



# Virginia Auto Program

## The General Automobile Insurance Company

New Business Effective April 2016

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**Rule #1 Binding**

All policies must be uploaded using The General’s software.

New Business “Upload” Binding Authority:

Applications will be bound effective date/time of upload.

Renewal Binding Authority:

Renewal received by Home Office prior to Expiration Date;  
Bound effective the Expiration date

Renewal received and Mailed/Uploaded by Agent, within 7 days after Expiration;  
Bound effective the Expiration date

Renewals received by agent prior to but Mailed/Uploaded after 7 days of Expiration;  
Bound Postmark/Upload plus (1) day

Endorsement Binding Authority:

Adding Physical Damage to a Liability “Only” vehicle  
Two (2) photos and explanation for change required before binding.  
The General reserves the right to make all final underwriting decisions.

Deleting Coverage requires Named Insured signature on endorsement form;  
Bound effective received date plus one (1) day

Replacement or Additional Vehicles;  
Binding may not exceed 30-days from endorsement effective date.  
Inspection and bill of sale required for backdated endorsements falling within 30-days of endorsement effective date.

Changing coverages, Additional Drivers, Custom Equipment;  
Bound effective received date plus one (1) day

**\* Business Days include Day of Binding**

Agent does not have the authority to issue declaration pages, endorsement or cancellation notices.  
Agent may not permit a solicitor or broker to bind the Company on a risk.  
Current application for The General must be fully completed, signed and dated by agent and applicant with down-payment.  
Do not bind if the risk is shown in the “Unacceptable Rules 9-13” per the underwriting guides.

**Rule #1A Programs**

Pinnacle

**Rule #1B Financial Responsibility Tiers**

Policies will be rated in one of sixteen (16) tiers, named “Star”, based on an objective financial responsibility scoring. The default tier is used as a temporary placeholder should an error in the system occur. The system will continue to search for a score until one is achieved.

**Rule #2 Reserved for Future Use**

**Rule #3 Reserved for Future Use**

**Rule #4 Pay Plans**

The General offers various monthly, quarterly, and paid in full pay plans, which are detailed on the current version of our software. These pay plans are used through our direct bill program. We do not accept outside premium financing.

**Virginia available pay plan options**

6 month term pay plans		12 month term pay plans	
Percentage down	Number of Installments	Percentage down	Number of Installments
16.67%	5	8.33%	11
20%	5	10%	11
25%	5	12.5%	11
50%	1	15%	11
100%	0	25%	3
		100%	0

**Rule #5            Reserved for Future Use**

**Rule #6            Reserved for Future Use**

**Rule # 7            Fees**

1. All policies will be charged a \$50 policy fee. This will apply to both new business and renewal terms. The fee is not fully earned.
2. There is a \$25 filing fee for each SR-22/FR-44 request. This will be charged once per policy term.
3. A \$12 installment fee applies to each non-EFT installment payment.
4. A \$5 installment fee applies to each EFT installment payment.
5. A \$30 reinstatement fee applies if the company elects to reinstate a policy.
6. A \$25 service charge will be assessed for returned checks.
7. A \$5 endorsement fee applies to each insured initiated paper or telephone endorsement. Endorsements completed online will not be charged an endorsement fee.
8. A \$5 telephone payment fee will be assessed per processed payment requiring Customer Service Representative assistance.
9. Fees are not subject to commission.

**Rule #8            Policy Term**

Only six-month and annual policies are offered.

**Rule #9            Unacceptable Insureds/Drivers**

1. Drivers without a garaging address.
2. Named insureds that have never been licensed.
3. Employees of The General, independent agents and their immediate family.
4. Operators under the minimum age for state licensing.
5. Operators with a permanently revoked or suspended license, unless applying for an SR-22/FR-44.
6. Persons residing outside of the state for greater than 59 days per year.
7. Any policy with more than 2 at fault accidents/ majors/ DUIs in 12 months or more than 3 at fault accidents/ majors/ DUIs in 36 months.
8. Operators with a NY or NJ driver's license.

