NATIONAL GENERAL
an Allstate company

FLORIDA

Commercial Auto

Underwriting & Product Guide

Revised: 05/05/2026

Underwritten by: Integon Preferred Insurance Company

Edition Date: 01/01/2015 Form Number: 13683

Table of Contents

Commercial Risk Overview

The intent of the National General Commercial Auto product is to insure and protect customers who own and operate businesses for the risk associated with the use of vehicles for business.

This guide outlines exposures that are and are not acceptable, the various coverages available, and product features as well as underwriting processes and requirements. It also includes guidelines regarding how to handle the most common situations agents encounter and is designed to answer questions agents often have around managing the National General Commercial book of business. The Territory Sales Manager and the Customer Service department are also available to answer agent questions.

What Qualifies as a Commercial Risk and Should Be Included on the Policy

The following individuals, entities, and vehicles qualify as a commercial risk.

Sole Proprietors

Sole proprietors are individuals who own and operate a business as the primary source of income.

- Vehicles that qualify and ***should*** be included on the policy:
  - All vehicles owned by the named insured and used in the business
  - All vehicles owned by the named insured used for non-business purposes of the business owner and other individuals in the household.
- Vehicles that qualify and are ***encouraged*** to be included on the policy:
  - All vehicles not owned by the named insured but are used in the business on a non-incidental basis (>4hrs per week).
- Individuals who ***should*** be included on the policy:
  - The named insured(s)
  - All household members of the named insured(s)
  - All employees of the business who drive — or are expected to drive — any vehicle covered by the policy in any capacity at any time during the policy period, regardless of frequency
  - Any other person who drives — or is expected to drive — any vehicle covered by the policy in any capacity at any time during the policy period, regardless of frequency.

    Note: Anyone who falls into one of these categories and does not operate an insured vehicle may be listed as excluded from coverage where allowable by law. Failure to include anyone who should be listed on the policy may be considered a Misrepresentation of Risk.

Legal Entities

Legal entities are corporations, limited liability companies, and partnerships.

- Vehicles that qualify and ***should*** be included on the policy:
  - All vehicles owned by the company.
- Vehicles that qualify and are ***encouraged*** to be included on the policy:
  - All vehicles not owned by the company but are used in the business on a non-incidental basis (>4hrs per week).
- Vehicles that qualify and ***may*** be included on the policy:
  - Vehicles owned by owners and officers of the company not used for business purposes.
- Individuals that ***should*** be included on the policy:
  - All owners and officers of the company
  - All employees of the company who drive — or are expected to drive — any vehicle covered by the policy in any capacity at any time during the policy period, regardless of frequency
  - Any other person who drives – or is expected to drive – any vehicle covered by the policy in any capacity at any time during the policy period, regardless of frequency.
  - All household members of any individual who uses an insured vehicle for personal use
  - All household members of any owner or officer whose personally owned vehicles are insured under the policy.

    Note: Anyone who falls into one of these categories and does not operate an insured vehicle may be listed as excluded from coverage where allowable by law. Failure to include anyone who should be listed on the policy may be considered a Misrepresentation of Risk.

What Does Not Qualify as a Commercial Risk

The following individuals and vehicles do not qualify as a commercial risk.

- An individual who is employed by another business and/or uses a personally owned vehicle for that business.
- Vehicles owned by an individual and used to commute to and from work even if the work location changes on a regular basis.
- Vehicles owned by an individual and used for a hobby or other activity that doesn't generate revenue.

  Note: If the vehicles do not qualify to be written on a personal lines policy due to the size or body configuration, the vehicles may qualify to be written under the non-business occupation on an exception basis.
- Vehicles titled to an individual that DO generate revenue but are not the primary source of income for the owner.

  Example: The insured's neighbor pays the insured to plow the snow in the neighbor's driveway.

Unacceptable Risks

Certain types of businesses, occupations, vehicles, vehicle usage, policies, and drivers are not acceptable risks. Prior to binding the policy, ensure the applicant's business, vehicle, intended vehicle usage, and drivers are not listed as an unacceptable risk.

Note: This section does not encompass all risks or scenarios. Contact National General with any risk-specific questions.

Business/Occupation Types

Any business risk or occupation type listed below is unacceptable.

- All risks that involve any form of towing — which includes but is not limited to towing for hire, wrecker service, wrecker for hire, roadside repair/service, auto body shops, and towing as a secondary service.
- Businesses that are driving schools of any kind.
- Businesses involved in transporting hazardous, flammable, or combustible material.
- Businesses that allow any passengers, customers, or members of the public into/onto vehicles (including trailers) — e.g. mobile gyms, stores/shops, restaurants, labs, museums/mobile classrooms, petting zoos, etc.
- Businesses that transport passengers for a fee or other commercial reasons (i.e., vehicles used to transport passengers).
  Note: Hotel shuttles/courtesy vehicles are permitted when the vehicle has fewer than 15 seats and operates within a 50-mile radius.
- Companies involved in hauling steel, coal, logs, or pulpwood.
- Companies involved in selling, leasing, or renting vehicles.
- Companies or individuals involved in vehicle repossession (i.e. tow trucks used in repossession).
- Courier/delivery risks operating under special time constraints.
- Garbage and Recycling risks, except risks that specialize in roll-on containers.
- Hauling and/or delivery risks that have less than 12 months continuous prior commercial insurance (including business types such as dirt, sand and gravel hauling, excavation work, wholesale delivery, appliance/furniture delivery, debris removal, and trucking).
- Security firms that transport guard dogs and/or firearms during vehicle use.

Drivers

Any driver listed below is unacceptable.

- Drivers or household members convicted of insurance fraud.
- Drivers who are age 16 – 19 with two or more occurrences.
- Drivers who have been convicted of or pled guilty, nolo contendere, or no contest to any felony offense — other than alcohol-related driving offenses — during the last 10 years.
- Drivers who do not have a valid, active United States driver license or a verifiable foreign driver license, passport, or matrícula consular card.
- Drivers with two or more major violations.
- Drivers with six or more occurrences.

Other

Any policy type or risk listed below is unacceptable.

- An individual, partnership, or corporation previously insured with National General and the policy non-renewed or canceled.
- Any policy with more than one corporation as the named insured.
- Any Hauling and Courier/Delivery risk requesting 500 Combined Single Limit (CSL) or higher.
- Non-business policies with only PPA-type vehicles (see Non-Business Auto Coverage).
- Policies with a vehicle to driver count that is three or greater.

Vehicle Types

Any vehicle type listed below is unacceptable.

- Buses.
- Cement trucks/concrete mixer.
- Double or triple trailers.
- Dump trucks — **unless** included on Landscaping or Contracting businesses with limited road use.
- Dune buggies.
- Emergency vehicles and non-emergency ambulances.
- Escort vehicles offering high pole services, digital measure devices, or route planning services.
- Front loaders.
- Glass-lined tank trucks.
- Homemade, kit, or customized vehicles.
- Limited production and gray market vehicles.
- Logging trailers.
- Military vehicles.
- Milk trucks.
- Mobile home toters.
- Motorhomes.
- Non-licensed mobile equipment designed for off-road use.
- Salvage vehicles are eligible for liability only.
- Standard pickup trucks that have been converted into wreckers.
- Tractor trailers — the vehicle and trailer are unacceptable.
- Truck-mounted campers.
- Vehicles used for business outside the stated radius.
- Vehicles used for food delivery with orders placed with less than 1-day notice.
- Vehicles used for septic tank waste removal.
- Vehicles with a Gross Vehicle Weight (GVW) greater than 66,000 lbs.
- Vehicles with a hauling capacity greater than 1,400 gallons — **unless** baffled.
- Vehicles with a stated amount more than $250,000.

Vehicle Makes/Models

Any make/model listed below is unacceptable.
Note: This list is not all-inclusive and is provided to help identify vehicles that are not acceptable risks.

Make	Model
American General	H1
ARO	All Models
Aston Martin	All Models
Audi	R8
Avanti	All Models
Bentley	All Models
BMW	Z8
Bricklin	All Models
Bugatti	All Models
Cadillac	All Hearses and Limousines
Callaway	C12
Checker	All Models
Chevrolet	Lingenfelter, Hammer, and Mallet Corvettes; Grumman
Chrysler	All Limousines
Delorean	All Models
Dinan	All Models
Dodge	Shelby Durango
Elio	All Models
Ferrari	All Models
Ford	All Saleen Mustangs, Ford GT, Think
GEM	All Models
GM EV1	All Models
Hennessey	All Viper Models
Honda	EV, FCX, FCX Clarity
Hummer/American General	H1, Humvee
Jaguar	XJL
Jensen	All Models

Vehicle Makes/Models — Continued

Make	Model
Karma	All Models
Lada	All Models
Laforza	PSV-L4
Lamborghini	All Models
Lexus	LF-A
Lotus	Elan, Esprit
Maserati	28, 425, 430, Biturbo, Coupe GT, Gransport, Spyder
Maybach	All Models
McClaren	All Models
Mercedes	B F-CELL, SL600, SL63 AMG, SL65 AMG, SLR, SLSAMG, Maybach
Morgan	All Models
Mosler	All Models
Nissan	All Stillen Models
Panoz	All Models
Pantera	All Models
Pontiac	Lingenfelter Trans Am
Porsche	All Ruf Models, Carrera GT, 911 GT2, 911 GT3, 918 Spyder
Rolls Royce	All Models
Roush	All Roush Mustangs
Ruf	All Models
Saleen	All Models
Shelby	Cobras and Series 1
Smart Cars	All Models (except Fortwo)
Spyker	All Models

Coverages

The quoting system automatically displays available coverage limits.

