CMMG (MPI) Pre-Ask 6

Part and Chapter:	Application	Page No.:	Page 23, #2
PUB Approved Issue No:			
Торіс:			
Sub Topic:			

Preamble to IR:

Question:

Please provide further explanation of how #2 on Page 23 of the Application is relevant to your Application.

Rationale for Question:

RESPONSE:

Page 21, Lines 22-25 of the Special Rebate Application state:

"...MPI proposes a rebate to Basic customers with a policy in effect and <u>earning premiums</u> on March 15, 2020, a total of \$58 million from Basic. ...a 5.63% rebate of their Basic <u>in-force premium</u> on March 15, 2020." (emphasis added)

MPI included Point 2 on page 23 in its Special Rate Application to indicate that motorcycle policies were not earning premiums on March 15, 2020, and that there are no in-force premiums for motorcycles on that date. Further, the second part of point 2 is to address customers who may be paying for their motorcycle premiums on an installment plan. The earning period for these customers is no different than customers who pay-in-full (i.e. fully earned in the riding season).