

# Underwriting Guidelines

Last Modified on 08/07/2024 3:51 pm EDT

## Garaging Address

### Garaging Address

#### □ Garaging Exceptions

Generally, vehicles garaged at two different addresses and drivers in two different households are **unacceptable**. However, UW does make exceptions.

**In order for vehicles primarily garaged in another location or state the following must be true:**

1. **There is at least one vehicle in a state where we insure.**
2. **There is more than one vehicle on the policy.**
3. **There is more than one driver on the policy.**
4. **AND they qualify for one of the exceptions below:**
  - Named Insured's spouse or unmarried child **is away at school** (on or off campus)
  - Named Insured's spouse or unmarried child **is in the military**
  - Named Insured has **two different households** (one permanent & one vacation)
  - Drivers who **live at different addresses**, but all vehicles are garaged at one place
  - In the process of **divorce** and the vehicle is still considered community property

Note: Vehicles that have a principal out-of-state garaging location in Michigan or Canada, are NEVER acceptable

**Student away at school:**

- If IN-state, call in to have garaging address updated to correctly reflect address PRIOR to bind
- If out-of-state, select yes for vehicle garaged at primary address and continue with bind. Post bind please reach out to Customer Care to notate proper out-of-state address.

#### □ Invalid Zip

## Vehicle Ownership / Insurable Interest

### Vehicle Ownership / Insurable Interest

To determine if a vehicle is insurable, we need to know who the owners are. The owners of the vehicle are those who:

- have their name physically appear on the legal title, or
- who legally possess an auto loan or lease on the vehicle

Ownership is important because we will indemnify the owner of the vehicle in the event of an accident. We have guidelines in place that determine if a vehicle is insurable based on who the owners are. We want our named insured to have insurable interest in each vehicle being added to the policy.

To identify the owners, ask an open-ended question such as:

Who are the titled owners of your vehicles?

Who appears on the title of the vehicles you are looking to insure?

Some customers may say that the bank still has the title. We want to know who will be on the title once the car is **paid off**.

**\*\*With Elephant, whether the vehicle is financed or not affects premium, so it is important to accurately report this information up front. If you list the vehicle as "owned" and then have to call in to add a lienholder, the premium can change post bind.\*\***

☐ All States Except Maryland

☐ Maryland

## Vehicle Use

### Vehicle Use

☐ Business Use

If a vehicle is EVER used for business use (even if this isn't the *primary* use) you would select "business use." Business use trumps primary usage.

Since Elephant does not write commercial policies, there are several types of business use that are unacceptable, per our UW guidelines. To determine if a vehicle can be covered, the **business use questions** must be asked anytime the customer mentions using their car for a business purpose:

Business Use Questions	If they answer "Yes."
Is your vehicle titled in a business name?	Unacceptable
Do you ever rent your car to others, drive people or deliver goods for compensation or a fee?	Probe for acceptable rideshare use
Is the vehicle used to transport explosives, chemicals, flammable materials, or more than 500 pounds of supplies or equipment?	Unacceptable
<b>(Vans only)</b> Does your vehicle have 10 or more passenger seats?	Unacceptable

☐ Rideshare

## Drivers To Include

### Drivers to Include

The following two questions must be asked:

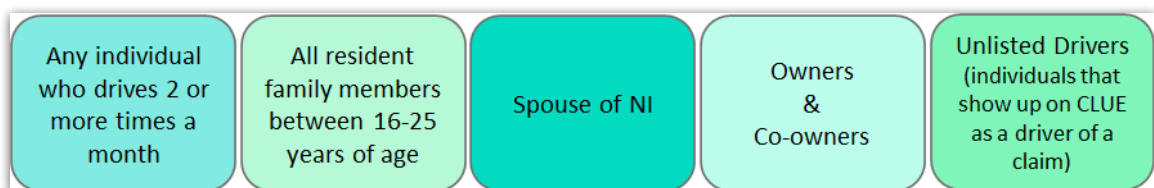
***Is there anyone else who operates any of your vehicles (two or more times a month)?***

*Are there any family members who live in the household between 16-25 years of age?*

## □ Knowing Who to Add to the Policy

The two risk questions on the driver's page will help you figure out who needs to be added to the policy as a driver. Remember that additional owners of the vehicle also need to be rated/excluded. The following individuals should be rated/excluded (state permitting) as drivers:

