

NATIONAL
GENERAL[®]
an Allstate[®] company



CALIFORNIA
Personal Auto
Underwriting & Product Guide

Revised: 04/09/2024

Underwritten by: Integon National Insurance Company

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Contact Information

Agency Policy System www.natgenagency.com

Click to Chat is available on the Policy Summary screen.

Customer Service

Customer Service Phone Number 1-877-468-3466

Customer Service Fax Number 1-877-849-9022

Customer Service Email service@ngic.com

Online Service www.mynatgenpolicy.com

Customers can:

- ✓ View driver, vehicle, and coverage information
- ✓ Make a payment
- ✓ Request an ID Card

Claims Services

Report a New Claim (Available 24/7) 1-800-468-3466

Discuss a Pending Claim 1-888-233-4575

Commissions commacct@ngic.com

Addresses

Correspondence

National General Insurance
PO Box 3199
Winston-Salem, NC 27102-3199

Payments

National General Insurance
PO Box 4040
Carol Stream, IL 60197-4040

Overnight Payments

National General Insurance
Attention: NGIC Payments
2012 Corporate Lane, Suite 108
Naperville, IL 60563-0726

Binding Coverage under Producer Agreement

As governed by the Producer Agreement, a Producer does not have the authority to bind coverage with the Company.

Original applications will be bound as of the date on the application, if all of the following conditions are met:

- The application and all applicable documents are complete and signed by the applicant and Producer.
- The down payment has been made on the date of the application.
- The application is uploaded electronically to the Company and a policy number is issued;
- The policy effective date does not precede the date the Producer received the down payment.
- The application does not include any class or risk or type of insurance not specified in the Company Underwriting Guidelines.
- The information contained within the application is, to the best of the Producer's knowledge, truthful and accurate.

The company reserves the right to make final underwriting decisions.

Program Qualifications

The Prime Program is only available to members of Nation Motor Club, Inc. or Auto Knight Motor Club, Inc.

Nation Motor Club, Inc. /Auto Knight Motor Club, Inc.

This program provides roadside assistance such as mechanical assistance, tire service, battery service, fuel/fluid delivery, and locksmith services.

Policy and Coverages

Policy Term

Six-month and twelve-month term policies are offered.

Policy Territory

Policy coverage applies within the United States of America, its territories and possessions, and Canada. The policy does not apply in Mexico. Insureds operating their vehicles in Mexico should secure an automobile policy from an authorized Mexican insurance company at the point of entry.

Policy Coverages, Limits and Deductibles

Coverage	Limits	Deductibles
Bodily Injury Liability	15/30 is the only limit available at new business	--
Property Damage Liability	5, 10 are the only limits available at new business	--
Medical Payments	\$500, \$1,000	--
Comprehensive	Varies based on age of vehicle ² See unacceptable vehicles	\$250, \$400, \$500, \$600, \$750, \$1,000 \$2,500, \$5,000, and \$7,500 ¹
Collision (Must be written with Comprehensive) ²	Varies based on age of vehicle ² See unacceptable vehicles	\$250, \$400, \$500, \$600, \$750, \$1,000 \$2,500, \$5,000, and \$7,500 ¹
Uninsured/Underinsured Motorists BI	15/30 is the only limit available at new business	--
UM Collision Deductible Waiver	--	Waivers of \$250, \$400, \$500, \$600, \$750, \$1,000, \$2,500, \$5,000, and \$7,500 ¹
UM Property Damage	\$3,500	--

¹ Deductibles of \$500 Comp. and \$500 Coll. will apply to lienholders, regardless of insured's deductible.

² Does not apply to drivers qualifying for Good Driver Discount.

Special Coverages

Named Non-Owner Coverage

Integon National Insurance Company offers casualty coverages to cover a named driver while driving non-owned private passenger vehicles, within certain limitations. Coverage is excluded for any vehicles owned by the named driver or spouse. More than one driver can be included on the policy, however, there is a separate premium charge for each driver. Physical Damage coverages are not available on a non-owner basis and business use of any vehicle is neither covered, nor acceptable.

Utility Trailers

Liability only when attached to an insured car, and less than 1,500 lbs.

Eligible Operators

License Status and Types

- Drivers with a temporarily revoked, or suspended license at any time during the chargeable violation period will be considered for rating.
- A driver with an expired driver license will be considered for rating as long as our Company can obtain the Motor Vehicle Report.
- Drivers with permanently revoked, cancelled, withdrawn, or surrender are not acceptable. The driver is required to be excluded for us to accept other household members on the policy.
- All license status are required to be verified using Motor Vehicle reports except the foreign driver license.
- A driver with California State ID is accepted as long as it is verified via Motor Vehicle report. All drivers with a California ID but without a license will be rated using zero years of United States and State driving experience.

