



AssuranceAmerica Insurance Company

Private Passenger Automobile Program

TEXAS

Effective:

New Business: 3/24/26

Renewal Business: 4/28/26

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Quick Reference

Supplies and Agency Changes

Company forms, unless otherwise noted, may be photocopied for use. Any additional supply requests should be directed to AssuranceAmerica's website at www.AssuranceAmerica.com or our supply request line at 888-952-2902, x6555. Please notify the Marketing department of any address, telephone, facsimile, agent or ownership changes promptly. Please remember that the Producer Agreement between the Agency and AssuranceAmerica is not automatically transferred or extended upon agency sale or merger. Notification of changes to the Marketing department will help ensure continuation of binding authority.

Claims

Agents must immediately notify the Company of all losses reported by insureds or claimants. Immediate notification of all liability losses helps reduce damages. All losses should be reported directly to our 24-hour Claims Reporting Center at any of the numbers listed below:

(888) 580-8134

(678) 996-0110

All Claims correspondence should be addressed to:

PO Box 725009

Atlanta, GA 31139-0009

GI TX 01

General Information – Binding Authority

Binding applies to new business applications provided any application meets the published underwriting guidelines and is submitted without omissions and with the required down payment. Binding applies to endorsements provided any endorsement request is completed and submitted with the required down payment. If an additional premium endorsement is submitted without acceptable down payment, binding becomes effective upon company issuance.

Any application or endorsement submitted which does not meet the specified underwriting guidelines outlined in this manual or submitted with omissions or without the required down payment will not be bound unless the Company chooses to accept the risk.

If your Producer Agreement grants Binding Authority, binding is granted from the effective date and time of the application, including Saturdays, Sundays and legal holidays. Unless the application or endorsement has been uploaded within three (3) days of the date signed by the applicant or the agent (in the case of endorsements that do not require an applicant's signature), coverage will be bound effective 12:01AM Standard Time on the date after the application is uploaded.

WEATHER RESTRICTIONS

Binding authority for physical damage coverages is strictly withdrawn, and deductibles may not be lowered, in the following situations:

1. When the National Weather Service issues a hurricane, tornado, flood, or other similar natural disaster "watch" or "warning" within 100 miles of the location of the proposed risk.
2. For the 72 hour period following the National Weather Service lift of a hurricane or tornado "watch" or "warning" unless each automobile for which physical damage coverage is to be bound is personally inspected by the producer and all vehicles are found to be in operable condition, with no existing damage. Comprehensive photos of the vehicle must be provided at the time the application is submitted (left-front and right-rear angles).

GI TX 02

General Information – Commissions

Commissions will be paid electronically to the agent's designated bank account by the 15th of each month for all premiums posted during the preceding month. Commissions are not paid on any fees.

GI TX 03

General Information – Policy Period

Policies may be written for a six (6) month or twelve (12) month term only. Policies are not continuous and will renew only upon payment of renewal premium before the expiration date. There is no grace period for payment of renewal premiums.

GI TX 04

General Information – New Business

New business down payments must be submitted via EFT from the agent's account, or directly from the customer via the customer's credit card or a direct debit from the customer's bank account. Gross premium must be submitted with the application. Any shortages in down payment resulting from mis-rate or up-rate will be invoiced to the insured separately or added into the next scheduled installment, depending upon the billing date. The balance of any up-rate or mis-rate will be distributed over the remaining installments.

GI TX 05

General Information – Applications

All applications must be uploaded. All applications must be completed in full without omissions and signed by the applicant. The signature must be witnessed by an authorized producer, as evidenced by the producer's signature on the application to secure bound coverage.

All vehicles must be inspected by the agent at the time coverage is bound. Agents may not bind coverage for vehicles with existing damage, other than normal wear and tear that is disclosed on the application, unless authorized by underwriting.

Photos must be taken of all vehicles requesting physical damage coverage. Please take photos from the vehicle's rear/left side angle and the front/right side angle. For uploaded applications, please maintain a hard copy of the photo in the insured's file or, if taken digitally, the photo can be stored on a computer hard drive located in the agency office. We reserve the right to request photos during agency audits or claims investigations.

GI TX 06

General Information – Endorsements

All endorsements resulting in a change in coverage require the insured's original signature, and copies must be faxed or uploaded to the company. Deleting a Named Insured requires that person's original signature. A completed driver exclusion form is required to delete a spouse or a driver who remains a resident of the named insured's household.