- Anyone who drives the vehicle two or more times a month
- Any resident family member between 16-25 years of age
- Spouse of the NI
- Co-owner/owner of the vehicle
- Individual showing as a driver on a claim of the NI or their spouse within the past year
- **The following individuals should always be rated or excluded (state permitting):**



**Always probe to see if a household relative has ever been licensed or if they currently hold a permit.**

Q. Why is the driver showing up as "listed?"

A. Any individual who needs to be added to the policy, but who doesn't have a license will show up as "listed." This will also happen for never-married children of the NI who are under the age of 19 with a permit. Listed individuals will not affect the rate.

**Anyone who is rated could be excluded, except in VA and IN.**

## □ Classifying Relationship to Insured

### □ Students

### □ Separated Spouses

### □ Incarcerated or Out-of-Country Spouses

### □ Can the NI and their spouse each have their own policy?

### □ Permitted Drivers

### □ Disabled Children

## License Status

License Status

If you have a driver on the policy that comes back with an unacceptable license status after running reports, you can send in proof to [underwriting@elephant.com](mailto:underwriting@elephant.com) Proof would be a letter or screenshot from the DMV that shows valid license with a timestamp. Please include quote # and name/DOB in the subject line. After submitting email you will receive a reply with approval status, if not approved, what else is required will be included.

	Valid In-State	Restricted	Suspended	Expired	Revoked	Surrendered	Foreign/International	State Dept/Diplomat
Named Insured	✓	✓	✗	✗	✗	✗	✓	✓
Spouse	✓	✓	✗ Unacceptable**	✗ Unacceptable**	✗ Unacceptable**	✓ Acceptable**	✓	✓
Other Rated Drivers	✓	✓	✗ Unacceptable**	✗ Unacceptable**	✗ Unacceptable**	✓ Acceptable**	✓	✓

\*\* IF the driver can be excluded, then you can proceed with the policy. Otherwise, this license status would be an unacceptable risk.

\* IF the driver can be excluded, always **exclude** the driver.

## License Status Definitions

## Ineligible Out of State Licenses

### Ineligible Out of State Licenses

We can not write a policy if they have the following out-of-state licenses in each of the listed states.

Illinois	Indiana	Maryland	Ohio	Tennessee	Texas	Virginia	Georgia
New York	New York	New York	New York	New York	New York	New York	New York
New Jersey	New Jersey	New Jersey	New Jersey	New Jersey	New Jersey	New Jersey	New Jersey
Louisiana	Louisiana	Louisiana	Louisiana	Louisiana	Louisiana	Louisiana	Louisiana
Florida	Florida	Florida	Florida	Florida	Florida	Florida	Florida
Michigan	Michigan	Michigan	Michigan	Michigan	Michigan	Michigan	Michigan
	Maryland	Washington DC	Kentucky	Maryland		Maryland	
	Kentucky					Washington DC	

\*\*If you have a license from one of the states listed under Texas, you will receive an error message, followed by a request for documents. Once the requested documents are sent in, Sr. Underwriters will review the documents. This process takes 15 business days and can't be expedited for any reason. You will not have access to a price until the documents are approved.\*\*

## California Licenses

## US Territories

## Matricula ID Card

## Out-of-State License Military Exception

## Foreign License

### Foreign License

Follow these steps to add a customer's foreign/international driver's license:

1. Select "Non-US" as the customer's license status
2. Select the customer's age they first started driving in the U.S.
3. Input the following for license number: **00000000** (any number of zeros is acceptable)
4. MVR will not be able to be retrieved for this driver

## Coverage Outside the US

Coverage Extending to Canada (Yellow Cards)

Coverage Extending to Mexico

US Territories

## Effective Date

### Effective Date

- For customers who are not currently insured, select the next day as of 12:01 AM for the effective date.
- The effective date cannot be set more than 60 days in the future.
- Elephant does not backdate at new business for any reason.
- The garaging address on file must match where the NI will be keeping their vehicle when the policy goes into effect; we cannot start a policy in a new state or at a new address until they're living there.

