

UW Guidelines Filing (Monthly & Semi Annual)

Texas Private Passenger Automobile Insurance

NewStar General Agency, LLC.



Home State County Mutual Insurance Company

July 1, 2020

General Information

The Company underwrites all business submitted. Final acceptability is determined after a complete review of the submitted information. Since it is impossible to cover every aspect that might affect the acceptance of a risk, the Company must remain the final authority in the acceptance or continuation of any risk. As part of this process, the Company will make every effort to verify all submitted information, including proof for requested discounts.

Material Misrepresentation of Risk

Section 705.004 of the Texas Insurance Code recognizes the named insured's responsibility and obligation to truthfully and completely fill out the application for insurance. Material misrepresentation on the application or endorsement request may affect the named insured's eligibility to receive benefits from the insurance contract. The Company may also avoid payment of a claim on a policy if material misrepresentation has occurred.

Notification of Assigned Risk Plan Rates

It is your responsibility to follow Texas Administrative Code 5.401(d), which reads as follows:

“Insurers or agents who make a quote to an applicant with no prior insurance having no more than one accident and one violation within the past three years which quote equals or exceeds the premium available through the assigned risk plan must inform the applicant of the approximate cost of coverage available through the assigned risk plan.”

Any agent found to not be following this rule will be subject to possible suspension or termination.

Binding Authority

Applications must be bound on the www.ApolloMGA.com website. After binding, our website allows you to issue the declarations page and ID Card(s) at the point of sale. A copy of the completed and signed application, declarations page, ID card(s), insured's receipt and the Texas Personal Auto Policy jacket must be given to the Named Insured at Point of Sale. If there is a quote discrepancy between our system and a comparative rater, the rate from our system will be the correct rate. Please notify and fax us a copy of any discrepancies immediately, so we can take steps to correct the issue.

Applications for coverage must be consistent with the written product guidelines and the producer agreement, completed in their entirety, and signed by both the applicant and the producer. If an application is submitted with an improper surcharge, discount, driver class or symbol or without the required proof for a specific discount, the policy will be corrected to reflect the appropriate rate level according to the rules set forth in these guidelines. A current telephone number (including area code) for applicant's home (or cell phone) and place of business must be included with upload.

A photo ID will be required for the Named Insured to be at point of sale. For policies where one or more driver has a foreign driver's license, Matricula ID or foreign passport copies of these forms of identification must be submitted to NewStar at the time of policy upload. Policies lacking the required documentation will be considered NOT bound.

Severe Weather “Warning”

Whenever the National Weather Service issues a hurricane, tornado, hail or other severe weather warning and the storm is within 100 miles of the location of the proposed risk, coverage acceptance is limited as follows:

- No new business policies may be written or bound.
- Physical damage may not be endorsed onto an existing policy.
- Renewals of the company's expiring policies may be written in the normal manner providing there is no increase in exposure to the company.
- Normal binding authority will resume after warning is lifted by the National Weather Service, providing there is no forecast of an imminent reoccurrence.
- Applications with an effective date which will violate the prohibitions listed above will be rejected and no coverage will have existed.

Coverages and Limits

Bodily Injury Liability	\$30,000 per person; \$60,000 per accident
Property Damage Liability	\$25,000 per accident
Uninsured/Underinsured Motorist BI	\$30,000 per person; \$60,000 per accident

Uninsured/Underinsured Motorist PD	\$25,000 per accident
Personal Injury Protection	\$2,500 per person
Comprehensive & Collision	Deductible options of \$500 and \$1,000
Towing & Labor	\$75 per disablement / \$225 maximum
Rental Reimbursement	\$30 per day – up to \$900 per occurrence <i>Available only on vehicles with physical damage coverage.</i>

- Vehicles 25 years old or older are not eligible for Comprehensive (OTC) and Collision coverages.
- Rental Reimbursement coverage is only available on policies with Comprehensive (OTC) and Collision coverages.
- Photos are required for all vehicles carrying any one or more of the following coverages: Comprehensive (OTC); Collision; UM/UIM-BI; UM/UIM-PD; PIP.

Policy Terms

One and Six-month terms.

Driver Class Definitions

Please see Rate pages.

Driver Information

All persons 14 years of age or older who are living in the named insured's household must be listed on the application. Individuals can be listed and rated as a driver or listed as an excluded operator. The named insured must complete and sign the named driver exclusion form (515A).

Policies can be written for an insured that is not the registered/titled owner of a listed vehicle, provided the named insured has an insurable interest, but the titled/registered owner must be listed as a driver or excluded on the policy.