Most policy changes can be processed online and may require a portion of the additional premium to be paid at time of endorsement. The balance of additional endorsement premium will be distributed over the remaining installments.

Return premiums owed an insured are first applied to any policy balance, including fees, with the remaining payments reduced by such amount. Refunds over the policy balance will be returned directly to the insured following the termination of coverage as required by law.

NOTE: If a policy terminates for nonpayment of premium as a result of an additional premium, please remember that apportioned agent commission is charged back; collecting adequate additional premium could save the agent from losing commission income on premium that would otherwise have been earned.

GI TX 07

General Information – Renewals

If the company offers a renewal, the renewal declarations page will be mailed to the insured at least 60 days prior to the expiration date of the current term. An invoice will be generated at least 15 days prior to the new policy term. The minimum renewal down payment premium must be paid before the expiration date of the policy, as witnessed by US postmark or the upload date if the payment is transmitted electronically to the company. If not received by the company, notice is sent to the agent and loss payee noting the renewal was not taken.

GI TX 08

General Information – Summary of Coverages Offered

Bodily Injury and Property Damage Liability

Required on every vehicle.

Bodily Injury Limits	Property Damage Limits
\$30,000 / \$60,000	\$25,000

Personal Injury Protection

If not rejected in writing Personal Injury Protection (PIP) must be written for all vehicles on the policy at the same limit. PIP coverage is available at a \$2,500 limit. PIP and MP may not be written on the same policy.

Medical Payments

Medical Payments (MP) is an optional coverage. If selected MP coverage must be written for all vehicles on the policy at the same limit. MP and PIP may not be written on the same policy. The available MP limit is \$500.

Uninsured / Underinsured Motorist

If not rejected in writing, Uninsured / Underinsured Motorist Bodily Injury (UMBI) coverage must be written for all vehicles on the policy at the same limit. Uninsured Motorist Property Damage (UMPD) may only be written when UMBI is selected. A \$250 deductible applies to UMPD losses.

UMBI Limits	UMPD Limits
\$30,000 / \$60,000	\$25,000

Physical Damage

Physical damage coverage cannot be written without statutory liability coverage. Collision and Comprehensive coverages, when selected, must be written together on the same vehicle. Vehicles of a multi-car risk may have different deductibles, except \$1,000 Collision deductible must be purchased with a minimum \$500 Comprehensive deductible.

COLL & COMP Deductible Options

\$250
\$500
\$1000
\$1500

Loss of Use

Loss of Use coverage may be written only when Collision and Comprehensive coverages are selected. If selected, Loss of Use coverage must be written for all vehicles with physical damage coverage. Loss of Use limits are \$20 per day, up to 30 days, maximum of \$600 per occurrence.

Towing and Roadside Assistance

Towing and Roadside Assistance is an optional coverage available at a limit of \$75 per occurrence. Coverage will be provided for towing and roadside assistance costs incurred each time an insured car is disabled. This includes the costs associated with emergency flat tire change, tire repair, battery jump, battery repair, fuel delivery (but not the fuel) and locksmith services.

Special Equipment

Special Equipment coverage may be written only when Collision and Comprehensive coverage are selected. Special Equipment items must be listed separately. Receipts showing original purchase price of insured items must accompany coverage request. Maximum total value of Special Equipment coverage is \$5,000 per policy. All Special Equipment losses are subject to a \$50 deductible.

Accidental Death and Dismemberment

Accidental Death and Dismemberment coverage is available for Named Insured(s) only, in conjunction with liability coverages. Coverage is available in \$1,000 increments up to \$10,000.

POL TX 01

Policy – Cancellations

Flat Cancellations

Insured requests for flat cancellations are not allowed unless:

1. The company is provided evidence of duplicate, concurrent coverage in the form of a company-generated declaration page, OR
2. Request for flat cancellation is received prior to the policy effective date, OR
3. Within 5 (five) business days of the policy effective date, proof is provided that the insured never took ownership of the vehicle.

Dishonored or unauthorized payment received with New Business Applications:

If any insured submits a dishonored or unauthorized payment for the original new business application, the company will provide a flat cancellation. If the payment was made by check, a copy of the NSF check is required. Cancellation notices will be sent to the insured, loss payee and agent when the policy is cancelled flat due to a dishonored or unauthorized payment to the producer or company. Coverage will not be reinstated; rather, a new application must be submitted with certified funds.

