



Pennsylvania Underwriting Guide

Effective 12/21/2023

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Dairyland® brand property and casualty coverages are underwritten by a member of the Sentry Insurance Group, Stevens Point, WI. For a complete listing of companies, visit DairylandInsurance.com. In Texas, Dairyland® property and casualty coverages are underwritten by Dairyland County Mutual Insurance Company of Texas, Austin, TX. In California, Dairyland® property and casualty coverages are underwritten by Viking Insurance Company of Wisconsin, Stevens Point, WI. Policies, coverages, benefits, and discounts are not available in all states. Savings based upon all available discounts. See your policy for complete coverage details.

CUSTOMER SERVICE | 800-334-0090

Additional Contact Options

Fax	E-mail	Mail
Customer Service/Discount Proof: 1-800-943-3373 Claims: 888-729-2225	Customer Service: help@dairylandinsurance.com Endorsement Requests & Discount Proof: PLPCDocuments@sentry.com	Claims: Dairyland PO Box 8042 Stevens Point, WI 54481 All Other: Dairyland Insurance PO Box 8047 Stevens Point, WI 54481-8047

Payment Options

Agents Payments <i>agent.dairylandagent.com</i>	Customer Self Service <i>My.DairylandInsurance.com</i>	Customer Wire Transfer Western Union
<ul style="list-style-type: none"> • Agent Sweep • Customer credit/debit card and e-check accepted * Agency or producer-owned payments are not allowed. 	<ul style="list-style-type: none"> • Make a credit/debit card or e-check payment (instant or scheduled) • Print ID cards • Manage bill alerts • View and print policy documents 	Step 1: Complete Quick Collect Form Step 2: Pay to: Dairyland, Code City: Monthly, Code State: IL Step 3: Give your name and policy number to Western Union. There is a fee, but this will ensure same-day payment of the bill

Marketing Materials on *agent.dairylandagent.com*

1. Go to agent.dairylandagent.com
2. Select Marketing Materials, then order supplies

COVERAGES OFFERED

Coverage	Value	Definition
BI-PD	15/30/5 15/30/10 25/50/5 25/50/10 25/50/25 50/100/5 50/100/25 100/300/5 100/300/50 100/300/100	<ul style="list-style-type: none"> • All policies must have liability. • Vehicles on multi-car policies must carry the same liability limits. • See Physical Damage Rules section R.16-R.18.
UM/UIM-BI	15/30 25/50 50/100 100/300	<ul style="list-style-type: none"> • UM and /or UIM-BI will be included on all policies unless the named insured signs the Rejection of Uninsured Motorist Protection form and Rejection of Underinsured Motorist protection form. UM and UIM are distinct coverages and either one or both may be rejected. • When insuring multiple vehicles, UM and/or UIM-BI limits will be stacked unless the named insured signs the Rejection of Stacked Uninsured Coverage Limits form and/or Reduced limits of Underinsured Motorist Protection form. • UM and/or UIM-BI limits cannot exceed BI-PD limits, and must equal them unless the Reduced Limits of Uninsured Motorist Protection form and/or the Reduced Limits of Underinsured Motorists Protection form is signed.
Medical Payments	5,000 10,000 25,000 50,000 100,000	<ul style="list-style-type: none"> • All policies must have Medical Payments. • Limits on all vehicles must be identical.
Accidental Death	5,000 15,000 25,000	<ul style="list-style-type: none"> • Provides a death benefit paid to the personal representative of the insured, should injury resulting from a motor vehicle accident cause death within 24 months from the date of the accident.

COVERAGES OFFERED

Comprehensive and Collision	250 500 1,000	<ul style="list-style-type: none"> • The Comprehensive deductible cannot exceed the Collision deductible. • The Comprehensive and Collision premium for any vehicle includes the loss of or damage to all permanently installed equipment, parts or accessories which were installed by the original manufacturer of the vehicle. • Comprehensive is available without Collision. • Physical damage coverage applying to stereo and other sound producing equipment is limited to \$500 if special equipment coverage is not purchased. • Vehicle inspection is required when physical damage coverage is carried. • See Physical Damage section below for further eligibility and underwriting guidelines.
Special Equipment	\$3,000 Maximum \$1,000 Stereo max	<ul style="list-style-type: none"> • Available only when Comprehensive and Collision coverages are purchased. • Please refer to the Physical Damage section for detailed guidelines on this coverage.
Rental Reimbursement	\$40 per day \$1,200 Maximum per occurrence	<ul style="list-style-type: none"> • This coverage reimburses the Insured for rental expenses incurred by the insured when the Insured Vehicle is withdrawn from use as the result of a covered loss. • Coverage pays up to \$40 per day and a maximum of \$1,200 for the rental duration. • Available only when Comprehensive and Collision coverages are carried.
Named Non-Owner	Available	<ul style="list-style-type: none"> • Coverage applies to use of non-owned vehicles by the names insured only. • The coverage does not apply to use of vehicles owned by members of the household in which the named insured resides. • Only liability coverage is available. • Named Non-Owner policies cannot have an excluded named insured.
Extraordinary Medical Payments	Available	
Income Loss	1,000/5,000 1,000/15,000 1,500/25,000 2,500/50,000	<ul style="list-style-type: none"> • Provides 80% of actual loss of income and reasonable expenses incurred for hiring a substitute to perform self-employment services or for hiring special help enabling a person to work and mitigate loss of gross income.
Funeral Benefits	1,500 2,500	<ul style="list-style-type: none"> • Provides for expenses directly related to the funeral, burial, cremation or other form of disposition of the remains of a deceased individual, incurred as a result of the death of the individual as a result of the accident and within 24 months from the date of the accident.

