

PRO GENERAL

INSURANCE SOLUTIONS, INC.

UNDERWRITING GUIDELINES

**FLORIDA CHOICE AUTO PROGRAM
Private Passenger Auto**

Underwritten by Aventus Insurance Company

Effective September 1, 2017

**Administered By:
Pro General Insurance Solutions, Inc.
2626 Foothill Blvd., Suite 290 La Crescenta, CA 91214
Florida License Number: L088055**

GENERAL RULES

ACCEPTABLE APPLICATIONS

DO NOT BACKDATE COVERAGE.

We reserve the right to make final underwriting decisions regarding the acceptability of risks, limits of coverage and deductibles.

HURRICANE SEASON BINDING - Whenever the National Weather Service issues a Tropical Storm Watch, Hurricane Watch, or Hurricane Warning, binding authority for Physical Damage is suspended for agents located in, and vehicles garaged in, counties covered by the Watch or Warning. During this period, agents may not bind new risks for physical damage, add comprehensive or collision to a risk by endorsement, or reduce existing deductibles on a policy, and any reinstatement or renewals with lapse will not apply to physical damage. Binding authority is reinstated when the Weather Service lifts the Watch or Warning.

Producers have no binding authority. Provisional binding authority will be recognized based upon the following conditions being met.

Applications for new business must be transmitted by the Producer to the Company via an approved electronic application upload. If you are unable to transmit via one of the approved electronic uploads, a copy of the complete application and all required documentation must be faxed immediately to the Company. Every question on the application must be answered (and explained where called for), the application must be properly signed by the Applicant and Producer, the required premium must be collected, and the risk must be acceptable according to all underwriting rules. The individual who signs the application must be the Applicant/Named Insured.

The Named Insured must be an individual; policies with estates, receiverships, corporations, partnerships as the Named Insured are not acceptable.

A new application will not be accepted for any former policyholder who has an unpaid balance due, unless it is paid with the submission of the new application.

The completed, signed application and all required supporting documentation must be obtained and be available immediately for review as requested by the Company, and required items* submitted to the Company via electronic upload or postmarked within three (3) days from the date of the electronic upload of the application, as required. Documentation needed for applications written with a future effective date must be uploaded via our website at or postmarked prior to the requested effective date. The Company has the right to review and the producer has an obligation to have all documents available for review, including but not limited to the following:

1. The insured's name and address, including the insured vehicle(s) garaging address. The garaging address must not be a P.O. Box.
2. The required down payment or full payment.
3. For each vehicle, the full description of the vehicle including year of manufacture, make, model and the complete vehicle identification number (V.I.N.)
4. Information for all drivers, including their correct driver's license numbers, loss history and current MVR. All household residents age 15 or older and any persons (including all children age 15 or older who live with the insured) that regularly drive the cars must be listed as a driver or excluded from coverage on the application.
5. All waivers and exclusions signed, as required
6. Coverage limits and deductibles clearly identified
7. Producer's name, address, and producer code.

8. Photos for all vehicles with physical damage coverage. The photos must be submitted to the Company. (See "VEHICLE INSPECTION" section for details).
9. For each vehicle, regardless of the coverage requested, a copy of the current valid vehicle registration or, if new, sales contract must be submitted to the Company. Handwritten sales contracts, certificates of title and "pink slips" are not acceptable for this documentation.
10. Appropriate proof of all applicable discount(s) eligibility and proof of non-fault for all accidents. Proof of marriage is required whenever the insured and spouse have different last names and may also be requested in other cases.

*For producers that are set up for "Document Retention", only the following items must be submitted to the Company concurrent with the submission of the application, as per the instructions above (however, all items noted above, even if not required to be submitted to the Company must be kept on file in the Producer's office and available for review at any time by the Company):

1. For each vehicle, regardless of the coverage requested, a copy of the current valid vehicle registration or, if new, sales contract must be submitted to the Company. Handwritten sales contracts, certificates of title and "pink slips" are not acceptable for this documentation.
2. Photos, if required (See "VEHICLE INSPECTIONS" section for details.)

CANCELLATIONS / NON-RENEWALS

The Company will determine the effective date of cancellation or non-renewal and send any required notice to the insured and any third party interest, as required.

FLAT CANCELLATION / RESCISSIONS

Not permitted except under the following circumstances:

The insured's down payment made to the producer or the Company is not honored by the financial institution upon which it is drawn. If applicant's down payment is returned for any reason by the financial institution upon which it is drawn, the policy will be rescinded and no coverage will have ever been afforded. If the insured's down-payment was received and deposited by the producer, a request to rescind must be faxed to the Company along with a copy of the dishonored check (front and back) or documentation of a refused/ rejected/ disputed/ declined credit card payment. The fax requesting the rescission and the supporting documentation must be submitted to the Company within 20 days of the policy effective date. Replacement funds collected are to be used to rewrite the policy with a new effective date. Under no circumstances are funds to be collected by the producer with the understanding that the insured's rescinded policy will be "reinstated".

NON-PAYMENT OF PREMIUM

If the insured fails to pay their installment prior to the due date, the Company will mail a notice of cancellation that provides at least 10 days' notice. All policies cancelled for non-payment will be subject to a short rate cancellation fee, equal to 10% of the prorated unearned premium. In addition, any and all fully earned fees will be due. Payments made with invalid instruments or otherwise insufficient will be considered as null and void. Subsequently, any pending reinstatement will revert back to the previously noted cancellation date.

Other reasons a policy may be canceled for non-payment of premium to the Company (reasons other than the insured did not make their installment payment) include; the tendering of a short payment or failure to pay an additional premium when due. the Company may issue a "Notice of Cancellation for Non-Payment". Reinstatement is subject to company approval, but may be considered if the premium due is paid within 30 days of the cancellations date.

INSURED'S REQUEST

A policy canceled per the insured's request will be canceled as stated in the Policy. All policies cancelled for Insured's Request will be subject to a short rate cancellation fee, equal to 10% of the prorated unearned premium. All requests must be made in writing to the Company and must be signed by the Named Insured. Insured's requests may be mailed or faxed to the Company. Cancellation will be effective no sooner than the day after the fax was sent to the Company or the postmark date on the envelope that contained the request.

The company will refund 100 percent of the unearned premium if the insured is a service member, as

defined in s. 250.01, who cancels because he or she is called to active duty or transferred by the United States Armed Forces to a location where the insurance is not required. The company may require a service member to submit either a copy of the official military orders or a written verification signed by the service member's commanding officer to support the refund authorized under this subsection. If the insurer cancels, the insurer must refund 100 percent of the unearned premium. The company will comply with Section 627.7283(5).

Cancellation is without prejudice to any claim originating prior to the effective date of the cancellation. For purposes of this section, unearned premiums must be computed on a pro rata basis. In the case of the insured's death, either the insured's spouse, executor or person granted power of attorney to execute the insured's affairs may request cancellation of the policy. A copy of the death certificate and if the requestor is not the insured's spouse, evidence of legal right to transact the deceased insured's affairs must accompany the request.