Same Day Bind

Early Bird Discount

## Assigning Vehicles

### Assigning Vehicles

**\*\*This is rate impacting and we have seen an uptick in premium changes on the back end when Policy Holders call in and provide different answers when they are asked these questions\*\***

There are 2 potential questions regarding vehicle assignment, each vehicle, and the driver must be assigned according to primary operation. Both questions need to be asked **open-ended**:

For Primary Vehicle, on the driver's page, it should be asked "Which vehicles does [driver] primarily operate?"

You will see the vehicles listed out again before you get to the quote, if there are more than one vehicle and/or driver and this question wants to know, "Who operates [vehicle] the most?"

Both questions may seem similar but in fact, can vary. An older couple for example may have 2 vehicles, a Ford and a Toyota. They both drive the Toyota the most often, but the husband drives the Toyota the most and he would also drive the Ford the most.

Example: Looking at the image below, the following are ways you can ask the assignment questions:

*Who operates the Ford most often?*

*Who operates the Honda most often?*

Then:

*If you were going to drive one of the vehicles, which would you drive most?*

*If Melinda would drive one of the vehicles, which would she drive most?*

## Assigning Accidents

# Assigning Accidents

Once CLUE is run you will come to a page that lists all incidents by the driver. If there are unassigned accidents they will show at the bottom of the list. You MUST expand that list. All accidents must be properly assigned or Underwriting will assign them post-bind and could cause a rate change.

The screenshot shows a web interface titled "Incidents by Driver". At the top, it says "Ordered: 2023-01-04" and "Please verify the following claims and incidents." Below this, there are two driver profiles. Each profile has a redacted name, a "Rated - License #XXXX9073 - valid" label, and a "Current License Status" dropdown menu set to "Valid". At the bottom of the interface, there are three blue buttons: "+ (5 Incidents)", "+ Other incidents/claims(2 Incidents)", and "Save and Continue".

- Not all drivers will match exactly from the quote from the CLUE report due to last name changes, capitalization, or different spelling. These will need to be properly assigned.
- If any claim is left as "unoccupied" or blank it needs to be assigned to the policyholder at the time of the claim.

- ALL claims within 1 year MUST be assigned to a rated or excluded driver due to Elephant's Underwriting guidelines. See [here](#) for drivers required on policy. If you do not already have this person listed you must list them to either rate or exclude. If wanting to exclude, please see [here](#).
- If an accident is assigned to a driver and it is changed to "Other Driver" it will flag an Underwriting flag on the back end. Underwriting will properly assign the accident, potentially causing a premium impact, and then notify the Policyholder with an AUD (Adverse Underwriting Decision.)

Failure to complete any of these steps may result in rate/policy change post-bind.

## Underwriting Eligibility

### Underwriting Eligibility

There is no longer a specific number of incidents that can make a policy or driver unacceptable.

Instead, each accident or ticket is assigned a point value, and each state will have a maximum point limit that the NI must stay under in order to be insured with us.

Therefore, there is no way to determine if someone will be eligible unless you run reports. At this time the error message is not specific to this, it will just be the generic error message advising you to call in.

## Excluding Drivers

### Excluding Drivers

**Elephant** offers customers the ability to exclude drivers from the policy that would otherwise be rated. A named driver exclusion excludes the driver from coverage under the policy, meaning that ZERO coverage will be provided if they are operating the vehicle at the time of a claim. An exclusion will also keep the individual from affecting the named insured's premium.

To exclude a driver you will need to add them and then select yes for would you like to exclude this driver. This would mean that the excluded driver would NOT be covered under any circumstances even in the event of an emergency. You must advise the PH of this.

When you exclude a driver, a Named Driver Exclusion form (NDE) is automatically sent to the email on file. This form must be signed and returned prior to bind. The system will tell you if the form had been received. Please see the walk-through below for instructions.

In order to exclude you MUST put the relationship to the policyholder as a family member and the license status as VALID.

## Tell us about your other drivers.

Cancel

First Name	Last Name	Date of Birth
<input type="text"/>	<input type="text"/>	<input type="text"/>
Would you like to exclude this driver?	<input type="radio"/> Yes	<input checked="" type="radio"/> No
Gender	<input type="radio"/> Male	<input type="radio"/> Female
Relationship to Policyholder <input type="text"/>		
Current License Status <input type="text"/>		
Age First Licensed in U.S. <input type="text"/>		
Marital Status <input type="text"/>		

In Ohio, the named insured's spouse will also need to sign the form and it must be sent to 2 separate emails if they are being excluded from coverage.