COVERAGES OFFERED

Combined First Party Benefits	177,500	<ul style="list-style-type: none"> • A combination of Medical Payments, Funeral Expenses, Loss of Income and Accidental Death as an alternative to the separate purchase of those benefits. • Available combined limit is \$177,500. It consists of: <ul style="list-style-type: none"> - Medical Payments \$100,000 - Funeral Expenses \$2,500 - Loss of Income \$2,500 monthly / \$50,000 aggregate - Accidental Death \$25,000
Lienholder Deductible	\$250/\$250	<ul style="list-style-type: none"> • This allows the insured to carry a deductible on physical damage higher than most lienholders allow. • Deductibles would be reduced to \$250 for Comprehensive and \$250 for Collision on losses paid directly to the lienholder, when the vehicle is repossessed or a total loss.
Car Loan Protection	Available	<ul style="list-style-type: none"> • Increases physical damage coverage from actual cash value to the greater of: actual cash value or the outstanding loan balance, whichever is greater, limited to 125% of the vehicle's actual cash value. • Applies only when the vehicle is a total loss.
Roadside Assistance	Basic - \$75 Expanded - \$100	Roadside Assistance provides 24-hour emergency towing and roadside service when a covered auto is disabled due to mechanical or electrical breakdown. <ul style="list-style-type: none"> • Includes assistance for battery failure, flat tires, insufficient supply of fuel, oil, fluid or water, and lock-out. • No discounts apply to this coverage. • Coverage added after New Business issuance will be subject to a 3-day waiting period. • For Roadside Assistance call: 877-541-3959

DISCOUNTS

Discount amounts vary by combination and coverage.

Multi-Car Discount

- This discount will be given to all listed vehicles registered to the Named Insured. This also applies to all listed vehicles registered to the spouse of the Named Insured as long as spouse and Named Insured are legally married, living at same residence, and both are listed on the policy.
- Policy limits for BI-PD, UM/UIM-BI, Medical Payments and First Party Benefits must be identical on each vehicle owned by the same insured.

Homeowners Discount

- Acceptable proof is a copy of any declaration providing proof of current coverage. Applications, binders and property tax assessments or mortgage coupons are also acceptable.
- The address on the acceptable proof must be the same as the policy garaging address.
- When required during the submission process, proof must be maintained in the agent's office and submitted to the company within 72 hours. See the Customer Service section for the fax number or email address.
- This discount can be added mid-term when endorsement and proof is submitted. The endorsement will be effective the date notification is received.
- Level 3 (Owns Home, Townhouse, or Condo)
 - This discount is applied to policies when applicants submit proof of property insurance for a home they own.
 - The insured must reside in the home, which includes condominiums/townhouses but does not include mobile homes.
- Level 2 (Owns Mobile home)
 - This discount is applied to policies when applicants submit proof of property insurance for a mobil home they own.
 - The insured must reside in the mobile home.
- Level 1 (Rents)
 - This discount is applied to policies when applicants submit proof of property insurance for the residence they rent.
 - The insured must reside in the residence (includes an apartment, home, townhouse, condo or mobile home).

Prior Insurance (Transfer)

- This discount is offered when applications are submitted with proof of 6 months prior insurance immediately preceding the application effective date. This discount cannot be added after the first 30 days of the policy inception date.
- When required during the submission process, proof must be maintained in the agent's office and submitted to the company within 72 hours. See the Customer Service section for the fax number or email address.
- Any Sentry Personal Lines company policies cannot be used as proof of Transfer Discount, unless the Named Insured meets one of the following criteria:
 - Moved from another state.
 - Has left a Company policy and was a covered driver on that policy.
 - Was divorced/separated 'Spouse' of Named Insured from previous policy.
 - Was Named Insured on policy that canceled or lapsed due to military deployment.
- Acceptable proof is a copy of the most recent dec page, ID card, renewal offer, experience letter or non-renewal/cancellation notice.
- If applicant is U.S. Military personnel who has documentation they are returning from active duty overseas and were not required to have insurance, then apply transfer discount in accordance with remaining discount requirements. Retain proof in agency records. Acceptable proof includes U.S. Military documents providing applicant's name, overseas location, and tour of duty dates.
- When a policy cancels and is restarted with a lapse in coverage, the discount from the prior policy term will be retained.
- Transfer level 1
 - Requires no more than 30 days lapse between the expiration date of the prior policy and the new policy effective date.
- Transfer level 2
 - Requires no more than 0 days lapse between the expiration date of the prior policy and the new policy effective date.

Paid in Full Discount

- This discount is offered when the entire term premium is submitted at the start of the term. The discount is subject to removal if the payment plan is changed mid-term.

DISCOUNTS

Advanced Quote Discount

- Discount applies when quote is initiated on our website, seven or more days before the policy effective date.
- Policy must carry Transfer discount level 2 (six months prior insurance with no lapse in coverage).
- This discount is not available for named operator policy types.

Quarterly Discount

- This discount is offered when the selected payment plan has payments equal to three months of premium.