Foreign and International Driver License

Foreign and International driving experience is acceptable. Drivers with a Foreign Driver's license or any equivalent document such as Matricula are accepted. Drivers will be rated using the total number of years driving experience. Brokers are responsible for collecting a copy of an official photo identification listing the date of birth for all drivers without a verifiable driver's license. Any person who claims that he or she meets the criteria of A Good Driver Policy entirely or partially on a driver's license and driving experience acquired anywhere other than in the United States or Canada is rebuttable presumed to be qualified to purchase a Good Driver Discount policy if he or she has been licensed to drive in the United States or Canada for at least the previous 18 months and meets the criteria of subdivisions (a), (b), and (c) of under Section 1861.025 of the California Insurance Code and Section 2632.13 of the California Code of Regulations for that period.

Unacceptable Drivers

Does not apply to drivers qualifying for Good Driver Discount as defined in CA Insurance Code 1861.025.

- Any driver with any of the following within the previous 3 years:
 - More than one violation(s) for driving with a suspended or revoked license.
 - One or more violation(s) for driving on the wrong side of road or freeway.
 - One or more violation(s) for vehicular manslaughter.
 - One or more violation(s) for vehicle theft.
 - More than one alcohol-related violation, including refusal of alcohol test and open container.
 - More than one serious/major violation.
 - More than one chargeable accident.
 - More than ten rating surcharge points.
- Any driver under 21 with any of the following:
 - Any alcohol-related violation, including refusal of alcohol test and open container.
 - A vehicle with a cost new of \$50,000 and over, unless there is more than one vehicle in the household and the young driver is not the primary driver.
 - A vehicle classified as Sports (S), Sports Premium (P), or High (H) performance, unless there is more than one vehicle in the household and the young driver is not the primary driver.
- Any driver with any narcotics, drug or felony conviction involving a motor vehicle.
- Any prior Integon National Insurance Company policyholder who:
 - Has been canceled and rewritten more than twice in the past 3 years.
 - Has an unpaid balance due, unless the outstanding balance is submitted in addition to the correct deposit premium for the new policy.
- Any risk with a Vehicle to Driver ratio exceeding 2.00. The Vehicle to Driver ratio is determined by dividing the number of vehicle by the number of drivers.
Example: A risk with five vehicles and two drivers would produce a ratio of 2.50 and be unacceptable without prior underwriting approval.

Named Driver Exclusions

Any person may be excluded from coverage except individuals requiring an SR-22 filing. All household members who meet the minimum licensing age are required to be listed or excluded. All operators of the vehicles to be covered and all residents of the household 14 years of age and older are required to be disclosed on the application whether they are licensed or not. All residents 14 years of age or above, licensed or non-licensed, all frequent operators, and children who live away from home and drive the vehicles, are required to be rated or excluded from the policy. Children who live away from home is defined as the insured's dependent children who drive the insured's vehicles during regular visits. Any regular operator of any vehicle should also be listed, regardless of whether they reside in the household or not. Operators are required to meet all underwriting guidelines and permanently reside and garage all vehicles in the state of CA. Non-excluded operators may not live or work in Mexico. Failure to report all operators or household members 14 years of age and above to the Company may constitute material misrepresentation of risk. The registered owner of the insured vehicle(s), if a person, is required to be rated or excluded. Drivers cannot be excluded from specific vehicles on a policy. Individuals who have a permanently revoked license are unacceptable risks and are required to be excluded.

Driver Classification

Married

Married is defined as an operator who is a legally married person. The definition of “married” excludes common law marriages. To be rated as married, a person is required to share a common residence with a spouse and each is required to be listed on the policy. Married people who live apart; separated persons; and widowed persons are rated as Single. The spouse is required to be listed on the policy as an eligible driver, can be a rated driver or excluded and with proof of marriage can be considered married for the purpose of rating.

Permanent Domestic Partner (PDP)

If a driver is listed as a registered domestic partner, the partner of the same gender is required to be listed on the policy. Domestic Partners are required to share a common official residence. No more than two operators are allowed to be rated as Domestic Partners on a policy. Dependent children and relatives are not eligible. Acceptable proof includes one or the following: a Domestic Partnership certificate or a signed Domestic Partner affidavit.

Years Driving Experience

Years driving experience is the number of years which an operator has been licensed to drive in any jurisdiction. All California licensed operators with less than 3 years of California Motor Vehicle Report (MVR) experience can provide an out of state MVR or a copy of a Foreign Driver’s license which will account for a total of 3 years or more of verifiable MVR experience.

Unacceptable Vehicles

Does not apply to drivers qualifying for the Good Driver Discount as defined in CA Insurance Code 1861.025 and the vehicles insured are private passenger type vehicles as defined in CA Insurance Code 660.

- Vehicles with a cost new of \$50,000 or above for any of the following:
 - Drivers without 3 years continuous driving experience.
 - Drivers with more than one major violation in the past 3 years.
 - Drivers with more than one chargeable accident within the previous 3 years.
 - Vehicles that are not garaged.
 - Vehicles that are not VIN etched or equipped with a passive anti-theft device.
 - Principal operator is under age 21 or there is only one vehicle in a household with a driver under age 21.
- Vehicles not manufactured for sale/distribution in the United States (Gray Market).
- Antiques and Classics.
- Custom, rebuilt, altered, or modified vehicles including kit cars and Baja/Dune Buggies unless approved by Underwriting.
- Vehicles with a load capacity (ton rating) in excess of 1 ton or gross vehicle weight of greater than 10,000 pounds except for vehicles classified as pick-up truck which are acceptable up to a gross vehicle weight of 11,200 pounds.
- Vehicles used to transport person(s) or property for a fee, including, but not limited to, pizza delivery, newspaper delivery, flower delivery, etc.
- Vehicles used for ride sharing services including but not limited to Uber, Lyft, etc.
- Ambulances, fire, police or salvage equipment.
- Public passenger carrying vehicles (Taxis, Jitneys, Buses, etc.).
- Vehicles used for racing.
- Vehicles with less than four wheels.
- Motorhomes and recreational vehicles.
- "Drive Yourself" vehicles (short-term rentals).
- Vehicles used for transporting nursery or school children.

