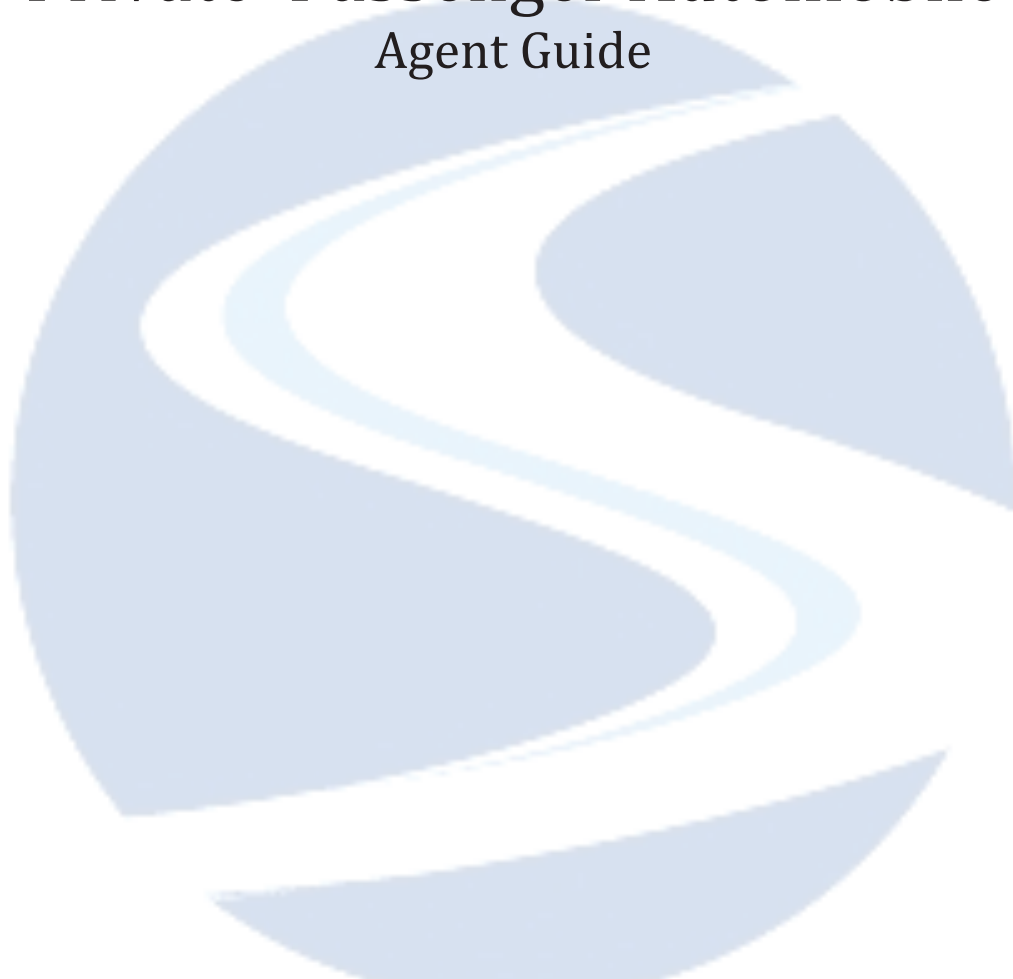




Arizona Sierra  
Private Passenger Automobile  
Agent Guide



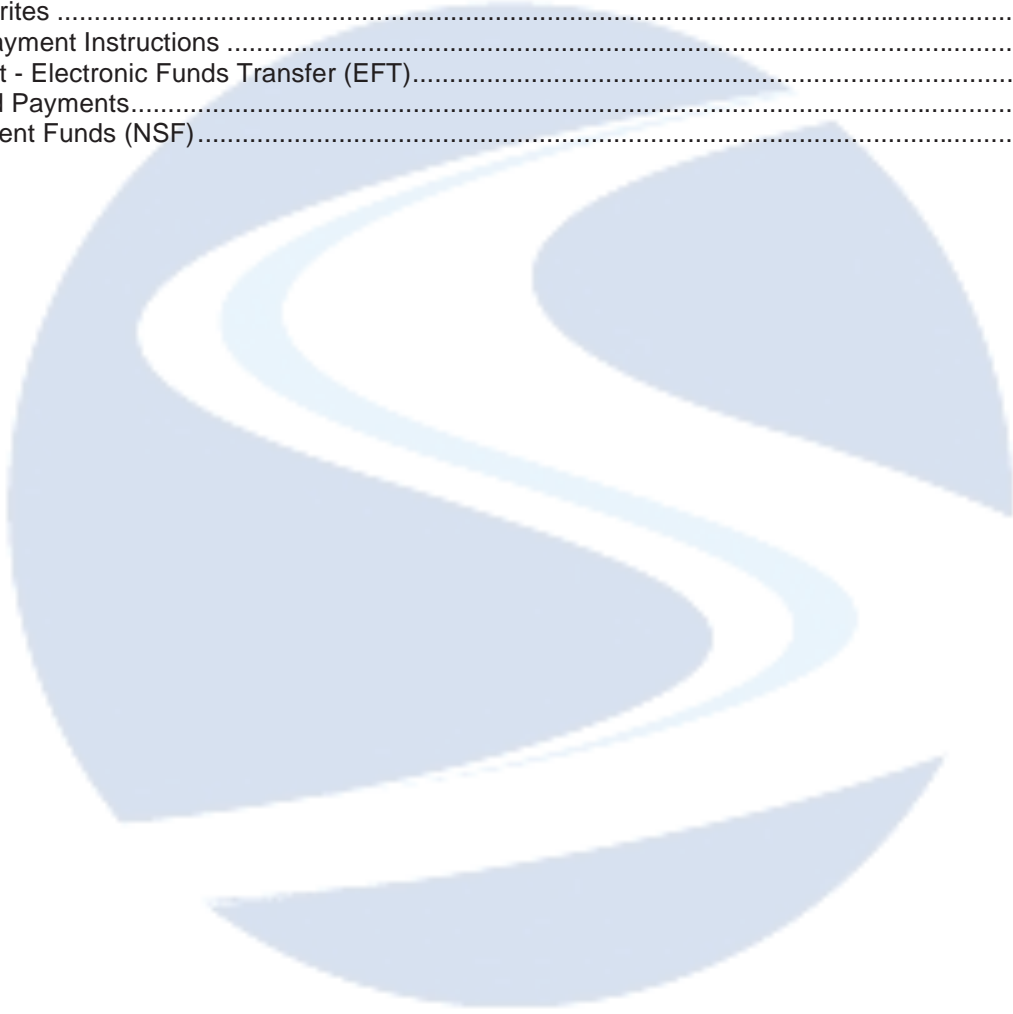
New Business Effective  
11/1/2012

Underwritten by Integon National Insurance Company

# Table of Contents

<b>How to Contact Us</b> .....	<b>4</b>
Addresses .....	4
Phone and Fax Numbers .....	4
Claims Reporting .....	4
Automated Billing Information System .....	4
<b>General Information</b> .....	<b>5</b>
Definition of Private Passenger Auto .....	5
Company Bulletins .....	5
Policy Term .....	5
Listing Operators .....	5
Policy Jackets .....	5
<b>New Business Processing</b> .....	<b>6-9</b>
New Business Submissions .....	6
Binding Restrictions .....	6
Upload Information .....	7
Application Upload .....	7
Application Procedures .....	7
Uploading Payments .....	8
Running Reports .....	8
Automated Billing Information System .....	8
Processing Proof of Prior Insurance .....	8
Acceptable Proof of Prior Insurance .....	9
Unacceptable Proof of Prior Insurance .....	9
<b>Audit Requirements</b> .....	<b>10</b>
Routine Audits .....	10
Fax Audits .....	10
Fax and E-mail Service .....	10
On Line Services .....	10
Producer Supplies .....	10
<b>Risk Acceptability</b> .....	<b>11-12</b>
Unacceptable Risks .....	11
Unacceptable Vehicles .....	11
Unacceptable Vehicles for Physical Damage .....	11
Unacceptable Vehicles for Customized Equipment .....	12
Vehicle History Reports .....	12
Business or Artisan Use .....	12
Territory Rules for Military Risks .....	12
<b>Driver Information</b> .....	<b>13-14</b>
Application Listing Rule .....	13
Named Insured Eligibility .....	13
Driving Rating Guide .....	13
Driver Exclusion .....	13
Driver Marital Status .....	14
Driver/Vehicle Assignment .....	14
License Status/Types .....	14
Unverifiable Driving Record .....	14
Filing Information (SR-22) .....	14
<b>Driving Record / Violations</b> .....	<b>15</b>
Violation Classifications .....	15
Chargeable Period and Procedures .....	15
Major Violations .....	15
Intermediate Violations .....	15
Minor Violations .....	15
<b>Vehicle Information</b> .....	<b>16</b>
Pre-Insurance Inspection Guidelines .....	16
Vehicle Symbols .....	16
Non-Ascertainable Vehicle Symbols .....	16

<b>Coverage Information</b> .....	<b>17-18</b>
General Coverage Rules .....	17
Bodily Injury and Property Damage Coverage.....	17
UM & UIM Coverage .....	17
Medical Payments Coverage .....	17
Physical Damage Coverage .....	17
Towing and Labor Coverage.....	18
Customized Equipment Coverage .....	18
Named Non Owner Coverage.....	18
<b>Discounts and Surcharges</b> .....	<b>19</b>
