



**COMMONWEALTH GENERAL INSURANCE
AGENCY**

MGA FOR REDPOINT COUNTY MUTUAL INSURANCE
COMPANY

UNDERWRITING/RULES MANUAL

TEXAS

**Private Passenger Automobile
Semi-Annual Program**

**New Business Effective: NOVEMBER 28, 2025
Renewal Business Effective: DECEMBER 31, 2025**

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1. AGENT INFORMATION

This manual addresses the minimum requirements. If in doubt, please call customer service before binding. All submissions will be reviewed and underwritten on their individual merits.

A. Binding Authority

Agents have immediate binding authority in accordance with all the rules and procedures set forth in this manual. The agent must be a duly authorized agent of Redpoint County Mutual Insurance Company and Commonwealth General Insurance Agency.

Coverage will be bound at the exact date and time the application is completed, signed and dated by both the applicant and agent if the following conditions are met:

- All of the information entered into the New Quote screen on the company's website must be submitted to the Company using the website.
- Paper applications are unacceptable.
- The application process is completed in its entirety when all required documentation is obtained from the applicant, including but not limited to: a signed and completed application with exclusions and rejections as appropriate, household driver discovery affidavit, documentation for any discounts and vehicle inspection form(s) if applicable.
- The risk is not defined as being unacceptable.
- The appropriate down payment or full premium and any applicable fees are collected from the applicant and submitted to the Company.

Coverage is not bound and is considered null and void if the applicant's down payment check is returned by the bank for insufficient funds. Please notify the company immediately upon receipt of notice of NSF from the applicant's bank. If an application is submitted with an incorrect driver class, surcharge, discount, etc. or without the required proof for a specific discount, the policy will be issued at the appropriate rate level according to the rules filed.

Unless notified otherwise, all submissions for new business and endorsement on existing policies that have an effect of increasing the company's exposure are suspended from the time the National Weather Service issues a severe weather advisory (i.e. hurricane, tornado, or thunderstorm watch/warning) within 100 miles of the watch/warning area. Normal submission activity will be reinstated unless otherwise notified 24 hours after the watch/warning is lifted by the National Weather Service.

B. Agent Duties

The Agent must assure compliance with all our company's underwriting guidelines, procedures and requirements. The Agent is responsible that the entire application package, including exclusions and rejections as appropriate, are reviewed with the Applicant and approved by the Applicant. The Agent is also required to verify the Applicant is the named insured prior to submitting any documents.

All applications must be uploaded to the company using the commonwealthcasualty.com website.

If you are unable to upload an application through the company's website, please contact Customer Service or the Help Desk for assistance.

If an applicant is adversely impacted by information contained in a consumer report, or our inability to pull a consumer report, we will generate a letter pursuant to the provisions of the Fair Credit Reporting Act (FCRA). A copy of the FCRA letter will be printed and provided to the applicant.

Agents may obtain the named insured signature on our Texas Automobile Insurance Application, UM/UIM Bodily Injury, UM/UIM Property Damage, Personal Injury Protection rejections, policy forms or statements, and any other documents utilizing electronic signature (e.g., services offered by DocuSign, EchoSign or other electronic signature service providers). The Agent is responsible for providing the Applicant the opportunity to consent to electronic signature. The Agent is responsible for complying with all applicable state and federal e-signature laws.

Agents must keep all documentation, including the appropriate applicant signatures, on file for the appropriate number of years. The Company reserves the right at any time to inspect all applicant files and/or require agent to submit copies of documentation to us for audit/review purposes.

The following documentation (if applicable to the policy) must be kept in your Agency's file for a minimum of Seven (7) years after policy expiration or cancellation, or for the amount of time prescribed by all applicable laws and regulations, whichever is greater, and, as stated above, be available for Company review as requested:

- Completed and signed Texas Automobile Insurance Application, including signed UM/UIM Bodily Injury, UM/UIM Property Damage and Personal Injury Protection rejections
- A copy of the ID for any driver rated on commonwealthcasualty.com with an international driver's license
- Signed driver exclusion form(s)
- Signed household member affidavit
- Proof of prior insurance coverage

- Proof of multi policy
- Any document proving accidents were not-at-fault
- Signed and dated Vehicle Inspection Form(s) or photographs as specified below
- Credit Card payment/Recurrent EFT authorization form
- Verification for Military discount
- Verification for Good Student discount
- Verification for Association Discount
- Odometer readings

The Company reserves the right to inspect all applicant files and/or require the agent to submit copies if requested by the Company for audit and compliance purposes.

