



# ADVANTAGE UNDERWRITING GUIDE

Effective Date: 01/01/2025



## Table of Contents

<b>Binding Authority .....</b>	<b>3</b>
<b>Policy and Coverages .....</b>	<b>4</b>
A. Policy Term .....	4
B. Policy Territory.....	4
C. Policy Coverages, Limits & Deductibles .....	4
D. Rental Reimbursement .....	5
E. Towing and Labor .....	5
F. Special Equipment .....	5
G. Permissive Use Endorsement .....	5
<b>Drivers .....</b>	<b>5</b>
A. Driver Information.....	5
B. Unacceptable Drivers.....	6
C. Named Insured.....	6
D. Foreign and International Driver's Licenses .....	6
E. Filing Information [SR-22] .....	6
<b>Accidents and Violations.....</b>	<b>7</b>
A. Accidents and Violations – Chargeable Period .....	7
B. Accident Points .....	7
C. Violation Points .....	7
<b>Vehicles .....</b>	<b>8</b>
A. Unacceptable Vehicles .....	8, 9
B. Unacceptable Vehicles for Physical Damage Coverage .....	10
C. Vehicle Usage / Business and Artisan Use .....	10
D. Named Non-Owned Vehicle Coverage Endorsement .....	11
E. Salvage Vehicles .....	11
<b>Discounts .....</b>	<b>11</b>
A. Good Driver Discount .....	11
B. Number of Cars / Number of Drivers Discount .....	12
C. Mature Driver / Defensive Driving Discount .....	12



<b>Documentation and Procedures</b>	<b>13</b>
A. New Business	12
i. Applications	13
ii. Annual Mileage	13
iii. Named User Exclusion	13
iv. Photos	13
v. Additional Documentation Requirements	14
B. Endorsements	14
i. Newly Acquired Vehicles (Additional or Substitute)	14
ii. Deletion of Vehicles	14
iii. Addition of Drivers	14
iv. Deletion of Drivers	15
v. Address Changes	15
vi. Name Changes	15
vii. Mileage Changes	15
viii. Limit and Coverage Changes	16
<b>Rating</b>	<b>15</b>
A. Driver Assignment	15
B. Annual Mileage	15
<b>Billings</b>	<b>17</b>
A. Payment Plan Options	17
B. Bills and Notices	18
C. Late Payments	18
D. Cancellations	18
<b>Claims</b>	<b>19</b>
<b>Fees</b>	<b>19</b>



## Binding Authority

As governed by the Broker Agreement, a broker does not have the authority to bind coverage with the Company. Acceptance of any payments or representations by the broker to the insured is not binding on Aspire General Insurance Company. Brokers are expected to maintain the original and complete signed application and all supporting documents on file in an orderly fashion in their office. Brokers may retain electronically scanned documents in lieu of hard copy, if they are retrievable, durable, legible, unaltered, and compatible with Aspire's system.

Original applications will be bound as of the date on the application, if all the following conditions are met:

- The down payment has been made on the date of the application.
- The application is uploaded electronically to the Company and a policy number is issued.
- The policy effective date does not proceed the date the broker received the down payment.
- The application does not include any class or risk, or type of insurance not specified in the Company Underwriting Guidelines.
- The information contained within the application is, to the best of the broker's knowledge, truthful and accurate.

**THE COMPANY RESERVES THE RIGHT TO MAKE FINAL UNDERWRITING DECISIONS.**

**THE COMPANY MAY REQUEST FROM THE BROKER AND/OR INSURED ADDITIONAL INFORMATION IN ORDER TO ACCURATELY UNDERWRITE OR CLASSIFY THE RISK. REFUSAL OR FAILURE TO PROVIDE REQUESTED INFORMATION MAY RESULT IN THE CANCELLATION OR NONRENEWAL OF POLICY DUE TO A SUBSTANTIAL INCREASE IN HAZARD (CCR 2632.19).**

## Policy and Coverages

### Policy Term

A policy may be written for a term of one (1) month, three (3) months, six (6) months or twelve (12) months.

### Policy Territory

Policy coverage applies within the United States of America, its territories and possessions, and Canada. The policy does not apply in Mexico. Insured's operating their vehicles in Mexico should secure an automobile policy from an authorized Mexican insurance company at the point of entry.

**Policy Coverage, Limits and Deductibles** [**\*\*Limits/Deductibles not available on New Business**, **\*\*\*Not available for New Business until 1/1/2025**, **\*Not Available for New Business as of 1/1/2025**]