Discount Table .....	19
Surcharge Table .....	19
<b>Billing and Fees</b> .....	<b>20</b>
Payment Plans and Fees .....	20
Policy Rewrites .....	20
Billing & Payment Instructions .....	20
Direct Debit - Electronic Funds Transfer (EFT).....	20
Credit Card Payments.....	20
Non-Sufficient Funds (NSF) .....	20



# How to Contact Us

## Phone and Fax Numbers

Claims Reporting (Available 24/7), Toll-Free Number.....	1-888-210-6111
Policy Services.....	1-909-944-1400
Monday through Friday 8:00am to 5:00pm	
Underwriting Fax & Memo Correspondence Fax.....	1-909-243-7150
Marketing.....	909-944-1400 Opt 5
Supplies: Agent Guide, Policy Jackets, Forms,etc.....	nationalgeneral.com/summit
Technical Support/Help Desk.....	1-909-944-1400 Opt 5

### Addresses

All Payments:

National General  
PO Box 545  
Rancho Cucamonga, CA 91729-0606

### Claims Reporting

We strive to provide fast, fair claims service when a loss occurs. Whenever possible, please encourage your policyholder to call the Integon National Insurance Company Claims department immediately to report an accident or loss. This will enable the insured to obtain immediate attention to the claim and receive the best possible service. All claims, including glass/windshield claims, must be called into the claims reporting phone number listed above.

### National General Automated Billing Information System

Billing information is available 24 hours a day, 7 days a week through National General Automated Billing Information System. The system is easy to use and provides you with quick and accurate policy information. When you call, have the full policy number available. The system needs all numbers to accurately identify policy information.

To access the automated billing information system, dial **1-866-656-8268**.

A Support Services representative is available during regular business hours if you have any questions at 909-944-1400.

# General Information

## Definition of Private Passenger Auto

When used throughout this Agent Guide, the term “auto” means a four-wheeled passenger vehicle, owned or leased for a term of not less than 6 months by the named insured or a family member which is not used for public or private livery conveyance or for commercial purposes other than “Business or Artisan Use” as defined under “Vehicle Use Definitions”.

## Company Bulletins

Company bulletins are an official communication of any updates that may occur to our underwriting manual and serve as an addendum to the manual. Please keep any future bulletins together with this manual for reference.

