
This Guide provides important coverage, rating, and eligibility information, as well as ways you may be able to save money on your Automobile Insurance.

Please carefully review this information, your policy, and your Declaration Certificate to determine if the coverages and limits you have selected best meet your needs.

Your AAA agent will be able to help you with any questions you may have and with any changes you may wish to make.

INSURANCE COVERAGES

NO-FAULT INSURANCE

Michigan law requires you to have No-Fault insurance coverage if you own and/or drive an automobile. Among other benefits, your No-Fault insurance covers your automobile accident-related medical expenses as part of your Personal Injury Protection Insurance Allowable Expenses Benefits Coverage. However, you may be able to opt out of Allowable Expenses Benefits Coverage.

Your No-Fault insurance also covers accidental damage your automobile causes to other people's property and protects you if you are sued or held legally responsible for injuries to other people caused by an automobile accident, regardless of who is at fault.

You may choose to add other coverages that protect you and your automobile. A brief description of mandatory and optional coverages follows.

MANDATORY COVERAGES

Bodily Injury and Property Damage Liability

This coverage protects you if you are more than 50% at fault for causing an automobile accident that injures another person. You must have Bodily Injury limits of at least \$250,000 per person and \$500,000 per occurrence, unless you sign a form acknowledging that you are choosing to purchase lower limits. However, we offer higher Bodily Injury limits from which you may choose.

This coverage also protects you if your automobile causes accidental damage to another person's property outside of Michigan. You must have a Property Damage limit of at least \$10,000. However, we offer higher Property Damage limits from which you may choose.

Property Protection Insurance

This coverage protects you if your automobile causes accidental damage to another person's property and/or properly parked automobile in Michigan. Your Property Protection Insurance limit is \$1,000,000. This limit may not be changed.

Personal Injury Protection Insurance

This coverage provides various benefits if you are injured or killed in an automobile accident. These benefits include:

- Allowable Expenses Benefits – Cover automobile accident-related medical expenses, attendant care, and some funeral expenses. Allowable Expenses Benefits are payable per person, per accident up to the coverage limit selected. Coverage options include:

1. Unlimited coverage
 2. Up to \$500,000 in coverage
 3. Up to \$250,000 in coverage
 4. Up to \$250,000 in coverage with exclusion(s) – Exclusion is available for a named insured who has qualified health coverage and/or a spouse or resident relative(s) who have qualified health coverage or Medicare Parts A and B.
 5. Up to \$50,000 in coverage – Available if the named insured is enrolled in Medicaid and any spouse and all resident relatives have qualified health coverage, Medicare Parts A and B, Medicaid, or other PIP allowable expense coverage.
 6. PIP allowable expense opt-out – Available if the named insured has Medicare Parts A and B and any spouse and all resident relatives have qualified health coverage, Medicare Parts A and B, or other PIP allowable expense coverage.
- Work Loss Benefits – Cover loss of income as a result of automobile accident-related injuries.
 - Essential Services Benefits – Cover the cost of household services incurred as a result of automobile accident-related injuries.
 - Survivor's Loss Benefits – Cover loss of financial contributions to dependents as a result of automobile accident-related death.

You may be able to coordinate your medical expense benefits and your work loss benefits. You may only do this if you have other medical expense and/or work loss insurance coverage that is primary for automobile accident-related injuries. If you choose to coordinate your medical expense benefits and/or work loss benefits, all other sources of medical expense and/or work loss recovery available to you will be primary and must be exhausted before we will make any medical expense and/or work loss payments. Amounts for medical expense benefits payable by us may be reduced by up to \$500 if you choose to coordinate your medical expense benefits and primary protection is not available.

OPTIONAL COVERAGES

Attendant Care Rider

This coverage provides up to \$5,000 for attendant care when the amount of attendant care for a named insured, spouse, or resident relative exceeds the Personal Injury Protection Insurance Coverage Allowable Expenses Benefits limit. Attendant Care Rider is only available for the Personal Injury Protection Insurance Coverage Allowable Expenses Benefits limit options of \$50,000, \$250,000, and \$500,000.

Comprehensive

This coverage pays for damage to your automobile that results from fire, theft, vandalism, and certain other causes. A deductible applies.

Collision

You may choose from three types of coverage for damage to your automobile resulting from a collision:

- Limited Collision – Covers repairs to your automobile only if the driver of your automobile is not more than 50% at fault. No deductible applies.
- Basic Collision – Covers repairs to your automobile without regard to fault. A deductible applies.
- Broad Collision – Covers repairs to your automobile without regard to fault. A deductible applies unless the driver of your automobile is not more than 50% at fault.

