



ARIZONA
UNDERWRITING GUIDE
Protect Program

Effective Date(s):
March 2022

AssuranceAmerica

PRIVATE PASSENGER AUTOMOBILE PROGRAM ARIZONA AGENT'S MANUAL

Directory of Contacts	2
Customer Service / Operations	2
Claim Services	2
Product Information	3
General Rules and Regulations	4
Binding Authority	5
Exclusions	6
6 & 12 Month Policy Plan	7
Monthly Installment Procedures	8
Renewal Procedures	8
Endorsements	8
Financial Responsibility Filings	9
Named Non-Owner	9
Exclusion of Driver	9
Uninsured/Underinsured Motorist Coverage	9
Rating Discounts	10
Multiple Operators/Multiple Vehicles Rating Procedure	11
Claim Guidelines	11
Physical Damage Rules	12
Full Safety Equipment Coverage	12
Point Schedule	13
Special Rating	13
Violations	14
Restricted or Prohibited Vehicles	15
Driver Classification	16

AssuranceAmerica

Arizona Directory

Customer Service / Operations

Toll Free: 1-800-450-7857

Local: 678-819-1516

Toll Free Fax: 1-877-952-0258

Local Fax: 770-952-0258

Office Hours: Monday-Friday 8:30am to 8:00pm ET

Mailing Address

P O Box 723128

Atlanta, GA 31139-0128

E-mail: customer_service@aainsco.com

Technical Support: servicedesk@aainsco.com

AssuranceAmerica Headquarters:

5500 Interstate North Pkwy, Ste.600

Atlanta, GA 30328

Claim Services

Claim Reporting: 24 hours a day, 7 days a week

Toll Free: 1-888-580-8134

Local: 678-996-0110

Toll Free Fax: 1-888-579-8801

Local Fax: 770-984-0170

Claims Services Hours: Monday-Friday 8:00am to 5:00pm ET

Mailing Address

P O Box 725009

Atlanta, GA 31139-0009

E-mail: claims@aaiclaims.com

Product Information

Coverage Limits and Deductibles

Bodily Injury Liability	\$25,000/person, \$50,000/accident
Property Damage Liability	\$15,000/accident
Uninsured/Underinsured Motorist*	\$25,000/person, \$50,000/accident
Medical Payments	\$500 OR \$1000/person Comprehensive &
Collision	Deductibles of \$500 OR \$1000
Towing and Roadside Assistance	\$75 per disablement
Loss of Use (Rental)	\$30 per day for a maximum of 30 days
Safety Equipment Glass Deductible	Deductible waived
Accidental Death and Dismemberment	\$1000 increments from \$2000 up to \$10,000

Liability coverage must apply to all vehicles on the policy.

* An Uninsured and Underinsured Motorist Coverage Offer and Selection/Rejection Form (AZ11) must accompany any and every application that rejects Uninsured and/or Underinsured Motorist coverage. This form must be completed correctly and in its entirety, or Uninsured and Underinsured Motorist coverages WILL BE issued.

Underwriting Guide

General Rules and Regulations

1. All applications must be uploaded to the company. A copy of an operator's driver's license will be requested when no MVR is returned from the Motor Vehicle Division.
2. Policies can be written for a named insured who is not the registered/titled owner as long as the registered/titled owner is rated on the policy.
3. The application becomes a part of the policy. Misrepresentations, omissions, concealment of facts and incorrect statements may prevent a recovery under the policy if they are: (1) fraudulent; (2) material either to the acceptance of the risk, or to the hazard assumed by the company; and (3) we in good faith would not have provided coverage with respect to the hazard resulting in loss if the true facts had been made known to us as required either by the application or otherwise.
4. All bills, new business declaration pages, endorsements, cancellations, reinstatements and renewals will be mailed directly to the named insured. Cancellations, reinstatements and declaration pages will also be sent to the lien holder(s) and additional insured (if applicable).
5. Uploaded policies will have down payments made via Electronic Funds Transfer and will be swept from the designated account within 72 hours of the upload.
6. No flat cancellations will be allowed on any policies returned after the inception date. All cancellation requests must indicate reason for cancellation.
7. Any cancellation provisions in these rules only apply to policies in effect for less than 60 days, otherwise only those cancellation provisions in ARS 20-1631 apply.
8. All cancellations by the company will be pro-rata.

When checks are returned for Non-Sufficient Funds or when an EFT payment is dishonored, a notice of cancellation will be issued. A \$25 Dishonored or Unauthorized Payment fee must be paid prior to reinstatement of the policy. The policy may be reinstated with a lapse in coverage.

