



Nevada General Insurance Co. Underwriting Guidelines

ARIZONA

Stonewood VALU Automobile Program

Effective June 1, 2012

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BINDING AUTHORITY

As governed by the Producer Agreement, a Producer does not have the authority to bind coverage with the Company. Original applications will only be bound as of the date and time on the application, if all of the following conditions are met:

- The application and all applicable documents are complete and signed by the applicant and Producer.
- The down payment has been made on the date of the application.
- The application is uploaded electronically to the Company and a policy number is issued.
- The policy effective date does not precede the date the Producer received the down payment.
- The application does not include any class or risk or type of insurance not specified in the Company Underwriting Guidelines.
- The information contained in the application is, to the best of the Producer's knowledge, truthful and accurate.

THE COMPANY RESERVES THE RIGHT TO MAKE FINAL UNDERWRITING DECISIONS.

POLICY AND COVERAGES

POLICY TERM

A policy may be written for a term of six (6) months.

POLICY TERRITORY

Policy coverage applies within the United States of America, its territories and possessions, and Canada. *The policy does not apply in Mexico.* Insureds operating their vehicles in Mexico should secure an automobile policy from an authorized Mexican insurance company at the point of entry.

POLICY COVERAGES, LIMITS AND DEDUCTIBLES

Coverage	Limits	Deductibles
Bodily Injury Liability	15/30	--
Property Damage Liability	10	--
Medical Payments	\$500, \$1000	--
Comprehensive	ACV up to \$50,000	\$250, \$500, \$750, \$1,000, \$1,500
Comprehensive with Full Glass Coverage	ACV up to \$50,000	\$250, \$500, \$750, \$1,000, \$1,500
Collision (Must be written with Comprehensive or Comprehensive with Full Glass)	ACV up to \$50,000	\$250, \$500, \$750, \$1,000, \$1,500
Special Equipment	Specified Value ¹ \$500 Maximum	Same as the Vehicle's
Uninsured Motorists BI (May not be higher than BI limits)	15/30	--
Underinsured Motorist May not be higher than BI limits)	15/30	--
Limited Towing / Storage (if listed on declarations page)	\$100 /\$100	--

¹ Refer to Special Coverages section of the manual for binding limitations.

SPECIAL COVERAGES

Stereos/Sound Systems - When permanently installed by the vehicle manufacturer, Comprehensive and Collision coverage is provided at no additional cost for Stereos/Sound Systems, including radios, cassette decks and CD players. All Stereos/Sound Systems are covered up to a value of \$500 after application of the deductible.

Named Non-Owner Coverage – Nevada General offers casualty coverage to cover a named driver while driving non-owned private passenger vehicles, within certain limitations. Coverage is excluded for any vehicles owned by the named driver or spouse. More than one driver can be included on the policy; however, there is a separate premium charge for each driver. Physical Damage coverages are not available on a non-owner basis and business use of the vehicle is not acceptable.

Utility Trailers - liability only for trailers owned by the insured, listed on the Declarations Page, but only when attached to or being drawn by an insured car.

DRIVERS

UNACCEPTABLE DRIVERS

Any driver with any of the following within the previous three years:

- More than one violation(s) for driving with a suspended or revoked license, or
- One or more violation(s) for driving on the wrong side of road or freeway, or
- One or more violation(s) for vehicular manslaughter, or
- One or more violation(s) for vehicle theft
- More than one alcohol-related violation, including refusing alcohol test & open container, or
- More than one serious/major violation, or
- More than one chargeable accident, or
- More than 10 rating surcharge points.

Any driver under 21 with any of the following:

- Any alcohol-related violation, including refusal of alcohol test and open container, or
- A vehicle classified as Sports (S), Sports Premium (P), or High (H) performance, unless there is more than one vehicle in the household and the young driver is not the primary driver.

Any driver without a valid drivers license unless the license will be or has been reinstated with an SR filing (International license ok).

Any driver with any of the following:

- A narcotics, drug or felony conviction involving a motor vehicle (ever).
- Currently excluded as a driver unless prior approval has been obtained from the Company.
- A prior Nevada General unpaid balance due, unless the outstanding balance is submitted in addition to the correct deposit premium for the new policy.

