

# The Norfolk & Dedham Mutual Fire Insurance Company®

## MASSACHUSETTS ENDORSEMENT – ND-0003-S

### ACCIDENT FORGIVENESS

The terms of the policy apply unless modified below.

#### 1. Accident Forgiveness

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

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

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

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

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

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

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

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

**EXAMPLE 1:**

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

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

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

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

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

**EXAMPLE 2:**

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

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

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

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

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