



Noble General
Agency LLC

TEXAS PRIVATE PASSENGER AUTO UNDERWRITING GUIDE

UNDERWRITTEN BY: OLD AMERICAN COUNTY MUTUAL FIRE
INSURANCE COMPANY

EFFECTIVE DATE:

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COMPANY CONTACTS

Customer Service & Underwriting:

Main Number (945) 218-5536

Toll Free: (888) 512-3103

Fax: (945) 218-5525

underwritingNG@nobleinsga.com

Claims:

Main Number: (945) 218-5538

Toll Free: (888) 512-3223

Fax: (945) 218-5525

claimsNG@nobleinsga.com

Marketing:

Main Number: (972) 810-7996

Fax: (945) 218-5579

marketingNG@nobleinsga.com

Mailing Address:

Noble General Agency

P.O. Box 1966

Marble Falls, TX 78654

Agency Portal Website

<https://www.nobleinsga.com/agents>



Customer Portal Website

<https://www.nobleinsga.com/customers>



CLAIM REPORTING

Regardless of how minor, all accidents must be reported to Noble General Agency immediately by the named insured, insured driver, claimant, or producer. **Phone numbers are provided above. Claims may also be submitted 24 hours a day 7 days a week on our website at www.nobleinsga.com/file-a-claim**

Immediate and direct reporting allows Noble to assess the damages and circumstances of a loss more accurately and will drastically speed up the claims handling process.

Producer does not have the authority to handle, adjust or settle any claim.

GENERAL INFORMATION

1. Policy terms of 1, 2, 3 and 6 months are available at New Business. Policies of a term less than 6 months MUST BE PAID IN FULL at the time of binding. See the payment plans section of this guide for plans available on a semi-annual term.
2. All applications must be consistent with the written program guidelines contained herein and the Noble General Agency Sub-Producer Agreement. All information on the application must be accurately completed. Material misrepresentation may result in the denial of coverage and the policy will be considered null and void. The company reserves the right to cancel or reject any risk, in accordance with Texas laws.
3. If an application or an endorsement contains UMBI, UMPD, PIP, Other than collision or Collision coverage, two (2) clear color photos showing all four (4) sides of the vehicle must be submitted with the application.
4. All agents are required to abide by the Texas Department of Insurance Rules and Regulations regarding the execution and binding of insurance policies. Any violations could result in the policy being null and void, expose the agency to an Errors and Omissions claim or even void the agency contract with the Company.
5. The policy fee applies to all new and renewal policies and is non-commissionable. This fee is collected in full on paid in full policies, or collected in installments for (3) or (6) month policies setup under an installment billing plan. Policy fees will be refunded on a pro-rata basis if the policy cancels midterm.
6. A fee must be paid to the Motor Vehicle Crime Preventions Authority (MVCPA). This fee is fully earned at policy inception for both new and renewal policies.
7. Commission on policies will be paid within twenty (20) days after the end of a month. All commission activity is netted out on "Agent's Monthly Statement" and paid accordingly. If there is a balance due back to NGA, the agent must submit payment upon receipt of statement.
8. Noble forms are required to be used for the processing of all NGA business. All forms are available on our website. (www.nobleinsga.com)
9. If there is a quote discrepancy between our system and a comparison rating system or other online rater, the rate from our system will be the correct rate. Please notify us immediately of any discrepancies so we can take steps to correct the issue.

IMPORTANT NOTES

1. No flat cancellations will be allowed on any policy returned after the inception date. All cancellation requests must be in writing and must include the reason for cancellation. A policy may be flat cancelled if we receive proof of duplicate coverage or if the down payment on a new or renewal term is returned for insufficient funds. No reinstatement is allowed on flat canceled policies.
2. All policy cancellations by the company will be pro-rata using a pro rata calculation.
3. On a check or ACH returned for non-sufficient funds, or a recurring credit/debit card payment which payment is declined, on the initial payment for a new or renewal policy term, the policy shall be null, and void and no coverage shall apply. The policy will not be reinstated.
4. We may order MVR's, background checks, household driver reports or other relevant reports for the discovery of potential drivers, vehicles, violations, or accidents. Please encourage the insured to fully disclose all household residents, or drivers who may operate the vehicle on a regular or infrequent basis, along with the driving records of all drivers listed to avoid the need for premium adjustments or cancellations. Drivers that the insured chooses to not be rated may be excluded by name with the completion of a Named Driver and Partial Rejection of Coverage Endorsement form (515A).
5. Reinstatement or renewal of policies without a lapse in coverage will not be allowed if payment is not made or postmarked prior to the renewal or cancellation date. Policies may be reinstated or renewed with a lapse in coverage if the minimum payment to reinstate or renew the policy is paid with a reinstatement fee. The reinstatement or renewal date will be at 12:01 AM the date following the receipt of payment or the postmark date if the payment is mailed to Noble General Agency. Coverage will be bound as of the date and time the payment is received. No premium will be charged for the period of time which the policy was not in effect.