Coverage	Limits / Deductibles	Comments
<b>Bodily Injury [BI]</b>	\$15,000/\$30,000*, \$25,000/\$50,000**, \$30,000/\$60,000***, \$50,000/\$100,000**, \$100,000/\$300,000**	<ul style="list-style-type: none"> <li>• BI limits must be the same on all vehicles of a multi-car policy</li> <li>• Liability limits of 50/100 and 100/300 require a U.S. verifiable Driver's License</li> </ul>
<b>Property Damage [PD]</b>	\$5,000*, \$10,000*, \$15,000***, \$25,000**, \$50,000**	<ul style="list-style-type: none"> <li>• PD limits must be the same on all vehicles of a multi-car policy</li> </ul>
<b>Medical Payments [MP]</b>	\$1,000, \$2,000	<ul style="list-style-type: none"> <li>• Medical Payments limits must be the same on all vehicles of a multi-car policy</li> <li>• Limits are available only as excess insurance over any other valid and collectible medical coverage</li> </ul>
<b>Uninsured / Underinsured Motorist – Bodily Injury [UMBI]</b>	\$15,000/\$30,000*, \$25,000/\$50,000**, \$30,000/\$60,000***, \$50,000/\$100,000**, \$100,000/\$300,000**	<ul style="list-style-type: none"> <li>• UM / UIM limits must be the same on all vehicles of a multi-car policy</li> <li>• UM / UIM coverage will be issued unless the rejection form is signed</li> <li>• UIM may not be purchased without UM</li> <li>• UM limit may not exceed the Bodily Injury limit</li> </ul>
<b>Uninsured Motorist Property Damage [UMPD]</b>	\$3,500	<ul style="list-style-type: none"> <li>• UMPD coverage will be issued unless the rejection form is signed</li> <li>• If selected, the UMPD coverage must be written on all vehicles on a multi-car policy</li> <li>• UMPD coverage cannot be written on a policy endorsed with Named Non-Owner Vehicle Coverage</li> <li>• UMPD cannot be purchased with Collision coverage or Collision Damage Waiver Endorsement</li> </ul>
<b>Collision Deductible Waiver [CDW]</b>	\$500, \$750**, \$1,000	<ul style="list-style-type: none"> <li>• When a loss is caused by an uninsured motorist, the collision deductible will be waived if the insured has purchased this option. This coverage is not available with UMPD or without Collision coverage.</li> </ul>
<b>Comprehensive and Collision Deductibles [COMP/COLL]</b>	\$500, \$750**, \$1000	<ul style="list-style-type: none"> <li>• Neither Comprehensive nor Collision coverage may be purchased separately</li> <li>• The Comprehensive and Collision premium for any vehicle includes the loss of or damage to all permanently installed equipment, parts, or accessories, which were installed by the original manufacturer of the vehicle or its dealers</li> </ul>

### **Rental Reimbursement**

Rental Reimbursement coverage reimburses the insured for the lesser of actual daily rental charges or up to the limits shown on the declaration page (\$20/day, 30-day maximum, \$20/day, 20-day maximum, \$30/day, 30-day maximum) for each qualified disablement of a covered vehicle. Qualified disablement means a loss covered by the Liability, Comprehensive, or Collision sections of the policy. Rental Reimbursement may be purchased for any vehicle that has Collision coverage.

### **Towing and Labor**

Towing and Labor coverage reimburses the insured for the lesser of actual towing charges or \$50 per disablement of a covered vehicle subject to \$200 maximum every 12 months. Towing and Labor may be purchased for any vehicle covered by Collision coverage. Mechanical breakdown coverage is not provided.

### **Special Equipment**

No Special Equipment coverage. All applicants must sign a special equipment waiver. The policy language includes a special equipment waiver endorsement declining any coverage to non-factory installed special equipment.

### **Permissive Use Endorsement**

In exchange for increased physical damage premium, physical damage coverage will be provided for permissive users if the driver is:

1. Licensed to operate a motor vehicle; and
2. Not a regular user of an insured vehicle; and
3. Not a resident of the insured's household.

This endorsement may be applied to new business or endorsed to an existing policy. Please refer to our Policy Change section for our rules regarding changes.

## **Drivers**

### **Driver Information**

All members of the household age 14 and older and any regular drivers of the vehicles(s), whether licensed or not, must be listed on the application and either rated or excluded (whether they drive or not). Failure to list and either rate or exclude all members of the household age 14 and older and any regular drivers of the vehicles(s) may result in the policy being rescinded or reformed back to inception.

All registered owners of the insured vehicles must be listed on the application and either rated or excluded (whether they drive or not).

- If the registered owners are not listed as rated or excluded drivers, Aspire General Insurance Company may reform the policy and add the drivers as excluded drivers back to inception.
- There is no coverage for excluded drivers.
- If coverage is desired the insured should request the registered owners to be added as rated drivers.

### **Unacceptable Drivers**

1. Drivers with SR filings where Aspire General Insurance Company does not insure all vehicles in the household. \*
2. Applicant or any rated driver who does not have either a verifiable motor vehicle report or an official photo identification listing the date of birth.
3. Drivers under the minimum age for state licensing or a valid driver's permit.
4. Applicants who have been convicted of insurance fraud. \*
5. Applicants without a permanent residential garaging address. \*
6. Applicants who have had a policy cancelled, rescinded, or non-renewed by Aspire General Insurance Company due to fraud, misrepresentation in connection with an application for insurance or in the presentation or settlement of a claim. \*
7. More than 2 at-fault accidents within the last 36 months.
8. More than 1 driving under the influence of alcohol within the last 36 months.
9. Drivers with 2 or more driving with narcotics, drug, or felony conviction involving motor vehicle within the last 36 months.
10. Drivers with a revoked license.
11. Driver under the age of 21 with a DUI.
12. Driver with more than 18 rating surcharge accident/violation points in the last 36 months.
13. Drivers with 1 or more vehicular manslaughter convictions.

\* This rule does not apply if all drivers on the policy qualify as "Good Drivers", as defined in California Insurance Code 1861.025 and the vehicles insured are private passenger type, as defined in Section 660 of the California Insurance Code.

### **Named Insured**

The Named Insured may be an individual or two persons who reside in the same household. The second Named Insured does not have to be the Named Insured's spouse. A policy with a minor (17 years old or younger) listed as the Named Insured must be signed by the minor's parent or legal guardian to be legally enforceable.