[Named Driver Exclusion \(NDE\) Walkthrough](#)

## Adding Financial Responsibility

# Adding Financial Responsibility

You can now add SR-22s or FR-44s pre-bind. You will find this at the bottom of each driver's page.



Occupation – Select the closest match

Manager - Office

Current License Status

Valid

Age First Licensed

16

Primary Vehicle

2021 JEEP GRAND CHEROKEE LAREDO

Are all vehicles kept in ZIP 76017?  Yes  No

Does this driver need an SR-22?  Yes  No

**Continue**

Note: Financial responsibility forms are filed with the state within 24-48 business hours.

Fees									
Fee Name	MD	OH	TX	VA	IL	TN	IN	GA	When does the fee apply?
SR-22	N/A	-	\$75	\$75	\$0	\$75	\$25	\$75	When the SR-22 is added and at renewal. It is non-refundable.
FR-44	-	-	-	\$75	-	-	-	-	When the FR-44 is added and at renewal. It is non-refundable.

- Elephant does not offer an SR-22 in Ohio.
- Elephant does not charge a fee in Illinois to file the SR-22.
  - However, we require the insured to pay up front, in full, for the full policy term.

## Limits by State

Limits by State									
Coverage	Virginia	Maryland	Illinois	Texas	Indiana	Tennessee	Ohio	Georgia	
State Liability Minimum	30/60/20	30/60/15	25/50/20	30/60/25	25/50/25	25/50/25	25/50/25	25/50/30*	
UMBI/UMPD Minimum	30/60/20	30/60/15	25/50/20	30/60/25	50/50/25	25/50/25	25/50/7.5	25/50/30*	
UMPD Deductible	200	250	250	250	0 or 300	200	250	250/500/1000	
PIP	None	2.5k/5k	None	2.5k/5k/10k	None	None	None	None	
Medical Payments	500-25k	None	2.5k/5k	None	1k/2.5k/5k	1k/2.5k/5k	500/1K/2K/5K	500/1k/2k/5k	
Statute of Limitations	3 years	3 years	3 years	3 years	2 years	3 years	3 years	1 year	
Income Loss Included	See Below	85%	No	80%	No	No	No	No	

\*This is the lowest limit that Elephant can offer. Do not advise this is the state minimum.

## Income Loss in VA

Income Loss is a separate coverage in VA. It covers a customer when they are injured in a covered loss and are excused from work by a doctor. The coverage will apply if the customer is employed at the time of the accident.

- It will provide **\$100 per week**, but for no more than **52 weeks**.
- If multiple vehicles are on the policy, it can be multiplied up to a **maximum of four times**.

## Waiver Walkthroughs

### Waiver Walkthroughs

For all required waivers, only the customer will receive the email for the docusign, and they must be returned within 7 days.

**UM**

**PIP**

**GA: Added on UM**

### What happens if they don't sign a waiver

**Waiving all UM** (GA, IN, IL, TX, and TN)

**Electing lower UM limits than Liability** (GA, IN, TN, MD, IL, and VA)

**Rejecting PIP** (TX)

**Electing to carry Guest PIP Only** (MD)

**Electing to carry EUIM** (MD)

**Rejecting Added-on UM** (GA)

### Same Day Bind

### Same Day Bind

There are 6 reasons that will give your customers eligibility and they may be asked by underwriting for documentation in reference to these reasons.

- DMV-related (going to the DMV to register a car, needs SR-22 to reinstate license at DMV, etc.)
- Purchasing a new vehicle from a dealership today
- To prevent a lapse in insurance
- Police impounded a vehicle and require insurance to release
- Lienholder repossessed vehicle and require insurance to release
- Customer is purchasing a Texas auto policy and requires insurance to get a state inspection

The following question must be asked by the agent prior to binding if the effective date is for the same day:

*"Have you, any drivers on your policy, or any vehicles on your policy been in any accidents today?"*

If the answer is yes, you may not continue with bind.

## Binding Restrictions

### Binding Restrictions

Binding restrictions are temporary guidelines often placed ahead of major weather events intended to help minimize Elephant's loss ratio in the impacted areas.

