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UNDERWRITING RULES AND GUIDELINES

Notable changes: Name and logo update

Underwriting Rules & Guidelines

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Rule 1: Acceptance of Risk

Patriot General Agency 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, we remain the final authority in the acceptance or continuation of any risk.

Rule 2: Binding Authority

The producer must be appointed by Patriot General Agency and issued a producer number prior to binding any policies with us. For coverage to be bound, the following must be met:

- The applicant must meet all underwriting criteria.
- The down payment or full premium must accompany the application or endorsement. Applications and endorsements processed through our agency online system will be bound effective the date and time assigned by the system.
- Applications or endorsements may not be bound before the application / endorsement is signed and money is received.
- If the Application contains the Coverages of Comprehensive, Collision, and UMPD, a vehicle inspection and Photos are required and must be attached to the Application.
- All residents in the household age 15 and older and all regular and frequent vehicle operators **MUST** be listed or excluded on the application.

Patriot General Agency will not accept applications or endorsements during specific events, which represent an elevated exposure level to Patriot General Agency. Agents are responsible for enforcing these temporary binding restrictions, whether Patriot General Agency issues a bulletin, or the system is modified to prevent binding. No applications or endorsements may be bound during the following events:

- Hailstorms, hurricane, tropical storm, tornado, flood watch (or warning) is in effect.

The suspension expires 48 hours after the warning / watch expires.

Rule 3: Application

New business may be bound no earlier than the time and date the applicant signs a fully completed application and pays the required down payment. Appropriate supporting documentation must be uploaded immediately including the application.

Rule 4: Endorsements

All endorsements are processed through our agency online system. Any additional premium needed will be generated by our system. The insured has 20 days to notify us of any replacement or additional vehicles. The agent has 72 hours binding authority.

No mid-term premium adjustment

- Changes in driving record
- Changes in driver age

Premium adjustments

- Vehicles added to the policy
- Drivers added to the policy
 - If the added driver has any violation and the violation voids any discounts, the discount is removed pro-rata.

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Signatures required

- Deleted or reduced coverage
- Increasing deductibles
- Deleting a vehicle (unless replacing it)
- Deleting a driver

If a policy is endorsed to provide coverage for an unacceptable vehicle, the policy will be cancelled if within the first 60-days of new business issuance or the unacceptable risk surcharge will be applied or non-renewed at the anniversary date if beyond 60-days from the original effective date.

Rule 5: Uprates

When a policy is issued at an amount higher than the amount quoted, Patriot General Agency will send a letter to the insured along with the new policy. The letter will show the uprated premium amount and reason(s) for the uprate. Any down payment shortage will be due immediately; the additional amount owed (if acceptable) will be divided equally among all remaining installments.

If the uprate is reduced or eliminated by a later endorsement, an outstanding installment bill will not be reissued. However, the reduced installment amount due (available by calling Patriot General Agency) may be paid. The remaining premium due will then be spread among the remaining unbilled installments.

If the policy is issued at an amount lower than the amount quoted, the return premium will be divided equally among the remaining installments. If the policy is paid in full, the balance will be refunded.

Rule 6: Named Insured

The named insured may be written as the following:

- An individual
- Husband and wife as co-named insureds if they reside in the same household

Other rules that apply:

- Only one policy can be issued per named insured.
- Named insured must be 18 years or older.
- Automobile leasing companies may be listed as an additional insured. However, no other businesses are acceptable as an additional insured.
- A policy may not be written in the names of two or more individuals, including a parent and a child. If a vehicle is titled to two related persons, only one may be listed as the named insured. Patriot General Agency will list the second person as a designated listed driver if requested.
- Other relatives or dependents of the insured may list their owned or leased vehicles on the policy provided they reside in the same household and as long they are listed drivers on the policy
- A roommate or significant-other permanently residing with a named insured may list his or her vehicle on the policy provided he or she is declared as a driver and is also listed as an Additional Insured for that vehicle.
- The vehicle owner/lessee may not be excluded.