Exceptions:

1. In the case of duplicate coverage, earned and/ or return premium will be calculated on a pro-rata basis. the Company must receive the insured's signed request and a copy of the Declarations Page from the issuing carrier. The submitted Declarations Page must indicate concurrent coverage, and show the same vehicle(s) and coverage as the Aventus Insurance Company policy. The cancellation request for duplicate coverage must be received within 30 days of the policy effective date. All fees are fully earned.
2. Cancellation because of a total loss will be done only upon the receipt of the insured's request and will be processed effective the day after the loss, but only if the request is received within 30 days of the loss date. Otherwise, they will be processed as of the date received by the Company.
3. When an insured has moved out of state, we offer prorated cancellation in these cases.
4. Cancellations for policies not accepted by the insured because of producer or Company error will have the earned and/or return premium calculated on a pro-rata basis.

NEW BUSINESS

Application must be completed in full and signed by the applicant and the producing agent; no power of attorney signatures is acceptable. The applicant must be the owner of the vehicle. List full names, birth dates and operators'/drivers' license numbers, if applicable, of all operators/drivers of the insured vehicle(s) and all persons, 15 years or older, licensed or not, who reside with the named insured. Failure to do so may constitute a material misrepresentation.

Motor Vehicle Reports may be used to rate new and renewal business. If statements on the application differ from the records of the Department of Motor Vehicles, the proper additional or return premium will be processed without prior notice. Post Office boxes are not acceptable for garage addresses. Zip codes must be included.

The policy will be issued based on information contained in the application. Applications with material misrepresentation will be voided ab initio.

POLICY TERM

Policies may be written for a term of twelve months or six months. The rates in the manual are twelve-month rates. The premium for six-month policies is 50% of the annual premium, plus 50% of the expense fees, plus the full policy fee. A policy may not be issued for a term less than 6 months.

MGA POLICY FEES

An MGA Fee of \$25.00 is charged in accordance with Section 626.7451, (11) of the Florida Statutes on all new and renewal policies, regardless of the policy term. The per policy fee shall be a component of the rate filing and shall be fully earned upon payment. In no instance shall the aggregate of per-policy fees for a placement of business when combined with any other per-policy fees charged by the Company result in per-policy fees, which exceed the aggregate amount of \$25.00. No commissions shall be taken out of this fee.

ADMINISTRATIVE COSTS

A licensed general lines agent selling PIP and PD only coverages, shall charge in accordance with Section 627.7295(5) of the Florida Statutes a per-policy fee of \$10.00 to cover the administrative costs of the agent associated with selling the motor vehicle insurance policy, only if there is no collateral coverage sold with the PIP and PD policy. The fee shall not be considered to be part of the premium.

LATE FEE

A \$10.00 late fee will be assessed to each installment payment made that is postmarked 6-days or more after the due date of the installment in accordance with Section 627.841(1) of the Florida Statutes.

PREMIUM ROUNDING

The premium for each coverage shall be rounded to the nearest whole dollar (\$.50 and over is rounded up).

MOTOR VEHICLE REPORT FEE

On business written pursuant to Florida Statute 627.7295(5)(b), the company's licensed MGA shall charge an MVR fee of \$6.00. when run for new or renewal business. The fee shall be fully earned and non-commissionable.

REINSTATEMENTS

Reinstatements will be accepted entirely at the Company's discretion.

ENDORSEMENT REQUESTS

Endorsements can be submitted online via the Company's website. Producers can also submit endorsement requests by faxing or mailing them to the Company. The form must include the policy number and all information, including the Named Insured's signature, rejections, exclusions, etc. (when applicable), as well as supporting documentation (i.e. photos, registration, etc.) necessary to process the request. Any required additional premium and/or fees collected by the producer should be submitted to the Company.

All endorsement requests to reduce or delete coverage (including increasing deductibles), exclude driver(s), or requests to cancel a policy for Insured Request must be signed by the Named Insured. These changes will be effective the date requested, provided that the request is received or postmarked within three (3) days of the request.

Endorsement requests to increase coverage (including decreasing deductibles) will be effective the date they are uploaded on the Company's website, or the day after postmark. In the absence of a valid U.S. postmark on endorsements that are mailed, the date received by the general agent will be used.

The agent must notify the MGA within 72 hours of all service requests. Failure to comply with this could result in the loss of facility or in action by the MGA against your agency, should a claim occur. The only endorsement requests that the MGA needs to be notified of immediately are for additional operators/residents/insureds, additional vehicles and additional coverage. Endorsements may be bound on-line.

If the endorsement request results in an additional premium:

Direct Bill: If the time frame to expiration is inappropriate for billing the additional premium, you must submit the gross down payment due as determined by the installment payments remaining. The agent will not retain the commission. The agent's commission will be credited in the next agency statement. The remaining balance will be spread equally over the remaining unbilled installments.

Paid In Full: the Additional Premium must be paid in full. If the original policy is not financed, then the Additional Premium cannot be financed.

All endorsements received after 30 days of binding date will become effective on the date the endorsement is received in the Company's Office. All policy changes are calculated pro-rata.

If the limit of liability or deductible amount are changed, or if forms of coverage are added, during the policy period, such adjustments in premium shall be made on the basis of the rates in effect at the inception of the policy.

WAIVED PREMIUM

Additional or returned premiums of \$5.00 or less will be waived. EXCEPTION: The actual return premium shall be refunded at the request of the insured.

RENEWALS

A renewal notice will be sent to the producer no less than 30 days prior to the expiration of the policy. If there is no lapse in coverage, no photos or inspection report is necessary. If the Company does not wish to renew (in accordance with Florida Statutes), a non-renewal notice will be mailed to the Named Insured and producer no less than 45 days prior to the expiration of the policy.

All renewals bound at the agency must be recorded in the agency's binder book and submitted to us within 5 days of binding. All renewals with comprehensive and collision and/or lapse in coverage must be faxed bound. Direct Bill Renewals must be paid directly to us by the insured. If the payment is mailed to us or your agent, it must be in the form of a personal check, cashier's check or money order and must be postmarked on or before the expiration date. Optionally, the insured may make payment at the agency's office or call our office to make a payment over the phone on or before the expiration date. If the premium is being made by a finance company, a draft for the net premium and a copy of the finance agreement must be submitted.

MATERIAL MISREPRESENTATION OF RISK

All applicants are to fully disclose their driving record to avoid the need of an additional premium being charged or the application being voided. Material Misrepresentation, Florida Statute 627.409, pertains to the applicant's responsibility and obligation to truthfully and fully complete the insurance application. Material Misrepresentation may affect the applicant's eligibility to receive the benefits of the insurance contract. The policy can be cancelled ab initio if a material misrepresentation is discovered. Information that is most often misrepresented includes:

1. Residents/Operators/Drivers - All operators of the insured vehicle(s) and all persons, 15 years or older, licensed or not, who reside with the named insured must be listed. Residents/ Operators/Drivers can be excluded, provided the excluded driver is the owner of another motor vehicle registered and insured in Florida with the same or broader liability insurance. However, a resident/ operator/driver cannot be excluded if the result is more vehicles than operators/drivers.
2. Vehicle usage and type.
3. Territory - Vehicle must be rated in territory garaged.
4. Operators/Drivers must have valid operators'/drivers' license.
5. Insured must be a resident of Florida.
6. Driving record must be fully disclosed.
7. Incorrect marital status. Married means legally married. Single means not legally married; cohabitation does not constitute legal marriage for purpose of rating risks for assuming certain policy rights.