Safety Device Discount

- Restraint discounts apply to all First Party Benefit Coverages for each vehicle equipped with the following devices. If a vehicle has more than one device, only the highest discount will apply:
 - Passive Seat Belts: 15%
 - Driver Side Airbag: 20%
 - Dual Airbags: 30%

Defensive Driver Course Discount

- This discount will apply when the insured is age 55 or older and has successfully completed an Accident Prevention Course approved by the Motor Vehicle Department.
- Eligibility begins from the date of course completion. The course must be taken every three years to continue the discount.
- The discount will be removed following a chargeable accident in the 3 year period following the certificate effective date.
- A copy of the certificate must be secured at the time of application and retained in your file.

Anti-Theft Discount

- A discount applies to Comprehensive coverage for each value equipped with a passive antitheft device.
- A passive anti-theft device is defined as any item or systems, designed to prevent unauthorized use, which is installed in an automobile and activates automatically when the operator turns ignition key to the off position.

SURCHARGES

Business Use - Artisan Use Surcharge

- Acceptable business use vehicles will be surcharged. To be covered, business use must be disclosed to us and accepted.
- Not all business use is acceptable. Acceptable business use includes, but is not limited to:
 - Vehicles used by sales or service representatives, or for consumer oriented direct home sales (e.g., Avon, Mary Kay, Tupperware).
 - Vehicles used by real estate or insurance agents, lawyers, doctors, accountants or other professionals visiting multiple locations.
 - Vehicles owned by the insured and used by domestic employees (e.g., maids, chauffeurs).
 - Vehicles used in a business for occasional errands.
- Vehicles used to transport tools or other materials by the insured in a trade or business are acceptable if all of the following conditions are met:
 - There are no more than two (2) vehicles in this category on the policy.
 - The vehicle is driven to 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 gross vehicle weight rating (GVWR) does not exceed 14,000lbs.
- Not all business use is acceptable. Unacceptable business use includes, but is not limited to:
 - Any business involving frequent stops, whether on regular route or not, such as courier, exterminators, delivery services, etc.
 - Vehicles used in transporting passengers for a fee.
 - Vehicles with permanently installed mobile equipment such as hoists, air compressors, pumps and generators, spraying, building cleaning, lighting and well servicing equipment.
 - Vehicles used in security and surveillance operations.
 - Vehicles used to transport migrant workers.
 - Any vehicle used to tow a trailer carrying tools or supplies.

Unverifiable Driving Record Surcharge

- Assigned to each driver for which the company cannot obtain a current MVR.
- Insured's who have not maintained a license for a valid reason (i.e., peace corps, military stationed outside the USA, have not owned a vehicle, etc.) will not be surcharged.
- The Unverifiable Driving Record Surcharge will not apply to someone with a Foreign/International Driver's permit.

VIOLATIONS

Point Schedule

- If exact date of accidents and violations are not available, please include the approximate month and year.
- The Motor Vehicle violations listed below are classified into six groups: chargeable accidents, speeding, major violations, minor violations, operating without a license, and operating while intoxicated. The point structure for each group is given below. We will charge the following for incidents that have occurred within the past 36 months:
- Section 1535 violations will not be surcharged for the first occurrence during the experience period.

These include the following violations:

- Failure to Report Accident/Leave Scene
- Failure to Stop after Accident
- Failure to Stop/Property Damage Accident
- Backing Illegally
- Careless Driving
- Failure to Obey Sign/Signal
- Failure to stop for a school bus
- Failure to Yield Row Vehicle/Ped
- Following too Close
- Improper / Illegal Turn
- Minor Violation
- Passing Illegally /Improper
- Violation License Restriction
- Speeding
- Too Fast for Conditions

Where these violations are listed in the categories below they will be indicated with an “*”. A first occurrence is considered ‘chargeable’ if it does not qualify for this exception.

VIOLATION CATEGORY	VIOLATION POINT VALUES	VIOLATION EXAMPLES
Accidents	1st Occurrence – 4 points 2nd Occurrence – 4 points 3rd and subsequent occurrences – 7 points	• Please see rule R.7 for the definition of chargeable accidents.
Speeding	1st Occurrence – 2 points 2nd Occurrence – 2 points 3rd and subsequent occurrences – 1 point	- *Speeding - *Too Fast for Conditions
Alcohol / Drug Violations	1st Occurrence – 1 point 1st Occurrence with other accidents / violations – 5 points 2nd Occurrence – 4 points 3rd and subsequent occurrences – 3 points	- Driving while intoxicated / drugs (DWI) - Implied consent (IC) - Open container (OC) - Refusal of breath / blood test (RBT) - Juvenile/Minor in possession of alcohol/drugs (JMP)

VIOLATIONS

Major Violations

1st Occurrence – 4 points

2nd Occurrence – 4 points

3rd and subsequent occurrences – 7 points

- Acceptance of ARD
- Attempt to Elude Officer
- Displaying Foreign License During Suspension
- Driving w/o Lights to Avoid Arrest
- Exhibition Driving
- *Failure to Report Accident/Leave Scene
- *Failure to Stop for Property Damage
- * Failure to Stop after Accident
- Felony Involving a Motor Vehicle
- Fleeing or Attempting to Elude a Police Officer
- Illegal use of Registration
- Illegal use of Vehicle
- Leaving Accident Scene Involving Death or Injury
- Operating w/o License
- Operator after Suspension
- Permitting Unauthorized Person to Operate
- Racing / speed contest / drag Racing
- Reckless Driving
- Refusal of Breath/Blood Test
- Trespass by Motor Vehicle
- Vehicular Homicide
- Vehicular Homicide while Driving while Intoxicated

