



MGA Insurance Company, Inc.

## **TEXAS**

### **Private Passenger Automobile Semi-Annual Program**

**Effective:**

**December 10, 2016 New Business**

**January 24, 2017 Renewals**

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## COMPANY CONTACT INFORMATION

### Customer Service & Underwriting

Phone Number 866-GAINSCO (424-6726)  
Fax Number 800-532-3522

### Claims Department

Phone Number 1-800-699-1561  
Fax Number 1-800-699-1560

### Help Desk / Technical Support

Phone Number 1-800-699-1561

### Agents Login: New Business, Supplies, etc.

GAINSCO Connect: Agents Login [www.gainscoconnect.com](http://www.gainscoconnect.com)

### GAINSCO Auto Insurance Address

Mailing Address GAINSCO Auto Insurance  
P.O. Box 199023 Dallas, TX 75219-9023

### Texas Marketing

East Phone: 817-991-0965

Dallas Phone: 214-729-7935

Central Phone: 512-757-3292

North Houston Phone: 281-222-4509

South Houston Phone: 832-221-0482

North West North / Fort Worth North Phone: 817-538-0642

North West South / Fort Worth South Phone: 817-264-2256

South Central Phone: 210-542-4859

Business Development Team – Other Areas

Email: [Businessdev@Gainsco.com](mailto:Businessdev@Gainsco.com) Phone: 972-629-4974

Marketing/Agency Support Coordinator

Phone: 800-699-1561 x 4966

## AGENT INFORMATION

It is virtually impossible to set forth our underwriting program in its entirety within this manual. All applications will be reviewed and underwritten on their individual merits. This manual addresses minimum requirements. If in doubt, please call customer service before binding.

### **Binding Authority**

Agents have immediate binding authority in accordance with all the rules and procedures set forth in this manual. The agent must be a duly authorized agent of MGA Agency, Inc. ("Company").

Coverage will be bound at the exact date and time the application is completed, signed and dated by both the applicant and agent if the following conditions are met:

- All of the information entered into the New Quote screen on GAINSCOconnect.com must be submitted to the Company using the portal.gainscoconnect.com website. Paper applications are unacceptable.
- The application process is completed in its entirety when all required documentation is obtained from the applicant, including but not limited to: a signed and completed application with exclusions and rejections as appropriate, household driver discovery affidavit, documentation for any discounts and vehicle inspection form(s) if applicable.
- The risk is not defined as being unacceptable in this manual.
- The appropriate down payment or full premium and any applicable fees are collected from the applicant and submitted to the Company.

Coverage is not bound and is considered null and void if the applicant's down payment check is returned by the bank for insufficient funds. Please notify the company immediately upon receipt of notice of NSF from the applicant's bank. If an application is submitted with an incorrect driver class, surcharge, discount, etc. or without the required proof for a specific discount, the policy will be issued at the appropriate rate level according to the rules set forth in the program manual.

Unless notified otherwise, all submissions for new business and endorsement on existing policies that have an effect of increasing the company's exposure are suspended from the time the National Weather Service issues a severe weather advisory (i.e. hurricane, tornado, or thunderstorm watch/warning) within 100 miles of the watch/warning area. Normal submission activity will be reinstated unless otherwise notified 24 hours after the watch/warning is lifted by the National Weather Service.

## **Agent Duties**

The Agent must assure compliance with all our Company's underwriting guidelines, procedures and requirements. The Agent is responsible that the entire application package, including exclusions and rejections as appropriate, are reviewed with the Applicant and approved by the Applicant. The Agent is also required to verify the Applicant is the named insured prior to submitting any documents.

All applications must be uploaded to the Company using the portal.gainscoconnect.com website.

If you are unable to upload an application through GAINSCOconnect.com, please contact Customer Service or the Help Desk for assistance.

If an applicant is adversely impacted by information contained in a consumer report, or our inability to pull a consumer report, we will generate a letter pursuant to the provisions of the Fair Credit Reporting Act (FCRA). A copy of the FCRA letter must be printed and provided to the applicant.

For applicants with no prior insurance and no more than one accident or violation, if the premium quoted for Personal Injury Protection or Uninsured Motorist Coverage equals or exceeds the rate charged by TAIPA for these coverages, the agent must notify the applicant. A sample notice is provided under the Printable Forms section of [www.GAINSCOconnect.com](http://www.GAINSCOconnect.com).