They may prohibit policyholders from adding certain types of coverage or increasing their limits, and they may bar new policies from being bound until after the adverse weather has passed. For new business, there will be a hard stop in place so no need to keep up with zip codes etc.

## While binding restrictions are active

First-party coverages are often among those that are restricted. Comprehensive, Collision, Emergency Roadside Assistance, and Rental Reimbursement all pay out to the named insured, and are considered first-party.

#### **Policyholders MAY:**

- Add new vehicles eff 12:01 AM next day with liability coverage ONLY\*
- Bind new policy eff 12:01 AM next day with liability coverage ONLY\*
- Add new drivers eff 12:01 AM next day

#### **Policyholders MAY NOT:**

- Add new vehicles eff 12:01 AM next day with comp/coll, ERS, or RR
- Bind new policy eff 12:01 AM next day with comp/coll, ERS, or RR
- Add comp/coll, ERS, or RR to any existing vehs on the policy
- Lower deductibles for comp/coll on existing vehicles
- Increase liability limits on existing policy

## Free Look

# Free Look

Free Look is the period Underwriting can review new business policies for risks that were missed during the application process.

- UW runs additional reports, and then reviews previous limits, lapses/years with last insurer, and other information provided on the application.
- We can cancel a policy during the Free Look period.
- The free look period 45 days in MD, 90 days in OH, and 60 days in every other state.

If UW decides that we need to increase the premium due to information discovered during Free Look, we sent the customer an **Adverse Underwriting Warning**. The A UW letter is mailed as a courtesy and gives the customer a 7-days warning before the premium is increased. Once the 7 days are over, and the policyholder does not provide any proof of information against what was discovered, then an **Adverse Underwriting Decision** is made, and the policy is amended.

## Adverse Underwriting Warning (AUW)

- Sent via email in all states
- This document is a courtesy warning emailed to policyholders to advise that there will be a change in their premium based on new information discovered by Underwriting. It will be information that conflicts with what was provided on the auto application. These are sent to the customer seven days before the change is made.

### Reasons for AUW:

- A policyholder's insurance history shows a lapse in coverage for any period during the past three years.
- Previous coverage limits are different than what is reported on the insurance application.
- Length of time with prior insurance is different than what was reported on the insurance application.
- Unacceptable risk.

Please note: With notice, the premium may be recalculated from the effective date of the policy as a result of an Underwriting decision, or coverage under the policy may be canceled during the free look period if your risk does not meet our Underwriting standards.

## Adverse Underwriting Decision (AUD)

- Sent via mail in all states
- Mailed to the policyholder after the AUW once a change has been made to the policy based on new information discovered by Underwriting that conflicts with the information provided on the auto application.
- If a policyholder calls to correct the issue after the change has been made, their total premium can be returned to the original agreed-upon amount.
  - However, if there was a down payment associated with the change, it will still apply to their next invoice and all future invoices will be prorated to make up for the difference. Underwriting can send requests to redistribute the refund, as well as the Customer Care team leads or managers.
- In the event we need to reverse an Underwriting decision, agents do not have access to edit the previous insurance information on the Applicant page of the work order. They will need to contact leadership or Underwriting to have the page unlocked so the information can be updated. The only time agents will have access to this information is during a Rewrite New Term.

## Coverage transfer to a rental vehicle

# Coverage transfer to a rental vehicle

When a customer rents a vehicle, some or all of their Elephant coverages might transfer to the rental vehicle for a **max of 30 days**. Coverages only transfer while the vehicle is being operated by a **driver insured on the policy**.

If the customer is renting for pleasure, the broadest coverage transfers.

If the customer is renting due to an accident/claim, the coverage of the specific vehicle being replaced transfers.

**What does the broadest coverage mean?** This means the best or highest level of coverage available on the policy.

Example: Customer's policy has two vehicles: one with *just* liability and one with comp/collision. When they rent a vehicle for pleasure use, liability **and** comp/collision will transfer, since that's the highest level of coverage available.