Dishonored or unauthorized payment received with Installment Payments:

On subsequent premium payments, if an insured submits a dishonored or unauthorized payment to the producer or company, a legal notice of cancellation for nonpayment of premium will be generated. If the policy was pending cancellation at the time the dishonored or unauthorized payment was applied, the policy will re-cancel back to the pending cancellation date.

Total Losses

The Company will not automatically cancel a policy as a result of a reported total loss. Cancellation of the policy or of policy coverages must be requested by, and signed for by, the insured.

Insured-Elected Cancellations

Cancellations requested by the insured must be submitted in and writing and include the policy number and insured's signature. The refund will be calculated as the unearned pro-rata premium. All fees, except for the policy fee, are fully earned.

Company-Elected Cancellations

Any cancellations initiated by the company will be calculated on a pro-rata basis.

POL TX 02

Policy – Reinstatements

Policies may be reinstated online with a lapse in coverage up to 60 days from the date of cancellation.

Reinstatement of non-pay cancellations will occur only upon receipt by the Company of the full premiums due the Company, including applicable fees and meeting any underwriting requirements. "Receipt" is deemed to be receipt of verified legal tender of all monies owed. Payment to the agent is not acceptable as payment to the Company once a cancellation is in effect.

POL TX 02

Policy – Policy Changes

The Named Insured may be removed from the policy in the following cases:

1. Death – AssuranceAmerica requires a death certificate to remove the named insured. If the surviving spouse is not already listed as a Named Insured, the policy should be endorsed to reflect this change. Named Insureds may not be changed to estates, trusts, executors or other heirs.
2. Divorce – only when the Named Insured being removed willingly signs a request to remove him/her may the policy be endorsed for this change. Otherwise, the spouse wishing to remain sole Named Insured should have a new policy written in his/her name, removing him or herself from the original policy.

All changes to the policy resulting in a change in coverage require the insured's original signature and a copy must be faxed or uploaded to the company. Deleting a Named Insured requires that person's original signature. A completed driver exclusion form is required to delete a spouse or a driver who remains a resident of the named insured's household.

When changing a vehicle, no increase in coverage applies until you have notified our office and paid any additional premium due. If the replacement vehicle is unacceptable and the original vehicle was covered for liability only we will only cover the replacement vehicle for liability. If applicable, an unacceptable risk surcharge will be applied to the policy. In all unacceptable cases, the file will be set for non-renewal.

Special Provisions for Unacceptable Exposures

1. If an insured or insured vehicle is relocated outside of Texas during the policy term, the policy will be surcharged and canceled or nonrenewed.
2. If an insured adds an unacceptable vehicle, unacceptable operator, or increases the risk exposure in a manner that would have rendered the risk unacceptable for new business or renewal, the policy will be surcharged and will be marked for cancellation or nonrenewal.

POL TX 02b

Policy – Rate Capping

Rate Capping is a process for managing rate changes to minimize consumer rate disruption at renewal when major changes occur to a policy.

- a) Rate Capping is a policy level factor that is applied to the policy as of the last day of the preceding policy.
- b) The Cap will be calculated and applied as follows:
 - i. Rate Capping will apply at +/- 20%
 - ii. Compute the Adjusted Current Premium for the current policy term by allowing the policy characteristics to “age”. This accounts for the aging of the current policy, violations being added or removed, the insured getting older, etc.
 - iii. Compute the Adjusted Renewal Premium – This will take into account the “aged” characteristics as well as the rate changes for the renewal premium
 - iv. Calculate the difference in premium between the two renewal offers
 - v. If the difference between the two premiums exceeds the allowable rate cap we will calculate a Rate Capping Factor to apply to the policy.
 - vi. Apply Rate Capping Factor to the policy, the capping factor remains on the policy for the entire policy term.
 - vii. When policy changes are made mid-term, the existing capping factor will be used for that endorsement.
 - viii. Rate Capping will be evaluated at renewal to recalculate.

POL TX 03

Policy – Unacceptable Risks

This Underwriting Guide attempts to identify most unacceptable risks for this program. Certain risk characteristics, in combination with others, may be deemed by the company as unacceptable whether listed in the manual or not.

Policies that become unacceptable mid-term, after the underwriting period, will have an unacceptable risk surcharge applied and will be set up to non-renew.

The Unacceptable Vehicles section will not apply to any newly acquired vehicle that meets the requirements of Section 1952.059(c) of Title 10 of the Texas Insurance Code.