The Company has the right to not pay a claim on a policy if the information presented on the application is false or misleading, and this information results in a premium charge or if the Company accepting an otherwise unacceptable risk.

COVERAGES OFFERED

COVERAGE

Bodily Injury Liability

When requested, Bodily Injury Liability (BI) must be written on all vehicles.

Property Damage Liability

Property Damage Liability (PD) must be written on all vehicles.

Uninsured Motorists Bodily Injury

Uninsured Motorists Bodily Injury (UMBI) is offered on a stacked and non-stacked basis unless rejected in writing. If requested, the UMBI limits must be equal to or less than the BI limits on the policy and be written on all vehicles with matching limits.

Personal Injury Protection

PIP must be written on all vehicles and have the same limit and deductibles. Basic PIP and Extended PIP are available with deductibles of \$250, \$500 and \$1,000 Named Insured Only (NIO) or Named Insured and Resident Relatives (NIRR). In addition, Work Loss Exclusion (WLE) is available for the Named Insured Only or Named Insured and Resident Relatives

Comprehensive (Other than Collision) and Collision

These coverages are optional, but must be written together. Deductibles do not have to match. The producer must inspect all vehicles with Comprehensive and Collision coverage and photos must be taken. See "VEHICLE INSPECTIONS" section for details.

Rental Reimbursement

May only be written on autos with Comprehensive and Collision (Physical Damage) coverage. If elected, coverage must be written on all covered autos with Physical Damage coverage.

LIMITS

\$10,000 / \$20,000

(Per Person / Per Accident)

\$10,000

(Per Accident)

\$10,000 / \$20,000

(Per Person / Per Accident)

\$10,000

(Per Person, Per Accident)

DEDUCTIBLES

\$500

\$1,000

\$20 / \$400

(Per Day / Max per Occurrence)

RATING

DRIVER ASSIGNMENT

All operators in the household shall be evaluated. If there are more vehicles than operators, rate the highest vehicle to the highest driver in descending order. The remaining vehicle shall be assigned a class factor of unity (1.00), excluding violation/accident surcharges.

SYMBOLS

1. Private passenger vehicles - use I.S.O. symbols.
2. For vehicles which are not published in the I.S.O. symbols pages, used for pleasure only, apply the following chart:

Original Cost New (\$)	1989 & Prior Symbol	1990 - 2010 Symbol
0 - 3,700	04	01
3,701 - 5,000	05	01
5,001 - 6,500	06	01
6,501 - 8,000	07	02
8,001 - 9,000	08	03
9,001 - 10,000	08	04
10,001 - 11,250	10	05
11,251 - 12,500	10	06
12,501 - 13,750	11	07
13,751 - 15,000	11	08
15,001 - 16,250	12	10
16,251 - 17,500	12	11
17,501 - 18,750	13	12
18,751 - 20,000	13	13
20,001 - 22,000	14	14
22,001 - 24,000	14	15
24,001 - 26,000	15	16
26,001 - 28,000	15	17
28,001 - 30,000	16	18
30,001 - 33,000	16	19
33,001 - 35,000	17	20

If no ISO symbol is available, the value used to select the symbol for rating should be clearly shown on the Application.

RATING

For vehicles which are not published in the I.S.O. symbols pages after 2011, used for pleasure only, apply the following chart:

Original Cost New (\$)	2011 & Subsequent Symbol	Original Cost New (\$)	2011 & Subsequent Symbol
0 - 3,000	01	32,001 - 33,000	38
3,001 - 5,500	02	33,001 - 34,000	39
5,501 - 8,000	03	34,001 - 35,000	40
8,001 - 9,000	04	35,001 - 36,000	41
9,001 - 10,000	05	36,001 - 37,000	42
10,001 - 11,000	06	37,001 - 38,000	43
11,001 - 12,000	07	38,001 - 39,000	44
12,001 - 13,000	08	39,001 - 40,000	45
13,001 - 14,000	10	40,001 - 41,250	46
,001 - 15,000	11	41,251 - 42,500	47
15,001 - 15,625	12	42,501 - 43,750	48
15,626 - 16,250	13	43,751 - 45,000	49
16,251 - 16,875	14	45,001 - 46,250	50
16,876 - 17,500	15	46,251 - 47,500	51
17,501 - 18,125	16	47,501 - 48,750	52
18,126 - 18,750	17	48,751 - 50,000	53
18,751 - 19,375	18	50,001 - 52,500	54
19,376 - 20,000	19	52,501 - 55,000	55
20,001 - 20,625	20	55,001 - 57,500	56
20,626 - 21,250	21	57,501 - 60,000	57
21,251 - 21,875	22	60,001 - 65,000	58
21,876 - 22,500	23	65,001 - 70,000	59
22,501 - 23,125	24	70,001 - 75,000	60
23,126 - 23,750	25	75,001 - 80,000	61
23,751 - 24,375	26	80,001 - 85,000	62
24,376 - 25,000	27	85,001 - 90,000	63
25,001 - 25,625	28	90,001 - 95,000	64
25,626 - 26,250	29	95,001 - 100,000	65
26,251 - 26,875	30	100,001 - 110,000	66
26,876 - 27,500	31	110,001 - 120,000	67
27,501 - 28,125	32	120,001 - 130,000	68
28,126 - 28,750	33	130,001 - 140,000	69
28,751 - 29,375	34	140,001 - 150,000	70
29,376 - 30,000	35	150,001 and above	Not Available
30,001 - 31,000	36		
31,001 - 32,000	37		

If no ISO symbol is available, the value used to select the symbol for rating should be as shown above.

ISO SYMBOL CONVERSION CHART

1989 and Prior Symbol	1990 and Subsequent Symbol
1 - 6	1
7	2
8	4
10	5
11	8
12	10
13	13
14	14
15	17
16	18
17	20

All rates are based on 1990 and subsequent symbols.

AGE GROUPS

Age Group	Description
1	Current Model Year
2	First Preceding Model Year
3	Second Preceding Model Year
4	Third Preceding Model Year
5	Fourth Preceding Model Year
6	Other Model Years

Model Year changes on October 1. If ISO has not published a symbol for the new model year, the most recent symbol shown for the same vehicle from the prior year plus one will apply.

DRIVER CLASSIFICATIONS

The spouse of each married driver must be included or excluded as a driver on the policy. To be rated as married, drivers must be legally married.

In certain cases, objective evidence may be required to substantiate marital status. This will include cases where the spouse's last names do not match. In cases of Registered Domestic Partners, the persons will be rated as married as long as proof of registration with the State of Florida is received by the Company at the time of application or endorsement. Widowed and divorced drivers will be rated as single.

The following surcharges will apply when applicable as a multiple to be applied to the class relativity factor:

DRIVER CLASSIFICATION SURCHARGES	Liability Surchage	Collision Surchage
A. International Driver's License	1.05	1.00
B. Distance to School/Work If vehicle is driven a total of twenty (20) miles or more to and from work or school	1.10	1.05
C. Inexperience Operators having less than three years current and continuous driving experience	1.25	1.10
D. Driver Exclusion A 10% surcharge applies to PIP and Property Damage coverages to all policies with excluded drivers. See <u>Driver Exclusion Rule</u> .	N/A	N/A
E. Expired License Operators having an expired license at inception of policy.	1.15	1.10

CLASS RELATIVITY FACTORS

Refer to the Driver Classification and Relativity table for Liability and Physical Damage Class definitions and relativity factors.

