor, (11) Public Transit, (12) Class 15, (13) Driving Record Rating Plan Factor (Merit Rating Plan), (14) Early Shopper Discount, (15) Enrollment Credit, (16) Responsible Driver Factor, (17) Employee Parking Guard, and (18) Liberty Advantage Plus Charge. The discount or charge shall be rounded to the nearest dollar and cents after each application, with the exception of the final calculation which will be rounded down to the nearest whole dollar for Parts 1, 2, 3, 4, 5, 7, 8, 9, and 12 and rounded to the nearest dollar for all other Parts. Exception - Class 15 is rounded to the nearest dollar and cents.

The Responsible Driver Factor for customers newly purchasing or renewing with the basic coverage package described in the Division of Insurance bulletin 2009-13 will be the minimum of the MAIP base rate (adjusted for continuous coverage and low frequency discounts) divided by the Liberty base rate (adjusted for the passive restraint discount) currently in effect, and the otherwise applicable Responsible Driver Factor for each coverage within that package, to ensure that the final premium does not exceed the applicable premium threshold. On or after June 17, 2013, the comparison with MAIP premiums is applicable only for renewal policies. The basic coverage package described in the Division of Insurance bulletin 2009-13 includes the following coverages:

- 20/40 bodily injury liability (including guest and out-of-state coverage)
- \$8,000 personal injury protection, no deductible
- \$5,000 property damage liability
- 20/40 uninsured motorist coverage

RULE 12. WHOLE DOLLAR PREMIUM RULE

Unless otherwise specified, the premium for each exposure shall be rounded at each step to the nearest whole dollar, separately for each coverage provided by the policy.

A premium involving \$0.50 or more shall be rounded to the next whole dollar at the end of each step. This does not apply to Part 5, 20/40 limits and Part 6, \$5,000 limit where rates displayed in the manual may be used or rounded to the lower whole dollar.

This procedure shall apply to all interim premium adjustments, including endorsements or cancellations at the request of the insured. In the case of cancellation by the Company, the return premium may be carried to the next higher whole dollar.

NOTE: The premium for "each exposure" means the premium developed for each coverage for each automobile after the application of all applicable discounts.

RULE 13. INSTALLMENT PAYMENT OF PREMIUMS

All motor vehicle insurance policy premium charges are due and payable on the effective date of the policy, subject to the provisions of the Deposit Premium Rule (Rule 14), unless an installment payment plan is selected

RULE 14. DEPOSIT PREMIUM RULE

A deposit premium of no more than 30% of the applicable annual premium may be required prior to the issuance of a policy. If the applicant has been in default in the payment of any premium for automobile insurance or merit rating adjustment during the preceding 24 months, the entire policy premium charges are payable in advance.

RULE 15. EMPLOYERS SUBJECT TO MASSACHUSETTS WORKERS' COMPENSATION ACT

Motor vehicles owned by an employer subject to the Massachusetts workers' compensation law not used at any time to transport persons other than employees of the named insured shall be eligible for a 25% reduction in the Personal Injury Protection premium otherwise applicable. A vehicle which qualifies for this reduction is not eligible for any Personal Injury Protection deductible.

RULE 16. DEDUCTIBLES - PARTS 7, 8 and 9

1. Owners

- a. If an owner is required to file evidence of financial responsibility for owned automobiles and for the operation of automobiles which he does not own, the additional premium shall be computed by multiplying the applicable percentage in Section B to the sum of the total of Parts 1, 2, 4 and 5 premium for the highest rated automobile owned by the insured and the total non-ownership liability premium, modified in accordance with any applicable rating plan.
- b. In all other cases, the additional premium shall be computed by multiplying the applicable percentage in Section B to the total premium for Parts 1, 2, 4 and 5 for the highest rated automobile owned by the insured, modified in accordance with any applicable rating plan.

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B. Additional Premium Percentages

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3. Apply the appropriate discount to the premium developed in Step 2. Refer to Rule 19 for a definition of the available discounts.

Parts 1 through 12 may be subject to more than one discount or rating factor. The order of application shall be (1) Annual Mileage, (2) Multi-car, (3) Passive Restraint, (4) Anti-theft, (5) Group, (6) Liberty Preferred, (7) Driver Training, (8) Good Student, (9) Driving Years, (10) License Years Factor, (11) Public Transit, (12) Class 15, (13) Driving Record Rating Plan Factor (Merit Rating Plan), (14) Early Shopper Discount, (15) Enrollment Credit, (16) Responsible Driver Factor, (17) Employee Parking Guard, and (18) Liberty Advantage Plus Charge. The discount or charge shall be rounded to the nearest dollar and cents after each application, with the exception of the final calculation which will be rounded down to the nearest whole dollar for Parts 1, 2, 3, 4, 5, 7, 8, 9, and 12 and rounded to the nearest dollar for all other Parts. Exception - Class 15 is rounded to the nearest dollar and cents.

~~When a policy is issued pursuant to assignment through the MAIP, the~~ The Responsible Driver Factor for customers newly purchasing or renewing with the basic coverage package described in the Division of Insurance bulletin 2009-13 will be the minimum of the MAIP base rate (adjusted for continuous coverage and low frequency discounts) divided by the Liberty base rate (adjusted for the passive restraint discount) currently in effect, and the otherwise applicable Responsible Driver Factor for each coverage within that package, to ensure that the final premium does not exceed the applicable premium threshold. On or after June 17, 2013, the comparison with MAIP premiums is applicable only for renewal policies. The basic coverage package described in the Division of Insurance bulletin 2009-13 includes the following coverages:

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