Rule 7: Driver to Vehicle Assignment

Policy rate is determined by assigning the highest rated driver to the highest rated vehicle and the second highest rated driver to the second highest rated vehicle, etc.

Rule 8: Policy Terms

1- and 6-month policies are offered.

Rule 9: Named Non-Owner

Liability coverage is available for operators of non-owned private passenger vehicles, whom do not have access to any personal use vehicle on a regular basis, including vehicles owned by household members. Non-owner policies provide minimum limits of liability protection for the named insured while driving a non-owned auto. UMBI and PIP can also be added and SR-22's is available. Named non-owner policies are not available for 1-month policies.

The named insured can be only one individual. Coverage is provided only for the named individual while operating vehicles eligible for coverage under the Private Passenger Auto Policy that are not owned by the named insured or spouse and in some case, family members. Coverage is not provided for any person other than the individual named insured, such as spouses, family members, etc. A separate policy is required for each individual.

Rental Car, Towing and Labor and Physical Damage coverage for non-owner policies are not available. Non-Owner coverage is not available for business use or artisan purposes.

Rule 10: Unacceptable Operators

- Drivers who are fifteen (15) years of age and under are not acceptable and require a signed "Exclusion of Named Driver" Form.
- Drivers without a garaging address.
- Any operator living or working in Mexico.
- Operators with a revoked or suspended license, unless applying a SR22.
- Any operator that has been convicted of insurance fraud.
- Persons residing outside the state for greater than 60 days per year.
- Students attending school outside the state of Texas.
- Any policy with more than 2 at fault accidents/majors / DUIs in the past 12 months or more than 3 at fault accidents / DUIs in the past 36 months.
- Any operator who is physically or mentally impaired who does not provide a physician's statement in which stated that the applicant is capable of safely operating a motor vehicle.
- Any person who has had a policy cancelled by Patriot General Agency for loss experience or misrepresentation.
- Any person convicted of insurance fraud or a felony, regardless of the conviction date.
- Drivers with a Michigan, Massachusetts, New York, or New Jersey driver's license.

All household residents 15 and older must be disclosed in the application. All drivers without a current license who have attained their 75th birthday must be accompanied by a Medical Statement completed and executed by a medical physician certifying the driver to be mentally and physically capable of operating a motor vehicle on public roadways without endangering the public.

A named insured or any listed driver on the policy who fails to respond to a request for information by our staff or fails to cooperate with a claims investigation will be considered an ineligible risk. The policy will be cancelled if within the cancellation period. If outside the cancellation period, an ineligible risk surcharge will be applied and the policy non-renewed when permitted by statute.

Rule 11: Driver Exclusions

New Business - The named insured must complete and sign the driver exclusion form on the application, excluding the specifically named operator(s) from coverage. This exclusion applies to new and all renewal policy terms. Any person other than a named insured may be excluded from coverage. If the spouse is being excluded, the named insured must sign exclusion of Named Driver Form. A surcharge applies when there is an excluded spouse on the policy.

In-Force Policies - An operator can be excluded mid-term. The Named Driver Form must be signed. The effective date of the exclusion will be the date and time the driver exclusion form is postmarked and sent to our office or uploaded in our system. An amended declaration page will be issued. The endorsement will only be superseded by a request to add the excluded driver.

Rule 12: Driver Class

Driver classes are determined based on the driver's date of birth, gender and marital status. The married classification is for those drivers legally married, or deemed legally married by state law, and living with their spouse (except for those persons unable to live together due to military obligations). The single classification is for all other drivers.

If a driver is age 24 or younger and has a birthday within one month of the policy inception date, the policy is issued with the class reflecting the driver's age as of the upcoming birthday. Patriot General Agency's rating system will apply this rule automatically.

Patriot General Agency does not change driver class on a policy during the policy term, except to recognize a change in marital status. Driver class and points are updated only at policy renewal.