Single Vehicle - Assign the driver/operator/resident** classification found on the Driver Classification and Relativity table and point surcharge of driver/operator/resident who generates highest premium.

Multiple Vehicles - Assign the highest rated driver/operator/resident to the highest rated vehicle, etc. Personal Injury and Physical damage options and deductibles must be the same on all vehicles.

Married* - Means married and living with spouse at inception date of policy.

Single - Includes persons divorced, separated, or married persons living apart.

Operator age is attained age (age attained on last birthday)

***Note:** If married status is selected and a spouse is not listed on the application, licensed or not, the policy premium will be recalculated as single status and the insured will be given the option to pay the additional premium or add their spouse to the policy.

****Note:** All Individuals listed on application will be rated, unless indicated "not licensed" or specifically excluded. (Unrelated persons renting space at insured's residence and/or other unrelated members of a multiple family dwelling will not be included. Boyfriends/girlfriends/fiancés will be rated.)

*****Note:** If a driver must be added because of insufficient information and/or an improper driver exclusion and said driver cannot be rated due to insufficient rating information, a thirty-day binder cancellation notice will be issued. The driver will be rated as unity (no class) with a no hit surcharge due to an unobtainable MVR.

TERRITORIES

Refer to the Territories by Zip Code tables at the end of this manual to determine appropriate territory.

POINT SCHEDULE

Points shall be charged for all at fault accidents and convictions of violations occurring during the prior three (3) year experience period and no reduction in premium shall be made except at the anniversary date for such accidents and convictions of violations which fall outside the experience period. No policy shall be canceled and rewritten to take advantage of a rate reduction due to a reduction in points except at the request of the insured and at the customary short-rate cancellation.

Note: The application of points and resulting surcharges apply to Bodily Injury, Property Damage, Personal Injury Protection and Collision Premiums -- Uninsured Motorist and Comprehensive premiums are not surcharged for points. In addition, the experience of persons associated with the operation of a vehicle or train as public conveyance or as part of their employment for a local transit system shall not be used in determining the additional charges.

A. CONVICTIONS

MAJOR VIOLATIONS

Chargeable if incurred in the 36 months immediately preceding the effective date of the policy

VIOLATION	POINTS
Each felony conviction of vehicular homicide or manslaughter	7
Each conviction of DUI or DWI of alcohol or drugs	7
Each conviction of racing (including drag racing) in excess of 15 MPH over posted speed limit	5
Each conviction of failing to report or leaving the scene of an accident or failing to stop and render aid involving death/injury	5
Each conviction of eluding a Police Officer	7
Making false accident reports	5
Each conviction of willfully failing or refusing to comply with any lawful order or direction of any Police Officer or member of the Fire Department	3
Each conviction of obstructing an Officer	3
Each conviction of reckless driving	3
Allowing unlicensed driver to drive	3
Displaying altered and/or fictitious driver's license	3
Each conviction of speeding over 15 MPH in excess of posted speed limit	2
Each conviction of driving while license is suspended, invalid, canceled, or revoked	3
License currently suspended	2

MINOR VIOLATIONS

The first minor traffic infraction in the 18-month period immediately preceding the effective date of coverage is not chargeable. The second and each subsequent infraction convicted within the past 18-month period or third or subsequent infraction convicted within the past 36-month period is chargeable.

VIOLATION	POINTS
Allowing person to ride on exterior of vehicle	3
Careless or improper driving	2
Conviction of using a motor vehicle in commission of a felony	5
Crossing private property to avoid traffic signal	1
Disobeying emergency vehicle regulations	2
Driving in wrong direction in rotary intersection	3
Driving in improper lane	1
Driving on shoulder, ditch or sidewalk	1
Driving while view / mechanism obstructed	2
Driving without lights	2
Driving unlawful vehicle on road	2
Driving on wrong side of road	3
Driving wrong way on a one-way street	3
Driving too fast for conditions	2
Exceeding lawful speed limit by 15 MPH or less (but not if less than 70 MPH on 4-lane highway divided by a median at least 20 feet wide or on an interstate highway)	2
Failure to have vehicle under control or impaired driver	2
Failure to keep in proper lane	1
Failure to obey traffic intersection sign or device	2
Failure to observe safety zone	1
Failure to observe stop sign	2
Failure to signal for direction or slowing	2
Failure to stop - inoperative traffic signal	2
Failure to yield	2
Following too closely	2
Giving wrong signal or no turn signal	2
Immoral/Improper Act Involving Motor Vehicle (violation of State Codes 401 and/or 402)	4
Improper backing	3
Improper entry or exit to or from traffic way	2

VIOLATION	POINTS
Improper lane changing	2
Improper passing	2
Improper start	1
Improper turning	2
No / Improper child restraints	2
Obstructing traffic	2
Open container / Driving while drinking (DWD)	3
Passing stopped school bus	3
Racing or Dragging 15 MPH or less over posted speed limits	3
Refusal to submit to breath/urine/chemical/blood test	7
Special hazard - failure to use due care	2
Transporting hazardous substances	2
Unlawful possession of a controlled substance	3
Violation of restriction	2
Any moving traffic violation, not listed above, for which a state assigns driving points	1

EXCEPTIONS

Convictions for the following shall not be regarded as moving traffic violations:

1. Any Motor Vehicle "Equipment" requirement of the Motor Vehicle and Traffic Laws, except brakes.
2. Failure to display proper license plates, provided such plates are in existence.
3. Failure to have in possession, operator's or chauffeur's license, provided there is one in existence.
4. Car pool lane violation.

B. UNVERIFIABLE DRIVING RECORD

1. Operators having a driving record that cannot be verified.....2 points
2. No Hit MVRs3 points
(These points will be removed if provided with a copy of a prior operator's license in which we are capable of drawing an MVR.)

C. AT-FAULT ACCIDENTS AS EVIDENCED IN OUR FILES*

1. First automobile accident during the 36 months immediately preceding the effective date of the policy3 points
2. Each subsequent auto accident during the 36-month period.....4 points

D. UNACCEPTABLE DRIVER ENDORSED ONTO POLICY DURING POLICY TERM

1. Each driver/operator/resident added onto the policy during its term who would be considered an unacceptable operator or cause the risk to be unacceptable as defined herein..... 4 points

(Any policy in which an unacceptable driver is added onto it during the policy period after the first 60 days shall be non-renewed in compliance with our renewal section herein defined.)

*** Points are not chargeable for accidents occurring under any of the following circumstances:**

1. Auto lawfully parked (exception: accident is chargeable if parked vehicle rolls from parked position).
2. Applicant or resident operator is determined to be 50% or less negligent or reimbursed 50% or more of the damages by the other party.
3. Auto struck in rear by another vehicle and operator of other vehicle convicted of a moving violation.
4. Auto struck by hit-and-run vehicle provided accident reported to police or other proper authority within 24 hours.
5. Not convicted of a moving traffic violation in connection with the accident, but the operator of the other vehicle involved in such accident was convicted of a moving traffic violation.
6. Accident involving damage by contact with animals or fowl.
7. Accident involving damage limited to and caused by flying gravel, missiles or falling objects.
8. Not at fault, as evidenced by a written statement from the insured establishing facts demonstrating lack of fault, which are not rebutted by information in the insurer's file from which the insurer in good faith determines that the insured was substantially at fault.
9. Accident occurring when operator was using a vehicle while on duty as member of a police department, first aid squad or any law enforcement agency, or as a bus driver.