VIOLATIONS

Minor Violations	1st Occurrence – 3 points 2nd Occurrence – 1 point 3rd and subsequent occurrences – 4 points	<ul style="list-style-type: none"> - *Backing Illegally - *Careless Driving - *Failure to Obey Sign/Signal - *Failure to stop for a school bus - *Failure to Yield Row Vehicle/Ped - *Following too Close - *Improper / Illegal Turn - *Minor Violation - *Passing Illegally /Improper - Child Safety Restraint - Deviate Lane/Cross Center Line - Driving Against Traffic/One Way - Driving without lights - Driving Wrong Side Hwy/Road - Failure to Display Operators License - Failure to give Signal - Failure to Use Due care - Improper lane change - Inattentive Driving - Loaning of License - Obstructing Traffic - Operating on Expired License - Tamper Vehicle - Miscellaneous Minor Violation - *Violation License Restriction - *All other violations not listed are considered to be 'Minor Violations'.
Operating without License	1st Occurrence – 5 points 2nd Occurrence – 1 point 3rd and subsequent occurrences – 2 points	
Operating After Revocation	1st Occurrence – 5 points 2nd Occurrence – 1 point 3rd and subsequent occurrences – 2 points	

STATE SPECIFICS	VALUES	DEFINITION
Underwriting Company	Viking Insurance Company of Wisconsin	
Driver Eligibility Maximums	21 points 2 alcohol/drug violations in the past 36 months 2 at-fault accidents in the past 36 months	
Policy Fee	\$11	• This fee is charged on all new business.
Reinstatement Fee	\$15	• This fee applies when a policy is restarted with no lapse in coverage.
Rewrite Fee	\$11	• This fee applies when a policy is restarted with a lapse in coverage.
Billing Fee	\$11 - Non-Automatic Payments \$5 - Automatic Payments	• This fee is charged on all invoices. The reduced billing fee is charged when automatic payments are enabled on the policy.
Late Fee	\$10	• This fee applies when an invoice is not fully paid by the due date.
Returned Payment Fee	\$25	• This fee is charged when insured payments are not honored due to insufficient funds, invalid/closed/expired account, stop payment, or any other reason.
Policy Terms	Six-Month Annual	
Commission Levels New/Renewal	10% / 10% Roadside Basic - 25% Roadside Expanded - 50%	• Commission rates are as stated unless the company otherwise notifies the agent.
Rewrite Period	60 Days	
Reinstatement Period	5 Days	
Waiver Threshold	\$5 - Refund \$5 - Billing	All premium, regardless of amount, will be returned if requested by the insured.
Violation Chargeability	Conviction	

RULES	RULE DESCRIPTION	RULE VERBIAGE
U.	Underwriting Rules	UNDERWRITING RULES
U.1	Underwriting Company	* See State Specifics Table
U.2	Agent's Binding Responsibility	<ul style="list-style-type: none"> • The time and date of binding can be no earlier than the time and date the down payment is made. • The application, payment, or policy change must be submitted electronically at the time the coverage is bound. • If an applicant does not meet the underwriting standards listed in this rule guide, do not bind coverage. • Complete the inspection process before binding physical damage coverage. <ul style="list-style-type: none"> o An inspection can be waived if: <ul style="list-style-type: none"> - The vehicle was purchased from a dealership within 3 days of the date the insured contacts the agent or company to request coverage. - The vehicle was previously insured by your agency with full coverage without a lapse in coverage. - The policy is bound via E-Signature.
U.3	Driver Exclusions	<p>Any of the following individuals not listed on the policy as a rated driver must be excluded:</p> <ul style="list-style-type: none"> • All persons of driving age living in the household, including children away at college • Any person who is a regular operator of or has regular access to any vehicle to be insured. <p>Any driver exclusions require a Driver Exclusion form to be completed and signed by the Named Insured(s). See Driver Exclusion Procedures for further instructions.</p>
U.4	Financial Responsibility (SR-22)	<ul style="list-style-type: none"> • The State of Pennsylvania does not require proof of financial responsibility. • Policies with financial responsibility filings in any state are not acceptable
U.5	Insurance Score	<p>Please note:</p> <ol style="list-style-type: none"> 1) the assignment of Insurance Score/Tier uses mutually exclusive characteristics, 2) Insurance Score/Tier placement will not be used in a duplicative manner with any other rating characteristics, 3) no insured will be moved to a higher rated Insurance Score/Tier at renewal, and 4) there is not re-tier/re-score for the current policyholders unless requested by policyholders.