Rule 13: Driving Records / MVRs

The experience period for both new and renewal business shall be the 36 months prior to the effective date of the policy. If more than one point charge results from a single incident, all accidents and violations from the incident must be entered in the rating software. The rater will automatically use the highest point charge.

All violations and accidents are considered chargeable unless documentation can be provided that shows the insured is less than 50% at fault. Our violations are charged as follows:

	Category	First Occurrence	Second Occurrence	Each Additional
Accident	A	3	5	5
DWI / DUID	D	3	5	5
Major Violations	M	5	5	5
Suspension / Revoked license	S	3	0	0
Minor Violations	I	2	2	2
Excessive Speed	E	3	3	3
Intermediate Speed	J	2	2	2
Speeding <15 miles over	P	1	1	2
Unacceptable Violations	U	5	5	5
Not Chargeable Violations	O	0	0	0
Unacceptable Violations: felony, manslaughter, murder, homicide, revoked license (w/o SR22), insurance fraud.				

Rule 14: Ineligible Vehicles

Acceptable vehicles include all private passenger automobiles including cars, vans, pickup trucks and vehicles not exceeding 1-ton load capacity. Vehicles must be owned or leased by an individual and may not be used for commercial purposes.

All Coverages:

The following vehicles are unacceptable for any coverage:

- Vehicles titled or garaged outside the state of residence;
- Vehicles not garaged in Texas at least 10 months.
- Flat bed, stake or modified bed trucks, step vans, panel vans or cut-away vans/cab chassis, custom, rebuilt, altered, or modified vehicles (including vehicles with lift kits), and specially built vehicles (including kit cars and Dune/Baja Buggies), off-road vehicles, motor homes, trailers, or any vehicles that must be towed;
- Commercial or emergency vehicles (ambulance, fire and police units), taxis, rental cars, or any vehicle for hire;
- Vehicles not registered to an insured, unless leased under a long-term lease contract from a leasing company;
- Vehicles driven more than 25 miles into Mexico.
- Vehicles with foreign license plates.
- Vehicles more than 40 years old.
- No driver under age 18 as the Named Insured.
- Trucks hauling gasoline, fuel oil, liquified petroleum, gas, or explosive.

The following makes and models are ineligible for **all coverages**

Make	Model	Make	Model	Make	Model	Make	Model
All	Police Vehicles	Chevrolet	Camaro ZLI	Ford	Transit	Mercedes	AMG Models
Acura	NSX All Models	Chevrolet	Corvette	Ford	Raptor	Mercedes	Transit
Audi	TT	Dodge	Challenger SRT	Jaguar	All Models	Nissan	GTR
Audi	R8	Dodge	Challenger 392 Scat Pack & SRT	Jeep	Trackhawk	Nissan	All "Z" Models
Alfa Romeo	Giulia	Dodge	Charger 392 Scat Pack & SRT	Jeep	Wrangler 392	Porsche	All Models
Austin Martin	All Models	Dodge	Sprinter	Jeep	Hellephant	Rolls Royce	All Models
Bentley	All Models	Dodge	Ram Rebel	Lamborghini	All Models	Subaru	WRX
BMW	M Series	Dodge	Demon	Land Rover	All Models	Tesla	All Models
BMW	I Series (Electric)	Dodge	Challenger Hellcat	Lexus RC350	All Models	Toyota Supra	All Models
Bugatti	All Models	Dodge	Charger Hellcat	Lexus LC500	All Models		
Cadillac	CTS-V	Ford	Mustang GT	Lotus	All Models		
Chevrolet	Camaro Exorcist	Ford	Mustang Cobra	Maserati	All Models		
Chevrolet	Camaro SS	Ford	Mustang Shelby	Maybach	All Models		

Physical Damage:

The following vehicles are unacceptable for physical damage coverage. Do not bind physical damage coverage on the following:

- No Physical Damage written without Liability.
- Vehicles with existing damage are acceptable if said damage does not affect the safe operation of the vehicle. All existing damage must be noted on the vehicle inspection form and reflected in photos.
- Gray-market vehicles (those imported into the U.S. that were not originally manufactured for distribution or sale in this country).
- Antique, obsolete, or other vehicles with an inflated value.
- Vehicles 20 years old or older.
- Vehicles with a current value greater than \$35,000.