Agents may obtain the named insured signature on our Texas Automobile Insurance Application, UM/UIM Bodily Injury, UM/UIM Property Damage, Personal Injury Protection rejections, policy forms or statements, and any other documents utilizing electronic signature (e.g. services offered by DocuSign, EchoSign or other electronic signature service providers) . The Agent is responsible for providing the Applicant the opportunity to consent to electronic signature. The Agent is responsible for complying with all applicable state and federal e-signature laws.

Agents must keep all documentation, including the appropriate applicant signatures, on file for the appropriate number of years. The Company reserves the right at any time to inspect all applicant files and/or require agent to submit copies of documentation to us for audit/review purposes.

The following documentation (if applicable to the policy) must be kept in your Agency's file for 3 years after the date of the transaction, or for the amount of time prescribed by all applicable laws and regulations, whichever is greater, and, as stated above, be available for Company review as requested:

- Completed and signed Texas Automobile Insurance Application, including signed UM/UIM Bodily Injury, UM/UIM Property Damage and Personal Injury Protection rejections
- A copy of the driver license, Matricula, and/or ID for the applicant, for each non-excluded driver listed on the policy, and for any driver listed as an excluded spouse
- Signed driver exclusion form(s)

- Signed household member affidavit
- Proof of prior insurance coverage
- Proof of home ownership
- Any document proving accidents were not-at-fault
- Signed and dated Vehicle Inspection Form(s) or photographs as specified below
- Credit Card payment/Recurrent EFT authorization form

MGA Agency, Inc. reserves the right to inspect all applicant files and/or require the agent to submit copies if requested by the company for audit and compliance purposes.

### **Vehicle Inspection Requirement**

Agents are required to complete a vehicle inspection for each vehicle with Comprehensive, Collision, and/or Uninsured Motorist Property Damage coverage. The Agent may either complete the vehicle inspection form or provide photographs and must retain records of either in the agency's file per guidelines listed above. If the vehicle being insured is a new purchase from a dealership, the Agent must obtain a copy of the purchase receipt and Vehicle Inspection Form within 7 days of purchase and keep in your agency's file per guidelines listed above.

### **Photo Requirements**

In lieu of a completed vehicle inspection form, the following photographs may be obtained and retained with the application:

#### **Four corner photos**

- A photograph should be taken of each corner of the vehicle which in total will show the entire exterior of the vehicle.

#### **VIN**

- One clear photograph of the VIN plate located on the dash or door.

#### **Mileage**

- One clear, legible photograph of the vehicle odometer showing current mileage.

#### **Damaged Areas**

- Clear photographs of any existing damage on the vehicle must be obtained.

### **Commission**

Refer to the Agency Agreement for the exact commission schedule.

MGA Agency, Inc. reserves the right to alter commission schedules with notice to agency per Agency Agreement.

## PRODUCT INFORMATION

### Coverages & Limits

Bodily Injury Liability	\$30,000/person \$60,000/accident
Property Damage Liability	\$25,000/accident
Uninsured/Underinsured Motorist BI*	\$30,000/person \$60,000/accident
Uninsured/Underinsured Motorist PD*	\$25,000/accident
Personal Injury Protection*	\$2,500/person
Medical Payments	\$500, \$1000, \$2000 or \$5000/person
Comprehensive & Collision	Deductible options: \$250, \$500, or \$1000
Custom or Additional Equipment	\$2,500/vehicle
Towing & Labor	\$40, \$75, or \$100/disablement
Rental Reimbursement	\$20/day, \$600/occurrence or \$30/day, \$900/occurrence or \$40/day, \$1200/per occurrence

\*If rejection forms are not completed and signed, coverage will be added to policy and the applicable premium charged.