BINDING

ALL RISKS MUST BE UPLOADED INTO OUR WEB-BASED POLICY ISSUANCE SYSTEM TO BE PROPERLY BOUND PRIOR TO ISSUING ANY ID CARD OR DECLARATION PAGE. THIS WILL INCLUDE ALL NEW APPLICATIONS, RENEWALS, ENDORSEMENTS AND DIRECT BILL

PAYMENTS. AGENTS MUST UPLOAD ALL ACCEPTED PAYMENTS AT THE TIME RECEIVED. PAYMENTS NOT PROPERLY RECEIPTED AND POSTED COULD RESULT IN A LAPSE IN COVERAGE.

1. Coverage is bound at the date and time the application and all other required documents are signed by the insured and agent, and the appropriate payment is collected and posted to our policy issuance system.
2. All bound applications must be completed accurately and indicate the exact coverages with corresponding premium. If there is no premium charged for coverage listed on the application or declaration page, then that coverage is not included on the policy.
3. The signed application **MUST BE UPLOADED OR FAXED** to the company within one (1) working day and the original retained on file at the agency. Original applications will be requested as a part of our agent audit process or when required by underwriting and or claims. Agents must submit requested original applications within 72 hours of the request.
4. All required supporting documentation such as discount proofs, vehicle inspection forms and vehicle photos must be submitted within two (2) working days of the submission of the applicable policy or endorsement.
5. **Premium payments receipted and posted by agents must be available for sweep from the agency premium account on file with Noble, within three (3) business days.**
6. All applications must involve the type of vehicle, coverage and risk that adhere to our underwriting guidelines.
7. The policy issuance system allows agents to issue the Declaration Page and ID Card at the point of sale. These should be printed and attached to the Noble General Agency Privacy Notice and Policy Jacket and provide those to the insured unless the insured has signed the **Notice to The Applicant Regarding Policy Forms and Endorsements** as a part of the application.
8. If an applicant declines to participate in the electronic signature process, then the agent must allow the applicant the option to complete the application process using a traditional pen and paper. Electronic signatures are not for remote use and applicants must be present with a valid photo ID to sign and bind coverage.

SEVERE WEATHER PROCEDURES

All submissions for new business and endorsements on existing policies that have an effect of increasing the company's exposure are suspended from the time the National Weather Service issues a "watch" or "warning" related to any type of weather event. This suspension is applicable within 100 miles of the "watch" or "warning" area. Normal submission activity will be reinstated 24 hours after the "watch" and/or "warning" is lifted by the National Weather Service. It is the agent's responsibility to be aware of all "watch" and "warning" issuance in their region.

ENDORSEMENTS

ALL ENDORSEMENT REQUESTS MUST BE PROCESSED INTO THE NGA ONLINE POLICY MANAGEMENT SYSTEM.

1. A quote will be provided prior to the final processing of the endorsement request. For all endorsements which result in an increase in premium **the agent is REQUIRED TO COLLECT the appropriate premium.** A \$5.00 fee will apply to positive premium endorsements only.
2. All endorsements that involve the removal and/or the reduction of coverages, deductibles, vehicles, or drivers **MUST** be signed by the insured. E&O Carriers recommend agents obtain a signed request for any policy change.
3. All endorsements that add UMBI, UMPD, PIP, OTC and/or Collision must have an inspection form completed and two (2) clear color photos of the vehicle that show all four sides of the vehicle before coverage can be bound.

SR-22 FILINGS

There will be a processing fee for SR-22 filings on all policy terms that apply once on each new policy, for each operator requiring a filing. SR-22 forms must be completed and given to the insured by the agent. It is the responsibility of the insured to file their SR-22 and any required fees with the Texas Department of Public Safety. SR-22 filings will only be made on the named insured and immediate family members of the household when living with the named insured if coverage exists on the policy. SR-22 filings are for the State of Texas only. The SR-22 filing fee must be paid in full. Fees are fully earned and non-refundable. NGA will file the SR-26 on lapsed policies.