Rule 15: Unacceptable Vehicle Usage

Vehicles used in any of the following are unacceptable:

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- Vehicles used for pick-up or delivery of any type.
- Vehicles used for emergency or law enforcement.
- Vehicles used for any public or private livery transportation including but not limited to Uber and Lyft (limousines, taxis, buses, or vanpools).
- Transporting nursery or school children.
- Vehicles used for short-term rentals.
- Vehicles used for snowplowing for hire.
- Vehicles used in racing, any type of speed or drag contest or any stunting activity.
- Vehicles used in delivery: mail/parcel post, messenger or courier service, newspaper.
- Vehicles used in business, except for farming, ranching, real estate sales or other sales-related occupations that do not involve delivery of any type or carrying passengers and co-workers in the course of business.
- Vehicles leased or rented to other operators by the applicant.

Rule 16: Business Use

Some business use and artisan use vehicles can be written with Patriot General Agency. To be covered for business and/or artisan use, the following must apply:

1. Personally-owned/registered private passenger vehicles used in business (e.g., realtors, home sales – Avon or Amway type products).
2. Self-employed, owner-operated contractors, dry-wallers, gardeners, etc. Pickups, vans and used by the insured in his/her business or employment.
3. All vehicles must still meet the Private Passenger guidelines and policy contract definitions. Vehicles must be:
 - a. One ton or less.
 - b. Owned by the named insured (individually owned/registered).
 - c. No flatbed, stake bed or modified/altered vehicles.
 - d. Driven by the named insured. Employee-driven vehicles are not permitted.
 - e. The vehicle is driven to one job site during the workday. The vehicle is not used to travel to two or more work sites during the workday.

Ineligible for business/artisan use:

- Vehicles used in wholesale or retail delivery.
- No business names can be advertised on vehicle.
- Auto dealerships.
- Limit of one business/artisan use vehicle per policy.

Rule 17: Coverages

All policies are required to include Bodily Injury and Property Damage.

Bodily Injury (BI)

\$30,000/\$60,000

* All vehicles must have the same BI/PD limits.

Uninsured Motorist Bodily Injury (UMBI)/ Underinsured Motorist Bodily Injury (UIMBI)

\$30,000/\$60,000* A signed rejection must be received if UMBI is not desired.

* The Insured will be charged for Uninsured Motorist coverages until the properly signed rejections are received.

* All vehicles must have the same limits.

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Property Damage (PD)

\$25,000

- * All vehicles must have the same BI/PD limits.

Personal Injury Protection (PIP)

\$2,500

- * Limits are per person/per accident
- * Cannot have MED and PIP coverage
- * Must be the same on all vehicles
- * The Insured will be charged for Personal Injury Protection coverages until the properly signed rejections are received.

Collision (CO) and Other than Collision (OTC)

\$500

\$1000

- * Must be written together
- * Deductibles can vary on each vehicle
- * Physical damage only policies are not available
- * A vehicle inspection form is required for each vehicle with Collision and Other than Collision coverage.
- * If a covered collision loss occurs while your covered auto is being driven by a resident of your household other than you or a person listed on the Declarations page, the deductible applicable to that loss shall be \$2,500.

Towing and Labor

\$50 per disablement / \$150 maximum

\$75 per disablement / \$225 maximum

- * Can be written on liability or full coverage vehicles.
- * Rate is per vehicle.
- * Must have the same limit on each vehicle.

Uninsured Motorist Property Damage (UMPD)

\$25,000

- * All vehicles must have the same UMPD limits.
- * Must have UMBI coverage.
- * A signed rejection must be received if UMPD is not desired.
- * The Insured will be charged for Uninsured Motorist coverages until the properly signed rejections are received.
- * A vehicle inspection form and photos are required for each vehicle with UMPD coverage.
- * Carries a \$250 deductible.