### **Foreign and International Driver's Licenses**

Foreign and International driving experience is acceptable. Brokers are responsible for collecting a copy of an official photo identification listing the date of birth for all drivers without a verifiable driver's license. Any person who claims that he or she meets the criteria of A Good Driver Policy entirely or partially on a driver's license and driving experience acquired anywhere other than in the United States or Canada is rebuttable presumed to be qualified to purchase a Good Driver Discount policy if he or she has been licensed to drive in the United States or Canada for at least the previous 18 months and meets the criteria of subdivisions (a), (b), and (c) of under Section 1861.025 of the California Insurance Code and Section 2632.13 of the California Code of Regulations for that period.

### **Filing Information [SR-22]**

SR filings are issued in California only. Filings can be issued only for the named insured or immediate family members rated on the policy and residing in the insured's household when we insure all vehicles in the household. Owner's coverage ("U") filings are issued on owner's policies, and operators ("T") for non-owner policies. We will issue a SR filing for a California Temporarily license. An SR-26 will be issued upon cancellation or expiration of the policy. The filing will be reinstated when the policy reinstates or renews.

## **Accidents & Violations**

### **Accidents and Violations – Chargeable Period**

- In determining Violation and Accident points in accordance with the rules, use only those violations and accidents which have conviction dates in the last 36 months preceding the effective or renewal date of the policy.
- Failure to Appear (FTA) violations will be counted as violation convictions as of the date of the FTA.
- Use the violation conviction date, not the violation occurrence date, to determine if points are to be charged.

### Accident Points

- Points are computed based on accidents that occurred in the most recent 36 months.
- If a chargeable accident and a violation conviction occur at the same time or a single occurrence result in more than 1 violation conviction, charge only for the accident or violation conviction with the highest point value.
- California Code of Regulations 2632.13 mandates that a driver may be considered to be principally at-fault in an accident if the driver's actions or omissions were at least 51% of the proximate cause of the accident, and in an accident not resulting in death, the total loss or damage caused by the accident exceeded \$1,000.
- Any chargeable accident will result in point charges if the accident is paid, outstanding, or the driver is deemed to be responsible.

Acceptable proof of "non-fault" includes any of the following:

- A copy of the police report or court documents that clearly indicates who the at-fault party is;
- Letter of experience from the insured's insurance carrier at the time of the loss;
- Written statement from the other party's insurance carrier accepting fault;
- Any other documentation which proves non-fault, including a written declaration from the driver regarding the loss. This declaration will be made under penalty of perjury, and any fraudulent or material misrepresentation may result in the voiding or cancellation of the policy, and possible criminal prosecution.

### Violation Points

Refer to the driving record of the named insured and each additional driver to determine the violation point charges for each driver. For this purpose, use the California Department of Motor Vehicles public record of traffic violations. Out of state convictions count the same as in state convictions. Determine Rating Points from Driving Record.

- If an accident and a violation conviction or multiple violation convictions occur at the same time, only the one that generates the highest point count will be charged.
- Multiple violation convictions occurring on the same day will be charged separately.
- Points are not combined for drivers; each driver is rated with his/ her own points.
- Violation convictions that occur within the policy period are only chargeable at renewal.

## Vehicles

All vehicles listed in the policy must be principally garaged at one address.

All vehicles listed in the policy must be principally garaged at a residential address.\*

### Principally Garaged

Listed drivers that reside and garage their vehicle(s) at a permanent, verifiable residence address in California for at least 10 months per policy year are defined as "principally garaged".

- The following do **not** qualify as "principally garaged":



- Persons living in their vehicle, migratory risks and transients are not recognized as having a principally garaged address.
- Autos at more than one garaging address, i.e., requests to cover students garaging a vehicle away at school at an address that is different from the parent's or legal guardian's garaging address on the same policy do not qualify as "principally garaged".
- Military personnel stationed outside of California do not qualify as "principally garaged".

\* This rule does not apply if all drivers on the policy qualify as "Good Drivers", as defined in California Insurance Code 1861.025 and the vehicles insured are private passenger type, as defined in Section 660 of the California Insurance Code.

### Unacceptable Vehicles

- 1) Vehicles not considered private passenger vehicles such as:
  - a) Pickups, vans, and panel trucks with a load capacity greater than one ton.
  - b) Emergency vehicles, including vehicles used in volunteer fire departments.
  - c) Taxi cabs, limousines, escort vehicles, or buses and all other vehicles used in public livery or haul for hire.
  - d) Recreational Vehicles, RV's, Motor Homes, and Travel Trailers.
  - e) Vehicles with an incomplete chassis, chassis and cab, utility van or truck or commercial type vehicle that is not considered a private passenger vehicle.
  - f) Flatbed trucks, stake trucks, dump trucks, cutaway vans, step vans, panel vans and tilt cabs.
  - g) Vehicles equipped for snow plowing.
- 2) Vehicles equipped with detachable camper bodies that contain cooking and/or sleeping facilities. \*
- 3) Vehicles with altered suspensions (i.e., lowered vehicles, lifted vehicles greater than 3 inches) or have any modification, which mechanically or structurally alters their performance or appearance. \*
- 4) Vehicles with a gross vehicle weight in excess of 10,000 pounds. \*
- 5) Vehicles that are NOT motorized.
- 6) Vehicles with less than or more than 4 wheels (this does not apply to dual rear wheel trucks 1 ton and under).
- 7) Vehicles used for delivery (i.e. Pizza delivery, newspaper delivery, etc.). \*
- 8) Pooled vehicles, such as those available to multiple drivers for business use including sales, farming, or artisan use. \*
- 9) Vehicles are not in safe mechanical condition. \*
- 10) Vehicles are used to carry explosives, chemicals, radioactive materials, or flammable substances. \*
- 11) Vehicles used in speed contests, races, exhibition, or "off road". \*
- 12) Vehicles with Existing Damage cannot exceed the deductible.