Drivers Considered Unacceptable

- Named insured and/or any listed driver that does not have a valid Texas Driver's License is considered unacceptable.
- Any driver who is **not** a resident of Texas at least 10 months of the year or moves out of the State during the policy term.
- Any driver that uses their personal vehicle for any type of business use.
- Any driver who lives or works in Mexico.
- Migratory risks, including transient and seasonal workers.
- Operators without a physical garaging address or multiple garaging addresses.
- Students residing and/or attending in a state other than Texas.
- Any driver who has an occupational driver's license, unless filing a SR22.
- Any driver under the age of 16. Driver 15 years of age acceptable with a learner's permit.
- Any driver whose license is expired (unless full-time military), suspended (without a SR22), cancelled or revoked or any driver that requires a SR22 filing in any other state other than Texas.
- Is acquiring this policy for the sole purpose of renting a car.
- Does not garage the vehicle in the state of Texas.

Criminal Background Underwriting

- No more than 1 DWI/DUI's offenses.
- No more than 2 misdemeanor offenses.
- No felony or insurance fraud offenses.
- Three or more criminal offenses are in-eligible for coverage.

Criminal Background Underwriting Disclosure for Personal Auto Applications

“NOTE: In compliance with Public Law 92.508, this notice is in connection with your application for insurance an investigation may be made as to your insurability, including, if applicable, information as to character, criminal history, personal characteristics and mode of living, and (2) additional information as to the scope of any investigation requested will be furnished to you, upon your written request.”

Driver Assignments

Determine the highest rated vehicle by rating each vehicle with the unassigned driver class (“EV”) with zero points on each line of coverage; the vehicle with the highest total premium is the highest rated vehicle. Determine the highest rated driver by rating each driver on the highest rated vehicle on each line of coverage. Assign the highest rated driver to the highest rated vehicle. If there is more than one vehicle on the policy, assign the next highest rated operator to the next highest rated vehicle until an operator is assigned to each vehicle. If there are more vehicles than operators, rate the additional vehicle using the unassigned driver class (“EV”) with zero points.

- *For a complete listing of violations and point values, please see the Rating Manual.*

Driver Points

Points are based on all occurrences and/or violations that have occurred in the twenty-four months (2 years) immediately preceding the policy or the renewal date. Any accidents listed on a motor vehicle report, application or other underwriting report will be considered at fault unless a police report is submitted with the application. Points should be listed and totaled for each driver separately.

Major Violations (included but not limited to)

- DWI/DUI (Education program required) or failure to undergo testing under implied consent law.
- Speed contest or racing.
- Fleeing from or attempting to elude a police officer.
- Reckless driving or similar charge.
- Driving while unlicensed or while license is suspended or revoked.

Minor Violations (included but not limited to)

- Failure to stop.
- Failure to Yield
- Improper turn
- Speeding
- Unlawful turn

No Surcharge for the following:

- No motor vehicle inspection sticker.
- Defective equipment.
- Citation for no evidence of liability insurance.

Vehicle Information and Surcharges

Unacceptable Vehicles

- No more than one (1) vehicle per household at new business.
- No more than four (4) vehicles per household at any point.
- Duallies are unacceptable.
- All vehicles with a load capacity in excess of 10,000 GVW (>1 ton).
- Any vehicle not garaged in Texas at least 10 months a year.
- Any vehicle not garaged in the zip code for which the policy is written, unless the vehicle is away at school in the State of Texas.
- Vehicles garaged outside Texas, including vehicles used by students attending school outside of Texas.
- Vehicles not having a garaging address or have more than one garaging address listed on the policy.

- Vehicles with more or fewer than 4 wheels.
- Flatbed, step vans, panel vans, cutaways or box trucks.
- Police or emergency vehicles (police receptors).
- Dune buggies, Baja bugs and/or any other type of ATV or off-road vehicle or any vehicle not licensed for road use.
- Motorcycles
- Rental or lease vehicles.
- Hearse and limousines.
- Rare, antique, classic, vintage, custom, electric, kit, low production, limited edition, race replica, or show vehicles.
- Motor homes, RVs, campers, travel trailers or any vehicles with plumbing, cooking or refrigerator packages.
- Vehicles built/created for or used in, speed contests.
- Flatbed, step vans, panel vans, cutaways or box trucks.
- Open air vehicles, including those with detachable roofs (except convertibles) not otherwise listed.
- Saleen Models.
- Any vehicle that has a TV screen or computer monitor visible to the driver (this does not include navigation systems that come as standard equipment from the factory on certain cars).

Age, Value and Condition - Unacceptable

- Vehicles over 40 years old are unacceptable for any coverage.
- Any vehicle which has been substantially modified in appearance or performance or mechanically altered, i.e. high suspension or lift kits.
- Any pickup, van or utility vehicle that does not have bumpers.
- Salvage, restored or reconstructed vehicles. Restored salvage may be written with liability only.
- Vehicles not inspected by the agent where physical damage, uninsured/underinsured, personal injury protection or medical pay coverages are requested.

