



California Underwriting Guide  
Effective 01/01/2025

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

### Roadside Assistance

**ROAD AMERICA MOTOR CLUB®** 24-Hour Toll-Free #: 877-541-3959

### 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"><li>•Agent Sweep</li><li>•Customer Credit card and e-check accepted * Credit Card should not be an agency credit card.</li></ul>	<ul style="list-style-type: none"><li>•Make a credit card or e-check payment (instant or scheduled)</li><li>•Print ID cards</li><li>•Manage bill alerts</li><li>•View and print policy documents</li></ul>	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](http://agent.dairylandagent.com)
2. Select Self-Service tab, then Marketing Materials, then order supplies

## COVERAGES OFFERED

Coverage	Value	Definition
BI-PD	15/30/5* 15/30/10* 15/30/20* 25/50/20* 25/50/25* 30/60/15 30/60/20 30/60/25 50/100/25 50/100/50 100/300/50 100/300/100	<ul style="list-style-type: none"> <li>All policies must have liability. Vehicles on multi-car policies must carry the same liability limits.</li> <li>*Limits below the 30/60/15 will expire December 31, 2024 and no longer be offered. Effective January 1, 2025, insurers must have the new 30/60/15 limits in place and anything below this new FR limit cannot be offered.</li> </ul>
UM/UIM-BI	15/30** 25/50** 30/60*	<ul style="list-style-type: none"> <li>UM/UIM will be added to the policy unless the insured rejects coverage.</li> <li>All of the insured's vehicles must have the same UM/UIM limits/rejection.</li> <li>UIM cannot be purchased without UM.</li> <li>*An increased limit of 30/60 is available only when the individual purchases BI limits higher than 25/50</li> <li>**Limits below the 30/60 will expire December 31, 2024 and no longer be offered. Effective January 1, 2025, insurers must have the new 30/60 limits in place and anything below this new FR limit cannot be offered.</li> </ul>
UM-PD	3500	<ul style="list-style-type: none"> <li>UM-PD cannot be purchased when Collision coverage is carried. When liability coverage is written you can carry a limit of \$3500 or reject the coverage. When you reject coverage, you are rejecting both UMPD and CDW on all vehicles insured on the policy. To reject the coverage the appropriate rejection form must be completed.</li> </ul>
Medical Payments	\$1,000 \$2,000	<ul style="list-style-type: none"> <li>Limits on all vehicles must be identical.</li> </ul>
Comprehensive	250 500 1,000 2,000	* See Physical Damage - General Rules Section
Collision	250 500 1,000 2,000	* See Physical Damage - General Rules Section
Lienholder Deductible	100/250	<ul style="list-style-type: none"> <li>This allows the insured to carry a deductible on physical damage higher than most lienholders allow.</li> <li>Deductibles would be reduced to \$100 for Comprehensive and \$250 for Collision on losses paid directly to the lienholder, when the vehicle is repossessed or a total loss.</li> </ul>
Special Equipment	\$3000 Maximum \$1000 Stereo max	<ul style="list-style-type: none"> <li>Available only when comprehensive and collision coverages are purchased.</li> </ul>

<b>Rental Reimbursement</b>	\$25 Per Day/\$750 Max	<ul style="list-style-type: none"> <li>• Available only when Comprehensive and Collision coverages are purchased.</li> <li>• 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.</li> <li>• Coverage pays up to \$25 per day with a maximum of \$750 for rental duration.</li> </ul>
<b>Towing &amp; Labor</b>	\$50 Per Disablement *Existing renewal business only *Not available for new business or endorsement	<ul style="list-style-type: none"> <li>• This coverage reimburses the Insured for towing and labor expenses each time an Insured Vehicle is disabled, including mechanical breakdown.</li> <li>• Coverage pays a maximum of \$50 per disablement.</li> </ul>
<b>Named Non-Owner</b>	Available	<ul style="list-style-type: none"> <li>• Coverage applies to non-owned vehicles used by the named insured only and includes financial responsibility. This coverage does not apply to a vehicle owned by members of the household in which the named insured resides. Only liability coverage is available. Rate as Symbol Z01.</li> </ul>
<b>Mexico Limited Coverage</b>	Included	<ul style="list-style-type: none"> <li>• The Mexico Limited Coverage endorsement extends coverage within 25 miles of the U.S. border when in Mexico.</li> <li>• This extension only applies for infrequent trips into Mexico where all insured persons collectively have spent ten or fewer days in Mexico and made five or fewer trips into Mexico during a thirty-day period.</li> <li>• Vehicles must be garaged in the United States.</li> <li>• Includes only the listed vehicles on the policy (for vehicle policies).</li> <li>• Includes citizens/residents of the United States listed on the policy. There is no coverage if the driver of the insured vehicle is a citizen or resident of Mexico and is not listed on the policy.</li> <li>• Coverage is included on all policies.</li> </ul>
<b>Car Loan Protection</b>	Available	<ul style="list-style-type: none"> <li>• Increases physical damage coverage from actual cash value to the greater of: actual cash value or the outstanding loan balance.</li> <li>• • Applies only when the vehicle is a total loss</li> </ul>
<b>Collision Damage Waiver</b>	Only available when Collision is purchased	<ul style="list-style-type: none"> <li>• When a loss is caused by an uninsured motorist, the collision deductible will be waived if the insured has purchased this option. This coverage is only available when Collision is carried on the vehicle. Coverage can be rejected but when rejected, you are rejecting both UMPD &amp; CDW on all vehicles insured on the policy.</li> </ul>