INTERNATIONAL LICENSED DRIVERS - Any driver who does not possess a valid Foreign or U.S. license. An out of state license or foreign license is acceptable. The surcharges applied will be waived from the date the operator obtains an Arizona license.

UNVERIFIED U.S. LICENSES - All drivers with a valid U.S. license and “no hits” when the Company has queried the DMV records will be assessed an unverifiable driving record surcharge.

NAMED DRIVER EXCLUSIONS – Any person may be excluded from coverage. All household members who meet the minimum licensing age must be listed or excluded. The registered owner of the insured vehicle(s), if a person, must be rated or excluded. Drivers cannot be excluded from specific vehicles on a policy. Individuals who have never been licensed or have a permanently revoked license are unacceptable risks and must be excluded.

LEARNER’S PERMIT – Drivers with a learner’s permit who are single, under the age of 16, and a child of the primary named insured, will not be included in the rating of the policy. The permit driver will become a rated driver at the earliest of:

1. Notification by the insured that the permit driver has obtained his/her full license, or
2. The first renewal of the policy after the permit driver is at least 16 years of age. We will notify the customer of the change in rating.

All other permit drivers must be rated or specifically excluded from coverage by completing the driver exclusion block on the application.

VEHICLES

UNACCEPTABLE VEHICLES (Final risk acceptance rests with the company)

The following vehicles are not acceptable in this private passenger automobile program.

- Vehicles not garaged in Arizona.
- Vehicles with a cost new greater than \$50,000.
- Vehicles not manufactured for sale/distribution in the United States (Gray Market).
- Antiques and Classics.
- Custom, rebuilt, altered, or modified vehicles including kit cars and Baja/Dune Buggies.
- Vehicles that have been lifted more the 6 inches or lowered more than 3 inches.
- Vehicles with a load capacity in excess of one ton or GVW greater than 10,000 pounds.
- Vehicles used to transport person(s) or property for a fee, including, but not limited to, pizza delivery, newspaper delivery, flower delivery, etc.
- Ambulances, Fire, Police or Salvage Equipment.
- Public Passenger Carrying Vehicles (Taxis, Jitneys, Buses, etc.).
- Vehicles used for racing.
- Vehicles with less than four wheels.
- Motor homes and Recreational Vehicles and vehicles equipped with snowplowing equipment, cooking equipment or bathrooms.
- “Drive Yourself” vehicles (short-term rentals).
- Vehicles used for transporting nursery or school children.

PHYSICAL DAMAGE COVERAGE NOT ACCEPTABLE - Vehicles with a cost new greater than \$50,000 or ISO rating symbol above rating symbol 26 (symbol 56 for model years 2011 and newer).

VEHICLE USE

Nevada General has four vehicle use classification determined by how the vehicle is used:

Pleasure Use - Vehicles used only for Pleasure Use does not include driving to and from school or work (full or part-time), or to carpooling or commute station that is greater than 3 miles from home. Nor does it include the shuttling of household members to work or school.

Commute Use - Vehicles used for personal use including driving to or from work at least one day per week or two days per month.

Business Use: Private passenger vehicles registered to the applicant and used in his or her business/ occupation, or vehicles registered to the insured's business or employer, or with the insured's business or employer named as an additional insured.

Acceptable Business use includes, but is not limited to:

- vehicles used by sales or service representatives;
- vehicles used by real estate or insurance agents, lawyers, doctors, accountants or other professionals visiting multiple locations;
- vehicles used in a business for occasional errands;

Unacceptable business use includes, but is not limited to:

- pickup or delivery of goods (including, but not limited to: newspapers, pizza or other food items);
- vehicles used as a limousine, taxi service, livery conveyance or emergency vehicle;
- vehicles used for the transportation of nursery or school children, workers or hotel/motel guests;
- vehicles with a load capacity of one ton or greater.

Artisan Use¹: Private passenger vehicles registered to the applicant and used in his or her business/ occupation, or vehicles registered to the insured's business or employer, or with the insured's business or employer named as an additional insured. A surcharge will apply to Artisan risks.