Unacceptable Vehicles for Physical Damage Coverage

Vehicles with a cost new above:

- \$10,000 for model years 1975 and older
- \$20,000 for model years 1976 through 1980
- \$65,000 for model years 1981 through 1989
- \$70,000 for model years 1990 and newer.

Vehicle Use

Does not apply to drivers qualifying for Good Driver Discount as defined in CA Insurance Code 1861.025 and the vehicles insured are private passenger type vehicles as defined in CA Insurance Code 660.

Vehicle Use classification is determined by how the vehicle is used. Integon National Insurance Company offers four use classifications:

Artisan Use

Private passenger vehicles registered to the applicant and used in his or her business/ occupation, or vehicles registered to the insured's business or employer, or with the insured's business or employer named as an additional insured.

Acceptable Artisan occupations similar to usages such as, carpenter, plumber, repairman that are principally parked at a job location for the majority of the workday. Vehicles used to transport tools or other materials by the insured in a trade or business are acceptable provided.

The total number of utility vehicles (pickups and vans) cannot exceed the number of resident relatives who are artisan contractors;

- The vehicle is operated solely by the named insured and listed family members.
- The vehicle cannot be used to transport flammable liquids, chemicals or explosive materials.
- The vehicle may have a toolbox, a rack (for ladders, pipe or building materials), or a tool rack (tools and equipment are not covered).
- The vehicle is not used to pick up goods or deliver property. Vehicles may be used to carry up to 500 pounds of non-finished goods and materials relating to the work to be performed.
- The vehicle is used to visit no more than five sites per day within a 50 mile radius.
- The vehicle may have signage, which indicates insured's name and type of service (i.e., "Joe's Pool Cleaning").

Business Use

Private passenger vehicles registered to the applicant and used in his or her business/ occupation, or vehicles registered to the insured's business or employer, or with the insured's business or employer named as an additional insured.

Acceptable Business use includes, but is not limited to:

- Vehicles used by sales or service representatives.
- Vehicles used by real estate or insurance producers, lawyers, doctors, accountants, or other professionals visiting multiple locations.
- Vehicles used in a business for occasional errands.

Unacceptable business use includes, but is not limited to:

- Pickup or delivery of goods (including, but not limited to: newspapers, pizza or other food items);
- Vehicles used as a limousine, taxi service, livery conveyance or emergency vehicle;
- Vehicles used for the transportation of nursery or school children, workers or hotel/motel guests;
- Vehicles with a load capacity of 1 ton or greater.

Pleasure Use

Vehicles used only for Pleasure Use does not include driving to and from school or work (full or part-time), or to carpooling or commute station nor does it include the shuttling of household members to work or school.

Work less than 15 Miles Use

Vehicles used for personal use including driving to or from work less than 15 miles one way at least one day per week or two days per month.

Work 15 Miles or greater Use

Vehicles used for personal use including driving to or from work 15 or more miles one way at least one day per week or two days per month.

Geographic Zones

The rater automatically assigns geographic zones based on the garaging ZIP Code. If the insured uses a post office box as a mailing address, the physical garaging address of each vehicle, including ZIP Code, is required to be provided. New ZIP Codes (as a result of the USPS issuing a new one) are added to the frequency and severity bands as they are requested, then added to the next filing.

Discounts

Alcohol Educational Awareness

A discount will be provided to applicants who have completed a state approved alcohol educational awareness program. This discount will be available provided the applicant has no more than one alcohol or drug related violation. If the applicant does not complete the program, in the time period prescribed by the state, the discount will be withdrawn.

Anti-Lock Braking System

Vehicles equipped with factory installed Anti-Lock Braking Systems (ABS) are eligible for a discount. If ABS was optional rather than standard equipment for the vehicle, proof that the optional equipment was purchased is required to be submitted. Applies to Bodily Injury liability, Property Damage liability and Collision coverages only.

Anti-Theft Device

Discounts are available for vehicles equipped with either factory or after-factory alarms, disabling devices and/or tracking devices. If the anti-theft device (ATD) was not factory installed as standard equipment, proof of installation and type of device is required to be submitted in order to receive the discount. Applies to all coverages except Comprehensive.

Daytime Running Lights

Vehicles equipped by the manufacturer with Daytime Running Lights (DRL) are eligible for a discount. If DRL was optional rather than standard equipment for the vehicle, proof that the optional equipment was purchased is required to be submitted. Applies to all coverages except Comprehensive

Good Driver

A discount will be applied to applicable fees and premium on a *per vehicle* basis where all drivers rated on the policy qualify as “Good Drivers” as defined in the California Department of Insurance Regulation 1861.025.