Liability Coverages

Insures against damages caused by the insured's negligence.

Bodily Injury/Property Damage (BI/PD/CSL)

Provides coverage for injuries or death and property damage due to the insured's negligence. Bodily Injury (BI) includes expenses related to medical costs, lost wages, sickness, and death as well as pain and suffering for an injured third party. Property Damage (PD) includes damage caused by an insured vehicle to any property such as a vehicle, building, or sign.

- Requires the same BI/PD limits or CSL for all motorized vehicles on the policy.
- Requires limits equal to or higher than the minimum Financial Responsibility limits required by law.
- Allows limits up to $1 million.
- Is not provided for a trailer if no pulling vehicles are insured on the policy.

Uninsured Motorist Bodily Injury

Provides coverage for the insured who suffers injuries due to a responsible party who has no insurance or not enough insurance to cover all the expenses.

An Uninsured Motorist Selection/Rejection Form is required to be submitted to National General within 7 days of the policy being submitted. If the Form is not received, Uninsured Motorist (UM) coverage is added to the policy, or the UM limits are raised to equal the BI/CSL limits.

Individuals may select Stacked or Non-Stacked coverage. The policy maximum exposure for Stacked UM coverage cannot exceed $2 million, regardless of the limits selected.

Partnerships and corporations may only select Non-Stacked coverage.

- Requires BI/CSL coverages. Limits may be lower than BI/CSL but cannot exceed BI/CSL limits.
- Requires CSL for UM when CSL is selected for BI/PD.
- Requires the same limits for all motorized vehicles on the policy.
- Required on all motorized vehicles with BI/CSL coverage — **unless** rejected for all motorized vehicles.

This is an optional coverage.

Optional Liability

Insures against damages or excess damages caused by the negligence of an additional insured.

Additional Insureds

Additional insureds may be listed on the policy. This coverage does not increase the limits of National General lability and is excess insurance over any other valid and collectible insurance.

Three options are available:

- **Listed Additional Insured** — Requires that each additional insured be listed on the policy. A fee applies to each additional insured.
- **Blanket Additional Insured** — Does not require the listing of additional insureds to be scheduled. To have coverage under the policy terms, an in-force contract requesting additional insureds is required.
- **Contractual Liability Additional Insured** — Provides separate liability limits for the additional insured listed on the Declarations Page and is based on a contractual obligation between the named insured and the listed additional insured.
  - A contract must be in place with the additional insured that requires the increased limits for this coverage to be an option.
  - The separate limits apply when the additional insured is found liable for the loss. Otherwise, the base policy limits apply.
  - The limits can exceed the limits made for BI/PD or CSL up to $1 million CSL.
  - Punitive or exemplary damages are not covered.

Step Down

Reduces — or steps down — the insured's liability limits to state minimum requirements for drivers not listed on the policy.

- Requires all drivers to be listed on the policy. National General reserves the right — depending on state law — to rescind a policy or reduce liability limits to state minimum in instances where there is material misrepresentation.
- Requires Liability limits of 50/100 or 100 CSL or higher. Policies with any filings are ineligible to select Step Down Liability Coverage.

Example: The policy shows 300 CSL, an unlisted driver was at-fault for a loss, and Step Down Liability coverage was selected. The liability limits on the policy would be reduced to 10/20 or 50 CSL as allowed by state law.

Covered Auto Options

Insures against damages to vehicles not listed on the policy.

Any Auto

Extends liability coverage to any vehicles acquired and/or purchased during the policy term — including hired and non-owned vehicles — until the end of the current policy term.

- Requires the same BI/PD or CSL limits as the listed vehicles on the policy.
- Requires a contractual agreement from the insured's customer stating this type of coverage is needed. Proof of contractual requirement must be submitted to an underwriter at National General at the time of referral.
- Requires all owned vehicles — including all personal and commercial vehicles — used in the business to be insured with the National General Commercial Auto Program.
- Requires any newly purchased vehicle to be added to the policy within 30 days of purchase. Any unlisted vehicle must be added at the next policy renewal to ensure it has liability coverage.
- Is available for the following business categories:
  - Construction/tradesmen (General Contractors unacceptable)
  - Farming
  - Land services
  - Florists and other select service business types.
- Does not include Comprehensive and Collision. These coverages must be purchased at the vehicle level.

This is an optional coverage and is subject to underwriting review.

Contact the Territory Sales Manager to request authority to sell Any Auto Coverage.

Drive Other Car

Provides excess coverage for an executive of a corporation or partnership (or spouse) when driving a non-owned vehicle. This coverage is included at no cost for individual named insured risks.

- Applies liability, Medical Payments, Uninsured Motorist, PIP, and physical damage to the Drive Other Car vehicle.
- Requires the executive and spouse to be listed on the endorsement for coverage to transfer.
- Requires a private passenger-type vehicle that includes personal use or business and personal use and has liability (BI/PD or CSL), Comprehensive, and Collision coverages.

This is an optional coverage.

Employer's Non-Ownership

Provides excess liability coverage to any non-owned vehicle used by an employee in the incidental operations of the business.

- Requires non-owned vehicles to be similar to the vehicles described in the Declarations Page.
- Is not available for any account that regularly uses employees' vehicles for business use.

This is an optional coverage.

Hired Auto

Provides excess liability coverage for a non-owned, unlisted vehicle that is leased, rented, hired, or borrowed by the insured for the incidental operation of the business.

- Requires the same BI/PD or CSL limits as the listed vehicles on the policy.
- Requires rental vehicles used continuously for 30 days to be listed as a named vehicle on the policy with the owner as an additional interest.
- Requires vehicles hired with drivers to be scheduled on the policy.
- Does not allow household vehicle or employee vehicles.
- Is not available for the following businesses:
  - Livery
  - Pizza Delivery
  - Religious Organizations
  - Social Services.
- Is not available for any account that regularly uses short-term rentals.

This is an optional coverage.

Owned Auto

Provides liability coverage for vehicles owned by the named insured and any vehicles acquired during the policy period.

Coverage applies to trailers — owned and non-owned — attached to the insured vehicle.

- Requires a contractual agreement from the insured’s customer stating this type of coverage is needed. Proof of contractual requirement must be submitted to an underwriter at National General at the time of referral.
- Requires all owned vehicles — including all personal and commercial vehicles —used in the business to be insured with the National General Commercial Auto Program.
- Requires any newly purchased vehicles to be added to the policy at the beginning of the next term for coverage to apply.
- Requires any newly purchased vehicle to be added within 30 days of purchase. Any unlisted vehicle must be added at the next policy renewal for coverage to apply.
- Requires all vehicles used in the insured’s business to be listed on the policy at all times.
- Is available for the following business categories:
  - Construction/tradesmen (General Contractors unacceptable)
  - Farming
  - Land services
  - Florists and other select service business types.
- Does not include Comprehensive and Collision coverages. These coverages must be purchased at the vehicle level.

This is an optional coverage and is subject to underwriting review.

Contact the Territory Sales Manager to request authority to sell Owned Auto Coverage.

Medical

Insures against injuries for the insured and/or those in the insured vehicle regardless of fault.

Accidental Death & Dismemberment

Pays the insured or the listed beneficiaries a set amount of money if the insured's death or dismemberment is the direct result of a covered loss.

Two plans are available for motorized vehicles on the policy with BI coverage and applies to named insured risks only:

- **Individual Plan —** only applies to the named insured.
- **Family Plan —** applies to the named insured, spouse, and any unmarried children in the household who are under 19 years of age.

This is an optional coverage.

Medical Payments

Provides coverage on a per person per accident basis for the insured and others in the insured vehicle for medical or funeral expenses incurred as the result of bodily injury or death by accident under specified conditions without regard for the insured's liability.

- Requires the same limits for all motorized vehicles on a policy. Coverage limit is per person.
- Requires BI/CSL coverage.

This is an optional coverage.

Personal Injury Protection (PIP)

Provides payments for medical benefits, disability benefits, and death benefits.