Acceptable Artisan occupations similar to usages such as, carpenter, plumber, and repairman that are principally parked at a job location for the majority of the workday. Vehicles used to transport tools or other materials by the insured in a trade or business are acceptable provided:

The total number of utility vehicles (pickups and vans) cannot exceed the number of resident relatives who are artisan contractors;

- The vehicle is operated solely by the named insured and listed family members;

¹ All artisan risks require 2 photos showing all 4 sides (including liability only) and a copy of the registration.

- The vehicle must not be used to transport flammable liquids, chemicals or explosive materials;
- The vehicle may have a toolbox, a rack (for ladders, pipe or building materials), or a tool rack (tools and equipment are not covered);
- The vehicle is not used to pick up goods or deliver property. Vehicles may be used to carry up to 500 pounds of non-finished goods and materials relating to the work to be performed;
- The vehicle is used to visit no more than 5 sites per day within a 50 mile radius;
- The vehicle may have signage, which indicates insured's name and type of service (i.e., "Joe's Pool Cleaning")

DISCOUNTS

Nevada General offers the following discounts:

Multi-Car Discount (Applies to all coverages) - When there are multiple vehicles insured under a single policy, a multi-car discount will be applied to all listed vehicles provided they are registered to a named insured and garaged at the same address.

Homeowner Discount – This discount applies when the applicant or spouse owns the home where they reside and the address on the proof of ownership listed matches the applicant's address listed on our policy. The home cannot be a mobile home, apartment, duplex or pre-manufactured building. Townhouses and condominiums are acceptable. Acceptable proof of home ownership includes.

1. A homeowner's declarations page
2. A mortgage coupon
3. Property Tax records
4. A deed

Mobile Homeowner's Discount – A discount applies if the applicant owns, occupies and insures his/her mobile home and the land on which it resides. Acceptable proof of mobile home ownership includes.

1. A homeowner's declarations page
2. A mortgage coupon
3. Property Tax records
4. A Title / deed

Note: The Homeowner and Mobile Homeowner discounts are mutually exclusive.

Paid in Full Discount – This discount applies to each vehicle when 100% of the policy premium and fees are paid at the time of binding. Outside premium financing is unacceptable. When endorsements are requested during the policy term the discount will apply if 100% of the increase is paid with the Endorsement.

Accident and Violation Free Discount – This discount applies to all coverages if the following conditions are met:

1. None of the eligible-to-be-rated drivers have any occurrences in the past 35 months that have an AAF (where the insured was determined to be at least 50% At-fault), MAJ, MIN, SPD or DUI class code; and

2. The principal named insured is grater to or equal to 21 years of age; and
3. The named insured has insurance without a lapse or a lapse of 30 days or less.

Prior Insurance Discount – This discount applies to all coverages if the insured had prior auto insurance in the past 31 days. The discount depends on prior limits and the length of the lapse.

In order to receive credit for prior insurance:

1. The applicant must provide proof of a prior private passenger automobile liability insurance policy covering the applicant for at least six (6) months liability insurance. There may be no lapse greater than 30 days in the prior term.
2. The prior coverage effective and expiration dates must be clearly shown on the proof of prior coverage.

SURCHARGES

VIOLATIONS

The chargeable period is the 35 months prior to policy inception. The violation/occurrence date will be used to determine if a violation/accident is chargeable. Points apply to all coverages.

Violations are classified as either **Minor** or **Serious/Major**. Minor violations are assessed one (1) rating surcharge point per incident. Serious/major violations are assessed two (2) points for the first incident and eight (8) points for each additional incident.

If two or more violation or accidents occur during the same incident Nevada General will charge for the violation or accident with the highest point count.

Pursuant to A.R.S. 28-707, where the maximum speed limit is fifty-five miles per hour, Nevada General will not charge points for a speeding violation of sixty-five miles an hour or less.

Violations in the Course of Employment - Violations received while operating a motor vehicle for compensation during the hours of employment are not surcharged provided a written declaration from the employer is submitted stating the violation(s) was received in the course and scope of the insured's employment. Driver must possess either a class A or B license for this condition to apply. However, the following violations received in the course of employment will not be waived:

1. Any violation classified as a Major violation
2. Any Alcohol/drug related violations
3. Any accident considered to be At-fault

Inexperienced Operator – An inexperienced operator is defined as an individual who is 20 years old or older and has not been licensed for 36 continuous months prior to the inception date. A surcharge will be assessed for an inexperienced operator.

