



MAPFRE INSURANCE COMPANY

CALIFORNIA AUTO ASSIST PLUS

PRIVATE PASSENGER AUTO RATE/RULE MANUAL

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ELIGIBILITY

- A. A Personal Auto Policy shall be used to afford coverage to private passenger autos if they are owned by:
 - 1. an individual or by two persons who reside in the same household, or
 - 2. two or more resident relatives other than husband and wife, or
 - 3. two or more resident individuals age 25 and older, or
 - 4. two or more non-resident relatives, including a non-resident husband and wife

- B. A Personal Auto Policy shall be used to afford coverage to motor homes, travel trailers and golf carts if they are owned by:
 - 1. an individual or by two persons who reside in the same household, or
 - 2. by two or more resident relatives other than husband and wife, or
 - 3. two or more resident individuals age 25 and older

Coverage is limited in accordance with the applicable policy endorsement, including the Miscellaneous Type Vehicle endorsement. At least one or more private passenger type vehicles must be on the policy before a motor home, travel trailer or golf cart can be insured.

- C. A Personal Auto Policy shall be used to afford coverage to a named individual who does not own an auto. The Named Non-Owner Coverage endorsement must be attached.

If the auto(s) is titled to a trust, eligibility is subject to the following requirements:

- 1. The grantor of the trust must be:
 - a. An individual or a husband and wife:
 - b. The only named insured(s) shown in the Declarations.
- 2. All vehicles insured under the policy must be owned by the trust. A vehicle owned by a trust, in which the grantor is a corporate entity, is not eligible under the Personal Auto Program.

A trust may be listed as an additional interest only.

UNACCEPTABLE RISKS

Before quoting a risk or binding coverage, the producer should refer to the “Unacceptable Risks” list to determine acceptability. If there are any questions regarding acceptability the producer should call Underwriting.

Insureds/Drivers

- 1. Applicants without a current, valid driver’s license.
- 2. In determining the eligibility to purchase a good driver discount policy, the requirement that the driver have been licensed to drive a motor vehicle for the previous three years shall mean that the driver has been licensed to drive “in any jurisdiction.”

3. Any person who “claims” that he or she meets the criteria of statutory Good Drivers based entirely or partially on a driver’s license and driving experience required anywhere other than in the United States or Canada is rebuttably presumed to be qualified to purchase a Good Driver Discount policy if he or she has been licensed to drive the United States or Canada for at least the previous 18 months and meets the criteria of statutory Good Drivers.
4. Applicants with no accidents but more than 1 minor moving violation in the past 3 years. These drivers may be acceptable at renewal.
5. Applicants with no violations but a principally-at-fault accident which resulted in bodily injury or death in the past three years. These drivers may be acceptable at renewal.
6. Applicants with no violations but more than 1 principally-at-fault accident in the past 3 years.
7. Applicants with certain DUI or manslaughter violations in the past 10 years. These drivers may be acceptable at renewal.
8. Applicants with other major violations in the past 3 years. These drivers may be acceptable at renewal.
9. Drivers who are not permanent residents (ten-month intended stay) of California.
10. Risks with vehicles that are driven by unlisted operators on a regular or ongoing basis.
11. Any driver with a revoked license, unless that driver is excluded from coverage.
12. Drivers who do not have a permanent residence in the state (migratory risks).
13. Drivers without a complete and verifiable garaging address.
14. Drivers without a permanent telephone number where they can be reached.
15. Drivers who have been convicted of insurance fraud.
16. Named Insureds who have never been licensed. This does not include a named insured that is legally blind and there is a listed driver who is licensed.
17. Drivers whose U.S. or Canadian licensing record for the past 1 to 18 months cannot be verified by the state’s Bureau of Motor Vehicles.
18. Drivers of private passenger vehicles under the minimum age for state licensing. (Residents age 14 or older without a learner’s permit should be listed on the application but not rated.)
19. Policies where all listed drivers do not live in the same household, excluding students and military.
20. Applicants who have had a policy canceled by MAPFRE Insurance Company or any other MAPFRE company for misrepresentation.
21. In determining a driver’s at-fault accident history, a driver’s declaration under penalty of perjury, attesting to his or her at-fault accident history, shall be sufficient proof of that history in the absence of contrary information from an independent source. If MAPFRE discovers that the declaration contains a fraudulent or material misrepresentation, MAPFRE may use that information to rate the policy or cancel the policy pursuant to the California Insurance Code and take any other action authorized by law.

Vehicles

1. Street legal vehicles not registered, titled, and principally garaged in California more than 6 months per year. Military risks stationed in California are acceptable if the vehicle is principally garaged in California regardless of state registration and title. A vehicle temporarily garaged outside of California while a listed dependent driver is attending school is acceptable if the vehicle is registered in California to the named insured or spouse and at least one other vehicle on the policy is permanently garaged in California. *Note: The listed dependent driver away at school must be rated as principal operator on said vehicle.*
2. Custom, rebuilt, altered, or modified vehicles (including vehicles with lift kits and converted school buses) and specialty built vehicles (including kit cars and Dune/Baja Buggies). This does not include vehicles rated as classic/stated amount, conversion vans or antique/exhibition cars.

3. Salvage vehicles for liability coverage without prior approval from the Underwriting Department
4. Commercial vehicle types such as Step Vans, Panel Vans, Dump Trucks, and Stake bed and Flatbed Trucks.
5. Vehicles (other than motor homes) with a gross vehicle weight in excess of 10,000 pounds.
6. Vehicles leased or rented to other drivers by the applicant
7. Vehicles titled to or possessed by unrelated individuals under age 25 may not be insured on the same policy.
8. Vehicles with value greater than the following maximum amount:
 - A. Classic/Stated Amount Vehicles: \$75,000
 - B. Conversion Vehicles: \$150,000
 - C. Antique/Exhibition Cars: \$75,000
 - D. Motor Homes: \$150,000
 - E. Travel Trailers: \$150,000
 - F. Utility and Horse Trailers: \$50,000
 - G. Pickup Campers: \$150,000
 - H. Additional Custom Equipment of \$4,000 for private passenger autos