- Physical damage coverage cannot be selected without liability coverage.
- Physical damage coverage cannot be selected on any vehicle over 20 years old. Vehicles with physical damage and/or Uninsured/Underinsured Motorist Property Damage coverage must be physically inspected by the agent and the appropriate vehicle inspection form fully completed.
- Comprehensive and Collision coverages are not available separately; these coverages must be selected together.
- Medical payments coverage cannot be selected on the same policy with Personal Injury Protection coverage.
- Custom or Additional Equipment coverage will only be available on vehicles where Comprehensive and Collision coverage is selected.
- Custom or Additional Equipment coverage on vehicles will only be covered if the custom or additional equipment is listed on the application and additional premium is paid on the cost new of the equipment.
- Custom or Additional Equipment coverage is limited to \$2,500 in total value per vehicle.
- Custom or Additional Equipment includes coverage for: custom paint, custom wheels, phone equipment, stereo/sound equipment, video equipment, and navigation/GPS.

- Photos and receipts are required for Custom or Additional Equipment coverage and should be maintained with the application.

**Voluntary Coverage Endorsements**

The applicant may select/purchase the following endorsements to increase coverage:

- **Custom or Additional Equipment Coverage Endorsement**  
The basic policy does not provide any coverage for Custom or Additional Equipment installed on the insured vehicle, including items such as custom wheels, camper shells, or navigational equipment. Purchase of this endorsement allows an insured to specifically list any custom equipment items they may have on the insured auto, and obtain coverage for its actual cash value.

**Non-Owner Coverage Endorsement**

Non-owner liability coverage is available for operators of private passenger vehicles who do not own or have regular use of a vehicle. Of the coverages listed above, Bodily Injury and Property Damage are included, Personal Injury Protection, Medical Payments, Uninsured/underinsured Motorist BI, and Uninsured/underinsured Motorist PD are optional, and the remaining coverages are not available on a Non-owner policy.

**Policy Term**

All policies are issued for a term of six months only.

**Fees**

- Policy Fee: \$66 per six month policy period
- Anti-theft Prevention Fund (ATPF) fee: \$1.00 per vehicle per six month policy term
- SR22 Fee: \$25.00 per filing
- Standard Installment Fee: \$3.00 for \$500 annualized premium, \$0.50 additional for each \$250 annualized premium
- EFT Installment Fee: \$3.00 (recurrent payment by insured checking account or credit card)
- Late Fee: \$10.00 for each late installment payment

**Payment Plans**

<b>Payment Plan</b>	<b>Down Payment</b>	<b>1<sup>st</sup> Installment Due</b>
<b>6 Pay Plan</b> (Down + 5 Installments)	16.66% Down + ATPF fee + Policy Fee Split	20 Days (30 thereafter)
<b>6 Pay Plan</b> (Down + 5 Installments)	23% Down + ATPF fee + Policy Fee Split	30 Days (30 thereafter)



<b>6 Pay Plan</b> (Down + 5 Installments)	Amount no less than 16.67 calculated based on the flexible date chose + ATPF fee + Policy Fee Split	Flexible date chosen by the policy holder <sup>1</sup>
<b>Pay in Full</b>	100% Down + ATPF fee + Policy Fee	N/A

All pay plans are available for Agency EFT, Insured EFT and credit card payments. Auto-Pay is available for Insured checking account recurrent payments and credit card recurrent payments, when selected an Auto-Pay discount will apply. With Auto-Pay, the amount due will be swept on the due date.

The Company may introduce, vary and/or remove certain pay plans from the product line as necessary. Only pay plans shown on our website rating system are available for use in your area. We charge an installment fee for each payment and renewal down payment. We do not accept premium financing.

For all pay plans with the exception of the Pay in Full option, the down payment will be followed by five installments, each of which will include an installment fee. All pay plans include a policy fee. All pay plans include an Anti-theft Prevention Fund (ATPF) fee per vehicle per six month policy term will be included in the down payment.

### **Unacceptable Risks**

The company reserves the right to make final underwriting decisions on all applications. The following is a general list of unacceptable risks; however, a combination of factors may cause some applications to be unacceptable even if not specifically mentioned in the following information.

### **Drivers**

All persons 15 years of age or older who are living in the named insured's household must be listed on the application. Individuals can be listed and rated as drivers or specifically excluded. If an individual is to be excluded, the named driver exclusion must be signed by the named insured. Unlicensed drivers and drivers with a suspended or expired license are acceptable, but are expected to obtain a license consistent with the requirements of the State of Texas.

