

**PROGRAM DIVISION
BULLETIN**

2002-21

November 14, 2002

Pennsylvania UM/UIM Mandatory Renewal Notice

STATE: Pennsylvania

APPLICABILITY: Commercial Automobile

EFFECTIVE DATE: Immediately

SUMMARY

Please note that this notice **MUST** be utilized on ALL RENEWAL Commercial Automobile policies where vehicles are garaged in Pennsylvania and where the insured has REJECTED either UM/UIM coverage or UM/UIM stacked limits.

KEEP IN MIND the following:

We have two (2) selection / rejection forms for PA, one which addresses UM (62585 12/01) and one that addresses UIM (62598 12/01).

We also have the Important Notice Form (67314 10/01) and the Renewal Notice (80388 6/02) that must be contemplated.

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LEXINGTON INSURANCE COMPANY

PROGRAM DIVISION

200 State Street/11th Floor, Boston, MA 02109
phone 617-330-1100 / fax 617-330-8595

UNDERWRITING ACTION

When dealing with a renewal policy, you must refer to the insured's UM /UIM status as of the renewal effective date. If the insured has NOT rejected any or all of the following, then you need not attach the Renewal notice (80388 6/02) to the renewal policy.

If, however, the insured has rejected UM/UIM coverage or UM/UIM stacked limits, then you must attach the Renewal notice (80388 6/02) and indicate on the notice what option or options do not apply to the renewal policy.

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200 State Street/11th Floor, Boston, MA 02109
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Named Insured

Policy Number

PENNSYLVANIA RENEWAL NOTICE - UNINSURED/UNDERINSURED MOTORISTS

I. This Renewal Policy does not provide protection against damages caused by the types of motorists marked with an "x" below:

uninsured motorists

underinsured motorists

II. This Renewal Policy does not contain stacked limits for the coverage(s) marked with an "x" below:

uninsured motorists coverage

underinsured motorists coverage

PENNSYLVANIA IMPORTANT NOTICE

Insurance companies operating in the Commonwealth of Pennsylvania are required by law to make available for purchase the following benefits for you, your spouse or other relatives or minors in your custody or in the custody of your relatives, residing in your household, occupants of your motor vehicle or persons struck by your motor vehicle:

- 1. For medical benefits, up to at least \$100,000.
 - 1.1 For extraordinary medical benefits, from \$100,000 to \$1,100,000, which may be offered in increments of \$100,000.
- 2. For income loss benefits, up to at least \$2,500 per month up to a maximum benefit of at least \$50,000.
- 3. Accidental death benefits, up to at least \$25,000.
- 4. Funeral benefits, \$2,500.
- 5. As an alternative to paragraphs (1), (2), (3) and (4), a combination benefit, up to at least \$177,500 of benefits in the aggregate or benefits payable up to three years from the date of the accident, whichever occurs first, subject to a limit on accidental death benefit of up to \$25,000 and a limit on funeral benefit of \$2,500, provided that nothing contained in this subsection shall be construed to limit, reduce, modify or change the provisions of section 1715(d) (relating to availability of adequate limits).
- 6. Uninsured, underinsured and bodily injury liability coverage up to at least \$100,000 because of injury to one person in any one accident and up to at least \$300,000 because of injury to two or more persons in any one accident or, at the option of the insurer, up to at least \$300,000 in a single limit for these coverages, except for policies issued under the Assigned Risk Plan. Also, at least \$5,000 for damage to property of others in any one accident.

Additionally, insurers may offer higher benefit levels than those enumerated above as well as additional benefits. However, an insured may elect to purchase lower benefit levels than those enumerated above.

Your signature on this notice or your payment of any renewal premium evidences your actual knowledge and understanding of the availability of these benefits and limits you have selected.

If you have any questions or you do not understand all of the various options available to you, contact your agent or company.

If you do not understand any of these provisions contained in this notice, contact your agent or company before you sign.

Authorized Signature of Named Insured

Name and Title

Date Signed

Named Insured

Policy Number

**PENNSYLVANIA NOTICE
UNINSURED MOTORIST COVERAGE**

Uninsured motorist coverage provides protection for persons insured under the policy who are legally entitled to recover damages from the owner or operator of an uninsured motor vehicle. Pennsylvania law (Pennsylvania Statutes Section 1731) requires that uninsured motorist coverage be offered in connection with any motor vehicle liability insurance policy issued within the Commonwealth of Pennsylvania.