Note: #8 is not applicable if insured is a Good Driver.
9. Vehicles used for
 - A. racing or speed contests;
 - B. emergency or law enforcement;
 - C. transporting gasoline, chemicals, explosives, or other potentially volatile or dangerous substances;
 - D. mail/parcel post delivery, retail food or beverage delivery, and messenger or courier service;
 - E. news dealers, including newspaper delivery and distribution
 - F. any public or private livery transportation (example: limousines, taxis, buses, or van pools);
 - G. transporting nursery or school children for hire or as part of a business;
 - H. snowplowing for hire;
 - I. any commercial purpose:
 - a) short-term rentals;
 - b) business or artisan use unless such use is indicated on the application

Note: Vehicles used for driving to and from job sites or hauling personal tools are not considered as used in the occupation, business or profession of the insured, unless the insured is self employed.
10. Motor Homes and Travel Trailers taken to and from work or work locations.
11. Trailers written as the only vehicle on the policy.
12. Tied-down stationary trailers, park models and mobile homes
13. Motor Homes or Trailers:
 - A. Used for residential purposes
 - B. Pleasure use with the vehicle occupied more than 150 days per year
 - C. That is the only vehicle in the household.
14. Nonprofessionally converted Motor Homes or Travel Trailers.
15. Private or commercial limousines.
16. Motorcycles or motor scooters.
17. Dune buggies, go-carts, and 3 and 4 wheeled ATVs or off road utility vehicles.
18. Any vehicle on a consignment lot.
19. Vehicles which fail to meet governing state or federal safety guidelines.

Policy Attributes

1. A policy requesting coverage for any former MAPFRE policyholder who has an unpaid balance due, unless the balance is submitted in addition to the correct down payment for the new policy.
2. Risks with two or more artisan use vehicles (see Vehicle Use).
3. Policies where a driver has a revoked, suspended, or expired license at new business, unless the driver is excluded on the policy.
4. Risks in which the insured or agent knowingly fails to provide MAPFRE with the correct vehicle garaging address(es) of all vehicles on the policy.
5. A Named Non-Owner policy with Business or Artisan Use.
6. Policies where an additional insured is the named insured's business or employer without prior approval from the Underwriting Department

POLICY TYPE

Basic Policy

Includes coverage for permissive drivers not listed on the policy.

Named Non-Owner Policy

Named Non-Owner coverage provides personal auto liability protection only to an individual who does not own a vehicle or have access to any personal use vehicle on a regular basis. Coverage does not extend to any vehicles owned by members of the household in which the named insured resides or any other vehicles accessible to the named insured on a regular basis. There should be only one driver, the named insured, on a Named Non-Owner policy. Coverage applies only to non-owned vehicles and only to the person listed on the Dec page. Liability, medical payments and uninsured motorists bodily injury coverages are the only coverages written. Named Non-Owner policies are available for private passenger autos only. Business/Artisan use is unacceptable.

For Rating Purposes

- Physical Damage coverage is not available.
- In the absence of a unit, base rates are assigned as if there were a private passenger auto assigned.
- In the absence of a garaging address, the territory is based on the residential address of the Named Insured.

Named Non-Owner Endorsement should be attached to the policy.

Policy Period

Personal auto policies may be written for a semi-annual period or an annual period. Premiums for semi-annual policies shall be one half the developed premiums for annual policies.

FINANCIAL RESPONSIBILITY FILINGS

The SR-22 filing fee applies if a certificate of insurance is filed in order for a driver to comply with the requirements of an automobile financial responsibility law. The fee is a flat charge of \$15.

SR-22 filings will only be made for the named insured, spouse and resident dependent children less than 25 years of age. The name on the filing must appear exactly as it reads on the driver's license. MAPFRE will not make filings for drivers that have an unverifiable driving record. If the driving record is

unverifiable, the policy is subject to cancellation. MAPFRE will not make filings for states other than the one in which the policy is written.

MAPFRE will only make filings in states in which we actively write new business. The liability limits on the policy must meet statutory requirements for the state. SR-22 owner filings will not be made unless all vehicles registered to the named insured and spouse are insured by MAPFRE. Filings will be processed and mailed to the Department of Motor Vehicles within five days of the receipt of the application.

An SR-26 will be issued upon cancellation or expiration of the policy. The filing will be reinstated when the policy reinstates or renews.

POLICY CHANGES, CANCELLATIONS, AND NON RENEWALS

1. All changes on the personal auto policy requiring premium adjustment will be made on a pro-rata basis.
2. Insured Cancel– An insured may choose to cancel a policy at any time by providing the company with signed written communication that indicates the desire to do so.

If cancellation is for one of the following cases, compute the return premium pro-rata:

- a. company cancellation
 - b. replacement vehicle
 - c. the insured vehicle is repossessed
 - d. another policy is in force with MAPFRE
 - e. the insured enters the armed forces of the United States of America
 - f. the insured vehicle is stolen or destroyed
3. Non Renewal – MAPFRE will only cancel mid-term for situations acceptable by state regulations. All other cancellations will occur at renewal with the appropriate state regulated notice. If the company cancels the policy the unearned premium will be returned on a pro rata basis.

MINIMUM PREMIUM

The minimum combined premium per vehicle is \$50 on an annual auto policy and \$25 on a semi-annual auto policy.

ROUNDING

Premiums for each coverage are calculated by rounding to the nearest cent in all intermediate steps. The final coverage premium is rounded to the nearest cent.

ANTI-FRAUD FEE

In accordance with section 1872.87 of the California Insurance Code, each insurer shall, over a reasonable length of time, but in no event later than the calendar year in which the assessment is paid, recoup the special purpose assessments by way of a surcharge on premiums charged for the insurance policies to which those sections apply or including the assessments within the insurer's rates. Amounts recouped shall not be considered premiums for any purpose, including the computation of gross premium tax or agents' commission. The amount of the surcharge, equal to \$0.90 per vehicle per 6 month term, shall be separately stated on either a billing or policy declaration sent to the insured. A charge of \$.90 per vehicle will be collected on behalf of the California Department of Insurance every 6-month policy term. This fee is used by the Department as follows:

1. Investigation and prosecution of automobile insurance fraud – \$1 annual fee per insured vehicle. California Insurance Code section 1872.8, California Code of Regulations Section 2698.60 et. seq.
2. Consumer service functions related to automobile insurance – \$.30 annual fee per insured vehicle. California Insurance Code section 1872.81, California Code of Regulations Section 2698.68.
3. Automobile fraud interdiction program – \$.50 annual fee per insured vehicle. California Insurance Code section 1872.8, California Code of Regulations Section 2698.70 et. seq.