**Rule #10           Unacceptable Vehicles**

1. Cars, vans, trucks or utility vehicles with a gross vehicle weight rating (stated by the manufacturer) greater than 10,000 pounds.
2. Any risk not garaged in the state for at least 10 months.
3. Physical Damage coverage for gray market, salvaged vehicles (unless salvage title has been cleared), antiques and classics.
4. Collector's items, custom built, limited edition, kit vehicles, snowmobiles, dune buggies, bajas, buses, campers, camper-vans, RVs, ATVs, motorcycles, mini buses, substantially altered or modified structurally and/or mechanically.
5. Physical Damage coverage for vehicles 20 years or older.
6. Vehicles with an ACV of \$75,000 or greater.
7. Vehicles with commercial license plates and/or owned by anyone other than an individual.
8. Vehicles leased or rented to others by the applicant.
9. Vehicles with a cost new or ISO equivalent of \$75,000 or greater.
10. Vehicles registered in NY or NJ.

**Rule #11           Unacceptable Vehicle Usage**

1. Vehicles used for livery, taxi service, emergency including but not limited to vehicles used to transport nursery or school children, migrant workers, hotel guests.
2. Vehicles used for racing, show, or parade.
3. Vehicles used for retail or wholesale delivery, including food, magazine, newspaper, mail delivery, driver training including vehicles with logos or signs.
4. Vehicles used by persons who are selling, leasing, repairing, storing, servicing, delivering, testing, road testing and/or parking motor vehicles.
5. All vehicles used commercially including, but not limited to transporting explosives, chemicals, radioactive materials, flammable substances, and/or escort vehicles.

**Rule #12           Unacceptable Custom Equipment**

Equipment, which is always excluded from Custom Equipment coverage and from Other than Collision and Collision coverage:

1. Additional equipment not permanently installed in the vehicle.
2. Radar detectors, car telephones, televisions, home stereo equipment, custom murals, nose bras and insect shields.
3. Equipment for which the value cannot be determined or verified.
4. Sinks/bathroom/toilet facilities.

**Rule #13           Other Unacceptable Risks**

1. Listing vehicles from more than one household on a single policy.
2. Estates or Receiverships and Corporations or Partnerships are unacceptable as the named insured.
3. Persons employed in illegal enterprises or occupations, convicted of insurance fraud or a felony in the last 10 years.

4. Persons who have had a policy cancelled by The General for loss experience or misrepresentation.
5. Any operator who is physically or mentally impaired who does not provide a physician's statement in which stated that the applicant is capable of safely operating a motor vehicle.
6. Any risk with an undisclosed operator, a regular or occasional operator as defined by Rule #14 that has not been properly listed on the policy, application or endorsement thereof.
7. Liability coverages above the minimum limits are not available for risks, which include an SR-22 filing for any driver on the policy.
8. Bodily Injury limits of 100/300 are not available for risks that meet ANY of the following criteria:
  - a. More than 4 points (total of all listed drivers).
  - b. More than 1 DUI/DRG violation.
  - c. Any insured with less than 9 years' driving experience.
  - d. No prior coverage (Transfer discount is required).

**Rule #14 Regular and Occasional Operator Definitions**

A regular and occasional operator is an operator who drives or anticipates driving a listed vehicle either 52 days or more in a calendar year, or an average of one day a week or more during the policy period. There is not a rating differential between these classes.

**Rule #15 Driver Class Rules and Procedures**

All persons living in the household, 15 or older must be reported on the application. All individuals age 15 or older must be considered in the rating of the policy. Household members younger than the state's required minimum driver age who are not yet eligible to obtain a license or permit may be listed as "never licensed".

1. Applicants must possess or obtain within thirty (30) days of policy's effective date, a valid State license (except acceptable student/military risks).
2. An insured's qualification as "married" requires the insured to be legally married and residing in the same household as their spouse.
3. Classification (driver age) changes will only be made at the beginning of each policy term.
4. If the driver's birthday is within 30 days of the policy effective date the new age will be used for rating.
5. Regular or occasional users outside the household must be reported on the application.