CANCELLATIONS

POLICIES MAY BE CANCELLED AS FOLLOWS:

THE NAMED INSURED OR THEIR AGENT, UPON HIS/HER REQUEST, MAY CANCEL A POLICY BY:

- Surrender of the original policy to the company.
- Sending written notice to the company stating the cancellation effective date.
- Submitting a signed "Lost Policy Release" to the company.

The effective date of the cancellation will be **12:01 am** the day following the date the request is faxed or mailed to the company as evidenced by a US postal service postmark.

THE COMPANY (NGA) MAY CANCEL A POLICY WITH DIRECT NOTICE MAILED TO THE INSURED.

- If the policy is cancelled for any reason, the return premium will be computed pro-rata.
- No flat cancellation will be allowed by the agent or insured unless we receive proof of duplicate coverage.
- The company for any reason may cancel the policy within the first 60 days.
- Policy will be "Null and Void" in the event NGA or the agent receives a down payment where insufficient (NSF) funds apply.

REFUNDS

Premium refunds will be mailed to the last known address of the named insured within 14 days of the cancellation of the policy. Premium refunds in an amount less than \$1.00 will only be processed upon the request of the insured.

PAYMENT PLANS AND FEES

THE FOLLOWING PAYMENT PLANS ARE AVAILABLE:

Policy Term	Down payment %	# of payments	1 st bill due	Subsequent bills
1, 2 & 3 Month	100%	N/A	N/A	N/A
Semi-Annual	17%	5	20	30
Semi-Annual	25%	4	30	30
Semi-Annual	100%	N/A	N/A	N/A

THE FOLLOWING FEES ARE APPLICABLE TO PREMIUM INSTALLMENTS, LATE PAYMENTS, POLICY REINSTATEMENTS AND CHECK OR ELECTRONIC ACH PAYMENTS THAT ARE RETURNED FOR NON-SUFFICIENT FUNDS:

Fee Type	Amount	Fee Type	Amount
Billing Fee (Semi-Annual)	Varies	NSF Fee	\$30.00
Payment Processing Fee	\$3.00	SR-22 Fee (1 Month)	\$5.00
Late Payment Fee (Semi-Annual)	\$5.00	SR-22 Fee (2 Month)	\$10.00
Policy Lapse Fee	\$5.00	SR-22 Fee (3 Month)	\$15.00
Endorsement Fee	\$5.00	SR-22 Fee (Semi-Annual)	\$25.00

1. Fees are fully earned when collected by the company and are not included in commission calculation.
2. All Policies include a **Policy Fee**. Policy fees apply to new business, renewals, and rewrites. See rate pages for fee amounts.
3. Billing fees begin at \$3.00 for \$500.00 annualized premium, \$0.50 additional for each \$250.00 in annualized premium.
4. If payment is not received by the due date a ten (10) day notice of cancellation will be issued.
5. On a cancelled policy, reinstatements are permitted with a maximum lapse of 30 days.
6. On an expired policy, renewals are permitted with a maximum lapse of 30 days.
7. **A Motor Vehicle Crime Prevention Authority Fee (MVCPA)** is assessed for each vehicle insured on all new, renewal, rewritten and endorsed policies. Additional vehicles added during the term will also be assessed the MVCPA Fee. The fee is fully earned when applied.
8. All checks and money orders should be made payable to Noble General Agency.
9. **NSF Check or ACH Policy;** If an insured's check or ACH payment is returned by the bank or financial institution for payment, the policy will immediately return to the prepayment status and an NSF Fee will be applied to the policy. For all new and renewal down payments the policy will be flat-cancelled, and a new application **MUST** be submitted. **FLAT-CANCELLED POLICIES CAN NOT BE REINSTATED UNDER ANY CIRCUMSTANCES.**
10. Recurring payments are available on all policies and can be set up via ACH or credit/debit card. If a policy is set up with recurring payments and an ACH is returned NSF or a credit/debit card payment is declined the recurring payments will be immediately removed from the policy.

POLICY TYPES & ENDORSEMENTS

Full Limited - The following endorsements are included:

OACM.PhysDam.001, OACM.YCA.002c, OACM.Storage.004, OACM.DelFee.005, OACM.ContLiab.006, OACM.AutoTerm.007, OACM.CrimeIntent.008, OACMMisreFraud.009, OACM.OutofState.016a, OACM.Punitive.018, OACM.RentPropNOAuto.019a, OACM.NoBusiness.020, OACM.TempVeh.022, OACM 551a.Mexico Coverage-LIMITED Endorsement, 525 Foreign Made and Discontinued Makes of Auto

Standard- The following endorsements are included:

OACM.Punitive.018, and OACM.NoBusiness.020, OACM.TempVeh.022, OACM 551a.Mexico Coverage-LIMITED Endorsement, 525 Foreign Made and Discontinued Makes of Auto