## Policy Term

The Sierra Program offers policy terms of six or twelve months.

## Listing Operators

All residents in the household age 14 & older MUST be listed on the application. All drivers residing in the household must be listed as operators or excluded from coverage on the application. Anyone with regular access to a vehicle should be listed whether she/he resides in the household or not.

## Policy Jacket

The Policy Jacket will be provided to the insured with the Policy Issuance documents. Please review the claims reporting procedures in the policy jacket with the insured. Should conflict arise between the Policy and the Agent Guide, the Policy is the controlling document.

# New Business Processing

## Submissions

Coverage will be effective as of the date and time the application is signed by both the applicant and producer, provided:

1. The down payment is received by the producer.
2. The producer uses National General proprietary transmission software as agreed in writing in advance between the producer and National General.
3. The printed application and additional forms are signed by the named insured.
4. The risk is consistent with our underwriting guidelines.

In addition:

1. Producers do not have the authority to issue policies, endorsements or cancellation notices.
2. We do not permit brokering of business. It is not acceptable for you to write business through and/or give our underwriting materials to other producers or brokers, or for you to submit applications to us for risks that will be serviced outside your office.
3. The insurance coverage requested is predicated on National General receiving premium. If the insured's down payment is not honored by his or her bank, no coverage will be provided.
4. All applications must be signed by both the applicant and producer, indicating the time and date submitted.
5. The named insured may be excluded from the policy but must still sign the application. The spouse may also be excluded.

The application is part of the policy contract and must be completed. By signing, the insured is agreeing that the information contained in the application is accurate. Incomplete applications may result in the policy being rejected or rated differently than submitted.

Producers do not have authority to issue policy declarations pages, endorsements or cancellation notices unless specifically authorized by the Company in writing. Producers are required to distribute all applicant forms issued at the point of sale.

National General does not permit sub-brokering of business. It is not acceptable for you to give our ID cards or underwriting materials to other producers or brokers, or for you to accept applications from them for risks they have underwritten or will services outside of your office.

There is no binding period for installment payments – payments must be postmarked or uploaded before the cancellation date.

**Nothing in this Agent Guide shall create any agency relationship whatsoever between the producer and National General.**

## Commission Statements

Producers will receive commission statements monthly. A debit balance must be paid promptly and in full. The "Master Producer" will receive commission statements for all branch offices within that account.

## Processing

Complete all requested information and retain the application with a photocopy of a driver's license(s) or photo I.D and vehicle registration(s) (applicant's current DMV registration or bill of sale).

All supporting documents shall be maintained with the signed application. In the event National General needs any document retained by the Producer, the Producer is contractually obligated to send such documents within 48 hours of receipt of National General's request.

## Binding Restrictions - Severe Storm Warnings & Restrictions

We do not allow comprehensive or collision coverages to be bound or deductibles on existing physical damage policies to be lowered any time a hurricane, hail, tornado, flood, or tropical storm warning or watch has been placed by the National Weather Service. This binding restriction only applies to the counties in which the watch or warning is effective. We will reinstate binding 24 hours after the watch or warning is lifted.

# New Business Processing

## Upload Information

All new business applications MUST be uploaded to the company. PTS automatically orders relevant customers reports, such as MVR, A-Plus and Financial Responsibility. From these reports prior insurance and the existence of additional drivers in the household are also verified. This ensures the most accurate rate at point of sale. The quoting system will prompt you to retain any necessary documentation. National General will not reimburse the cost of MVR reports ordered from any source other than our rating software.

## Application Upload

Producers should fill out the application entirely, print the application and **obtain signatures and down payment before uploading**. Please retain signed copies of the application and additional forms in your office.

### **DO NOT FAX OR MAIL TO US A COPY OF THE UPLOADED APPLICATION.**

A copy of the vehicle registration must be kept in your office. Proof of prior insurance, when requested and any other discount information should be faxed immediately to 909-583-0080 once the upload is completed. Electronic Funds Transfer (EFT) will be swept from your bank account within 72 hours of the upload.

## Application Procedures

If you wish to upload a new business application, and you have completed the quote or application on an earlier date, please perform the following steps. Quotes older than one (1) day should be updated before uploading.

1. From the **Main Menu in PTS**, select **“Lookup Quote”**. Enter the quote number or Insured name. A list of existing customers will be displayed.
2. Select the button next to the name of the customer you wish to upload and click the **“View Quote”** link.
3. Click the **“Select”** link to bring up the quote.
4. Click the **“Next”** button on the top of the page.
5. Fill out the **“Applicant’s Questionnaire”**.
6. Fill out all fields highlighted in RED and click **“Continue”** in the top right corner.

PTS will now run the MVR and A-PLUS reports.

7. If the MVR is successful, click **“Click here to continue”**. If it is not successful, you will be prompted to run it again or select the box **“Re-check Later”**. Then **“Click here to continue”**.
8. If the A-PLUS has activity, you will have the option to challenge any accident. If you do, you must enter comments. If you do not need to challenge, move to the next section titled **“Vehicle Registration/Driver Import Results”**. If anyone is associated with the insured’s name and/or address, their name(s) will appear. You have the option to Delete or Exclude the person. If you choose to Delete, you must enter a reason. When you are done with this section, **“Click Here to Continue”**.
9. The next screen shows you the difference in premium from what you quoted and what PTS is charging. After reviewing this screen, **“Click Here to Continue”**.
10. Enter the effective date and click **“Continue”**.
11. Select the Payment Plan.
12. Make sure all fields in RED have data. If the insured does not have an e-mail address, please enter N/A.
13. Click **“Submit”** in the top right corner.
  - a. If you have selected an EFT payment plan, you will be taken to the screen to enter in the account information. Once completed, select **“Add”** in the top right corner.
14. Review the policy information. At the bottom of the screen there are two options:
  - a. **“Click Here To Submit To Company”** – this will take you to the payment screen. Here you will enter down payment information.
  - b. **“Click Here If You Need To Make A Change”** – this will take you back to the page where you entered the effective date. You then continue and make any necessary changes.