**Rule #16 General Territory Rules**

1. Use the territory of the zip code in which the vehicle is principally garaged.
2. Rate using the garaging zip code, not the mailing zip code.
3. If the mailing address and the garaging address differ, list both on the application.
4. Principal place of garaging must be in State for all vehicles on the policy. (See Territory Rules for Students or Military Risks – Rule #17.)
5. Newly defined zip codes will be assigned the territory definition of surrounding contiguous definitions.

**Rule #17 Territory Rules for Students or Military Risks**

1. Students or military personnel must reside in the territory where their vehicle is primarily garaged and rated. If a driver on the policy joins the military or enrolls in school after policy inception, they should be removed from the original policy and a new policy started in the correct territory.
2. Students or military personnel who move to a state where The General is not currently licensed to write business are not eligible to continue coverage with a new policy.
3. Active duty military personnel stationed in State maintaining an out of state driver's license are acceptable. However, spouses and other family members are required to have a State license. Military base and military address must be listed on the application.

**Rule #18 Reserved for Future Use**

**Rule #19 Named Insured Eligibility**

1. The named insured may be:
  - Any individual,
  - Any other driver on the policy.
2. The following are **unacceptable** as the named insured:
  - Estate or Receiverships
  - Corporations, Partnerships or Professional Associations

**Rule #20 Financial Responsibility Filings (SR-22/FR-44)**

1. SR-22/FR-44 filings will be issued upon request. NAIC# 13703.
2. The name on the filing must appear exactly as it reads on the driver's license. SR-22/FR-44 filings will not be issued until the MVR has been reviewed.
3. There is a \$25 fee for each SR-22/FR-44 filing. No additional points are charged for filings.
4. The company may request that all vehicles be insured by The General. However, this will not hinder the issuance of the SR-22/FR-44.
5. Liability limits are only available at or above minimum state financial responsibility limits for the state.
6. We will file an SR-22/FR-44 in Virginia only.
7. Drivers requiring an SR-22/FR-44 filing must provide a valid driver's license number.

**Rule #21          Reserved for Future Use**

**Rule #22          Reserved for Future Use**

**Rule #23          Business Use Definition**

**BUSINESS USE SURCHARGE IS RATED ON VEHICLES USED FOR BUSINESS PURPOSES.**

1. **Acceptable Business Use:**  
Vehicles owned or leased by the applicant and used in the applicant's business or occupation, providing the usage is deemed acceptable per the following guidelines:
  - a. The vehicle is not used to travel to more than three work sites during the workday.
  - b. Vehicles used by sales representatives, realtors and home health professionals.
  - c. Vehicles used by professionals whose occupations include frequent travel to hospitals, clinics, courthouses, job sites or client homes.  
Examples are doctors, attorneys, architects, engineers and clergy.
  - d. Only the named insured and family members operate the vehicle. (Vehicles operated by an employee or co-worker are not acceptable.)
  - e. Goods transported by the vehicle or a trailer attached to the vehicle must be used by the operator at the job site in performance of the operator's craft or trade. The goods must not be transported for delivery or sale of the product or good.
  
2. **Unacceptable Business Use:**
  - a. Any wholesale or retail delivery such as food, newspapers, magazines, or mail.
  - b. Any vehicle used to transport clients, employees or co-workers.
  - c. Vehicles with permanently installed equipment such as hoists, lifts, air compressors, pumps, utility or side mount tool boxes, generators, spraying, welding or other service equipment.
  - d. Vehicles owned or leased by a corporation or business.
  - e. Vehicles used in transporting passengers for a fee.
  - f. Vehicles operated by employees or co-workers.
  - g. Vehicles used to carry explosives, chemicals, and flammables.
  - h. Any vehicle with a commercial license plate.
  - i. Traveling to more than 3 job sites per day.
  - j. More than one business use vehicle per household per policy.
  - k. Any vehicle used to tow a trailer carrying equipment/supplies used regularly for pickup and delivery for the sole purpose of distribution, resale, or delivery. Any goods or property picked up or delivered must be used by the operator at the job site in performance of the operator's craft or trade.
  - l. Participation in a transportation network company or other ride sharing service or transporting passengers for a fee.
  - m. Unacceptable Risk surcharge will apply.