The fee is not subject to any modifications of any rating rule or rounding rule, including the Good Driver Discount. Policies in-force for any duration are subject to full collection of the fee. The fee is charged on self-propelled vehicles only (does not apply to trailers).

DRIVER/VEHICLE ASSIGNMENT

Each driver must be assigned to a vehicle unless that person is being excluded from coverage and no driver may be assigned to more than one (1) vehicle. The following rules apply to driver assignment:

Equal Number of Drivers to Vehicles

Assign each driver to the vehicle that person drives the most. The driver assigned to each vehicle is the "rated" driver and all factors related to that driver are applied including years of licensed experience, driving record, Good Student Discount, etc. Each vehicle must have only one assigned driver.

More Vehicles than Drivers

Assign the driver(s) to the vehicle(s) he or she drives the most. No vehicle may be assigned more than one driver. Any remaining vehicle(s) is classified as "unassigned" and is rated using the excess vehicle factors as well as multi-car discount. Other driving related factors either have a specific factor or use the lowest corresponding factor. Factors related to the actual use, mileage and the specific vehicle's risk characteristics will be applied in the same manner as assigned vehicles.

More Drivers than Vehicles

If there is more than one driver assigned to a vehicle, the driver that will be "rated" for that vehicle is the driver who has the highest combined driver factor, regardless of whether that driver is the principal or non-principal operator of that vehicle.

Non-principal operators are to be assigned to the vehicle they drive the most. If there is more than one non-principal operator and there are vehicles not already assigned a non-principal operator, then assign the remaining non-principal operator(s) to the remaining vehicle(s) in order of the highest rated non-principal operator to the remaining vehicle they operate the most.

Drivers will not be assigned to the following unit types: GC, MHA, MHB, MHC, FW, PC, PO, RC, RT, UT, and HT.

DRIVING RECORD ACTIVITY AND DRIVER POINT ASSIGNMENT

The experience period shall be the three years immediately preceding the date of the application or the effective date of the renewal. We will continue to charge each applicable surcharge for as long as the occurrence creating the surcharge remains within the experience period and the responsible driver remains on the policy. Underwriting will have the discretion of removing a surcharge mid-term if the occurrence is past the experience period for existing customers.

Procedures - The driving safety record shall be determined from the number of points accumulated during the experience period.

1. Determine the number of points applicable to each driver. Point charges are based on the violation date.
 - a. If a vehicle is customarily operated by one driver, rate the policy based on the points generated by that driver.
 - b. Only the points applicable to one individual driver may be applied to a single vehicle.
 - c. If all drivers who customarily operate the vehicle have generated no points, assign '0' points to that vehicle.
2. Using the Driver Safety Record table in the rate workbook, find the intersection of the appropriate Accident point column and the appropriate Conviction column and the factor displayed at the point of the intersection.

Driving under the influence (DUI) – DUIs occurring on or after January 1, 1999, are retained for 10 years for purposes of determining the good driver discount but points are only charged for 36 months.

ANNUAL MILES

Each vehicle is rated using one of the following annual mileage programs.

Estimated Annual Mileage Program

Pursuant to state law, the number of miles driven annually means the estimated annual mileage for the insured vehicle during the 12-month period following the inception of the policy. We will use the insured's annual mileage estimate, rounded to the nearest whole number, for policy rating purposes. If a reasonable estimate cannot be determined, we will apply the appropriate default annual mileage of 13,000 (Drive to Work Usage) and/or mileage of 4,000 for pleasure use or for excess vehicles.

Odometer Verified Actual Mileage Program

We will use odometer readings provided by the insured, obtained by MAPFRE from the insured vehicle, obtained from the California Bureau of Automotive Repair, or obtained by any other method permissible by law. The insured must provide odometer readings upon request to MAPFRE to qualify for this program. If the insured does not provide these readings, the vehicle will be automatically placed into the estimated annual mileage program.

Telematics Verified Actual Mileage Program

We will use mileage information from MAPFRE approved technological devices attached to or installed on the vehicle. To qualify for this program, the insured must agree to install or activate an approved technological device on the rated vehicle and provide odometer readings upon request until sufficient data is obtained from the telematics device. If sufficient telematics data is available at new business, then the telematics discount factor will be applied for rating, otherwise the odometer verified discount factor will be applied until sufficient data is obtained. The telematics discount factor will then be applied at next renewal.

Rating factors for the odometer verified and telematics verified actual mileage programs are applied as discounts. The insured may choose a different actual mileage program for each vehicle on the policy. In certain circumstances when actual mileage estimates in a verified program are unavailable or inaccurate, then we may reasonably estimate the annual mileage category. These circumstances may include adding additional vehicles or drivers to the policy, a change in driver assignment, or a lifestyle change that will significantly affect annual mileage.

VEHICLE USE

The following categories for vehicle use are acceptable for private passenger auto:

Business Use - The use of the vehicle is required by or customarily involved in the duties of the applicant or any other person customarily operating the car in his occupation, profession or business other than driving to or from his principal place of occupation, profession or business.

Acceptable business use includes, but is not limited to:

1. Vehicles used by sales or service representatives, or for consumer-oriented direct home sales (e.g. Avon, Mary Kay, Tupperware)
2. Vehicles used by real estate or insurance agents, lawyers, doctors, accountants or other professionals visiting multiple locations
3. Vehicles owned by the insured and used by domestic employees (e.g. maids, personal chauffeurs)

Pleasure Use – Includes personal use: driving to work or school less than three road miles one way; or driving to work or school between three and fifteen road miles one way for not more than two days per week, or not more than two weeks in any five week period.

Farm Use - Farming or ranching is the primary occupation of the person customarily operating the auto and the auto is not used for commuting purposes.

Drive to Work Use – Includes personal use: driving to work or school three road miles or more one way for three or more days per week, or more than two weeks in any five week period. Any vehicle driven part-way to or from work or school, such as to a railroad or bus depot, whether or not the auto is parked at the depot during the day, shall be considered as driving to or from work or school.