If you wish to upload a new business application, and you are just completing the quote or application today, please proceed starting at step 3 above.

# New Business Processing

## Uploading Payments

Upload a payment by selecting Upload from the main menu then choosing Payment. You will be directed to PTS:

1. From the **Main Menu in PTS**, select **“Lookup Policy”**. Enter the policy number or Insured name.
2. To select the policy, click on the policy number.
3. Click the **“Pay”** icon on the top of the screen.
4. Enter in the total amount, select the payment type and then payment method.
5. Click on **“Begin Payment”**.

A National General Receipt screen will appear after the payment has been submitted. Please print the payment receipt for your records.

Note: If the payment was sent in error, please contact Customer Service at 1-909-944-1400 for assistance.

## Running Reports

The Report section located within PTS provides multiple report options to better service your book of business.

1. From the **Main Menu in PTS**, select **“Reports”**.
2. **Select any of the many options available.**
3. **You will have access to only your book of business.**

## National General Automated Billing Information System

Billing information is available 24 hours a day, 7 days a week through National General's Automated Billing Information System. The system is easy to use and provides you with quick and accurate policy information. When you call, have the full policy number and mailing zip code available. The system needs all numbers to accurately identify policy information.

To access the automated billing information system, dial **1-909-944-1400**, then:

1. Select **Option 3** to enter the automated billing information system.
2. Enter the policy number followed by the # sign. Only policy digits before the dash.
3. Enter the 5 digit mailing zip code followed by the # sign.
4. Follow the steps provided by the automated attendant.

A representative is available during regular business hours if you have any questions. Please contact Customer Service at 1-909-944-1400 for assistance.

## Processing Proof of Prior Insurance (POP)

When the producer runs consumer reports, National General will attempt to confirm proof of prior insurance. The software will advise when proof of prior is verified.

- If POP is not verified at point-of-sale, you will need to fax proof to National General immediately following upload.
- POP documentation should be obtained from your customer at the time of application. Review the information provided for accuracy prior to upload.
- Fax complete proof to 909-243-7150. Please refer to the acceptable forms of proof on page 11.
- If National General receives incomplete proof (i.e., insufficient proof to confirm the length of continuous coverage, lapse days, coverage limits, prior carrier), the policy will be up-rated.
- If National General does not receive proof, a reminder notice will be sent.
- The insured notice advises their immediate response is required to maintain the discount for having prior automobile insurance. They will be directed to fax information or contact their producer and provide any necessary information if they have not yet done so.
- The producer notice directs you to fax the insured's necessary missing information if you have not yet done so.
- Failure to submit complete valid proof within fifteen (15) days will result in removal of the discount and an increase in premium.



# New Business Processing

## Acceptable Proof of Prior Insurance

If the expiration date of the prior policy is EQUAL TO the National General new business effective date	If the expiration date of the prior policy is BEFORE the National General new business effective date
Renewal notice; or Non-Renewal Notice; or Declaration Page; or Company Issued ID Card; or Company Issued Letter of Experience; or Screen Print from Carrier's System or Agent Management System	In order to confirm prior policy status we need any one of the items on the left, <u>PLUS</u> any one of the following:  Invoice within 30 days of the National General policy inception date; or Company Cancel Notice; or Other Company Documentation of Policy End Date

## Unacceptable Proof of Prior Insurance

Boat or motorcycle policy A policy from the named insured's employer Insurance binder Producer issued letter of experience/certificate of insurance	Acord forms including lost policy releases (LPR) A copy of an application Commercial policy Producer issued ID card
--	--

# Audit Requirements

## Routine Audits

Routine audits will be performed on random files. You will be required to provide file maintenance documentation to a company representative during an on-site visit or via Fax Audit.

## Fax Audits

You will receive a list of required documentation that must be faxed to our office no later than 24-hours after the request. Failure to submit the documentation will result in a failed audit.

## Fax and E-mail Service

Fax and e-mail is available for endorsements or to submit information. Be sure to include the insured's name, policy number, agency name and product on all faxed and emailed documents to ensure proper handling. Faxes should be sent to 1-909-243-7150. Emails should be sent to [natgensupport@ngic.com](mailto:natgensupport@ngic.com).

## On Line Services

Our website, [nationalgeneral.com/summit](http://nationalgeneral.com/summit), provides a host of information with just one click. Features Include:

- Bilingual on-line chat
- Access policy information or pay bills online
- Become a producer by applying online
- Access to our collection of useful tools and links
- On-line endorsements
- Bridge Installation

## Producer Supplies

Product guides and other printed materials are available on our website, [nationalgeneral.com/summit](http://nationalgeneral.com/summit). You may also contact us at 1-909-944-1400 Opt 5 or email us at [natgensummitmktg@ngic.com](mailto:natgensummitmktg@ngic.com).

# Risk Acceptability

## Unacceptable Drivers

1. Any driver with a permanently revoked or canceled license, unless that driver is excluded from coverage.
2. Any driver under the minimum age for state licensing.
3. Any driver convicted of insurance fraud.
4. Named insured under the age of 18 unless parent or guardian's signature accompanies the insured's signature on all areas of the application.
5. Any driver with more than 10 points.
6. Any driver with 3 or more claims regardless of fault within any 12 month time period.
7. Any driver with more than 1 DWI in the past 3 years.
8. Any driver with a felony
9. Any driver under age 25 with any alcohol or drug related violation.
10. Any driver with an "At Fault" Accident and DWI in a 12 month period if separate occasions.
11. Any policy with three or more accidents regardless of fault in the past (12) months. All drivers combined.
12. Any driver with vehicular manslaughter, criminal negligence, or negligent homicide.
13. Any driver with a physical impairment that affects their ability to drive, unless their vehicle has been modified to offset their impairment. Any special equipment must be fully described. Driver must submit a Medical Statement signed by Physician.
14. Any drivers over the age of 75 unless current doctor's statement indicating ability to drive safely.
15. Any driver that moves out of state during the policy period.
16. Any driver that is an employee or family member of an employee of National General Agency or Integon National Insurance Company or an affiliated company; or any driver that is an agent, employee, or family member of an agent.
17. Any driver convicted of insurance fraud.