**Rule #24 Discounts and Surcharges**

**DISCOUNTS**

**Transfer:**

Applies to any policy if the insured provides proof of private passenger auto liability from an insurer, which verifies that the previous coverage was in force at least 6 months.

Transfer 1 – Zero(0) to thirty (30) days lapse

\*Proof of prior insurance must accompany the application, acceptable forms of proof are explained below:

- a) If the new business effective date is equal to the prior policy's expiration date:
  - i. Declarations page, or
  - ii. Renewal Offer, or
  - iii. Non-Renewal Notice, or
  - iv. Letter from the prior company showing effective dates, or
  - v. A company-generated ID card that shows coverage dates.
- b) If the new business effective date is not equal to the prior policy's expiration date:
  - i. Renewal Offer, or
  - ii. Non-Renewal Notice, or
  - iii. Letter from the prior company showing effective dates, or
  - iv. Declaration Page or company-generated ID card, and
    - a. Company Cancel Notice generated within the last 30 days,
    - b. Company Installment Notice generated within the last 30 days, or
    - c. Similar Documentation generated within the last 30 days showing the policy term and termination date of the policy.

\* If proof is not submitted with application, the policy will be issued without the discount. If proper proof is submitted within 30 days, the discount will be added (on a pro-rata basis) when the proof is received.

\*\* This discount will be applicable for the first 3 policy terms of the policy.

**Homeowner:**

Insured must reside in a house, condo, or townhouse (garaging must be the same).

**Multi-Car:**

More than one vehicle on the policy.

**Paid in Full/Quarterly:**

Policy must be paid in full or on quarterly pay plan to qualify.

**Renewal:**

Will apply at the first renewal term and to each consecutive. The Renewal Values in the Primary Discount Matrix table in the Company rating pages are indicative of policy terms. In addition, the value "3" represents term 3 plus all additional terms.

**Liability Only:**

Applicable on all insured vehicles on an auto policy as long as no insured vehicle on the policy has Other than Collision and Collision coverages.

**Senior Driver Training:**

- 1. Applicant must be 55 years or older.
- 2. Applicant must meet the above requirements every 36 months to renew the discount.
- 3. Applicant must have voluntarily and successfully completed an approved accident prevention course.
- 4. Applicant must have a valid certificate for an approved accident prevention course.
- 5. Applicants assigned by the courts or notified by the Department of Motor Vehicles to attend a driver improvement clinic shall not be eligible for the discount.

**SURCHARGES**

**Business Use:**

Surcharge applies to acceptable business use (see rule #23 for acceptability).

Business use that is determined unacceptable after the underwriting period, will receive an Unacceptable Risk Surcharge.

**Unacceptable Risk:**

Risks determined to be unacceptable in Rules 9-13 will receive an Unacceptable Risk Surcharge.

**Rule #25 Violation/Accident Rules**

**ALL VIOLATIONS/AT-FAULT ACCIDENTS**

- 1. Convicted violations are chargeable for 35 months from the date of conviction. At fault accidents are chargeable for 35 months from the date of occurrence. Violations and accidents are reevaluated at every renewal to reflect their aging off.
- 2. Points can only be assigned to the vehicle customarily driven by the operator responsible for incurring the points.
- 3. When an insured has multiple incidents on the same date, only the incident with the highest point value will be assessed.
- 4. Only convicted violations and at fault accidents (that are verified as at fault through CLUE, Consumer Reports, or other reliable sources) for listed drivers are chargeable.
- 5. NAF accidents will not be considered in point assignment.
- 6. Points will not be charged when the operator causing the accident is a principal operator insured under a separate policy.