<b>Roadside Assistance</b>	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"> <li>• Includes assistance for battery failure, flat tires, insufficient supply of fuel, oil, fluid or water, and lock-out.</li> <li>• No discounts apply to this coverage.</li> <li>• Coverage added after New Business issuance will be subject to a 3-day waiting period.</li> <li>• For Roadside Assistance call: 877-541-3959</li> </ul>
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## 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 vehicles registered to the Named Insured's spouse as long as they are legally married, living at the same residence, and both listed on the policy.
- Policy limits for BI/PD, UM/UIM and Medical Payments must be identical on each vehicle owned by the same insured.

### Mature 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 and is the rated driver on the policy.
- Eligibility begins from the date of course completion. The course must be taken every three years to continue the discount.
- A copy of the certificate must accompany the application.

### Good Driver Discount

- A discount applies to all coverages on a qualifying vehicle.
- Eligibility for the GDD is determined by the number of California Department of Motor Vehicle (DMV) demerits per driver. The vehicle will not qualify for a GD if any driver assigned to the vehicle exceeds the GD eligibility.
- To qualify for a GDD, each driver assigned to that vehicle must be licensed to drive for the previous three years, and each driver record has:
  - Not been convicted of a DUI in the past 10 years. (DUI convictions prior to 1/1/99 are not considered.)
  - No more than one DMV demerit for accidents and/or convictions in the previous 3 years.
  - No more than one Traffic School dismissal. (Note: A dismissal with any other DMV demerit is ineligible for the GDD.)
- A named driver exclusion must be offered to those good drivers that otherwise are not eligible for the Good Driver Discount due to the driving experience of another rated driver.
- All drivers who qualify for the Good Driver discount will be accepted regardless of the underwriting guidelines.

## SURCHARGES

### Business Use - Artisan Use Surcharge

- A Business Use surcharge will apply.
- 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 is only one vehicle 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 load capacity of the vehicle is less than one ton.
- 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.

Violation Code	Surcharge Pts.	Chargeability	State Demerits	Description
ACC	0	N	0	Accident-no points Accident-PD =>51% AF (less than dollar threshold)
ACV	0	N	0	Accident: PD <51% AF, Accident: BI <51% AF
AEO	3	C	1	Attempting to Elude Police Officer
AER	3	C	2	Attempting to Elude Police Officer in reckless manner
APB	2	C	2	Accident: BI =>51% AF and over dollar threshold
APP	2	C	1	Accident: PD =>51% AF and over dollar threshold
AV	3	C	1	Arterial Violation
BI	3	C	1	Backing Illegally
BL	3	C	0	Blinding Light
CD	3	C	1	Careless Driving
CFH	3	C	0	Crossing Fire Hose
CSR	3	C	1	Child Safety Restraint
DAT	3	C	1	Driving Against Traffic/ Driving wrong way on one way street
DH	3	C	1	Driving Hours
DLT	3	C	1	Deviating Lane of Traffic/ Crossing center line
DOW	3	C	1	Driving Over Walk
DS2	2	C	1	Dismissed 2 point Violation
DS3	3	C	1	Dismissed 3 point Violation
DWL	3	C	1	Driving Without Lights
DWS	3	C	1	Driving Wrong Side
ED	3	C	0	Exhibition Driving
EBA	3	C	2	Excessive Blood Alcohol Suspension-no other violations/accidents
FDL	3	C	1	Failure to Dim Lights
FFS	0	N	0	Failure to Fasten Safety Belt/ Seat belt violation
FGS	3	C	1	Failure to Give Signal
FOS	3	C	1	Failure to Obey Signal or Sign
FRA	3	C	1	Failure to Report Accident
FSA	3	C	2	Failure to Stop after Accident/ Hit & Run/Leaving the scene of Accident
FSB	3	C	1	Failure to stop for School Bus
FTC	3	C	1	Following Too Close
FUL	3	C	0	Fraudulent Use of License
FVC	3	C	0	Failure to have Vehicle Under Control
FYR	3	C	1	Failure to Yield Right of way
GBA	0	C	2	Excessive Blood Alcohol (xfile)
GBT	0	C	0	Refusal of Breath Test- (xfile)
GHR	0	C	2	Hit & Run-Failure to perform duty (xfile)
GIC	0	C	1	Implied Consent (xfile)
GRD	0	C	2	Reckless Driving (xfile)
GSA	0	C	2	Failure to Stop at Scene Of Accident/Hit & Run (xfile)
GUK	0	C	1	Unknown violations Charged on xfile
GWH	0	C	2	Aggravated OWI (xfile)
GWI	0	C	2	Operating While Intoxicated (xfile)
GWS	0	C	2	Operating While Suspended (xfile)
HR	3	C	2	Hit & run-Failure to perform duty
IC	3	C	1	Implied Consent
ID	3	C	0	Inattentive Driving
IE	3	C	1	Improper/Illegal Equipment
ILC	3	C	1	Improper Lane Change
ILU	3	C	1	Illegal/Improper Lane Use