## Unacceptable Vehicles

1. Vehicles garaged outside of Arizona, including vehicles used by students attending school outside of Arizona.
2. Police, emergency or other related public service vehicles.
3. Vehicles not owned by the named insured.
4. Pickup trucks, vans or utility vehicles with a load capacity greater than 1 ton.
5. Homemade or custom built vehicles, Dune buggies, off road vehicles, all terrain vehicles, motorcycles, camper vans, motor homes.
6. Dump trucks, tow-trucks or wreckers.
7. Vehicles with altered suspensions; including lift kits over 6 inches or low riders under 3 inches.
8. Vehicles used or equipped for use in speed contests or racing, or other "Hot Rod" vehicles.
9. Vehicles used for deliveries, including, but not limited to: pizza delivery, courier services, or paper delivery.
10. Vehicles owned or leased by a corporation, partnership or other business.
11. Vehicles used for livery or public conveyance such as: Taxis, Limousines, or Day Care Vans.
12. Vehicles leased or rented to other operators by the applicant.
13. Rare, Classic or Vintage type vehicles.
14. Gray Market vehicles or vehicles not originally manufactured to meet U.S. standards.
15. Vehicles that are regularly made available to non-listed drivers.
16. Vehicles available to multiple drivers for sales, farming, etc.
17. Customized vehicles in which the value of the customization exceeds 50% of the current value of the vehicle without customization.
18. Commercial vehicles.
19. Farm Classes.
20. Vehicles over 40 years old.
21. Vehicle with a junk title, dismantled title, fire damage title, flood damage title, hail damage title or titles that have been "washed" or altered.

## Vehicles Ineligible for Physical Damage Coverage

1. Vehicles with a value in excess of \$50,000.
2. Vehicles greater than 30 years old.
3. Convertible type or convertibles, T-Top or removable top vehicles.

4. Any vehicle where a police report indicates the vehicle was severely damaged in an accident (damage cannot exceed deductible).

## Risk Acceptability

### Vehicles Ineligible for Physical Damage Coverage (*continued*)

5. Any vehicle declared a total loss by an insurance company.
6. Any vehicle used as a crash test vehicle.
7. Any vehicle listed in recycler inventory.
8. Any vehicle with a previous airbag deployment.
9. Any vehicle with a failed frame mechanical inspection.
10. Any vehicle reported as stolen.
11. Any vehicle with a salvage title.

### Unacceptable Customized Equipment

1. Additional equipment not permanently installed in the vehicle.
2. Radar detectors, custom murals, nose bras and insect shields.
3. Equipment in an unlocked or open vehicle.
4. Equipment for which the value cannot be determined or verified.
5. Sinks/bathroom/toilet facilities/equipment for cooking.
6. Personal property carried in a vehicle.

### Vehicle History Reports

Vehicle history reports may be run on each insured vehicle. A set of factors will apply to select coverages for each vehicle based on data provided by reports.

### Pleasure Use

Pleasure use means personal use with any weekly mileage total or driving to and from work or school. No Business or Artisan Use.

### Business or Artisan Use

Acceptable **Business Use** includes but is not limited to:

- Vehicles used by real estate or insurance agents, doctors, accountants or other professionals visiting multiple locations.
- Vehicles used by sales or service representatives, or for consumer-oriented direct home sales (e.g. Tupperware, Avon, Mary Kay, etc.).

Unacceptable **Business Use** includes but is not limited to:

- Pick-up or delivery of goods (newspaper, pizza or other food items).
- Vehicles used as a taxi, limousine, or emergency vehicle.
- Vehicles used for the transportation of nursery or school children, migrant workers or hotel/motel guests.

**Artisan Use** – Acceptable Artisan occupations include but are not limited to carpenter, plumber, brick, mason, roofer, welder, and tree trimmer. Use of a vehicle by an artisan who uses a vehicle only as a means of transportation of the insured and his/her tools to and from the job site is acceptable provided:

1. The vehicle is not used to pick up goods or delivery of property.
2. The vehicle must be operated by only the insured and listed family members. Insured can be self-employed.
3. The vehicle is used to visit no more than five sites per day within a 100-mile radius.
4. The vehicle must not carry equipment in excess of 500 pounds.
5. The vehicle may have a toolbox, a rack (for ladders, pipe, or building material), or a tool rack. (Tools and equipment are not covered.)
6. The vehicle may have signage, which indicates insured's name and type of service, i.e., "Smith's Landscaping".
7. The vehicle must not be used to transport flammable liquids, chemicals or explosive materials.

Trades not eligible for coverage include: Pest Control, Chemical hauling, welders and any form of delivery. Multiple (more than 1) Artisan Use Vehicles are not eligible for coverage.

Applications requesting business or artisan use must retain photos and an inspection form in the file.

# Territory Rules for Military Personnel

Active military and their spouses may furnish an out of state driver's license and the military identification.

## Driver Information

### Application Listing Rule

All residents of the household who are of licensed driving age or permit age (15) must be listed on the application whether they are licensed or not. Whether they are licensed or not, all residents of the household who are 14 years of age or older, all frequent operators, and children who live away from home and drive the vehicles, must be listed on the application. 'Children who live away from home' is defined as the insured's dependent children who drive the insured's vehicles during regular visits.

Failure to report all operators to the Company may constitute material misrepresentation of risk.