Basic PIP coverage provides:

- 80% medical coverage
- 60% wage loss replacement
- $5,000 funeral benefit, up to a limit of $10,000.

Individuals have the option to select a deductible as well as wage loss exclusion. These options are only available for the named insured and resident relatives.

- Requires the same limits for all motorized vehicles on the policy.
- Provides a PIP premium discount when all drivers are covered under a Workers' Compensation policy and PIP with Workers' Compensation is selected.

  Note: Requires proof of Workers' Compensation. Proof must be retained in the agent's office.
- Required when Property Damage only coverage is selected.

Physical Damage

Insures against damages to the insured vehicle(s) regardless of fault.

When rating vehicles, $1,000 in coverage for additional permanently attached equipment is included in the value — at no additional cost. Higher limits are available for an additional cost. Examples of permanently attached equipment include customer paint or signage, ladder racks, snow plows, and tool boxes.

- Private passenger autos, vans, and pickup trucks are rated on symbols developed by National General.
- Commercial vehicles or trailers are rated on stated amount basis. See the Stated Amount section for more detail.

This is an optional coverage unless the vehicle has a loss payee. Vehicles with a loss payee require physical damage coverage.

Collision and Comprehensive

Collision covers damage to the insured vehicle caused by collision with any object regardless of fault and requires either Comprehensive coverage or Fire, Theft with Combined Additional Coverages (FTCAC).

Comprehensive covers loss or damage to the insured vehicle caused by anything other than Collision. Examples of other than collision include fire, theft, vandalism, glass breakage, windstorm, hail damage, and impact with an animal.

- Deductibles do not have to be the same for each vehicle.
- Not available for vehicles with a salvage title.
- Florida Statute 627.744 requires a pre-insurance inspection of certain vehicles (1,500 pounds or less owned by one or more related individuals or residents of the same household) with Physical Damage coverage in the following counties: Broward, Dade, Duval, Hillsborough, Orange, Palm Beach, and Pinellas. See Physical Damage Vehicle Inspections section for more details.

Fire, Theft with Combined Additional Coverages

Covers loss or damage to the insured vehicle by anything other than Collision when Comprehensive coverage is not available on certain types of commercial vehicles.

Covers specified occurrences, such as:

- Collision with birds or animals
- Explosion
- External discharge or leakage of water — **except** loss resulting from rain, snow, or sleet whether or not wind driven
- Fire, lightning, smoke, smudge
- Flood or rising waters
- Forced landing or falling of any aircraft or its parts or equipment
- Malicious mischief or vandalism
- Theft, larceny, robbery, pilferage
- Windstorm, hail, earthquake.

Pet Protection

Provides protection for pets when an insured's pet is riding in a covered vehicle that is involved in a covered collision or comprehensive/FTCAC loss. This protection is included at no additional cost when Collision, Comprehensive, or FTCAC coverages are selected.

Affords the following limits:

- $1,000 per incident regardless of the number of pets involved in the loss — up to $3,000 per policy term — for pet injury treatment or pet replacement.
  Note: Any payment made for pet replacement is reduced by any prior payments made for pet injury treatment resulting from the same incident.
- $25 per day — up to $125 per policy term — for boarding fees if the insured is hospitalized and unable to care for their pet.
- $75 per policy term for recovery costs if the insured's pet is missing after an accident.
- $125 per policy term for replacing pet-related travel equipment (e.g., car carriers, ramps, barriers, etc.) damaged in the accident.
- $1,000 per incident maximum provided the pet is not recovered in the event of a covered loss due to the theft of a covered auto.

Physical Damage Vehicle Inspections

Florida Statute 627.744 requires a pre-insurance inspection of certain vehicles (1,500 pounds or less owned by one or more related individuals or residents of the same household) with physical damage coverage in the following counties: Broward, Dade, Duval, Hillsborough, Orange, Palm Beach, and Pinellas.

Agents should inspect the vehicle and complete the Motor Vehicle Inspection Form (form # 42198) if an inspection is required.

The law provides for the inspection requirement to be waived in the following situations:

- A policyholder has been insured for 2 years or longer, without interruption, under a private passenger auto policy that provides physical damage coverage as long as the former insurer verifies the previous coverage.
- No inspection facility is available in the municipality in which the vehicle is garaged primarily or within ten miles of such municipality.
- The policy is issued in a county with an estimated population in 1988 of less than 500,000.
- The policy is a new business In-Agency transfer from another insurer to National General — provided there is no lapse in coverage.
- The policy is a renewal policy.
- The vehicle is a temporary substitute vehicle.
- The vehicle is leased for less than 6 months as long as the lease or rental agreement containing a description of the leased vehicle is received (including condition of leased vehicle).

  Note: Payment of a physical damage claim is conditional on receipt of the lease or rental agreement.

  Note: Subtract the model year from the current calendar year to determine the vehicle age.
- The vehicle is 10 years old or older.
- The vehicle is insured under a Commercial policy that insures five or more vehicles.
- The vehicle is a travel trailer, camper, motorhome, or motorcycle.

When a vehicle was purchased or leased new in the past 30 days, in lieu of an inspection, the following is accepted:

- A Bill of Sale or Buyer's Order that contains a full description of the vehicle, including all options and accessories **or**
- A copy of the title that establishes transfer of ownership to the customer **and** a copy of the window sticker **or** the dealer invoice showing the itemized options and equipment and the total retail price.

  Note: Physical damage coverage may not be suspended during the term of the policy due to the applicant’s failure to provide the required documents; however, payment of a claim depends on receipt of the required documents. No physical damage loss occurring after the effective date of the coverage is payable until National General receives the documents.

Optional Physical Damage

Insures against damages to insured equipment and tools regardless of fault. Also provides coverage for rented vehicles and disabled vehicles.

Commercial Auto Broadened

Provides a package of coverages in a single form. Requires liability and physical damage coverages. A deductible may apply in some losses covered under this endorsement. A single deductible applies to all vehicles involved in the same covered loss.

The package includes:

- $1,000 in Loss of Use coverage for a hired vehicle.
- Air bag replacement for accidental deployment.
- Increase of supplemental bail bond payments from $200 to $2,500.
- Personal Effects coverage up to $500.
- Physical damage coverage up to $50,000 for a hired vehicle.
- Original Equipment Manufacturer (OEM) parts replacement.
- Waiver of deductible for glass repair.

This is an optional coverage and is subject to a covered loss.

Customized Additional Equipment

The first $1,000 of damage to Customized Equipment and Parts is included in the policy. Items include equipment, devices, accessories, and changes and enhancements, other than those installed by the original manufacturer, which alter the appearance or performance of an auto. Any amount over $1,000 must be purchased under this coverage.

Equipment permanently installed in the covered auto using bolts, brackets, or slide-out brackets includes but is not limited to:

- Electronics
- Antennas and other devices used exclusively to send or receive audio, visual or data signals, or play back recorded media.

Parts include but are not limited to:

- Bed liners
- Body or suspension alterations
- Custom or special wheels or tires
- Custom painting, murals, or decals or graphics
- Custom windows
- Ground effects
- Light bars
- Roll bars
- Side exhausts
- Spoilers
- Utility boxes.

This is an optional coverage.

Expanded Accident Towing

Increases the limit of liability for towing expenses to remove a covered vehicle that is non-drivable from the site of an accident or loss and transport it to a repair facility.

- Requires Comprehensive and Collision coverages.
- Includes the option to increase towing expenses from $2,000 up to $40,000.

This is an optional coverage.

Rental Reimbursement

Reimburses the insured for rental expenses incurred while a covered vehicle is being repaired as the result of a qualified disablement — subject to a maximum per day limit/maximum number of days per accident limit.

Qualified disablement means a loss covered by the liability, Other than Collision (Comprehensive), or Collision coverage sections of the policy.

- Is available on PPA-type vehicles, pickup trucks, and vans with Comprehensive and Collision coverages.
- Requires the same limits for all vehicles on the policy.

This is an optional coverage.

Rental Reimbursement with Downtime

Reimburses the insured up to the vehicle's daily rental limit for rental expenses incurred while a covered vehicle is being repaired as the result of an accident when a reasonable replacement cannot be located. Acceptable vehicle types include commercial vehicles with GVW greater than 16,000 lbs.

- Is only available for specific business types and vehicle types. Acceptable business types include:
  - Agricultural haulers
  - Dirt, sand, and gravel haulers
  - For-hire trucking
  - General freight
  - Machinery and equipment
  - Wholesalers.
- Requires Comprehensive and Collision or FTCAC and Collision coverages.
- Requires the same limits for all vehicles on the policy.

This is an optional coverage.

Roadside Assistance

Provides 24/7 roadside assistance for disabled private passenger-type vehicles (cars, pickup trucks, and vans) and trailers. The limits are displayed as the maximum amount payable per incident, followed by the maximum amount payable for the policy term.