\* This rule does not apply if all drivers on the policy qualify as "Good Drivers", as defined in California Insurance Code 1861.025 and the vehicles insured are private passenger type, as defined in Section 660 of the California Insurance Code.

### Vehicles from the following are unacceptable for any coverage\*:

<u>Make*</u>	<u>Model*</u>	<u>Make*</u>	<u>Model*</u>
All Makes	Pure electric Vehicles (except Chevrolet Volt, Nissan Leaf)	Laforza	All Models
Alfa Romeo	All Models	Jaguar	All Models
ARO	All Models	Lamborghini	All Models

Aston Martin	All Models	Land Rover	All Models
Audi	RS6, RS7, R1 Quattro, S8 Quattro	Lotus	All Models
Avanti	All Models	Maserati	All Models
Bentley	All Models	Maybach	All Models
BMW	Z8, "M" variations	Mazda	RX-7, RX-8
Bricklin	All Models	McClaren	All Models
Bugatti	All Models	Mercedes Benz	SLR McLaren, CL63/65, AMGs, 600 B FCELL, Sprinter
Cadillac	Escalade, CT5, CT4, XLR, CT6, ELR, All "V" Models	Morgan	All Models
Calloway	C12	Mosler	All Models
Checker	All Models	Nissan	All Stillen Z Models, GT-R, 350Z, 370Z, 400Z
Chevrolet	Lingenfelter, Hammer and Mallet Corvettes, Camaro Z28, XL1	Panoz	All Models
Chrysler	All Limousines	Pantera	All Models
DeLorean	All Models	Pontiac	Trans Am and "Trans Am" variations
Dodge	Shelby Durango, Challengers, Chargers, Viper	Porsche	All Models
Elio	All Models	Rolls Royce	All Models
Ferrari	All Models	Roush	All Roush Mustangs
Fisker	All Models	Ruf	All Models
Ford	All Saleen Mustangs, Mustang Shelby GT, "Cobra" and "Boss" and "Mach" variations, Ford GT, Crown Victoria	Sterling	All Models
GEM	All Models	Saleen	All Models
Hennessey	All Viper Models	Shelby	Cobras and Series 1
Honda	EV, FCX	Smart Cars	All Models
Hummer	All Models	Spyker	All Models
Jeep	All Postal Units	Subaru	Postal Units, WRX
Jensen	All Models	Tesla	All Models
Lada	All Models	Toyota	Supra
		Vector	All Models

\*This rule does not apply if all drivers on the policy qualify as "Good Drivers", as defined in California Insurance Code 1861.025 and the vehicles insured are private passenger type, as defined in Section 660 of the California Insurance Code.

#### Unacceptable Vehicles for Physical Damage Coverage

- 1) Vehicles with Actual Cash Value over \$50,000. \*
- 2) Vehicles with Actual Cash Value under \$2,500. \*
- 3) Grey Market Vehicles (vehicles not originally manufactured to meet U.S. standards).
- 4) Homemade, custom built, altered, or "kit" cars.

\*This rule does not apply if all drivers on the policy qualify as "Good Drivers", as defined in California Insurance Code 1861.025 and the vehicles insured are private passenger type, as defined in Section 660 of the California Insurance Code.

#### Vehicle Use / Business and Artisan Use Surcharge

The business / artisan use surcharge applies to all coverage for the vehicle(s) rated for business or artisan use. No more than two vehicles can be rated for business and/or artisan use in the household. The surcharge will apply to any vehicle registered to a business, regardless of use.

**Acceptable Business** use includes, but is not limited to:

- 1) Vehicles used by sales or service representatives, or for consumer oriented direct home sales (i.e., Avon, Mary Kay, Tupperware);
- 2) Vehicles used by real estate or insurance agents, lawyers, doctors, accountants, clergy members, or other professionals visiting multiple locations;
- 3) Vehicles owned by the insured and used by domestic employees (i.e., maids, chauffeurs) must be listed as driver;
- 4) Vehicles used in a business for occasional errands;
- 5) Vehicles registered to a business must be listed as business use.

**Unacceptable Business** use includes, but is not limited to:

- 1) Pickup or delivery of goods (including, but not limited to newspapers, pizza, or other food items)
- 2) Vehicles used as a limousine, taxi service, livery conveyance, or emergency vehicle
- 3) Vehicles used for the transportation of nursery or school children, workers, or hotel/motel guests
- 4) Vehicles with a load capacity of one ton or greater

**Acceptable Artisan** use includes, but is not limited to:

- 1) Vehicles used to transport tools or other materials by the insured in a trade or business are acceptable if all the following conditions are met:
  - a. All vehicles are operated solely by the named insured or other listed drivers;
  - b. Vehicle is not an unacceptable vehicle (please refer to unacceptable vehicle section of guidelines);
  - c. The vehicle must not be used to transport flammable liquids, chemicals or explosive materials;
  - d. The vehicle may have a toolbox, a rack (for ladders, pipe or building materials), or a tool rack (tools and equipment are not covered);
  - e. The vehicle is not used to pick up goods or deliver property. Vehicles may be used to carry up to 500 pounds of non-finished goods and materials relating to the work to be performed;
  - f. The vehicle is used to visit no more than 5 sites per day within a 50-mile radius;
  - g. The vehicle may have signage, which indicates insured's name and type of service (i.e., "Joe's Pool Cleaning")

**Vehicles owned or leased by a partnership or corporation** are acceptable provided the following conditions are met:

- 1) The vehicles are operated by the named insured or a resident relative.
- 2) All drivers are household members and listed on the policy.
- 3) Corporations or partnerships cannot be listed as a named insured but may list an "additional interest insured."
- 4) Vehicle is used for personal or commute use or acceptable business or artisan use as noted above.