NOTE: If you do not purchase Collision Coverage, we will not pay for damage to your automobile resulting from a collision. If the driver of another automobile is more than 50% at fault, you may sue that driver for the damage to your automobile that is not covered by us. If the other driver is insured, you can only sue that driver for up to \$3,000. You must bring suit against the other driver in a district court or a municipal court. We will not file the suit for you.

If your automobile has Comprehensive Coverage or Collision Coverage, certain Supplementary Payments are automatically included, depending on the cause of loss. This provides various coverages, including coverage for transportation, clothing or luggage, and pet injury expenses following a covered loss. No deductible applies.

Car Rental

This coverage pays your car rental costs while your automobile is being fixed. It only applies when the damage to your automobile is covered by your policy. You may choose from several daily Car Rental Coverage limits.

Michigan Limited Property Damage

This coverage protects you if you are more than 50% at fault for causing an automobile accident that damages the other automobile involved in the accident. The owner of the other automobile involved in the accident may sue you for the damages to their automobile that are not covered by their automobile insurance. They can only sue you for up to \$3,000. We will pay up to this amount if you purchase this coverage.

Broadened Other Car

Your Bodily Injury and Property Damage Liability Coverages do not protect you if you are driving an automobile not owned by you, your spouse, or your resident relative at the time of an automobile accident. This coverage provides that protection.

Uninsured and Underinsured Motorists Bodily Injury

This coverage pays your automobile accident-related bodily injury damages if the driver of the other automobile involved in the accident is more than 50% at fault for causing the accident. We will pay these damages if the at-fault automobile is either uninsured or insured with bodily injury limits that are lower than your Uninsured and Underinsured Motorists Bodily Injury Coverage limits. You may choose from several Uninsured and Underinsured Motorists Bodily Injury Coverage limits.

Extra Equipment

This coverage pays for damage to your automobile, whether or not it results from a collision. Coverage for parts and equipment not available from or installed by the original manufacturer of your automobile is limited to \$1,000. However, you may purchase up to an additional \$5,000 in coverage to protect aftermarket custom or electronic items that have been added to your automobile. You may only purchase this coverage if you have purchased Comprehensive Coverage for your automobile.

Enhanced Exterior Repair Option

This coverage pays for repairs to exterior parts of your automobile using new original equipment manufacturer (OEM) replacement parts, excluding window glass and mechanical parts.

Enhanced Total Loss Replacement

This coverage pays for replacement of your automobile with a similar automobile in the event of a covered total loss.

OPTIONAL COVERAGES (continued)

Loan/Lease Gap

This coverage pays the difference, or gap, between the value of the loan or lease and the actual cash value of your automobile at the time of a total loss.

Transportation Network Company

This coverage is available for automobiles that are used to provide prearranged transportation of persons or property in conjunction with a Transportation Network Company (TNC). Coverages shown on the Declaration Certificate for the TNC automobile apply during the standby period (while you are logged into TNC application and waiting for an assignment).

EXCLUSIONS

Exclusions state what is not covered by your Policy. Each Part of your Policy has its own set of Exclusions. You should be aware that there may be no coverage if your automobile is:

- rented, leased or consigned to others;
- used to carry persons or property for a fee;
- used in a vehicle sharing program in which the vehicle is shared, rented or leased to others for a fee;
- used to flee or elude police; or
- operated in prearranged, organized or spontaneous racing or speed contest.

You must review each Part of your Policy to determine what is not covered.

RATING INFORMATION

ESSENTIAL INSURANCE

In Michigan, insurance is regulated by the Department of Insurance and Financial Services under the terms of the Essential Insurance Act. The intent of the Essential Insurance Act is to ensure that No-Fault insurance protection is available to all eligible Michigan residents. All companies offering insurance in Michigan must comply with the Essential Insurance Act. In accordance with the Essential Insurance Act, MemberSelect Insurance Company's filed rules and rating plans provide fair and equitable treatment to all of our policyholders.