RULES	RULE DESCRIPTION	RULE VERBIAGE
U.6	Unacceptable Risks	<p>Risks with any of the following characteristics are unacceptable and will be cancelled.</p> <ul style="list-style-type: none"> • Risks where an operator has a revoked license. • Physical damage only policies. • Comprehensive coverage written without Collision. • Military risks, unless stationed in the rating state. • Drivers not residing in the rating state on a full time basis during the policy term. • Risks in which the insured knowingly fails to provide either Company with the correct vehicle garaging address or fails to include all household and non-household drivers who drive the insured vehicle on a regular or ongoing basis. • Motor Vehicles used in/with a felony while owned by or operated by any listed person on the policy. • Any violations involving a fatality/assault (i.e. Vehicular Assault). • An individual who has been successfully denied payment by an insurer of a claim under an automobile insurance policy where there was evidence of fraud or intent to defraud. • Drivers with phone numbers in the following area codes: 201, 212, 248, 313, 315, 332, 347, 516, 517, 518, 551, 585, 586, 607, 609, 631, 646, 716, 718, 732, 734, 810, 845, 848, 856, 862, 908, 914, 917, 929, 973. • An individual who has been found to have made a material misrepresentation to an insurer. • Any driver's license number of a policy that was previously cancelled/non-renewed by any member of the Sentry Insurance Group for underwriting reasons will be unacceptable for new business.
U.8	Vehicles Ineligible for Physical Damage	<p>The following vehicles are ineligible for Physical Damage coverage as new business and cannot be endorsed as an additional vehicle on the policy:</p> <ul style="list-style-type: none"> • Vehicles rated based on cost new or current value with a value of \$80,000 or above. • Non-owned vehicles, including short-term rentals (6 months or less). • Vehicles with custom paint. • Gray market vehicles (vehicles manufactured for use in another country). • Vehicles insured for a "stated amount". • Vehicles over 20 years old. Vehicle age changes October 1st each year. • Any vehicle which has previously had a total loss claim and which is retained by the insured. • Any salvage title. <p>* Other information on general physical damage limitations for conversion vans and special equipment can be found in section R.17 and R.18.</p>
U.22	Binding Authority Suspended During Severe Weather Watches and Warnings	<p>When the National Weather Service issues a weather watch or warning in the area where a vehicle is being operated (hurricane, tropical storm, tornado, flood, etc) binding authority is suspended for Physical Damage coverage. Do not bind coverage for the duration of the watch or warning. When the National Weather Service withdraws the watch or warning, agents may bind Physical Damage risks again.</p>
R.	RATING RULES	RATING RULES

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.1	Driver Eligibility Maximums (per Driver)	* See State Specifics Table
R.3	General Rules	<ul style="list-style-type: none"> • The premium is determined by rating the highest rated driver on the highest rated vehicle, the second highest rated driver to the second highest rated vehicle, etc. • If there are more vehicles than drivers, an excess vehicle factor is applied to each additional vehicle. • If multiple violations and/or accidents occur on the same day, we will only charge points for the violations/accident with the highest point value. However, same day violations will still be considered when assessing point value. See Violations table for point values. • When surcharges no longer fall within the chargeability period, they will be dropped from the insured's record at the next renewal and the next renewal will be adjusted accordingly.
R.4	Symbols	<ul style="list-style-type: none"> • Company developed Make & Model Symbols are used.
R.5	Driver Classifications	<ul style="list-style-type: none"> • A “Married” Operator is an operator who is a legally married person living with their spouse. • A “Widowed” Operator classification is available for existing “Married” customers following the passing of their spouse. These drivers will maintain the same rating classification as they had before. • All other risks are rated as “Single”.

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.7	Chargeable Accidents	<p>An accident is considered chargeable unless it is demonstrated that the:</p> <ul style="list-style-type: none"> • When it can be demonstrated the insured was not at fault. • Vehicle was legally parked. • Vehicle was struck in the rear while legally stopped for traffic or traffic control device • Vehicle collided with a bird or animal. • Accident involved hit-and-run driver and was reported to proper authorities within 24 hours. • Other driver convicted of a moving violation in connection with accident and our insured is not convicted. • Accident is one in which judgment or reimbursement is obtained from other party, providing the company makes no liability payment on behalf of the insured. • Accident occurs when using the auto in response to an emergency if the operator of the auto at the time of the accident was a paid or volunteer member of any Police or Fire Department, First Aid Squad or any law enforcement agency. This exception does not include an accident occurring after the auto ceased to be used in response to such emergency. • Accident results solely in a payment made under Comprehensive. This exception does not apply if the loss was the result of an intentional act. • Accident results solely in a payment under First Party Medical Payments. <p>The following claims resulting from an at-fault accident qualify as chargeable accidents:</p> <ul style="list-style-type: none"> • Bodily injury, death or damage to property, including his or her own, for which the insurer paid more than \$1,900. Effective June 1, 2023 and after, the applicable threshold will move from \$1,900 to \$2,100. • Single or multiple vehicle accidents shall be considered chargeable accidents if threshold is exceeded. • Policies will be surcharged for chargeable claims by permissive operators (non-excluded drivers with the named insured's consent) not having insurance otherwise, if above threshold is exceeded.
R.8	Accident Disputes	<p>Our company website includes an electronic underwriting feature that brings in information about your customers from a variety of external information sources, including your customer's accident history. There are occasions when these external sources include accidents that were not the fault of your customer.</p> <p>To provide a more open application process with your customers, we provide you with the ability to dispute these accidents. When disputing accidents, you and your customers must provide us proof, (via a police report or other authoritative document) that your customer was not at fault for the identified accident. This proof should be submitted to us on any policy where an accident has been disputed (much the same as discount proof). If we do not receive this proof within 15 days of the application date, the accident will be added back to the policy and the customer billed accordingly.</p>