Binding Authority

A risk may be bound, if it is not on our exclusion list, provided:

1. It is effective no earlier than the time and date that the application is uploaded to the company
2. Two (2) clear, color photos are attached to the application if physical damage coverage is requested. If purchase order dated within 30 days of effective date of application is attached, and shows less than 100 miles on odometer, no photos will be required;
3. The Producer shall secure and retain the original application and all proofs (proof of ownership, signature pages, or photos). The Producer is responsible for obtaining all signatures for the appropriate coverage admissions, including UM/UIM forms and driver exclusion forms. The Company shall have the right to audit the Producer's files at any time to verify the presence of all required documents. In the event the Producer fails or is unable to provide the Company with required documents and damages are incurred because of said failure, the Producer shall defend and indemnify the Company for any and all damages resulting there from including reasonable attorney fees and court costs;
4. The application is completed correctly and indicates the coverages requested.

Exclusions

1. All commercial/business use* vehicles. This includes vehicles used for any kind of delivery purposes and emergency vehicles. This also includes vehicles used to transport persons for a fee (other than customary carpooling or similar shared-ride arrangements).
2. All vehicles titled and/or registered in the name of a business, corporation, partnership or proprietorship.
3. All vehicles used to transport school children, nursery children, senior citizen groups, or other social groups, migrant or day workers.
4. All vehicles used to transport hotel, motel or public access residence occupants.
5. All vehicles with any logos or commercial advertisements affixed temporarily to the vehicle.
6. All vehicles identified on the prohibited list or identified as unacceptable in VIN file.
7. Vehicles more than 30 years old, except if part of a multi-vehicle policy.
8. Vehicles not registered and/or garaged in the state of Arizona for at least 10 months of the calendar year.
9. Insureds residing outside of Arizona, permanently, or temporarily for 60 days or more in a calendar year.
10. Military risks not stationed in Arizona.
11. Any Named Insureds under the age of 18.
12. Any operator with special physical or mental impairments which may interfere with safe vehicle operation.
13. Unlicensed drivers unless they are excluded from coverage.
14. Any risk whose license is canceled or revoked without an SR22 filing unless that individual is excluded from coverage. License suspensions are allowed.
15. No drivers with greater than 15 points at new business.
16. Any driver with any one of the following types of violations: racing violation, felony homicide, felony motor vehicle, fraud securing a license, manslaughter, passing a school bus. Any driver with one of the following major violations: racing, fleeing or eluding police, hit-and-run, aggravated assault-auto, giving a false accident report, obstructing an officer or operating a vehicle without consent.
17. Any operator who has ever had two or more claims within a 35-month period with AssuranceAmerica Insurance Company.
18. Drivers with more than one DUI or more than one accident within the last 36 months.
19. Any driver who has ever been previously convicted or suspected of committing insurance fraud.
20. Any driver who has been non-renewed by AssuranceAmerica Insurance Company.
21. Towing coverage is not available for vehicles more than thirty (30) years of age.
22. Policies with more than two (2) vehicles not assigned to a listed driver (i.e. 1 driver and 4 vehicles is not acceptable; 1 driver and 3 vehicles is acceptable).
23. Vehicles with a Depreciated Value greater than \$100,000.

*Business use means that the use of the vehicle is required by or customarily involved in the duties of the applicant while operating the vehicle in an occupation, profession or business (including transportation network companies), other than going to and from the principal place of occupation, profession or business. Self-employed tradesmen who use their vehicle(s) to transport tools, equipment or incidental supplies to or from a job location will be considered BUSINESS USE. If it is later determined that a vehicle is being used for business, a 100% surcharge will be applied to the policy.

A surcharge of 100% is applicable to all coverages and all vehicles listed as unacceptable and/or not complying with both the general regulations and binding authority rules (i.e. photographs, proof of insurable interest, etc.) when added by endorsement to an existing in-force policy.

Every situation cannot be addressed completely. AssuranceAmerica reserves the right of final determination on the acceptability of all risks.

6 and 12 Month Policy Plans

Six-month and twelve-month policy plans are offered either as pay-in-full or with payment installments. All installment pay plans are available for Agency EFT, Insured EFT, and Insured Credit Card payments (including Auto-Pay).