### Named Insured Eligibility

The following are ACCEPTABLE as the named insured:

1. An individual, or
2. An individual and his/her spouse.

**Note:** Maximum of one (1) additional named insured per policy. Additional named insured's must have an ownership interest in a vehicle covered by the policy. The following are **UNACCEPTABLE** as the named insured:

1. Estates or Receiverships.
2. Corporations, Partnerships, Professional Associations or Trusts.

### Driver Rating Guide

All listed household members must fall within one of the following categories:

Driver Category	Rated	Can Be Named Insured
Rated driver	Y	Y
Excluded driver	N	Y
Learner's permit	N	N

### Driver Exclusions

1. Any driver may be excluded from the policy. However, exclusions are not available on any driver with an SR-22 filing (Financial Responsibility Filing, or policy if state required).
2. Individuals who have a permanently revoked license or have never been licensed (except a non-licensed spouse) are not acceptable and must be excluded.
3. Drivers cannot be excluded from specific vehicles on a policy.
4. All drivers must be listed, rated, or excluded, unless prohibited by state law.

### Driver Exclusion Endorsements

1. An endorsement excluding coverage while a named individual operates an insured motor vehicle is permitted. **NEW BUSINESS:** The named insured must sign the "Request to Exclude a Named Driver" section of the application.
2. This exclusion will apply to the current policy term and all renewals and will only be superseded by an endorsement request to add the excluded person to the policy as a driver.
3. **IN-FORCE POLICIES:** To exclude specific individuals during the policy term, retain signed driver exclusion form in file, properly completed, showing the effective date of change and observing proper binding rules. An amended declarations page will be issued. The endorsement will only be superseded by a request to add the excluded person to the policy as a driver.
4. Additional Interests may be excluded. Inform the applicant that the Additional Interest has no coverage if DRIVING the vehicle.
5. Integon National Insurance Company will not pay for any claim arising from an accident or loss which occurs while any vehicle is being driven, either with or without the named insured's permission, by an excluded driver. This exclusion does not apply to Uninsured Motorists Coverage or Underinsured Motorists Coverage.

# Driver Information

## Driver Marital Status

Only legally married or those deemed married by state law will be rated as married. Drivers, who are single, widowed, separated, divorced, or same-sex couples must be rated as single.

## Driver/Vehicle Assignment

Drivers are assigned by applying the highest rated driver to the highest rated vehicle, the second highest driver to the second highest vehicle, and so on. When there are more cars than drivers, the highest to highest rule is used, until there are no more drivers to assign, at that point, the Unassigned Driver Class is applied to remaining vehicles.

## License Status & Types:

### Revoked/Suspended, Canceled License

1. Drivers with a temporarily revoked, suspended or canceled license at any time during the chargeable violation period will be considered for rating.
2. Drivers with permanently revoked licenses are not acceptable risks. The driver must be excluded for us to accept other household members on the policy.

### Learner's Permit

1. Drivers with a learner's permit who are single, under the age of 16, and a child of the primary named insured, will not be included in the rating of the policy. The permit driver will become a rated driver at the earliest of
  - a. Notification by the named insured that the permit driver has obtained his/her full license; or
  - b. The first renewal of the policy after the permit driver is at least 16 years of age. We will notify the customer of the change in rating.
2. All other permit drivers must be rated or specifically excluded from coverage by completing the "Request to Exclude a Named Driver" section of the application or the Exclusion of Named Driver Endorsement form.

### Unverifiable Driving Record

1. A violation charge will be assessed on any driver whose driving record cannot be verified by the state's Bureau of Motor Vehicles, unless driver has a foreign or international driver's license.
2. This charge will be removed if National receives a valid current MVR containing at least 12 months of driving history. The MVR must be no more than 30 days old and must be received within 60 days of policy inception
3. At new business, drivers with a learner's permit will not be charged for an Unverifiable Driving Record (UDR). UDR points will be assessed at the first annual renewal and subsequent policy terms if an MVR still remains unobtainable. This pertains to drivers under 16 years of age.
4. A UDR will be charged for any driver 19 years of age or older for whom we are unable to verify 12 months driving experience on MVR.

### Filing Information (SR-22's)

- Individuals requiring a Financial Responsibility Filing (SR22) cannot be excluded from coverage.
- A \$20.00 SR-22 Fee, earned in full at inception, will be added per filing.
- Filings will only be provided for Arizona.
- All vehicles owned by the driver requiring the filings must be listed on the policy.
- The name on the filing must appear exactly as it reads on the driver's license.
- Filings are not available for a driver with an unverifiable driving record.

# Violations

## Violation Classifications

Violation	1st Occurrence	Each Additional
At-Fault-Accident	3	3
DWI	1	5
Major Violation	5	5
Intermediate Violation	3	3
Minor Violation	1	2
Not-At-Fault Accident	0	0
Unverifiable MVR*	3*	N/A
Non-Moving Violations	0	0
Prohibited Risk	12	12
At-Fault Accident and DWI	4	8

\*Does not apply to drivers with a foreign or international driver's license (FDL)

## Chargeable Period and Procedures

Violation points are assigned to operators for chargeable accidents and violations.

The chargeable period is the 36-month period prior to the effective date of the policy. When a driver is added midterm, accidents and violations will be charged for the 36-month period prior to the date the driver is added.

If two or more violations or accidents are from the same occurrence, charge for only the highest rated violation or accident unless accident occurs in conjunction with a DWI. If at-fault is in conjunction with DWI, then both violation and accident will be charged. The order of selection for determining the chargeable violation is: (1) Major, (2) DWI, (3) Accident, (4) Intermediate, (5) Minor Violation.

Accidents noted on the MVR or application will be considered at-fault unless proof is secured to verify that the insured was not-at-fault. Accidents involving animals are not-at-fault. Accidents involving hitting another vehicle or object as a result of swerving to avoid an animal are at-fault.

