

**Equity Insurance Company
Private Passenger Auto
Rate Filing Memorandum**

Effective 5/1/2020 New 5/1/2020 Renewal

As a result of the COVID-19 pandemic, Equity Insurance Company would like to do its part to offer rate relief to our customers. We are filing for a temporary premium credit that we are calling the COVID-19 Relief Rule. A 5% credit will be applied to all private passenger auto policies issued with effective dates on or after May 1, 2020 through the period ending 45 days after the complete lifting of the shelter at home order for Mississippi (COVID period).

The credit will be applied to private passenger auto policies as follows:

- 1) The credit will be in the form of a temporary reduction to our currently filed base rates.
- 2) The credit will apply to all new business policies issued during the COVID period.
- 3) The credit will apply to all renewal policies issued during the COVID period.

The credit will apply uniformly across all coverages on the policy. The credit will be based on the policy term premiums. The credit will be in effect during the entire policy period. The credit will not apply to any fees, service charges, taxes, etc. that are listed separately from the policy term premium.

For renewals, we will apply the credit when we issue the renewal notice to the policyholder. This typically occurs between 35 and 60 days before the policy effective date. We recognize that some policies may have already been issued meeting the criteria outlined. We are actively adjusting our systems to apply the credit retroactively to policies that were eligible as outlined above on or after 5/1/2020.

Since this Rule is limited to a specified timeframe, we will not be filing for a traditional rate increase after the impacted period, instead the Rule will automatically expire as mentioned above and the normal base rates will resume.