### **Excluded Drivers**

Any household members who are 15 or older and not listed on the policy must be excluded on the Named Driver Exclusion and acknowledged by the signature of the named insured. Policies can be written for an insured that is not the registered/titled owner, but the registered/titled owner must be rated or excluded on the policy.

### **License State Matrix**

<b>License Status</b>	<b>Classification (Corresponds to option on Rater)</b>
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<sup>1</sup> Policy holder may choose the 1<sup>st</sup> installment due date. The down payment amount of no less than 16.66% will be calculated accordingly.

Texas	Texas
Other U.S. State	Applicable State
Mexico Driver's License	Mexico
Mexico ID (Matricula)	Mexico
International	Non – USA
Licensed in another Country	Non – USA
Unlicensed or Never Licensed	Unverified License
License Expired	Applicable State with license status of Expired
Occupational	Unverified License
Suspended (with SR-22)	Texas license status of Suspended and with SR-22
Suspended (with no SR-22)	Applicable State with license status of Suspended
Revoked (with SR-22)	Unacceptable
Revoked (with no SR-22)	Unacceptable
Cancelled (with SR-22)	Unacceptable
Cancelled (with no SR-22)	Unacceptable
All other not listed above	Unacceptable

**The following drivers are considered unacceptable:**

- More than 8 drivers per policy.
- Any operator who is not a resident of the State of Texas.
- Any operator under the age of 15.
- Any named insured under the age of 18.
- Any operator who lives or works in Mexico.
- Migratory risks, including transient and seasonal workers.
- All entertainers, athletes, and celebrities, or any professional individual who is nationally or locally well known to a large segment of the population.
- Operators with more than one minor violation in the 36 months immediately preceding the effective date of the policy.
- Operators with more than two at fault accidents in the 36 months immediately preceding the effective date of the policy.
- Operators with more than one alcohol or drug related charge in the 36 months immediately preceding the effective date of the policy.
- Operators with more than one major violation in the 36 months immediately preceding the effective date of the policy.
- Operators with more than two intermediate violations in the 36 months immediately preceding the effective date of the policy.
- Total number of minor violations for all operators listed on a policy cannot exceed six in the 36 months immediately preceding the effective date of the policy.
- Total number of at fault accidents for all operators listed on a policy cannot exceed two in the 36 months immediately preceding the effective date of the policy.
- Total number of major violations for all operators listed on a policy cannot exceed two in the 36 months immediately preceding the effective date of the policy.
- Total number of intermediate violations for all operators listed on the policy cannot exceed three in the 36 months immediately preceding the effective date of the policy.
- Students residing and/or attending school in a state other than Texas.

**Vehicles**

All vehicles must be registered/titled to the named insured, his/her spouse, a listed driver, or an excluded driver. Motor vehicles including private passenger, station wagon, utility, pickup or van which do not exceed one ton load capacity are eligible for this program.

**The following vehicles are considered unacceptable.** See Appendix A for additional details.

MGA Insurance Company, Inc. does not allow more than 6 vehicles per policy and does not allow more than 2 extra vehicles, for example 1 driver with 4 vehicles is unacceptable, but 1 driver with 3 vehicles is acceptable.

### **Vehicle Types**

- Conversion vans/pickups (for physical damage), and 1-ton vans
- Dune buggies, Baja bugs and/or any other type of ATV or off-road vehicle or any vehicle not licensed for road use
- Motorcycles
- Hearses and limousines
- Rare, antique, classic, vintage, custom, electric, kit, low production, limited edition, race replica, or show vehicles
- Motor Homes, RVs, Campers, Travel Trailers, or any vehicles with plumbing, cooking, or refrigerator packages
- Vehicles built/designed for, or used in, speed contests
- Flatbed vehicles
- Vehicles having a Gross Vehicle Weight (GVW) of more than 10,000 pounds or more than 1 ton of load capacity
- Open air vehicles, including those with detachable roofs (except convertibles) not otherwise listed
- Saleen Models