Pay Plan	Term	Policy Fee	DP %	# of Installments	Billing Cycle	Payment Method
	6 mo - New	\$30	16.67%	5	23 days for 1st, 30 days for all others	Direct Bill
	6 mo - New	\$30	17.5%	5	23 days for 1st, 30 days for all others	Direct Bill
	6 mo - New	\$30	22%	5	30 days	EFT
	6 mo - New	\$30	16.67%	5	30 days	EFT, Credit Card EFT
	6 mo - New	\$30	20%	5	30 days	Direct Bill, EFT, Credit Card EFT
	6 mo - New	\$30	50%	5	30 days	Direct Bill, EFT, Credit Card EFT
	6 mo - New	\$30	25%	5	30 days	Direct Bill, EFT, Credit Card EFT
	6 mo - New	\$30	100%	0	N/A	Direct Bill
	6 mo - New	\$30	30%	4	30 days	Direct Bill
	6 mo - Renewal	\$30	16.67%	5	30 days	Direct Bill, EFT, Credit Card EFT
	6 mo - Renewal	\$30	100%	0	N/A	Direct Bill
	12 mo – New	\$60	8.33%	11	23 days for 1 st , 30 days for all others	Direct Bill
	12 mo – New	\$60	8.33%	11	30 days	EFT, Credit Card EFT
	12 mo – New	\$60	10%	11	30 days	Direct Bill, EFT, Credit Card EFT
	12 mo – New	\$60	12%	11	30 days	Direct Bill, EFT, Credit Card EFT
	12 mo – New	\$60	20%	11	30 days	Direct Bill, EFT, Credit Card EFT
	12 mo – New	\$60	100%	0	N/A	Direct Bill
	12 mo – Renewal	\$60	100%	0	N/A	Direct Bill
	12 mo – Renewal	\$60	8.33%	11	30 days	Direct Bill, EFT, Credit Card EFT

**AssuranceAmerica reserves the right to amend or restrict, without notice, any of the above listed payment plans at the company's discretion.

Monthly Installment Procedures

1. Installment payment notices will be sent to the insured prior to the installment payment due date. Each installment notice will include either a \$10 direct bill installment fee or an \$8 electronic withdrawal (EFT) installment fee. Recurring credit / debit cards do not qualify for the EFT installment fees and are charged the direct bill installment fee.
2. A separate check or money order must be attached to each installment payment, unless multiple installment payments using itemized transmittals are submitted.
3. Installments accepted in the agents' office after the expiration or cancellation date, that are beyond any applicable grace period, must include the date and time the installment was received by the agent for coverage to be bound. If the date and time the installment was received is not submitted, the policy will be reinstated on the date following the Post Office postmark on the envelope with a lapse in coverage.
4. Installments mailed directly by the insured on expired (Expiration Date to include the mandatory 7-day grace period as defined in A.R.S. 20-1632.01) or cancelled policies will be reinstated on the date following the Post Office postmark on the envelope.
5. Policies expired or cancelled over sixty (60) days must be rewritten.
6. A \$20.00 Reinstatement Fee applies to all payments postmarked after the Cancellation Date to include the mandatory 7-day grace period as defined in A.R.S. 20-1632.01.

Renewal Procedures

1. A renewal payment notice will be sent to the insured and the agent at least twenty (20) days prior to the expiration of the policy and will include a fully earned policy fee determined by the payment plan option selected.
2. A separate check or money order must be attached to each renewal, unless multiple renewal payments using itemized transmittals are submitted.
3. Auto-Pay renewal payments will be swept on the expiration date and will include a fully earned policy fee determined by the payment plan option selected.
4. Renewal payments that are accepted in the agents' office after the expiration or cancellation date which are beyond any applicable grace period must include the date and time the renewal payment was received by the agent for coverage to be bound. If the date and time the renewal payment was received is not submitted, the policy will become effective on the date following the Post Office postmark on the envelope with a lapse in coverage.
5. Renewal payments mailed directly by the insured on expired or cancelled policies will become effective at 12:01am on the date following the Post Office postmark on the envelope.
6. Policies expired or cancelled over sixty (60) days must be rewritten.
7. A \$20.00 Reinstatement Fee applies to all payments postmarked after the Cancellation Date to include the mandatory 7-day grace period as defined in A.R.S. 20-1632.01.