Additional Endorsements- The following are optional endorsements that may be added to your policy:

530A Loss Payable Clause, 571A Financial Responsibility Certificate, 523C Rental Reimbursement Coverage, 524A Towing and Labor Costs,

COVERAGES

- Liability- Bodily Injury & Property Damage limits of \$30,000 / \$60,000 / \$25,000. No higher limits available at this time.
- Uninsured/Underinsured Motorist Bodily Injury - \$30,000 / \$60,000
- Uninsured/Underinsured Motorist Property Damage - \$25,000. Available only with Uninsured/Underinsured Motorist Bodily Injury.
- Personal Injury Protection - \$2,500
- Damage for your Auto- Other than Collision and Collision-ACV Less Deductible. Available Deductibles are \$250, \$500, \$1000. Deductible selections must match for comprehensive and collision coverages.
- Towing \$40 per occurrence-Available only with Comprehensive and Collision Coverages.
- Rental Reimbursement options are \$20 per day/\$400 Max, \$20 per day/ \$600 Max, \$25 per day/\$500 Max, and \$25 per day, \$750 Max. Available only with Comprehensive and Collision Coverages.

UNDERWRITING RULES

1. All persons in the household, age fourteen (14) years or older must be listed on the application as a rated driver or excluded from coverage. **This QUESTION IS MANDATORY and must be asked by agents on all applications and endorsements.**
2. Eligible vehicles must operate on four wheels. Motorcycles, trucks, or any vehicle that operates on more or less than 4 wheels are not acceptable.
3. Eligible vehicles must have a Gross Vehicle Weight of less than 10,000 lbs. and may not have a load capacity of 3/4 ton or greater.
4. No more than 4 vehicles may be included on a policy. Five (5) or more vehicles require an additional policy to be insured. We will not accept more than two (2) policies per household.
5. Vehicles must be titled to an individual. Vehicles titled to a business, charitable organization or any other entity are not acceptable.
6. Drivers over the age of **79 years old are required to submit a "Physician Health Statement"**, signed by a physician, indicating their ability to operate a motor vehicle.
7. Driver disclosure reports may be obtained on new and/or renewal policies. A premium adjustment may be made as a result of additional drivers being discovered.
8. Any claim filed within the first sixty (60) days of policy inception will be grounds for cancellation.
9. Drivers must be legally married or deemed married by the state in order to be rated as married. The company recognizes common law marriage(s) for driver class assignment. Drivers who are single, widowed, legally separated, divorced, or in a relationship that is not recognized by the state will be rated as single. Married couples that are living apart, except for those residing separately due to military or career obligations, will be rated as single.
10. All drivers aged nineteen (19) and older will be charged an inexperienced operator if they have a license and have been licensed less than (3) years. This does not apply to foreign/international licensed or Consulate ID operators.
11. All vehicles for which insurance is provided through the Company must be registered/titled to the named insured, a listed driver or an excluded driver residing in the insured's household. The registered/titled owner must be listed as either an operator or excluded.
12. Vehicles with a salvage or re-built title will not be acceptable for physical damage coverage. If it is determined a vehicle written has a salvage or re-built title a 50% deduction may be taken from the vehicle value.
13. All accidents and violations will be chargeable if they occurred **in the 36 months prior to the policy inception. See rating rules for point values.**
14. Vehicles that are garaged primarily at an address other than the garaging address listed on the policy are not acceptable. Vehicles which are garaged outside the state of Texas more than 3 months of the year are not acceptable.
15. New business written for drivers with a valid driver's license from a state other than Texas, have 30 days from the policy inception to obtain a Texas Driver's license in order to maintain coverage and prevent cancellation.
16. Drivers who do not hold a valid Texas driver's license are not acceptable for a Standard policy unless they are ACTIVE US Military.

17. **Drivers without a valid TX driver's license are acceptable for a limited policy.** See surcharge section of this guide for applicable surcharges.
18. Drivers who are a citizen of a country other than the United States of America are eligible for a limited policy by providing acceptable identification. Failure to provide documentation will result in possible cancellation or surcharge. See surcharge section for details.
19. **(All drivers without a valid Texas Driver's license that are acceptable on a Limited policy will be surcharged. See our section on surcharges for more information.**