POL TX 03a

Policy – Unacceptable Policies

1. Any named insured who does not have the legal capacity to sign and be bound by a contract or who has the ability to disaffirm the contract.
2. Insured(s) residing outside of Texas, permanently, or temporarily for 60 days or more in a calendar year.
3. Military risks not stationed in Texas.
4. Business or artisan use vehicle on the policy.
5. More than one (1) vehicle without an assigned driver at inception for New Business.
6. More than two (2) vehicles without an assigned driver after inception.
7. Any operator who has ever been previously convicted or suspected of committing insurance fraud.
8. Any operator who has been non-renewed by an AssuranceAmerica insurance company.
9. Any risk when a prior in-house claim exists with a Special Investigative Unit (SUI) file.
10. Any risk where a prior policy cancelled due to material misrepresentation.
11. Policies with more than six (6) vehicles.
12. Policies with more than six (6) rated drivers.
13. Policies with more than 3 pick-up trucks.
14. More than one policy at a single address. Exceptions: (1) Children who own their own vehicles; (2) Unrelated residents and/or roommates; and (3) Multi-unit residences.
15. Policies with vehicles garaged at two or more different addresses.

POL TX 03b

Policy – Unacceptable Operators

1. Any risk whose license is cancelled or revoked unless that individual is excluded from coverage.
2. Any operator with physical or mental impairments which may interfere with safe vehicle operation.
3. Any non-excluded driver with more than 1 non-chargeable Moving, Minor or Speeding Violation, not associated with a chargeable at fault accident, during the chargeable period.
4. Any non-excluded driver with 3 or more at fault accidents in the past three years.
5. Any non-excluded driver with 3 or more an alcohol related offense in the past 3 years.
6. Any non-excluded operator having two or more claims with an AssuranceAmerica insurance company. This applies to new business only.
7. Any non-excluded operator with greater than 12 points.
8. Any non-excluded driver on the policy having greater than 2 minor violations within the experience period.
9. Any operator having one or more claims with AssuranceAmerica Insurance Company with a loss date within the first 30-days of policy inception on their original policy. This applies to New Business only.
10. Any operator requiring an SR-22 filing.
11. Any operator requiring an SR-22 A filing.
12. Any listed driver convicted of a felony or drug crime in the last 10 years. This will not apply if the listed driver is granted a restoration of civil rights by the Governor and the Board of Executive Clemency. If any driver disputes the information obtained, they can contact the company for a number to a dispute resolution department.
13. Any risk who does not hold a valid drivers license or learner license.

POL TX 03c

Policy – Unacceptable Vehicles

1. Vehicles identified as unacceptable in VIN file.
2. Vehicles titled/registered in a name other than the named insured and/or spouse, if the registered owner resides outside the state of Texas.
3. Vehicles not registered for public road use.
4. Vehicles not titled and/or garaged at the insured's Texas residence at least 10 months of the calendar year.
5. Vehicles titled and/or registered in the name of a business, corporation, partnership or proprietorship.
6. Vehicles used for public livery.
7. Vehicles used to transport school children, nursery children, senior citizen groups, or other social groups, migrant or day workers.
8. Vehicles used to transport hotel, motel, or public access residence occupants.
9. Vehicles used for any kind of delivery purposes, emergency vehicles, limousines, and vehicles used for commercial purposes.
10. Any vehicle used for business use or artisan use.
11. Vehicles used to transport persons for a fee (other than customary carpooling or similar shared-ride arrangements).
12. Vehicles with more or less than 4 wheels; any vehicle with a load capacity in excess of 1 ton.
13. Vehicles with existing or unrepaired damage or any mechanical alterations or dysfunction.
14. Any all-terrain vehicles, panel trucks, trucks with ladder racks, campers, and RV-type vehicles or trailers.
15. Any electric vehicles.
16. Physical Damage coverage on vehicles over 30 years old.
17. Vehicles with a model year older than 1981.
18. Vehicles with a depreciated value greater than \$60,000 are unacceptable. The depreciated value is determined by the MSRP and a depreciation factor based on the vehicle age.
19. Vehicles with an original MSRP greater than \$80,000 are unacceptable for Liability coverage.
20. Vehicles greater than 25 years old (from policy effective date) with a lienholder.

POL TX 04

Policy – Discounts and Surcharges

Discounts

Homeowner Discount

Applies if the named insured owns and lives in a house, townhouse, or condominium. This discount is not available based on ownership and/or occupancy of a mobile home. Company may take reasonable steps to verify this information.