Endorsements

1. Endorsements should be uploaded, but may also be faxed or mailed when unable to access the AssuranceAmerica system. Any changes requested to the policy will become effective at the time and date the endorsement is signed by the insured provided it is postmarked within two (2) working days if not uploaded.
2. The Producer shall secure and retain the original signed endorsement request and all proofs (proof of ownership, signature pages, vehicle inspection report or photos when applicable). The Producer is responsible for obtaining all signatures for the appropriate coverage admissions, including UM/UIM, Med Pay and driver exclusion forms. The Company shall have the right to audit the Producer's files at any time to verify the presence of all required documents. In the event the Producer fails or is unable to provide the Company with the required documents and damages are incurred because of said failure, the Producer shall defend and indemnify the Company for any and all damages resulting from these actions including reasonable attorney fees and court costs.
3. Physical damage coverage must be submitted with two (2) clear photos of the vehicle. Photos of glass are required when safety equipment coverage is added to an existing in-force policy.
4. After an endorsement is processed on an Auto-Pay payment plan policy, the sweep amount may change, and the amount needed to place the policy back on track will be swept.
5. Endorsement amount to be paid is dependent upon payment plan selection.

Financial Responsibility Filings

A \$25 fully earned filing fee will be charged on each driver requiring an SR-22. Filings will be made only for the State of Arizona and Foreign Driver's Licenses. The person requiring the filing may not be excluded from coverage. This fee applies at each renewal.

Named Non-Owner

Not written.

Exclusion of Driver

The endorsement must be signed and dated by the insured. The exclusion is required on all regular, frequent drivers, and/or residents of the household fifteen (15) years of age and older if not rated as a driver of the vehicle(s). Please provide full name, date of birth and relationship to the named insured on the executed driver exclusion form.

Uninsured/Underinsured Motorist Coverage

The required UM/UIM form must be completed at the time of the application.

Rating Discounts

Renewal Discount

A renewal discount will be allowed beginning with the first renewal provided that the named insured and all named drivers have not had at fault accidents during the previous 6 months. This discount applies to all coverages.

Paid-in-Full Discount

A Paid-in-Full discount will apply to all coverages if the total policy premium is paid in whole.

Recurring Electronic (EFT) Payment Discount – CC

An EFT discount applies to all coverages if a pay plan with automatic electronic withdrawal from a credit card is selected. Pre-paid credit cards are not eligible for the discount.

Recurring Electronic (EFT) Payment Discount – ACH

An EFT discount applies to all coverages if a pay plan with automatic electronic withdrawal from a banking account is selected.

Electronic Signature Discount

Policy level discount applied when the applicant electronically signs the policy application.

Mobile App Discount

Policy level discount applied when the applicant downloads the AssuranceAmerica Mobile App, creates their Customer Account, and logs in for the first time during New Business Onboarding process. Discount will be available at New Business and will continue at Renewal when the app continues to be in use.

Early Shopper II Discount

A discount applies to all coverages if the policy is purchased (uploaded) 7+ days prior to the effective date with Proof of Prior coverage with no lapse.

Sign at Bind Discount

Policy level discount applied when the applicant signs the policy application at bind.

Multiple Operators/Multiple Vehicles Rating Procedure

Rate on each operator's driving record only. Do not add points from the driving record of one operator of a household to the points of another operator. Please encourage the applicant to fully disclose his or her driving record to avoid the need for premium adjustments or cancellations.

List all regular, frequent drivers and/or residents of the household fifteen (15) years of age and older.

Claim Guidelines

In the event of an accident or loss, it must be reported to us or one of our authorized agents as soon as practicable. The report must give time, place and circumstances of the accident or loss including the names and addresses of all injured parties and all witnesses involved in the accident or loss.

Anyone claiming any coverage under this policy must also:

1. Take reasonable steps after loss to protect an insured car and its equipment from further loss. If you fail to do so, any further damage will not be covered under this policy. We will pay reasonably necessary expenses incurred in providing that protection.
2. Report the total theft of the car to the police promptly and as soon as practicable after the loss.
3. Allow us to inspect and appraise the damage to an insured car before its repair or disposal.
4. If a hit and run motorist is involved, adequate proof of loss and a statement under oath must be filed with us within 30 days of our request.
5. Give us information about any lien or encumbrance against the car involved in the accident or incident giving rise to the damage or loss.

Physical Damage Rules

1. No physical damage coverage written without liability.
2. Comprehensive and collision must be written together.
3. Coverages not available for vehicles older than twenty (20) years for new business.
4. CB radios, DVD players, game systems and non-factory installed communications equipment are not written.
5. No Physical Damage Coverage for Restored/Salvaged Vehicles.
6. No vehicles will be accepted with existing damage.
7. Vehicles with a depreciated value greater than \$45,000 are unacceptable for physical damage. The depreciated value is determined by the MSRP and a depreciation factor based on vehicle age.

An Unacceptable Risk Surcharge of 100% is applicable to all coverages and all vehicles listed under “Exclusions” when added by endorsement to an existing in-force policy.

