

PRIVATE PASSENGER AUTOMOBILE  
LIABILITY & PHYSICAL DAMAGE INSURANCE

*New Business Effective 01/01/2020*  
*Renewal Business Effective 01/01/2020*

21<sup>st</sup> Century  
General Agency Inc

Managing General Agency for Old American County Mutual Fire Insurance Company

Direct Program  
Underwriting Guidelines

Texas Nonstandard Auto Program  
Direct Bill Program

21<sup>st</sup> Century General Agency  
1761 International Parkway Suite 105  
Richardson, Texas 75081

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Claims 1 (800) 745-1302

## DIRECT BILL/PAY PLAN PROCEDURES

This program is designed to simplify the sale and service of the personal auto policy by:

1. Allowing monthly payments to be made directly to 21<sup>st</sup> Century General Agency in lieu of a premium finance company;
2. Direct billing the insured for policy changes;
3. Direct billing the insured for renewals using a continuous billing cycle that has an extended number of monthly payments.

### **APPLICATION FOR COVERAGE**

A 21<sup>st</sup> Century application should be completed, ensuring that all questions are answered and that all appropriate signatures are secured. Policies can only be written on a ANNUAL term.

### **PAYMENT OPTIONS - NEW BUSINESS:**

1. Payment in Full. (No Power of Attorney accepted.)
2. Direct Bill/Pay Plan. The Insured selects the date of the first monthly payment. A monthly bill will be sent to the Insured approximately 12 days prior to the due date and will include an installment fee.

<u>Length of Policy Term</u>	<u>Downpayment %</u>	<u>Date of 1<sup>st</sup> Monthly Payment</u>
12 Month	8.50%	20 days from inception date and every 30 days thereafter
12 Month	12.5%	30 days from inception date and every 30 days thereafter
12 Month	12.5%	30 days from inception date, 10 equal installments every 30 days thereafter.

3. The Insured can select one of the Pay Plan options in "2" above and utilize an automatic bank draft for monthly payments. To enroll the Insured for automatic drafting (EFT), the initial down payment must be collected and submitted along with a signed and completed Electronic Funds Transfer Enrollment Form and a copy of a voided check. Automatic drafting will begin with the 1<sup>st</sup> payment on a new policy. If policy changes are made that will alter the amount of the Insured's monthly payments by more than \$5.00, an amended "Notice of Automatic Withdrawal" will be mailed to /received by the Insured at least 10 days prior to drafting a new amount if the change is initiated by the insured. If the change is initiated by 21<sup>st</sup> Century then a notice will be sent out 30 days in advance of the withdrawal. Otherwise, the old payment amount will be drafted and the new payment amount will begin with the next month's draft.
4. At renewal, the Insured will receive a renewal quote and notification of the renewal down payment that will be drafted on his renewal date and coverage will be renewed as of that date unless a written request not to renew the policy is received from the Insured.

### **UPDATES**

At the time of production, any premium uprate will automatically be processed as part of the initial premium. An explanation of what caused the uprate, as well as notification that the monthly payments, or monthly draft amounts will be higher than anticipated will be sent to insured. If the uprate was due to underwriting reasons notice of the revised monthly payments will sent 30 days in advance of a drafted payment. Uprated policies that were initially paid in full will be handled in a similar manner except the uprate must be paid in full.

### **REFUNDS**

Premium refunds, if any, will be calculated on a pro-rata basis. Expired policies with a debit or credit balance of \$6.00 or less will be waived. Credit balances of \$6.00 or less will be refunded upon written request from the Producer or Named Insured.

## **ENDORSEMENTS**

The insured should contact their agent for assistance and advice about making policy changes. Many, if not all endorsements can be processed online at [www.21stcenturyga.com](http://www.21stcenturyga.com). At the time the endorsement is processed online, any change resulting in an additional premium will be collected and applied at the time the endorsement is processed. 21<sup>st</sup> Century will process change requests without additional down payment on faxed endorsements, but collection of additional down payment by the agent is strongly advised to avoid uncollectible premium if the policy is canceled at a later date. The endorsement premium will be spread over the remaining payments. In certain instances, the size of the additional premium and the number of payments or drafts left in the policy term may make it necessary to issue an immediate Notice of Cancellation. This will be explained to the insured by memo and cancellation could be stopped in most cases upon receipt of the premium requested.