Note: This exception (9) above does not include an accident occurring after the emergency situation ceases or after the automobile ceases to be used in response to such emergency.

POINT ACCUMULATION

If multiple violations or a combination of accidents and violations arise out of one occurrence, charge only for the one item with the most points. If one car, use only the record of the driver that develops the highest premium. If two cars, assign the highest rated driver to the highest rated car and the next highest rated driver to the other car.

POINT SURCHARGES

Points	Surcharge Factor	
	BI, PD and PIP	COLL
0	1.00	1.00
1	1.10	1.05
2	1.25	1.10
3	1.25	1.20
4	1.35	1.30
5	1.50	1.40
6	1.65	1.45
7	1.80	1.50
8	1.95	1.60
9	2.10	1.70
10	2.25	1.80

UNINSURED MOTORIST COVERAGE

Uninsured motorist coverage provides for payments of certain benefits for damages caused by owners or operators of uninsured motor vehicles because of bodily injury or death resulting therefrom. Such benefits may include payments for certain medical expenses, lost wages, and pain and suffering, subject to limitations and conditions contained in the policy. For the purpose of this coverage, an uninsured motor vehicle may include a motor vehicle as to which the bodily injury liability limits are less than the damages.

Florida law requires that automobile liability policies include uninsured motorist coverage at limits equal to the bodily injury liability limits in the policy, unless the insured selects a lower limit offered by the Company, or rejects uninsured motorist coverage entirely. This election shall apply to any liability policy which renews, extends, changes, supersedes, or replaces such policy, unless the insured requests uninsured motorist coverage or requires other limits of bodily injury liability in writing to the MGA's home office.

No uninsured motorist coverage is offered without the purchase of bodily injury coverage. The basic limits for this coverage is \$10,000/\$20,000 bodily injury.

All rates for this section are on the rate pages of this manual.

UNACCEPTABLE RISKS FOR NEW BUSINESS

The following risks are unacceptable for both liability and physical damage coverage:

1. Any operator/driver/resident with any DUI or DWI conviction prior to 10/01/07 with or in conjunction with other chargeable violation(s)/accidents; any operator/driver/resident with any DUI or DWI conviction on or after 10/01/07; two or more at-fault accidents in the past 36 months; or any violation/suspension due to theft of a motor vehicle and/or parts.
2. Any operator/driver/resident with 7 or more points, with the exception of item one above, or any inexperienced operator/driver/resident with 5 or more points, in the past 36 months.
3. Servicemen stationed or students attending school outside the State of Florida.
4. Any operator without a valid operator's license, except suspended or expired license.
5. Any operator or licensed resident with 3 accidents, regardless of fault, within the past 36 months.
6. Any operator or licensed resident who resides away at school with an insured vehicle more than 50 miles from the premises.
7. Any operator or licensed resident residing in the State of Florida for less than 10 months out of the year (No "Valid in Florida Only" licenses. Operator cannot possess a license from another state along with Florida license).
8. Any operator or licensed resident having a post office address (no street address available).
9. Any operator or licensed resident possessing a learner's license without a licensed "E" driver in residence or restricted driver's license, including type "C", "D", "E", "P" & "Y" restrictions.

10. Drivers with revoked driver's licenses at time of application, or who have had a prior conviction of insurance fraud.
11. New risks where any operator has had a policy cancelled or non-renewed by the Company for claims history or material misrepresentation. This does not affect renewals.
12. New risks in which operators/residents/drivers have filed a combined 2 or more PIP claims in the past 36 months. This does not affect renewals.
13. New risks where applicant resides more than 50 miles away from the agency. This does not affect renewals.
14. Vehicles having a non-institutional lien holder or loss payee.
15. More than one vehicle in excess of the number of Licensed "E" operators and/or Licensed "E" residents. However, a resident/operator/driver cannot be excluded if the result is more vehicles than operators/drivers.
16. Emergency vehicles.
17. Vehicles used for racing or demolition derbies.
18. Commercial vehicles or fleets (5 or more vehicles).
19. Modified, altered, mechanically restructured vehicles, or salvaged (not rebuilt) vehicles.
20. U-Drive, rental or leased vehicles, except long term lease of at least six months if not specifically excluded elsewhere.
21. Vehicles intended to be loaned or leased by the applicant to another.
22. Dune buggies, swamp buggies and all-terrain vehicles.
23. Vehicles used for delivery, limousine or taxi service, including vehicles used by civic or religious organizations, organized groups for transportation for members or guests, school and nursery children, migrant workers, or hotel or motel guests.
24. Vehicles over 25 years old for new business.
25. Kit cars, homemade vehicles, antique vehicles, motor homes or recreational vehicles.
26. Vehicles used in retail delivery; vehicles with logos or advertisements on them.
27. Vehicles with prior damage may not be acceptable, at the Company's discretion.
28. Any vehicle with less than or more than four wheels.
29. Conversion vans.
30. Cargo vans, utility vans, flat beds or duallies.
31. Corporate owned vehicles, public vehicles, non-owners and Dealers (rental or owned).
32. Vehicles garaged or principally used outside the state of Florida.
33. Vehicles registered outside the State of Florida
34. Vehicles weighing over 1 ton with load or towing capacity.
35. Any vehicle garaged in Florida for less than 10 months out of the year.
36. Physically or mentally handicapped drivers, if such handicap or physical disability substantially impairs such person's mechanically assisted driving ability, or those subject to seizures or blackouts.
37. No Application Is Acceptable If:
 - a. There is misrepresentation on application.
 - b. The application is not complete, including all necessary signatures.
 - c. The check submitted with the application is returned for insufficient funds.
 - d. The net premium check / draft is omitted or not signed.
 - e. The agents binding authority has been suspended or revoked.

38. The insured knowingly allowed an unlicensed driver to operate an insured motor vehicle, resulting in an automobile accident in which we incurred a loss.
39. The named insured and/or spouse is not the owner of at least one vehicle listed on application.
40. No joint registrations unless the individuals are listed as operators and/or residents
41. Any vehicle specifically listed below:

Acura NSX, RSX, RDX, TSX	Dusenberg	Mercedes Benz (other than 190 and C-series)
Alfa Romeo	Excalibur	Mitsubishi 3000GT, Eclipse, Lancer, Montero, or Starion
Aston Martin	EV-1 (GM Electric Vehicle)	Nissan 280Z 350Z, 370Z or GT-R
Audi 4000,5000, Quattro, & R8	Facel II	Panoz
Austin Cooper	Ferrari	Pantera
Austin-Healy MG	Fiat (models < 2010)	Peugot
Avanti	Ford Mustang GT, Cobra, or Saleen	Plymouth Prowler
Bentley	Ford Shelby Cobra	Pontiac Trans-Am, Firebird, GTO, G8, or XXP
Bradley	Hummer (except H3)	Porsche (except 914)
Cadillac Escalade or XLR	Infiniti Q45	Rambler
Chevrolet Corvette or Camaro Iroc-Z	Jaguar (except X-type)	Rolls Royce
Chrysler Prowler	Jensen Healy	Rover
Citroen	Lamborghini	Sterling
Cobra	Lancia Scorpion	Stutz
Cord	Land Rover (except LR2)	Subaru Brat, BRZ, STI, SVX, WRK, or WRX
Daimler	Lincoln Blackwood	Suzuki Samurai, Sidekick, or X90
Delorean	Lotus	Triumph
Dodge Stealth or Viper	Maserati	Volkswagon (VW) Bus, Thing, Corrado, or Scirocco
Dual Ghia	Maybach	Yugo