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.9	Non-Chargeable Claims	<ul style="list-style-type: none"> • Non-chargeable accidents and comprehensive claims associated with a listed driver's 36 month history preceding policy inception will be assessed in rating at new business only. • Non-chargeable accidents and comprehensive claims incurred after policy inception will not be assessed. • Rating will update the assessment if a driver is added or removed based on the remaining drivers listed on the policy.
R.16	Physical Damage - General Rules	<ul style="list-style-type: none"> • The Comprehensive deductible cannot exceed the Collision deductible. • The Comprehensive and Collision premium for any vehicle includes the loss of or damage to all permanently installed equipment, parts or accessories which were installed by the original manufacturer of the vehicle. • Vehicle inspection is required when physical damage coverage is carried. An inspection can be waived if: <ul style="list-style-type: none"> - The vehicle was purchased from a dealership within 3 days of the date the insured contacts the agent or company to request coverage. - The vehicle was previously insured by your agency with full coverage without a lapse in coverage. - The policy is bound via E-Signature. • The agent must inspect all vehicles to be insured for physical damage, unless the vehicle meets one of the waiver conditions stated above. The inspection form must be completed with any and all pre-existing damage noted. Photos showing all 4 corners of the vehicle can be taken in lieu of completing the vehicle inspection form.
R.17	Physical Damage - Conversion Vans	<ul style="list-style-type: none"> • Conversion vans are pick-ups, vans or utility vehicles requiring physical damage coverage which have a conversion package or add-on and custom equipment not installed by the original automobile manufacturer. • Conversion vans are written in this program according to the current value symbols. • Conversion vans require inside and outside photographs for binding. • Special Equipment Coverage must be purchased to cover the value of add-on and custom equipment or the conversion package. • An itemized list of such equipment must be submitted with the application. • All rules under Special Equipment section apply to Custom Vans. • Physical damage coverage on conversion vans provides coverage up to the actual cash value of the standard vehicle without any special equipment plus the lesser of the actual cash value or the stated amount value of the special equipment or conversion package.

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.18	Physical Damage - Special Equipment	<ul style="list-style-type: none"> • A separate premium is charged for special custom, non-factory installed equipment. • The maximum special equipment coverage available is \$3,000. • The maximum coverage on all stereo and sound-producing equipment is \$1,000. • Special equipment and its value must be declared at the time coverage is bound. • Comprehensive and Collision coverage must be purchased in order to purchase special equipment coverage. • The physical damage deductibles listed on the declarations page apply to all special equipment. • Examples of common types of special equipment include: <ul style="list-style-type: none"> – Portable toppers – Stereo equipment – Running boards – Custom exterior or interior work – Sun roof or any deluxe roof treatment – Roll bars and custom bumpers – Special wheels or tires – Bug shields
R.19	License Requirements	<ul style="list-style-type: none"> • U.S. License: Drivers who have a U.S. license regardless of the current license status (valid, expired, suspended, etc.). • Foreign Operator: Drivers with a foreign/international driver's license, matricula, US Employment Authorization ID, passport, or foreign driving experience. • Unlicensed: Drivers who have never held a U.S. license and have no foreign driving experience. • Permit: A driver's permit, learner's permit, learner's license or provisional license, is a restricted license that is given to a person who is learning to drive, but has not yet satisfied the requirements to obtain a driver's license.

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.24	Rate Capping	<p>Rate capping is used to limit the impact of rate revisions taken by the company on insureds' premium. The cap factor is calculated at the policy level and applied at a vehicle/coverage level to all coverages. Renewals are capped to changes of no more than +25% annually.</p> <p>The cap factor is calculated using the following steps:</p> <ul style="list-style-type: none"> • Calculate the policy's "True New Term Premium" by using the new term rating factors and the policy's new term rating characteristics (driver age, driving record, deductibles, etc.) for the applicable coverages • Calculate the policy's "Adjusted Prior Term Premium" by using the prior term rating factors and the policy's new term rating characteristics (same as those used in step 1) for the applicable coverages • Calculate the "True Premium Change Percentage" as (True New Term Premium / Adjusted Prior Term Premium) - 1 • Use the True Premium Change Percentage to look up the "Cap Class" in the Cap Class rating table in our rate manual • Use the results from steps 1-4 to calculate the "Cap Factor" <p>Cap Factor = (Adjusted Prior Term Premium * (1 + Cap Class)) / (True New Term Premium)</p> <p>- If the True Premium Change Percentage is between the smallest negative Cap Class and the smallest positive Cap Class, the Cap Factor will be set to 1.00. When rounding is needed, both the True Premium Change Percentage and the Cap Factor are always rounded down to the insured's benefit.</p> <p>- The "Final Renewal Term Premium" is calculated by applying the Cap Factor to each vehicle's applicable coverages' True New Term Premium and then summing up the premium for all coverages on all vehicles.</p> <p>- The Cap Factor is recalculated on each renewal and when a policy is rewritten. When determining the Adjusted Prior Term Premium, the Cap Factor from the prior term is considered as a prior term rating factor.</p> <p>-New vehicles and/or new applicable coverages added or replaced mid-term or at renewal are not eligible for rate capping during that term. The Cap Factor does continue to apply to existing vehicles/coverages that experience a mid-term endorsement.</p>

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.27	Retention Expense	<p>Retention expense factor is calculated as follows:</p> $\text{Retention Expense Factor} = (1 + (\text{Standard Retention Expense} * \text{Policy Type Retention Expense} * \text{New Business Pay Code Retention Expense} * \text{Insurance Score Tier Retention Expense} * \text{Transfer Discount Retention Expense} * \text{Advanced Quote Discount Retention Expense} * \text{Multi Car Discount Retention Expense}))$ <p>The retention expense factor only applies (is non 1.00) for the first 12 months of the policy. Annual renewals will receive a 1.00 retention expense factor due to Standard Retention Expense going to 0.00 for months 12 forward. New Business policies are rated with 0 months since inception, first renewals on 6-month policies are rated with 6 months since inception, and first renewals on annual policies are rated with 12 months since inception.</p> <p>The New Business Pay Code and the Insurance Score are fixed at submission and thus remain static over the course of a policy's life.</p>
B.	BILLING OPTIONS	<ul style="list-style-type: none"> • Available billing option(s) and payment method(s) may vary by underwriting criteria and may change at Company's discretion.
B.2	Policy Fee	<ul style="list-style-type: none"> • This fee is charged on all new business.
B.6	Billing Fee	<ul style="list-style-type: none"> • This fee is charged on all invoices. The reduced billing fee is charged when automatic payments are enabled on the policy.
B.11	Late Fee	<ul style="list-style-type: none"> • This fee applies when an invoice is not fully paid by the due date.