- Includes the following services:
  - Battery jump starts
  - Emergency fuel and other fluids
  - Flat tire repair
  - Locksmith services
  - Towing.
- Available for private passenger-type vehicles and trailers. Private passenger-type vehicles include cars, pickup trucks, and vans.
- Requires Comprehensive and Collision coverages.
- Requires the same limits for all qualified vehicles on the policy.
- Provides reimbursements to insureds up to the limit shown on the Declarations Page.

This is an optional coverage.

Tools

Provides tool and equipment coverage for items owned, rented, or leased by the named insured and used in the operation of the business.

- Affords up to $2,500 in coverage.
  Note: Does not provide coverage for mobile equipment.
- Requires Comprehensive and Collision or FTCAC and Collision coverages.
- Transfers to a rented or leased vehicle used in the operation of the business if Hired Auto or Non-Owned is listed on the Declarations Page.

This is an optional coverage and is subject to a covered physical damage loss.

Other Coverage Options

Provides additional coverage options pertaining to accident forgiveness, deductibles, non-business vehicles, and primary non-contributory fault.

Accident Forgiveness

Forgives the first at-fault accident. Non-chargeable accidents are not considered.

- Available for customers who meet the following requirements:
  - No driver on the policy has any major violations.
  - No driver on the policy has any violations or chargeable accidents in the 12 months prior to the policy effective date.
  - No driver on the policy has more than one chargeable accident in the experience period.
- Rates are not impacted by the first accident.
- Only one forgiven at-fault accident can be on a policy at any given time during the experience period.
- Not available for policies that reinstate with a lapse.
- Accident Forgiveness removed from a policy for eligibility reasons cannot be added back to the policy.
- No surcharges are applied unless an insured requests to discontinue Accident Forgiveness. In such cases, any forgiven accident is surcharged at renewal.
- Subsequent at-fault accidents during the experience period cause the endorsement to be removed, and points are charged for all accidents that occurred within the chargeability/experience period — including the first (forgiven) accident.

Diminishing Deductible

Establishes the out-of-pocket amount the insured is required to pay toward a covered claim. Comprehensive/Collision deductibles are reduced every claim-free year for every vehicle on the policy with Comprehensive and Collision coverages.

- Comprehensive and Collision coverages are required.
- For every claim-free year, the credit balance increases by 25% at each annual renewal — up to a maximum of 100%.
- The credit can be applied toward the Comprehensive or Collision deductible for any covered vehicle when a claim is filed.
- Any claim (excluding Towing/Labor) prevents earning the 25% deductible credit at the next annual anniversary. Towing and labor only claims do not reset the deductible credit to 0%.
- The deductible credit does **not** apply when an undisclosed household driver is involved in a loss.
- The deductible credit resets to 0% for the following:
  - An undisclosed household driver is involved in the loss.
  - A claim is filed within the last 12 months.
  - Comprehensive and Collision coverages are removed and later re-added.
  - Comprehensive or Collision deductible is changed on any vehicle.
- This deductible option is not available for bus conversions.

Non-Business Auto

Accepts vehicles not permitted on a personal auto policy.

Example: National General has the ability to write a stake body truck or a Ford 350 used on a farm for personal use.

This is an optional coverage and is subject to underwriting review.

Primary Non-Contributory

Makes the named insured's policy primary in the event of a loss even if the additional insured was at fault for the accident and eliminates the ability to require the additional insured's own insurance policy to provide coverage for the loss.

This endorsement can be added for Named Additional Insureds or Contractual Liability Additional Insureds who require it as part of a contract.

Transportation/Towing Options

Insures against damages to towed vehicles. Also provides coverage for Motor Carrier risks.

Garagekeepers

Provides physical damage coverage specifically for Towing in the event of a loss to a customer's vehicle left in the care, custody, and control of the insured while at a covered location or in transit between covered locations.

- Requires BI/PD or CSL coverage.
- Requires a covered location to be listed on the policy.

This is an optional coverage and allows the insured to choose one of the following coverage levels:

- **Direct Excess** — Provides coverage without regard to the insured's legal liability for loss to the towed auto and is excess over any other collectible insurance.
- **Direct Primary** — Provides coverage without regard to the insured's legal liability for loss to the towed auto and is primary.
- **Legal Liability** — Provides protection to the named insured when found liable for damage resulting from a covered physical damage loss.

Motor Carrier Broadened

Provides a package of coverages in a single form for Motor Carrier customers. Liability and physical damage coverages are required. A deductible may apply to some losses. A single deductible applies to every three vehicles involved in the same covered loss up to a maximum of ten aggregate deductibles for one loss.

The package includes:

- Air bag replacement for accidental deployment
- Personal Effects coverage up to $500
- Repair to chains, tarps, and binders up to $500
- Increase of debris removal expenses from $5,000 to $25,000 if Cargo coverage is purchased
- Increase of storage expenses from $375 to $1,500 per loss
- Increase of supplemental bail bond payments from $200 to $2,500.

This is an optional coverage and is subject to a covered loss.

Motor Truck Cargo

Provides liability coverage for a loss due to theft, fire, or collision for the covered property in the care and control of the insured and being transported by an insured vehicle.

- Is available for risks rated as "for-hire trucking" and specific vehicle types — step vans, box trucks, straight trucks, flatbed trucks, stake trucks, and trailers.
- Includes acceptable business types such as:
  - Agricultural haulers
  - Courier — except for package delivery and/or residential delivery
  - General freight
  - Machinery and equipment
  - Wholesalers.
- Affords up to $200,000 in coverage with deductibles ranging from $250 – $2,500.
- Includes $5,000 for removal/clean-up expenses and $2,500 in additional loss protection.
- Requires Comprehensive and Collision coverages.
- Requires the same limits for all vehicles on the policy.
- Requires selection of specific limits and deductibles.
- Unacceptable cargo/freight includes:
  - Alcohol
  - Animals
  - Any illegal items
  - Any items stored for more than 72 hours — **unless** due to weather
  - Art work
  - Autos
  - Copper products
  - Electronics
  - Explosives, combustibles, or radioactive items
  - Goods owned by the insured
  - Household goods movers
  - Jewelry
  - Legal papers
  - Medicine or pharmaceuticals
  - Mobile or modular homes
  - Money
  - Refrigerated/perishable foods
  - Scrap metal
  - Tobacco.

This is an optional coverage and is subject to underwriting review.

Contact the Territory Sales Manager to request authority to sell Motor Truck Cargo Coverage.

Motor Truck Cargo Refrigeration Breakdown

Provides liability coverage for a direct physical loss to the covered property caused by spoilage or from a sudden or accidental breakdown of refrigeration or heating units on a covered vehicle.

All claims require proof that the refrigeration unit has been properly maintained. Failure to maintain the unit may result in the denial of a claim.

- Applies coverage to non-food cargo. Eligible commodities include:
  - Flowers (cut).
  - Plants, shrubs, and trees — temperature control.

  Note: Cannabis is not an eligible commodity.
- Requires Motor Truck Cargo coverage.
- Requires the liability limit to match the Motor Truck Cargo limits.

This is an optional coverage and is subject to underwriting review.

Motor Truck General Liability

Provides liability coverage for injuries or property damage sustained in the course of business while using products or services on premises. Also provides coverage for personal and advertising injury, products, and completed operations.

- Requires BI, PD, or CSL coverages.
- Is not available for garbage trucks, ice cream trucks, any business involved in passenger transportation, or any business earning income from:
  - Construction/excavation/demolition
  - Courier service
  - Farming
  - Installing equipment or appliances
  - Logging operations
  - Moving household goods
  - Non-trucking operations
  - Removing debris
  - Selling or leasing equipment.

This is an optional coverage and is subject to underwriting review.

Contact the Territory Sales Manager to request authority to sell Motor Truck General Liability coverage.

Non-Trucking Liability

Provides liability coverage for property damage or bodily injury to a third party. This coverage is designed for insureds who are under permanent lease to a motor carrier that provides the primary liability coverage and also use the trucks while not under the dispatch of a motor carrier.

- Requires the same limits for all vehicles on the policy.
- Does not allow federal filings.

This is an optional coverage.

On-Hook Towing

Provides Property Damage Liability coverage for the vehicle being towed. Coverage is provided on a specified perils and collision basis and does not include any premises policy exposure.

- Is available on tow trucks, incomplete chassis, pickup trucks with a fifth wheel, or truck tractors when a trailer is on the policy.
- Requires the same limits and deductibles for all towing vehicles on the policy.
- Allows limits up to $150,000.
- Excludes transmission/transaxle damage.

This is an optional coverage.

Trailer Interchange

Provides physical damage coverage to any non-owned trailer while in the care, custody, or control of the insured.

- Requires a written trailer interchange agreement. The agreement may be requested in the event of a claim.
- Requires a tractor or pickup truck with a fifth-wheel coupling device to be listed on the policy.