Artisan Use - Vehicles used to transport tools or other materials by the insured in a trade or business are acceptable and considered artisan use if all the following conditions are met:

- There is only one vehicle in this category on the policy
- The insured visits no more than two job sites per day

- The vehicle is owned or leased by an individual, not a corporation or partnership
- The vehicle is operated solely by the named insured or other resident relative
- The vehicle is not used to transport explosives, chemicals, flammable materials, or more than 500 pounds of supplies or equipment
- The vehicle's load capacity does not exceed one ton, and does not have a gross vehicle weight rating (according to the manufacturer's specifications) greater than 10,000 pounds.

Note: Youthful operators licensed less than 10 years - apply the pleasure factor for pleasure or farm use and the Drive to work factor for Drive to work or business use.

Utility trailers and horse trailers must be classified as pleasure use, artisan use, or farm use. Motor homes and travel trailers must be classified as pleasure use 0 to 29 days per year or pleasure use 30 to 150 days per year.

YEARS LICENSED AND OTHER OPERATOR CHARACTERISTICS

The following operator characteristics are used in the class factor determination:

Years Licensed – The number of full years of driving experience that an operator has been licensed to drive in any jurisdiction.

Gender – Gender of the rated driver. Factors vary by years licensed – see rate workbook.

Marital Status - An individual who is legally married and resides with his or her spouse will be considered “Married.” “Married” shall also include widows. An individual who is eligible for and has filed a declaration of Domestic Partnership as defined in sections 297-297.5 of the California Family Code shall be rated as “Married”, but assigned a different code for classification purposes. All other operators will be classified as “Single”. Factors vary by years licensed – see rate workbook.

Operator Type – The principal operator of a vehicle is the driver that drives that vehicle the highest percentage of the time the vehicle is in operation. All other operators assigned to the same vehicle are classified as occasional. Factors vary by years licensed – see rate workbook.

Good Student - Applicable to a full-time high school student or full-time college/university student with a 3.00 GPA on a 4.00 grading scale, 3.50 on a 5.00 grading scale or B average, or list designating scholastic achievement such as “Dean’s List” or “Honor Roll”. The Good Student Discount is applicable for drivers between the ages of 16-24 at new business, renewal business, or when the driver is added to the policy midterm. Must provide statement certified by a school official. This documentation must be retained by the agent when discount is initially applied. Factors vary by years licensed – see rate workbook.

Multi-Car Discount - Available for policies which provide coverage for two (2) or more vehicles garaged at the same location where all listed drivers are resident relatives. The Multi-Car Discount is also available for a single car policy if MAPFRE provides one (1) or more additional in force Personal Auto policies to other family members living in the same household.

LIMITS AND DEDUCTIBLES

Primary Limits

BI Limit
15/30
20/40
25/50
30/60
50/100
100/300
250/500
500/500

PD Limit
5
10
20
25
30
35
40
50
75
100

MP Limit
1000
2000
5000
10000
15000
25000
50000

UMBI Limit
15/30
20/40
25/50
30/60
50/100
100/300
250/500
500/500

Additional Coverage Limits

Rental Reimbursement Limit
30/900
40/1200
50/1500
70/2100
90/2700

UMPD Limit
3500

CPEE Limit
1-100
101-200
201-300
301-400
401-500
501-600
601-700
701-800
801-900
901-1000
1001-1100
1101-1200
1201-1500
1501-2000
2001-2500
2501-3000
3001-3500
3501-4000

Motor homes and Trailers

VLC Limit
10,000
25,000
50,000
100,000
200,000
300,000
500,000

PEC Limit
1,000
1001-1100
1101-1200
1201-1500
1501-2000
2001-2500
2501-3000
3001-3500
3501-4000
4001-4500
4501-5000
5001-5500
5501-6000
6001-6500
6501-7000
7001-7500
7501-8000
8001-8500
8501-9000
9001-9500
9501-10000

EEC Limit
750
2,000

COVERAGES

For the following coverages, refer to the rating workbook for specific limit/deductible options.

Physical Damage (Comprehensive and Collision)

- A. General Information - Vehicles can have different deductibles on a multi-car policy.
- B. Comprehensive only - At least one vehicle on a multi-car policy must carry liability coverage. The Comprehensive deductible options and rates are displayed in the rating workbook. Comprehensive only is available to private passenger autos, conversion vehicles and classic vehicles.
- C. Collision - Vehicles cannot have Collision coverage without Comprehensive coverage.
- D. Loss settlement options include:
 - Actual Cash Value
 - Auto Loan Coverage
 - Auto Lease Coverage
 - New Car Enhancement Coverage (NCEC)
 - Stated Amount

Loss Settlement Options Descriptions

1. **Actual Cash Value** - Actual Cash Value loss settlement is afforded as part of the Personal Auto Policy for vehicles not rated using stated amount.
2. **Auto Loan Coverage** - Auto Loan Coverage may be written on vehicles provided eligibility requirements are met such as the vehicle is less than 3 years old, Auto Loan Coverage is requested for the vehicle within 30 days of the purchase, both Collision and Comprehensive exist on the policy, etc. This coverage applies when a vehicle is stolen and not recovered within 30 days or sustains a covered total loss. Auto Loan Coverage will settle a claim for the difference between the actual cash value (less deductible) of the vehicle and the outstanding indebtedness on a loan agreement taken out by the insured on a new vehicle. Auto Loan is available where there is a lien holder for the vehicle. A lien holder can only be a financial institution; it cannot be a private individual.

The applicable Auto Loan/Lease Payoff Loss Settlement Endorsement must be attached to the policy.

The insured must request the auto loan coverage within 30 days of purchase of a new auto. A new auto as used in this rule is an auto that has not previously been titled by the state. Auto loan coverage may not be afforded to leased autos. Only vehicles that are classified and rated as private passenger automobiles are subject to the provisions of this rule. For clarification, vehicles coming from another carrier may qualify for this coverage if they carried Auto Loan Coverage with that carrier.

3. **Auto Lease Coverage** – Auto Lease Coverage may be written on vehicles provided eligibility requirements are met—the vehicle must be less than 3 years old, Auto Lease Coverage is requested for the vehicle within 30 days of the purchase, both Collision and Comprehensive exist on the policy, etc. This coverage applies when a vehicle is stolen and not recovered within 30 days or sustains a covered total loss. Auto Lease Coverage will settle a claim for the difference between the actual cash value (less deductible) of the vehicle and the outstanding indebtedness on a lease agreement taken out by the insured on a new vehicle.