### **Value, Age and Condition**

- For Liability, any vehicle with a base price greater than \$80,000
- For Physical Damage, any vehicle with a base price greater than \$50,000
- Vehicles over 20 years old are not acceptable for Physical Damage coverages
- Any vehicle which has been substantially modified in appearance or performance, or mechanically altered; i.e. high suspension or lift kits
- Any pickup, van or utility vehicle that does not have bumpers
- Vehicles with pre-existing damage (other than cosmetic), where physical damage or uninsured/underinsured motorist property damage coverage is being requested
- Salvaged, restored or reconstructed vehicles. Restored salvage may be issued for liability only
- Vehicles not inspected by the agent where physical damage coverage has been requested

### **Ownership and Usage**

- Vehicles titled to a legal entity or DBA

- Any vehicle not garaged in the zip code for which the policy is written, unless the vehicle is away at school in the state of Texas.
- Any vehicle used for service with a transportation network company, such as Uber or Lyft.
- Any vehicle used for service with a delivery network company, such as UberEATS, UberRUSH, or Postmates.

### **Surcharges**

Driver points are based on all occurrences and/or violations that have occurred in the thirty-six months immediately preceding the policy or the renewal date. Any accidents listed on a motor vehicle, application or other underwriting report will be considered at fault unless a police report or written explanation is provided stating one of the following:

- The insured vehicle was legally parked.
- The insured or a listed driver was struck in the rear while legally stopped for traffic or a traffic device.
- The insured or a listed driver was involved in an accident with a hit & run driver and reported to the police within 24 hours after the occurrence.
- The insured or a listed driver on the policy received a judgment or reimbursement from a third party and no liability payment was made on behalf of the insured.

All one vehicle accidents are considered at-fault. If an at-fault accident and a violation arise out of the same incident, the one resulting in the largest surcharge will apply. If an at-fault accident occurs in conjunction with a major violation, both incidents will be surcharged.

### **Discounts Requiring Documentation**

If the proof of eligibility for a discount is received after the policy is issued, the discount will be applied on a pro-rata basis.

- **Prior Coverage Discount** - a prior coverage discount will apply to the policy when the named insured can provide proof of prior insurance coverage from a company other than GAINSCO for the six months immediately preceding the effective date of the policy and has not had a lapse in coverage of more than 30 days. Proof of the prior insurance coverage is required with the application and the binding of coverage. Acceptable proof of prior insurance includes a letter of experience on prior carrier letter head, company issued Declaration page, applicable renewal offer or ID card with an expiration date within 30 days of the effective date of the GAINSCO policy.
- **Agency Internal Transfer Discount** - a prior coverage discount will apply to the policy when the named insured is eligible for the prior coverage discount as defined above and the prior coverage was written by the same agency submitting the application to GAINSCO. Proof of the prior insurance coverage and proof that the prior coverage was written by the agency are required with the application and the binding of coverage. Acceptable proof includes those forms of proof available for the prior coverage discount when the agency's name is shown on the document, and will need to be supplemented with additional documentation when the agency's name is not shown. Acceptable

proof of prior insurance includes a letter of experience on prior carrier letter head, company issued Declaration page, applicable renewal offer or ID card with an expiration date on or after the effective date of the GAINSCO policy. Prior GAINSCO policies do not qualify for the Agency Internal Transfer Discount.

- **Homeowner Discount** - a discount will apply to the policy when the named insured submits acceptable proof of homeownership. The individual identified as the named insured on the auto application must also appear as the owner on the homeowner's proof. The homeowner discount is not available to a minor whose parent(s) are not listed on the policy. Acceptable forms of proof include a homeowner's insurance policy declaration page, mortgage statement, property tax records or property deed. Mobile homeowners are eligible for the homeowner discount.

### **Additional Discounts and Surcharges**

- Any driver added to the policy in term (after the 60<sup>th</sup> day following the effective date of coverage) that is defined as being unacceptable in the underwriting rules/guidelines will be surcharged in addition to any other surcharges that may apply.
- If the garaging address or primary area of operation of any listed vehicle on the policy is moved outside of Texas (after the 60<sup>th</sup> day following the effective date of coverage) or if the insured moves their residence outside of Texas a surcharge will apply.
- Any vehicle or coverage added in term (after the 60<sup>th</sup> day following the effective date of coverage) that is defined as being unacceptable in the underwriting rules/guidelines will be surcharged in addition to any other surcharges that may apply.
- Business use (Class 3) should be assigned to any listed vehicle that is used in the occupation, profession or business of the insured. A surcharge will apply. Business use coverage is only available on "private passenger" type vehicles and pickups with a gross vehicle weight under 10,000 lbs. An insured vehicle assigned a business class use cannot be registered or titled to a business, corporation, partnership or DBA.
- If a driver possesses a Driver's License classified as "Unverifiable" (see page 7) there will be a surcharge applied to the risk.
- An advanced purchase discount will be applied when the policy is purchased at least 3 days prior to the new business effective date. The discount will not be applied when the Agency Transfer discount or Prior Gainsco discount is also applied or when proof of prior insurance is not provided.