### Major Violations

Driving while license suspended  
 Failure to stop and render aid  
 Felony involving vehicle  
 Fleeing or attempting to elude a police officer  
 Hit and run  
 Leaving scene of accident  
 Reckless driving  
 Speed contest

### Intermediate Violations

Altered driver license  
 Driving on sidewalk  
 Driving without valid license  
 Education program required  
 Excessive acceleration  
 Failure to control vehicle  
 Passing stopped school bus  
 Excessive speed (>20mph)  
 Wrong side of roadway  
 Wrong way on one-way

**Minor Violations** - Includes all other moving violations (including light speed <= 20 mph and seatbelt), not listed under *Major* or *Intermediate Violations*.

# Vehicle Information

## Pre-Insurance Inspection Guidelines

All vehicles with existing damage require a pre-insurance inspection form with photographs if covered for physical damage (photographs must show all sides of the vehicle). Retain photos in file.

## Vehicle Symbols

National uses ISO vehicle symbols, which are automatically generated by PTS.

1. Please ensure that the Vehicle Identification Number (VIN) is correct since symbols will be assigned based on the VIN.
2. Vehicles 30 years and older will be acceptable for liability only.
3. Unlisted New Models: Call Customer Service at 909-944-1400 and we will assign the proper vehicle symbol.
4. Gray Market vehicles are unacceptable.





## Coverage Information

### Bodily Injury Coverage Rules (BI)

- Bodily Injury limits are required to be equal to or higher than the minimum financial responsibility limits required by law in any state in which a vehicle is garaged for more than ten (10) months out of the year.
- All vehicles on the policy must carry the same limits.

Available BI Limits are (\$000s):  
15/30

### Property Damage Coverage Rules (PD)

- Property Damage limits are required to be equal to or higher than the minimum financial responsibility limits required by law in any state in which a vehicle is garaged for more than ten (10) months out of the year.
- All vehicles on the policy must carry the same limits.

Available Property Damage Limits are (\$000s):  
10

### Uninsured/Underinsured Motorist Coverage Rules (UM/UIM)

- UM/UIM coverage may be selected or specifically rejected.
- UM/UIM is a policy level coverage. If selected, UM/UIM Coverage will apply to all vehicles on the policy.
- Limits cannot exceed the bodily injury liability limits.

Available UM/UIM limits are (\$000s):  
15/30

### Medical Payments Coverage Rules (Med Pay)

- Med Pay coverage is an optional coverage that pays for reasonable and necessary medical and funeral expenses for covered persons.
- These expenses must be incurred as a result of an auto accident.
- Limits are per person.
- Limits must be the same on all vehicles.

The available limits are:  
\$1000

### Physical Damage/Comprehensive & Collision Coverage Rules (Comp/Coll)

- We do not write physical damage only policies.
- Comp/Coll coverage will only be allowed on vehicles 1981 and newer.
- Physical Damage Coverage does not have to be selected for each vehicle on a multi-vehicle policy.
- Only equipment that is permanently installed by the original manufacturer is covered under Comp/Coll coverages. To cover other permanently installed equipment, select Customizing Equipment Coverage.

The following deductibles can be selected in any combination:  
\$500 \$600  
\$750 \$1,000

A \$0 deductible for safety glass is available at the above-listed deductibles.

### Towing and Labor Coverage Rules

- Towing and Labor Coverage reimburses the insured for each disablement on a covered vehicle subject to a maximum limit for each policy term
- Towing and Labor Coverage may be purchased for any vehicle covered by Physical Damage Coverage

Limits available:  
\$50 per disablement with a maximum of \$150 for a 6-month term policy or \$300 for a 12-month term policy

# Coverage Information

## Rental Reimbursement Coverage Rules

- Rental Reimbursement Coverage reimburses the insured for the lesser of actual daily rental charges or the purchased limit option for a maximum of 30 days for each qualified disablement on a covered vehicle.
- Limit options are \$20 per day.
- Qualified disablement means a loss covered by the Liability, Other than Collision (Comprehensive), or Collision coverage sections of the policy.
- Rental Reimbursement Coverage may be purchased for any vehicle covered by Comprehensive and Collision coverages.

## Customized Equipment Coverage Rules

- Customized Equipment Coverage provides physical damage protection for any permanently installed add-on equipment that was not installed by the original automobile manufacturer and may be purchased for any vehicle covered by both Comprehensive and Collision coverages.
- Examples of eligible additional equipment:
  - Permanently installed stereo valued at \$1,500 or less. The limit applies to the total of all stereo equipment installed, not to each component.
  - Custom paint valued at \$2,000 or less and exterior body panels (spoilers, ground effects, fender flares, running boards, etc).
  - Custom wheels and tires, including oversized tires.
  - Custom seats or interior features.
  - Safety or alarm devices.
- Examples of items NOT eligible as additional equipment:
  - Equipment not permanently installed on the vehicle.
  - Equipment not listed on the application.
  - Televisions, VCRs, DVD players, and radar detectors.
  - Bath, toilet, or kitchen equipment, including refrigerators.
  - Chassis modification.
  - Vehicles equipped with hydraulic or pneumatic suspension equipment designed to make a vehicle rock, jump or bounce.
  - Equipment to modify vehicle height, both raised and lowered vehicles. All modifications must be to suspension only.

All requests to cover special or custom equipment must include an itemized list of Additional Customized Equipment, photos, and the additional premium required for this coverage. Customization may not exceed 50% of the current value of the vehicle without customization. Receipts are required and should be retained in your file. Additional Customized Equipment Coverage is subject to a \$50 deductible and provides coverage up to the lesser of actual cash value, declared value, or actual cost to repair. Maximum coverage is \$5,000.