Endorsements will be mailed directly to the insured [and lien holders, if any] or provided at point of sale. The insured will be advised to expect higher monthly installments beginning with their next bill. Refunds created by endorsements will lower the balance due and thus lower the monthly installment beginning with the next bill.

Endorsements on policies that were initially paid in full will be billed directly to insured and will require payment in full. Refund checks on policies paid in full will be made payable to the Insured and mailed directly to the Insured.

***Photos and internal inspection are required for all vehicles requiring comprehensive and collision coverage.*** A photo from each corner of the vehicle, odometer reading and vin plate from inside door panel must be taken. The insured may take the photos if they are time stamped and dated. The photos should be received by 21<sup>st</sup> Century underwriting within 48 hours of binding coverage on the endorsed vehicle.

## **CANCELLATIONS**

No flat cancellations are allowed. Mid-term cancellations require the written request of insured. Cancellation refunds will be mailed to the insured unless the producer requests that they be sent to their office for delivery.

## **REINSTATEMENTS**

**ALL REINSTATMENTS MUST BE APPROVED BY THE COMPANY.**

### **PAYMENT OPTIONS - RENEWALS:**

The insured will receive a notice of 21<sup>st</sup> Century General Agency's offer to renew along with a statement of funds due.

1. Payment in Full. (No Power of Attorney accepted.) Attach to the renewal offer, a check or money order for the entire gross premium made payable to 21<sup>st</sup> Century General Agency.
2. Direct Bill/Pay Plan. The insured will receive a notice of 21<sup>st</sup> Century's offer to renew along with a statement of funds due. The semi-annual term policy premium will be payable in 12 equal installments.
3. The down payment will be due on or before the renewal inception date with the **first installment due in 30 days depending on the payment plan selected by the Insured** and each subsequent installment due every 30 days. Each billing will be mailed approximately 12 days prior to the due date and will include an installment fee.
4. All limited policy forms must be received with renewal payment, or policy will be issued a 10 day notice of cancellation.
5. A copy of the renewal quote and statement will be available to the agent via our website.

Upon receipt of the insured's written request to renew and the appropriate down payment, a renewal policy will be issued. Requests to renew that are not postmarked prior to the expiration date will result in coverage terminating. To continue coverage, a new application and a down payment reflecting the loss of renewal discounts will be required.

## **IMPORTANT NOTE**

In instances where coverages need to be discussed or explained in detail, the insured will be referred to the agent, who is in the best position to survey the needs of the insured.

**UNDERWRITING RULES & GUIDELINES  
LIABILITY OR PACKAGE POLICIES ONLY  
(Physical Damage Only Not Written)**

**POLICY TERM** – 12 month term

**ELIGIBLE VEHICLES** - Privately owned

1. Private Passenger Automobiles.  
Trucks with a standard pickup bed rated 3/4 ton or less (gross vehicle weight of 10,000 lbs. or less).
2. Vehicles used commercially, other than Artisan Use defined below. (**Cargo vans prohibit**).
3. Vans and van-type, other than cargo van, vehicles not used commercially. Trucks with a standard pickup bed rated ¾ ton or less and vans and van-type vehicles used by self-employed Artisans (painters, plumbers, carpenters, etc.) that drive to and from job sites by the Insured or an immediate family member.