Multi-Car

To qualify for the Multi-Car Discount, the policy must have:

- More than one vehicle insured on the policy, and
- All vehicles must be insured under the same AssuranceAmerica policy.

Paid In Full Discount

A discount applies if 100% of the quoted policy premium and fees are paid at the point of sale or renewal. Premium Financed policies do not qualify for the Paid in Full Discount.

Prior Insurance Discount

Prior insurance history including total coverage in the last 5 years, length of lapse from the prior policy, and endorsement activity. To qualify as having “Prior Insurance”, the insured must have:

- a) Continuous coverage with a single carrier other than InsureMax or AssuranceAmerica Insurance Co.
- b) Proof of prior insurance preceding the AssuranceAmerica effective date in the form of a company-generated declaration page, renewal bill, letter from the carrier, or acceptable verification from an agency management system.
- c) If we are unable to verify proof at the Point of Sale, adequate proof of prior insurance must be collected and faxed within 24 hours after an application is uploaded. We accept current or renewal declaration pages, renewal offers, letters from carriers, and data from agency management systems. If adequate proof is received and we find through additional reports that the policy cancelled prior to the expiration date, the prior insurance qualification will be removed.

This discount will also apply to a policy when the named insured does not have the proof of prior coverage described above and has not operated a motor vehicle in violation of any financial responsibility or compulsory insurance requirement for more than 30 days within the prior 12 months. Examples of acceptable proof of this qualification include, but is not limited to, the following: a signed statement from the insured or other documentation showing for the 12 months prior to the effective date:

- military orders including dates and locations,
- the named insured was living outside the United States, or

any other reason the named insured was not in violation of coverage requirements.

Early Shopper 1

A discount applies if the policy is purchased (uploaded) 1 -6 days prior to the effective date.

Early Shopper 2

A discount applies if the policy is purchased (uploaded) 7+ days prior to the effective date.

Partner Discount

A discount applies to policies purchased through a pre-qualified partner institution, currently Jerry’s “America’s Best Driver” program.

Low Mileage Discount

Vehicle level discount applied when the applicant enrolls in our AssuranceAmerica Mobile App program and uploads odometer readings to the Mobile App as requested during the policy period. Discount will be available at New Business and will continue at Renewal as long as the annual mileage remains below 7,500 miles.

Super Saver

A discount applies to liability only policies when the applicant enrolls in recurring electronic payments and in our AssuranceAmerica Mobile App program.

A discount applies to full coverage policies when the applicant enrolls in recurring electronic payments, our AssuranceAmerica Mobile App program and selects a deductible of at least \$1,500 per vehicle with full coverage."

Package Discount

Discount applies to auto policies when the customer purchases our AssuranceAmerica Renters insurance OR the AssuranceAmerica Motorclub membership.

MobileMax Discount

The MobileMax Discount is a bundled savings opportunity made up of four components available through the AssuranceAmerica Mobile App program:

- **Mobile App** - A discount will be applied when the applicant downloads the AssuranceAmerica Mobile App, creates their Customer Account, and logs in for the first time during New Business Onboarding process. Discount will be available at New Business and will continue at Renewal when the app continues to be in use.
- **Address Verification** - A discount will be applied when the applicant enrolls in our AssuranceAmerica Mobile App program and electronically verifies their address. The discount will be available provided the policyholder continues to comply with address verification requests during the policy period.
- **Vehicle Verification** - A discount will be applied when the applicant enrolls in our AssuranceAmerica Mobile App program and uploads vehicle pictures to the Mobile App as requested during the policy period. The discount will be available provided the policyholder continues to comply with image requests during the policy period.
- **Mileage Verification** - A discount will be applied when the applicant enrolls in our AssuranceAmerica Mobile App program and uploads odometer readings to the Mobile App as requested during the policy period. The discount will be available provided the policyholder continues to comply with reading requests during the policy period.

Surcharges

Inexperienced Driver Surcharge

Will be applied to any operator aged 21 or older if the operator has less than three years' driving experience.

Prior Balance Surcharge

A surcharge is applied if the insured had a prior unpaid balance with AssuranceAmerica of \$15 or greater in the last 36 months

Unacceptable Risk Surcharge

Policies endorsed with an unacceptable operator or vehicle will have an unacceptable risk surcharge applied, and the policy will be non-renewed.