This is an optional coverage.

Discounts

The system automatically requests proof documentation required to retain discount.

Accident Prevention Course

Available when the driver is 55 years of age or older and has completed a qualified accident prevention course successfully.

The discount applies for up to 3 years as long as the driver has no accidents or moving violations.

Affiliated Package

Available when agency writes an additional Commercial lines policy for the insured (such as Workers Compensation, General Liability, Business Owners Policy [BOP], Inland Marine, Boiler and Machinery, or Commercial Umbrella) that has been underwritten by a company affiliated with National General.

- Requires agents to retain proof in the customer file. The proof document is a copy of the policy Declarations Page.
- See Package discount when an insured has an additional Commercial lines policy underwritten by a non-affiliated company.

Air Bag

Available when the vehicle is equipped with driver-side air bag or both driver- and passenger-side air bags.

Anti-Lock Brakes

Available when the vehicle is equipped with factory installed 2-wheel or 4-wheel anti-lock braking system.

Anti-Theft

Available to each vehicle on a policy equipped with a theft deterrent system or an active recovery device or tracking system.

Commercial Driver License

Available when any rated driver has a commercial driver license for commercial truck risks, **and** the policy lists medium, heavy, or extra heavy weight class vehicles.

Note: The driver is required to have at least 2 or more years driving experience with a commercial driver license for the type of vehicles listed on the policy.

DynamicDrive®

Applies to drivers participating in the National General DynamicDrive program who provide a valid email address and use a smartphone to install the approved application.

Electronic Funds Transfer (EFT)/Auto Pay

Available for policies with payments set up to transfer automatically from a savings account or checking account.

Note: Does not apply for payment transfers set up from a credit card or debit card.

Go Paperless

Available at new business when the named insured chooses to receive policy documents electronically and provides and maintains an active, valid e-mail address. When Paperless is endorsed onto the policy midterm, the discount is effective the date the paperless preference is confirmed.

The discount is removed if:

- An email is returned undelivered.
  Note: The documents are sent via regular mail.
- An insured requests to receive policy documents by conventional mail.

In-Agency Transfer

Available when agents transfer an existing in-house commercial auto policy to National General.

- Does not apply to a policy that was canceled or non-renewed by another carrier.
- Does not apply to policies with National General as the prior carrier.

Multi-Policy

Available to insureds who have more than one active policy with National General (e.g., a personal auto or motorcycle policy).

Package

Available when an agency writes an additional Commercial lines policy for the insured (such as Workers Compensation, General Liability, Business Owners Policy [BOP], Inland Marine, Boiler and Machinery, or Commercial Umbrella) that has been underwritten by a company not affiliated with National General.

- Requires agents to retain proof in the customer file. The proof document is a copy of the policy Declarations Page.
- See Affiliated Package discount when an insured has an additional Commercial lines policy underwritten by a company affiliated with National General.

Paid In Full

Available for insureds who pay 100% of the total premium by cash, check, EFT/Auto Pay, credit card, or debit card at the inception of a policy term.

Premium financed policies are not eligible for this discount.

Smartphone Safe Mode

Available to insureds who participate in a Distracted Driving Solutions program that disables smartphones and tablets while the vehicle is in motion.

Surcharges

Comprehensive on FTC Type Vehicle

Applies when Comprehensive coverage is selected on an FTC type vehicle.

Comprehensive Only

Applies if a vehicle has Comprehensive only coverage.

Excluded Driver

Applies when one or more individuals are listed as excluded drivers on the policy.

Financial Responsibility Filing

Applies when a Financial Responsibility filing (SR-22) must be filed for a listed driver.

Foreign Driver License

Applies when a driver does not have a valid United States driver license — but does have a valid foreign driver license, matrícula consular card, or passport.

Requires agents to retain proof in the customer file. The proof document is a copy of the driver's active foreign driver license, passport, or matrícula consular card.

Applies until a valid United States driver license is submitted to National General.

Motor Carrier Filing

Applies when a state or federal filing (BMC 91 filing) is required for a vehicle, and National General issues the filing on behalf of the insured.

No CDL for Class A and B Vehicles

Applies for drivers who do not have the proper CDL Classification to operate vehicles on the policy when one or more vehicles is a Class A or B vehicle.

Physical Damage Only

Applies to a physical damage only policy.

State and Federal Filings

Applies when a state or federal filing is required for a vehicle and National General issues the filing on behalf of the insured. National General must insure all vehicles to obtain a filing.

The vehicle may not be removed from the filing — **unless** it is sold or considered salvaged. Documentation is required to have the vehicle filing removed.

Step Down Buy Back

Applies to insureds who choose the Step Down Buy Back Endorsement option.

Unacceptable Risk

Applies when an unacceptable driver or vehicle is endorsed onto a policy that cannot be canceled or declined mid-term. The policy will be non-renewed.

Undeclared Driver

Applies if National General pays a loss involving a driver who is not listed on the policy due to state law.

Applies to non-drivers and rated drivers.

- Applies in addition to any points incurred due to the loss.

Unverifiable Driving Record

Applies when 3 years of driving history cannot be verified. This surcharge is removed after the driver has been insured for 3 continuous years with National General.

Underwriting

National General offers coverage for a wide range of businesses, vehicles, and drivers.

The success of National General and the success of agents depends on the ability to select business that fosters a portfolio that has the propensity for profitable results. As such, National General performs a complete review of a risk to determine acceptability in certain cases.

Accident Threshold

Accidents involving bodily injury are chargeable. If a property damage loss exceeds $1, it is considered chargeable.

Central Analysis Bureau (CAB) Reporting

National General reviews the operating authority, insurance, and violation history for all accounts that are subject to DOT regulations. These reviews are conducted using both publicly available information as well as information provided through a third party vendor — CAB.

The underwriting of these accounts is used to determine the acceptability and rate of risks for coverages, limits, and filings. The review of these risks takes into account numerous elements and criteria — including but not limited to — the insured's CAB scores, out-of-service rates, DOT reportable accidents, reports from individual inspections, and trends over time.

Certificate of Insurance

A Certificate of Insurance is available online for active, in-force policies. This certificate does not extend coverage or protection under the terms of the policy.

A Certificate of Insurance provided by agents on behalf of National General to insureds requires agents to do the following:

- Keep the cancellation language as is on the standard ACORD certificate.
- List the correct coverages and limits.
- Send National General a copy of all certificates.

Experience Period

Accidents and violations are charged when the occurrence date is within 59 months prior to the policy effective date.

Fleet Underwriting

Fleets consist of 10 or more vehicles.

Agents are required to submit all fleet risks to a National General underwriter for review prior to binding coverage. Agents enter the quote information and send a complete fleet submission to an underwriter.

The system notifies the underwriter of a quote submission. The underwriter notifies agents via email regarding the quote status. Agents should receive a response within 3 – 5 business days.

In addition to any discounts and surcharges that may apply, the underwriter uses Schedule Rating debits and credits — along with Experience Rating — in evaluating all fleet accounts.

- Schedule Rating includes reviews of equipment quality, maintenance and safety, driver experience and stability, financial stability, business experience, and management of the firm.
- Experience Rating is based on the loss ratio over the past 3 years.

Non-Fleet Underwriting

In most cases, National General has a price can for every customer. On occasion, higher risk exposures need to be referred to the Underwriting Team for prior approval.

The system notifies agents when a quoted risk is being referred to the Underwriting Team as well as the decision made by the underwriter. If additional information is required, the underwriter contacts the agent.

A response with the decision is provided to agents within 1 – 3 business days once the underwriter has received all the required documents.

Agents can contact the Customer Service Team with any questions regarding an account that is being reviewed. The goal is to minimize the delay in the quoting process and provide a decision as quickly as possible.

Manual Underwriting Review Process

The manual underwriting review process requires paper submission of additional documentation prior to binding. The following information is required:

- ACORD 125
- ACORD 127
- ACORD 137
- 4 years of loss runs dated within 30 days of submission
- Proof of prior auto liability insurance coverage.

The ACORD forms require signatures from both the agent and the applicant. Any missing forms, pages, or information is considered an incomplete submission and is not reviewed.

Mail all documents to the Correspondence address. Allow 20 business days for processing.

Named Driver Exclusions

National General excludes any driver from a policy **except** those requiring a Financial Responsibility filing (SR-22 or FR-44) — provided a completed and signed Driver Exclusion form is received. The form requires the driver license number of the excluded individual.

Individuals who have a permanently revoked driver license are unacceptable risks — **unless** excluded.

Federal filings are not permitted when a driver is excluded on a policy.

At the vehicle level, drivers without the proper CDL classification are excluded from operating Class A and B vehicles.

Proof of Business

Agents are required to retain proof of business in the customer file when all vehicles on the policy are PPA-type vehicles (cars, pickup trucks, and vans).