NOTE: Underwriting may require photos of any vehicle rated for Business Use or Artisan Use.

### **Named Non-Owned Vehicle Coverage Endorsement**

The non-owned policy endorsement provides liability protection to an individual who does not own a vehicle, nor has access to any personal use vehicle on a regular basis including vehicles owned by household members. The coverage does not apply to any vehicle:

- owned by members in the household in which the named insured resides,
- owned by a relative,
- used for business,
- owned by an employer,
- to which the insured has regular access.

Only BI/PD (15/30/5,000 and 15/30/10,000), UM, and Med Pay coverage is available.

NOTE: A Named Non-Owned supplement disclosure form must be signed by the applicant.

### Salvage Vehicles

Salvage vehicles are acceptable for all coverages. Underwriting may require photos to be sent into the Company in addition to a signed salvage De-Valuation form.

## Discounts

### Good Driver Discount

A person is qualified to purchase a Good Driver Discount policy if he or she meets the following criteria:

- (a) He or she has been licensed to drive a motor vehicle for the previous three years in any jurisdiction.
- (b) During the previous three years, he or she has not done any of the following:
  - (1) Had more than one violation point count determined as provided by subdivision (a), (b), (c), (d), (e), (g), or (h) of Section 12810 of the Vehicle Code, but subject to the following modifications:
    - (A) For the purposes of this section, the driver of a motor vehicle involved in an accident for which he or she was principally at fault that resulted only in damage to property shall receive one violation point count, in addition to any other violation points that may be imposed for this accident.
    - (B) If, under Section 488 or 488.5, an insurer is prohibited from increasing the premium on a policy on account of a violation, that violation shall not be included in determining the point count of the person.
    - (C) If a violation is required to be reported under Section 1816 of the Vehicle Code, or under Section 784 of the Welfare and Institutions Code, or any other provision requiring the reporting of a violation by a minor, the violation shall be included for the purposes of this section in determining the point count in the same manner as is applicable to adult violations.
  - (2) Had more than one dismissal pursuant to Section 1803.5 of the Vehicle Code that was not made confidential pursuant to Section 1808.7 of the Vehicle Code, in the 36-month period for violations that would have resulted in the imposition of more than one violation point count under paragraph (1) if the complaint had not been dismissed.
  - (3) Was the driver of a motor vehicle involved in an accident that resulted in bodily injury or in the death of any person and was principally at fault. The commissioner shall adopt regulations setting guidelines to be used by insurers for the determination of fault for the purposes of this paragraph and paragraph (1).
- (c) During the period commencing on January 1, 1999, or the date 10 years prior to the date of application for the issuance or renewal of the Good Driver Discount policy, whichever is later, and ending on the date of the application for the issuance or renewal of the Good Driver Discount policy, he or she has not been convicted of a violation of Section 23140, 23152, or 23153 of the Vehicle Code, a felony violation of Section 23550 or 23566, or former Section 23175 or, as those sections read on January 1, 1999, of the Vehicle Code, or a violation of Section 191.5 or subdivision (a) of Section 192.5 of the Penal Code.
- (d) Any person who claims that he or she meets the criteria of subdivisions (a), (b), and (c) based entirely or partially on a driver's license and driving experience acquired anywhere other than in the United States or Canada is reputedly presumed to be qualified to purchase a Good Driver Discount policy if he or she has been licensed to drive in the United States or Canada for at least the previous 18 months and meets the criteria of subdivisions (a), (b), and (c) for that period.

(e) Any person who claims that he or she meets the criteria of subdivisions (a), (b), and (c) based entirely or partially on a driver's license and driving experience acquired anywhere other than in the United States or Canada has not been licensed in US or Canada for the previous 18-months and meets the criteria of subdivisions (a), (b), and (c) for that period shall be qualified to purchase a Good Driver Discount Policy. The driver shall provide the company proof of continuous foreign licensing, which when combined with any US or Canada driving experience totals for 3 years or more and a copy of a foreign Motor Vehicle Report showing that they meet the qualifications of a Good Driver.

### **Number of Cars/Number of Drivers Discount**

This discount will be given to all vehicles insured on the same policy with factors based on the number of vehicles and drivers on the policy.

### **Mature Driver/Defensive Driving Discount**

Available for drivers 55 years of age and greater who have completed a State Approved Driver Safety Course and who are rated as the principal operator of a vehicle. A copy of the Certificate of Completion must be submitted to the Company to obtain the discount. For each three (3) year period thereafter, a new Certificate of Completion must be submitted to the company at least 35 days prior to the renewal effective date to perpetuate the discount. This discount applies only to Bodily Injury and Property Damage Liability, Medical Payments, Collision and Uninsured Motorist Coverages. This discount does not apply in the event the insured completed the course due to a court order.