Unverifiable Driving Record – points will be assessed when the Company cannot obtain a valid Motor Vehicle Report with the U.S. Driver's License information that has been provided.

Unacceptable Risk Surcharge – A surcharge will apply when an unacceptable vehicle or operator is added to the policy during the term.

ACCIDENTS

Chargeable accidents are assessed three (3) surcharge points for the first fault accident and eight (8) surcharge points for each additional fault accident. Any accident will be considered chargeable unless documentation is submitted proving that the insured was not principally at fault. Acceptable proof of no-fault would include:

- Police Report that clearly indicates who the at-fault party is.
- Letter of Experience from the insured's insurance carrier at the time of loss.
- Written statement from the other party's insurance carrier accepting fault.
- Legal document verifying the insured was reimbursed for damages.
- Insured self-certifications may also be acceptable; however, in the event an at-fault accident is declared a non-fault accident by the insured using self-certification, the policy may be subject to cancellation for material misrepresentation.

Note: We will charge for any undisclosed accidents that appear on any investigative report we obtain.

Definition of "At Fault"

For the purposes of determining whether a driver is "at fault" in an accident, the driver's actions or omissions must be at least 50% of the proximate cause of the accident, subject to the exceptions set forth below.

A driver shall not be considered to be principally at fault if the accident occurred under any of the following circumstances:

- The vehicle was lawfully parked at the time of the accident. A vehicle rolling from a parked position shall not be considered to be lawfully parked, but shall be considered as in the operation of the last operator;
- The vehicle was struck in the rear by another vehicle, and the driver has not been convicted of a moving traffic violation in connection with the accident;
- The driver was not convicted of a moving traffic violation and the operator of another vehicle involved in the accident was convicted of a moving traffic violation;
- The driver's vehicle was damaged as a result of contact with a vehicle operated by a "hit and run" operator of another vehicle and the accident was reported to legal authorities within 24 hours of the accident;
- The accident resulted from contact with animals, birds or falling objects;
- The driver was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad, or of any law enforcement agency, while performing any other governmental function in a public emergency;
- The accident was a solo vehicle accident that was principally caused by a hazardous condition of which a driver, in the exercise of reasonable care, would not have noticed (for example, "black ice").

Named Operator Endorsement Buy Back Option – (Applies to Comprehensive and Collision coverages only) – A surcharge will apply to Comprehensive and Collision coverages when the insured opts to “buy back” coverage for permissive operators (not named on the policy).

Named Vehicle Endorsement Buy Back Option - A surcharge will apply when the insured opts to “buy back” coverage for uninsured borrowed vehicles.

Triple (3X) Deductible Buy Back Option – For a premium the insured can purchase back the option to remove the triple deductible on the policy. It is a policy level coverage so if the deductible is purchased back it will apply to all vehicles with physical damage coverages.

Limited Towing and Storage Option – For a premium, the insured can purchase limited towing and storage coverage in the event of a covered physical damage loss to the insured vehicle. The coverage is limited to a maximum of \$100 for towing and \$100 for storage.

DOCUMENTATION AND PROCEDURES

NEW BUSINESS

All new business submissions require the following:

1. Electronically Generated Applications – fully completed and signed by the applicant and the Producer.
2. Arizona Uninsured Motorist Rejection/Selection Form – when coverage is declined or accepted at a level lower than Bodily Injury Liability limits.
3. Exclusion of Specified Individuals – when needed, listing all excluded individuals and signed by the applicant.
4. Authorization to Release Vehicle Form AZS107 – fully completed and signed by the applicant.
5. Additional documentation as noted below.

New Business applications require the original signature of the Named Insured (who must also be listed as Driver #1) and the Producer. Applications and all required additional forms and documentation are to be maintained by the producer and sent to Stonewood Insurance if requested.

1. **Electronically Generated Applications** – fully completed and signed by the applicant and the Producer.

Note: All of the following persons must be disclosed:

- All resident and non-resident primary or occasional operators of all insured vehicles.
- All full and part time residents of the insured’s household age 15 and older.
- All full time and part time residents of all garaging locations.
- All dependents away at school or in the military.
- All registered and co-registered owners of all insured vehicles.