Medical Payments (MED)

\$500

\$1000

\$2000

- * Cannot have MED and PIP coverage
- * Coverage is per person/per accident
- * Must be the same on all vehicles

Rental Reimbursement

\$20 day / \$600 maximum

\$30 day / \$900 maximum

\$40 day / \$1200 maximum

- * Physical damage coverage required
- * 30-day maximum coverage
- * Rate is per vehicle.
- * Must have the same limit on each vehicle.

Accidental Death

\$5000

\$10,000

- * Coverage and rate is per person
- * Must be a rated driver for coverage to apply

Rule 18: Additional / Custom Equipment

Additional / custom equipment is not written at this time with Patriot General Agency.

Rule 19: Future Use

Rule 20: Vehicle Symbols

Patriot General Agency uses ISO Risk Analyzer symbols for rating liability and physical damage coverage.

Named Non-Owner vehicles will be symbol ZZ.

Rule 21: Discounts and Surcharges

The following is the list of discounts and surcharges we offer.

Supporting documentation for any discount must be maintained in the agency and be available upon request.

Discounts

Advanced Quoting Discount

An advanced quote discount will be applied if the applicant qualifies for the Transfer discount and purchases the policy at least 5 days before the effective date.

Paid in Full

If the policy term premium is paid in full at inception or renewal, a paid in full discount will apply. This discount does not apply to premium-financed policies. This discount does not apply to 1-month policies.

Electronic Funds Transfer (EFT) Payment

An EFT discount applies if an insured uses electronic funds transfer as a payment method. This can be set up on an insured's bank account or credit card payments. If the EFT is removed at any point during the policy term, the discount will be removed. This discount does not apply to 1-month policies.

Paperless

The policy term discount will be applied at new business if the named insured agrees to receive policy documents electronically. If the insured endorses Paperless onto the policy mid-term, then the discount will be applied effective on the day the insured confirms his or her paperless preference. To be eligible, the insured must provide and maintain a valid internet mailing (email) address. If the insured requests to receive policy documents by conventional mail, the discount will be removed. This discount does not apply to 1-month policies.

Named Non-Owner

A named non-owner discount is applied when the named non-owner policy option is selected during rating. See Rule 9 for eligibility. This discount does not apply to 1-month policies.

Discount Tier (A combination of multi-car, homeowner, transfer/in agency transfer and renewal discounts)

Multi-car

A discount will be given if two or more vehicles are registered to the named insured as an individual and covered on the same policy. The multi-car discount is applied to like coverages on the policy.

Homeowner

Home ownership includes condominiums, town homes, modular and mobile homes. A mobile home does not have to occupy land owned by the named insured to qualify for the discount. Proof of home ownership (i.e., copy of homeowners insurance declarations page, property tax assessment or mortgage payment coupon) must accompany the application for discount to apply to new business. If insured changes address during the policy term, new proof of ownership for the new residence is required. The insured's name and property address on the documentation showing ownership must be the same as the insured's name and

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mailing address on our policy. The insured must reside in the home and be a declared driver. Renewal customers can also apply for this discount by submitting any of the above documentation.

Transfer

A transfer (prior coverage) discount will be applied if the insured has a policy that has been continuously in-force for 6 months from a company other than Patriot General Agency. Lapse between the effective date of our policy and the termination date of the prior policy may not exceed thirty (30) days. Proof should include the prior company's name, policy number, effective and expiration dates for the previous six (6) months and MUST be uploaded and maintained at the agent's office for auditing.

Acceptable proof includes a policy declarations page, experience letter or renewal offer issued from previous carrier.

In Agency Transfer

The In Agency Transfer discount will be applied, if the agent provides verifiable proof of at least 6 months continuous claim free coverage immediately preceding this policy. The application and the prior insurance must originate from the same retail agency. There may be up to 30 days lapse in coverage.

Renewal Discount

This discount will be applied when the policy has been in force for 6 months. To qualify for the renewal discount the insured may not have more than 30 days lapse in coverage during the initial policy term. The renewal discount will be removed if the insured has more than 30 days lapse in coverage during any policy term.