## **NOT-AT-FAULT ACCIDENTS (NAF)**

1. Accidents will be considered non-chargeable due to the following:
  - a. The actions of the driver did not cause or significantly contribute (50 percent or more at-fault) to the occurrence of the accident.
  - b. The vehicle was lawfully parked at the time of the accident.
  - c. The accident was caused by collision with flying gravel, missiles, falling objects or by contact with a bird or animal.
  - d. A hit-and-run driver struck the vehicle, and the accident was reported to the proper authorities within a reasonable time frame.
  - e. A driver other than the driver of the insured's vehicle was convicted of a moving violation in connection with the accident.
  - f. The vehicle was struck in the rear and the insured was not convicted of a moving violation.
  - g. A court of competent jurisdiction adjudicated the insured not to be liable.
  - h. The insured was operating a bicycle, boat, train or snowmobile at the time of the accident.
  - i. The insured, at the time of the accident, was in response to an emergency, AND was acting in an official capacity as a paid or volunteer member of any Fire or Law Enforcement Department or Emergency Medical Unit.
  - j. Reimbursed by, or on behalf of, a person responsible for the accident or has a judgment against such person.
  - k. In receipt of a traffic citation that was dismissed or not processed.
2. Examples of proof of NAF documents include:
  - a. A copy of the police report or court documents.
  - b. A letter from the previous carrier.
  - c. Any other documentation that proves NAF.

## **OTHER POINT CHARGES**

- a. International Driver's License Surcharge – The General will charge the insured a surcharge for the lack of driving experience until they are able to submit proof of a valid U.S. license having been in effect for at least 12 months or 36 months of United States driving experience. This surcharge is driver level and based on points covered in the violation rate pages.

### **Rule #26 At Fault Accident/Conviction Points Reference Chart**

The following is a reference chart of violations in alphabetical order. Please note that this chart represents points assigned by The General and are not MVR violation points. This is a classification chart for convictions. Please refer to the rating pages for the actual point assignment.

<b>Violation Point Class</b>	<b>Points 1st Occurrence</b>	<b>Points 2nd Occurrence</b>	<b>Points 3rd &amp; subsequent Occurrence</b>
ACC – At-Fault-Accident	3	4	4
DRG – Driving under the Influence	2	4	4
MAJ – Major Violation	4	6	6
MIN – Minor Violation*	1	2	2
NAF – Not-at-Fault Accident	0	0	0
MSC – International License	1	N/A	N/A
MSC – Other than International License	0	0	0

### **Rule #27 Named Non-Owner Policies**

1. This coverage should be written when an insured needs liability coverage for the personal operation of a vehicle.
2. The named operator may not give permission for others to use a vehicle.
3. No business/artisan use is allowed.
4. Coverage applies only to the named insured; no additional drivers may be added to a non-owner policy.
5. Available coverages include BI/PD, UM/UIM BI/PD, Income Loss, and Medical Expense. No Physical Damage coverage allowed.
6. Limits available from 25/50/20 to 50/100/50 to accommodate those needing an FR44.
7. Under this coverage, the operator may NOT own a vehicle.

### **Rule #28 Symbols/Model Year**

1. All symbol definitions are ISO based symbols including the use of ISO 2012 LPMP Plan, PP-2013-RLP1 and ISO Risk Analyzer - Model Year and Symbol Program, PP-2011-RAVEH physical damage symbol sets. ISO defines Liability and PIP/Med Symbols for 1998 and newer vehicles. Unassigned symbol defaults include:
  - 300 – Liability symbol for vehicles not yet assigned a symbol for Liability LPMP
  - 500 – Med Pay/ PIP symbol for vehicles not yet assigned a symbol for Med Pay/PIP LPMP
  - Z98 – Bond or Non-owners
2. The appropriate cost new symbol (along with the default second character of "K" for Risk Analyzer) will be assigned as the physical damage default symbol for vehicles not yet defined by ISO.
3. Cost new ranges are adopted from ISO.
4. New model years where a model year factor is currently not on file will take the previous model year factor.
5. The company utilizes its own factors for vehicle model year. It does not adopt any rating organization's loss cost.
6. The Company utilizes the Risk Analyzer Coll symbols for UMPD.
7. Model Year 9999 will be assigned to any policy that does not have a vehicle listed (non-owners).