In order to qualify the driver of the insured vehicles is required to be continuously licensed for the prior 3 years with a minimum of 18 months United States or Canada driving experience and a minimum of 3 years total driving experience, and:

- During the previous 3 years has not had more than one violation point determined as follows:
 - Had more than one violation point for each violation point which has been assessed by the California Department of Motor Vehicles under California Vehicle Code Section 12810, Subsections (a), (b), (c), (d), (e), (g), and (h), for traffic violation convictions with conviction dates not more than three years preceding the effective or renewal date of the policy and which have not been made confidential under the California Vehicle Code.
 - For violations not occurring in California, one violation point will be counted for each violation point which would have been counted had the violation occurred in California.
 - Count one violation point if a driver was involved in an accident which resulted only in damage to property if the driver was principally at fault in the accident.
- Been found to be in violation of Section 23140 of the Vehicle Code.
- Been the driver of a motor vehicle involved in an accident which resulted in the bodily injury or death of any person and was principally at fault.

Note: The definition of “Principally at Fault” can be found on page 13 of this manual.

During the previous 10 years has not been convicted of:

- A violation of Section 23140, 23152, or 23153, of the Vehicle Code.
- A felony violation of Section 23175 or 23190 or the Vehicle Code.
- A violation of Section 191.5 or paragraph (3) of subdivision (c) of Section 192 of the Penal Code. Section 3 applies only to violations occurring after January 1, 1999.

Note: In order to qualify for the discount, proof that no injuries resulted from any accident shown on the application, Motor Vehicle Record, or CLUE Report is required.

Good Student

Drivers with less than 3 years of licensed experience may be eligible for a discount if they qualify as “Good Students”. The driver is required to be a full time student (12 or more units) with a Grade Point Average of 3.0 or better. A copy of the most current grade report is required to be submitted to the Company in order for the discount to be applied. The discount will be discontinued at each renewal pending receipt of an updated grade report verifying the driver’s “Good Student” status. Applies to all coverages except Comprehensive coverage.

Mature Driver

The Mature Driver Discount is available for drivers 55 or more years of age who have completed a State approved Driver Safety Course and who are rated as the principal operator of a vehicle. A copy of the Certificate of Completion is required to be submitted to the Company to obtain the discount. The discount is applicable for a period of 3 years from the date of the certificate. In order to continue to receive this discount, the driver is required to enroll and successfully complete the Driver Safety Course once every 3 years.

This discount does not apply in the event the insured completed the course due to a court order. The Company may discontinue the discount of any insured found to be at fault in an accident, or is convicted of a moving violation or traffic related offense involving alcohol or narcotics. Applies to all coverages.

Multi-Car

When there are multiple vehicles insured under a single policy, a multi-car discount will be applied to all listed vehicles provided they are registered to a named insured and garaged at the same address. Applies to all coverages.

Passive Restraint Device

Discounts are given for vehicles equipped with factory installed passive restraint devices (PRD) in the driver-side-only position and for devices in both front seat positions. Applies to Medical Payments coverage only.

Violations

Violations are classified as either Minor or Serious/Major. Minor violations are assessed one rating surcharge point per incident. Serious/major violations are assessed two points for the first incident and eight points for each additional incident. Driving record points are assigned based on the violation conviction date, not the occurrence date.

Violations in the Course of Employment

Violations received while operating a motor vehicle for compensation during the hours of employment are not surcharged provided a written declaration from the employer is submitted stating the violation(s) was received in the course and scope of the insured's employment. The driver is required to possess a commercial driver's license for this to apply. However, the following violations received in the course of employment will not be waived:

- Section 14601. (a) - (Driving when privileges suspended or revoked...)
- Section 14601.1(a) - (Driving when privileges revoked or suspended...)
- Section 14601.2(a) - (Driving when privileges suspended or revoked...)
- Section 20001 or 20002 - (Duty to stop at scene of accident...Duty upon injury or death)
- Section 20008.(a) - (Duty to report accidents)
- Sections 23103, 23104, 23152, or 23153 – (Reckless driving...Driving under the influence...)

Traffic School

The first Traffic School dismissal will not appear on the Motor Vehicle Report (MVR). Subsequent citations within 18 months will show on the MVR even if the driver attends Traffic School again. Those dismissed citations that appear on the MVR will be surcharged. If there are two or more dismissals appearing on the MVR, that person will not qualify as a "Good Driver".

Multiple Occurrences

Drivers with three or more occurrences within the previous 3 years' experience period will be charged three points in addition to the accident and/or violation points for those occurrences. The occurrences can be chargeable violations, chargeable accidents, or any combination of both.

Accidents

Chargeable accidents are assessed three surcharge points for the first fault accident and eight surcharge points for each additional fault accident. An accident is considered chargeable if the occurrence resulted in liability (BI/PD) or collision damage exceeding \$1,000 and the driver was at least 51% at fault.