C. Vehicle Inspection Requirement

Agents are required to complete a Vehicle Inspection Form or photographs for each vehicle with Other than Collision, Collision, and/or Uninsured Motorist Property Damage coverage. The Agent may either complete the vehicle inspection form or provide photographs and must retain records of either in the agency's file per guidelines listed above.

If the vehicle being insured is a new purchase from a dealership, the Agent must obtain a copy of the purchase receipt and Vehicle Inspection Form (or photographs) within 30 days of purchase and keep in your agency's file per guidelines listed above. Vehicle inspections are not required for new vehicles if a copy of a licensed dealer's bill of sale, invoice or window sticker is submitted with application.

D. Photo Requirements

En lieu of a completed vehicle inspection form, the following photographs may be obtained and retained with the application:

- **Four corner photos**
A photograph should be taken of each corner of the vehicle which in total will show the entire exterior of the vehicle.
 - **VIN**
One clear photograph of the VIN plate located on the dash or door.
 - **Mileage**
One clear, legible photograph of the vehicle odometer showing current mileage.
 - **Damaged Areas**
Clear photographs of any existing damage on the vehicle must be obtained.
-

E. Commission

Refer to the Agency Agreement for the exact commission schedule.

The Company reserves the right to alter commission schedules with notice to agency per Agency Agreement

2. PRODUCT INFORMATION

A. Coverages & Limits

Bodily Injury Liability:
\$30,000/person \$60,000/accident

Property Damage Liability:
\$25,000/accident

Uninsured/Underinsured Motorist BI:
\$30,000/person \$60,000/accident

Uninsured/Underinsured Motorist PD:
\$25,000/accident

Personal Injury Protection:
\$2,500/person

Medical Payments:
\$500, \$1000, \$2000 or \$5000/person

OTC & Collision:
Deductible options: \$500, \$750, or \$1000

Custom or Additional Equipment:
\$2,500/vehicle

Rental Reimbursement Coverage:
\$20/day, \$600/occurrence or
\$30/day, \$900/occurrence or
\$40/day, \$1200/per occurrence

Accidental Death & Dismemberment:

\$2,500 per covered event
\$5,000 per covered event
\$10,000 per covered event

- Physical damage coverage cannot be selected without liability coverage.
- Physical damage coverage cannot be selected on any vehicle over 30 years old. Vehicles with physical damage and/or Uninsured/Underinsured Motorist Property Damage coverage must be physically inspected by the agent and the appropriate vehicle inspection form fully completed.
- Other than Collision and Collision coverages are not available separately; these coverages must be selected together. Collision coverage can have a higher deductible.

- Medical payments coverage cannot be selected on the same policy with Personal Injury Protection coverage.
- Custom or Additional Equipment coverage will only be available on vehicles where OTC and Collision coverage is selected.
- Custom or Additional Equipment coverage on vehicles will only be covered if the custom or additional equipment is listed on the application and additional premium is paid on the cost new of the equipment.
- Custom or Additional Equipment coverage is limited to \$2,500 in total value per vehicle.
- Custom or Additional Equipment includes coverage for: custom paint, custom wheels, phone equipment, stereo/sound equipment, video equipment, lift kits (6 inch max), and navigation/GPS.
- Photos and receipts are required for Custom or Additional Equipment coverage and should be maintained with the application.

B. Voluntary Coverage Endorsements

The applicant may select/purchase the following endorsements to increase coverage:

- **Custom or Additional Equipment Coverage Endorsement**
The basic policy does not provide any coverage for Custom or Additional Equipment installed on the insured vehicle, including items such as custom wheels, camper shells, or navigational equipment. Purchase of this endorsement allows an insured to specifically list any custom equipment items they may have on the insured auto and obtain coverage for its actual cash value.
-

C. Policy Term

All policies are issued for a term of six months only.

D. Fees

- **Policy Fee/Renewal/Reissue:** \$72.00 per six-month policy period
- **Motor Vehicle Crime Prevention Authority Fee (MVCPA):** \$2.50 per vehicle per six-month policy term
- **SR22 Fee:** \$25.00 per filing
- **Standard Installment Fee:** \$10.00
- **EFT Installment Fee:** \$6.00 (recurrent payment by insured credit card)
- Up to a \$20.00 fee for **non-payment cancellations**
- **Assisted Payment Convenience Fee:** \$3.95
- **Non-Sufficient Funds Fee:** \$25.00