**INELIGIBLE VEHICLES**

1. **No more than 1 extra vehicle per number of drivers.**
2. All vehicles with fiberglass and/or plastic bodies (Corvette, Fiero) and exotics including but not limited to the specific automobiles: Acura NSX, AM General Hummer H1, Aston Martin, Avanti, Bentley, Bertone, Bluebird, Bricklin, Bugatti, Chevrolet Camaro SS, Ford Mustang Cobra, Coda, DeLorean, Dodge Stealth Turbo, Dodge Raider, Dodge Viper, Ferrari, Fisker, Ford Mustang GT and 5.0L, Jaguar, Jensen, Lamborghini, Lotus, Maserati, Mercedes, Mitsubishi 3000 Turbo or 3000 GT - Turbo, Nissan all Z series, Nissan 300 ZX, Nissan GT-R, Pantera, Plymouth Prowler, Porsche, Rolls Royce, Shelby, Tesla Electric, Triumph and Yugo.
3. Vehicles that are older than 1966.
4. One Ton Vehicles.
5. Vehicles used, and/or designed, for racing, exhibition or with altered engines. (Modified, souped up, etc.)
6. Long and short term rental and leasing operations.
7. Commercial or emergency vehicles, taxis, newspaper delivery, mail collection or delivery, courier service, pizza, fast food, newspapers, transport more than \$2,500 of business-related materials or equipment at any one time, etc.
8. Vehicles garaged outside of Texas.
9. Public livery conveyance or bus.
10. Caravans, motor coaches, motor homes, and mobile homes
11. Vehicles used for transportation or distribution of ammunitions and explosives.
12. Recreational vehicles (road buggies, dune buggies) .
13. Antique vehicles, vintage vehicles, kit cars, altered, custom built or remodeled vehicles.
14. Any vehicle with current value in excess of \$50,000.00 or endorsed vehicles in excess of \$50,000.
15. Physical damage on vehicles older the 20 years old.
16. Physical Damage only policies not written.
17. No more than 6 vehicles per policy.
18. Personal vehicles driven by employees, sub-contractors, or co-workers are not eligible.
19. Flat or stake bed trucks
20. Any vehicle requiring physical damage coverage on stereos, custom radios, and other sound reproducing equipment or citizen band radios, two-way radios, or telephones that has not been scheduled as custom equipment.
21. Cargo Van – Described as CG, 3500, Econo Strip D, EXP CG, Econo Club Wagon, B3500/3500 Vans, B150/1500 & 250/2500, Rally Van, ect.
22. Smart Cars
23. Trucks hauling gasoline, fuel oil, liquefied petroleum, gas or explosives.
24. Vehicles garaged away from the residence more than 3 weeks at a time for work related purpose and College students living away from home.
25. Vehicles parked unattended away from residence for more than 1 week at a time. (example- offshore workers parking long term in unattended parking lot.)
26. No vehicles with manual or motorized winch.

**Unacceptable Vehicle Surcharge**

A vehicle surcharge will be added showing a code “UV”.

### **Vehicle Surcharge**

All diesel engines will be surcharged 10% on comprehensive and collision coverage.

### **INELIGIBLE DRIVERS**

1. Any celebrity persons, meaning actors (with a guild and/or association membership), professional athletes, (with league membership), Olympic athletes, college athletes, radio personalities, news broadcasters, musicians, authors/writers (of published works where the income generated from these activities/occupations is more than 30% of the total income for the individual), and models.
2. If the applicant or a driver has been charged with:
  - i. Two or more DWI/DUI in the last 20 years
  - ii. Felony in last 20 years.
  - iii. No more than 1 misdemeanor in last 5 years.
  - iv. No more than 2 misdemeanors in last 10 years.
  - v. No more than 3 misdemeanors in last 20 years.
  - vi. Any Insurance Fraud offense.
3. Operators with more than 12 points.
4. Any operator with two major violations (As defined on our chargeable points in rating section).
5. Any operator age 15 or under or any operator over 88 years of age unless they are scheduled on a renewal policy.
6. If any named insured is under 18 years of age or 88 years of age or older. (Drivers 75 or older submit with medical questionnaire on 21<sup>st</sup> Century form.)
7. Applicant or any driver who has more than two "At Fault" accidents in the past three years.
8. Risks where the applicant or any driver is either physically, mentally impaired, or has ever had a seizure.
9. Any vehicle requiring coverage for more than \$1,500 in custom equipment.
10. Any applicant whose occupation is related to auto sales. New or used car lots.
11. No more than 8 drivers per policy.
12. Uber/Lyft drivers.

### **ACCEPTABLE NON-US IDENTIFICATION**

If an insured does not have a valid US drivers license, then 21st Century will accept as ID an International Drivers License, a Texas ID, Passport, a Matricula or any official document that is government issued that provides a recent picture. The language utilized must be English or Spanish.

### **Ineligible Driver Surcharge:**

A 12 point charge on the driving record will be added at new business.

### **BINDING**

**EFFECTIVE DATE** - For all acceptable private passenger risks, coverage becomes effective no earlier than the date and time of upload. Agency EFT or Insured EFT must be selected for all new policy down payments. The appropriate payment must be deposited in your account and made available for sweep within two business days of upload.

