Kentucky Automobile Insurance Plan – Rating and Processing Information – Trucks, Tractors, & Trailers

Website access: kyinsplans.org/auto

1) On our **landing page** you will be able to access the **tools** (including Commercial Rating Worksheets) you will need to quote and submit a Commercial Auto/Trucker risk,
    a. **Commercial Rating Worksheets**
        i. Select **Trucks, Tractors, and Trailers** along the bottom tabs of the worksheet.
        ii. Fill in green shaded areas with the information you get from the Base Rate schedules and Rules (see process below) and the worksheet will do the calculations for you.

2) Rating Process (Per Rule 72) Using KAIP Manual – Truck, Tractor & Trailer

a) **Eligibility (Truckers) - Rule 75**
    i) Page 112 of 157 (Page C-24 of PDF Manual).
b) The first step is to get the rating **territory** number where the insured resides.
    i) **Rule 19** General Rules on page 66 of 157 (Page G-8 of PDF Manual). Find the county and the territory number.
c) **Truck, Tractor and Trailer Section** - **Rule 71**
    i) Page 101 of 157 (Page C-13 of PDF Manual).
    ii) **Premium Development** (Not Zone Rated) – **Rule 72**
    iii) **Zone Rated** Premium Development – **Rule 73**
d) **Classifications - Rule 74**
    i) Page 108 of 157 (Page C-20 of PDF Manual).
e) **Base Rate Schedules** start with page 143 of 157 (Page CR-3 of the PDF Manual - use chart C).
f) **UM & UIM - Rule 58**
    i) Page 97 of 157 (Page C-9 of PDF Manual).
    ii) Rate is on page 98 of 157 (Page C-10 of PDF Manual).
g) **No-Fault - Rule 59**
    i) Page 97 of 157 (Page C-9 of PDF Manual).
h) **Increased Limits Factor - Rule 52**
    i) Page 91 of 157 (C-3 of PDF Manual).
i) **Pollution Liability Factor - Rule 53**
    i) Page 92 of 157 (Page C-4 of PDF Manual).
j) Accident Prevention Discount – Rule 61
    i) Page 98 of 157 (Page C-10 of PDF Manual)
k) **Additional Charges (Penalty Points) Rule 3**
    i) Page 61 of 157 (Page G-3 of PDF Manual).

ii) Penalty points shall be applied first to the auto generating the highest premium subject to the maximum additional charge factor of 2.50.

l) **Experience Rating - Rule 54**
   i) Page 93 of 157 (Page C-5 of PDF Manual).
   ii) Eligibility is determined by a credibility factor of at least .07 as determined from the tables contained in this rule.
   iii) 4 years loss experience required on submission

3) A completed, signed CAIP **Inspected Units Form** (CW AIP3504 CAIP) must accompany all commercial applications (and policy change requests) submitted for applicants who require Federal Highway Administration (FHWA) or Federal Motor Carrier Safety Administration (Motor Carrier Act of 1980 or Bus Regulatory Act of 1982 – Motor Carrier Endorsement – MCS 90 or 90B) **filings** or endorsements.

4) Important note: – If the insured has an extended weight decal see **Rule 74.D for extended weight factor**.

5) The liability rates in the manual are for $60,000. The **maximum** liability amount is $350,000 **unless** State or Federal authorities require higher limits which will require a filing.

6) Submitting an Application - Applications must now be completed on the **EASi system**. Click on EASi and you will need to register to use the system. Once completed, you will submit and print the application as it will need to be **mailed to AIPSO** as follows:

a. Kentucky Automobile Insurance Plan
PO Box 6530
Providence, RI 02940-6530

b. Supplemental pages are available from the link on Commercial Auto page.
c. If there are filings a **KY Commercial Filing Supplement** must be completed and submitted with the application.
d. For risks with **filings,** there is a **15-day waiting period** for the effective date beginning the date received by the AIPSO office.

7) When submitting the annual **premium**, a money order, cashier check or bank check is required. **Guaranteed funds** are required and no agency or personal checks are accepted. We require **40% down** regardless of the payment option. Payment options are as follows:

a. Full pay
b. 40% down and **single bill** for the rest within 30 days
c. **Installment Premium Payment Option –** 40% down, 5 equal installments due in months 2 - 6

d. **Outside finance** – 40% down and remainder financed… **copy** of finance agreement required.

8) Please **double-check** that you have completed the steps above as incomplete/incorrect information may **delay** issuance or the effective date of the coverage.

9) The **Producer is responsible for quoting**. The Producer should also be aware that the final premium is determined by the Servicing Carrier based on the completed application and supplements and any inspections that may be performed.