RULES	RULE DESCRIPTION	RULE VERBIAGE
B.22	Automatic Payments	<ul style="list-style-type: none"> • Automatic payments may be initiated at time of new business, or during the active policy term via policy change. However, the initial down payment cannot be withdrawn via automatic payments and must be submitted via another payment method. • An Automatic Payments Authorization form must be completed and signed before automatic payments are initiated. This signed form must be retained in your office for the period of time required by the state. A copy of the form must be provided to the customer. • Automatic payments options available are Checking or Savings account, debit card or credit card (Visa, MasterCard, American Express or Discover). • Automatic payments adds, changes (account number, account type, etc...) and cancels will take effect the day following the submission request on our website or via Customer Service. Any bills generated prior to automatic payments taking effect will not be paid via automatic payments. The appropriate form must be signed and retained in your office. • The frequency of automatic payments withdrawals will be according to the existing payment plan for the current term. • For additional automatic payment options at renewal, please see our company website or contact Customer Service before the renewal payment is processed. • A one-time payment made from a checking or savings account via our website (ACH) may be made. An ACH Authorization form must be completed and signed. This signed form must be retained in your office for the period of time required by the state. A copy of the form must be provided to the customer.
B.23	Rewrite Fee	<ul style="list-style-type: none"> • This fee applies when a policy is restarted with a lapse in coverage.
B.24	Returned Payment Fee	<ul style="list-style-type: none"> • This fee is charged when insured payments are not honored due to insufficient funds, invalid/closed/expired account, stop payment, or any other reason.
B.25	Invoice Schedule- Fixed Invoicing	<ul style="list-style-type: none"> • Invoices are due on a fixed date each month, based on the payment schedule and when additional charges are applicable. For months in which that date is not available, the due date will be the last day of the month.
B.27	Reinstatement Fee	<ul style="list-style-type: none"> • This fee applies when a policy is restarted with no lapse in coverage.
P.	PROCEDURES	PROCEDURES
P.1	Commissions and Reissue Window	* See State Specifics Table

RULES	RULE DESCRIPTION	RULE VERBIAGE
P.4	Applications	<ul style="list-style-type: none"> • Applications must be submitted electronically through our company website. If you experience any difficulty submitting the application electronically, please contact Customer Service. • Applications must be completed in full and a paper or electronic copy signed by you and the applicant, including completion of the appropriate rejections and initial section. The signed copy must be retained in your file. <p>Note: if applicant signs using e-signature the application will be stored on our company website. See The E-signature File Requirement section for more information on E-signature.</p> <ul style="list-style-type: none"> • Applications missing the following critical information may result in policy cancellation: Driver Information (date of birth and license number), Vehicle Identification Number, and required signatures. • The insured must be given the opportunity to review the available Uninsured and Underinsured coverage limits and corresponding premiums as part of the application process. • Payment for premium owed by the primary named insured for prior policies may be required prior to submission of a new policy.
P.5	Payment Procedures	<ul style="list-style-type: none"> • Available billing options and payment methods can be found on our website. • We do not accept premium financing unless otherwise specified in a Premium Financing Section. • To be considered on-time, payments must be received by the Company by the due date. • If payment is accepted in your office, you must indicate the date and time payment is received, the payment amount, the policy number and the insured name. • Invoices not paid in full within three days of the due date, as well as returned payments, may be subject to an additional fee. • See Fee Section for applicable fees. All fees are fully earned. • If a policy cancels or expires with a credit or balance due at or below the waiver threshold, we will not bill or refund it. • Payments can be split into two forms of payment, provided that one of the payment methods is cash.
P.6	Endorsements	<ul style="list-style-type: none"> • Policy change requests should be submitted via our website. • Policy changes requesting the deletion of a driver or lowering the limits of liability must be signed by a named insured. • All policy changes will be computed on a pro rate basis using the rules and rates in effect as of the inception date of the current policy term. • Additional premium due will be displayed when processing most policy changes and should accompany all change requests for additional coverage. If a bill is already outstanding, the change in premium will be reflected in the revised bill amount displayed on our website. To minimize confusion to the insured with revised bills, collect the revised bill amount with the policy change. • Depending on the insured's policy bill plan and policy change timing, any additional premium will either be billed separately, spread over any remaining installments, included with future renewal offers, or billed in the first installment of the renewal term.