**DOCUMENTATION** - For all acceptable private passenger risks, the following must be completed before coverage can be bound (Agents cannot backdate coverage):

- Valid money from the insured must accompany the application via EFT. Policy down payments returned for uncollectible or insufficient funds void the policy in its entirety back to inception.
- The application and all applicable forms are completed in full, signed by the agent and the applicant.
- The applicant, all operators and each vehicle meet the underwriting guidelines.
- Details of all chargeable and non-chargeable accidents/violations are listed on the application.
- All documentation as well as supporting documentation has been provided and submitted to 21<sup>st</sup> Century General Agency.

**BINDING AUTHORITY** - Binding is permitted only for producers who are properly appointed.

**When binding, agents:**



<b>VIOLATIONS OTHER THAN MAJOR OR MINOR</b>	<ul style="list-style-type: none"> <li>• Careless driving or negligent driving</li> <li>• Disregard traffic control officer &amp; device</li> <li>• Failure to observe traffic lights, sign, RR crossing gate or any other traffic control device including failure to stop for a school bus</li> <li>• Improper passing</li> <li>• Violation of driver's license restriction</li> <li>• 1 misdemeanor in last 5 years or 2 in last 10 years.</li> </ul>	2 each
<b>MINOR VIOLATIONS</b>	<ul style="list-style-type: none"> <li>• All other moving violations, including non-restraint of a child. Non-moving violations shall include (but not be limited to) helmet, sticker, equipment or no liability insurance violations. Speeding.</li> </ul>	0 -1st 2 occurrences 2- each occurrence in excess of 2
<b>ACCIDENTS</b>	<ul style="list-style-type: none"> <li>• All considered at fault unless evidence of operator's noncontributory negligence furnished. Determination to be made by Company. <b>All one vehicle accidents chargeable including hit and run.</b></li> </ul>	3 - 1st accident 4 – each additional accident - (submit if over 2)
<b>NON CHARGABLE VIOLATIONS</b>	DWI more than 5 years old if no other felonies, misdemeanors within the past 20 years.	0 points

**CREDIT DISCOUNTS**

Applicable to BODILY INJURY, PROPERTY DAMAGE, OTC & COLLISION. (NO DISCOUNTS FOR DRIVERS TRAINING OR DEFENSIVE DRIVING).

**RENEWAL DISCOUNT** If continuously in force with 21<sup>ST</sup> Century General Agency Inc. for six (6) months, and there have been no at fault accidents, a premium discount will be allowed. The same renewal discount will be allowed on all renewals unless an at fault accident is reported. The renewal discount shall not be increased or decreased as to the number of renewals or the length of time that the policy is in force. This discount will not be allowed if the policy was written with in agency transfer discount.

**IN AGENCY TRANSFER DISCOUNT** If an insured has maintained an auto policy, for a minimum of 6 months thru an in-agency carrier, with no lapse in coverage, and all drivers on the policy have been claim free, for a minimum of 6 months, then the insured shall be eligible for this discount provided that both the last 6 months continuous experience and the 6 months claims free experience can be verified. Any carrier generated documentation that proves both requirements will be accepted. Note!! The discount will NOT be allowed if both of these requirements cannot be verified. NOTE a claim in which, nothing is paid will NOT be counted against the insured.

**PRIOR COVERAGE DISCOUNT** is allowed on policies that have been in force for a minimum of a six (6) month with no more than a total 30 days lapse. Copy of the prior declaration page MUST accompany application. NO EXCEPTIONS.

**MULTICAR DISCOUNT** – If more than one (1) car is insured under the same policy and such vehicles are individually owned (husband and wife, resident in same household), a premium discount will be allowed on each automobile.

**HOMEOWNER DISCOUNT** - A discount will be applied if the Insured owns and occupies own home, condominium, townhouse, or mobile home (must own land and must be skirted). Proof of home ownership is required.

**PREFERRED RISK DISCOUNT** - A discount for Liability and a discount for physical damage will be applied if the insured meets the following qualifications:

1. Named Insured must be 25 to 75.
2. All drivers must be accident free for 3 years. An at fault claim in which less than \$1,500 is paid will not be counted against the insured, assuming only one such claim among all listed drivers.
3. No more than 2 COMP claims \$1000 or less in last 3 years.
4. All drivers must be free of criminal offenses in the last 10 years
5. If a SR-22 is required of any driver then the discount is disallowed.

**EFT PAYMENT/PAYMENT IN FULL DISCOUNT**- A discount will be allowed if the Insured authorizes the company to draw payments electronically (i.e. checking account or bank draft) or pays the term premium in full.