This coverage is available where there is a lessor for the vehicle. A lessor can only be a financial institution; it cannot be a private individual.

The applicable Auto Loan/Lease Gap Coverage Endorsement must be attached to the policy.

Coverage is only applicable to new automobiles not previously titled by the state. Automobile lease coverage must be requested by the insured within a 30-day period following the lease of a new vehicle. Only vehicles that are classified as private passenger vehicles, pick-ups or vans are eligible for this coverage. For clarification, vehicles coming from another carrier may qualify for this coverage if they carried Auto Lease Coverage with that carrier.

4. **New Car Enhanced Coverage** - (NCEC) is a loss settlement option available to private passenger autos if:
- the coverage is added at the time the vehicle is added to the policy;
 - no claim involving the vehicle has occurred;
 - both Collision and Comprehensive Coverage are selected for the vehicle;
 - the insured vehicle is up to one model year old;
 - the insured is the original owner or lessee of the insured vehicle; and
 - the vehicle has not previously had a title issued or recorded to any person or entity, other than a dealer or manufacturer

Repair or Replacement does not:

- automatically apply to any “newly acquired auto” during the policy period;
- apply to any vehicle type other than a private passenger auto or;
- any private passenger auto over \$200,000

The endorsement is removed at the request of the customer.

5. **Stated Amount** - Stated Amount is a loss settlement option afforded to vehicles rated on a stated amount basis and the appropriate endorsement is added to the policy. In the event of a covered total loss, MAPFRE agrees to settle the claim for the lesser of the actual cash value (less deductible) of the vehicle or the stated amount shown in the Declarations page.

Bodily Injury and Property Damage (BI and PD)

Bodily Injury and Property Damage Limits are required to be equal to or higher than the minimum financial responsibility limits required by law for any state in which any covered vehicle is garaged for more than two months out of the year. All vehicles on the policy must carry the same liability limits. These coverages are required with SR-22.

Vacation Liability (VLC)

Vacation Liability is available to all policies with Motor Homes and Recreational Travel Trailers. This coverage provides general liability coverage to the insureds on the policy when the motor home or travel trailer is used as a temporary residence. The insured will only be eligible for this when the unit is parked at a location not owned by the insured or when the insured is not eligible for coverage under their homeowner insurance. The Vacation Liability is included in the Motor Home / Travel Trailer Endorsement.

Emergency Expense Allowance (EEC)

This coverage is available to all motor homes and trailers (excluding utility and horse trailers) to which Collision and Comprehensive coverages are afforded. This coverage provides reimbursement for certain expenses incurred as a result of a loss covered under Collision or Comprehensive and:

- The motor home / travel trailer is rendered inoperable in need of repair or is stolen; and
- The loss occurs at least 50 miles from the residence of the insured.

Each unit may select a different limit on the same policy. Emergency Expense coverage is included in the Motor Home / Travel Trailer Endorsement.

Replacement Cost Personal Effects (PEC)

This coverage is available to all motor homes and trailers (excluding utility and horse trailers) to which Collision and Comprehensive coverages are afforded. Replacement Cost Personal Effects means household furnishings, radio and television antennas, awnings, cabanas and equipment to create additional living facilities for motor homes and recreational trailers (this does not include utility trailers or horse trailers) settled on a replacement cost basis if a total loss of the item occurs. Physical Damage coverage is required. Coverage is included in the Motor Home / Travel Trailer Endorsement which must be attached to the policy.

Rental Reimbursement (Rental)

Optional coverage providing rental cost reimbursement is available to the private passenger vehicles (this does not include Named Non Owner). Limits are available on a per day basis with a maximum of thirty (30) days per occurrence.

Rental Reimbursement provides for the reimbursement to the insured for actual daily rental charges in the event of loss to your covered auto. To be eligible for Rental Reimbursement, vehicles must have Physical Damage (Comprehensive and Collision) coverage. If Rental Reimbursement is selected for a policy, the coverage will be applied to all vehicles (on that policy) that carry Physical Damage. Vehicles on the policy with Rental Reimbursement coverage will have the same limits.

Medical Payments Insurance (Med)

A policy affording Bodily Injury Liability insurance may also afford medical payments insurance. The Medical Payment limit must be the same for all vehicles on a multi-car policy.

Uninsured Motorists Insurance (UM)

This form of coverage may be afforded only if bodily injury liability coverage has been purchased. The insured has the option to select lower limits which are not less than those required by the State Minimum Financial Responsibility Laws. The named insured also has the option to reject this coverage in its entirety. Any selection or rejection of coverage requires completion of appropriate selection/rejection form. If no selection or rejection form is received than the Company will automatically add Uninsured Motorist coverage at the policy's current BI limits. When Uninsured Bodily Injury is afforded under a policy, it applies to all vehicles that are covered under the policy.

Once increased limits are rejected under a policy, any policy that subsequently renews, reinstates, transfers, modifies or substitutes for such policy need not include the offer for increased limits unless requested by the named insured. The written agreement to reject this coverage is binding with respect to:

- Any continuation or renewal of the policy.
- Any other policy which extends, changes, supersedes or replaces the policy, when issued by the same insurer.
- Reinstatement of the policy within 30 days of any lapse.

A Named Non-Owner Policy can be extended to afford such coverage and the rates shall be those applicable to owners.

Uninsured Motorists Property Damage Insurance (UMPD)

Property Damage Uninsured Motorists Coverage shall be offered under every auto policy issued or delivered to the owner of a motor vehicle principally used or principally garaged in the State of California to which:

- Bodily Injury Uninsured Motorists Coverage is afforded; and
- Collision Coverage is not afforded

The named insured may reject this coverage. The written agreement to reject this coverage is binding with respect to:

- Any continuation or renewal of the policy.
- Any other policy which extends, changes, supersedes or replaces the policy, when issued by the same insurer.
- Reinstatement of the policy within 30 days of any lapse.

The offer must be made in writing in accordance with the procedures in the California Insurance Law.

Note: The provisions of the Driving Record Activity and Driver Point Assignment do not apply to the rates to Property Damage Uninsured Motorists Coverage. Uninsured Motorists Property Damage coverage is not applicable to non-owner policy.

Waiver of Collision Deductible (UMCDW)

This coverage shall be offered under every auto liability policy issued or delivered to the owner of a motor vehicle or trailer principally used or principally garaged in California to which Bodily Injury Uninsured Motorists Coverage and Collision Coverage are afforded.