Vehicle History

A vehicle level surcharge will be applied on a vehicle when the insured vehicle has a branded title. Branded titles include Assembled, Homemade, Kit, Replica, Dismantled, Flood, Junk, Rebuilt, Reconstructed, Salvage, Fire and Hail Damage, Not Actual Mileage, Exceeds Mechanical Limits, Repossession, Stolen, Manufacturer Buyback (lemon law), Recovered Stolen, Non-Highway/Former Non-Highway, Abandoned, Damage Disclosure and Odometer Rollover. *Please note that any vehicle with a branded title without a valid 17 digit VIN cannot be rated and is unacceptable.*

Garaging Zip vs. Mailing Zip Mismatch

Applied when vehicles are garaged at an address other than the mailing address.

DRV TX 01

Drivers – Eligibility for Rating

Any resident age 15 or older and anyone having regular use of an insured vehicle and all registered owners of each insured vehicle must be listed on the application and rated as an operator on the policy or excluded.

Failure to disclose all legal residents 15 and older, anyone having regular use of an insured vehicle, and all registered owners of each insured vehicle will result in policy rescission.

Drivers – Exclusions

You may exclude the following drivers from the policy:

1. Any person age 15 or older who resides with the applicant or with an insured driver.
2. Children temporarily away at school; or,
3. Any licensed resident who is temporarily living at another residence.

You MUST exclude the following drivers from the policy:

1. All persons 16 years or older, who reside in the insured household and do not hold a valid license or learner license.
2. All persons with a permanently suspended or revoked license.

The named insured must sign the Driver Exclusion Form and a copy must be faxed or uploaded to the company. Driver exclusions apply to all subsequent renewals unless the Company is notified in writing to remove the excluded driver.

DRV TX 02

Drivers – Age, Gender, and Martial Status Classification

Drivers are classified according to their age, gender and marital status as of the beginning of the policy term. To be rated as “Married”, both spouses must be rated or excluded on the policy (exceptions will be made for insureds that are deployed on active military duty or widowed). Cohabitation does not constitute legal marriage for the purpose of rating risks and for assuming certain policy rights.

NOTE: IF INSUREDS MAINTAIN DIFFERENT SURNAMES, PROOF OF MARRIAGE IS REQUIRED AT THE TIME OF APPLICATION OR ENDORSEMENT. OTHERWISE, INSUREDS WILL BE RATED AS SINGLE PERSONS.

DRV TX 03

Drivers – Driving Record Classification

AssuranceAmerica requires a 36-month verifiable driving record. If any experienced driver is newly licensed in Texas, please provide the driver's prior state's license number. We will order driving history from multiple states to ensure a 36-month history.

For rating purposes, evaluate each operator's record for the past 36 months, using violation and accident conviction date. Points are charged for each accident and/or violation appearing on the MVR, developed on the application, previously reported to the company, or developed through other reporting agencies. The violation occurrence date is used to determine if an accident or violation falls within the chargeable period.

If there are more vehicles than operators, check carefully for undisclosed operators as coverage may be voided if the existence of licensed operators is misrepresented to the company.

NOTE: Non-disclosure of driving records or loss history will subject the insured to denial of 1st party losses as well as subrogation against them for any claims that may be paid to 3rd parties if payment is required by law. Failure to disclose all legal residents age 15 or older AND anyone having regular use of an insured vehicle will subject the insured to policy rescission.

ACCIDENTS

All accidents, regardless of driver fault, must be declared on the application for insurance. If we determine, in good faith, based on information collected in our files that an accident is "AT FAULT" that accident will be counted in the point assessment unless the named insured demonstrates one of the following "NOT AT FAULT" conditions:

1. Vehicle was lawfully parked.
2. Accident was reimbursed by, or on behalf of, a person responsible for the accident or has a judgment against such person.
3. Vehicle was struck in the rear by another vehicle headed in the same direction and was not convicted of a moving traffic violation in connection with the accident.
4. Vehicle was hit by a "hit-and-run" driver, if the accident was reported to the proper authorities within 24 hours after discovering the accident.
5. Insured was not convicted of a moving traffic violation in connection with the accident, but the operator of the other automobile involved in such accident was convicted of a moving traffic violation.
6. Insured was finally adjudicated not to be liable by a court of competent jurisdiction.
7. Insured is in receipt of a traffic citation which was dismissed or nolle prossed.
8. Accident was not at fault as evidenced by a written statement from the insured establishing facts demonstrating lack of fault which are not rebutted by information in the insurer's file from which the insurer in good faith determines that the insured was substantially at fault.