Full Safety Equipment Coverage

Full Safety Equipment Coverage requires the purchase of physical damage coverage. Photographs of all glass must be submitted when added by endorsement to an existing in-force policy.

Point Schedule

Accidents

Count all moving violations and chargeable accidents for the past three years. Use violation date(s) on driving record for violations. For multiple point charges arising out of one occurrence, use only the highest charge involved.

Do not combine points if there are two or more drivers.

Accidents	Points
1 st	4
2 nd	5
3 rd	5 - Not acceptable

Any accident shall be considered chargeable unless proof is furnished and submitted within 30 days of inception confirming that the applicant was not at-fault. This proof shall be established by a police report, written statement from the other party's insurer, or the applicant's previous insurer showing that the applicant was either:

1. Fully reimbursed for all damages;
2. Legally parked when the accident occurred;
3. Lawfully stopped at a stop sign or traffic light when the vehicle was rear-ended;
4. Found to be 50% or less negligent.

Insured single-vehicle accidents are considered at-fault.

Special Rating

Unverifiable or Unobtainable MVR

Any driver for whom a U.S. Driver's License is submitted and a U.S. MVR cannot be obtained for any reason, or exclusion of named driver form is not submitted, will be rated with an Unverified Driving Record Surcharge.*

If the MVR furnished by the state indicates a PERMANENTLY SUSPENDED or REVOKED driver's license, the policy will be cancelled.

- * If a correct U.S. driver's license number or exclusion of named driver form is submitted within thirty (30) days of inception, the policy will be rated from the inception date.

Foreign License

Any driver who does not have a valid U.S. driver's license but has a foreign driver's license will be charged a surcharge.

Violations

MAJOR

Violations	Points
1st major	5
Each additional offense	6

1. Attempting to elude Police
2. Speed contest
3. Hit and run, leaving the scene of an accident
4. Reckless driving (includes without due regard, careless, improper, unsafe, and negligent operation of a vehicle)
5. Felony involving use of a motor vehicle
6. Negligent homicide
7. Failure to yield to emergency vehicles or school bus
8. Refusal of alcohol test (Implied Consent Law)
9. Negligent collision violation
10. School zone violations
11. Speeding more than 30 MPH over the speed limit

Alcohol Related Majors

1st 2
 Each Additional Offense 6

1. Driving under the influence of alcohol, drugs, or narcotics or any open container violation

Intermediate

PTS.

- | | |
|---|---|
| 1. Violating driver's license restriction | 2 |
| 2. Driving with EXPIRED driver's license | 2 |
| 3. No driver's license or failure to display driver's license | 2 |
| 4. Displaying altered driver's license | 2 |
| 5. Unlawful use of driver's license | 2 |
| 6. Driving while license is suspended or revoked | 2 |
| 7. Speeding 20 – 29 MPH over the speed limit | 2 |

Minor

- | | |
|---|---|
| 1. Speeding less than 20 MPH over the speed limit | 1 |
| 2. All other moving violations | 1 |

NON-CHARGEABLE VIOLATIONS

1. Headlight/Taillight violations
2. Improper or no tag
3. Defective muffler or horn
4. Unnecessary noise
5. Improper parking
6. Seat belt violations
7. Waste of finite resource violations: speeding charges for 65mph or less in a 55mph zone

Restricted or Prohibited Vehicles

Liability

All model year vehicles older than thirty (30) years except if part of a multi-vehicle policy are unacceptable for all coverages.

Physical Damage

All model year vehicles older than twenty (20) years are unacceptable for new business.

Restricted Eligible for liability coverage only.	Prohibited The following vehicles are not acceptable for any coverages.
Restored/salvaged Vehicles	Vehicles identified as unacceptable in VIN file
	Vehicles not registered for public road use
	Vehicles used for public livery
	Vehicles with less than or more than 4 wheels
	Any vehicle with a load capacity above 1 ton
	All Cars with Plastic, Aluminum, or Fiberglass Bodies
	Dune Buggies
	High Performance Type Vehicles
	Kit Cars or Altered Vehicles
	Motor Homes & Recreational Vehicles
	Vehicles with a dismantled or "junk" title
	Vehicles with aftermarket lifts of greater than 2"

An Unacceptable Risk Surcharge of 100% is applicable to all coverages and vehicles listed as unacceptable vehicles when added by endorsement to an existing in-force policy.

Driver Classification

Driver classification code applies to any person, whether primary or occasional operator. Any married person not living with a spouse, rate as a single person. Common-law rated as single person.

* Married means the named insured and spouse must reside in the same household, or the named insured is widowed.