IL2	3	C	0	Illegal HOV Lane Use
IR	3	C	1	Illegal Riding
IS	3	C	1	Imprudent speed/Imprudent driving
IT	3	C	1	Improper/Illegal Turn
ITE	3	C	2	Illegal Transportation of Explosives
IUL	3	C	0	Illegal/Unlawful Use of License
IUV	3	C	0	Illegal Use of Vehicle
JMP	3	C	2	Juvenile/Minor in Possession of alcohol/drugs
LOL	3	C	0	Loaning of License
LU	3	C	0	Lane Use-Car Pool
MSC	3	C	1	Miscellaneous minor violation
ND	3	C	0	Negligent Driving
NH	3	C	2	Negligent Homicide/ manslaughter
OAR	3	C	2	Operating After Revocation
OC	3	C	1	Open Container
OCA	3	C	0	Open Container-Adult
OCJ	3	C	0	Open Container-Juvenile
OCS	3	C	0	Open Container-Storage
OEL	3	C	0	Operating on Expired License
OSB	3	C	0	Operating without School Bus license
OT	3	C	0	Obstructing Traffic
OUG	3	C	1	Operating Under influence Of Glue
OWC	3	C	0	Operating Without Chauffeur license
OWE	3	C	0	Operating Without cycle Endorsement
OWH	3	C	2	Aggravated DUI/OWI
OWI	3	C	2	Operating While Intoxicated-no other violations/accidents
OWL	3	C	0	Operating Without License
OWO	3	C	0	Operating Without Owner's consent
OWS	3	C	2	Operating While Suspended
PI	3	C	1	Passing Illegally/Improper Passing
POH	3	C	0	Parking On Highway
PUP	3	C	0	Permitting Unauthorized Person to operate vehicle
R	3	C	2	Racing/Speed Contest
RA	2	C	1	Speed Contest-Aiding & Abetting
RD	3	C	2	Reckless Driving
RBT	3	C	0	Refusal of Breath Test
SE	2	C	1	Speeding Excess
SE1	2	C	2	Speed Excess 100 mph
SI	2	C	1	Speed Intermediate
SP	2	C	1	Speed
TFC	2	C	1	Too Fast for Conditions
TV	3	C	0	Tamper Vehicle
UA	3	C	1	Unnecessary Acceleration
VOR	3	C	1	Violation of Restriction
VT	3	C	0	Vehicle Theft
VUF	3	C	1	Vehicle Used in Felony

STATE SPECIFICS	VALUES	DEFINITION
<b>Underwriting Company</b>	Viking Insurance Company of Wisconsin	
<b>Driver Eligibility Maximums</b>	In the past 36 months – maximum of 18 points, 2 alcohol/drug violations, 1 at-fault accident	
<b>Rewrite Fee</b>	\$10	• This fee applies when a policy is restarted with a lapse in coverage. If GDD applies at the time of rewrite the fee is discounted.
<b>Billing Fee</b>	\$10 \$8 - Automatic Payment	• This fee is charged on all invoices. If GDD applies at the time, the fee is discounted. The reduced billing fee is charged when automatic payments are enabled on the policy.
<b>CA Fraud Assessment</b>	\$0.15 per vehicle per month (\$0.14 per vehicle per month effective 7/1/2014)	• Fee applies at new business and renewal.
<b>Policy Terms</b>	1, 2, or 3 months (only available on existing policies) 6 Months 12 Months	
<b>Rewrite Period</b>	60 Days	
<b>Minimum MVR Conversion Ratio</b>	70%	
<b>Chargeable % of MVR Cost</b>	100%	
<b>Violation Chargeability</b>	Conviction	

<b>RULES</b>	<b>RULE DESCRIPTION</b>	<b>RULE VERBIAGE</b>
<b>U.</b>	<b>Underwriting Rules</b>	<b>UNDERWRITING RULES</b>
<b>U.1</b>	<b>Underwriting Company</b>	* See State Specifics Table
<b>U.2</b>	<b>Agent's Binding Responsibility</b>	<ul style="list-style-type: none"> <li>• The time and date of binding can be no earlier than the time and date the application is signed by the applicant and producer, and down payment is made.</li> <li>• The application, payment, or endorsement must be submitted electronically or in written format and received by the company within 72 hours of binding coverage (excluding weekends and holidays).</li> <li>• If an applicant does not meet the underwriting standards listed in this rule guide, do not bind coverage.</li> <li>• Inspect all vehicles before physical damage coverage is bound by the Company.</li> </ul>
<b>U.3</b>	<b>Driver Exclusions</b>	<ul style="list-style-type: none"> <li>• You can exclude: <ul style="list-style-type: none"> <li>- Any driver for the purpose of qualifying for Good Driver Discount.</li> <li>- All drivers with access to the insured vehicle will be evaluated for underwriting and rating purposes, unless they are excluded or listed as a non-driver.</li> </ul> </li> <li>• Driving information for the spouse of married drivers is required unless they are excluded or: (explain on application) <ul style="list-style-type: none"> <li>- The spouse is unable to drive due to a physical impairment.</li> <li>- The spouse has never been licensed, and he/she never drives.</li> </ul> </li> </ul>
<b>U.4</b>	<b>Financial Responsibility (SR-22)</b>	<ul style="list-style-type: none"> <li>• Out of state SR-22 filings will only be made in states in which the insuring Company writes private passenger automobile insurance.</li> <li>• All vehicles in the insured household must be insured by one Company whenever an SR-22 filing is made.</li> <li>• All SR-22 filings will be sent electronically by the Company.</li> </ul>
<b>U.6</b>	<b>Unacceptable Risks</b>	<ul style="list-style-type: none"> <li>• Risks with any of the following characteristics are unacceptable and will be cancelled. <ul style="list-style-type: none"> <li>- Physical Damage-only policies.</li> <li>- Military risks, unless stationed in the rating state. *</li> <li>- Drivers not residing in the rating state at least 10 months per year. *</li> </ul> </li> <li>- 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.</li> <li>- Motor Vehicles used in/with a felony.</li> <li>- Any violation involving a fatality/assault (ie. Vehicular Assault).</li> <li>- An individual who has been successfully denied payment by an insured of a claim under an automobile insurance policy here there was evidence of fraud or intent to defraud.</li> </ul> <p>* Unless operator qualifies as a Good Driver as defined in California Insurance Code 1861.025 and vehicle(s) insured are private passenger type vehicles as defined in California Insurance Code 660.</p>