Ownership and Usage – Unacceptable

- Vehicles titled to a legal entity or DBA.
- Vehicles not titled to, or not in the process of being titled to, the named insured or the named insured's spouse, unless the titled owner is listed as a driver or an excluded driver.
- Taxicabs, limousines, emergency, escort vehicles and buses.
- Vehicles used for pickup or delivery of goods at any time including pizzas, delivery, courier, escort services, farm produce delivery, magazines and newspapers.
- Vehicles used for public livery, conveyance and company fleets.
- Vehicles made available to unlisted drivers for any use including business use such as sales, farming, or artisan use (e.g. pooled vehicles or UBER USE VEHICLES).
- Vehicles with permanent or removable business-solicitation logos or advertising.
- Any vehicle carrying explosives or flammable substances.
- All vehicles owned or leased by a partnership or corporation.

Vehicles Not Eligible for Physical Damage Coverage

- One-month term policies are not eligible for Physical Damage Coverage.
- Vehicles greater than 25 years old.
- Retail value greater than \$30,000.
- Vehicles reported as a total loss by a prior insurer with salvaged, severe, reconditioned, or reconstructed titles.
- Any vehicle where a police report indicates the vehicle was severely damaged in an accident.
- Vehicles used as a crash test vehicle.
- Any vehicle with a previous airbag deployment.
- Any vehicle with a failed frame mechanical inspection.
- Any vehicle reported as stolen.

Vehicle History Reports

Vehicle history reports may be run on each listed vehicle and may affect that vehicle's rate and/or acceptability for coverage.

General Surcharges

- Drivers added during the policy term period that would have been otherwise unacceptable, will be charged and the **Unacceptable Risk** surcharge will apply.
- If the garaging address or primary area of operation of any listed vehicle on the policy is moved outside of Texas or if the insured moves their residence outside of Texas, the **Unacceptable Risk** surcharge will apply.

Discounts

Electronic Funds Transfer (EFT)/Paid in Full (PIF)

- An EFT/PIF discount will be applied to the policy when the Applicant/Named Insured either selects EFT as his/her payment method or pays the total premium due at point of sale.

Renewal

- A renewal discount will be applied to an existing NewStar policy when the Named Insured and all listed drivers have been at-fault claim free for the six (6) months immediately preceding the first six (6) month renewal of the policy.
- The renewal discount will apply to each renewal if the Named Insured and all listed drivers remain at-fault claim free for the expiring policy term.
- NewStar only considers at-fault claims that have been paid or are payable when determining discount eligibility.

Advance Quote Discount

- An advanced quote discount will be applied to the policy when the Applicant/Named Insured purchases the policy three (3) or more days prior to the effective date of the policy.

Honorable Discharge

- An honorable discharge discount will be applied to the policy when the Applicant/Named Insured submits a copy of his/her DD214 form showing that he/she was honorably discharged from any branch of the US Military or Coast Guard.

Cancellations

Flat Cancellations

Are not permitted except for the following:

- Insufficient Funds on down payment. A copy of the returned payment must be submitted to the Company within 20 days of inception of the policy. No reinstatement will be allowed.
- Duplicate coverage – A copy of the declarations page from the issuing carrier indicating the same coverage and vehicle(s) and the insured's signed request must be submitted for consideration.

Insured's Request

Calculated on a pro-rata basis.

- All requests must be submitted in writing to the company and include the Named Insured's signature.
- Notice to any third-party interest will be sent as required.
- Requests must be faxed, emailed, postmarked by the US Postal Service or uploaded to NewStar General Agency, LLC.
- The effective date of cancellation may not be earlier than the date the agency is notified by the Named Insured.
- In case of the Insured's death, either the spouse or power of attorney may request cancellation.

Company Request to Cancel

Underwriting Reasons or Company Cancellations - Calculated on a pro-rata basis.

Non-Payment of an Installment/NSF to the Producer - Calculated on a pro-rata basis.

- Installments payable to the producer/agent, returned not honored by the financial institution.

- The producer may request the company send Notice of Intent to Cancel for “non-payment to the producer”. Return premium will be pro-rata from the effective date of cancellation on required notice.
- The producer will be required to submit a copy of the insufficient funds (front and back) within 2 days of the producer’s notice of the NSF check.

Non-Payment to the Company - Calculated on a pro-rata basis.

- Short payment is received, or an additional premium is charged, a notice of intent to cancel for “Non-payment to the Company” will be issued.
- Payment is postmarked or received after the cancellation date; the policy may have the option to be re-quoted with NewStar General Agency, LLC.