E. Payment Plans

Payment Plan	Down Payment	1st Installment Due
6 Pay Plan (Down + 5 Installments)	16.67% Down + ATPF fee + Policy Fee Split	20 Days (30 thereafter)
6 Pay Plan (Down + 5 Installments)	25% Down + ATPF fee + Policy Fee Split	30 Days (30 thereafter)
6 Pay Plan (Down + 5 Installments) Pay in Full*	30% Down + ATPF fee + Policy Fee Split 100% Down + ATPF fee + Policy Fee	30 Days (30 thereafter) N/A includes * PIF Discount

All pay plans are available for Insured EFT and credit card payments. Auto-Pay is available for Insured credit card recurrent payments, when selected an Auto-Pay discount will apply. With Auto-Pay, the amount due will be debited on the due date. If payment is unsuccessful on the due date, the system will continue to attempt debiting until the day before the policy is set to cancel for non-payment.

The company may introduce, vary and/or remove certain pay plans from the product line as necessary. Only pay plans shown on our website rating system are available for use in your area. We charge an installment fee for each payment and renewal down payment.

For all pay plans with the exception of the Pay in Full option, the down payment will be followed by installments, each of which will include an installment fee. All pay plans include a policy fee. All pay plans include a Motor Vehicle Crime Prevention Authority Fee (MVCPA) fee per vehicle per six-month policy term will be included in the down payment.

An Assisted Payment Convenience Fee will be charged on all forms of installment payments processed with the assistance of Agents or Customer Service Representatives. This fee is not charged on installment payments made when the policy is on automatic payments, in accordance with OCCC advisory bulletin B15-2. There is also no fee when the insured elects to make a payment by paper check with an agent or by mail, in accordance with Texas Business and Commerce Code 116.002. The insurance application will notify and obtain written consent for this fee in accordance with Texas Insurance Code 4005.003.

F. Drivers

All persons 15 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 drivers or specifically excluded. If an individual is to be excluded, the named driver exclusion must be signed by the named insured. Unlicensed drivers and drivers with a suspended or expired license are acceptable but are expected to obtain a license consistent with the requirements of the State of Texas.

G. Excluded Drivers

Any household members who are 15 or older and not listed on the policy must be excluded on the Named Driver Exclusion and acknowledged by the signature of the named insured. Policies can be written for an insured that is not the registered/titled owner, but the registered/titled owner must be rated or excluded on the policy.

H. License State Matrix

License Status	Classification (Corresponds to option on Rater)
Texas	Texas
Other U.S. State	Applicable State
International	Non - USA
Unlicensed or Never Licensed	Unverified License
License Expired	Applicable State with license status of Expired
Occupational	Unverified License
Suspended (with SR-22)	Texas license status of Suspended and with SR-22
Suspended (with no SR-22)	Applicable State with license status of Suspended
Revoked (with SR-22)	Unacceptable
Revoked (with no SR-22)	Unacceptable
Cancelled (with SR-22)	Unacceptable
Cancelled (with no SR-22)	Unacceptable
Permit	Unacceptable

I. Unacceptable Risks

The Company reserves the right to make final underwriting decisions on all applications. The following is a general list of unacceptable risks; however, a combination of factors may cause some applications to be unacceptable even if not specifically mentioned in the following information.

The following drivers are considered unacceptable:

- More than 8 drivers per policy.
- Any operator who is not a resident of the State of Texas.
- Military personnel are the exception as are students.
- Any operator under the age of 15.
- Any named insured under the age of 18.
- Any operator who lives or works in Mexico.
- Migratory risks, including transient and seasonal workers.
- All entertainers, athletes, and celebrities, or any professional individual who is nationally or locally well known to a large segment of the population. This does not apply to elected officials.
- Operators with more than 14 driver points in the 36 months immediately preceding the effective date of the policy.
- Operators with more than two at fault accidents in the 36 months immediately preceding the effective date of the policy.
- Operators with more than one alcohol or drug related charge in the 36 months immediately preceding the effective date of the policy.
- Operators with more than one major violation in the 36 months immediately preceding the effective date of the policy.
- Students residing and/or attending school in a state other than Texas if the vehicles are garaged with them.
- Military personnel stationed outside of Texas for longer than 6 months.
- Any operator who has been convicted of a vehicle theft, evading police, or vehicular manslaughter within the last 5 years.
- Operators who are contracted with a transportation network company and who use their vehicles while doing work for the TNC, unless they have purchased a ride-sharing policy with an insurance company.
- Insureds or drivers involved in an accident who do not cooperate with the investigation of a claim. Not responding to the claims department's contact attempts is considered not cooperating.
- Unacceptable risks will be permitted to be added after the new business underwriting period and on renewal policies. If an unacceptable risk is added after the new business underwriting period, the policy may be non-renewed at the anniversary renewal date or an unacceptable risk surcharge may be applied.