WHY RATES ARE DIFFERENT

Several factors affect the premium you pay for your automobile insurance coverage. These include:

- **Drivers/Automobile Usage** - The driver's age and automobile usage are considered for all households. Young drivers generally pay more than older drivers. If you drive your automobile to work or school, or use it in business, you likely will pay more than a person who uses an automobile for pleasure. If your automobile is used for pleasure driving only and you drive less than 7,500 miles a year, a lower rate may apply.
- **Driving Records** - Rates are lowest for safe drivers who have no tickets and no substantially at-fault (SAF) accidents on their record. Those with convictions for chargeable traffic violations will pay more. Rates may also be higher for those who have been involved in a substantially at-fault accident.
- **Type of Automobile** - The rates for Comprehensive Coverage and Collision Coverage are based largely on the age of your automobile and the cost of your automobile when it was new. If you own a newer or higher-priced automobile, you will pay more to insure it. This is because these automobiles cost us more to repair or replace than older automobiles or lower-priced automobiles. Additionally, certain automobiles are more easily damaged or more expensive to repair than others. Rates reflect these factors.
- **Income** - Personal Injury Protection Insurance Coverage provides benefits that are related to your income. If you are retired or do not work, your premium for this coverage will be lower.

- **Optional Coverages** - The type and amount of additional coverages you choose will affect your premium.
- **Garaging Location** - Your premium is influenced by where you live. Those in large cities and suburbs usually pay more because the risks of automobile accidents and automobile thefts in these areas are higher. Additionally, the higher costs of automobile repairs, legal defense, and medical care increase rates in these areas.
- **Additional Rating Factors** - Insurance rating score, automobile history, number of automobiles, number of drivers, prior insurance history, and household composition also contribute to how your policy is rated.

Please refer to your Declaration Certificate to see how your policy is rated.

WHO QUALIFIES

A person who is an owner or registrant of an automobile registered or to be registered in Michigan or who holds a valid Michigan license to operate a motor vehicle is considered an eligible person for automobile insurance through the MemberSelect Insurance Company. However, the following are not eligible:

- A person whose license to operate an automobile is expired or under suspension or revocation.
- A person who has been convicted of fraud or intent to defraud an insurance company in the preceding five years.
- A person who has been successfully denied, within the immediately preceding five year period, payment by an insurer under an automobile insurance policy, where there is evidence of fraud or intent to defraud involving an insurance claim or application.
- A person who fails to obtain or maintain a AAA membership when required.
- A person whose automobile is considered prohibited by the MemberSelect Insurance Company.
- An insured or applicant for insurance has on one or more occasions threatened, harassed or assaulted a company employee, agent or agent employee while that individual was acting within the scope of their employment and a report of the incident was filed with an appropriate law enforcement agency.

YOUR RIGHT TO APPEAL

If you do not agree with our rule or rate filings, you may write to the Department of Insurance and Financial Services and ask for a hearing.

You may also appeal our decision if you think that we have wrongfully denied you insurance or charged you more than we should have. Upon request, we will provide copies of all information that caused us to deny or cancel your insurance.

To start your appeal, call your AAA agent and ask for an explanation.

If you still do not agree or want more information, write to: Insurance Regulatory Complaint Resolution, 1 Auto Club Drive, Dearborn, Michigan 48126. In your letter, state that you would like to appeal our decision concerning your insurance. Please provide your name, address, policy number, and phone number.

Within 30 days of our receipt of your letter, you will be called by an Insurance Regulatory Complaint Resolution representative. They will ask you to contact your AAA Michigan Branch Office to schedule an informal management conference. If this is not held within 30 days, or if you are still not satisfied, you can appeal to the Department of Insurance and Financial Services.

Upon request, the Commissioner will hold a hearing on the case.

IN CASE OF AN ACCIDENT

Unfortunately, accidents happen. If you are involved in an automobile accident, get all the facts. Exchange names, addresses, driver license numbers, telephone numbers, and insurance information with the other driver. Record license plate numbers, descriptions and directions of the automobiles involved. Get the names and addresses of any witnesses. Also, make note of the location.

To report your claim, simply call 1-800-222-6424.

Please refer to your Policy for additional details on what you must do after a loss.

ASSESSMENTS

Michigan Law requires all insurance companies writing automobile insurance in Michigan to participate in various associations, which include:

- Michigan Automobile Insurance Placement Facility;
- Automobile Theft Prevention Authority;
- Michigan Property and Casualty Guaranty Association;
- Michigan Assigned Claims Plan;
- Michigan Catastrophic Claims Association (MCCA).

The MCCA provides a means to share the costs of unlimited Personal Injury Protection Benefits when payments for catastrophic injuries resulting from an automobile accident exceed a high threshold amount.

Each company is assessed a portion of the costs associated with these organizations. A charge is added for each automobile with mandatory no-fault coverages to offset our companies' share of these assessments.

