



RULE 3.12 – PAYMENT PLANS

New Business

The applicant has the option of paying the premium in full at the time of application for insurance or selecting one of the following payment plans:

- **Full-Pay Plan (Down Payment and No Installments)**
- **5-Pay Plan (Down Payment plus 4 Installments)**
 - 30% of the total premium as down payment submitted with the application
 - 70% of the total premium billed in 4 equal installments (17.5% per installment) at 30-day intervals after the policy effective date
 - Applicants that do not qualify for Category 1 or 2 Prior Insurance Factor must enroll in AAA Auto Pay
- **Monthly Pay Plan (Down Payment plus 5 Installments)**
 - 16.67% of the total premium as down payment submitted with the application
 - Note:** Applicants that do not qualify for Category 1 or 2 Prior Insurance Factor must submit 25% of the total premium as down payment submitted with the application.
 - 83.33% of the total premium billed in 5 installments (approximately 16.67% per installment) at 30-day intervals after the policy effective date
 - This plan requires AAA Auto Pay

Note: The applicant can pay the premium in full with the first installment of any plan.

Important: If a policy does not qualify for either Category 1 or 2 Prior Insurance factor and is issued without the required AAA Auto Pay authorization, the credit number on the policy will be changed to 999.

Renewals

Renewal offers for qualifying automobile policies will be issued approximately 45 days prior to the expiration date of the policy. The renewal declarations, as well as any updated policy forms and endorsements, will be mailed to the named insured, with a copy going to the lienholder and other interests indicated. The billing notice will be mailed to the designated payor.

The insured has the option of paying the full premium due on the renewal effective date or selecting one of the following payment plans:

- **Full-Pay Plan (Down Payment and No Installments)**



Illinois

- **5-Pay Plan (5 Installments)**

- 20% of the total renewal premium as the first installment due on the renewal effective date. No service charge applies to this installment.
- The balance (80%) of the total premium billed in 4 equal installments (20% per installment) at 30-day intervals after the policy effective date.

- **Monthly Pay Plan (6 Installments)**

- 16.67% of the total renewal premium as the first installment due on the renewal effective date. No service charge applies to this installment.
- The balance (83.33%) of the total premium billed in 5 installments (approximately 16.67% per installment) at 30-day intervals after the policy effective date.
- This plan requires AAA Auto Pay

Note: The applicant can pay the premium in full with the first installment of any plan.



RULE 4.10 – MULTI-POLICY DISCOUNT

An automobile policy is eligible for the Multi-Policy Discount if at least one policyholder or spouse rated on the automobile policy is also a named insured on an existing or new homeowners, condominium, or renters policy with the ACFIC or an ACE affiliate, and/or a qualifying AAA Life Insurance Company policy.

If the associated homeowners, condominium, or renters policy is cancelled or nonrenewed for any reason, the automobile policy will be amended mid-term to remove the discount.