RULES	RULE DESCRIPTION	RULE VERBIAGE
U.7	Ineligible Vehicles	<p>The following vehicles are ineligible for any coverage:</p> <ul style="list-style-type: none"> <li>• Vehicles with a gross vehicle weight in excess of 10,000 pounds.</li> <li>• Vehicles with a gross vehicle weight rating (GVWR*) above 14,000lbs.</li> </ul> <p>*A gross vehicle weight rating (GVWR) is the maximum operating weight/mass of a vehicle as specified by the manufacturer, including the vehicle's chassis, body, engine, engine fluids, fuel, accessories, driver, passengers and cargo.</p> <ul style="list-style-type: none"> <li>• Any other four-wheel motor vehicle having a load capacity of 1,500 pounds or more which is used in the occupation, profession, or business of the insured other than farming.</li> <li>• Any vehicle having less than four wheels. (Please note: Duallys are acceptable.)</li> <li>• Any driver's license number of a policy that was previously cancelled/non renew by our company will be unacceptable for new business.</li> <li>• We will not write any policy with a driver's license state where our company does not actively write new business. These states are NY, NH, NJ, OK, LA, MA, MI, AK, HI.</li> <li>• Commercial use vehicles.</li> <li>• Any vehicle used for wholesale or retail purposes (including mail, floral, pizza, newspaper, courier, etc.).</li> <li>• Company fleet vehicles registered to corporations or businesses.</li> <li>• Dump trucks, including pickup trucks converted for this purpose.</li> <li>• Emergency vehicles, including vehicles used in volunteer fire departments.</li> <li>• Gasoline and explosive haulers and vehicles used for similar purposes.</li> <li>• Taxi cabs and all other vehicles used in public or livery conveyance, haul for hire, ridesharing or personal vehicle sharing program.</li> <li>• Vehicles used in speed contests, races, exhibitions or "off-road".</li> <li>• Snowplows.</li> <li>• Homemade, custom-built, altered or "kit" cars.</li> <li>• Motorhomes or recreational vehicles.</li> <li>• Flat bed trucks.</li> <li>• Classic or antique autos.</li> <li>• Limousines.</li> <li>• Vehicles with detachable camper bodies that contain sleeping or cooking facilities.</li> <li>• Vehicles for which the Named Insured has no insurable interest.</li> <li>• Vehicles not registered for street use.</li> <li>• Vehicles which have been substantially modified from its original manufactured state including: <ul style="list-style-type: none"> <li>– Raised or lowered suspension</li> <li>– Steering geometry changed</li> <li>– Engine or drive train altered or changed</li> <li>– Addition of traction bars</li> <li>– Oversized tires</li> </ul> </li> <li>• Any vehicle for which the Company does not have a rate lawfully in effect.</li> </ul> <p>*Unless operator qualifies as a Good Driver as defined in California Insurance Code 1861.025 and vehicle(s) insured are private passenger type vehicles as defined in California Insurance Code 660.</p>