J. Vehicles

All vehicles must be registered/titled to the named insured, his/her spouse, a listed driver, or an excluded driver. Motor vehicles including private passenger, station wagon, utility, pickup or van which do not exceed one ton load capacity are eligible for this program.

The following vehicles are considered unacceptable. See Appendix A for additional details.

Commonwealth does not allow more than 6 vehicles per policy and does not allow more than 1 extra vehicles than drivers. For example, 1 driver with 3 vehicles is unacceptable, but 1 driver with 2 vehicles is acceptable.

Vehicle Types

- Conversion vans/pickups (for physical damage)
- Cargo vans regardless of reported use
- Dune buggies, Baja bugs and/or any other type of ATV or off-road vehicle or any vehicle not licensed for road use
- Motorcycles
- Motor Homes, RVs, Campers, Travel Trailers, or any vehicles with plumbing, cooking, or refrigerator packages
- Vehicles built/designed for, or used in, speed contests or designed for commercial use
- Flatbed vehicles and cab and chassis only vehicles
- Vehicles having a Gross Vehicle Weight (GVW) of more than 10,000 pounds or more than 1 ton of load capacity
- Open air vehicles, including those with detachable roofs (except convertibles) not otherwise listed

Value, Age and Condition

- For Liability, any vehicle with a base price greater than \$80,000
- For Physical Damage, any vehicle with a base price greater than \$65,000
- Vehicles over 30 years old are not acceptable for Physical Damage coverages
- Any vehicle which has been substantially modified in appearance or performance, or mechanically altered; i.e. high suspension or lift kits (greater than 6 inches)
- Any pickup, van or utility vehicle that does not have bumpers
- Vehicles with pre-existing damage (other than cosmetic), where physical damage or uninsured/underinsured motorist property damage coverage is being requested
- Salvaged, restored or reconstructed vehicles. Restored salvage may be issued for liability only

- Vehicles not inspected by the agent where physical damage coverage has been requested

Ownership and Usage

- Vehicles titled to a legal entity or DBA
- 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.
- Any vehicle used for service with a transportation network company, such as Uber or Lyft.
- Any vehicle used for service with a delivery network company, such as UberEATS, UberRUSH, or Postmates.

Unacceptable vehicles will be permitted to be added after the new business underwriting period and on renewal policies. If an unacceptable vehicle is added after the new business underwriting period, the policy may be non-renewed at the anniversary renewal date, or an unacceptable risk surcharge may be applied.

K. Surcharges

Driver points are based on all occurrences and/or violations that have occurred in the thirty-six months immediately preceding the policy or the renewal date. Any accidents listed on a motor vehicle, application or other underwriting report will be considered at fault unless a police report or written explanation is provided stating one of the following:

- The insured vehicle was legally parked.
- The insured or a listed driver was struck in the rear while legally stopped for traffic or a traffic device.
- The insured or a listed driver was involved in an accident with a hit & run driver and reported to the police within 24 hours after the occurrence.
- The insured or a listed driver on the policy received a judgment or reimbursement from a third party and no liability payment was made on behalf of the insured.

If an at-fault accident and a violation arise out of the same incident, the one resulting in the largest surcharge will apply. If an at-fault accident occurs in conjunction with a major violation, both incidents will be surcharged.

L. Discounts Requiring Documentation

If the proof of eligibility for a discount is received after the policy is issued, the discount will be applied on a pro-rata basis.