**NOTE:** Within the first 60 days following the effective date of coverage, the addition of any driver, vehicle, or coverage, or a change that otherwise results in a risk that is unacceptable under our underwriting guidelines, may result in cancellation of the policy in lieu of the application of an Additional Surcharge.

## **POLICY SERVICES**

### **SR22 Filings**

If an SR22 filing is needed by the insured or a member of the household living with the named insured, it may be done at point of sale if the new application is uploaded through the company website portal.gainscoconnect.com by following the prompts that are provided as part of the web upload process. Forms are available upon request for the issuance of SR22 filings in the agent's office; please contact your Territory Manager. If the SR22 filing is needed after the policy is effective, contact Customer Service for assistance. There is a fee for the processing of the SR22 filing. SR22 filings will only be processed in the state of Texas for the name insured and for members of the household living with the named insured.

## **Endorsements**

Endorsements can be processed online at portal.gainscoconnect.com or by phone, fax, or mail.

Endorsements processed online will detail any additional premium and any amount to collect. Once the endorsement is submitted online, a confirmation page will generate and it must be printed, signed by the insured, and maintained in the agency's file, per the documentation requirements under the Agent Duties section of this Rule Guide.

If an endorsement results in a return premium, the insured's account will be credited and remaining payments will be lowered.

Agents have 72 hours binding authority (3 calendar days) from the time that the applicant notifies the producer. After this, the endorsement becomes effective the date and time of the phone call or fax, or day after postmark. **DO NOT BACK DATE COVERAGE.**

## **Cancellations**

Flat cancellation is not permitted by the insured or producer once the policy is in force, unless there is duplicate coverage for the same risk. If a flat cancellation is being requested due to duplicate coverage, a copy of the declaration page from the other insurer indicating the policy dates is required. The company may flat cancel for down payments which are returned by the bank for non-sufficient funds. Agents are to notify the company immediately upon receiving notice of the NSF from the bank. A copy of the front and back of the returned check along with the request to cancel must be faxed to MGA Insurance Agency, Inc.

Insured's checks for installment payments that are returned for non-sufficient funds will be cancelled giving the appropriate notice.

With the exception of flat cancellations, all cancellations will be calculated on a pro rata basis. A request by the insured to cancel the policy must be in writing and signed by the named insured; the effective date of the insured requested cancellation cannot be earlier than the date the agent or company was notified by the named insured.

## **Renewals**

A renewal policy will be issued after the inception of the new policy period if all premiums owed on the current policy have been paid and the first payment of the

renewal policy has been received prior to the expiration of the current policy term. Renewal offers and non-renewals will be sent at least 30 days prior to the annual policy anniversary date.

If the appropriate renewal payment is not paid and mailed (U.S. Postal Postmark) by the expiration date of the six-month policy term, coverage will expire on the final day (expiration date) of the current policy term (there is no grace period). If the appropriate annual renewal payment is not mailed/postmarked (U.S. Postal Postmark) by the actual annual anniversary date, coverage will expire effective that date (there is no grace period).

The renewal policy can be paid in full or will be billed in six installments to include the appropriate down payment. The gross premium plus a policy fee will be equally divided over the installments. The first installment on a renewed policy will include an ATPF fee for each listed vehicle, plus the SR22 fee if applicable.

### **Reinstatements**

Reinstatements are permitted for up to 30 days. Reinstatements can be processed online at [portal.gainscoconnect.com](http://portal.gainscoconnect.com) for up to 7 days from the cancellation date, after the 7th day reinstatements can be processed by phone or fax to Customer Service.

If a policy is cancelled for underwriting reasons, and the reasons for cancellation have been corrected prior to the cancellation date, the policy will remain in force without a lapse.