Surcharges

Excluded Spouse

If a named insured's spouse is excluded on the policy, a surcharge will apply.

Inexperienced operator

Applies to any driver over 21, licensed less than 3 years and a 36-month MVR cannot be obtained.

Ineligible risk

An ineligible risk surcharge will be applied when a named insured refuses to disclose information requested on the application, fails to respond to a request for information our Company or is in violation of our ineligible operator / vehicle rules will be considered an Ineligible Risk. If a risk on the policy (driver or vehicle) becomes ineligible, the ineligible risk surcharge will be applied. Patriot General Agency also reserves the right to cancel or non-renew, subject to the state's cancellation statutes.

Unverifiable Driving Record

If the driving record of any licensed vehicle operator or resident of the household cannot be verified for the preceding 35 months, an unverifiable driving record surcharge will apply. This surcharge only applies to those persons licensed more than 35 months, with a period of 12 or more months, which cannot be verified (i.e., driver being out of the country, driver licensed in a state where an MVR cannot be obtained, etc.). If the prior driving record is subsequently verified within 60 days of the policy issuance, we will remove the surcharge. This does not apply to foreign, international or Mexican driver's licensed drivers.

Rule 22: Business and Artisan Use

Business use includes, but is not limited to private passenger automobiles used by:

- Sales or service representatives,
- Insurance agents,
- Real estate agents; or
- Other professionals visiting multiple locations.

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Vehicles owned by the insured and used in a business.

Artisan Use includes:

- A vehicle not exceeding One ton load capacity which is used to transport tools or other materials, to no more than 2 job sites per day, where such transport is incidental to the insured's trade or business.
- The vehicle must be operated solely by the named insured or other listed drivers.

Ineligible trades for coverage include Pest Control, Roofing, Landscape, Lawn Care and Painting. Multiple (more than 1) Artisan Use Vehicles are not eligible for coverage.

Applications requesting business or artisan use must submit photos and an inspection form. A business use factor will apply when business use is selected.

Rule 23: Down Payment Options

Patriot General Agency offers various monthly and paid in full pay plans, which are detailed on our online system. One policies must be paid in full. Patriot General Agency's online system provides many payment option plans for 6 month policies. These pay plans are used through our direct bill program. We do not accept outside premium financing.

Rule 24: Miscellaneous Fees

All fees are fully earned and not refundable. Policy fees apply to both new and renewal business. Fees are not subject to commission.

Late Fee

An installment payment is not considered late when the payment is uploaded on the due date or received by the agent on the due date. If the policyholder mails the payment, it must be postmarked the day before the due date to avoid a late fee being charged. A late payment fee will be added to the next bill for any mailed installment not postmarked before the due date or electronic payment not uploaded by the due date.

Service Fee

If a payment is taken over the telephone by our Underwriting team, a service fee may be applied.

Theft Prevention Fee

This fee goes to help fund: (1) auto burglary, theft, and fraud prevention, (2) criminal justice efforts, and (3) trauma care and emergency medical services for victims of accidents due to traffic offenses. By law, we send this fee to the Motor Vehicle Crime Prevention Authority (MVCPA). A \$0.33 fee will be charged for each vehicle carrying liability coverage on 1 month term policies. A \$2.00 fee will be charged for each vehicle carrying liability coverage on 6-month term policies.

Endorsement Fee

If an endorsement is processed and creates an additional premium change, a \$5.00 fee will be applied. This fee will be required at the time of binding the endorsement.

Rule 25: Billing Due Date

The same date is used for each bill except in cases where that date does not occur in a given month. For example, a due date normally falling on the 31st will instead fall on the last day of any month with fewer than 31 days.

Once the due date is set, bill is due same day each month.

