

The GEICO Casualty Rating Plan

Effective Date: 02/01/2018

Under our merit rating plan, our company uses a point system under which drivers with accidents and traffic convictions pay higher rates, while drivers with no accidents and convictions are charged the lowest premiums. Points are assigned when you, or a driver currently residing in your household and operating your automobiles, are involved in negligent accidents while driving private passenger automobiles, or convicted of moving traffic violations that were received while driving any type of vehicle.

Experience Period

Accidents and convictions result in points only if they occurred during the "Experience Period". This period is the 35 months immediately preceding the date of application for new policies or the effective date of the renewal policy.

I. Accidents

Three points are assigned for the first accident involving you or a resident operator, and four points are assigned (per operator) for the second and each subsequent accident, if the accident resulted in **bodily injury, death, or damage in excess of \$500 to the insured's own or other's property.**

Exceptions: No points are assigned for accidents in the following circumstances:

1. Automobile lawfully parked: An automobile rolling from a parked position is not considered lawfully parked but rather as the negligent operation of the last driver.
2. Reimbursement: Accident for which you are reimbursed by, or on behalf of, the person responsible for the accident or when a judgment is obtained against the person.
3. Rear-End Collision: Accident in which your automobile is struck in the rear by another, and you, or other operator are not convicted of a traffic violation in connection with the accident.
4. Other Party Charged: Accident in which the operator of another vehicle involved in the accident is convicted of a moving traffic violation.
5. Hit and Run: Accident in which an automobile operated by you or other operator resident in the same household is damaged by a "hit-and-run" driver, provided you report the accident to the proper authorities within 24 hours.
6. Animals or Fowl: Accident involving damage caused by contact with animals or fowl.
7. Personal Injury Protection: Accident results in payment under Personal Injury Protection or Additional Personal Injury Protection and no payment is made under Liability or Collision coverage. This exception does not apply to single vehicle accidents in which damage to property occurs.
8. Emergency Use: Accident involving the operation of a vehicle in response to an emergency if, at the time of the accident, the operator was responding to the call to duty as a paid or volunteer member of any Police or Fire Department, First Aid Squad, or any law enforcement agency, or was performing any other governmental function in a public emergency.

NOTE: This exception does not include an accident occurring after the emergency situation ceases or after the private passenger automobile ceases to be used in response to such emergency.

II. Traffic Convictions

Points are assigned for motor vehicle violations for which you or any operator have been convicted, paid a fine or forfeited bail during the experience period and for driver's license suspensions or revocations served during the experience period.

1. Four points are assigned for the first conviction and six points for each additional conviction per driver for:
 - a) Any felony involving a motor vehicle (including theft);
 - b) Hit and run or leaving the scene;
 - c) Operating a motor vehicle while in an intoxicated condition or while disabled by reason of the use of drugs;
 - d) Reckless driving which results in an injury to a person.
2. **Three points are assigned for the first conviction and four points for each additional conviction per driver for:**
 - a) **Drinking while driving;**
 - b) **Open container;**
 - c) **Racing.**

3. Three points are assigned for each conviction per driver for:
 - a) Careless driving.
 - b) Driving auto while license is suspended or revoked.
 - c) Eluding police.
 - d) Reckless driving which does not result in an injury to a person.
 - e) Refusing to take a sobriety test.
4. One point is assigned for the first conviction and two points for each subsequent conviction incurred by the same operator for moving traffic violations not specified elsewhere in the rule.

Exception: No point under number 4 above shall be assigned for a conviction resulting from an accident for which points are assignable. Only points for the accident shall be assigned. Convictions for non-moving violations, violations such as equipment defect and failure to have driver's license in one's possession are not chargeable.

III. Inexperienced Operator

Two points shall be assigned for any operator age 19 or less with less than 12 months driving experience, for any operator age 20 with less than 24 months driving experience, or for any operator age 21 or older with less than 36 months driving experience in the United States, its territories or possessions, or Canada.

These points shall remain in effect as long as the operator of the automobile has not been licensed for the specified number of months, but shall be removed at the first renewal after the operator of the automobile has been licensed for the specified number of months.

This rule will not apply if the operator was previously insured by GEICO companies and did not receive points under the inexperienced operator rule.

IV. POINTS AND SURCHARGE CALCULATION

The number of points assigned determines the surcharge. The following examples show some of the possible surcharges as an approximate percent of the premium for a single car policy.