ADDITIONAL UNACCEPTABLE RISKS FOR PHYSICAL DAMAGE

In addition to those risks listed above as unacceptable for all coverages, the following risks are not acceptable for physical damage coverage:

1. Any vehicle with a rebuilt title including a salvage or a VIN number starting with "FLA".
2. Gray market vehicles or vehicles designed for foreign use.
3. Panel trucks.
4. Automobiles not listed in NADA.
5. Disabled and/or inoperable vehicles.
6. Vehicles over 20 years old for new business.
7. Vehicles with manufacturer installed ramps and/or other handicap equipment, including, but not limited to, the VPG MV-1.

DISCOUNTS

Note: Discounts are multiplied, not added together.

1. Safe Driver Discount (Applies only if all drivers have three years verifiable experience)

A 10% discount will be applied to any risk if all drivers on risk have at least three years verifiable experience and have had no chargeable accidents, violations, or convictions for 3 years preceding the effective date of the policy. Upon renewal of the policy, surcharge for inexperience, expired or international driver's license will not affect the applicability of this discount. This discount applies to Bodily Injury, Property Damage, Personal Injury Protection and Collision only.

2. Renewal Discount (Applies only if all drivers have three years verifiable experience)

A renewal discount based on the following table will apply provided that:

- a. The policy renewal must be free of any chargeable accidents, major speed violations and/or chargeable minor convictions (as defined elsewhere in this manual) during the policy period immediately preceding the effective date of renewal.
- b. The policy renewal must be free of major convictions, other than major speed, in the past 3 years preceding the effective date of renewal. This discount will apply to an inexperienced driver who is the spouse of the insured or a youth who has otherwise met the criteria and is insured under his/her guardian's policy; and
- c. The insured must have had continuous coverage with this Company during the qualifying period with no more than thirty-day lapse in coverage between the prior policy's expiration date and the proposed effective date with this Company.

End of Qualifying Term and Each Subsequent Term	Discount
6 Months	10%

This discount applies to Bodily Injury, Property Damage, Personal Injury Protection and Collision Coverages.

3. Transfer Discount (Applies to any age driver with three years verifiable experience)

- a. A 15% discount will apply with proof of prior liability coverage for a policy that has been in force for a minimum of 6 months continuous coverage, with no more than twenty day lapse in coverage between the prior policy's expiration date and the proposed effective date with this Company. All drivers must have at least three years verifiable experience.
- b. To qualify for a transfer discount, proof of liability coverage with prior company must be sent to Company. Proof may be in the form of a new or renewal Declarations Page, or a renewal offer, or a non-renewal notice, only if the non-renewal is due to agent no longer represents company and/or company no longer doing business. All drivers must be free of any chargeable accidents or chargeable minor/major convictions (as defined elsewhere in this manual) for the previous 3-years. This discount applies to Bodily Injury, Property Damage, Personal Injury Protection and Collision Coverages.

4. Multi-Car Discount

A 10% discount is applied to the Bodily Injury, Property Damage, Personal Injury Protection, Comprehensive and Collision premiums, excluding the expense fee, on all vehicles, in which coverage is the same for two or more vehicles.

5. Mature Operator Motor Vehicle Accident Prevention Course Discount

A 5% discount will be given where there is a principal operator 55 years of age or older holding a valid Florida operator's license, and who has successfully completed a motor vehicle accident prevention course approved by the Florida Department of Highway Safety and Motor Vehicles. This discount applies to Bodily Injury, Property Damage, Personal Injury Protection and Collision.

- a. This discount is applicable only upon receipt of a copy of the certificate of successful completion of the course, which shall have been completed every three years in order to continue to be eligible for the discount.

- b. The discount only applies to the automobile principally driven by the operator who qualifies and only once to each automobile regardless of the number of operators who qualify.
- c. As a condition of maintaining this discount, the operator shall not be involved in an accident for which the operator is at fault and not be convicted, plead guilty or nolo contendere to a moving traffic violation.
- d. This discount shall not apply in the event the approved course is taken as punishment specified by a court or governmental entity resulting from a moving traffic violation.

6. Anti-lock Brake System Discount

A 5% discount for Bodily Injury, Property Damage, Personal Injury Protection and Collision coverage shall be afforded for those automobiles equipped with a factory-installed, Anti-Lock Braking System (ABS) or approved non-factory installed device.

7. SRS – Airbag Discount

A 10% discount will be applied to Personal Injury Protection coverage if the insured vehicle is equipped with one factory installed Supplemental Restraint (Air Bag System) and a 15% discount will be applied when vehicle is equipped with two.

8. Anti-theft Discount

A discount will be allowed for Comprehensive Coverage if the automobile is factory equipped with (1) a hood lock which only can be released from inside the vehicle, and (2) a device meeting the criteria below. If the automobile is equipped with both devices, only the single, highest discount will apply.

- a. Alarm only, Active and Passive Disabling Devices.
- b. A 10% discount will apply to Comprehensive Coverage on automobiles equipped with alarm only devices which sound an alarm that can be heard a distance of at least 300 feet for a minimum of 3 minutes, or an active or passive disabling device.
- c. A 15% discount will apply to Comprehensive Coverage on automobiles equipped with an anti-theft, recovery system device which is factory installed.

Note: Recovery Device Discounts only apply if written proof is provided to the Company.

9. Homeowner Discount

A 8% discount may be applied to the policy provided the applicant listed on the application owns and occupies a home, condominium or mobile home within the state of Florida for a minimum of 12 months out of the year. Proof of ownership must be submitted with the application in the form of a Declarations page from the Homeowners policy, property tax bill, mortgage statement or deed. If proof of ownership is received after the receipt of the application, the discount will be endorsed on to the policy effective from inception of policy. This discount applies to BI, PD, PIP and Collision.

10. Persistency Discount

An 10% discount will be applied to the Bodily Injury, Property Damage, Personal Injury Protection, Comprehensive and Collision premiums, excluding the expense fee, on all renewal policies, regardless of risk experience.

VEHICLE SURCHARGES

Sport Utility Vehicle (SUV) Surcharge:

A surcharge of 10% will apply to Property Damage premium, excluding expense fees for vehicles that are Sport Utility Vehicles (SUV).

Business Use Surcharge:

A surcharge of 20% will apply to Bodily Injury, Property Damage, Personal Injury Protection, Uninsured Motorist, Comprehensive and Collision premiums, excluding expense fees for vehicles used in the course of business. See "VEHICLE USE" section for clarification and acceptability guidelines.

All discounts and surcharges are to be multiplied together, not added.

