Employee Lease Program: Change to Insurance Options*

*applies to Company Provided Insurance Program only

*Original publish date: February 2016 (phase out for all personal leases including extended family members; exceptions: Michigan-based employee leases and FSAs)

*Updated publish date: February 2017 (phase out for all personal leases including Michigan-based employees; exception for FSAs remains)

As announced in February 2016, NNA phased out the Company Provided Insurance (CPI) option for the Employee Lease program effective with new orders placed April 1, 2016, and forward for all Employee Lease participants with the following exceptions:

- **Michigan**: For those employees whose home location is Michigan and hired before May 15, 2015, for the near-term.
  - Applied to vehicles registered in the Michigan
  - Extended family members required to transition to EPI
- **Expats and FSAs** on assignment in the U.S. will continue to have Company Provided Insurance as an option.

Effective with lease vehicle orders placed on or after April 1, 2017, all new employee vehicle leases will require **Employee Provided Insurance (EPI)** from a Lease Program partner and through payroll deduction (mandatory) including those Michigan-based employees who were previously part of an exception.

Exceptions (effective April 1, 2017):

- **Vehicles** (Company Demos) provided as a part of your job;
- **Employees on Foreign Service Assignments (FSAs)** in the U.S. will continue to have Company Provided Insurance as an option.

What does this mean for employees with CPI?

- Any current leases for yourself, family or extended family can continue on CPI until the next reorder date that happens on or after April 1, 2017.
- Savings! Many employees who have moved to EPI have found savings over the CPI program.

Transitioning to EPI:

You do not have to wait until the re-order date of current leases on CPI.

- **Timing**: At any time, you may switch existing lease vehicles to EPI using a Nissan Employee Lease Program partner.
- **Payroll Deduction Adjustments**: Once you have secured coverage, provide EPI policy information to your local Corporate Vehicles (CV) team.
  - With this information, CV will adjust your lease rate to remove the insurance portion of your current payment.
The EPI payroll deduction will begin with your next paycheck following policy inception.

**Proof of prior coverage:** When transitioning from CPI, the insurance company might ask for proof of prior coverage. You will need to tell the insurance company that you were part of the “CPI” program and the length of coverage under the program. If asked, the current CPI insurance company is Tokio Marine.

EPI Program Details:
- Centralized EPI Platform including:
  - One-call, toll-free number to receive individual or multiple quotes from current Lease Program insurance partners (844-NNA-4EPI).
  - Website with self-service for policy quoting, payroll deduction details or historical policy information (single-sign-on (LanID/Password))
    - [www.nna4epi.com](http://www.nna4epi.com).
- Top 5 U.S. automobile insurance companies as lease program partners:
  - **Nationwide**: Travelers, Liberty Mutual, and Metlife
  - **Michigan**: Auto Owners (with plans to expand territory)
  - **Tennessee**: Farmers Insurance (working to expand)
- Similar to CPI, insurance premiums are payroll deducted (mandatory). The only difference will be two separate deductions: one for lease payment and another for the insurance.
- Coverage is standard across the Nissan Employee Lease program and program partners and can be found in the Nissan Employee Lease program Company Policy (C-109) or by visiting [www.nissanemployeелеase.com](http://www.nissanemployeелеase.com) under the Insurance tab:
  - Minimum coverage includes $100/$300K for bodily injury and $100K property damage.

**Frequently Asked Questions:**

**Q:** What is Company Provided Insurance (CPI)?
**A:** Employees on CPI pay a 0.5% rate premium over the vehicle lease rate for the insurance portion of their vehicle. For example, an employee leasing a vehicle with a standard monthly rate (1 percent of dealer net) of $300 would pay an additional $150 per month for company provided insurance. Employees on CPI are not covered under this policy when driving other vehicles, nor are they provided Auto Insurance ID cards with their individual names as the coverage pertains to the leased vehicle and them only as authorized drivers of the vehicle.

**Q:** What are the benefits of Employee Provided Insurance (EPI)?
**A:** Under EPI, the employee obtains his or her own individual insurance policy on a lease vehicle from a Nissan-approved partner insurance company.