Acceptable proof of business includes:

- Business License/Tax ID
- Executed business contract for the business type listed on the policy
- General Liability or Workers Compensation Declarations Page
- Photos of the insured’s work vehicles showing advertising for the business listed on the policy
- Professional License (contractors or other trade) for the business type listed on the policy
- Tax records showing business income
- Website or other verifiable internet-based business proof
- Yellow Pages advertisement.

Proof of Prior (POP)

Verification of prior insurance is an important component of the rating process.

Verification includes:

- Date that prior insurance policy expires.
- Liability limits.
- Length of coverage for the named insured.

  Note: Commercial and Personal Auto policies are acceptable as proof of prior; select the proper option in the Continuous Coverage drop-down list.

Acceptable proof of prior includes:

- Declarations Page
- ID card showing liability limits and effective dates
- Letter from previous carrier
- Loss runs
- Non-renewal notice
- Other insurance documentation showing liability limits and effective dates
- Renewal offer.

  Note: A prior National General Commercial Auto policy is not acceptable POP.

Agents are required to submit proof of prior insurance to National General.

Current Carrier information is used to provide information on prior personal auto insurance. POP is not required if during the quoting process a hit is received on Current Carrier that validates prior company, prior coverage dates, **and** prior limits.

If the insured has prior commercial vehicle insurance, update the Prior Policy Information with the proper Continuous Coverage option, prior company, and prior coverage dates and limits. POP is required to be submitted to National General to confirm the commercial vehicle prior insurance.

POP will be applied back to the policy inception date regardless of the date it is received. If POP is not received within 21 days of the policy inception date, the policy will temporarily default to the information provided by the Current Carrier until acceptable proof is submitted. Once POP is received, it will be applied retroactively to the inception date.

Note: If a selection entered in the Prior Policy Information section does not result in the most competitive rate available, the system returns the options for Continuous Coverage, Prior BI Coverage, and/or Prior Expiration Date to the lowest possible rate.

Referral Rules

The following list includes the most common reasons for referral to underwriting:

- Any Auto, Owned Auto, Motor Truck Cargo, or General Liability coverage(s) selected
- Federal filings
- More vehicles than drivers
- Total premium greater than $25,000
- Mailing address is different from garaging address
- Heavy dump trucks or truck tractors
- Heavy power units and trailers
- Tow trucks and trailers
- Non-business classification
- Retail food delivery (not under time constraints)
- Less than 6 months of continuous coverage (no prior unacceptable for high liability limits)
- Drivers with suspended or revoked driver license (unacceptable on single vehicle policies)
- Drivers without CDL with vehicles having GVW greater than 26,000 lbs. (must have drivers with proper CDL)
- Drivers with multiple occurrences.

Refer to underwriting if one or more of the following conditions are met to run Central Analysis Bureau (CAB):

- DOT or Motor Carrier number field is blank
- CAB is a No Hit Failure
- CAB service is down.

Radius of Operation

Radius is the farthest one-way distance of business travel from primary garaging location. Verify that the correct radius of operation is listed on the application.

Radius for personal travel does not apply when personal use is included on the policy.

Rounding of Premiums

Premiums are rounded up to the next whole dollar if cents are 50 or greater and down to the next whole dollar if cents are 49 or less.

Stated Amount

Other than private passenger autos, vans, and pickup trucks, vehicles are rated on stated amount.

When determining stated amount, consider the current market value of the vehicle with any improvements to the vehicle other than additional or customized equipment. For any permanently attached additional/ customized equipment, enter the value in the Attached Equipment field. The vehicle is rated on the total amount of the vehicle value and the custom equipment.

The minimum stated amount for a commercial vehicle (non-PPA type) is $5,000. The minimum stated amount for any trailer is $2,000 ($5,000 for livestock trailers).

Any vehicle insured for less than 90% of its actual cash value is covered for a percentage of its total damages — less a deductible — at the time of a loss.

The stated amount is determined by the condition of the vehicle, improvements or rebuilds, mileage, and location. Value information can be obtained from NADA, Truck Blue Book, trucks.com, internet sites, dealerships, and banks.

The stated amount should be reviewed at least every 2 years to ensure continued accuracy of value. The customer is responsible for maintaining the accuracy of the stated amount. In the event of a loss, the policy pays the least of the stated amount, actual cash value, or cost to repair or replace.

Territories

Rating territories are defined by ZIP Code. Use the territory in which the vehicle is garaged primarily. A Post Office Box is not an acceptable garaging address.

If the mailing address and garaging address differ, list both on the application and provide a clear explanation. If the garaging ZIP Code entered during the application process does not match the garaging ZIP Code returned on the insured's credit report, the insured is required to provide proof of residency.

Note: Time sensitive proof items should be dated within 2 – 3 months of the policy effective date.

Any one of the following items is an acceptable form of proof:

- Land-based utility statement (e.g., cable, gas, water, electric)
- Homeowners insurance policy Declarations Page
- Residence property tax bill
- Property deed to home.

Three of the following items are acceptable forms of proof:

- Hospital record
- Medicare/Medicaid statement or state benefits (e.g., food stamps)
- Photo ID, government or DMV issued (e.g., driver license)
- Pistol permit/license, active
- Renters insurance policy Declarations Page
- School record showing enrollment at local school or university
- Signed and notarized letter from property owner / landlord
- Tax records/W-2 form
- Unemployment stub/receipt
- Vehicle registration.

Note: If an insured moves out of state during the policy period, the policy should be rewritten in the new state. If rewritten with National General, the current policy cancels pro rata.

Out-of-State Garaging

When there are multiple vehicles on a policy, it is permissible to garage a vehicle in a state that borders the policy state as long as this garaging address is within the declared radius and an out-of-state registration is not required.

Rate Accuracy Review

Each policy is reviewed to verify the accuracy of the listed policy garaging address and the actual garaging address of the risk. If it is determined that there is a difference between the addresses that is not noted in the policy details, the garaging territory is revised, and the policy premium may change.

The policy may be canceled or non-renewed if any rate evasion was determined to be intentional.

Waiver of Subrogation

Upon request, National General issues a Waiver of Subrogation. This endorsement waives the right of National General to recover on a loss from a third party.

Two options are available:

- **Listed Waiver of Subrogation** — Requires each party for which recovery is to be waived be listed on the policy. A fee applies to each party on which subrogation is waived up to the first six names listed. There is no additional fee for more than six names.
- **Blanket Waiver of Subrogation** — Does not require the names of the parties to be scheduled. To have coverage under the policy terms, an in-force contract is required requesting Waiver of Subrogation. A flat fee is charged for a blanket waiver.

Motor Carrier Compliance

Vehicles subject to the Federal Motor Carrier Safety Regulation and/or the Motor Carrier Safety Regulation of the state in which the vehicle is primarily garaged require compliance with those regulations. Compliance includes, but is not limited to, the following:

- Completing background checks to confirm no drivers have driving or criminal histories that would disqualify them as a driver under the Federal (or state) Motor Carrier Safety Regulation.
- Maintaining logbooks for all drivers who drive vehicles that are subject to the Federal (or state) Motor Carrier Safety Regulation.
- Providing required training for all drivers according to the Federal (or state) Motor Carrier Safety Regulation.
- Issuance of federal filings is subject to underwriting approval.

Any risk that does not comply with any of the above regulations is unacceptable.

Federal Truck Filing Forms

BMC-91 and BMC-91X

The BMC-91 is filed with the Federal Motor Carrier Safety Administration (FMCSA) to show proof of required liability limits for transporting cargo or people across state lines.

The BMC-91X is filed when multiple carriers are involved in providing coverage.

MCS-90

The MCS-90 is an endorsement that must attach to both liability insurance and Cargo Liability insurance policies when a Federal filing is required. The MCS-90 guarantees that minimum liability limits are in place to protect the public. This form is not filed with the FMCSA. The BMC-91 or BMC-91X is filed to show that the MCS-90 has been issued.

Answer the following questions when requesting a federal filing:

- How many years has the driver been driving this type of vehicle and for whom?
- What states does the insured travel to, and how often does the insured travel to those states?
- Is there any overnight travel?
- What commodities are being shipped? Be specific, as some commodities are not permitted.
- Are all owned vehicles or vehicles operating under the applicant's authority listed on the application?
- Are all employees — part-time, full-time, and temporary — listed on the application?

Contact the Territory Sales Manager to request federal truck filing permissions.

Intrastate Truck Filing Forms

Form E

A Form E filing certifies that the liability insurance complies with the state's financial responsibility laws. The form is submitted to the department that regulates intrastate trucking.

Note: Form E filings are issued only in the state in which the policy is written.

Form K

A Form K filing is used to cancel a previous state filing. The form is submitted to the state agency that regulates motor carrier financial responsibility.