DEDUCTIBLES

The premiums on the rate pages are for \$500 deductible (Comprehensive and Collision). To increase the deductible to \$1,000, multiply the \$500 deductible rates by a factor of 0.80, but subject to a maximum decrease premium of \$250.00 per coverage.

Note: Both Comprehensive and Collision must be written with the same deductible.

The following available deductibles and there corresponding rating factor for Personal Injury Protection are shown below.

"Owner," with respect to the application of deductible for Personal Injury Protection, means "natural person".

Deductible Amount	Deductible applicable to Named Insured Only	Deductible applicable to Named Insured and Each Resident Relative
\$250.00	.925	.885
\$500.00	.850	.770
\$1,000.00	.775	.655

The following options are also available:

At the election of the named insured, benefits for work loss may be excluded from Personal Injury Protection.

1. For the named insured at a 5% reduction for the Named Insured only, or
2. For the Named Insured and relatives at a reduction of 10% for such Named Insured and relatives; from the otherwise applicable Personal Injury Protection rate.

FINANCIAL RESPONSIBILITY

Financial Responsibility filings will be made only in the State of Florida. SR-22's will only be written on the registered owner or spouse of the insured vehicle. (\$25 fully earned, non-commissionable filing fee and 2point surcharge applies.)

NON-CANCELABLE SR-22'S

Florida registered owners who receive a court order suspension for violating the Florida No-Fault Insurance Law, per Section 627.7275 of the Florida Statutes, or for violating the Financial Responsibility Law, per Section 324.023 of the Florida Statutes as regard to DUI/DWI, are required to have a six-month non-cancelable policy.

These policies must be issued for a period of at least 6 months, paid in full, and shall be non-cancelable for any reason by the insured or by the insurer after a period not to exceed thirty days. The policies cannot be financed. A call must be placed to the Company to acquire an immediate policy number and the policy will be bound at this time. (\$25 fully earned, non- commissionable filing fee and 2 point surcharge apply. The 2 points will not be considered part of the accumulation of points in determining acceptability of the risk.)

REPORTING LOSSES AND CLAIMS

All losses and claims must be reported directly to the MGA by the agent or the insured; no FAXs are acceptable.

VEHICLE USE

All vehicles are considered to be used for pleasure, unless a Business Use Surcharge is applied. The Applicant / Named Insured must complete a Business Use Exclusion, which applies to any/all vehicles that are not being rated with the Business Use Surcharge.

BUSINESS USE SURCHARGE

Private passenger autos and pickup trucks where the vehicle is used occasionally in the course of business are eligible if the Business Use Surcharge is applied. Commercial vehicles, vehicles registered to a business or corporation, vehicles used for livery or hauling, and vehicles which regularly transport clients/customers are ineligible. All other applicable underwriting rules, including those relating to eligible types of business use or eligible vehicles still apply and must be met.

NON-RENEWALS

Any unacceptable risk as defined in our underwriting guidelines, which was unacceptable at the time the original policy was bound or became unacceptable during the term of the policy as a result of changes made to the risk insured, may be subject to non-renewal. These risks will include the list of Unacceptable Risks as defined under the Unacceptable Risks section and the Additional Unacceptable Risks for Physical Damage section of the manual. They will also include such risks as follows:

1. The insured knowingly allowed an unlicensed driver to operate an insured motor vehicle.
2. A loss incurred and the insured refused to cooperate in our investigation, thus prejudicing our defense.
3. Unlisted operator who "regularly uses" the insured vehicle or excluded driver operating insured vehicle.
4. Unlisted licensed, resident relative operating insured vehicle.
5. Claims history in accordance with Florida Statutes.
6. The insured has possibly committed a fraudulent act and/or has materially misrepresented the facts as per the Manual Section captioned Material Misrepresentation of a Risk.
7. A permissive user of the insured vehicle used the vehicle in commission of a felony, resulting in an automobile accident.
8. The insured's automobile keys became available to a non-permissive user, resulting in an automobile accident.
9. The insured permanently moves to a residence out of the state of Florida.
10. The non-clearance of a suspense issue.
11. The insured vehicle is garaged at a location other than the named insured's primary residence.

If the Company does not wish to renew (in accordance with Florida Statutes), a non-renewal notice will be mailed to the Named Insured and the agent of record no less than 45 days prior to the expiration of the policy. "Regularly uses" is defined as using the vehicle more than once a month on average throughout the year.

DRIVER EXCLUSION

An operator(s) may be excluded from a policy:

1. On new business, the named insured must properly complete the Driver Exclusion section on the application and sign where indicated in said section. This exclusion will apply to the current policy term and all renewals.
2. Exclusions are not available on any policy with an SR-22 Filing.
3. Exclusions do not apply to PIP and Property Damage coverage, however, Property damage is limited to \$10,000 on excluded drivers.
4. The 10% applicable surcharge applies to each and every vehicle on the policy.
5. Named Insured cannot be excluded unless he/she is not licensed.

RATING PROCEDURE - LIABILITY

Single Car - Assign the driver and point classification, which develop the highest premium.

Multi-car - Assign the highest rated vehicle to the highest rated operator and point classification. Vehicle number two then becomes the second highest rated vehicle with the second highest rated operator and point classification. If more vehicles than operators - Assign class 1 and O points to the remaining vehicles.

PROPERTY DAMAGE

Step 1. Determine Classification and Territory

Step 2. Find the applicable base rate

Step 3. Determine the Class Factor,

Step 4. Determine the discount/surcharge factors by coverage, if any

Step 5. Multiply each Factor in Step 4 times step 3 times the Pd Base Premium from step 2. (Round to the nearest whole dollar)

Step 6. Add the PD Expense Fee to the result is Step 5

BODILY INJURY

Step 1. Determine Classification and Territory

Step 2. Find the applicable base rate

Step 3. Determine the Class Factor,

Step 4. Determine the discount/surcharge factors by coverage, if any

Step 5. Multiply each Factor in Step 4 times step 3 times the BI Base Premium from step 2. (Round to the nearest whole dollar)

Step 6. Add the BI Expense Fee to the result is Step 5

PERSONAL INJURY PROTECTION

Step 1. Determine Classification and Territory

Step 2. Find the applicable base rate

Step 3. Determine the Class Factor,

Step 4. Determine the discount/surcharge factors by coverage, if any

Step 5. Multiply each Factor in Step 4 times step 3 times the PIP Base Premium from step 2.

Step 6. Determine the deductible factor, if any

Step 7. Multiply the result in Step 5 times the result in Step 6 (Round to the nearest whole dollar)

Step 8. Add the PIP Expense Fee to the result in Step 7

Step 9. If policy is for 6 months, divide the premium amounts by 2.

Add the resulting BI, PD and PIP premiums together and add \$25.00. This is the correct premium.

RATING PROCEDURE - PHYSICAL DAMAGE

Single Car - Assign the driver and point classification, which develop the highest premium.

Multi-car - Assign the highest rated vehicle to the highest rated operator and point classification. Vehicle number two then becomes the second highest rated vehicle with the second highest rated operator and point classification. If more vehicles than operators - Assign class 1 and O points to the remaining vehicles.

Step 1. Determine Symbol Factor, Age Group Factor and Classification Factor.

Step 2. Multiply the three factors (do not round).

Step 3. Determine the Points Factor, if any (not applicable for Comprehensive), and discount factors, if any. Determine the Deductible Factor.