UNACCEPTABLE RISKS

Unacceptable Operators

- Drivers whose license has been suspended or revoked, unless eligible for reinstatement with an SR-22
- Drivers with more than 3 accidents in the prior 36 months or 2 accidents in the prior 12 months regardless of fault. Applies to New Business.
- Any Insured not permanently residing in the state of Texas.
- Drivers that live or work in Mexico.
- Students attending school outside of Texas.
- Any person of wide public notoriety such as professional athletes or celebrities. This rule does not apply to elected officials.
- Employees or Agents of Noble General Agency.
- Drivers who commute more than 50 miles to work one way.
- Drivers with more than 1 DUI in the prior 12 months or more than 2 DUI's in the prior 36 months.
- Drivers with more than 16 points over the age of 29.
- Drivers with more than 10 points under the age of 30.
- Drivers with a felony conviction in the last 2 years.
- Drivers with more than one felony conviction in the last 10 years.
- Drivers who work more than 25 miles outside of the state of Texas.
- Drivers of the age 80 or above that do not submit an acceptable "Physician Health Statement."
- Any driver that uses an insured vehicle for delivery purposes or in the course of their employment.
- Physically or mentally impaired drivers if the disability affects their ability to operate a motor vehicle.

Unacceptable Vehicles for all Coverages

- Any vehicle manufactured prior to 1970.
- Antique, Classic, obsolete models, rare and gray market vehicles. Classic Autos: A classic auto is an auto over 10 years old and which because of limited production or exceptionally fine workmanship, is a rarity or of historic interest.
- Vehicles garaged outside Texas, including vehicles used by students attending school outside Texas.
- Vehicles registered and titled in another state outside of Texas.
- Vehicles used in speed contests or racing, altered or "Hot Rod" vehicles.
- Police or emergency vehicles.
- Vehicles used in pick-up and/or delivery, of any kind, regardless of the type of cargo, including persons, property, or product. This includes but is not limited to the pick-up and/or delivery of people, mail, newspapers, pizza or food of any kind, or any other types of retail or wholesale delivery. This includes persons picking up or delivering goods for use in any business venture, i.e., artisan contractors.
- Dune Buggies or similar off-road vehicles.
- Vehicles used to carry person or property for a fee of any kind, this includes any transportation network application/ company, or "rideshare" application / company, and public livery such as taxis, limousines, etc.
- Vehicles used in the business of a trucker.
- Vehicles used in business.
- Vehicles owned or leased by a corporation or partnership.
- Vehicles not titled to or not in the process of being titled to the named insured (or spouse)
- 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.)
- Vehicles not leased or owned by (titled to) the named insured or vehicles rented to others.
- Parade or show cars; altered vehicles (we will allow alterations in case of physical handicap); kit cars; RV or RV equipped vehicles; wreckers; tow trucks; buses; step vans; flat beds; dump trucks; or vehicles with a load capacity 1 ton or greater.
- Replica autos
- Vehicles with fiberglass or stainless-steel bodies.
- Vehicles used to carry explosive or flammable materials.
- Mobile homes, trailers, motor homes, or any vehicle used as a primary residence.
- Conversion vans or conversion trucks.
- Hybrid or electric vehicles
- Unacceptable vehicles are ineligible for any new business coverage. See surcharge section for details on unacceptable vehicles newly acquired during the policy term.

See the following chart for additional specific models that are NOT acceptable for any coverage.

Make	Model	Make	Model	Make	Model	Make	Model
Acura	NSX	Dodge	Stealth Turbo	Lotus	All Models	Renault	All Models
Alfa Romeo	All Models	Dodge	Any SRT	Maybach	All Models	Rolls Royce	All Models
Aston Martin	All Models	Ferrari	All Models	Maserati	All Models	Rover	All Models
Audi	S4, 5, 6 & 8 Series	Ford	GT	Mitsubishi	3000 Series	Saab	900 Turbo
Bentley	All Models	Ford	Cobra	Morgan	All Models	Saleen	All Models
Bugatti	All Models	Ford	Roush	Mosler	All Models	Shelby	All Models
Cadillac	V Series	Ford	Boss 302	Nissan	Z Models	Sterling	All Models
Chevrolet	Corvette	Hummer	H1	Nissan	GTR	Subaru	STI Series
Chevrolet	Camaro V8	Hummer	H2	Panoz	All Models	Suzuki	Samurai
Chevrolet	Monte Carlo SS	Hyundai	Equus	Pantera	All Models	Suzuki	Sidekick
Chevrolet	Express G 3500	Infiniti	Q Series	Pontiac	Firebird	Tesla	All Models
Chevrolet	Silverado 3500	Jaguar	All Models	Pontiac	Trans Am	Toyota	Land Cruiser
Chrysler	Prowler	Lamborghini	All Models	Porsche	All Models	Toyota	Prius
Dodge	Viper	Land Rover	All Models	Qvale	All Models	Yugo	All Models
Dodge	Stealth R/T	Lexus	L series				