State and Federal Filing Requirements

National General issues a filing after the risk is accepted for coverage and the proper information for filing is received. A vehicle cannot be removed from the policy (excludes SR-22) — **unless** it is sold or considered a total loss/salvaged. Documentation of a vehicle total loss/salvage is required to remove the vehicle from the policy. The following minimum limits are required by filing type:

Filing Type	Company Requirement	Minimum Limits	Truck Cargo
SR-22	Listed drivers only.	State minimum limits are required.	Not applicable
State	List all vehicles owned and operated by the insured on the National General policy.	26,000-34,999 GVW 50/100 or 50 CSL 35,000-43,999 GVW 100/300 or 100 CSL >= 44,000 lbs. GVW 300 CSL	Available
Federal	List all vehicles owned and operated by the insured on the National General policy.	750 CSL *Must have MCS-90.	Available

The insured's name on the policy must be an exact match of the name entered on the Motor Carrier Authority Form. It is important that the insured's legal name, business address, and all other information required for the federal filing be accurate. Agents can verify information on FMCSA's SAFER website (**http://safer.fmcsa.dot.gov/**).

Federal filings are reviewed by the Underwriting Team. Call Customer Service at 1-877-468-3466 with questions about issuing a filing.

Down Payment Requirement for Policies with a Filing

All policies with any filing require a 20% down payment made by certified check, cashier's check, or money order.

Transaction Guidelines

Binding New Policies

All applications must be submitted within 48 hours of the policy effective date.

The application is bound as of the date on the application or the request for endorsement provided:

- Risk meets acceptability guidelines.

  Note: See the Underwriting section regarding risks that require prior approval.

- The application and all other required forms are completely filled out and signed by the applicant.
- Required down payment accompanies the application.

Agents do not have authority to issue policies, endorsements, or cancel notices or to permit a solicitor to bind coverage. Backdating is unacceptable.

Misrepresentation of Risk

Misrepresentation of a risk is insurance fraud. Each applicant has the responsibility and obligation to complete an application for insurance truthfully and to inform National General of any and all changes during the policy period. Failure to do so could result in the denial of a claim.

Note: See the Commercial Risk Overview section regarding what qualifies as a commercial risk and should be included on the policy.

Agents are responsible for helping the applicant fully disclose all material facts. To avoid possible misrepresentation and to ensure the accuracy of quoted premiums:

- Ask the applicant all questions on the application concerning business use, prior vehicle damage, past insurance fraud, and felonies. Ensure the applicant understands and answers all questions.
- Inform the applicant that National General uses MVRs, Comprehensive Loss Underwriting Exchange (CLUE), credit reports, and other available reports to assist in verifying information and rating the policy.
- Inform the applicant that all losses and accident activity — both at-fault and not-at-fault — are required to be disclosed.
- Verify that all information on the risk is accurate, including but not limited to the following items:
  - Verify the vehicles and drivers are an acceptable risk.
    Note: See the Unacceptable Risks section regarding unacceptable business/occupation types, vehicle types, and drivers.
  - Verify that all drivers who should be included on the policy are listed.
  - Verify the garaging address of all vehicles.
  - Verify that vehicle use matches the described business description.

Financial Responsibility Score

A customer's Financial Responsibility Score is used in developing the premium for non-Fleet policies. Fleet risks do not require a Financial Responsibility Score.

An applicant may choose not to have the Financial Responsibility Score used in the rating of the risk, but the returned rate will be the highest rate based on the information provided.

To obtain the Financial Responsibility Score, enter the person's full name, home address (not the business address, if different), and Social Security number, if provided.

Note: Customers have the right not to provide Social Security numbers; however, it could negatively affect the results of the search and affect the premium.

- For an individual/sole proprietor, use the primary named insured.
- For a partnership or corporation, use the name of the person responsible for the daily operations of the concern.
  - For a partnership, the managing partner is typically the person to use.
  - For a corporation, the president or CEO is usually the person to use.

Hazardous Weather Binding Restrictions

When a hurricane, tropical storm, tornado, hailstorm, or flood occurs, or a warning is placed in effect, **DO NOT BIND** any new physical damage coverage. Physical damage coverage can be added when the moratorium or warning is lifted.

When binding coverage within 48 hours after a warning or occurrence has been lifted, agents are required to inspect the vehicle before initiating physical damage coverage. Note the application that an inspection was completed.

New Business

Liability only policies can be bound.

Endorsements

DO NOT bind the following types of endorsements:

- Do not add or replace a vehicle with physical damage coverage.
- Do not add physical damage coverage to an existing liability only vehicle.
- Do not lower a physical damage deductible for an existing vehicle.
- Do not increase physical damage coverage on an existing vehicle.

All other types of endorsements can be bound.

Reinstatements

Liability only policies are eligible for reinstatement.

Endorsements

Endorsement requests should be submitted using the agency policy.

Premium adjustments resulting from changes to the policy are made at time of endorsement or incorporated into future installment bills. If all installment payments have been received or if the policy is premium financed, premium adjustments are billed or credited directly to the insured.

Certain types of endorsements are reviewed by National General and additional information may be requested due to the transaction being performed.

Renewals

A renewal offer is sent to the named insured prior to the policy expiration date according to the statutory requirements. The insured must pay all balances due before money received can be applied to the renewal.

Renewal Down Payments

The renewal down payment must be received prior to the renewal effective date to ensure no lapse in coverage. A policy can be renewed with or without a lapse in coverage if the customer makes the renewal down payment within 30 days after the renewal effective date.

If payment is received after 30 days, National General will write another policy with a current effective date.

Cancellations

Cancellation dates are extended to meet any statutory requirements.

Flat Cancellations

Flat cancellations after policy inception are only permitted for one of the following reasons:

- National General is notified within 30 days of the policy effective date there is duplicate coverage on the vehicles equal to or greater than the National General policy. A copy of the Declarations Page from the other policy and the named insured's written request must be submitted.
- The named insured did not take possession of the vehicle during a vehicle purchase and there are no other vehicles listed on the policy. The named insured must request the cancellation.

Insured Requested

Insured requested cancellations are calculated 90% pro rata.

A written request from the named insured **or** receipt of the named insured's copy of the National General Declarations Page is required. The cancellation effective date may not be earlier than the date National General receives the cancellation request.

When Claims declares a vehicle a total loss and National General retains the salvage vehicle, the vehicle is deleted from the policy the day after the loss. If the total loss vehicle is the only vehicle on the policy, a letter is sent to the insured requesting replacement vehicle information or cancellation information.

- **Policies with state and federal filings** are canceled 35 days after receipt of the request.
- **Flat cancels** are permitted if proof of other insurance is received within 30 days of the policy effective date.

Provided contact information is on file, additional insureds, loss payees, and premium finance companies are advised of the cancellation.

Company Requested

Cancellation for Underwriting Reasons

National General may cancel a policy pro rata for underwriting reasons within 45 days of the policy inception date.

Cancellation for Non-Payment

When the initial down payment is non-sufficient or dishonored, the National General policy becomes null and void.

If payment for a billed installment is not received by the due date, a notice of cancellation may be sent to the insured, Producer, and any loss payee or additional interest. If payment is received **before** the cancellation effective date, the cancellation does not take effect and the policy remains in-force. If payment is received **on or after** the cancellation effective date, the cancellation takes effect. Cancellations for non-payment of premium are calculated pro rata plus a cancel fee.

Premium Finance Requested

Cancellations requested by a premium finance company are calculated short rate.

Reinstatements

Policies may be eligible for reinstatement for up to 30 days of a cancellation or expiration date. Policies may be eligible for reinstatement with or without a lapse depending on the number of days since the expiration or cancellation. In addition, certain criteria must be met to reinstate a policy, such as providing a statement of no loss, satisfactory payment, and outstanding proof documentation, if applicable. A 6-month policy that has previously canceled two times or a 12-month policy that has previously canceled three times are not eligible for reinstatement.

New business policies canceling due to non-sufficient funds may not be eligible for reinstatement. A policy may be rewritten if the insured meets current guidelines and satisfies any outstanding balance; the rate may change.

Agent/Broker of Record

New Business

Insureds and agents are best served by honoring the Agent of Record (AOR) at the point when a new business policy is bound — not at the initiation of a quote. Therefore, quotes are issued to all agents who request a quote; however, non-discretionary rating elements are matched to the first received quote.

Renewal Business

Insureds and agents are best served by renewing existing policies with the agent who issued the policy; therefore, changing the Agent of Record is not encouraged.

- When an insured insists on changing agents, a request signed by the insured to change the AOR is required to be received a minimum of **15 days prior to the renewal effective date**.
- AOR changes are effective at renewal and cannot be made midterm.
- All AOR requests have a 10-day rescission period in which the incumbent agent is given the opportunity to obtain a rescission letter signed by the named insured on the policy.
- AOR letters submitted by retail agents who previously placed the business with National General through a wholesale agent are not accepted unless the transfer is approved by the wholesale agent.