IF THE NUMBER OF DRIVING RECORD POINTS IS:	YOUR SURCHARGE FOR BODILY INJURY AND PROPERTY DAMAGE COVERAGES WILL BE:	YOUR SURCHARGE FOR PERSONAL INJURY PROTECTION COVERAGE WILL BE:	YOUR SURCHARGE FOR COLLISION COVERAGE WILL BE:
1	10%	7%	5%
2	14%	8%	15%
3	23%	10%	15%
4	32%	20%	25%
5	40%	20%	25%
6-7	55%	25%	35%
8-9	75%	30%	55%
10-11	90%	35%	70%
12	100%	35%	95%
12+	Add 15% for each point above 12	Add 5% for each point above 12	Add 25% for each point above 12

*Surcharge is not applicable to Comprehensive Coverage or Uninsured Motorist Coverage.

V. Examples of Surcharge Plan

Following are examples of our surcharge plan, they do not reflect your actual premium but are intended to show how the surcharge plan works.

Example A shows a one-vehicle policy. Example B shows how the surcharge would apply to a two-vehicle policy.

A. ONE VEHICLE INSURED

TYPE OF COVERAGE	PREMIUM WITH NO ACCIDENTS	PREMIUM INCLUDING SURCHARGE FOR ONE CHARGEABLE ACCIDENT (3 POINTS)	PREMIUM INCLUDING SURCHARGE FOR TWO CHARGEABLE ACCIDENTS (7 POINTS)
BODILY INJURY/PROPERTY DAMAGE	\$80.00	\$98.00	\$124.00
UNINSURED MOTORIST	\$5.00	\$5.00	\$5.00
PERSONAL INJURY PROTECTION	\$40.00	\$44.00	\$50.00
COMPREHENSIVE	\$25.00	\$25.00	\$25.00
COLLISION	\$50.00	\$58.00	\$68.00
TOTAL PREMIUM	\$200.00	\$230.00	\$272.00

B. TWO VEHICLES INSURED. ACCIDENTS CHARGEABLE TO THE PRINCIPAL OPERATOR OF VEHICLE NUMBER ONE WHILE OPERATING VEHICLE NUMBER ONE.

1. VEHICLE #1

TYPE OF COVERAGE	PREMIUM WITH NO ACCIDENTS	PREMIUM INCLUDING SURCHARGE FOR ONE CHARGEABLE ACCIDENT (3 POINTS)	PREMIUM INCLUDING SURCHARGE FOR TWO CHARGEABLE ACCIDENTS (7 POINTS)
BODILY INJURY/PROPERTY DAMAGE	\$80.00	\$98.00	\$124.00
UNINSURED MOTORIST	\$5.00	\$5.00	\$5.00
PERSONAL INJURY PROTECTION	\$40.00	\$44.00	\$50.00
COMPREHENSIVE	\$25.00	\$25.00	\$25.00
COLLISION	\$50.00	\$58.00	\$68.00
TOTAL PREMIUM	\$200.00	\$230.00	\$272.00

2. VEHICLE #2

TYPE OF COVERAGE	PREMIUM WITH NO ACCIDENTS	PREMIUM INCLUDING SURCHARGE FOR ONE CHARGEABLE ACCIDENT (3 POINTS)	PREMIUM INCLUDING SURCHARGE FOR TWO CHARGEABLE ACCIDENTS (7 POINTS)
BODILY INJURY/PROPERTY DAMAGE	\$120.00	\$120.00	\$120.00
UNINSURED MOTORIST	\$5.00	\$5.00	\$5.00
PERSONAL INJURY PROTECTION	\$60.00	\$60.00	\$60.00
COMPREHENSIVE	\$40.00	\$40.00	\$40.00
COLLISION	\$75.00	\$75.00	\$75.00
TOTAL PREMIUM	\$300.00	\$300.00	\$300.00

VI. Renewal Discount

A discount may be applied at renewal to the Bodily Injury, Property Damage, Personal Injury Protection, Additional Personal Injury Protection (if applicable), Emergency Road Service, Rental Reimbursement, Comprehensive and Collision premiums when all operators of the insured vehicle(s) have no new points assigned at renewal.

Note: If a policy changes tier placement at renewal, or if any driver on a policy already receiving a renewal discount is assigned at least one new point at renewal, the discount will not be increased, but will be maintained at its current amount until the next renewal at which no new points are assigned and the tier placement of the policy remains unchanged. In addition, policies that have a lapse of coverage greater than 30 days will have the renewal discount level reset to 0% upon reissue.

VII. Five Year Good Driver Discount

A Five Year Good Driver Discount will be applied to all eligible vehicles insured under the policy if all of the following criteria are met:

1. No points are currently assignable to that vehicle;
2. One of the principal drivers under the policy has at least eleven (11) years of driving experience;
3. No operator assigned to the vehicle has received a conviction for a violation described in Section II or has been involved in an accident during the five year period immediately preceding the date of application for new business or the effective date of the policy for renewals which would have resulted in a point being assigned under the rating plan.

If you are involved in an accident or convicted of a motor vehicle violation, we may apply a surcharge in addition to removing the discount.