Acceptable proof of non-fault would include:

- Police Report that clearly identifies the at-fault party.
- Letter of Experience from the insured's insurance carrier at the time of loss.
- Written statement from the other party's insurance carrier accepting fault.
- Legal document verifying the insured was reimbursed for damages.
- Insured self-certifications may also be acceptable, however, in the event an at-fault accident is declared a non-fault accident by the insured using self-certification, the policy may be subject to cancellation for material misrepresentation.

Definition of "Principally at Fault"

For the purposes of determining whether a driver is "principally at fault" in an accident, the driver's actions or omissions are required to be at least 51% of the proximate cause of the accident, subject to the exceptions set forth below, and, in accidents not resulting in bodily injury or death, if the total property damage caused by the accident exceeds \$1,000.

A driver shall not be considered to be principally at fault if the accident occurred under any of the following circumstances:

- The vehicle was lawfully parked at the time of the accident. A vehicle rolling from a parked position shall not be considered to be lawfully parked, but shall be considered as in the operation of the last operator;
- The vehicle was struck in the rear by another vehicle, and the driver has not been convicted of a moving traffic violation in connection with the accident;
- The driver was not convicted of a moving traffic violation and the operator of another vehicle involved in the accident was convicted of a moving traffic violation;
- The driver's vehicle was damaged as a result of contact with a vehicle operated by a "hit and run" operator of another vehicle and the accident was reported to legal authorities within a reasonable time after the accident;
- The accident resulted from contact with animals, birds or falling objects;
- The driver was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad, or of any law enforcement agency, while performing any other governmental function in a public emergency;
- The accident was a solo vehicle accident that was principally caused by a hazardous condition of which a driver, in the exercise of reasonable care, would not have noticed (for example, "black ice") or in the exercise of reasonable care could not have avoided (for example, avoiding a child running into the street).

Surcharges

Named Operator Endorsement Buy Back Option

A surcharge will apply when the insured opts to add coverage for permissive operators (that is, those not named on the policy declarations.)

Named Vehicle Endorsement Buy Back Option

A surcharge will apply when the insured opts to add coverage for non-owned vehicles. The policy is required to have at least one vehicle with Collision coverage.

Triple Deductible Endorsement Buy Back Option

A surcharge will apply when the insured opts to remove the Triple Deductible on the policy.

Documentation and Procedures

New Business

All new business submissions require the following:

- Electronically Generated Applications fully completed and signed by the applicant and the Producer.
- State mandated Community Service Statement.
- California Uninsured Motor Vehicle Rejection/Selection Form when coverage is declined or accepted at a level lower than Bodily Injury Liability limits.
- Exclusion of Specified Individuals when needed, listing all excluded individuals and signed by the applicant.
- De-Valuation Form when needed, for all salvaged vehicles rated on the policy.
- Additional documentation as noted below.

New Business applications require the original signature of the Named Insured who is required to also be listed as Driver 1, and the Producer. Applications and all required additional forms and documentation are to be facsimiled or postmarked to Integon National Insurance Company at the time the application is submitted.

Electronically Generated Application

A fully completed and signed (by the applicant and the Producer) is required.

All of the following persons are required to be disclosed:

- All resident and non-resident primary or occasional operators of all insured vehicles.
- All full time and part time residents (regardless of age) of the insured's household.
- All full time and part time residents (regardless of age) of all garaging locations.
- All dependents away at school or in the military.
- All registered and co-registered owners of all insured vehicles.

Failure to disclose all of the above is grounds for concealment and/or misrepresentation which may result in policy rescission and no coverage or defense provided in the event of a claim.

Annual Mileage Calculation

The insured's expected annual mileage estimate is accepted at new business or endorsement transaction. If the expected annual mileage figure is unknown, possible methods of estimating annual mileage would include odometer comparison and estimated annual mileage. Customers will be requested to update their mileage estimates at renewal. If no response is received, the response will be assumed to be the default of 12,000. However, in this case the revised estimate will not be increased by greater than 1,000 miles per renewal for a vehicle assigned to a rated driver.

Community Service Statement

The California Department of Insurance requires that a completed Community Service Statement form be submitted with all new business applications. The Community Service Statement form is to be completed by the insured. If insureds do not wish to complete the form, they may elect to check the box declining to provide the information.

California Uninsured Motor Vehicle Coverage Rejection/Selection Form

If an insured elects to decline Uninsured Motorist coverages or has selected Uninsured Motorist Bodily Injury limits less than their Bodily Injury Liability limits, a California Uninsured Motor Vehicle Coverage Rejection/Selection Form, signed by both the Insured and the Producer, is required to also accompany the Application.

Note: If the Insured's Bodily Injury Liability limits are 50/100 or higher and they accept 30/60 Uninsured Motorist Bodily Injury limit, they have the highest UMBI limit available and the Rejection/Selection form would not be needed.

Named User Exclusion

The Named User Exclusion form requires the applicant's signature and a listing of all the following persons if they are not to be rated as drivers on the policy:

- All full time and part time residents of the household over the age of 15.
- All full time and part time residents of all garaging locations over the age of 15.
- All dependents away at school or in the military.
- All registered and co-registered owners of the insured vehicles.