Under this coverage, the insured's Collision deductible will be waived in the event of an accident involving an uninsured motor vehicle. The offer will be made in writing in accordance with the procedures in the California Insurance Law.

The named insured may reject this coverage. The written agreement to reject this coverage is binding with respect to:

- Any continuation or renewal of the policy.
- Any other policy which extends, changes, supersedes or replaces the policy, when issued by the same insurer.
- Reinstatement of the policy within 30 days of any lapse.

Additional Custom Equipment (CPEE)

MAPFRE offers additional coverage up to a maximum of \$4,000 for private passenger autos with MAPFRE approval. The vehicle is required to have both Collision and Comprehensive. Vehicles that are rated as stated amount are not eligible for Additional Custom Equipment coverage.

“Custom Equipment” means parts, equipment, devices, accessories, enhancements, and changes, other than those that are offered by the manufacturer specifically for that vehicle model, or that are installed by the vehicle dealership as part of the original sale of a new vehicle, that:

- are permanently installed or attached; and
- alter the appearance or performance of a vehicle

This includes stereos, tape or CD players, or any other electronic equipment or devices, including antennas that are permanently installed in a covered vehicle or use bolts or brackets, including slide-out brackets.

Radar detectors are not eligible for coverage under the provisions of this Rule.

Coverage will extend to the lesser of:

- Actual cash value of the stolen or damaged property at the time of the loss, reduced by its salvage value if salvage is retained;
- Amount necessary to replace the stolen or damaged property with other property of like kind and quality, reduced by its salvage if salvage is retained;
- Amount necessary to repair the damaged property to its pre-loss condition; or
- Applicable limit of liability elected by the insured and stated on the Additional Custom Equipment Schedule attached to the policy reduced by its salvage value if salvage is retained.

The limit shown on the Declarations is the sum of all items declared on the Additional Custom Equipment Schedule. The insured will be required to maintain and present proof of purchase and proper installation upon request.

Road America Auto Assist Plus®.

In addition to the coverage options listed above, policyholders will receive membership in the Road America Auto Assist Plus® Club. This program offers death and disability coverage and 24-hour roadside assistance.

SUSPENSION OF COVERAGE

Liability coverages may not be suspended for risks for which a financial responsibility filing is in effect.

Insurance may be suspended by endorsement if:

- At least one vehicle on the policy must maintain Comprehensive coverage during the period of suspension.
- The period of suspension is at least thirty (30) days
- Reinstatement is not effective prior to the company's (or any authorized representative) receipt of the reinstatement request
- Reinstatement does not extend the policy beyond its original expiration date
- Coverages cannot be suspended on Recreational Vehicles, trailers and motor homes (MHNP, MHA, MHB and MHC types).

A Pro Rata premium credit will be granted for the period of suspension upon reinstatement. Companies can retain a minimum of ninety days premium calculated on a pro rata basis for the policy period. If the policy expires during the period of suspension, the named insured shall be entitled to pro rata return premium in accordance with the foregoing provisions of this rule with respect to the minimum period of suspension and minimum premium retention by the company.

POLICY LEVEL DISCOUNTS

Policy discounts are applied to all coverages and unit types indicated in the rating algorithm. The criteria for each discount are listed below. If a policy qualifies for multiple policy discounts, all applicable discounts will be added and applied to the policy.

Multi-Policy Discount

Applicable if the named insured has a MAPFRE auto policy and a companion MAPFRE homeowner (all forms), renter, condominium unit-owner, dwelling fire policy and/or umbrella policy. All policies are to be listed under a single client. When this occurs the system will automatically apply the appropriate discount level. The system will automatically reconcile discount eligibility at renewal.

Group Discount

Applicable if the named insured or spouse/registered domestic partner is a member of one of the professional groups listed below and has had automobile insurance throughout the preceding year. This discount applies to bodily injury, property damage, medical payments, uninsured motorists (bodily injury and property damage), comprehensive and collision coverages.

- Scientist/Engineers
- Educators
- CA Medical Association
- CA Pharmacy Assoc
- Veterinarians
- Dentists
- Accountants
- Firefighters
- Paramedics
- Pilots
- Law Enforcement
- Banking Affiliation
- Sponsored Marketing

VEHICLE LEVEL DISCOUNTS

Vehicle discounts apply to the coverages and unit types indicated in the rating algorithm. The discounts should be applied at new business, renewal, or when the vehicle is added to the policy midterm. If a vehicle qualifies for multiple vehicles discounts, all applicable discounts will be added and applied to the vehicle.

Airbag Discount

Applicable on a vehicle if the vehicle has factory installed airbags that meet Federal Motor Vehicle Safety Standards. There are four levels of discount:

- driver side front airbag only
- driver side and passenger side front airbags
- driver side and passenger side front and side/head airbags
- driver side and passenger side front and side/head and rear passenger side/head airbags

The discount is applied to medical payments coverage only.

Anti-theft Discount

This discount applies to Comprehensive coverage. The discount will vary based on the type of the device(s):

- **Alarm only** - producing sound that can be heard at least 300 feet away for a minimum of three minutes, or Active device which disables the vehicle by making the fuel, ignition or starting system inoperative.
- **Active/Passive disabling device** - A device that disables the vehicle by making the fuel, ignition or starting systems inoperative. A passive device is armed automatically when the vehicle is parked. An active device requires the driver to manually activate it.
- **Vehicle recovery system** - electronic unit installed that is activated after the vehicle is stolen. When activated, the device provides information to law enforcement officials or another public or private entity regarding the vehicle's location. The system provides for the routine delivery of the information to the appropriate law enforcement entity to assist in the recovery of the vehicle.

The discount is granted based upon receipt of evidence of installation for aftermarket installed anti-theft devices.

DRIVER LEVEL DISCOUNTS

With the exception of the good driver discount, the driver level discounts do not apply to the following unit types: GC, MHA, MHB, MHC, FW, PC, PO, RC, RT, UT, and HT.

Defensive Driver Discount

The Defensive Driver Discount is applicable to principal operators over the age of 55 who have successfully completed a qualified defensive driving course. The driver must have a certificate of completion, dated within the most recent thirty-six month period, certifying that he or she has successfully completed an approved motor vehicle accident prevention course. Discount falls off at the next renewal after three years of being on the policy. Discount may be added midterm again upon successful completion of another qualified course. This discount can be applied at new business, renewal, or when the driver is added to the policy or becomes qualified midterm.