## Named Non-Owner Coverage

Named Non-Owner policies provide liability protection for the named insured while driving non-owned autos. Named operator policies are not available if any household resident has regular access to a vehicle, or if the insured operates a vehicle for commercial purposes. In addition:

- Named operator does not own or have access to a vehicle on a regular basis.
- Coverage does not apply to vehicles owned by the insured or a relative.
- Coverage only applies to the person listed on the declaration page and does not extend to household members.
- BI (Bodily Injury), PD (Property Damage), MP (Medical Payments), and UM/UIM BI (Uninsured Motorist/Underinsured Motorist Bodily Injury) are the only coverages written.
- Business/Artisan use is not acceptable.
- SR-22 filings are acceptable.
- Named Insured must notify National General within 30 days of acquiring a vehicle.

## Discount and Surcharge Tables

### Discount Table

Discount	Coverages	Applies To	Other Requirements
Prior Carrier	BI, PD, UMUIM, Med Pay, Comprehensive, Collision	All Vehicles	Applies when the named insured has a policy that has been continuously inforce for 6 months. Lapse between the effective date of our policy and the termination date of the prior policy may not exceed thirty (30) days.
Multi Car	BI, PD, Med Pay, Comprehensive, Collision	All Vehicles	More than one (1) vehicle on the policy
Paid In Full	BI, PD, UMUIM, Med Pay, Comprehensive, Collision	All Vehicles	Applied when the total policy premium and fees is collected at the inception of the policy.
Alcohol Education Awareness Discount	BI, PD, UMUIM, Med Pay, Comprehensive, Collision	Assigned Vehicle	Applied when an applicant or an insured has completed a state approved alcohol educational awareness program. This discount will apply as long as the applicant or insured has no more than one alcohol related violation.

### Surcharge Table

Surcharge	Coverages	Applies To	Other Requirements
Business/Artisan Use	BI, PD, UMUIM, Med Pay, Comprehensive, Collision	All acceptable Business/Artisan vehicles	See the Business/Artisan section on page 8.

## Billing and Fees

### Payment Plans/Fees

1. National General directly bills installments to the insured.
2. Payments can be made at nationalgeneral.com/summit, or by phone. Outside Premium Financed policies are unacceptable.
3. Do not retain commission.
4. Accounts will be charged a Direct Bill Installment Fee of \$11 and an EFT Installment Fee of \$7.

### Fees

Fee	Amount	Condition
Policy Fee- 12 months	\$60.00	All policies will be charged a policy fee. The fee will be fully earned on the down payment or allocated equally across the down payment and all installments
Policy Fee- 6 months	\$30.00	All policies will be charged a policy fee. The fee will be fully earned on the down payment or allocated equally across the down payment and all installments
SR-22 Fee	\$20.00	For each SR-22 filing on the policy
SR- 22 Reinstatement Fee	\$10.00	For each responsibility reinstatement filing
NSF Fee	\$30.00	For check returned by payer for non-sufficient funds
Late Fee	\$7.00	Payments postmarked after the grace period will be subject to a late fee
Direct Bill Installment Fee	\$11.00	Any bill issued by the company
EFT Installment Fee	\$7.00	For each installment payment
Reinstatement/Lapse Fee	\$20.00	Fee applies to any policy reinstatement w/ a lapse
Return Mail Fee	\$5.00	Fee applies to any policy where documents were undeliverable more than one time
Endorsement Fee	\$3.00	Fee applies to any policy where an endorsement is processed after the first 72 business hours from the effective date
Processing Fee	\$2.50	Fee applies to processing any credit card payment

### Policy Reinstatement

We will **REINSTATE WITH A LAPSE IN COVERAGE**. Policies, which have been cancelled for non-payment of premium for up to thirty (30) calendar days, can be reinstated with a lapse in coverage. The Insured must provide full payment for the amount listed on the cancellation notice within thirty (30) calendar days of the cancel effective date. For example: Cancellation date is October 1<sup>st</sup>. Reinstatement with lapse period is as follows: Day 1 (one) starts on October 1<sup>st</sup> and Day 30 (thirty) ends on October 31<sup>st</sup>. Reinstatement with a lapse in coverage will result in a \$20 Reinstatement Fee being applied.

### Payment Instructions

Collect the amount due from the applicant for the selected payment option for all new application premiums, deposit into the agency account, and upload the down payment with the application. All premium/cancellation refunds are sent directly to the insured. **No exceptions will be made.** Cancellations for non-payment to the producer cannot be issued.

1. National General will render a bill for any premium due directly to the insured.
2. Renewal payment should be sent directly to National General.
3. Any renewal payment made directly to the agency should be postmarked on the same day it is paid to the agency.
4. Renewal payments must be postmarked or uploaded before expiration to avoid lapses in coverage.

### Direct Debit - Electronic Funds Transfer (EFT)

With EFT the customer's payments are automatically withdrawn from their checking account, savings account or credit card.

When EFT is selected as a payment option in PTS simply enter the requested banking information and installments will automatically be withdrawn from the insured's checking account or savings account. A billing schedule will be sent to the insured specifying the amount and date of each withdrawal for the complete policy term. A revised billing schedule will be sent if there is a policy change that affects premiums.

1. Policies may be converted to an EFT bill plan during the policy term.
2. The renewal payment will automatically be swept on policies set up with EFT.

## Billing and Fees

### Credit Card Payments

Credit cards are also acceptable on installment payments. MasterCard and Visa accepted. A \$5 Processing Fee will apply when choosing this option.

### Non-Sufficient Funds (NSF)

If a payment is returned from the banking institution due to non-sufficient funds, the policy will be set to cancel according to state guidelines. To avoid cancellation the insured must remit the original payment plus the NSF Fee (\$30) prior to the end of the grace period. If the NSF was on the down payment of the policy, coverage will be null and void. If the NSF is on a renewal or installment payment, the 7-day grace period must expire before the notice of cancellation is sent.

If an insured's payment to your agency is returned due to non-sufficient funds please fax the following information to Accounts

Receivable at 1-909-243-7150;

1. A copy of the front and the back of the insured's check.
2. A copy of any bank fees incurred as a result of the NSF.

**You must notify National General within fifteen days of uploading the NSF payment.**