If the reason for cancellation was for non-payment and payment is postmarked/received by the agent or company within the cancellation notification period as required by the insurance code (10 days from the date of the cancellation notice), the company will reinstate with no lapse in coverage.

If payment is postmarked/received by the agent or company after the cancellation has taken effect, a reinstatement without a lapse in coverage may be considered at the company's discretion (company approval required), only after collection of any owed premium is paid and a no loss statement is executed and signed by the named insured for the period of time between the actual cancellation date and the signing of the no loss statement. An inspection form may also be requested at the underwriter's discretion.

### **Rewrites**

Rewrites can be processed online at [portal.gainscoconnect.com](http://portal.gainscoconnect.com). A policy that cancels for non-payment is eligible for the rewrite option. Policies that are ineligible for the rewrite option include policies that are cancelled for underwriting reasons, cancelled for insured NSF, had a non-renewal posted or if there is an open claim.

## **PREMIUM DETERMINATION**

If an application is submitted with an improper driver class, discount, surcharge, etc. the policy will be issued at the appropriate rate level according to the rules as set forth in this manual.

### **Driver Classification**

Age refers to the driver's age at policy inception (effective date). A marital status of "single" refers to an unmarried, widowed, divorced or legally separated driver. A marital status of "married" means a legally married person residing in the same household as his/her spouse. If a married driver does not have his/her spouse listed or excluded on the policy, the driver must be rated as "single".

### **Physical Damage**

A pre-insurance vehicle inspection form must be completed at the time of application for all vehicles insured with physical damage and/or Uninsured/Underinsured Motorist Property Damage coverage.

Vehicles should be inspected as follows:

- Verify that the VIN number on the dashboard matches the VIN number of the registration and application.
- Walk around the vehicle to check for existing damage. If there is existing damage, the damage must be clearly described on the inspection form and photos must be taken and maintained with the application paperwork.
- Odometer reading must be completed.
- This same procedure applies when endorsing vehicles with physical damage.

A vehicle inspection form is required for each vehicle insured with physical damage and/or uninsured/underinsured motorist property damage coverage. If a loss occurs and it is determined that the producer did not actually inspect the vehicle and prior damages are paid for by the company, the company reserves the right to make a claim for these previous damages from the producer.

**Exception:** Vehicle inspections are not required for new vehicles if a copy of a licensed dealer's bill of sale, invoice or window sticker is submitted with application.

### **Insurance Scoring**

- An Insurance Score based upon credit history information may be ordered for the named insured as part of the quote process.
- To order the Insurance Score, select "Scored" and follow the instructions on the [www.gainscoconnect.com](http://www.gainscoconnect.com) website. Please read the disclosure on the website to the customer and verify their permission to obtain the score. Select "Agree" only if the applicant gives permission to obtain the score.
- Include the full name, address, date of birth, and last 4 digits of the applicant's Social Security Number in order to obtain the Insurance Score. An applicant has the right to not provide the last 4 digits of their Social Security Number, but this may result in a No Hit result.
- If a score is ordered and results in an applicant not receiving the maximum rate benefit, or a No Hit or "thin file" result is returned, provide the applicant with the



FCRA notification that is generated by the website. If a customer suspects inaccuracies in their credit information, they may request a copy of their report by contacting the vendor as instructed in the notice provided.

- The insurance score will be automatically re-evaluated every thirty-six months. In addition, at the request of the named insured, we will re-order the score up to once annually. Should the score result in a more favorable rate for the insured we will use it during the renewal pricing process. Otherwise, we will continue to use the score from the prior policy term.
- If the applicant believes their credit information has been directly influenced by a catastrophic illness or injury, the death of a spouse, child, or parent, by temporary loss of employment, by divorce, or by identity theft, they may submit to us in writing a request that we provide an exception to our rates, rating classification, or underwriting rules related to that information. If an exception is granted, we will consider only the credit information not affected by the event or we shall assign them a neutral score. We may require reasonable written and independently verifiable documentation of the event and the effect of the event on their credit information before granting an exception. We will not consider repeated events or events which have previously been reconsidered as an extraordinary event.
- If a score is ordered and returns a result of subject deceased, then the application is unacceptable. The applicant will have the option to verify/modify their information and have the Company re-order to obtain a new result.
- The Company will not use an insurance score developed using factors that are prohibited by law or applicable regulation.