Note – Refund checks will not be issued on policies that have a balance of less than \$5.01 unless requested.

Policy Services

Endorsements

- Endorsement requests may be phoned, emailed or processed through the NewStar General Agency processing system.
- The endorsement will become effective the date and time of phone or email notice or the moment the data is submitted via the processing system.
- Please note each change request must be entered separately with detailed notes.
- BACKDATING COVERAGE IS NOT ALLOWED.
- Endorsements can be completed online at www.ApolloMGA.
- Premium changes that result from endorsements will be viewable through the endorsement quote function. At the time the endorsement is processed, any change resulting in an additional premium will be collected and applied at the time the endorsement is processed. Changes resulting in return premium are applied as credits to future charges.

Deleting Vehicles or Coverages

- When deleting a vehicle or coverage, we require you obtain the named insured's signature.

Point/Class Reduction

- A policy will not be reclassified and re-rated for point charges that expire during the policy term.
- Class or point reductions are permitted if the operator(s) for whom points were charged is no longer a member of the household and no longer operates the insured vehicle.
- Marital status changes will be accepted mid-term if proof of status change is provided.
- Mid-term adjustments are not made as a result of a change in points or attained driver age.

Change of Driver

- Drivers may be added or excluded. A signed 515a driver exclusion form must be signed by the named insured when excluding a driver. If we discover unlisted drivers, we may deny coverage and/or add the driver to the policy effective to the inception date.
- Removing a listed driver or excluded driver from the policy will not be permitted without proof of residency.

Agent of Record Change

- The agent cannot be changed mid-policy term.
- The named insured must complete and sign the NewStar Agent of Record change form and submit it to the Underwriting department.

Deletion of UM/UIM or PIP Coverage

- The insured’s signature on the UM/UIM or PIP selection/rejection form is required.

Restart Process

Policies that have cancelled for Non-payment of premium, may have the option to be re-quoted through NewStar. A new policy number and effective date are assigned.

Renewals

General Information

Renewal offers are mailed directly to the insured. Amounts due must be received or postmarked by the Postal Service prior to the current policy's expiration date. If the appropriate payment is not paid and received by the expiration date, coverage will expire. Payment received in an amount less than the amount billed may be returned and no coverage afforded. RECEIPT OF PREMIUM BY THE PRODUCER DOES NOT CONSTITUTE RECEIPT BY THE COMPANY.

Non-Renewals

Non-renewals will be issued at least 30 days prior to the annual anniversary, where applicable.

SR-22 Filings

- SR-22 filings will be made to reinstate TEXAS driver's licenses only. If suspended driver's license is for any state other than Texas, we will not process the SR-22.
- SR-22 filings will be made for the Named Insured, spouse and eligible listed drivers. The reason for the SR-22 must be included for us to make the filing. The reason can be found on the Suspension Letter from the Texas Department of Public Safety. An SR-22 filing will not be made unless the reason is included.
- SR-22 Processing Fee - NewStar charges a one-time processing fee for an SR-22. This fee is non-refundable and must be paid in full prior to processing the SR-22.
- There may be a \$100.00 reinstatement fee required by DPS in addition to NewStar's fee. The State's fee should NOT be sent to NewStar but forwarded on to the Department of Public Safety along with the driver's license number. If the State filing fee is included with payment to NewStar it will be applied toward the insured's balance and you will have to collect an additional \$100.00 Filing Fee for the DPS.
- SR-22's for existing policies are to be processed as an On-Line Endorsement. If On-Line Endorsement is not available for an in-force policy and SR-22 Request Form should be completed in its entirety and faxed to NewStar. NewStar will process the SR-22 and mail copies to the State, Insured and Producer.
- SR-22a Filings - may be required by the DPS in cases involving a judgment against a driver as a result of an at-fault accident. NewStar will issue the SR-22a only upon receipt of "payment in full" by certified funds and after all underwriting information has been received and verified.
- The SR-22 will print in the producer's office after upload of the original application or endorsement to NewStar. One copy of the SR-22 should be provided to the insured or mailed to the State at the address below and one copy retained for the producer's file. (When required, the State's filing fee should also be sent with reference to the driver's name and driver's license number to the address below):

Texas Department of Public Safety Enforcement and Compliance Service
P.O. Box 4087
Austin, TX 78773-0320

Claim Information

It is very important to report all accidents, regardless of fault or circumstances. For the fastest and most efficient handling of your claim, please report your accident information to our claim's department, at 855.371.7310 or online at <https://www.ApolloGroup.info/>.

When reporting a claim, please have the accident information available, including date, time, place of accident, identity of vehicles and persons involved.