In addition, EPI allows employees to bundle their home and other property with their vehicle for bundled savings, if desired.
EPI is similar to CPI in that both are payroll deducted for the employee, but EPI participants pay prevailing market rates for their insurance and can shop for the best rate among Nissan-approved competing companies.

Q: Will I see a change in my insurance rates by changing from CPI to EPI?
A: Most likely, yes. Changes to rates could be due to the timing of a policy start date or due to a rate change shifting from CPI to EPI.

Individual results will vary but many employees are enjoying savings over CPI rates. Actual results experienced include either savings with individual vehicle policies or reductions when bundling other policies, i.e. renters or homeowner’s policy.

It is important to note that each insurance company will have a different risk profile and will consider driving records, age, distance to/from work, education level, tenure with the company and credit when pricing insurance policies. For this reason, employees should comparison shop all insurance companies in the program to obtain the best possible rate.

Q: What are the benefits of EPI over CPI?
A: More Coverage - Because EPI policies are individually underwritten, they contain insurance coverage that is not provided under CPI. For example, EPI policies typically provide coverage when driving another vehicle (for short periods of time, e.g. rental cars) while CPI does not provide such coverage.

More Control / Documentation – EPI policies provide full policy detail that is not available through CPI. In addition, EPI policies provide insurance cards with driver’s name and VIN whereas CPI will never provide an insurance card with a driver’s name.

Potential Savings - EPI policies are market driven, individually underwritten and generally should be less expensive than the flat 0.5% rate under CPI. In addition, under EPI, leased vehicles can be bundled with other property for savings and simplicity (owned cars, homes, rental properties, boats, etc.). CPI provides no coverage for other property besides the leased vehicle and you while you are driving that vehicle.

Q: I have received my reorder notice from Corporate Vehicles. Do I need to move to EPI now?
A: Vehicle orders eligible for CPI and placed before April 1, 2017, can still select CPI as their insurance choice. Only vehicle orders placed on or after April 1, 2017, will require EPI.

Q: I have several vehicle leases under my employee ID. Will all leases transfer to EPI at once?
A: No, not unless you choose to do this. Each individual lease will transition to EPI based upon its individual reorder occurring on or after April 1, 2017, unless the employee chooses to transition to EPI sooner. However, transitioning sooner could result in better rates and should be considered.
It is important to note that under EPI each individual (outside your household) leasing under your name will have a separate, individual policy. The deductions will still come from your paycheck, so you will need to authorize the deduction; however, individual policies will keep each driver’s experience separate and priced accordingly.

Additional Note: As Nissan employee and sponsor for family lease, your name will appear as additional insured on their insurance policy. This will not impact your policy rates nor theirs, but ties the lease vehicle to the insurance policy.

**Q:** I drive a company demo but my family member(s) drive a personal lease currently under CPI. How will this be handled?

**A:** Your company demo will continue under CPI as determined by your job/compensation agreement but the personal leased vehicle(s) will not be eligible for CPI when reorder occurs on or after April 1, 2017.

**Q:** I left Nissan and re-hired with the company at NTCNA-Farmington Hills. Which hire date applies to my insurance options?

**A:** For employee lease insurance, your most recent hire date will apply. If you re-hired after May 15, 2015, you do not have the option of CPI.

**Q:** If I want to explore my EPI options now, what should I do?

**A:** Find contact information for Nissan Employee Lease Program (EPI) insurance companies on the Nissan employee lease program website under the Insurance tab (click here), or by calling 844-NNA-4EPI or by visiting the EPI Platform website at www.nna4epi.com.

**Proof of prior coverage:** When transitioning from CPI, the insurance company might ask for proof of prior coverage. You will need to tell the insurance company that you were part of the “CPI” program and the length of coverage under the program. If asked, the current CPI insurance company is Tokio Marine.

Once you have secured an EPI policy, notify your Corporate Vehicles representative immediately and provide proof of EPI coverage.

Your Corporate Vehicles representative will then reduce your lease rate to remove the insurance portion of your company lease payment and the EPI insurance payroll deduction will begin with the next paycheck.

**Note:** Please allow at least one week for the change to update in the system.