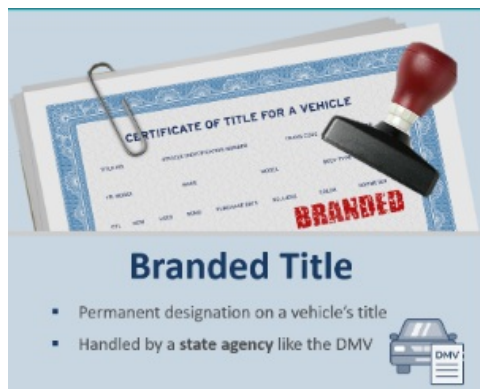
**NOTE:** Roadside Assistance and Rental Reimbursement do not transfer to the rental vehicle.

## □ General Guidelines

## □ Test Driving Vehicles at the Dealership

## Branded/Salvaged titles

# Branded/Salvaged Titles



Coverage for branded titles will be restricted based on when the vehicle was branded.

- Branded **within the past year**: No coverage
- Branded **over 1 year ago**: Liability, Uninsured and Emergency Roadside Assistance

When we pull a vehicle's title status, information is retrieved that shows whether the title has been branded. A branded title indicates a previously totaled or salvaged vehicle. These vehicles are high risk, low value vehicles that can result in large losses for the company that insures it. The following are reasons that a vehicle's title may show as **branded**:

- Salvage
- Junk

- Rebuilt/Reconstructed
- Dismantled
- Flood
- Fire
- Hail

If your customer wants to dispute the information please advise that **they can contact their local DMV.**

## Custom Parts and Equipment

### Custom Parts and Equipment

□ [How to Add CPE Coverage](#)

□ [Elephant CPE Limits](#)

□ [Lift Kits](#)

## Exotic Vehicles

### Exotic Vehicles

There are some vehicles that we determine to be "too exotic, expensive, or unique" to insure. The following list includes all of those vehicles that we consider **unacceptable** risks. Manufacturer-wide exclusions are in **bold**.

<b>MAKE</b>	<b>MODEL</b>
Acura	NSX
<b>Alfa Romeo</b>	<b>All model years before 2014</b>
<b>American Motors (AMC)</b>	<b>All</b>
<b>American General (AMG)</b>	<b>All</b>
<b>Aro</b>	<b>All</b>
<b>Aston Martin</b>	<b>All</b>
<b>Asuna</b>	<b>All</b>
Audi	R8
<b>Austin Healey</b>	<b>All</b>
<b>Avanti</b>	<b>All</b>
<b>Azure Dynamics</b>	<b>All</b>
<b>Bentley</b>	<b>All</b>
<b>Bertone</b>	<b>All</b>
BMW	750IL Protection
	i8
	Z8

## Unacceptable Vehicle Guidelines

<b>Bugatti</b>	<b>All</b>
<b>BYD Coach and Bus</b>	<b>All</b>
<b>Chanje</b>	<b>All</b>
<b>Checker</b>	<b>All</b>
Chevrolet	Camaro ZL1
	Corvette ZR1
Chrysler	SRT of any kind
	300 SRT
	300C SRT
	Crossfire SRT
<b>Daihatsu</b>	<b>All</b>
<b>Delorean</b>	<b>All</b>
Dodge	SRT (incl. Demon/Hellcat of any kind)
	Caliber SRT Hellcat
	Challenger SRT Hellcat
	Charger SRT Hellcat
	Durango SRT Hellcat
	Magnum SRT
	Neon SRT
	Ram SRT
	Viper
<b>Ferrari</b>	<b>All</b>
<b>Fisker</b>	<b>All</b>
Ford	F-450, F-550, etc.
	GT
	Mustang Shelby of any kind, incl. GT350 and GT500
<b>Freightliner</b>	<b>All</b>
<b>Global Electric Motors</b>	<b>All</b>
<b>GM EV1</b>	<b>All</b>
GMC	Hummer
<b>International</b>	<b>All</b>
Jeep	Grand Cherokee Trackhawk
	SRT of any kind, incl. Grand Cherokee
<b>Karma</b>	<b>All</b>
<b>Koenigsegg</b>	<b>All</b>
<b>Lada</b>	<b>All</b>
<b>Lamborghini</b>	<b>All</b>
<b>Lancia</b>	<b>All</b>
Lexus	LFA
<b>Lotus</b>	<b>All</b>
<b>Lucid</b>	<b>All</b>