**Rule #29 Zip/Territory/County**

Appropriate territories are provided on a zip code basis using The General’s software.

**Rule #30 General Coverage Rules**

1. All policies are required to include Bodily Injury, Property Damage, Uninsured/Underinsured Motorist BI and PD.
2. Bodily Injury, Property Damage, Uninsured/Underinsured Motorist BI and PD, Income Loss, and Medical Expense limits must be the same on all vehicles of a multi-car policy.
3. Definition of “insured’s” is amended by the following endorsements:  
 PP 13 48 01 05 District Of Columbia Employees Autos in Government Business  
 PP 03 01 08 86 Federal Employees using Auto in Government Business  
 PP 03 27 06 00 Virginia Employees Using Autos in Government Business

**Rule #31 Liability Coverage Rules**

1. All vehicles insured for Bodily Injury (BI) liability must also include Property Damage (PD).
2. Liability coverage for the insured vehicle(s) applies to any additional interest.
3. All vehicles must have the same BI/PD limits.
4. Property Damage may not exceed Bodily Injury limit.

**Rule #32 Uninsured/Underinsured Motorist Coverage Rules**

1. Virginia law requires UM/UIM (Uninsured Motorist/Underinsured Motorist) coverage. This coverage can be written at limits lower than the policy but not below Financial Responsibility limits (25/50/20).
2. If UM/UIM coverage selected limits are lower than BI limits, the named insured must sign the appropriate UM/UIM coverage selection form.
3. UM/UIM coverage can only be written on policies providing BI/PD coverage.
4. Uninsured/Underinsured Motorists (UM/UIM) BI limits cannot exceed the limits of BI liability.
5. Uninsured/Underinsured Motorists (UM/UIM) PD limits cannot exceed the limits of PD liability.
6. UM/UIM limits must be the same on each vehicle.
7. Automatic deductible of \$200 applies to UMPD when the loss or damage is a result of an accident involving an unidentified owner or operator of an uninsured vehicle.

**Rule #33 Medical Expense and Income Loss Coverage Rules**

1. Medical Expense coverage is optional.
2. Income Loss is optional.
3. The insured may purchase both.
4. Medical Expense and Income Loss limit must be identical and applied to all vehicles on the policy.

**Rule #34 Other than Collision and Collision Coverage Rules**

1. The General does not accept policies having only Other than Collision and/or Collision.
2. Vehicles can have different deductibles on multi-car policies, and different Other than Collision and Collision deductibles on the same vehicle providing that Collision deductible cannot be less than the Other than Collision deductible.

**Rule #35 Reserved for Future Use**

**Rule #36 Towing and Labor Coverage Rules**

1. Towing and Labor of \$35 per disablement is an optional coverage.
2. Towing and Labor may only be written on vehicles with Physical Damage coverage.

**Rule #37 Transportation Expense (PP 13 52 01/04) Coverage Rules**

1. Optional coverage providing cost reimbursement of \$600 maximum per occurrence on the covered vehicle (option 1 only).
2. Can only be written with Other than Collision or Collision coverage (policy level for vehicles with these coverages).

**Rule #38 Coverage Limit Options**

**Available Bodily Injury/Property Damage Limits:**

25/50/20	50/100/20	100/300/25
25/50/25	50/100/25	100/300/50
	50/100/50	



**Available Uninsured/Underinsured Motorist Bodily Injury Limits:**

25/50/20	50/100/20	100/300/25
25/50/25	50/100/25	100/300/50
	50/100/50	

**Available Medical Expense Limits:**

500	1000	2000
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**Available Income Loss Limits:**

\$100 for a max of 52 weeks.

**Available Other than Collision/Collision Deductibles:**

250/250	500/500	1000/1000
250/500	500/1000	
250/1000		

**Lien Holder deductibles:**

1. With our deductible plan, the insured may select a deductible on Physical Damage higher than the deductible required by lien-holders.
2. In the event the covered auto is abandoned to or repossessed by the lien-holder, the deductible amount applicable to losses adjusted and payable whole or in part to the lien-holder only for its interest shall be the deductible indicated in the current policy form for lien holders.