- **Transfer Discount** - a transfer discount may apply to the policy when the named insured can provide proof of prior insurance coverage from a company other than Commonwealth for the six months immediately preceding the effective date of the policy and has not had a lapse in coverage of more than 30 days. Proof of the prior insurance coverage is required with the application and the binding of coverage. Acceptable proof of prior insurance includes a letter of experience on prior carrier letter head, company issued Declaration page, applicable renewal offer or ID card with an expiration date within 30 days of the effective date of the Commonwealth policy.
- **Agency Internal Transfer Discount** - A transfer discount may apply to the policy when the named insured is eligible for the prior coverage discount as defined above and the prior coverage was written by the same agency. Proof of prior insurance coverage written by the same agency is required.
- **Multi Policy Discount Level I** - a discount may apply to the policy when the named insured submits acceptable proof of another line of insurance. Acceptable lines of insurance are Homeowners, Renters, and Mobile Home insurance.
- **Multi Policy Discount Level II** - A discount may apply when the named insured submits acceptable proof of another line of insurance purchased through the same agency that has written the auto policy. Acceptable lines of insurance are Homeowners, Renters, and Mobile Home insurance.
- **Good Student Discount** - A discount will apply to the vehicle a driver between the age of 16-24 is rated on when the driver has a GPA of 3.0 or higher or has made the Dean's list during the previous quarter or semester. The discount applies only to full time students who have not had an AT FAULT accident or more than 1 minor violations within the last 3 years. Verification of full-time status and GPA/Dean's list must be provided.
- **Military Discount**- Applies to drivers who are in active military duty and are an E-3 or above or are retired Military officers. A valid military ID must be shown, and an affidavit must be completed and submitted for the discount to apply.
- **Renewal Discount**- A renewal discount may apply to the policy when the policy has renewed with Commonwealth. This discount is in addition to the Transfer discount. This discount will be removed if the policy has a lapse of more than 30 days.
- **Association Discount** - A rate differential may be applied at renewal to the total policy premium if the Named Insured is an active member of associations, societies, employers,

organizations, or credit unions approved by the company at the time this differential is initially applied to the policy.

- **Advanced Purchase Discount-** A discount may be applied when the policy is purchased at least 3 days prior to the new business effective date. This discount will not be applied when proof of prior insurance is not provided. This discount will not be applied when the agency internal transfer discount is also applied.

M. Vehicle Usage Options

Use of Vehicle

Pleasure
Drive to Work < 20 Miles
Drive to Work >= 20 Miles
Business/Artisan
School

N. Annual Miles Driven Breakdown

Annual Mileage Bands

0-2000	11001-12000	21001-24000
2001-4000	12001-13000	24001+
4001-6000	13001-14000	
6001-8000	14001-15000	
8001-9000	15001-17000	
9001-10000	17001-19000	
10001-11000	19001-21000	

O. Additional Discounts and Surcharges

- Any driver added to the policy in term (after the 60th day following the effective date of coverage) that is defined as being unacceptable in the underwriting rules/guidelines will be surcharged in addition to any other surcharges that may apply. A surcharge will apply to the policy. See rating manual for surcharge.
- If the garaging address or primary area of operation of any listed vehicle on the policy is moved outside of Texas (after the 60th day following the effective date of coverage) or if the insured moves their residence outside of Texas a surcharge will apply. A surcharge will apply to the policy. See rating manual for surcharge.
- Any vehicle or coverage added in term (after the 60th day following the effective date of coverage) that is defined as being unacceptable in the underwriting rules/guidelines will be surcharged in addition to any other surcharges that may apply. A surcharge will apply to the policy. See rating manual for surcharge.
- Inexperienced Driver surcharge will be applied to all drivers licensed less than 3 years
- Pay in Full Discount - If the insured elects to pay for the policy in full, a discount will be applied to the policy. See rating manual for Pay Plan discounts.
- Recurrent/Electronic Fund Transfer Discount - If the insured elects to enroll in auto pay a discount will be applied to the policy. See rating manual for Pay Plan discounts.
- SR-22 surcharge will be applied to any driver who requires an SR-22.

NOTE: Within the first 60 days following the effective date of coverage, the addition of any driver, vehicle, or coverage, or a change that otherwise results in a risk that is unacceptable under our underwriting guidelines, may result in cancellation of the policy in lieu of the application of an Additional Surcharge.

3. POLICY SERVICES

A. SR22 Filings

If an SR22 filing is needed by the insured or a member of the household living with the named insured, it will be filed electronically with the State. A copy of what was submitted electronically will be provided along with the new business paperwork provided at the time of the sale.

If the SR22 filing is needed after the policy is effective, contact Customer Service for assistance. There is a fee for the processing of the SR22 filing. SR22 filings will only be processed in the state of Texas for the name insured and for members of the household living with the named insured.

B. Endorsements

Endorsements can be processed online at commonwealthcasualty.com by phone, fax, or email.

Endorsements processed online will detail any additional premium and any amount to collect. Once the endorsement is submitted online, a confirmation page will generate. If an Endorsement results in a return premium, the insured's policy will be credited, and remaining payments will be lowered.

Endorsements cannot be backdated without verification that the insured requested the endorsement be processed on a prior date.