<b>Mahindra &amp; Mahindra</b>	<b>All</b>
<b>Maserati</b>	<b>All</b>
<b>Maybach</b>	<b>All</b>
<b>McLaren</b>	<b>All</b>
Mercedes	AMG GT
	G65 AMG
	S65 AMG
	SL65 AMG
	SLS AMG
<b>Merkur</b>	<b>All</b>
<b>MG</b>	<b>All</b>
<b>Morgan</b>	<b>All</b>
Nissan	GT-R
	Skyline
<b>Noble</b>	<b>All</b>
<b>Pagani</b>	<b>All</b>
<b>Panoz</b>	<b>All</b>
<b>Passport</b>	<b>All</b>
<b>Peugeot</b>	<b>All</b>
<b>Pininfarina</b>	<b>All</b>
<b>Polestar</b>	<b>All</b>
Porsche	911 GT2
	911 GT2 RS
	911 GT3
	911 GT3 RS
	Carrera GT
<b>Qvale</b>	<b>All</b>
<b>Renault</b>	<b>All</b>
<b>Rivian</b>	<b>All</b>
<b>Rolls-Royce</b>	<b>All</b>
<b>Saleen</b>	<b>All</b>
<b>Sprinter</b>	<b>All</b>
<b>Spyker</b>	<b>All</b>
<b>SSI</b>	<b>All</b>
<b>Sterling</b>	<b>All</b>
<b>Studebaker</b>	<b>All</b>
Toyota	Supra
<b>Triumph</b>	<b>All</b>
<b>TVR</b>	<b>All</b>
<b>Vinfast</b>	<b>All</b>
Volkswagen	Phaeton
<b>Yugo</b>	<b>All</b>



# Unacceptable Vehicle Guidelines

Per our Underwriting guidelines, the following vehicles are unacceptable:

- Vehicles that we determine to be too expensive, exotic, or unique. List on the previous tab.
- Vehicles used for:
  - Certain types of business use, including taxi, livery, and delivery/pickup services (see vehicle usage for rideshare exception & acceptable business use)
  - Lease or rental to others
  - Racing
  - Emergency services
- Vehicles that have:
  - lift kits greater than 4 inches
  - less than 4 wheels (ex. mopeds)
  - more than nine passenger seats
  - snowplowing equipment installed and are used for business purposes
  - cooking equipment or bathrooms installed
  - too much custom equipment (more than \$5,000 in VA / more than \$20,000 in the other states)
  - a branded title or severe incident indicator within the past year
- Conversion vehicles
- Grey Market vehicles
- Incomplete vehicles
- Vehicles that are not registered for street use
- Commercial vehicles such as step-vans, panel vans, parcel delivery vans, cargo vans, or any other vans with cabs separate from the cargo area
- GEM, THINK, Micro-trucks, and other low speed vehicles that have a maximum speed less than 55 MPH

## Antique Vehicles

### Antique Vehicles

We offer personal auto insurance policies that insure our customers' vehicles for ACV, so when a customer has an antique vehicle, we may not be able to provide the coverage they need. It may be more beneficial for the customer if they insure their vehicle under a specialized antique policy.

If a customer advises they have antique plates, a show car, or a restored classic car, advise that they may be more appropriately covered under a specialized antique policy. If the customer still wants a policy through us, make sure they're aware that the vehicle will be insured for actual cash value, meaning that additions and improvements may not be covered if the vehicle is restored.

## Farm Use Vehicles

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To determine if a "farm use" vehicle is an acceptable vehicle, we need to know if the vehicle is registered and tagged. If the vehicle is legally registered and tagged for street use with F-tags, that is acceptable. Unregistered

farm use vehicles are an **unacceptable** risk.

## □ F-Tags

## □ Unregistered Farm Use Vehicles

## Police Vehicles

### Police Vehicles

When police vehicles or cruisers **do not trigger an unacceptable banner, agents are required to probe further** around the potential custom equipment on these vehicles to help determine if the vehicle is or isn't acceptable.

Please ask the following question when presented with these vehicle types:

**Have you removed the divider, lights, sirens, and any other electronic equipment used by law enforcement?**

If the custom equipment has been removed and the vehicle usage is acceptable, we can add the vehicle. If not, the vehicle is an unacceptable risk.

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