U.8	<b>Vehicles Ineligible for Physical Damage</b>	<ul style="list-style-type: none"> <li>• Non-owned vehicles, including short-term rentals (6 months or less).</li> <li>• Vehicles with custom paint.</li> <li>• Gray market vehicles.</li> <li>• Vehicles insured for a "stated amount".</li> <li>• Vehicles over 20 model years old unless the market value exceeds \$2500. Vehicle year changes October 1st each year.</li> <li>• Any vehicle which has previously had a total loss claim and which is retained by the insured.</li> <li>• Vehicles valued at more than \$80,000</li> <li>• With exception to non-owned vehicles the above doesn't apply to CA Good Drivers. All applications are subject to review.</li> </ul>
U.17	<b>Foreign/International Driver's License</b>	<ul style="list-style-type: none"> <li>• A foreign/international license is acceptable on new business.</li> </ul>
U.21	<b>Driver Exclusion Procedures</b>	<ul style="list-style-type: none"> <li>• Attach a signed and completed driver exclusion form, including date of birth and relationship to insured, with an explanation for the exclusion, to the application.</li> <li>• To delete an exclusion and add the person to the policy as a rated driver, please provide all the appropriate driver information needed for rating. If the excluded driver is being removed from the policy altogether, a written explanation of the reason the exposure no longer exists should be included. A signed request from the Named Insured is required.</li> </ul>
U.22	<b>Binding Authority Suspended During Severe Weather Watches and Warnings</b>	<p>When the National Weather Service issues a weather watch or warning (hurricane, tropical storm, tornado, flood, etc.) in the area where a vehicle is being operated, all 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, the producer may bind Physical Damage risks again.</p> <p>*Unless operator qualifies as a Good Driver as defined in California Insurance Code 1861.025 and vehicle(s) insured are private passenger type vehicles as defined in California Insurance Code 660.</p>
U.23	<b>Broker's Binding Responsibility</b>	<ul style="list-style-type: none"> <li>• The time and date of binding can be no earlier than the time and date the Company issues a policy/confirmation number, the application is signed by the applicant and producer, and down payment is made.</li> <li>• The application, payment, or endorsement must be submitted electronically by you (*see Company electronic binding below). Coverage will be bound once we have demonstrated our acceptance of the request through issuance of a confirmation or policy number.</li> <li>- Company Electronic binding: the process by which the Company—on new and existing policies—electronically receives and evaluates the eligibility of policy and endorsement submissions.</li> <li>- New Business: Company electronic binding occurs when a new business submission is submitted to the company electronically and then accepted by the company through the immediate issuance of a confirmation or policy number.</li> <li>- Existing Business: Company electronic binding occurs when customer premium payments, policy changes and other policy related transactions are submitted by the broker to the Company electronically and then accepted by the Company through the immediate issuance of a confirmation number.</li> <li>• Inspect all vehicles before physical damage coverage is bound by the Company.</li> </ul>

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.	RATING RULES	RATING RULES
R.1	Driver Eligibility Maximums (per Driver)	* See State Specifics Table
R.3	General Rules	<ul style="list-style-type: none"> <li>• MVR's will be ordered on all drivers submitted to the Company.</li> <li>• 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.</li> <li>• If an applicant has convictions or at-fault accidents in the most recent 36 months, apply the surcharge points from the Surcharge Point Chart.</li> <li>• If a single occurrence results in more than one conviction/accident charge only for the conviction/ accident with the highest surcharge points. When multiple convictions occur on the same date only the demerits for one conviction will be charged, that with the highest number of demerit points.</li> <li>• When convictions become 36 months old (24 months old for convictions charging 2 surcharge points), they will be dropped from the insured's record at the next renewal and the renewal premium will be adjusted accordingly.</li> </ul>
R.4	Symbols	• Company developed Make & Model Symbols are used.
R.5	Driver Classifications	<ul style="list-style-type: none"> <li>• Determine the number of years of driving experience (based on the date first licensed) and marital status for each driver.</li> <li>• A "married" operator is an operator who is a registered domestic partner, or married.</li> <li>• A "registered domestic partner" must meet the same definitions as used in Section 297(b)(5)(B) of the CA Family Code.</li> <li>• The definition of "married" excludes common law marriages.</li> </ul>
R.7	Chargeable Accidents	<ul style="list-style-type: none"> <li>• In the determination of the driver's at-fault accident history, we will accept a declaration, under penalty of perjury, as to the at-fault accident history.</li> <li>• An accident is considered not chargeable if the following conditions exist: <ul style="list-style-type: none"> <li>- Vehicle was legally parked.</li> <li>- Vehicle was struck in the rear while legally stopped for traffic or traffic control device.</li> <li>- Vehicle collided with a bird or animal.</li> <li>- Accident involved hit-and-run driver and was reported to proper authorities within a reasonable time after the accident.</li> <li>- 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.</li> <li>- Other driver convicted of a moving violation in connection with accident or our insured is not convicted.</li> <li>- Single vehicle accidents caused by a hazardous condition of which a driver, in the exercise of reasonable care, would not have noticed (for example, "black ice").</li> <li>- Applicant does <u>not</u> provide written documentation that the accident was at-fault.</li> </ul> </li> </ul> <p>The following claims qualify as chargeable accidents:</p> <ul style="list-style-type: none"> <li>• The driver's actions or omission were at least 51 percent of the proximate cause of the accident; AND</li> <li>• payment of over \$1,000 for Property Damage or Collision, or when there is bodily injury.</li> </ul>