**LIMITED ENDORSEMENT FORMS**-The Insured has the option of having endorsements attached to the Texas Personal Automobile Policy that limits its coverage. Upon receipt of a signed request from the Insured, the company will reduce the premiums on Bodily Injury, Property Damage, Other Than Collision and Collision coverages. In consideration for OACM.Punitive.018, a discount of 0.5% is applied to BI and UMBI rates. This reduction in premiums will apply regardless of the Credit Discounts, including the Maximum Credit Discounts, which are allowed.

These Limited Endorsement forms may be attached to a 12-month term policy.

When purchased, the Limited Endorsement forms are purchased as a group.

Endorsement #	Name of Endorsement
OACM.PhysDam.001	Physical Damage Endorsement
OACM.Storage.004	Storage Endorsement
OACM.DelFee.005	Delivery of Persons and Property for a Fee
OACM.ContLiab.006	Contractual Liability Exclusion
OACM.AutoTerm.007	Automatic Termination
OACM.CrimeIntent.008	Criminal or Intentional Acts
OACM.MisrepFraud.009	Misrepresentation or Fraud
OACM.OutofState.016a	Out of State Coverage Endorsement
OACM.DV-B.017	Diminution in Value and Betterment
OACM.Punitive.018	Exemplary or Punitive Damages Endorsement
OACM.RentProp-NOAuto.019	Restricted Rented Property/Non-Owned Auto
OACM.NoBusiness.020	No Business Use Endorsement

**DETERMINATION OF TERRITORY**

The zip code of the principal garaging location shall be used to determine the territory.

STUDENTS - vehicles operated by students who attend school away from home will be rated according to the territory rates of the school or the home, whichever is higher.

**CUSTOM EQUIPMENT**

Maximum coverage of \$1,500 per vehicle.

An additional premium of \$15.00 per \$100 of value will apply.

Deductibles shown on OTC and COLL coverages apply.

To afford coverage for any modifications to a vehicle for any equipment, which is not standard on the make

and model described, it must be scheduled on the application, a photo and receipt included with the submitted application and the defined premium paid for the coverage. (Replacement of factory installed equipment with a higher valued item must also be scheduled).



Custom equipment includes any custom equipment, non-factory installed, which modifies the vehicle's appearance or performance, including, but not limited to:

Radio Glass, or chrome Chrome, alloy or mag wheels, T-Tops, campers or toppers, Custom bodywork, Custom Paint, Custom/wide tread tires, Custom engine work/parts, Custom interior work (carpeting, seat covers, paneling, furniture, appliances, including van conversions).

#### **CANCELLATION**

No flat cancellation allowed, unless at Company request. Cancellations are calculated on a pro-rata basis. Cancellation refund checks will be mailed to the insured unless the producer has requested that they be mailed to their office for delivery to the insured.

#### **SR-22 FILING**

If an SR-22 Filing is required, and driver's license is suspended, send a separate check for the appropriate amount made payable to the Texas Department of Public Safety.

If an SR-22 Filing is required, and driver's license is NOT suspended, the state will not require the additional driver's license reinstatement fee.

No commission payable on the Filing Fees.

#### **NON-OWNER POLICIES**

Effective 11-01-14 non owners' policies will no longer be offered. Existing non-owner policies will be offered until their anniversary date and then non-renewed.

#### **LIABILITY**

**LIMITS:** Bodily Injury: \$30,000 / \$60,000      Property Damage:      \$25,000

#### **PHYSICAL DAMAGE**

##### **DEDUCTIBLES**

OTC (Options not available on convertibles or units with T-Tops.)

\$100 Deductible:      136% of \$500 Deductible premium

\$200 Deductible:      115% of \$500 Deductible premium

\$500 Deductible:      Base Rate Deductible

\$1,000 Deductible:      82% of \$500 Deductible premium

##### **COLLISION**

\$250 Deductible:      139% of \$500 Deductible premium

\$500 Deductible:      Base Rate Deductible

\$1,000 Deductible:      77% of \$500 Deductible premium

**OPTIONAL COVERAGES** - If purchased must apply to all insured vehicles.

MEDICAL PAYMENTS      \$500 per Insured

PERSONAL INJURY PROTECTION      \$2,500 per Insured

UNINSURED-UNDERINSURED MOTORIST BI      \$30,000 / \$60,000

UNINSURED-UNDERINSURED MOTORIST PD      \$25,000

**Note: UM/UIM - PD not available without UM/UIM - BI.**

**Medical Payments cannot be written if PIP coverage has been selected. Refer to Mandated Coverage Rule.**

**MISCELLANEOUS COVERAGES** – Available only on vehicles with Physical Damage Coverage.

TOWING & LABOR (524A)      \$75.00 per disablement

RENTAL REIMBURSEMENT (523C)      \$25/day, \$750 max

(Rental and Towing must be sold together)