To continue to be eligible for the discount for subsequent policy terms, the insured may not be:

- 1) Involved in an accident for which the insured is chargeable,
- 2) Convicted of a DWI offense, or
- 3) Convicted, or have accepted Accelerated Rehabilitative Disposition (ARD) for driving under the influence of alcohol or a controlled substance.
- 4) This discount shall not apply in the event the approved course is specified by a court or other government entity resulting from a conviction of a DWI offense.

## **Documentation and Procedures**

### **New Business**

All new business submissions require the following:

- 1) Electronically Generated Application - fully completed and signed by the applicant and the broker. Brokers are expected to maintain the original and complete signed application and all supporting documents on file in an orderly fashion in their office. Brokers may retain electronically scanned documents in lieu of hard copy, provided that they are retrievable, durable, legible, unaltered, and compatible with Aspire's system.
- 2) State mandated Community Service Statement
- 3) California Uninsured Motor Vehicle Rejection/Selection Form (when coverage is declined or accepted at a level lower than Bodily Injury Liability limits or less than 30/60, whichever is lower).
- 4) Aspire General Insurance Exclusion of Specified Individuals - when needed, listing all excluded individuals, and signed by the applicant.
- 5) Additional documentation as noted below.

New Business applications require the original signature of the Named Insured (who must also be listed as Driver #1) and the broker. A policy with a minor (17 years old or younger) listed as the Named Insured must be signed by the minor's parent or legal guardian to be legally enforceable.

1) **Electronically Generated Applications** –

*Note: All of the following persons must be disclosed*

- All resident and non-resident primary or occasional operators of all insured vehicles.
- All full time and part time residents (**no matter how old**) of the insured's household.
- All full time and part time residents (**no matter how old**) of all garaging locations.
- All Dependents away at school or in the military.
- All registered and co-registered owners of all insured vehicles.

*Failure to disclose all of the above is grounds for concealment and/or misrepresentation which may result in policy rescission and no coverage or defense provided in the event of a claim.*

2) **Annual Mileage** – Annual mileage will be calculated in accordance with the **ANNUAL MILEAGE** section of this manual.

3) **Named User Exclusion (if applicable)** – The Named User Exclusion form requires the applicant's signature and a listing of all the following persons if they are not to be rated as drivers on the policy:

- All full time and part time resident of the household age 14 or older
- All full time and part time residents of all garaging locations age 14 or older
- All dependents away at school or in the military
- All registered and co-registered owners of the insured vehicles

4) **Photos** – Photos (4) are required for all vehicles requesting physical damage coverage unless the sales contract accompanies the application indicating the vehicle sold as "NEW" within 72 HOURS of the effective date of the application.

5) **Additional Documentation Requirements** – Along with the fully completed Application, the Named User Exclusion, the California Uninsured Motor Vehicle Rejection/Selection form (when required), and Photo Inspection(s) (when required), additional documentation must also be submitted when applicable.

- **Proof of non-fault:** See **ACCIDENT POINTS** section of this manual for a list of acceptable proof of non-fault.
- **Proof of accidents in the course and scope of employment:** where the driver was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad or of any law enforcement agency, while performing any other governmental function in a public emergency. *Note: Fault accidents occurring during employment in circumstances other than as stated above are chargeable.*
- Copy of Mature Driver Completion Certificate to support Mature Driver Discount.
- De-Valuation Form for all salvaged vehicles rated on the policy.



## Endorsements

Endorsement requests must be submitted via our Electronic system and must be dated and signed by the broker. Changes submitted via the website will show an effective date to be the same as the date and time the change was processed online. Changes are subject to the same underwriting rules as new business. Please refer to the Unacceptable Risks and Vehicle section for acceptability. If a change does not meet our underwriting rules, our Company reserves the right to reject the change and return unbound with no coverage provided. Policy changes may also be referred to as endorsements.

- 1) Newly Acquired Vehicles (Additional or Replacement): Additional and replacement vehicles may be added to the policy within 72 HOURS from the date of purchase, providing we insure all private passenger vehicles in the household. After 72 HOURS, coverage for additional vehicles will follow the change effective date rules stated above.

Request for vehicle additions or substitutions require the following documentation:

- Registered Owner(s) names(s)
  - Annual Mileage (See ANNUAL MILEAGE section of this manual)
  - Driver assignment
  - Loss Payees' and Leasing Companies' names and addresses
  - Usage of vehicle
  - Photos required as described in "Photos" section of this manual
- 2) Deletion of Vehicle: Request for vehicle deletions require that the annual mileage(s) and driver assignments(s) for the remaining insured vehicles(s) be recalculated and stated on the Endorsement Request.
  - 3) Additional Drivers: The following documentation is to be submitted with the request:
    - Proof of non-fault for any accident noted on the application as not chargeable. Please see the **ACCIDENTS POINTS** section of this manual for a list of acceptable proof of non-fault.
    - Proof of accidents in the course and scope of employment where the driver was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad or of any law enforcement agency, while performing any other governmental function in a public emergency. *Note: Fault accidents occurring during employment in circumstances other than as stated above are chargeable.*
    - Copy of Mature Driver Completion Certificate to support Mature Driver Discount.
  - 4) Deletion of Drivers: Requests to delete drivers require an explanation for the deletion (i.e., divorced, moved out, deceased, etc.). Aspire General Insurance may, in certain circumstances, require that the deleted driver be excluded. If the deletion of driver changes the annual mileage and/or use of any insured vehicle, the new mileage and/or use must be indicated on the Endorsement.
  - 5) Address Changes: Changes of address require the following information:
    - Indicate whether the change is for the mailing address, garaging address, or both.
    - If the mailing address is a P.O. Box, include the actual garaging address.
    - Provide names, birth dates and driver's license numbers for any new household or garaging address residents ages 14.
  - 6) Name Changes: Name changes for the Named Insured or any driver require the following:
    - Reason for change in name (i.e., recently married, legally changed, etc.).