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.12	<b>Annual Mileage</b>	<ul style="list-style-type: none"> <li>• List the estimated annual mileage provided by the insured for each vehicle listed on the policy. If after following the steps outlined in CCR 2632.5 (c) (2) (A) and (B) we are unable to obtain the annual mileage from the insured, we will default 12,389 miles on vehicles and 10,000 miles for Named Non-Owner policies.</li> </ul>
R.13	<b>Employment MVR Waiver (penalty of perjury)</b>	<ul style="list-style-type: none"> <li>• We will waive demerits and surcharge points for the following individuals for any convictions that were received during the course of employment while operating a motor vehicle for compensation during the hours of his or her employment (CA Insurance Code section 488). <ul style="list-style-type: none"> <li>- Individuals whose specific job duties include driving their employer's motor vehicles.</li> <li>- Individuals who have authority in their name from the Public Utilities Commission (PUC) to operate as a highway carrier; AND are registered owner or leased operator of the motor vehicle used in the operation as a highway carrier.</li> <li>- Police officers, firefighters, or highway patrollers involved in an accident while in the course of such duty.</li> </ul> </li> <li>• A completed and signed MVR Waiver/Penalty of Perjury form (A3072CA) must accompany the request.</li> <li>• The following convictions cannot be waived: <ul style="list-style-type: none"> <li>- Operating after license revocation/suspension,</li> <li>- Hit and Run involving injury/death/property damage.</li> <li>- Failure to report an accident involving injury/death.</li> <li>- Reckless Driving.</li> <li>- Operating while intoxicated.</li> <li>- Negligent homicide/manslaughter.</li> </ul> </li> </ul>
R.14	<b>Dismissals</b>	<ul style="list-style-type: none"> <li>• Traffic Safety School <ul style="list-style-type: none"> <li>- The state masks the first traffic school dismissal. Subsequent citations within 18 months will show on the MVR, even if the driver attends class again.</li> </ul> </li> <li>- We apply surcharge points as well as demerits for these multiple dismissals.</li> <li>• Traffic court <ul style="list-style-type: none"> <li>- Demerits and surcharge points will not be applied to citations that have been cleared by a court.</li> </ul> </li> </ul>

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.15	MVR Decoder - Accidents and Violations	<ul style="list-style-type: none"> <li>• This is a list of abbreviations that may appear in the Violation/Accident section of the declarations page. The codes will appear on the producer's copy only.</li> <li>- Code - A three letter abbreviation, in alphabetical order.</li> <li>- Surcharge Points - The number of surcharge points assigned to the policy for premium rating purposes.</li> <li>- Chargeability - Indicates if the conviction or accident is chargeable or not.</li> <li>- State Demerit - Indicates the number of DMV demerits applied to determine Good Driver Discount eligibility.</li> <li>- Description - A generalized definition of the code. Note that some codes may have more than one explanation.</li> <li>- "G" Codes - Prefix that indicates a violation listed on a cross referenced policy when the surcharge is applied to another policy, but the demerit is still chargeable.</li> <li>- "X" Codes - Prefix that indicates that surcharge points have been waived, but demerit points still apply.</li> </ul> <ul style="list-style-type: none"> <li>• Penalty of Perjury Violation Codes</li> <li>- Surcharge Points and State Demerits will be waived for violations that qualify under penalty of perjury.</li> <li>- The following violations cannot be waived under penalty of perjury (Surcharge Points and State Demerits apply):</li> </ul> <p><u>Codes</u></p> <p>NH - Negligent homicide/manslaughter  OAR, OWS - Operating after license revocation/suspension  HR, FSA - Hit &amp; Run involving injury/death/PD  FRA - Failure to report an accident involving injury/death  RD - Reckless driving  OWI, OWH - Operating while intoxicated</p>
R.16	Physical Damage - General Rules	<ul style="list-style-type: none"> <li>• The Comprehensive deductible cannot exceed the Collision deductible.</li> <li>• 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.</li> <li>• Physical damage coverage applying to stereo and other sound producing equipment is limited to \$500 if special equipment coverage is not purchased.</li> <li>• Every policy must carry liability coverage.</li> <li>• The producer must inspect all vehicles to be insured for physical damage. The inspection form on the back of the application must be completed with any and all pre-existing damage noted.</li> </ul>

RULES	RULE DESCRIPTION	RULE VERBIAGE
R.17	<b>Physical Damage - Conversion Vans</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Conversion vans are written in this program according to the current value symbols.</li> <li>• Conversion vans require inside and outside photographs for binding.</li> <li>• Special Equipment Coverage must be purchased to cover the value of add-on and custom equipment or the conversion package.</li> <li>• An itemized list of such equipment must be submitted with the application.</li> <li>• All rules under Special Equipment section apply to Custom Vans.</li> <li>• Physical damage coverage on conversion vans provide 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.</li> </ul>
R.18	<b>Physical Damage - Special Equipment</b>	<ul style="list-style-type: none"> <li>• A separate premium is charged for special custom, non-factory installed equipment.</li> <li>• The maximum special equipment coverage available is \$3,000.</li> <li>• The maximum coverage on all stereo and sound-producing equipment is \$1,000.</li> <li>• Special equipment and its value must be declared at the time coverage is bound.</li> <li>• Comprehensive and Collision coverage must be purchased in order to purchase special equipment coverage.</li> <li>• The physical damage deductibles listed on the declarations page apply to all special equipment.</li> <li>• Examples of common types of special equipment include: <ul style="list-style-type: none"> <li>– Portable toppers</li> <li>– Stereo equipment</li> <li>– Running boards</li> <li>– Custom exterior or interior work</li> <li>– Sun roof or any deluxe roof treatment</li> <li>– Roll bars and custom bumpers</li> <li>– Special wheels or tires</li> <li>– Bug shields</li> </ul> </li> </ul>
B.	<b>BILLING OPTIONS</b>	<p>* Available billing option(s) and payment method(s) may vary by underwriting criteria and may change at Company's discretion.</p>
B.6	<b>Billing Fee</b>	<ul style="list-style-type: none"> <li>• This fee is charged on all invoices. If GDD applies at the time, the fee is discounted. The reduced billing fee is charged when automatic payments are enabled on the policy.</li> </ul>
B.14	<b>CA Fraud Assessment</b>	<ul style="list-style-type: none"> <li>• Fee applies at new business and renewal.</li> </ul>