Rental Reimbursement Coverage only reimburses the policyholder for the cost of renting a car while a vehicle listed on the policy is out of use because of another loss covered by the policy.

#### **MEXICO COVERAGE-LIMITED**

Endorsement OACM.551a, Mexico Coverage-Limited, will be added to each policy.

**COMPANY FEE SCHEDULE**

**POLICY FEE** - Fully earned, regardless of term.

12 Month  
\$140.00

**BILLING INSTALLMENT FEE**

A minimum of \$3.00 per month, increased by \$.50 for each \$250.00 or fraction thereof by which the new and renewal premium plus policy fee total exceeds \$500.00. The installment fee is based upon the new or renewal policy premium and is not adjusted in the event of a premium bearing endorsement to the insurance policy.

**LATE FEE**

**\$6.00 - Fully earned fee charged when a notice of cancellation has been issued, but is not yet effective, and funds and/or requested information or item(s) are received prior to the effective date of cancellation, resulting in no lapse in coverage.**

**MVCPA FEE**

**12-Month Term - \$4.00 – Fully earned fee per vehicle.**

**SR-22 FEE**

**\$25.00 – Fully earned fee charged per SR-22.**

**NSF FEE**

**\$35.00 – Fully earned fee charged for a returned check.**

**\$35.00 – Fully earned fee charged for a returned ACH.**

**NOTICE**

Since it is not possible to make rules to cover every situation, final decisions with respect to acceptance of risk, underwriting, rates, etc., are reserved to the Company.

**HURRICANE/INCLEMENT WEATHER RESTRICTIONS**

All binding authority is suspended in areas where the National Weather Service has issued a hurricane, flood, tropical storm, and/or tornado “watch” or “warning” and is within fifty (50) miles of the location of the proposed risk there may be no increased exposure. No new policy with Comprehensive or Collision coverage may be bound. No Physical Damage endorsement of existing policies may be requested which will have the effect of increasing the company’s exposure. Renewals of the company’s expiring policies may be written in the normal manner providing there is not an increase in exposure to the company. Applications with an effective date/postmark combination, which would violate the prohibitions listed above, will be rejected and no coverage will exist. New business and endorsement acceptance procedures will resume four (4) hours after the “watch” or “warning” has been lifted by the National Weather Service. All new business and endorsements requiring Physical Damage coverage which is bound 48 hours after the inclement weather restriction has been lifted requires photos AND an inspection form to determine pre-existing damage.

**UNDERWRITING DECISIONS**

21st Century General Agency may use MVRs, CLUE, A-Plus, Household Driver, Criminal

Background, and/or DMV (title) reports to determine if any risk is properly rated. Rates may be adjusted, driver exclusions requested, or policy cancelled, as needed, based upon information received via these reports.

**NOTIFICATION OF ASSIGNED RISK PLAN RATES**

It is your responsibility to be in compliance with Texas Administrative Code 5.401(d), which reads as follows:

“Insurers or agents who make a quote to an applicant with no prior insurance having no more than one accident and one violation within the past three years which quote equals or exceeds the premium

available through the assigned risk plan must inform the applicant of the approximate cost of coverage available through the assigned risk plan.”

Any agent found to not be in compliance with this rule will be subject to possible suspension or termination.

#### **TEMPORARY SUBSTITUTE**

Endorsement OACM.022, Temporary Substitute will be added to each policy

#### **RENEWAL BINDING PROCESS**

Limited Policy renewal offers are sent to the insured at least 30 days in advance with a cover letter that stresses that it is important that the renewal documentation be received, along with the required signatures and the required down payment, **before** the effective date of the renewal policy. (A total of **twelve** signatures are required in addition to an initial for each listed Limiting Policy limiting endorsement)

The insured is provided with the option of mailing the renewal documents directly to the company or utilizing their agent to complete the renewal process.