C. Cancellations

Flat cancellation is not permitted by the insured or producer once the policy is in force, unless there is duplicate coverage for the same risk. If a flat cancellation is being requested due to duplicate coverage, a copy of the declaration page from the other insurer indicating the policy dates is required. The company may flat cancel for down payments which are returned by the bank for non-sufficient funds. Agents are to notify the company immediately upon receiving notice of the NSF from the bank. A copy of the front and back of the returned check along with the request to cancel must be faxed to the Company.

Insured's checks for installment payments that are returned for non-sufficient funds will be cancelled giving the appropriate notice.

With the exception of flat cancellations, all cancellations will be calculated on a pro rata basis. A request by the insured to cancel the policy must be no earlier than the date the agent or company was notified by the named insured. Any request to backdate the cancellation of the policy by an insured request will be reviewed on a case by case basis.

Adverse Underwriting cancellations will adhere to Texas Insurance Code 551.103 and 551.104.

Cancellations for non-payment or for any other permissible reason under the Texas Insurance Code will be provided a 10 day notice of cancellation.

D. Renewals

A renewal policy will be issued after the inception of the new policy period if all premiums owed on the current policy have been paid and the first payment of the renewal policy has been received prior to the expiration of the current policy term. Notice of Non-renewal will be sent at least 60 days prior to the annual policy renewal date.

If the appropriate renewal payment is not paid and mailed (U.S. Postal Postmark) by the expiration date of the six-month policy term, coverage will expire on the final day (expiration date) of the current policy term (there is no grace period). If the appropriate semi-annual renewal payment is not mailed/postmarked (U.S. Postal Postmark) by the actual semi-annual anniversary date, coverage will expire effective that date (there is no grace period).

The renewal policy can be paid in full or will be billed in four or six installments to include the appropriate down payment. The gross premium plus a policy fee will be equally divided over the installments. The first installment on a renewed policy will include an ATPF fee for each listed vehicle, plus the SR22 fee if applicable.

E. Reinstatements

If a policy is cancelled for underwriting reasons, and the reasons for cancellation have been corrected prior to the cancellation date, the policy will remain in force without a lapse.

If the reason for cancellation was for non-payment and payment is postmarked/received by the agent or company within the cancellation notification period as required by the insurance code (10 days from the date of the cancellation notice), the company will reinstate with no lapse in coverage.

F. Reissues

Reissues can be processed online at commonwealthcasualty.com. A policy that cancels for non-payment is eligible for the reissue option. Policies that are ineligible for the reissue option include policies that are cancelled for underwriting reasons, cancelled for insured NSF, or had a non-renewal posted.

4. PREMIUM DETERMINATION

If an application is submitted with an improper driver class, discount, surcharge, etc. the policy will be issued at the appropriate rate level according to the rules as set forth in this manual.

A. Driver Classification

Age refers to the driver's age at policy effective date. A marital status of "single" refers to an unmarried, divorced or legally separated driver. A marital status of "married" means a legally married person residing in the same household as his/her spouse or recently "widowed" spouse. A spouse must be listed as an active driver or excluded from the policy. Coverage will continue for the spouse during a period of separation in contemplation of divorce.

B. Physical Damage

A pre-insurance vehicle inspection form must be completed at the time of application for all vehicles insured with physical damage and/or Uninsured/Underinsured Motorist Property Damage coverage.

Vehicles should be inspected as follows:

- Verify that the VIN number on the dashboard matches the VIN number of the registration and application.
- Walk around the vehicle to check for existing damage. If there is existing damage, the damage must be clearly described on the inspection form and photos must be taken and maintained with the application paperwork.
- Odometer reading must be completed.
- This same procedure applies when endorsing vehicles with physical damage.

A vehicle inspection form is required for each vehicle insured with physical damage and/or uninsured/underinsured motorist property damage coverage. If a loss occurs and it is determined that the producer did not actually inspect the vehicle and prior damages are paid for by the Company, the Company reserves the right to make a claim for these previous damages from the producer.

Exception: Vehicle inspections are not required for new vehicles if a copy of a licensed dealer's bill of sale, invoice or window sticker is submitted with application.

C. **Insurance Scoring**

- An Insurance Score based upon credit history information may be ordered for the named insured as part of the quote process.
 - An applicant has the right to not provide the last 4 digits of their Social Security Number, but this may result in a No hit result.
 - All applicants will receive the FCRA required notice.
 - If a score is ordered and returns a result of subject deceased, then the application is unacceptable. The applicant will have the option to verify/modify their information and have the Company re-order to obtain a new result.
 - The Company will not use an insurance score developed using factors that are prohibited by law or applicable regulation.
-

D. Vehicle History Tiering

A Vehicle History Score is obtained from a third party vendor report based solely on the vehicle's 17-digit VIN.