- If the name has been changed due to marriage; provide the name, birth date and driver's license number of the spouse and any other new members of the household.
- 7) Mileage Changes: Requests for change in annual mileage must be substantiated by at least one of the following:
- Odometer reading documentation (i.e., smog certificates, service records, etc.) that clearly states what the odometer readings were on specific dates so that actual elapsed mileage can be calculated. The dates must be a minimum of three (3) months apart, with the most recent date within thirty (30) days of the change request.
  - Changes in household residents or vehicles that would have a substantial impact on the usage of the vehicle.
  - See annual mileage rules described in the **ANNUAL MILEAGE** section of this manual.
- 8) Limits and Coverage Changes: Eligibility requirements and additional forms are as follows:
- Increases in Bodily Injury Liability limits, when Uninsured Motorist Bodily Injury (UMBI) coverage is also provided, require a revised California Uninsured Motor Vehicle Coverage Rejection/Selection form, signed by the Insured, unless the Insured increases the UMBI limit to the same level as the Bodily Injury Liability limit or to the maximum available limit of 30/60.
  - Deletion of Uninsured Motorist coverages requires a revised California Uninsured Motor Vehicle Coverage Rejection/Selection form, signed, and dated by both the Named Insured and the Broker.

## Rating

### **Driver Assignment**

Policy premium is determined by assigning the highest rated driver (driver who has the highest combined liability driver class and driving record point factor with consideration of the "Good Driver" discount) to the highest rated vehicle based upon vehicle year, symbol, and deductible factors. The second highest rated driver is assigned to the next most current model year and so on.

- 1) Each driver must be assigned to at least one vehicle.
- 2) Assign each driver to a vehicle based on the following criteria:
  - A. One Vehicle-One Driver
    - a. Assign points for driving record.
    - b. Assign classification factor for years of driving experience.
  - B. One Vehicle-Multiple Drivers
    - a. Assign the highest rated driver based on the classification factor for driving record and years of driving experience.
    - b. Also take into consideration any driver level discounts, including Defensive Driver and the Good Driver Discount.
  - C. Multiple Vehicles-One Driver
    - a. Determine the highest rated vehicle based upon vehicle year, symbol and deductible factor and determine the driver class as described in B.1 above.
    - b. The extra vehicles will be rated using the Extra Vehicle Driver Class factor and 0 points. If applicable, the multi-car discount will be applied.



#### D. Multiple Vehicles-Multiple Drivers

- a. Determine the vehicle that generates the most premium based upon vehicle year, symbol, and deductible factors. Then, rank the remaining vehicles in the same manner.
- b. Determine the driver ranking (highest to lowest) based on the driver classification factors of driving record and years of driving experience. Also apply any driver level discounts – including Defensive Driver & Good Driver Discount.
- c. Assign the highest rated driver to the highest rated vehicle as determined above.
- d. Assign second highest rated driver to second highest rated vehicle. Continue assigning drivers to vehicles until all vehicles have been assigned.
- e. If drivers remain, assign them to the vehicles they most frequently use.

If there are more vehicles than drivers, the extra vehicles will be rated using the Extra Vehicle Driver Class factor.

### Annual Mileage

The annual mileage estimate will represent the annual mileage the insured expects the vehicle to be driven for the twelve months following policy inception or renewal. As set forth in CCR section 2632.5 Aspire may also require or request information from the insured to support the estimate.

1. For new business or vehicles added during the term of the policy:
  - a. The insured shall provide the miles he or she expects each vehicle will be driven during the twelve-month period following policy inception. Aspire may also require or request the information necessary to support the mileage estimate from the insured during this process (see sections 3 and 4 below) as set forth in CCR section 2632.5 (C), (D), and (E).
  - b. If the insured does not provide the estimated annual miles or does not provide required or requested information Aspire may issue a policy using the appropriate default annual mileage figure: 13,400
  - c. If the information provided does not support the insured's estimated annual miles, Aspire may issue a policy using a reasonable objective mileage estimate based upon the information provided.
  - d. Aspire shall inform the applicant of the mileage figure which it will use to rate the policy.
2. For renewal business:
  - a. During the renewal process, Aspire shall, at least every three (3) years, request an insured to provide the estimated annual miles he or she expects each vehicle will be driven during the twelve-month period following policy renewal. Aspire may also require or request information necessary to support the mileage estimate from the insured during this process (see sections 3 and 4 below).
  - b. If the insured does not provide the estimated annual miles or does not provide required or requested information Aspire may issue a policy using the following logic:
    - i. If **Default** is less than Expiring; use Expiring
    - ii. If **Default** is greater than Expiring; increase by 1 (one) mileage rating band subject to a maximum of the **Default** mileage
    - iii. **Default** mileage = 13,400
  - c. If the information provided does not support the insured's estimated annual miles Aspire may issue a policy using a reasonable objective mileage estimate based upon the information provided.
  - d. Aspire shall inform the applicant of the mileage figure which it will use to rate the policy.
3. Aspire may require or request an insured to provide the following information:

- a. If the vehicle is used for commute purposes, the location of the workplace, school, or other destination where the vehicle will be driven and, if applicable, an estimate of the number of one-way miles the vehicle will be driven for commute purposes
  - b. The number of days per week the vehicle will be used for commuting
  - c. An estimate of the number of miles to be driven for pleasure or other purpose
  - d. The approximate total number of miles driven for the twelve months following policy inception or renewal.
  - e. The current odometer reading of the vehicle to be insured.
  - f. The reason for any differences between the estimate for the upcoming twelve months and the miles driven the previous twelve months.
4. Aspire may request but shall not require an insured to provide the following information:
  - a. Service records which document the odometer reading of the vehicle to be insured.
  - b. The use of technological devices provided by the insurer or otherwise made available to the insured that accurately collect vehicle mileage information
5. Aspire may obtain and use smog check odometer readings to estimate annual miles driven.

## **Billing / Payment Options**

Aspire General Insurance Company offers a variety of competitive monthly installment payment options, as well as a full-term paid-in-full option. Our payment plans are available to all insureds. Please refer to our online software for complete pay plan details for the following:

### **Paid-In-Full**

Full term policy premium and all fees are collected.

### **Installment Plans (Direct Bill or EFT/RCCP)**

Collected down payment plus unpaid balance paid over 5 remaining installments for a semi-annual policy term.

Collected down payment plus unpaid balance paid over 11 remaining installments for an annual policy term.

Our Automated Policy Service Line is available 7 days a week, 24 hours a day. This service allows you to retrieve policy status, the date and amount of the last payments received, the current amount due, and make a payment through the automated system. To access this service, dial 916-661-4094 or 1-877-789-4742.

## **Bills and Notices**

### **New Business**

Deposit premium is required with submission of the application. The amount of the deposit premium is based on the payment plan option selected by the applicant and indicated on the application form.

### **Renewals**

On renewal business, the renewal bill will be mailed at least twenty (20) days before the renewal effective date. The renewal premium will be due before the renewal effective date.

### **Installments**

If the payment is not postmarked on or before the due date, a Notice of Cancellation will be sent the next business day indicating the policy will be canceled unless payment is postmarked prior to the cancellation date on the notice.



## Late Payments

### **New Business**

Payments must be Postmarked PRIOR to the due date to reinstate a policy without a lapse.

All payments received within 30 days from the cancellation date on a cancelled policy will be subject to review for acceptance. If the payment is accepted, the lapse date will be as of 12:01 A.M. DATE AFTER POSTMARKED or same date and time payment was uploaded via our system. The policy will have a lapse in coverage from the effective date of cancellation until the effective date of the reinstatement and a reinstatement fee will be charged. Payments received in a broker's office are NOT considered received until electronically uploaded via our system.

If a claim should occur between the time the brokers accepted the money and the reinstatement date, due diligence will be conducted by the Claims Department to assess coverage.

The NSF guidelines are as follows:

- NSF on new business will result in flat cancellation.
- NSF at renewal will result in flat cancellation.
- NSF on installment payments will be given a 10-day legal notice of cancellation to the insured as is mandated by law.
- NSF on reinstatement payment will deem the reinstatement null and void.

## Cancellations

If a policy is cancelled the return premium will be calculated on a pro-rata basis minus the cancellation fee, with the exception of flat cancellations. Flat cancellations are allowed after the inception date of the policy only when the down payment check is returned as NSF or proof of duplicate coverage is provided. Aspire General Insurance Company must receive a copy of both the front and back of the NSF check within 14 days.

Insured may cancel this policy by mailing a written request for cancellation to us. Coverage shall cease and the policy period shall end on the latest date issued below:

1. 12:01 a.m. of the future day date specified by the named insured in the written request for cancellation;
2. 12:01 a.m. of the day following the postmark date on the request for cancellation provided such date is legible and not a postage meter date; or
3. If neither 1 nor 2 above apply, the date and time the request is received by us.

## Claims

To ensure the most immediate and efficient response, we prefer claims to be reported directly by the policyholder or claimant. Our trained claims staff will begin processing and investigating the claim at the time it is reported. Claims should be reported directly to the Company at 1-877-789-4742.

## Fees

All fees are fully earned. When payments are received, any outstanding fees will be paid first, and the remaining monies will be applied to the premium balance. When payments are received and there are fees associated with that payment

i.e., service charges, reinstatement charges, etc. the fee will be paid first, and the remainder of the payment will be applied to the premium due. The schedule of fees is as follows:

Fee Type	Amount
New Business & Renewal Policy Fee	\$25.00
Installment Billing Fee – Direct Bill	\$15.00
Installment Billing Fee – Recurring Credit Card Payment	\$12.00
Installment Billing Fee – Recurring Bank Account EFT Payment	\$12.00
SR Filing Fee (Initial Filing)	\$10.00
SR Filing Fee (Reinstatement Filing)	\$10.00
NSF/Bank Return Fee	\$25.00
Reinstatement/Rewrite Fee	\$13.00
Endorsement Fee	\$8.00
Cancellation Fee (Insured Request)	\$25.00
Live Service Rep Processing Fee	\$5.00
MVR Fee (New Business)	\$4.00
MVR Fee (Renewals)	\$4.00
Anti-Fraud Fee (Per Vehicle, Per Year)	\$1.76