Unacceptable Vehicles for Physical Damage

- Vehicles for years 2010 and older with an ISO rating symbol of 21 or higher.
- Vehicles for years 2011 and newer with an ISO collision rating symbol of 42 or higher.
- Vehicles over 20 years old
- Vehicles with preexisting and unrepaired damage unless the damage is noted on the vehicle inspection and photos are provided.
- Convertibles
- The following specific make and models are unacceptable for OTC and Collision:

BMW	Mercedes-Benz	Mitsubishi
5, 6, 7 and 8 series	400, 500 and 600 series	G Eclipse Spyder
X5 and X6 series	E, G, S, SL and CL models	
M and Z series	R and AMG series	

RATING RULES

DRIVER CLASSIFICATION

- The driver classification is based on the age and marital status of each married driver. See rate pages for classification and corresponding factors.
- Operators will be rated based on the age they will attain within 30 days from the policy effective date.
- A policy license class factor will be applied based on the named insured.

DRIVER ASSIGNMENT

Drivers will be assigned based on the highest rated vehicles to the highest rated driver.

- **Calculation of the highest rated vehicle will be based on the following:** Vehicles with physical damage will be higher than all vehicles with liability only. For vehicles with Physical damage multiply the Collision Symbol factor x the vehicle age factor x 1+ any vehicle surcharge factor. Sort the values from highest to lowest to determine the highest rated vehicle. For vehicles with Liability only multiply the vehicle age factor x 1+ any vehicle surcharge factor that may apply. Sort from highest to lowest to determine the highest rated vehicle. Discounts and surcharges are calculated separately for each individual coverage.
- **Calculation of the highest rated driver will be based on the following:** Multiply the Driver Class factor x the point surcharge factor x 1+ any applicable driver surcharge factor. Sort from highest to lowest to determine the highest rated driver to lowest rated driver.
- If there are more vehicles than drivers a default driver class of XSV will be utilized. See rate book for factors.

DRIVER POINTS

Points are assigned by NGA to the driver for accidents and violations in the prior 36 months. See the driver violation section for appropriate point assignment.

DRIVER EXCLUSIONS

Drivers that are excluded by name will not be rated. A signed 515A exclusion form must accompany the application. Drivers with permits are required to be rated or excluded.

VEHICLE SYMBOLS

ISO symbols are used for the rating of all vehicles with OTC and Collision coverages.

VEHICLE AGE GROUPS

The Vehicle Age Group equals one plus the Current Model Year minus the Vehicle Model Year. Use the Vehicle Age Group Factors Table to look up the age factor for the coverage. The Current Model Year shall be updated October 1 of each calendar year, regardless of the actual introductory dates of a new model year for individual makes and models. If a new model year is released before October 1, then it will be rated as Age Group 1. Any rebuilt or structurally modified vehicles will have their age determined by the age of the vehicle's chassis. See Rate Pages.

DISCOUNTS

The Maximum total discount allowed is 30%

1. **MULTI-CAR DISCOUNT** applies to all policies that include two or more vehicles. The discount applies to Bodily Injury (BI), Property Damage (PD), and Other Than Collision (OTC) and Collision with like coverage.
2. **PROOF OF PRIOR DISCOUNT** applies to (6) month term policies that are at-fault accident & claim free for the previous thirty-six (36) months. Named insured and/or their rated spouse **MUST SUPPORT SIX (6) OR TWELVE (12) MONTHS PROOF OF PRIOR COVERAGE, with NO MORE THAN A THIRTY (30) DAY LAPSE** in coverage. Discount varies based on length of prior coverage. Required proof to submit with application is a renewal offer; company generated ID card, or DEC page. We do not accept temporary ID cards as proof. The discount applies to BI, PD, OTC and Collision coverage. The discount will be removed with any at-fault claim. At-fault claims that are neither paid nor payable will not disqualify a policyholder from earning or maintaining any of the above discounts.
3. **NGA CLAIM FREE (RENEWAL) DISCOUNT** applies to (6-month term) policies. Policy must remain at-fault accident & claim free for the previous thirty-six (36) months with a minimum of six (6) consecutive months of coverage with NGA and no more than a thirty (30) day lapse in coverage. This is a system discount; the agent is not required to provide proof of previous NGA policyholder coverage. The discount will be removed with any at-fault claim. The discount applies to BI, PD, OTC and Collision coverage. At-fault claims that are neither paid nor payable will not disqualify a policyholder from earning or maintaining any of the above discounts.
4. **NGA (LOYALTY) DISCOUNT** applies to (1, 2 and 3-month term) policies that are at-fault accident & claim free for the previous thirty-six (36) months with six (6) consecutive months of coverage with NGA and no more than a thirty (30) day lapse in coverage. This is a system discount; the agent is not required to provide proof of previous NGA policyholder coverage. The discount will be removed with any at-fault accident or claim. The discount applies to BI and PD coverage. At-fault claims that are neither paid nor payable will not disqualify a policyholder from earning or maintaining any of the above discounts.
5. **PAID IN FULL DISCOUNT** applies to (3 and 6-month) policies paid in full at the time the policy is sold. The discount applies to BI, PD, OTC and Collision coverage.
6. **HOMEOWNERS DISCOUNT** applies to (6-month term) policies where the named insured owns a home. (Permanent dwelling, other than mobile-home or trailer). Proof of home ownership is required and must be submitted with the application. The discount applies to BI, PD, OTC and Collision coverage.