5. MATERIAL MISREPRESENTATION

It is important that agents ask all questions directly to the applicant and clearly explain the consequences of providing false information. Complete and accurate information on the application is required in order to bind coverage. Material misrepresentation that may affect the policy or a claim is when the matter misrepresented was material to the risk or contributed to the contingency or event on which the policy became due and payable. It is a question of fact whether a misrepresentation made in the application for the policy or in the policy itself was material to the risk or contributed to the contingency or event on which the policy became due and payable. Misrepresentation includes, but is not limited to the following:

- Failure to disclose all household members aged 15 or older.
 - Use of an incorrect garaging address
 - Failure to report all prior accidents or violations on the application, failure to accurately report vehicle usage or vehicles available for use.
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A. Routine Audits

Routine audits may be performed on random files. Agencies will be required to provide file documentation to a Company representative during an on-site visit or remotely. Agencies will receive a list of required documentation that must be submitted to our office within a specific time frame. Failure to submit the documentation will result in a failed audit. Failed audits may result in termination of the agency agreement. Only the agency agreement will be affected. Active policies written by the agency that has been terminated will continue unaffected until such time the agency moves the business at the request of the insured or the policy cancels or is non-renewed for any valid underwriting reasons as allowed by the Texas Insurance Code.

B. Policy Credit/Refunds

Whenever a policy incurs a premium credit, the credit will be used to reduce the policy term's balance. If there is no balance, the credit will be refunded back to the insured. Credits of \$10.00 or less will be refunded at the insured's request or be applied to the next policy term.

6. APPENDIX A - UNACCEPTABLE VEHICLES

MAKE	Models Unacceptable for Physical Damage
Acura	RDX
Audi	S models
BMW	6 Series
Buick	Enclave
Chevrolet	Corvette, Camaro ZL1, Camaro SS, Monte Carlo SS
Datsun	Z models
Dodge	Raider
GMC	Sierra 2500
Jeep	Gladiator Mojave
Land Rover	All Models
Lexus	LS Models, ES Models, GS Models
Mazda	RX7
Mercedes- Benz	CL class
Nissan	300XZ, 350Z, 370Z
Pontiac	Firebirds
Volkswagen	Thing
Make and Trims	Trims for Models unacceptable for Physical Damage
Ford	Mustang Shelby GT350, F150 & F250: Harley Davidson, King Ranch, Platinum, Raptor, Supercrew; F-250: Limited, Lariat
Chevrolet	Silverado 1500 & Silverado 2500: Rally; Silverado 2500: High Country, Z71
Ram	2500 Models: Power Wagon, Limited, Laramie Longhorn
Van Conversions	All makes and Models

MAKE	Models Unacceptable for All Coverage
Acura	NSX
AM General	Hummer Models
Aston Martin	All Models
Audi	R8, RS models
Avanti	All Models
Bentley	All Models
Bertone	All Models
Bluebird	All Models
BMW	8-series, M Series, Z8, 7 Series, i3, i4, iX, XM
Bricklin	All Models
Bugatti	All Models
Buick	Grand National
Cadillac	STS, Escalade
Chevrolet	Corvette Z06, Express Cargo- all Trims , Express G- all Trims , Orlando, Silverado 3500, Silverado 4500, Trax, Bolt, Volt
Chrysler	Prowler
Coda	All Models
Daewoo	All Models
Daihatsu	All Models
DeLorean	All Models
Dinan	All Models
Dodge	Viper, Challenger Hellcat, Challenger, Charger Hellcat, Sprint, Stealth RT, Rams 3500 and higher Trims- Power Wagon, Laramie, Limited, Laramie Longhorn, Scat Pack
Eagle	2000 GTX
Ferrari	All Models
Fiat	X1/9, Spider
Fisker	All Models
Ford	Cobra Models, GT, Saleen Models, Mustang Shelby GT500, Mustang V6, F150 SVT, Transit, F-350, F-450, F150 Lightning EV, Trim- Tremor, Roush
GEM	All Models
Geo	Tracker
GMC	Tracker, Savana; Trims- AT4, Denali, 3500 series Trucks and Higher
Honda	Insight, EV Plus
Hyundai	IONIQ
Infinity	QX80
Isuzu	Amigo
Jaguar	XK Series, F-Type
Jensen	All Models