Pictures or Vehicle inspections

Pictures or vehicle inspections are not mandatory unless specifically requested for verification and underwriting purposes. In the event that a vehicle is discovered to have existing damage or there is some other circumstance that requires photographs, the Agent will be requested to provide photographs. The Agent should obtain five photographs (one from each corner and the sticker inside the door showing the vehicle identification number) and submit copies, and retains the photos in the customer's file with the application documents.

Additional Documentation Requirements

Along with the fully completed Application, the Community Service Statement and the California Uninsured Motor Vehicle, rejection/Selection form (when required), additional documentation is required to also be submitted:

- Proof of non-fault for any accident noted on the application as not chargeable. See Page 13 for a list of acceptable proof of non-fault.
- Proof of accidents in the course and scope of employment where the driver was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad or of any law enforcement agency, while performing any other governmental function in a public emergency.

Note: Fault accidents occurring during employment in circumstances other than as stated above are chargeable.

- Copy of most recent Grades Report to support a Good Student Discount.
- Copy of Mature Driver Completion Certificate to support Mature Driver Discount.
- Listing of all stereos/sound systems and additional equipment/modifications showing current value for each item and/or system to be covered under a Special Equipment endorsement.
- Copy of Producer's quote showing all information used to obtain the quoted premium.

Endorsements

Endorsement requests are required to be submitted via our Electronic system and be dated and signed by the Producer.

Endorsement Request forms along with all supporting documentation is required to be postmarked within 3 days of the Producer's receipt of the Insured's request for endorsement.

In the limited circumstance where the supporting documentation (i.e. proof of non-fault, etc.) is not available within 3 days of the Producer's receipt of the Insured's request for endorsement, the Endorsement Request form is still required to be submitted within 3 days and the Producer is required to indicate in the remarks section of the form when the required documentation will be submitted (in no event more than 7 additional days).

Newly Acquired Vehicles (Additional or Replacement)

Request for vehicle additions or substitutions require the following documentation and information within 72 hours of purchase:

- Annual Mileage as calculated using one of the formulas presented in the "Annual Mileage Calculation" section of this manual.
- Name(s) of Registered Owner(s).
- Usage of vehicle.
- Name and address of any Loss Payee or Leasing Company if applicable.
- Photos are required at the time the application is submitted.
- De-Valuation Form for all salvaged vehicles rated on the policy.

Deletion of Vehicle

Request for vehicle deletions require that the annual mileage(s) for the remaining insured vehicle(s) be recalculated and stated on the Endorsement Request form.

Additional Drivers

Any driver to be added to a policy is required to meet the same qualifications as drivers on a new business application and cannot be currently excluded. The following documentation is to be submitted with the request to add the driver:

- Proof of non-fault for any accident noted on the application as not chargeable. See Page 13 for a list of acceptable proof of non-fault.
- Proof of accidents in the course and scope of employment where the driver was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad or of any law enforcement agency, while performing any other governmental function in a public emergency.

Note: Fault accidents occurring during employment in circumstances other than as stated above are chargeable.

- Copy of most recent Grades Report to support a Good Student Discount.
- Copy of Mature Driver Completion Certificate to support Mature Driver Discount.

Deletion of Driver

Requests to delete drivers require an explanation for the deletion (i.e., divorced, moved out, deceased, etc.). Integon National Insurance Company may, in certain circumstances, require that the deleted driver be excluded. If the deletion of driver changes the annual mileage and/or use of any insured vehicle, the new mileage and/or use is required to be indicated on the Endorsement Request form.

Address Changes

Changes of address require the following information:

- Indicate whether the change is for the mailing address, garaging address or both.
- If the mailing address is a PO Box, include the actual garaging address.
- Provide one-way commute distances and annual mileage based on the new address.

Provide names, birth dates and driver license numbers for any new household or garaging address residents, regardless of age.

Name Changes

Name changes for the Named Insured or any driver require the following:

- Reason for change in name (i.e., recently married, legally changed, etc.).
- If name has been changed due to marriage, provide the name, birth date and driver license number of the spouse and any other new members of the household.

Mileage Changes

Requests for change in annual mileage are required to be substantiated by at least one of the following:

- Change in commute distance due to change in garaging location or employment/school location.
- Driver's participation in a "ride share" program or public transportation for commute.
- Odometer reading documentation (i.e., smog certificates) that clearly states what the odometer readings were on specific dates so that actual elapsed mileage can be calculated. The dates are required to be a minimum of 3 months apart, with the most recent date within 30 days of the change request.
- Change in household residents or vehicles that would have a substantial impact on the usage of the vehicle
- At every annual renewal, an update of estimated mileage is requested.

Limit and Coverage Changes

Eligibility requirements and additional forms are as follows:

- Increases in Liability limits require that all non-excluded drivers on the policy currently meet the same qualifications as drivers on a new business application.
- Increases in Bodily Injury Liability limits, when Uninsured Motorist Bodily Injury (UMBI) coverage is also provided, require a revised California Uninsured Motor Vehicle Coverage Rejection/Selection form, signed by the Insured, **unless** the Insured increases the UMBI limit to the same level as the Bodily Injury Liability limit or to the maximum available limit of 30/60.
- Deletion of Uninsured Motorist coverages requires a revised California Uninsured Motor Vehicle Coverage Rejection/Selection form, signed and dated by both the Named Insured and the Producer.