DISCOUNTS AND MONEY-SAVING TIPS

DISCOUNTS

AAADrive™ Discount

A voluntary Usage Based Insurance (UBI) discount is available for the policy, when a driver uses AAADrive™ and opts-in to UBI discounting. AAADrive™, included within the AAA Mobile application, runs on compatible smartphones collecting and transmitting data required for determining eligibility and scores used for rating.

AAA Membership Discount

A discount is available when you have an active AAA Membership with an Auto Club Group affiliate or AAA Club having a formal business alliance with the Auto Club Group, as of the inception of the policy.

Advance Purchase

A discount may be available based on the number of days in advance the policy is bound before the policy new business effective date.

Anti-Theft Device Discount

A discount is available if your automobile has an approved theft prevention or theft recovery device.

EFT Discount

A discount is available when an Electronic Fund Transfer (EFT) payment plan is selected at the time the policy is bound or before the effective date of the renewal policy term.

Good Student Discount

A discount is available if you or a rated driver are a full time student between 16 and 24 years of age with a 3 point ("B") or better grade point average.

DISCOUNTS (continued)

Multiple Product Discount

Your Comprehensive and Collision Coverage premiums may be reduced if you insure your automobile(s) and maintain homeowners or life insurance with a AAA Michigan affiliated company.

New Young Driver Discount

A discount may be available for new young drivers added to the policy.

Paperless Discount

A discount may be available if the Named Insured chooses to receive documents electronically.

Pay in Full Discount

A discount is available when a qualifying full premium payment is made on your policy.

Premier Discount

Premiums for household automobiles may be reduced if a named insured(s) insurance score exceeds established thresholds.

Prior Insurance Status Discount

A discount may be available based upon your prior insurance carrier bodily injury liability coverage limits and days lapsed in coverage.

Prior Insurance Tenure Discount

A discount may be available based on the tenure with the insurance carrier that issued a policy to each driver immediately prior to the inception of your policy. Each Active Driver's prior carrier tenure is considered and the maximum is used.

Safety Inspection Discount

A discount is available for eligible automobiles that have passed a AAA Approved Safety Inspection.

Student Away Discount

A discount is available for a student away at school who is not designated as an assigned driver. The student must be between the ages of 16 to 24 and reside at an educational institution located at least 100 road miles away from the place of principal garaging of the automobile.

Vehicle Safety

A discount is available for automobiles that have certain factory installed safety devices.

MONEY SAVING TIPS

Coordinated Benefits

If you choose to coordinate medical expense and/or work loss benefits, the cost of your insurance will be less. You can only do this if you have other insurance that will qualify as primary. Medicare and Medicare supplement policies do not qualify for coordination of medical expenses.



Coverage Selection/Limits

Make sure to compare the costs and benefits of the optional coverages and limits you have selected. For example, if you have an older automobile or one in very poor condition, Comprehensive Coverage or Collision Coverage may cost more than your automobile is worth.

Deductibles

You can lower the premium you pay by increasing the amount of your deductible. Additionally, your deductible decreases \$50 for each term you are claim free for eligible policies with Disappearing Deductible.

Type of Automobile

We offer reduced rates for automobiles that have a better than average record for repairability, theft potential, and occupant protection.

FRAUD NOTICE

Under Michigan law, a fraudulent insurance act includes acts or omissions committed by a person who knowingly presents any statement that contains any false information concerning any fact material to an application for insurance or claim for payment under the policy. A person who commits a fraudulent insurance act is guilty of a felony punishable by imprisonment for not more than four years or a fine of not more than \$50,000, or both.

NOTICE OF INSURANCE UNDERWRITING AND RATING INFORMATION PRACTICES

As part of our normal underwriting process, we rely upon various consumer reports to verify the accuracy of information and to determine qualification for our lowest possible rates. These reports may include information from consumer reporting agencies regarding driving records, prior claims, licensed drivers in the household, and insurance rating score. Under certain circumstances, we may also disclose information we collect to third parties. You will be notified whenever information from a consumer reporting agency results in an adverse action.

Your AAA agent can provide specific information about reports ordered, the results obtained, and the effect they have on your insurance.

Please contact the AAA Agent shown on your Declaration Certificate if you have any questions. The agent can also provide additional information to help you decide which coverages best meet your individual needs and can assist in making any changes that may be necessary as a result.

The descriptions in this brochure are not exhaustive. All coverages are subject to the limits of liability, exclusions, conditions, and other terms of the policy and endorsements.