POINT SCHEDULE

Violation Category	First	Second	Each Additional
Major Violation	4	4	4
Minor Violation	0	0	0
Speed Violation	0	0	0
At-Fault Accident	4	4	4
Not At-Fault Accident	0	0	0
No Insurance	0	0	0
Alcohol/Drug Related Violations	3	4	4

The oldest violation in any category will receive the First occurrence point assignment. The next oldest violation in the same category will receive the Second occurrence point assignment, and all other violations in the same category will receive the Each Additional occurrence point assignment as appropriate.

VIOLATION CHARGES

Category	Violation Description
At-fault Accident	(1.) Accident with bodily injury or (2.) Accident with property damage >\$1,000
Drug/Alcohol	Driving under the influence of alcohol or drugs
Drug/Alcohol	Failure to take blood or breath test
Drug/Alcohol	Open Container
Major	Driving with a suspended or revoked license
Non-Chargeable	Any other Major violation
Non-Chargeable	Drag Racing / Racing
Non-Chargeable	Eluding a police officer
Non-Chargeable	Felony involving use of a motor vehicle
Non-Chargeable	Hit and run or failure to stop at the scene of an accident
Major	Homicide or manslaughter involving vehicle
Non-Chargeable	Operating vehicle without owner consent
Non-Chargeable	Reckless Driving
Minors	All Minor Moving violations
Speeding	All Speeding violations
CMP	All Comprehensive losses over \$1000
Not-At-Fault	All not-at-fault accident violations

UNDERWRITING EXPERIENCE REPORTS

Motor Vehicle Reports are required for all licensed operators in the insured household for each risk. If you do not provide us with an MVR and our order is returned to us from the state as "Unable to Locate Number" with the number provided the company on the application, the policy will be surcharged. To eliminate this possibility, please provide a copy of drivers' licenses or a copy of the MVR at the time of application or driver additions.

Claim Activity Reports and Licensed Operator Checks are used to supplement and verify information provided on applications. It is important for the agent to advise his/her insureds to disclose all loss activity and licensed operators in his household to ensure there will not be the opportunity for coverage denial based on material misrepresentation or coverage disqualification and cancellation.

DRV TX 04

Drivers – Financial Responsibility Filings

Policies requiring SR22 filings are acceptable for non-excluded eligible drivers in the state of Texas. Policies requiring SR22 filings outside the state of Texas are unacceptable. A filing fee will apply.

Policies requiring SR22A filings are unacceptable.

PAY TX 01

Payment – Fees

Policy Fee – A policy fee will apply to all new business and renewals. The policy fee is prorated over the installments.

Late Fee – A fee is charged when a payment is postmarked after the due date.

Dishonored or Unauthorized Payment Fee – A dishonored Payment Fee is taken for all dishonored or unauthorized payments, regardless of reason or method of payment.

Installment Fee – A fee will be added to each direct bill installment.

EFT Installment Fee – A fee will be charged for each installment on an electronic withdrawal plan. Recurring credit / debit cards do not qualify for the EFT installment fees and are charged the regular installment fee.

MVCPA - A fee will apply per vehicle per six-month policy term.

Commissions are not paid on fees.

PAY TX 02

Payment – Direct Bill Procedures

Full payment is always acceptable, or the insured may submit the required down payment and monthly installments. Regularly scheduled invoices will be mailed at least 15 days before the installment premium is due the company; an installment charge is added to each installment at the time of billing. An insured that chooses a payment plan will be given the choice at each billing to pay the remaining policy premium in full and avoid further installment fees.

Direct Bill policies cancel for nonpayment of premium based upon an equity date; no grace periods are provided outside of equity date cancellation.

A “Notice of Nonpayment Cancellation” is generated to the insured a minimum of 10 days before a policy is to terminate for nonpayment of premium. Equity cancellations cannot be postponed. Only a payment will rescind an equity cancellation. Invoices, policy declarations and termination notices are mailed directly to the named insured at the last known address on file with the company.

PAY TX 03

Payment – Fixed Due Date

This feature is an additional pay plan option which allows the insured to select a fixed calendar date to pay their next and future installments on. Once selected, every installment payment will be due on the same date each month (for example, the 1st of every month). This offer is made available to every customer at New Business, and their selected date carries into future renewal terms.