**Other Coverages:**

1. Towing and Labor \$35
2. Transportation Expense a maximum \$600

**Rule #39 Endorsement Guidelines**

Down payments on AP endorsements are encouraged to lower subsequent payments and improve retention. The agent has 72 hours binding authority.

1. Do not mail AND fax endorsements --
  - a. When to fax:  
When endorsement is not accompanied by check or you have uploaded the money.  
When additional down payment has been collected via credit card. (Be sure to fax both sides of the endorsement form.) Please include the policy number on each page of a faxed endorsement.
  - b. When to mail:  
When a check accompanies the endorsement, unless you have uploaded the money.  
When you do not have access to a fax machine.
2. All premium adjustments will be made at rates that were in effect at the time the policy was issued or last renewed.
3. Premium will not be changed mid-term because of changes in driving record or driver age (e.g., points "falling off" or an insured having a birthday). This includes both existing drivers and drivers added to the policy mid-term. Drivers added to the policy will be charged for all violations existing as of the date they're added. If these violations disallow any discount, the discount will be taken away pro-rata. However, the age of drivers, including those endorsed on, will be calculated from inception date of policy, not as of endorsement date.
4. Additional drivers and vehicles are covered as of the date and time requested if the request is submitted within binding authority.
5. Insureds have 30 days to notify The General/Agent of replacement vehicles.
6. The following endorsements require a signature of the insured: Deleting or reducing coverage, increasing deductibles, deleting a vehicle (unless replaced), and deleting a driver. If the insured cannot sign the request in person, Faxed requests and signatures are acceptable.
7. For vehicles that are "totaled" and not retained after an accident, the vehicle should be deleted or the policy should be changed to a non-owner if the totaled vehicle is the only vehicle listed on the policy. If a totaled vehicle is retained by insured, Physical Damage coverage will not be available. This will not be done automatically. Insured's and/or agent's signature is required.
8. When endorsing Other than Collision and Collision on a liability only vehicle or reducing deductibles, 2 photos and inspection must be submitted, as well as an explanation for the endorsement.
9. All policy additional premium transactions are billed directly to the insured and all refunds will be issued directly to the insured.
10. Rental and Towing coverage not allowed except at new business, renewal, or if an additional vehicle is endorsed to the policy.  
Note: Insured requested endorsements, received in writing, will be effective one (1) day after the postmark or the FAX date.

**Rule #40 Renewal Guidelines**

1. Direct bill renewal quotes will be sent directly to the insured approximately 30 days prior to the policy expiration. The quote will be based on information on file when the quote is issued.
2. If payment for renewal is not received on or before the due date of the renewal bill, the policy will expire for non-payment of premium.
3. If payment is postmarked within 30 days after the due date, the policy will be renewed with a lapse in coverage. Coverage will begin the day following the postmark date, subject to current rates.

4. If payment is postmarked more than 30 days after the due date, a lapse in coverage will not be honored. A new application must be submitted.
5. Losses and violations that occur after the date of the renewal quote issuance and before the inception date of the renewal policy will be charged on the renewal policy.
- ~~6.~~ If a condition exists which warrants non-renewal of the policy, a non-renewal notice will be issued at least 45 days prior to the expiration of the in-force policy.

