

Brotherhood Auto Aid

A Mutual Aid Plan of the
Church of God in Christ, Mennonite



Policy

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Policy

Brotherhood Auto Aid (BAA) shall operate as a non-profit mutual aid entity under the direction of the Mennonite Union Aid, an association sponsored by the General Conference of the Church of God in Christ, Mennonite. BAA is not an insurance or liability company. BAA does not cover property damage to others caused by listed vehicle but offers brotherly assistance to members of the Church of God in Christ, Mennonite, for physical damage losses to their motor vehicles. The purpose of this plan is to operate in ways that do not violate the laws of any state or province.

BAA agrees to cover your vehicles according to the terms of this policy based on: (1) your payment of the premium for the described coverage; and (2) reliance on your statements in these declarations.

You agree, by acceptance of this policy, that the statements in these declarations are your statements and are true; and BAA provides coverage to you on the basis that your statements are true. Unless otherwise stated in the lien holder space on the declarations page, you state that you are the sole owner of the said vehicle.

Policy Period

The coverage herein described applies to accidents and losses that take place during the policy period as shown on the declarations page. This policy period is for successive periods of one year each for which the renewal premium is paid.

Payments must be made on or within thirty days following the renewal date. The policy period begins and ends at 12:00 AM Standard Time at the address shown on the declarations page.

Policy Coverage Area

The described coverage applies in the USA, its territories and possessions, Canada, Mexico, or while covered vehicles are being shipped between their ports. Physical damage coverage loss in Mexico is determined on the basis of cost at the nearest United States point.

Coverage of Newly Acquired Vehicles

Newly acquired vehicles are automatically covered for current BAA policy holders if application is made within thirty days of date of purchase and premium is paid.

Newly acquired vehicles are automatically covered for new BAA policy holders if application is made within fourteen days of date of purchase and premium is paid

Financed Vehicles

If a creditor is listed in the declarations, BAA may pay any comprehensive or collision loss to (1) you and, if unpaid, the repairer or creditor; or (2) you and such creditor, as their interest may appear, when BAA finds it is not practical to repair your vehicle; or (3) the creditor, as to their interest, if your vehicle has been repossessed.

The coverage for the creditor's interest only is valid until BAA terminates it. BAA will not terminate such coverage because of (1) any act or negligence of the owner or borrower; or (2) a change in the ownership or interest unknown to us, unless the creditor knew of it and failed to notify BAA within ten days; or (3) an error in the description of the vehicle.

The date of termination of the creditor's interest will be at least ten days after the date BAA mails the termination notice.

Physical Damage Coverage - Comprehensive

Payable under comprehensive coverage are glass breakage, loss caused by projectiles, falling objects, fire, theft, explosion, earthquake, windstorm, hail, water, flood, malicious mischief or vandalism, riot, civil commotion, animal collision, or hit and run collision. The comprehensive deductible will be applied to each loss, and the loss cannot exceed the current value of the vehicle.

Physical Damage Coverage - Collision

Payable under collision coverage are losses when your vehicle upset or hit or was hit by a vehicle or other object. The collision deductible will be applied to each loss, and the loss cannot exceed the current value of the vehicle.

Physical Damage Exclusions

There is no comprehensive or collision coverage for (1) rental cars (2) travel expenses due to accident or loss (3) loss to any vehicle impounded by any governmental authority (4) loss due to war of any kind (5) wear and tear, freezing, mechanical or electrical breakdown or failure (6) tires, unless stolen or damaged by fire or vandalism; or other loss covered by this section that happens at the same time (7) once a vehicle is sold or traded (8) motorcycles, whether for resale or use (9) non-licensed drivers. *Any loss incurred by non-licensed or improperly licensed drivers on public roads is not covered. If such a loss occurs on private property, settlement can be made up to fifty percent of the loss incurred.*

BAA further reserves the right to deny coverage to any vehicle that is deemed inconsistent with the teachings of the Church of God in Christ, Mennonite.

Coverage Available From Other Sources

If other coverage applies to the loss or expenses, BAA will pay only their share. Their share is the percent the limit of liability of this policy bears to the total of all coverage that applies.

Limit of Liability

The limit of BAA's liability of loss of property or any part of it is the lowest of (1) the actual cash value; or (2) the cost of repair or replacement.

Actual cash value is determined by the market value, age and condition at the time the loss occurred. Any deductible amount that applies will then be subtracted.

Settlement of Loss

BAA has the right to settle a loss with you in one of the following ways: (1) repair or replace the property or part with like kind and quality less depreciation; (2) in the event of a total loss (cost of repair exceeds the value of vehicle), BAA will pay actual cash value of the vehicle less the highest salvage bid from two reputable salvage firms.

Towing and/or Storage Coverage

All BAA policies include towing and/or storage benefits up to \$500.00 per incident for cars, pickups, vans, and utility vehicles and up to \$1,000.00 per incident for heavy trucks and trailers. No benefits shall be paid on inoperative vehicles where the cause is not a direct result of an accident or collision. No towing or labor cost share provided due to freezing, mechanical, electrical, or tire failure.

Policy Changes

The terms of this policy may be changed or waived by a decision made by the board of directors. If any coverage you carry is changed to give broader coverage, BAA will give you the broader coverage until next renewal notice, without extra charge, without the issuance of a new policy, as of the date BAA make the change effective.

Renewal of Policy

BAA agrees to renew the policy for the next policy period unless written notice of their intention not to renew is mailed to your last known address on your current policy. An invoice will be provided effective on your policy renewal date, and payment is expected within thirty days of that renewal date.

Cancellation of Policy

You may cancel your policy by notification delivered to BAA with the requested date of cancellation.

If BAA has not received your premium payment within thirty days of renewal date, your vehicle coverage may be subject to cancellation. Written cancellation notice will be provided to you on the cancellation effective date. Written notice will be provided thirty days before the cancellation effective date if the cancellation is for any other reason than non-payment of premium.

Return of Unearned Premium

Unearned premium (in the amount of \$5.00 or greater) will be returned at the time of cancellation or within a reasonable time thereafter. Delay in the return of unearned premium does not affect cancellation.

Claims Procedure

The policyholder must give BAA written notice (Claim Report) of an accident or loss as soon as reasonably possible.

When there is a loss, you shall also provide BAA at least two estimates from two different reliable body shops as to the repair work needed. Only one estimate is required for any of the following exceptions: (1) the body shop is owned by our brethren, or (2) the claim is less than \$2,500.00, or (3) it is a glass claim. If it is impossible to obtain two estimates, please discuss the claim with the office personnel *before* the claim is filed. Unless a mutual agreement is reached between BAA and policyholder, BAA will make settlement according to the lowest estimate received. It is your responsibility to protect the damaged vehicle as much as is in your power to do so.

BAA only requires one estimate for glass claims. The Board of Directors has established glass payment rates effective January 1, 2006. All glass claims will be paid according to the following established rates. Glass repair claims (chips, stars, etc.) are paid at 100% with no deductible. Glass replacement rates are as follows: Glass at 15% below NAGS list price; Urethane at \$20.00 per kit; Labor at \$100.00 flat rate. All glass replacement claims are subject to a \$100.00 deductible. ***All glass claims in excess of these established rates are the responsibility of the policyholder.***

The policyholder shall cooperate with BAA, as much as possible in making settlement. If payment or repair arrangements that conflict with BAA policy are made without prior approval from BAA, BAA is not held responsible.

All vehicle incidents should be reported to the proper authorities, as per state and/or provincial laws.