SURCHARGES

1. **LIABILITY SURCHARGE WITH PHYSICAL DAMAGE**
 - a. Applies by vehicle.

- b. Applies to all vehicles that include OTC & Collision coverages.
 - c. Applies only to BI & PD coverages.
- 2. MATRICULA CONSULAR ID SURCHARGE/FOREIGN PASSPORT**
- a. Applies to drivers that are citizens of a country other than the US and are able to provide acceptable proof in the form of the following:
 - i. **Valid, unexpired** Consular Identification (Matricula Consular) from their country of origin.
 - ii. **Valid, unexpired** Foreign Passport from their country of origin.
 - iii. The Consulate ID (Matricula Consular) and/or Foreign Passport must be uploaded and attached to the policy to prevent underwriting action such as uprate or cancelation.
 - b. Applies to BI, PD, OTC, and Collision
- 3. FOREIGN AND INTERNATIONAL DRIVER SURCHARGE**
- a. Applies to drivers that are citizens of a country other than the US and hold any of the following:
 - i. Foreign or International Driver's License
 - ii. Expired Passport or Consulate ID from their country of origin.
 - iii. Foreign Voter Registration Card (Tarjeta de Elector) from their country of origin.
 - iv. Foreign identification must be uploaded and attached to the policy to prevent underwriting action such as uprate or cancelation.
 - b. Applies to BI, PD, OTC, and Collision
- 4. EXPIRED/CURRENTLY SUSPENDED LICENSE SURCHARGES**
- a. Applies to all drivers with an expired Texas License
 - b. Applies to BI, PD, OTC, and Collision
 - c. Surcharge may be removed by providing proof that they now have a valid Texas Driver's License. See rate book for surcharges.
- 5. OUT OF STATE LICENSE SURCHARGE**
- a. Applies to all drivers with a valid US license from a state Other than Texas.
 - b. Applies to BI, PD, OTC, and Collision
 - c. Surcharge may be removed by providing proof that they now have a valid Texas Driver's License.
- 6. TEXAS ID ONLY**
- a. Applies to all Drivers that hold a Texas ID Only
 - b. Applies to BI, PD, OTC, and Collision
- 7. TEXAS DRIVERS PERMIT ONLY**
- a. Applies to all drivers with a Texas Drivers Permit Only
 - b. Applies to BI, PD, OTC, and Collision
 - c. Surcharge may be removed by providing proof that they now have a valid Texas Driver's License
- 8. ELIGIBLE NON-LICENSED /UNVERIFIABLE LICENSE SURCHARGE**
- a. Applies to all operators who are not able to provide any proof of Identification which displays the date of birth of the driver. Also applies when Driver License information is provided but is unable to be verified by the Company through an MVR request.
 - b. Applies to BI, PD, OTC and Collision
 - c. Surcharge may be removed upon the receipt of acceptable proof of identity including but not limited to a driver's license, acceptable foreign/international documentation, or Texas ID.
- 9. INEXPERIENCED OPERATOR**
- a. Applies to drivers aged nineteen (19) and older if they have a US license and have been licensed less than (3) years. This does not apply to foreign/international, consulate ID, eligible non-licensed, Texas ID or Texas permit operators.
- 10. UNACCEPTABLE OPERATOR SURCHARGE**
- a. Applies to drivers that do not meet our acceptable operator profile.
 - b. Any unacceptable operator will be classified as the highest rated driver by default.
 - c. Applies to the vehicle which the unacceptable operator is the assigned rated driver.
 - d. Applies to BI, PD, OTC and Collision.
 - e. Any policy for which the unacceptable operator surcharge has been applied will be non-renewed at the next available opportunity.
- 11. UNACCEPTABLE VEHICLE SURCHARGE**
- a. Applies to any vehicle included in our list of unacceptable vehicles which is newly acquired during the policy term.
 - b. Applies to any vehicle listed in our unacceptable for physical damage profile if those vehicles include OTC and Collision.
 - c. Applies to vehicles with a current actual cash value greater than \$45,000.
 - d. Applies to BI, PD, OTC, and Collision.
 - e. Any policy for which the unacceptable vehicle surcharge has been applied will be non-renewed at the next available opportunity.