RULES	RULE DESCRIPTION	RULE VERBIAGE
B.22	Automatic Payments	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• Automatic payments options available are Checking or Savings account, debit card or credit card (Visa, MasterCard, American Express or Discover).</li> <li>• 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.</li> <li>• The frequency of automatic payments withdrawals will be according to the existing payment plan for the current term. Upon renewal, the pay plan will change to a monthly billing plan.</li> <li>• 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.</li> </ul>
B.23	Rewrite Fee	<ul style="list-style-type: none"> <li>• This fee applies when a policy is restarted with a lapse in coverage. If GDD applies at the time of rewrite the fee is discounted.</li> </ul>
B.25	Invoice Schedule- Fixed Invoicing	<ul style="list-style-type: none"> <li>• Invoices are due by 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.</li> </ul>
P.	PROCEDURES	PROCEDURES
P.1	Commissions	* Commission is not paid on fees.
P.3	MVR Reconciliation Report	<ul style="list-style-type: none"> <li>• The total monthly MVR chargeback amount within your commission statement may be reconciled by using the "MVR Reconciliation Report" within the Reports section on our company website. This report details the monthly chargeback by each MVR ordered and whether it was sold or unsold.</li> </ul>
P.4	Applications	<ul style="list-style-type: none"> <li>• Applications must be submitted electronically through our company website. If you experience any difficulty submitting the application electronically, please contact Customer Service.</li> <li>• 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.</li> </ul> <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"> <li>• 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.</li> </ul>