The purchase of uninsured motorist coverage is at your option. Under Pennsylvania Statutes Section 1734, you may select uninsured motorist coverage in amounts equal to or less than the Bodily Injury limits of liability contained in your policy. You are encouraged to consult your agent/broker with your questions.

The undersigned First Named Insured (for each insured in the policy) makes the following choices: **(Applicable items to be marked with an "X")**

REJECTION OF UNINSURED MOTORIST PROTECTION

- () By signing this waiver I am rejecting uninsured motorist coverage under this policy, for myself and all relatives residing in my household. Uninsured coverage protects me and relatives living in my household for losses and damages suffered if injury is caused by the negligence of a driver who does not have any insurance to pay for losses and damages. I knowingly and voluntarily reject this coverage.

Signature of First Named Insured

Date Signed

SELECTION OF LIMITS

- () By signing this waiver I am selecting the following uninsured motorist limits which may not exceed the Bodily Injury liability limits of the policy.

Uninsured Motorist Split Limits: \$ _____ each person \$ _____ each accident

or

Uninsured Motorist Combined Single Limit: \$ _____

Signature of First Named Insured

Date Signed

UNINSURED COVERAGE LIMITS

- () By signing this waiver I am rejecting stacked limits of uninsured motorist coverage under the policy for myself and members of my household, under which the limits of coverage available would be the sum of limits for each motor vehicle insured under the policy. Instead, the limits of coverage that I am purchasing shall be reduced to the limits stated in the policy. I knowingly and voluntarily reject the stacked limits of coverage. I understand that my premiums will be reduced if I reject this coverage.

I understand and agree that the choices indicated above for uninsured motorist coverage will apply to this policy and all future renewals, reinstatements or replacements of this policy unless a written request for a change is received and approved by the Company.

All other terms, conditions, and exclusions of the policy remain unchanged.

Effective Date

Authorized Signature of First Named Insured

Name and Title

Date Signed

Named Insured

Policy Number

**PENNSYLVANIA NOTICE
UNDERINSURED MOTORIST COVERAGE**

Underinsured motorist coverage provides protection for persons insured under the policy who are legally entitled to recover damages from the owner or operator of an underinsured motor vehicle. Pennsylvania law (Pennsylvania Statutes Section 1731) requires that underinsured motorist coverage be offered in connection with any motor vehicle liability insurance policy issued within the Commonwealth of Pennsylvania.

The purchase of underinsured motorist coverage is at your option. Under Pennsylvania Statutes Section 1734, you may select underinsured motorist coverage in amounts equal to or less than the Bodily Injury limits of liability contained in your policy. You are encouraged to consult your agent/broker with your questions.

The undersigned First Named Insured (for each insured in the policy) makes the following choices:
(Applicable items to be marked with an "X")

REJECTION OF UNDERINSURED MOTORIST PROTECTION

- () By signing this waiver I am rejecting underinsured motorist coverage under this policy, for myself and all relatives residing in my household. Underinsured coverage protects me and relatives living in my household for losses and damages suffered if injury is caused by the negligence of a driver who does not have enough insurance to pay for all losses and damages. I knowingly and voluntarily reject this coverage.

Signature of First Named Insured

Date Signed

SELECTION OF LIMITS

- () By signing this waiver I am selecting underinsured motorist limits which may not exceed the Bodily Injury liability limits of the policy.

Underinsured Motorist Split Limits: \$ _____ each person; \$ _____ each accident
or

Underinsured Motorist Combined Single Limit: \$ _____

Signature of First Named Insured

Date Signed

UNDERINSURED COVERAGE LIMITS

- () By signing this waiver I am rejecting stacked limits of underinsured motorist coverage under the policy for myself and members of my household, under which the limits of coverage available would be the sum of limits for each motor vehicle insured under the policy. Instead, the limits of coverage that I am purchasing shall be reduced to the limits stated in the policy. I knowingly and voluntarily reject the stacked limits of coverage. I understand that my premiums will be reduced if I reject this coverage.

I understand and agree that the choices indicated above for underinsured motorist coverage will apply to this policy and all future renewals, reinstatements or replacements of this policy unless a written request for a change is received and approved by the Company.

All other terms, conditions, and exclusions of the policy remain unchanged.

Effective Date

Authorized Signature of First Named Insured

Name and Title

Date Signed