DRIVER VIOLATIONS AND ACCIDENTS

Determine the rating group by the total points for the past thirty-six (36) months for accidents and all traffic infractions. If multiple infractions arise out of one occurrence, charge only for the one item with the most points. If one car, use only the classification and record of the driver which develops the highest premium. Felony traffic violations not listed below will be subject to Criminal Background Underwriting.

***NOTES:**

- (1) If a violation is due to come off the MVR within thirty (30) days of the effective date, said violation will be waived.
- (2) At-fault claims that are neither paid nor payable will be assessed 0 points.
- (3) All accidents with claims will be considered chargeable if they result in the following:
 - a. Bodily injury payments of \$1 or more.
 - b. Property damage payments of \$500 or more.
 - c. Collision payments of \$1 or more.

Major Point Values for Accidents and Serious Traffic Infractions

Point surcharges for all applicants and renewals will be determined by Motor Vehicle Record except when violations have occurred within the previous sixty (60) days, and from the Company's own records as follows:

Displaying an altered or false license or the license of another	2 Points
Driving on shoulder.	2 Points
Speeding in a school zone.	2 Points
Passing a stopped school bus.	2 Points
Disregard a no passing zone.	2 Points
At-fault accidents	3 Points
Careless or reckless driving, negligent driving, criminal negligence or racing or speed contest	3 Points
Making false accident reports.	3 Points
Willfully failing or refusing to comply with any lawful order or direction of any police officer or member of the fire department.	3 Points
Obstructing an officer.	3 Points
Driving while license is suspended or revoked.	3 Points
Driving without owner's consent.	3 Points
Negligent collision.	5 Points
DUI or any Drug or Alcohol related offense	5 Points

Minor Non-Criminal Traffic Infractions:

The following violations are charged one (1) point each.

- Failure to obey traffic instructions, sign/device (stop sign, wrong way on a one-way street, red light, rotary intersection, safety zone, avoiding a traffic light or inoperative traffic light Failure to yield right of way.
- Improper lane change.
- Improper turn or turned when unsafe.
- Failure to yield right of way.
- Failure to signal for direction on slowing.
- Transporting hazardous substances.
- Parking on roadway or highway.
- Improper start.
- Improper backing.
- Following too closely.
- Failure to have vehicle under control.
- Obstructing traffic.
- Improper passing.
- Driving without lights.
- Special hazard-failure to use due care.
- Driving on the wrong side of road.
- Failure to keep in proper lane.
- Improper enter/exit traffic-way.
- Failure to stop at an inoperative traffic signal.
- Disobeying emergency vehicle regulations.
- Failure to observe traffic zone.
- Giving wrong signal.
- Violation of restriction.
- Improper child restraint.
- Allow unlicensed driver to drive or unlawful operation of vehicle.
- Driving with expired license.
- Improper or prohibited U-Turn.
- Turned when unsafe.

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- Driving too fast for conditions.
 - Excessive acceleration, squealing or screeching tires.
 - Failure to control speed.
 - Speeding
 - All other Minor Moving violations

Exception for Convictions Only:

The following shall not be regarded as a moving traffic violation:

- Any equipment requirement of the motor vehicle and traffic laws, except brakes.
- Failure to display proper license plates provided such plates are in existence.
- Failure to have in one's possession an operator or chauffeur license provided there is one in existence.
- Car-pool lane violations.
- Open container – Passenger.
- Driving without insurance

COMPLIANCE WITH STATUTES**PRODUCER COMPLIANCE WITH TAC §5.401**

Rule number §5.401 – Temporary and Permanent Requirements Regarding Underwriting Treatment of and Disclosure to Applicants for Private Passenger Automobile Liability Insurance.

PRODUCER RESPONSIBILITY:

Inform applicants who meets the qualifications of TAC §5.401 (d) of the approximate cost of coverage available through the assigned risk plan. This is your (the producer's) responsibility.

TAC §5.401 (D) STATES:

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.