Rating

Driver Assignment

Drivers are assigned to vehicles using the highest-to-highest method. The driver generating the highest premium will be assigned to the vehicle generating the highest premium; the driver with the second highest premium will be assigned to the vehicle with the second highest premium, etc. When there are more drivers than vehicles, the lowest rated driver, in excess of the number of vehicles, will not be included in the rating. Only the driving record points of the assigned driver are charged against each vehicle. Also, each driver is only rated on one vehicle. Consequently, when there are more vehicles than drivers, the excess vehicles will be rated with a neutral driver class factor.

Claims

To insure the most immediate and efficient response, claims are required to be reported directly by the policyholder or claimant. The trained claims staff will begin processing and investigating the claim at the time it is reported. Claims should be reported directly to the Company at 1-888-215-7292. A confirmation of each claim reported to us will be sent to the Agent.

Late Payments

Payments are required to be postmarked prior to the due date to reinstate a policy without a lapse.

All payments received in a producer's office on a cancelled policy will be subject to review for acceptance. If the payment is accepted, the lapse date will be the date after postmark. The policy will have a lapse in coverage from the effective date of cancellation until the effective date of the reinstatement and a reinstatement fee will be charged.

If a claim should occur between the time the producer accepted the money and the reinstatement date, due diligence will be conducted by the Claims Department to assess coverage.

The Guidelines are as follows:

- NSF check to Integon National Insurance Company or the producer on new business will result in flat cancellation.
- NSF check on the down payment for new business and the policy has a future cancellation date due to Underwriting Reasons/Substantial Increase in Hazard Insured Against will result in flat cancellation.
- NSF check to Integon National Insurance Company or the producer at renewal will result in flat cancellation.
- NSF check to Integon National Insurance Company or the producer mid-term will result in cancellation that will reflect a date 11 days in the future.
- NSF check on a payment reinstates the policy will result in immediate cancellation back to the original inception date.

Billing, Payments, and Fees

Term of Policy

Six-month and twelve-month term policies are offered and will display in the system when available.

Payment Options

Six-Month Term

DOWN PAYMENT REQUIRED	NUMBER OF INSTALLMENTS
16.7%	5
18%	5
20%	5
25%	5
33.3%	5
50%	1

Twelve-Month Term

DOWN PAYMENT REQUIRED	NUMBER OF INSTALLMENTS
8.33	11
9	11
10	11
12.5	10

Payments

All National General Insurance payment invoices are billed directly to the insured except the down payment, which is required to accompany the application. Each invoice will contain a schedule of remaining payments.

All refunds are mailed directly to the insured.

When an Agent accepts an insured's check, it should be made payable to National General Insurance or the agency. When an insured's check is made payable to National General Insurance, the check should be endorsed to the agency account by signing or stamping the check and indicating "For Deposit Only".

When an insured's check is returned to the agency for non-sufficient funds reasons, National General Insurance will reimburse the Agent — including any associated bank fees up to a maximum of \$25. Agent notification is required to be received at National General Insurance within 20 calendar days of the date the insured's check was written in order to receive reimbursement.

Acceptable methods of payment are:

- Down Payment — VISA, Discover, American Express and MasterCard credit card or debit card, agent sweep, or electronic check
- Installment Payment — VISA, Discover, American Express and MasterCard credit card or debit card, agent sweep, or electronic check
- Electronic Funds Transfer (EFT)/Auto Pay — VISA, Discover, American Express or MasterCard credit card, checking account, or savings account.

Electronic Funds Transfer (EFT)/Auto Pay

If the Electronic Funds Transfer (EFT)/Auto Pay payment method is available, an insured may complete a National General Insurance Electronic Funds Transfer (EFT)/Auto Pay Authorization Agreement at new business or at renewal and choose to have monthly installments electronically withdrawn from:

- A personal checking account or savings account **or**
- Credit card or debit card.

National General Insurance will provide the named insured a draft schedule of Electronic Funds Transfer (EFT)/Auto Pay transactions.

If a change occurs on the policy resulting in a premium change, a revised statement will be issued in advance confirming the new amount to be drafted. Agents should notify insureds that National General Insurance will continue drafting based on the current draft schedule until the revised statement is issued.

Requests to change account information or draft dates are required to be received by National General Insurance at least 10 business days prior to the next draft. Requests to stop Electronic Funds Transfer (EFT)/Auto Pay are required to be received by National General at least 3 business days prior to the next draft. For account information changes, a new Electronic Funds Transfer (EFT)/Auto Pay Authorization Agreement is required.

Renewal down payments will automatically be drafted from the named insured's account — **unless** a written request to stop the draft is received.

Fees

California Vehicle Assessment and Fraud

A \$1.76 fee will be charged per vehicle per year for 12-month term policies; \$0.88 will be charged semi-annually per vehicle for 6-month term policies. The state-mandated fee is used to fund the investigation and prosecution of fraudulent automobile insurance claims.