#### **LIMITED ENDORSEMENTS**

Listed below are the 21st Century Direct Program limiting endorsements.

##### OACM.PhysDam.001

The Company will pay the cost to restore your covered auto to its pre-loss condition. The amount we pay may be based upon the cost of aftermarket or recycled used parts, at the Company's option. If you choose a more expensive part, you may be responsible for the difference in cost.

There is no coverage under Part D – Coverage for Damage to Your Auto, for any equipment on or in your covered auto that was not installed at the factory unless coverage is shown for the equipment in the Declarations Page.

If repair or replacement of your covered auto or part of your covered auto results in betterment of the vehicle or the part, **you will be required to pay the difference** in order to get your auto repaired or replaced.

##### OACM.Storage.004

In the event that your covered auto requires storage following an accident, you must authorize us to have it moved to a facility of our choice at our expense.

##### OACM.DelFee.005

The policy no longer provides coverage for liability or physical damage if your covered auto or **any auto operated by an insured** is being used to carry, transport or deliver people, property or goods for a fee. This includes, among other things, delivering food, newspapers or flowers. **If you engage in the activity of carrying, transporting or delivering items or people in exchange for compensation, you must disclose this on your application for insurance.**

**OACM.ContLiab.006**

There is no coverage under Part A – Liability Coverage where liability for the loss is imputed or assumed solely because you signed a contract that references your automobile liability coverage. **If you rent an auto, you should notify the rental company of this change to your policy, as there may be optional coverage that you can purchase from such company.**

**OACM.AutoTerm.007**

If someone other than you or a family member becomes the owner of the auto, then coverage for that auto will automatically terminate at the time possession, title or right of control is passed on to the new owner.

**OACM.CrimeIntent.008**

There is no coverage under any portion of this policy for damages or injuries that result or may reasonably be expected to result from the intentional or criminal acts of you, a family member or anyone operating your auto with your consent. There is also no coverage under this policy for damages or injuries that result while you, a family member or anyone operating your auto with your consent is attempting to evade arrest of a law enforcement official.

**OACM.MisrepFraud.009**

We may void this policy and provide no coverage under any portion of this policy for any claim that would otherwise be covered in the absence of your fraudulent conduct, misrepresentations, misstatements or omissions of important information, including those made when applying for coverage. If you engaged in these activities and we still made a payment under your policy, we have the right to recover from you the amount of the payment we made.

**OACM.OutOfState.016a**

If you are involved in an accident in a state or province that has compulsory insurance laws for non-residents, we will honor that province or state's requirements as to the liability coverage. However, we will not automatically provide first party coverage or increased limits for first party coverage in states that have no-fault or similar insurance laws.

**OACM.DV-B.017**

If repair or replacement of your covered auto or part of your covered auto results in betterment of the vehicle or the part, you will be required to pay the difference in order to get your auto repaired or replaced.

If there is a reduction in the market or resale value of your covered auto that results from a loss, we will not pay for the cost of the reduction.

**OACM.Punitive.018**

Exemplary damages means any damages awarded as a penalty or by way of punishment but not for compensatory damages. Exemplary damages are neither economic nor noneconomic damages. Exemplary damages include punitive damages. This policy will not provide coverage for you in the event that you or an uninsured/underinsured motorist becomes liable for exemplary or punitive damages.

**OACM.RentProp-NOAuto.019a**

We do not provide Liability Coverage for any person: **1.** For damage to property **a.** rented to; **b.** used by; or **c.** in the care, custody or control of that person. **2.** This exclusion (A.3.l) does not apply to damage to: **a.** a rented residence or rented private garage caused by **your covered auto**; or **b.** any **temporary vehicle**. This exclusion does, however, apply to any and all damage to any vehicle you rent, use, or borrow, except any **temporary vehicle**, regardless of cause or fault.

OACM.NoBusiness.020

**IF YOU ENGAGE IN ANY BUSINESS USE OF YOUR COVERED AUTO, THERE WILL BE NO COVERAGE, BOTH UNDER PART A – LIABILITY COVERAGE & PART D – COVERAGE FOR DAMAGE TO YOUR AUTO**

Business use includes but is not limited to transporting persons, equipment or tools of the trade to or from a job site or using a vehicle while engaged in any business or occupation, including but not limited to: construction, courier or delivery services, landscaping, painting, carpentry, masonry, food services, janitorial services, or any other trade-type service.