Distant Student Discount

Applicable to drivers that meet all of the following criteria:

- Not the named insured or spouse
- Temporarily lives and attends an educational institution more than 50 miles away from the auto's principal garaging location
- Age 17-24
- Does not have a vehicle at school

This discount can be applied at new business, renewal, or when the driver is added to the policy or becomes qualified midterm.

New Driver Discount

Applicable to rated drivers 16, 17 or 18 years of age that are certified as having successfully completed the teenSMART™ home study program and have a qualified sponsor (see requirements below). The discount will be applied at any time during a policy term upon notification from ADEPT that the driver qualifies for the discount. If certification is completed within the first 60 days of the policy term or the date the driver was added to the policy, the discount will be applied retroactively to the inception date of the policy or the date the driver was added to the policy. This discount can be applied at new business,

renewal, or when the driver is added to the policy midterm. Documentation must be retained by the agent when discount is initially applied.

Driver qualifications for the New Driver Discount:

To qualify for the discount, a driver must:

- Be 16, 17, or 18 years of age
- Never have had a suspended or revoked license
- Be a rated driver
- Have a qualified sponsor (see requirements below); and
- Be certified by ADEPT as having successfully completed the teenSMART™ home study program
- Driver must meet all of the above requirements to qualify for the discount at renewal
- If driver qualifies for both the New Driver Discount and the California “Good Driver Discount”, the driver would not receive both discounts. The driver will only receive the California “Good Driver” discount.

Sponsor Qualifications:

To qualify for the discount, the sponsor must:

- Have at least five years total driving experience; and
- Be a named insured or a listed driver on the same policy as the eligible driver

A driver cannot sponsor himself or herself. The sponsor must be a different named or listed driver on the same policy that qualifies on the above requirements.

Good Driver Discount

A 20% Good Driver discount shall be afforded when all operators of a vehicle qualify for the discount. If there are automobiles in excess of the number of operators, the Good Driver discount applies to any excess autos, provided one driver qualifies.

The discount is applied separately to each coverage after application of the primary and secondary rating factors, if applicable. The discount shall be applied to the total premium for a vehicle.

A “good driver” is a driver who meets all of the following requirements.

1. Has been continuously licensed for the previous 36 months (3 years) or more. If a driver has been licensed for 3 years, but not all of their driving experience was in the United States or Canada, they may be eligible for the discount after 18 months or more of verifiable experience in any jurisdiction.
2. Has **not** been convicted for more than one moving violation and has no principally at-fault accidents in the prior 3 years.
3. Has **not** been involved in more than one principally at-fault accident resulting only in damage to property exceeding \$1,000 and had no convictions for a moving violation in the prior 3 years.
4. Has **not** been involved in any principally at-fault accident resulting in death, or from bodily injury where total loss or damage from injuries and damage to property exceeds \$1,000, in the prior 3 years.
5. The operator has **not** been convicted of any of the following during the past 10 years:
 - Driving a motor vehicle with a blood alcohol level equal to or in excess of 0.08 (0.05% percent for persons under the age of 18)

- Driving under the influence of alcohol, drug, or any combination of the two, and causing bodily injury or death
- Gross vehicular manslaughter while intoxicated

Vehicular manslaughter while intoxicated and in commission of an unlawful act, without gross negligence

6. The operator has **not** been convicted of any of the following during the past 3 years.
 - Failure to stop at the scene of the accident
 - Reckless Driving
 - Causing bodily injury or death while evading a police officer
 - Driving the wrong way on a divided highway
 - Driving at speeds in excess of 100 miles per hour
 - Engaging in any motor vehicle speed contest on a highway
 - Engaging in, or aiding and abetting in, any motor vehicle exhibition of speed
 - Illegal transportation of explosives
 - Vehicular manslaughter
7. There has been more than one dismissal (pursuant to the Vehicle Code) during the past 3 years, which has not been made confidential, a conviction of which would have resulted in the imposition of more than one California violation point count.

Additional Rules Applicable to Good Driver Discount

- A. Out-of-state convictions count the same as in-state convictions, provided the violation would have resulted in a point assignment had it occurred in California.
- B. Use the violation date for determining whether the incident is with the prior 3 years.
- C. The convictions mentioned above in requirements 2, 3 and 6 will not disqualify a driver who was cited for the violation while operating a motor vehicle for compensation during the hours of employment. This exception only applies if that driver's specific duties included driving employers' motor vehicles, or to individuals who own or lease a highway carrier and have authority in their own names to operate these types of vehicles, and the driver has submitted a written declaration made by the driver under penalty of perjury, that the driver was, at the time of the violation, operating a motor vehicle during the hours of his or her employment.
- D. If a Good Driver is not eligible to purchase a good driver discount policy because of the driving safety record or years of driving experience of any other person, then the good driver shall be able to purchase a good driver policy which excludes such other persons from coverage.

Good Driver Plus

Operators that meet the definition of a Good Driver will qualify for the Good Driver Plus discount if the operator has had no accidents or violations in the last five years. Operators that qualify will receive a discount in addition to the 20% Good Driver discount.

A five year MVR must be available or other proof that the driver has been accident or violation free to in order to qualify for the Good Driver Plus discount.

OTHER UNIT TYPES

Antique Autos (AE)

A private passenger auto that is at least 25 years old and which is maintained solely for use in functions of interest to the public, such as club activities, exhibitions and parades and used for other purposes on occasions. Vehicles must be stored in a fully enclosed and locked garage when not in use. A regular auto must be written on the policy for an antique auto to be eligible for coverage. Photos of all antique autos are required to be sent to MAPFRE

Classic Autos (CL)

A classic/stated amount car is a private passenger auto which is at least 10 years old and may be used on regular basis by the insured. The value of such vehicles may be significantly greater than for vehicles of comparable make and model year because of limited production, fine workmanship or special construction. Photos of all classic autos are required to be sent to MAPFRE. A regular auto must be written on the policy for a classic auto to be eligible for coverage.

Golf Carts (GC)

Golf Carts are three or four wheel motorized vehicles of limited power used on golf courses for purposes of carrying one or more individuals and their golf equipment. Stand-alone golf cart policies are not allowed. These vehicles will be rated with stated amount. Deductible amounts and premium is shown in the rating workbook. Photos are required for stated amount greater than \$50,000.