Cancel

A \$50 fee will be charged when a customer cancels their policy before the renewal date. Early cancellation can be by customer request or due to nonpayment.

Convenience

A \$5 fee will be charged for processing any payment by phone with the assistance of a Customer Service Representative

Endorsement

A \$7 fee will be charged for any endorsement that alters the premium. (Endorsements made within 72 hours of the new business effective date are not charged the fee.)

Financial Responsibility (FR) Filing

A \$15 fee will be charged for each person on a policy for whom a Financial Responsibility SR-22 filing is made. (Refer to SR-22 Filings in this Guide.)

A \$25 SR-22 Reinstatement fee will be charged for an SR-22 filing after a lapse in coverage.

Installment

The Installment fee is included in the installment amount and on new and renewal down payments. The amount of the fee is based on payment method.

Electronic Funds Transfer (EFT)/Auto Pay	
Checking/Saving	\$ 9
Recurring Credit Card/Debit Card	\$13
Direct Bill	\$13

MVR

A fee will be charged for any renewal policy that orders a Motor Vehicle Report (MVR). Only applies to MVRs ordered directly by National General Insurance or General Agent

Non-Sufficient Funds

A \$25 fee will be charged on all returned checks that were not honored by the bank.

Policy

A \$35 fee will be charged to cover the cost of acquiring, setting up, and renewing a policy. Fee will be reduced when Good Driver Discount is applicable.

Reinstatement

A \$20 fee will be charged to reinstate a lapsed policy. Fee will be reduced when Good Driver Discount is applicable.

Rewrite

A \$25 fee will be charged to rewrite a policy that has been cancelled more than 60 days. This applies if the policy is not eligible for reinstatement.

Document Retention and Review Requirements

It is important to maintain complete and accurate records on all insurance transactions conducted on behalf of National General Insurance. When the Agent completes a sale or policy endorsement, an Agency ToDo prints a list of documents required to be submitted to National General Insurance or to be retained in the customer file. These documents — whether paper or electronic form — should be retained for at least 5 years from the policy expiration date (or if coverage was never bound, from the date on which the policy quote was rejected). If State Law requires such documents be retained longer than 5 years, comply with the state requirement.

All agency records pertaining to the business of National General Insurance are open for evaluation and inspection during routine reviews. Upon request, the agency will be required to present specific documentation. Failure to provide the documentation within the allotted time period will result in a failed review.

Uploading Policy Documents

When an Agency ToDo requires documentation be submitted to National General Insurance, uploading documents through the system is the fastest and easiest way to ensure receipt of the customer's documentation immediately.

Go Paperless

Enroll National General Insurance customers in paperless document delivery — adding value for the customer and reducing calls to the agency. Paperless document delivery provides the insured immediate access to Declarations Pages, Policy Booklets, endorsements, renewals, and other documents.

Note: The insured will continue to receive printed invoices and cancelation notices delivered by the United States Postal Service.

The only requirement for an insured to Go Paperless is a valid email address.

Insureds choosing to Go Paperless will receive a welcome email advising them to register for online Self-Service.

eSignature

New business customers can choose to sign Point of Sale (POS) policy documents that require a signature electronically (eSign) — eliminating the need for to obtain a handwritten signature.

The following eSign options are available:

- Customer Self Service
- Unique URL/PIN Authentication
- Agent Vendor eSign.

Note: The eSign options are only available for new business point of sale documents requiring a signature. The eSign options are not available for signature documents generated by endorsements or renewals.

Customer Self-Service

When a new business customer is on the phone, a valid email address is required in order to choose eSign. When the policy is bound, the insured and co-named insured (if applicable) will receive an email advising them to 1) register for a self-service account **and** 2) review and eSign their documents.

Note: Registration is a one-time process required for the insured to set up their ID and password for future access to their policy information.

When an insured does not eSign the documents within 3 days of receiving the email, the New Business Packet will be printed and mailed to them via the United States Postal Service using the address on the policy. Failure to submit the requested information to National General Insurance could result in an increase in policy premium or even cancellation of the policy.

Unique ULR/PIN Authentication

The insured is required to provide a valid email address during the quote process; to receive eSignature text messages, a valid cell phone number is required to be provided. When the policy is bound, the insured will receive an email from Service@NGIC.com and/or text message providing a unique URL and 4-digit PIN required to eSign policy documents. To complete the eSignature process, the insured is required to click the **Sign** button within the email and/or text body.

When an insured does not eSign the documents within 3 days of receiving the email and/or text, the New Business Policy Packet is printed and mailed via the United States Postal Service using the address on the policy. Failure to submit the requested signature documents to National General Insurance could result in an increase in policy premium or even cancellation of the policy.

Agent Vendor eSign

When new business customers choose to sign POS policy documents electronically, the Agent's own eSign vendor can be used. (Contact the Marketing Representative for a list of eSign vendors accepted by National General Insurance.)

The Agent is responsible for obtaining the signature on all documents that require a signature — regardless of the signature option selected by the insured. In the event the insured does not electronically sign documents that require a signature, the Agent is required to obtain signatures on the printed documents and retain those documents in the customer file.