**Rule #41 Cancellation Guidelines**

1. No flat cancellations at agent's or insured's request.
2. We will void a policy if the downpayment was returned for insufficient funds.
3. Cancellations initiated at company request will be calculated on a pro-rata basis.
4. Cancellations for insured's request will be calculated on a 90% pro-rata basis.
5. Cancellations for a non-payment of premium will be calculated on a pro-rata basis.
6. Cancellations at the insured's request must be in writing, and include the policy number, insured's signature and requested date of cancellation. (Note: cannot be backdated unless duplicate coverage)
7. When a policy is cancelled, the producer will be billed for return commission due the Company.
8. Return premiums are sent directly to the insured. Minimum additional/refund + or -\$5 will be waived and notice sent to the insured. If the insured requests a return of any amount that will be granted.
9. A \$25 SERVICE FEE WILL BE CHARGED FOR ANY CHECKS RETURNED AS UNCOLLECTIBLE, i.e., agent returned checks will be charged to the agent and insured returned checks will be charged to the insured.
10. All lien holders and additional interests will be provided with proper legal notice on all cancellation requests. In some instances, this could result in a later cancellation effective date than is requested.
11. We do not accept a personal check immediately after a non-sufficient fund payment (NSF); the following payment must be in form of credit card, money order, or certified funds.
12. If a policy balance remains after cancellation, the insured will continue to be billed for the outstanding balance and could be forwarded to a collection agency if unpaid.

**Rule #42 Reinstatement Guidelines**

1. Policies cancelled "Company Request" for inadequate or missing information may be reinstated with **no lapse** only if all the requested information is received prior to the date shown on the cancellation notice and payments are current.
2. Policies cancelled "Company Request" for inadequate or missing information may be reinstated with a **lapse** if all the requested information is received within 30 days after the cancel date, and payments are current.
3. Policies that will be cancelled for non-payment may be reinstated with no lapse provided the full amount due is received or postmarked by the cancellation effective date.
4. A reinstatement with lapse may be available on installment pay plan policies if the policy has lapsed for non-payment and the full amount due is received within 60 days after the cancellation date, and the policy is otherwise eligible.

**Rule #43 Upload Payment Information**

1. Upload transactions are handled through Electronic Funds Transfer (EFT) between the agent's bank and The General.
2. Transactions are debited every third business day of the week and consist of all payments uploaded from the previous Thursday through Wednesday.
3. The order of the transaction is first in, first out.
4. Insufficient funds in the agent's account will cause the EFT to fail. If the bank charges a fee when an attempt is made to withdraw funds and the balance in the account is insufficient, The General will not reimburse these fees.
5. Returned item fees, due to insufficient funds in an agent's account, which result from a NSF check from the insured, will be reimbursed by The General. Fax copy of NSF check to payment adjustment fax line in Rule # 44.
6. The General will reimburse any bank fees or penalties charged to the agent because of an error by The General.
7. All agents are required to fax appropriate supporting documentation when completing the upload process.

**Rule #44-45 Reserved for Future Use**

**Rule #46 Acquisition Cost**

The General uses the following information to determine acquisition of policy costs: Coverage Type, Star Level (Ins Score tier), Policy Term, HomeOwner, Multi-Car and Prior Insurance Coverage. In accordance with Statute 38.2-2234.B, this cost will also be reevaluated at the time a new credit order is pulled (at the 2<sup>nd</sup> annual renewal or at the request of the policyholder).

**Rule #47 Credit Use**

The General uses credit as part (but not all) of its pricing algorithm. It is not our policy to share credit information, or any other information obtained from outside vendors with third parties. If you feel an error has been made in a credit report you can request further review. It is our policy to re-check the credit at the 2<sup>nd</sup> annual renewal. An insured can request his score to be checked once every policy term by making a request

**Rule #48 Military**

**Suspension of Coverage**

**Pursuant to VA. Code 38.2-2205.1 suspension of coverage is only allowed under the following conditions (PP 02 01 01 05 Suspension of Insurance and PP 02 02 08 86 Reinstatement of Insurance apply):**

Suspension must be requested by the Named Insured or personal representative of Named Insured;

The Named Insured must be ordered to military duty outside of the Commonwealth of Virginia and a copy of the orders and written request to suspend coverage will be requested;

Suspension of coverage will only be allowed if the vehicle is impounded in a motor vehicle impound lot on a military base of the United States Armed Forces, the Reserves of the United States Armed Forces or the National Guard. Evidence of such impoundment must be provided to the company with the written request for suspension of coverage;

The period for coverage suspension must be 30 days or more;

Suspended coverage will be reinstated effective no earlier than the receipt of written request by the Named Insured or a personal representative of the Named Insured; and

All unearned premiums will be refunded on a pro-rata basis.