Conversion Van or Customized Pickup/Van (CV)

Conversion vehicles are vans, pickups, or utility vehicles requiring physical damage coverage which have conversion packages of more than \$5,000 of custom parts and equipment. Coverage is available only when Comprehensive and/or Collision coverage is afforded. Photos are required to be sent to MAPFRE for stated amount greater than \$100,000.

Motor Homes (MHNP, MHA, MHB, MHC)

A motor home is a self-propelled motor vehicle having a living area constructed into the chassis. The living area must include cooking and sleeping facilities. Underwriting approval is required for custom built motor homes. All motor homes will be rated with stated amount. Stand-alone motor home policies are not allowed. The Motor Home/Travel Trailer Endorsement should be attached to the policy.

In determining rates for a custom built motor home, the model year is determined by the model year of the chassis. Motor homes can only be used for recreational purposes. Insured must maintain permanent residence elsewhere.

Motor Home models include:

1. **Motor Home (MHNP)** – Non Pleasure Use. Driven more than 7,500 miles annually and are rated as private passenger autos.
2. **Conventional Motor Home (MHA)** – Class A – Built on a truck chassis with one single cab and living compartment constructed by an RV manufacturer.
3. **Camper Van (MHB)** – Class B - A van type vehicle which conforms to the Motor Home definition. Generally the original van manufacturer's van body shell remains visible and all other features are installed by the RV manufacturer.
4. **Mini Motor Home (MHC)** – Class C – Built on a van or truck chassis with the original manufacturer's cab typically remaining visible. The RV manufacturer constructs all other features.

Photos of all motor homes are required to be sent to MAPFRE for stated amount greater than \$100,000. Once a motor home has been removed from a policy, the same motor home cannot be reinstated to the same policy. There is no binding authority on motor homes with a stated amount in excess of \$100,000.

Trailers (FW, PC, PO, RC, RT, UT, and HT)

Stand-alone trailer policies are not allowed. Photos of all trailers are required to be sent to MAPFRE. There is no binding authority on trailers with a stated amount in excess of \$100,000.

Recreational Travel Trailer – Liability coverage is provided at no additional premium.

- Physical damage
Non self-propelled units equipped, designed or used as living quarters (including facilities for dining, cooking, plumbing or refrigeration), designed to be towed or pulled by a motorized vehicle eligible for insurance on the policy, provided the insured maintains a permanent residence that is separate from the trailer. The appropriate Motor Home/Travel Trailer Endorsement should be attached to the policy. Once a travel trailer has been removed from a policy, the same travel trailer cannot be reinstated to the same policy. Travel trailers include:
 1. **Recreational Trailer (RT)** - Designed for vacation/camping use. Towed by an automobile or truck with a bumper hitch. Equipped with bathing, cooking and sleeping facilities. May have additional options such as air conditioning and awnings.
 2. **Fifth-wheel (FW)** – Similar to the conventional model, but has a raised forward section above a fifth wheel coupling device, creating a unique bi-level dimension; specially designed devices are generally mounted to pickup beds.
 3. **Pop-up tent (PO)** - Constructed with collapsible sidewalls that fold or slide down for easy towing by a light vehicle. Typically less than 12 feet long. Ranges from 15 to 23 feet (when opened). Very basic with few luxuries. Larger unit may contain a refrigerator, stove and/or furnace, and may sleep up to eight people.
 4. **Recreational Cargo (RC)** - These are specific types of Travel Trailers or Fifth Wheel Trailers that have a special compartment in the back to transport horses, ATVs, etc.
 5. **Pickup Camper (PC)** - A portable camper body designed to be loaded onto and unloaded from a pickup truck and is designed to provide temporary living quarters for recreational or camping use by the named insured. Pickup campers cannot be used as permanent residence or for business or commercial purposes.
- **Other Trailers:**
 1. **Utility Trailer/Horse Trailers (UT/HT)**
Any trailer that does not include living quarters shall be considered as a horse/utility trailer, which also includes trailers transporting motorcycles, ATV's, or snowmobiles.

Liability coverage is not afforded for other trailers.

PAYMENT METHODS

Payment in Full Option - 100% of the policy term premium is due at inception for new business and by the renewal date for renewal business. All renewal offers for payment plans will be offered the Paid in Full premium and payment as well as the minimum amount due.

Annual Two Payment Option – The policy premium is divided into two equal payments on annual policies.

Semi-annual Two Payment Option – The policy premium is divided into two equal payments on semi-annual policies.

Annual Four Payment Option – The policy premium is divided into four equal payments on annual policies.

Semi-annual Four Payment Option – The policy premium is divided into four equal payments on semi-annual policies.

Semi-annual Monthly Payment Option – The policy premium is divided into six equal payments. This bill plan is only available on policies with EFT.

Annual Monthly Payment Option – 12.5% required down payment with 10 equal monthly installments due over the duration of the policy term on annual policies.

Annual Monthly (EFT) Payment Option – The policy premium is divided into 12 equal payments. This bill plan is only available on policies with EFT.

Payment Types - Credit Card, Debit Card, Checks (includes payments swept from an agency account), and Electronic Checks (ACH) payments are accepted for down payments and subsequent payments. Insureds may make payments via:

- Telephone (VRU)
- Invoice (standard mail)
- EFT from a checking or savings account is available for those selecting the EFT payment plan.

ADDITIONAL FEES

Non Sufficient Funds (NSF) Fee - All policies will be null and void if the original payment is returned due to non-sufficient funds. After the first policy payment is made, the Non Sufficient Funds (\$20) fee will apply for each check returned to the company for non-sufficient funds. This fee will be triggered by the billing code.

A cancellation notice will be sent when the check is returned to the company. To avoid cancellation the insured must pay the original payment amount, the fee and any additional installment payment currently due. With underwriter approval, the policy will then be reinstated with a lapse.

Installment Fees (Non – EFT) - An installment fee is a service charge that is applied to each installment payment other than the initial down payment of the new business term. The fee will not apply if the insured pays in full at the beginning of a renewal policy term.

This Installment (\$6) fee will be triggered by the billing system when an additional bill is sent due to the payment plan chosen along with the percentage of the premium total paid.