RULES	RULE DESCRIPTION	RULE VERBIAGE
P.9	Cancellations	<ul style="list-style-type: none"> • Policy cancellation requests should be processed electronically through our website. • When a written cancellation request is submitted, the cancellation will be effective the date received, unless a future cancel effective date is indicated. • Back-dated and Flat cancellations are not allowed. • Cancellation requests must be signed by a named insured. • All cancellations will be calculated on a pro-rate basis. • Any outstanding balance will be billed to the insured.
P.10	Agency File Documentation	<p>You are not required to submit the application and most other related documents to the company at the time of writing. However, we do ask that these documents be made available upon request. We will be performing occasional File Compliance Audits via email to make sure training has been adequate and the required documents are being properly maintained in the agency files. This is to ensure that your interests and ours are protected in the event of a claim or legal issue.</p>

RULES	RULE DESCRIPTION	RULE VERBIAGE
P.11	File Maintenance Requirements	<ul style="list-style-type: none"> • Original signed application. The General Acknowledgement block must be signed by the Named Insured or additional Named Insured. • Appropriate coverage rejection signature(s). Signed by the Named Insured or the additional Named Insured. • Driver exclusion (where available) signatures. Signed by the Named Insured and/or additional Named Insured as shown on the application or Declarations page. • Signed Statement of No Losses Forms, when applicable. • Description of Business/Artisan use when applicable. • Any insured requests for policy change. • Physical Damage inspection. When Comprehensive and Collision coverages are selected, photos showing all 4 corners of the vehicle, or a completed vehicle inspection form must be kept. This requirement is waived for policies bound via E-Signature. If the vehicle was just purchased from a dealership or previously insured within the same agency with full coverage without a lapse in coverage, please document that in your files for audit purposes. • Complete garaging address when it differs from the mailing address. • Proof of not-at-fault. A police report, letter from the insurance company, or details of the accident indicating not at fault. • Proof of prior insurance when Prior Insurance Discount is applied and prior coverage cannot be confirmed on our website. A copy of the proof needs to be submitted to the company within 72 hours when requested on our website. Refer to the Customer Service Section for the fax number or e-mail address. • Proof of insurance for Homeowner’s Discount. A copy of the proof needs to be submitted to the company within 72 hours. Refer to the Customer Service Section for the fax number or e-mail address. • Documentation for any other discounts requiring proof. • For automatic payments, the original signed authorization form must be retained in your office for the period of time required by the state. The same applies with regard to automatic payments change and cancel forms. • For one time payments made by E-Check via our website (ACH), the original signed ACH Authorization Form should be retained for the period of time required by the state.

RULES	RULE DESCRIPTION	RULE VERBIAGE
P.12	E-Signature File Requirements	<ul style="list-style-type: none"> • File maintenance requirements for electronically signed applications are the same as noted in the 'File Maintenance Requirements section above with the following exceptions: <ul style="list-style-type: none"> o Once the applicant completes the e-signature process a copy of the application will be stored within our website. o Proof for the Prior Insurance and Homeowner Discounts still need to be submitted to the company within 72 hours. See the Customer Service Section for fax number or email address. • The agent has the same responsibility to make sure that customers sign all required documents properly and in a timely manner as today with the traditional wet signature process. Applications must be completed in full by the applicant, including the completion of the appropriate rejections and initial section. To help pursue any outstanding e-signatures, these policies will appear in the Follow-up section of the Agency Dashboard on our website. • Failure to obtain a signed application could result in policy cancellation. • For more information regarding the e-signature process, please reference the 'Step By Step E-signature' instructions on our website.
P.13	Compliance Audit Requirements	<ul style="list-style-type: none"> • Audits will be performed via email, fax, or in person, on randomly selected policies. <ul style="list-style-type: none"> - Failed audits will result in increased audit frequency. • Requested documentation must be emailed or faxed to us within 48 hours. • Audits may be performed on cancelled/non-renewed policies. • Files must be maintained for a minimum of eight (8) years after policy expiration or cancellation, or for a greater period if required by state law.
P.17	Reinstatements	<ul style="list-style-type: none"> • A cancelled or expired policy may be eligible for reinstatement with no lapse in coverage up to the last day of the reinstatement window (see State Specifics Section) if no loss has occurred since the cancellation/expiration date. The exact amount needed to reinstate may be found on our website. • For reinstatements performed by the agency, a Statement of No Losses Form must be signed by a named insured and retained in the agent's office.
P.23	Installment Processing - 6 and 12 Month	<ul style="list-style-type: none"> • A minimum down payment is required. The insured will be billed for the balance in equal installments. • Please see our website for available payment options.

RULES	RULE DESCRIPTION	RULE VERBIAGE
P.26	Rewrites	<ul style="list-style-type: none"> • A cancelled or expired policy may be eligible to be rewritten with a lapse in coverage, without submitting a new application, up to the last day of the rewrite window (see State Specifics Section). • The exact amount needed to rewrite may be found on our website. • After the rewrite window, the Company requires a new application. • When the insured makes a payment to you on a cancelled or expired policy, the date and time must be clearly indicated and initialed by the agent on the payment coupon. In the case of a rewrite, the declaration page will be dated effective the day payment is received. However, coverage will begin as of the time the agent takes payment from the insured. Rewrite requests (including payment upload) should be performed electronically at the time payment is bound. The corresponding payment must include all appropriate fees. • When a payment is mailed to the Company on a cancelled or expired policy, the payment will first be applied to any outstanding balance. The system will determine if any remaining funds from the payment are adequate to rewrite the policy to a new term. Rewrite coverages will take effect at 12:01 AM on the date following the postmark date. • When a payment is mailed to the Company on a cancelled or expired policy that is less than our minimum rewrite tolerance, the amount exceeding any outstanding balance will be refunded within 15 days or less.