Rule 26: Return Premiums

If policy is:

- Overpaid and within 60 days of the renewal – the excess premium will be applied to the renewal.
- Overpaid and not within 60 days of the renewal - a refund check will be mailed within 15 days.
- All other overpayments – a refund check will be mailed within 15 days.
- Cancelled or non-renewal status - a refund check will be mailed within 15 business days of the cancellation effective date.

Premium adjustments less than \$5 will be waived, unless requested by the insured. The premium is forfeited to the company and not obligated to refund it unless requested by the insured.

Rule 27: Return Payments

Down Payments

If a return payment is on the down payment, the policy is considered null and void. In the event of a return payment, we will allow a different payment option (cash or credit card), with the NSF fee.

Installment Payments or Reinstatements

If a return payment is on the installment or on a reinstatement, deposited by Patriot General Agency, the insured will be charged a NSF fee for the returned check and a cancellation notice for non-payment of premium will be issued. If the insured replaces the payment, it must be Certified Funds or Money Order. If the agent accepts and uploads a payment to satisfy an NSF payment, they must collect certified funds. We will not reimburse and agent for dishonored funds that were uploaded to replace an NSF payment.

Rule 28: Reinstatements

Non-payment cancellations - If payment is received by Patriot General Agency after the cancellation date, the policy will reinstate effective 12:01am the day after the postmarked date. If it is received in the agent's office, the policy will be reinstated effective the time the agent received the money. Policies are eligible for reinstatements up to 30 days with a lapse in coverage.

Company request cancellations - If a policy is cancelled due to inadequate or missing information, the policy can be reinstated with no lapse if the information is received prior to the date shown on the cancellation notice.

Rule 29: Renewals

Direct bill renewals will be sent to the insured approximately 30 days prior to the policy expiration date.

We post renewal payments using the postmarked or uploaded date. If we do not receive the payment on or before the due date, the policy will expire for non-payment of premium. If payment is received within 30 days of the renewal date, the policy will reinstate with a lapse in coverage. If the payment is postmarked more than 30 days after the due date, a lapse in coverage will not be honored. A new application must be submitted.

Rule 30: Cancellations & Non-Renewals

Cancellations

We will provide at least ten (10) days' notice prior to the date of cancellation. The following rules apply for cancellations:

- We allow flat cancellations due to duplicate coverage only. Proof of duplicate coverage is required. If acceptable proof is not received, the policy will be cancelled effective the date of the request.

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- We allow flat cancellation if the insured does not take possession of newly acquired vehicle. A letter from the dealership is required. If appropriate documentation is not received the policy will be cancelled effective the date of the request.
- If a new or renewal policy cancels due to non-sufficient funds, the policy will be voided.
- If a policy is cancelled by the insured, all return premiums are computed pro-rata. The effective date of the cancellation will be the date requested on the cancellation notice. Insured cancellation requires the insured's signature.
- Returned premium is sent directly to the insured.
- If the policy is cancelled by Patriot General Agency, all return premiums are computed pro-rata.
- All lien holders and additional interests will be provided with proper legal notice.
- If a policy balance remains after cancellation, the insured will continue to be billed for the outstanding balance and could be forwarded to a collection agency if unpaid.

Non-Renewals

We will provide at least thirty (30) days' notice prior to the date of non-renewal of the insurance policy.

Rule 31: Zip/Territory/County

Appropriate territories are provided on a zip code basis using Patriot General Agency's online system.

Rule 32: Financial Responsibility Filings (SR-22)

Patriot General Agency will issue SR-22 filings if:

1. The required SR-22 is for a state in which our Company is licensed.
2. The named insured is not excluded or does not have an unverifiable driver's license.
3. All the vehicles owned by the applicant or the applicant's spouse is written with Patriot General Agency.
4. A fully earned, non-refundable fee is paid for each financial responsibility filing.
5. The name on the application matches the applicant's driver's license.
6. SR-22 filings are only available for 6-month policy term policies.

Rule 33: Material Misrepresentation of Risk

The insured has the responsibility and obligation to complete an application truthfully and fully for insurance. Misrepresentation of risk may affect the insured's eligibility to receive the benefits of the insurance contract.