



UNDERWRITING GUIDELINES – AUTOMOBILE

Kemper’s underwriting guidelines describe exposures that are ineligible. There may be some instances where an applicant meets our guidelines but we elect not to offer or continue coverage. Kemper is the final authority on the eligibility of any risk.

Ineligible Incident History

The experience period for all activity is five years.

- Incidents are defined as at-fault accident, non-fault accidents and minor violations
- All activity for all listed drivers must be reported even if incidents occurred on policies that are not the applicant’s. This activity includes paid and unpaid losses as well as motor vehicle convictions
- Two or more lending losses (accidents involving unlisted or unreported operators)

New Business only:

- Operators with more than two incidents, more than one at-fault accident, or more than one PIP loss
- Households with more than four incidents, more than two at-fault accidents, or more than two PIP losses
- Operators licensed three to five years with more than one incident
- Operators licensed less than three years with any incidents
- Operators licensed less than five years must be part of a family account
- Where Comprehensive claims exceed policy vehicle count by more than 2 (excludes Towing & Labor/Roadside Assistance and Glass Losses less than \$300)
- Risks with open claims are ineligible for binding or issuance without prior underwriting approval

Renewal business only:

- Operators with more than three incidents, more than two at-fault accidents, or more than two PIP losses
- Households with more than five incidents, more than three at-fault accidents, or more than three PIP losses
- Operators licensed three to five years with more than two incidents, or more than one at-fault accident
- Operators licensed less than three years with more than one incident
- Operators licensed less than five years must be part of a family account
- Households with more than six Roadside Assistance claims will be ineligible for continued Roadside Assistance

Ineligible Major Violations

The only eligible major is a speeding more than 20mph over the limit but not more than 30mph over the limit (this does not include speeding in excess of 100mph). All other major violations are ineligible. Ineligible majors include but are not limited to: Reckless driving, leaving the scene of an accident or DWI/DUI

- Households with any ineligible major violations
- Households with more than one eligible major violation
- Operators with an eligible major violation must be at least twenty-one years old and otherwise incident free

Ineligible Exposures:	
<ul style="list-style-type: none"> ▪ Applicants with a lapse of 30 days or more ▪ Households with any operator(s) with a currently suspended, revoked or expired driver’s license ▪ Risks that require a financial responsibility filing ▪ Operators without a valid, verifiable U.S. or Canadian driver’s license ▪ Households where all residents with a driver’s license or those with regular use of the vehicles are not listed as operators, unless excluded ▪ Named insureds with named driver exclusions ▪ Risks with more than 3 named driver exclusions ▪ Individuals subject to high public exposure ▪ Fail to provide requested underwriting information ▪ Households with more than 8 private passenger vehicles and more than 4 miscellaneous vehicles ▪ Vehicles used as a full time residence ▪ Vehicles used for driver training 	<ul style="list-style-type: none"> ▪ Risks where at least one vehicle does not have liability coverage ▪ Vehicles not titled/registered to the named insured(s). (Vehicles titled in the name of a family trust are eligible) ▪ Grey market vehicles, electric vehicles not designed or licensed for road use ▪ Motorcycles, motor scooters, dune buggies, on/off road racing vehicles, all terrain/utility vehicles ▪ Vehicles used for commercial or emergency purposes, including pick up or delivery of goods ▪ Vehicles used as livery service, including taxis and limousines. This excludes use in conjunction with a Transportation Network Company ▪ Vehicles with full coverage that have a salvage or branded title or with any existing damage ▪ Vehicles with a cost new at or more than \$150,000 or motorhomes with a stated amount at or more than \$200,000 ▪ Named Non-owner policies with Enhanced Coverage offering

The following are ineligible for coverage as noted below:	
<p>Miscellaneous Vehicle Types:</p> <ul style="list-style-type: none"> ▪ Policies with miscellaneous vehicles where there is no private passenger auto(s) ▪ Vehicles which have after market performance modifications ▪ Golf carts that can exceed 25mph 	<p>Trusts:</p> <ul style="list-style-type: none"> ▪ Where it is not a family trust ▪ Where grantor of the trust is not the named insured(s) ▪ Trust address that does not match named insured’s address

Binding Authority
Binding of any new coverage or increases in existing coverage is prohibited in the following situations
<ul style="list-style-type: none"> ▪ Storm Watch or Warning: For all risks in an area when the Weather Bureau announces a watch or warning ▪ Wildfire: For all risks within a 5-mile radius of any existing conflagration or active fire line with respect to any wildfire, firestorm, range fire or forest fire

Agency Document Retention

Note: Additional documentation may be requested by the company as well and should be retained in agency file.

Provide to company and retain in agency file:

- Grade report of most recent term showing: a B average (3.0), listed on Dean's List or Honor Roll for the Student Discount
- Proof of membership in an Affinity group
- Completed Uninsured/Underinsured Motorist Selection form signed by named insured(s) if rejected
- Completed Personal Injury Protection form signed by named insured(s) if rejected or lower limits are selected
- Named driver exclusion forms for automobile and/or Personal Umbrella Liability coverage, if applicable
- Appraisal for Classic or Antique vehicle

Retain in agency file:

- Completed ACORD application signed by applicant(s) and agent
- Motor Vehicle Report
- CLUE report
- Certificate of completed Driver Training or Defensive Driver Discount course approved by the state
- Proof of full time student enrollment at least 100 miles from the primary residence without access to an insured vehicle to meet the definition of Student Discount