Policies written directly through National General **cannot** be transferred to an agency policy via an Agent of Record Change form. The policy must be written as a new business policy in the agent code and in a company in which the agent is licensed to write business.

MVR Chargeback

At the close of each month, National General reviews all quotes that included an order of a Motor Vehicle Report (MVR) and/or Loss History Report. The total number of quotes with reports ordered is used to calculate the percentage of these policies that were bound.

If 70% of the MVRs ordered for the month can be matched to the new policies, 100% of the cost of all MVRs ordered for that month is paid. If less than 70% of the MVRs ordered for the month are matched to new policies, the agency is charged for all ordered MVRs not matched to a new policy.

The agency monthly commission statement reflects any MVR charges.

Billing, Payments, and Fees

Billing

All National General payment invoices are billed directly to the insured, **except** the down payment, which is required to accompany the application. Each invoice contains a schedule of remaining payments.

All refunds are mailed directly to the named insured at the address on the application or any change of address provided to National General in writing. If applicable, refunds are mailed to the premium finance company.

Policy Period

Semi-annual and annual policies are offered and displays in the system when available.

Outside Premium Financing

Premium financing is acceptable for payment of policies.

Payments

When an agent accepts an insured's check, it should be made payable to National General or the agency. If an insured's check is made payable to National General, the check should be endorsed to the agency account by signing or stamping the check and indicating "For Deposit Only."

Note: Agents are not to retain commission from premium collected from insureds.

When an insured's check is returned to the agency for non-sufficient funds, National General reimburses the agent — including any associated bank fees up to a maximum of $25. Agent notification must be received at National General within 20 calendar days of the date the insured's check was written to receive reimbursement.

Acceptable methods of payment are:

- Down Payment — VISA, MasterCard, Discover and American Express credit card or debit card, agent sweep, or electronic check.

  Note: Risks requiring any state or federal filing must pay the initial payment with certified check, cashier's check, or money order.

- Installment Payment — VISA, MasterCard, Discover, or American Express credit or debit card, agent sweep, or electronic check.
- EFT/Auto Pay — VISA, MasterCard, Discover, or American Express credit card, checking account, or savings account.

EFT/Auto Pay

If the EFT/Auto Pay payment method is available, an insured may complete a National General EFT/Auto Pay Authorization Agreement at new business or at renewal and choose to have monthly installments electronically withdrawn from one of the following:

- Personal checking account or savings account **or**
- Credit card or debit card.

Note: The EFT/Auto Pay discount is not available with the credit card or debit card payment method.

National General provides the named insured a schedule of EFT/Auto Pay transactions.

If a change occurs on the policy resulting in a premium change, a revised statement is issued in advance confirming the new amount to be drafted. Agents should notify insureds that National General continues drafting based on the current draft schedule until the revised statement is issued.

Requests to change account information or draft dates must be received by National General at least 10 business days prior to the next draft. Requests to stop Electronic Funds Transfer (EFT)/Auto Pay must be received by National General at least 3 business days prior to the next draft date. For account information changes, a new EFT/Auto Pay Authorization Agreement is required.

Renewal down payments are drafted automatically from the named insured’s account — **unless** a written request to stop the draft is received.

Fees

All fees are fully earned in the event of cancellation.

Additional Insured

A $25 fee is charged per filing for each additional insured at both new business and renewal.

Note: $250 maximum per policy term.

Additional Insured — Blanket

A $500 blanket fee is charged per policy term for a **Non-Fleet** policy.

A $1,000 blanket fee is charged per policy term for a **Fleet** policy.

Additional Insured — Contractual Liability

A $25 fee is charged per filing for each additional insured at both new business and renewal.

Note: $250 maximum per policy.

Federal Filings (BMC 91)

A $75 fee is charged per filing at both new business and renewal.

Financial Responsibility Filing

A $50 fee is charged per filing at new business.

A $25 fee is charged per filing at renewal.

Installment

A fee is included in each installment payment and in renewal down payments. The amount of the fee is based on the payment method and number of payments. The installment fee is not included in new business down payments.

- A lesser of 18% or $10 fee is charged for an EFT/Auto Pay from a checking/savings account.
- A lesser of 18% or $20 fee is charged for an EFT/Auto Pay from a credit card/debit card.
- A lesser of 18% or $20 fee is charged for All Other.

Installment Plan Processing

A $10 fee is charged for processing an installment payment plan.

Installment Plan Service Charge

A fee of 1.5% of the unpaid balance on the policy is charged per installment.

Late Payment

A $10 fee is charged when a payment is not received by the due date.

Non-Sufficient Funds

A $15 fee is charged for all returned checks that were not honored by the bank.

Primary Non-Contributory

A $25 fee is charged per filing at both new business and renewal.

Note: $250 maximum per policy term.

Reinstatement

A $10 fee is charged per reinstatement/reissue with a lapse.

Reinstatement with Federal Filing

A $85 fee is charged per reinstatement/reissue with a lapse requiring a Federal filing.

State Filings (Form E)

A $50 fee is charged per filing at both new business and renewal.

UIIA

A $75 fee is charged per filing at both new business and renewal.

Waiver of Subrogation

A $25 fee is charged per filing at both new business and renewal.

Note: $250 maximum per policy term.

Waiver of Subrogation — Blanket

A $500 fee is charged per policy term for **Non-Fleet** policies.

A $1,000 fee is charged per policy term for **Fleet** policies.

Document Retention and Review Requirements

Maintaining complete and accurate records on all insurance transactions conducted on behalf of National General is vital.

When agents complete a sale or policy endorsement, an agency To Do prints a list of documents required to be submitted to National General or to be retained in the customer file. These documents, whether paper or electronic form, should be retained for at least 5 years from the policy expiration date (or if coverage was never bound, from the date on which the quote was rejected). If state law requires such documents be retained longer than 5 years, comply with the state requirement.

All agency records pertaining to the business of National General are open for evaluation and inspection during routine reviews. Upon request, agents are required to present specific documentation. Failure to provide the documentation within the allotted time results in a failed review.

Uploading Policy Documents

When a Policy To Do requires documentation be submitted to National General, uploading PDF documents through the agency policy system is the fastest and easiest way to ensure immediate receipt of the policy documents. Other acceptable formats are TIF, BMP, and JPG.

Go Paperless

Paperless document delivery provides the insured immediate access to Declarations Pages, Policy Booklets, endorsements, renewals, and other documents. This adds value to the customer and reduces calls to agents.

Note: The insured continues to receive printed invoices and cancelation notices delivered by the United States Postal Service.

The only requirement for an insured to Go Paperless is a valid email address.

Insureds choosing to Go Paperless receive a welcome email advising them to register for online Self-Service.

Electronic Signature (eSignature)

Agents are responsible for obtaining the signature on all documents that require a signature — regardless of the signature option selected by the insured. In the event the insured does not sign documents that require a signature electronically, agents are required to obtain handwritten signatures on the printed documents and retain those documents in the customer file.

New business customers can choose to electronically sign (eSign) Point of Sale (POS) policy documents that require a signature — eliminating the need to obtain a handwritten signature.

The following eSignature options are available:

- Agent Vendor eSignature
- Customer Self Service
- Unique URL/PIN Authentication.

Note: The eSignature options are only available for new business point of sale documents requiring a signature. The eSignature options are not available for signature documents generated by endorsements or renewals.

Agent Vendor eSignature

New business customers can choose to sign POS policy documents electronically via the agency's eSignature vendor.

Note: Contact the agency's Marketing Representative for a list of eSignature vendors accepted by National General.

Customer Self-Service

When a new business customer is on the phone or is in the agency with more than one named insured listed on the policy, a valid email address is required to choose eSign.

The system automatically uses the Customer Self-Service method when there is more than one named insured listed on the policy. When the policy is bound, the insured and co-named insured (if applicable) receive an email advising them to:

- Register for a self-service account **and**
- Review and eSign the documents.

Note: Registration is a one-time process required for the insured to set up his/her ID and password for future access to policy information.

Unique URL/PIN Authentication

In addition to creating a self-service account, the insured also has the ability to eSign new business policy documents using a unique URL and PIN. A valid email address must be entered during the quote process on either the Named Insured screen or the Wrap Up screen. To receive eSignature text messages, the insured must provide a valid cell phone number.

When the policy is bound, the insured receives an email from service@ngic.com and/or a text message providing a unique URL and 4-digit PIN required to eSign policy documents. To complete the eSignature process, the insured must click the Sign button within the email and/or text body.

When an insured does not eSign the documents within 3 days of receiving the email and/or text, the New Business Policy Packet is printed and mailed via the United States Postal Service using the address on the policy. Failure to submit the requested signature documents to National General could result in an increase in policy premium or cancellation of the policy.