Kia	Borrego, EV6, Soul EV
Lada	All Models
Laforza	All Models
Lamborghini	All Models
Lexus	LFA
Lotus	All Models
Maserati	All Models
Maybach	All Models
McLaren	All Models
Mercedes-Benz	AMG Models, G class, SL class, SLR, Sprinter, 600 Class, GL class, S class, EQS, EQB
Mobility Ventures	All Models
Morgan	All Models-ALL
Nissan	GT-R, NV, Titan Platinum Reserve, Titan Pro 4X, Titan SL, Titan XD, TAMA, Hypermini, Leaf, ARIYA, Altra EV
Pantera	All Models
Pinanfarina	All Models
Polestar	All Models
Plymouth	Prowler
Porsche	All Models
Ram	Promaster, 3500 Truck series and Higher
Rivian	All Models
Renault	All Models
Rolls-Royce	All Models
Ruf	All Models
Shelby	All Models
Smart	All Models
Sterling	All Models
Subaru	Brat, STI models, Solterra
Suzuki	Samurai, Sidekick, X90, JIMNY
Tesla	All Models
Think	All Models
Toyota	Supra, Celica GT, Tundra 1794
Triumph	All Models
TVR	All Models
Volkswagen	ID Buzz
VPG	All Models
Wheego	All Models
Yugo	All Models

All Other	Fuel Cell Vehicles, Pickup Trucks Over 1-Ton And All Other Vehicles 1-Ton Or Greater. Dually trucks, any limited editions vehicles, Chassis only Models, Cargo Vans, any Electric Models
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*Note – Please note that this Unacceptable Vehicles list does not apply to newly acquired vehicles on the existing policy term.

7. ACCIDENTS AND VIOLATIONS

- Point Values for Accidents and Traffic Infractions: Point surcharge for all applicants will be determined by Motor Vehicle Records and CLUE reports, applicants declared violations and accidents, and from the Company's own records. Point surcharges will only apply to convictions. If a violation is due to expire from the MVR within 30 days of the effective date, said violation will be waived. Use the conviction date to determine when to apply points.
- Determine the rating group by the total points for the past 36 months for all traffic violations. If multiple violations arise out of one occurrence, charge only for the item with the most points.
- A chargeable accident is defined as an at-fault accident where the total damages exceed \$1,000. An at-fault accident is defined as any accident that is caused by or significantly contributed to be the actions of the insured. The insured must be determined to be 51% or more at fault for the accident to be deemed chargeable.
- All same occurrence major violations (6 and 5 point violations) will be charged in addition to any At Fault accidents.

A. Driver Points

6 Points:

- Conviction of any felony in the commission of which a motor vehicle is used.
- Fleeing or attempting to elude a police officer.
- Leaving the scene of an accident.
- Hit and Run.

5 Points:

- Driving or in control of any vehicle while under the influence of alcohol/chemical substance.
- Reckless/Negligent Driving. (Includes: Driving on shoulder, ditch or sidewalk; Failure to have vehicle under control; Driving on the wrong side of the road; Racing on a public highway).

4 Points:

- Each at fault accident.
- Making false accident reports.
- Driving without a valid driver's license or while license suspended.
- Refusal to submit to breath/blood alcohol test.
- Speeding 31+ miles per hour over the speed limit

2 Points:

- Speeding 21-30 miles per hour or more over the speed limit.

1 Point:

- Speeding 11-20 miles per hour over the speed limit.
- Applicant will be surcharged for the first of the following minor violations. Multiple minor violations that occurred simultaneously will be charged as one point. Violations for driving 65 MPH or less in 55MPH zone will not be charged. Seatbelt violations will not be charged.
- Failure to obey traffic instruction/sign/device (light, stop sign, one way, etc.)
- Improper lane change
- Speeding 1-10 miles
- Failure to yield.
- Passing a stopped school bus.
- Improper turn.

- Failure to signal.
- Transporting hazardous substances.
- Following too closely.
- Obstructing traffic.
- Improper passing.
- Driving without lights.
- Special hazard-failure to use due care.
- Failure to keep in proper lane.
- Improper enter exit of traffic-way.
- Disobeying emergency vehicle regulations.
- Violation of restriction.
- Driving while disabled.
- Open container-Driver.
- All other moving violations, except for seat belt violations, which are not subject to surcharge per Texas Law.

8. CLAIMS

All claims should be reported as promptly as possible. Accidents involving injuries or that render the insured vehicle not drivable should be reported to Commonwealth Casualty Company within 24 hours, or as soon as practicable.

Claims phone number: 877-603-1310- follow the prompts to file a claim.

Fax number: 877-472-3009