## **CLAIMS**

All claims should be reported as promptly as possible. Accidents involving injuries or that render the insured vehicle not drivable should be reported to MGA Agency, Inc. by telephone as soon as possible. All other losses should be reported by fax or correspondence on the appropriate form as soon as possible to the Company.

Claims phone number: 800-669-1561

Claims fax number: 800-699-1560

## **MATERIAL MISREPRESENTATION**

It is important that agents ask all questions directly to the applicant and clearly explain the consequences of providing false information. Complete and accurate information on the application is required in order to bind coverage. Material misrepresentation may result in the policy being declared null and void from inception and will impact the insured's rights to policy benefits. It is important that agents explain that a claim may not be paid if false or misleading information is provided to us. Misrepresentation includes, but is not limited to the following:

- Failure to disclose all household members aged 15 or older.
- Use of an incorrect garaging address
- Failure to report all prior accidents or violations on the application.
  - Failure to accurately report vehicle usage or vehicles available for use.

## APPENDIX A – UNACCEPTABLE VEHICLES

MAKE	MODEL
<b>Acura</b>	NSX
<b>AM General</b>	Hummer H1
<b>Aston Martin</b>	All Models
<b>Audi</b>	R8, RS models, S models
<b>Avanti</b>	All Models
<b>Bentley</b>	All Models
<b>Bertone</b>	All Models
<b>Bluebird</b>	All Models
<b>BMW</b>	8-series, M6, Z8
<b>Bricklin</b>	All Models
<b>Bugatti</b>	All Models
<b>Cadillac</b>	Allante, XLR
<b>Chevrolet</b>	Tracker, Volt, Spark, Captiva, Orlando, Corvette
<b>Chrysler</b>	Prowler
<b>Coda</b>	All Models
<b>Daewoo</b>	All Models
<b>Daihatsu</b>	All Models
<b>DeLorean</b>	All Models
<b>Dinan</b>	All Models
<b>Dodge</b>	Raider, Viper
<b>Eagle</b>	2000 GTX
<b>Ferrari</b>	All Models
<b>Fisker</b>	All Models
<b>Ford</b>	Cobra Models, GT, Saleen Models, Mustang Shelby GT500, F150 SVT, Transit
<b>GEM</b>	All Models
<b>Geo</b>	Tracker
<b>GMC</b>	Tracker
<b>Isuzu</b>	Amigo
<b>Jaguar</b>	XK Series, F-Type
<b>Jeep</b>	CJ Series, Scrambler
<b>Jensen</b>	All Models
<b>Lada</b>	All Models
<b>Laforza</b>	All Models
<b>Lamborghini</b>	All Models
<b>Lexus</b>	LFA
<b>Lotus</b>	All Models

<b>Maserati</b>	All Models
<b>Maybach</b>	All Models
<b>Mazda</b>	SPEED Models
<b>McLaren</b>	All Models
<b>Mercedes-Benz</b>	AMG Models, CL class, G class, SL class, SLR, Sprinter, 600 Class
<b>Morgan</b>	All Models
<b>Nissan</b>	GT-R
<b>Pantera</b>	All Models
<b>Pinanfarina</b>	All Models
<b>Plymouth</b>	Prowler
<b>Porsche</b>	All Models
<b>Renault</b>	All Models
<b>Rolls-Royce</b>	All Models
<b>Ruf</b>	All Models
<b>Shelby</b>	All Models
<b>Smart</b>	All Models
<b>Sterling</b>	All Models
<b>Subaru</b>	Brat, STI models
<b>Suzuki</b>	Samurai, Sidekick, X90, JIMNY, VITARA
<b>Tesla</b>	Electric
<b>Think</b>	All Models
<b>Triumph</b>	All Models
<b>TVR</b>	All Models
<b>VPG</b>	All Models
<b>Volkswagen</b>	Thing
<b>Wheego</b>	All Models
<b>Yugo</b>	All Models
<b>All Other</b>	Electric Vehicles, Fuel Cell Vehicles, Pickup Trucks Over 1-Ton And All Other Vehicles 1-Ton Or Greater.