<p><b>P.5</b></p>	<p><b>Payment Procedures</b></p>	<ul style="list-style-type: none"> <li>• Agents <ul style="list-style-type: none"> <li>- Payments should be submitted electronically. Payments options include E-check, credit card, or withdrawal from your agency account.</li> <li>- Electronic Fund Transfer (EFT) is also available as a payment method, See the Electronic Fund Transfer section for more details.</li> <li>- For the minimum down payment amounts refer to the billing options on our system.</li> <li>- See Program Features Table for appropriate fees. All fees are fully earned.</li> <li>- Renewal payments must be received by the Company or you by the expiration date.</li> <li>- Renewal payments for less than the minimum amount due will be refunded (after being held for 15 days) and the policy will cancel for nonpayment of premium.</li> <li>- The deposit premium must satisfy the full down payment required for the policy term selected by the insured. If less than this amount is submitted, the policy will be subject to cancellation.</li> <li>- Renewal terms of 1, 2, 3 and 6 months are offered in the Monthly billing option. A 6 month term is offered in the 6 Month billing option with renewal payment options of monthly installments, quarterly pay, or paid in full. A 12 month term is offered in the 12 Month billing option with renewal payment options of monthly installments, quarterly pay, or paid in full. Renewal offers are sent directly to the insured at least 20 days prior to the renewal date and installment bills are sent 2 weeks prior to the due date.</li> <li>- If payment is accepted in your office, you must indicate date and time payment is received. Late payments and NSF payments may be subject to an additional fee. See Program Features Table.</li> <li>- If the renewal / installment is not paid, financial responsibility and lienholder cancellations will be sent, if applicable. No cancellation notices are sent for non-payment of renewal bills.</li> </ul> </li> <li>• Brokers <ul style="list-style-type: none"> <li>- Payments should be submitted electronically. Payments options include E-check, credit card, or withdrawal from your agency account.</li> <li>- Electronic Fund Transfer (EFT) is also available as a payment method, See the Electronic Fund Transfer section for more details.</li> <li>- For the minimum down payment amounts refer to the billing options on our system.</li> <li>- See Program Features Table for appropriate fees. All fees are fully earned.</li> <li>- Renewal payments must be received by the Company or electronically bound by you no later than the expiration date.</li> <li>- Renewal payments for less than the minimum amount due will be refunded (after being held for 15 days) and the policy will cancel for nonpayment of premium.</li> <li>- The deposit premium must satisfy the full down payment required for the policy term selected by the insured. If less than the amount is submitted, the policy will be subject to cancellation.</li> <li>- Renewal terms of 1, 2, 3 and 6 months are offered in the Monthly billing option. A 6 month term is offered in the 6 Month billing option with renewal payment options of monthly installments, quarterly pay, or paid in full. A 12 month term is offered in the 12 Month billing option with renewal payment options of monthly installments, quarterly pay, or paid in full. Renewal offers are sent directly to the insured at least 20 days prior to the renewal date and installment bills are sent 2 weeks prior to the due date.</li> <li>- If payment is accepted in your office, you must use our system to bind coverage. Within our system, you must indicate date and time payment is received. Late payments and NSF payments may be</li> </ul> </li> </ul>
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RULES	RULE DESCRIPTION	RULE VERBIAGE
		<p>subject to an additional fee. See Program Features Table.</p> <p>- If the renewal / installment is not paid, financial responsibility and lienholder cancellations will be sent, if applicable. No cancellation notices are sent for non-payment of renewal bills.</p>
P.6	Endorsements	<ul style="list-style-type: none"> <li>• Policy change requests should be submitted via our website.</li> <li>• Policy changes requesting the deletion of a driver or lowering the limits of liability must be signed by a named insured.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> </ul>
P.9	Cancellations	<ul style="list-style-type: none"> <li>• Policy cancellation requests should be processed electronically.</li> <li>• When a written cancellation request is submitted, the cancellation will be effective the date received, unless a future cancel effective date is indicated.</li> <li>• Back-dated and Flat cancellations are not allowed.</li> <li>• All cancellations will be calculated on a prorated basis.</li> <li>• Cancellation requests must be signed by a named insured.</li> <li>• Return premium, if applicable, shall be tendered within 25 business days after we receive notice of the cancellation.</li> </ul>
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	<b>File Maintenance Requirements</b>	<ul style="list-style-type: none"> <li>• Original signed application. The General Acknowledgement block must be signed by the Named Insured or additional Named Insured.</li> <li>• UM/UIM rejection signature. Signed by the Named Insured or the additional Named Insured.</li> <li>• Driver exclusion signatures. Signed by the Named Insured and/or the additional Named Insured as shown on the application or Declarations page.</li> <li>• Description of Business/Artisan use when applicable.</li> <li>• Physical Damage inspection. When Comprehensive and Collision coverages are selected, a detailed list of existing damages must be kept.</li> <li>• Complete garaging address when it differs from the mailing address.</li> <li>• Proof of not-at-fault. A police report, letter from the insurance company, or details of the accident indicating not at fault.</li> <li>• Sales Contracts/Inspections and photos when required to document vehicle inspection.</li> <li>• MVR Waiver/Penalty (U27). Signed by the appropriate driver.</li> <li>• All insured requests for policy changes.</li> <li>• For recurring Electronic Funds Transfer (EFT), the original signed authorization form must be retained in your office for the period of time required by the state, or at a minimum during the full period that the EFT is in force, plus 2 years to meet NACHA (National Automated Clearing House Association) requirements. The same applies with regard to EFT change and cancel forms.</li> <li>• 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, or at a minimum of 2 years after the one-time payment to meet NACHA requirements.</li> </ul>
P.12	<b>E-Signature File Requirements</b>	<ul style="list-style-type: none"> <li>• 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"> <li>◦ Once the applicant completes the e-signature process a copy of the application will be stored within our website.</li> </ul> </li> <li>• 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.</li> <li>• Failure to obtain a signed application could result in policy cancellation and/or an Errors and Omissions claim.</li> <li>• For more information regarding the e-signature process, please reference the 'Step By Step E-signature' instructions on our website.</li> </ul>
P.13	<b>Compliance Audit Requirements</b>	<ul style="list-style-type: none"> <li>• Audits will be performed via email, fax, or in person, on randomly selected policies. <ul style="list-style-type: none"> <li>- Failed audits will result in increased audit frequency.</li> </ul> </li> <li>• Requested documentation must be emailed or faxed to us within 48 hours.</li> <li>• Audits may be performed on cancelled/non-renewed policies.</li> <li>• Files must be maintained for a minimum of the state legal requirement.</li> </ul>

RULES	RULE DESCRIPTION	RULE VERBIAGE
P.23	<b>Installment Processing - 6 and 12 Month</b>	<ul style="list-style-type: none"> <li>• A minimum down payment is required. The insured will be billed for the balance in equal installments.</li> <li>• Payment plans include monthly bill, quarterly bill and paid in full. <ul style="list-style-type: none"> <li>- Monthly Bill - The first installment is due approximately 30 days from the inception date of the policy and all subsequent payments are due monthly, thereafter.</li> <li>- Quarterly Bill – The first installment is due approximately 90 days from the inception date of the policy. (</li> <li>- Paid in full – The entire 6 month or 12 month term is paid in full at inception or renewal.</li> </ul> </li> <li>• Cancellation notices are sent for nonpayment of installment billings.</li> </ul>
P.24	<b>NSF Procedures</b>	<ul style="list-style-type: none"> <li>• When the insured sends replacement premium or an NSF check within 30 days of the NSF cancel date, the policy will be reissued effective the date the replacement payment was received.</li> <li>• If a replacement payment is received more than 30 days after the NSF cancel date of the policy, a new application is required.</li> <li>• If a replacement payment is received for a new application premium deposit, a new application is required.</li> </ul>
P.25	<b>Document Submission - New Business</b>	<ul style="list-style-type: none"> <li>• The following signed forms will be maintained in your producer files: <ul style="list-style-type: none"> <li>- Application</li> <li>- Driver Exclusion</li> <li>- UM Rejection</li> <li>- Any insured requests for policy change</li> <li>- Vehicle Registrations</li> </ul> </li> </ul>