Step 4. Multiply each Factor in Step 3 times the Collision Base Premium for the correct Territory.

Step 5. Multiply the result in Step 4 times the result in Step 2.

Step 6. Add the Collision Expense Fee to the result in Step 5. (Round to the nearest whole dollar). Multiply by the Term Factor. (Round to the nearest whole dollar).

Step 7. Multiply the Comprehensive Base Premium times the result in Step 3.

Step 8. Multiply the result in Step 7 times the result in Step 2

Step 9. Add the Comprehensive Expense Fee to the result in Step 7. (Round to the nearest whole dollar). Multiply by the Term Factor. (Round to the nearest whole dollar)

Step 10. Add the results of Steps 6 and 9 together. This is the correct premium.

DIRECT BILL PAYMENT PLAN OPTION

SIX MONTH POLICY TERM				
Pay Plan	Minimum Down Payment Excluding All Fees	Number of Installments	First Installment Due Date	Due Dates for Remaining Installments
Full Pay	100%	N/A	N/A	N/A
6-Pay New	33.3%	Down + 5	30 Days from Inception Date	Every 30 days thereafter
6-Pay New (BI Required)	20.0%	Down + 5	20 Days from Inception Date	Every 30 days thereafter
6-Pay New (BI Required)	25.0%	Down + 5	30 Days from Inception Date	Every 30 days thereafter
6-Pay Renewal (Cannot apply with 6-Pay New)	16.6%	Down + 5	Renewal Inception Date	Every 30 days thereafter
If Electronic Funds Transfer (EFT) has been elected, the following plans are available:				
6-Pay New	16.67%	Down + 5	30 Days from Inception Date	Every 30 days thereafter
6-Pay Renewal	16.67%	Down + 5	30 Days from Inception Date	Every 30 days thereafter

Note: To calculate the down payment, use the percentage shown above of the Total Premium excluding all applicable fees, including the \$25 MGA fee and the \$10 set-up fee. The \$25 MGA fee and the \$10 set-up fee must be added to this result. All installment payments will be based on the unpaid balance divided by the number of installments remaining. The last installment payment will be the remaining unpaid balance.

IMPORTANT! The payment plan cannot be changed after the application is uploaded.

DIRECT BILL PAYMENT PLANS

TWELVE MONTH POLICY TERM				
Pay Plan	Minimum Down Payment Excluding All Fees	Number of Installments	First Installment Due Date	Due Dates for Remaining Installments
Full Pay	100%	N/A	N/A	N/A
12-Pay New	16.6%	Down + 11	30 Days from Inception Date	Every 30 days thereafter
12-Pay New (BI Required)	10%	Down + 11	30 Days from Inception Date	Every 30 days thereafter
12-Pay New (BI Required)	12.5%	Down + 11	30 Days from Inception Date	Every 30 days thereafter
12-Pay Renewal	8.3%	Down + 11	Renewal Inception Date	Every 30 days thereafter
If Electronic Funds Transfer (EFT) has been elected, the following plans are available:				
12-Pay New	8.35%	Down + 11	30 Days from Inception Date	Every 30 days thereafter
12-Pay Renewal	8.35%	Down + 11	30 Days from Inception Date	Every 30 days thereafter

* Down payment will be due on renewal inception date

** Down payment will be due 30 days prior to inception date

Note: To calculate the down payment, use the percentage shown above of the Total Premium excluding all applicable fees, including the \$25 MGA fee and the \$10 set-up fee. The \$25 MGA fee and the \$10 set-up fee must be added to this result. All installment payments will be based on the unpaid balance divided by the number of installments remaining. The last installment payment will be the remaining unpaid balance.

IMPORTANT! The payment plan cannot be changed after the application is uploaded.

The Company may introduce, vary and/or remove certain pay plans from the product line as necessary. Only pay plans shown on our website or on Comparative Raters are available for use in your area.

INSTALLMENT PLAN PROCEDURES & REQUIREMENTS

NEW BUSINESS & RENEWALS

The agent must collect the gross down payment as shown above, which includes all applicable fees, payable to the agent.

The agent will not retain the commission. The agent's commission will be credited in the next agency statement. Aventus Insurance Company will bill the insured directly for each installment.

Note: A check from the insured will not be acceptable for the down payment.

INSTALLMENT PAYMENTS

All policies utilizing our installment plan will be charged a \$10.00 maintenance fee, in accordance with Statute 627.840(3), on the original effective date of the policies and on their annual renewals. The fee will be fully earned and will be considered part of the premium.

Installment notices will be mailed directly to the insured. The insured should mail payments directly to: PO Box 12150, La Crescenta, CA 91224. A pre-addressed envelope is included with each installment bill.

Installment Fee

Each installment payment will have an Installment Fee added. The Installment Fee will be calculated based on the balance as follows:

Balance	
\$1000.00+	\$15.00
\$700.00-\$999.99	\$10.50
\$500.00-\$699.99	\$7.50
\$300.99-\$499.99	\$4.50
<\$300.99	\$3.00

Installment bills will be issued no later than 12 days before the due date. Cancellation notices will be issued 10 days prior to the effective date of cancellation. Payments postmarked or uploaded more than five (5) days after the installment due date will be subject to a \$10.00 late fee.

If the payment is uploaded or postmarked on or before the cancellation date, we will accept the payment without the need of a no-loss statement. If the agent collects the payment in their office, the payment must be uploaded or faxed before the cancellation date. If the payment is postmarked within ten days after the cancellation date, the agent must obtain reinstatement approval from the company.

Partial payments may result in a cancellation notice and re-bill being issued immediately.

ENDORSEMENTS

For complete endorsement rules and procedures, please refer to the Endorsement Request section.

If the endorsement request results in an additional premium, and the time frame to expiration is inappropriate for billing the additional premium, you must submit the gross down payment due as determined by the installment payments remaining. The agent will not retain the commission. The agent's commission will be credited in the next agency statement. The remaining balance will be spread equally over the remaining unbilled installments.

If the endorsement request results in a return premium, the credit will be applied against the unbilled total premium and the monthly installment will be adjusted.

If the policy is paid in full, or there are no unbilled installments remaining, the endorsement premium must be paid in full.

NON-SUFFICIENT FUND PROCEDURES

If the NSF* was on the down payment of the policy, the coverage will be null and void. In accordance with Florida Statute 627.728(c), in order to flat cancel a policy, the agent must provide the Company with the following:

- A copy of the certified letter to insured allowing the insured to cure the situation within 5 days of receipt of certified letter, or 15 days after date letter was mailed, whichever is earlier, and explaining the consequences of a flat cancellation.
- Proof that the letter was sent via certified mail. Proof can be in the form of a certified receipt showing the post office stamp, signed green card, or copy of the unclaimed envelope returned by the post office.
- Copies of front and back of the returned check.

Once the allowed time has expired, the Company will credit the agent for the full amount.

***Note:** This applies to all unpaid checks, i.e. NSF, stop payment, closed account, and refused credit card payment.

If a payment check is returned due to NSF in an account, a 15-day notice of cancellation will be immediately issued. To reinstate this cancellation, the insured must remit the original payment plus the assessed fee of \$15.00 in the form of a money order or cashier's check prior to the cancellation date.