Failure to disclose all of the above is grounds for concealment and/or misrepresentation which may result in policy rescission and no coverage or defense provided in the event of a claim. The company is relying on the truthful and complete representations of the insured. The company has the right to not pay a claim on a policy if the information presented on an application or

renewal questionnaire is false, misleading or results in us accepting an otherwise unacceptable risk. The company may cancel or rescind the policy in accordance with State guidelines, or collect the additional premium due from inception should misrepresentations be discovered.

2. **Arizona Uninsured/Underinsured Motor Vehicle Coverage Rejection/Selection Form** – If an insured elects to decline Uninsured or Underinsured Motorist coverage or has selected Uninsured/Underinsured Motorist Bodily Injury limits less than their Bodily Injury Liability limits, a Arizona Uninsured/Underinsured Motorist Coverage Rejection/Selection Form, signed by both the Insured and the Producer, must also accompany the Application.
3. **Named Driver Exclusion Form AZS106 (if applicable)** – The Named Driver Exclusion form requires the applicant’s signature and a listing of all the following persons if they are **not** to be rated as drivers on the policy:
 - All full time and part time residents of the household over the age of 15.
 - All full time and part time residents of all garaging locations over the age of 15.
 - All dependents away at school or in the military.
 - All registered and co-registered owners of the insured vehicles.
5. **Photos** – Photos (2) showing all 4 sides are required at the time the application is submitted for all vehicles requesting physical damage coverage. New vehicles written within 72 hours of purchase do not require photos.
6. **Additional Documentation Requirements** – Along with the fully completed Application, and the Arizona Uninsured/Underinsured Motorist Rejection/Selection form (when required), additional documentation must also be maintained by the producer and be available for the Company to review:
 - **Proof of non-fault** for any accident noted on the application as not chargeable. Please see Page 16 for a list of acceptable proof of non-fault.
 - **Proof of accidents in the course and scope of employment** where the driver was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad or of any law enforcement agency, while performing any other governmental function in a public emergency.

Note: Fault accidents occurring during employment in circumstances other than as stated above are chargeable.
 - **Listing of all stereos/sound systems and additional equipment/modifications** showing current value for each item and/or system to be covered under a Special Equipment endorsement.
 - Copy of **Producer’s quote** showing all information used to obtain the quoted premium.
 - **SR-22** can be issued, a flat \$25.00 fee, earned in full at inception, will be added per filing. Filings may be issued to the Arizona Department of Motor Vehicles for Arizona licensed individuals. No Out of State or Foreign License. Filings may be issued for any active driver on the policy. Policies that require an SR-22 filing cannot be cancelled flat.

ENDORSEMENTS

Endorsement requests must be submitted via our Electronic system.

Endorsement Request forms along with all supporting documentation must be maintained by the Producer. They will be sent to Stonewood only upon request unless the electronic system is down then the endorsement and all supporting document may be faxed to Stonewood.

Newly Acquired Vehicles (Additional) – Request for vehicle additions require the following documentation and information to be covered. There is no coverage until the company is notified. The coverage afforded to the additional vehicle will go into force once the company is notified.

- Name(s) of **Registered Owner(s)**.
- **Usage** of vehicle.
- Name and address of any **Loss Payee or Leasing Company** if applicable.
- **Photos (2) showing all 4 sides** are required at the time the application is submitted.
- **Authorization to Release Vehicle Form AZS107**.

Newly Acquired Vehicles (Replacements) – Replacement vehicles are covered from the time that the insured acquires the vehicle and a premium will be charged from the date of acquisition. Vehicles will have the same coverage as the vehicle they were replacing unless the company is notified and asked to add additional coverage.

Additional Drivers – Any driver to be added to a policy must meet the same qualifications as drivers on a new business application and must not be currently excluded. The following documentation is to be submitted with the request to add the driver:

- **Proof of non-fault** for any accident noted on the application as not chargeable. Please see Page 16 for a list of acceptable proof of non-fault.
- **Proof of accidents in the course and scope of employment** where the driver was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad or of any law enforcement agency, while performing any other governmental function in a public emergency.

Note: Fault accidents occurring during employment in circumstances other than as stated above are chargeable.

Deletion of Driver – Requests to delete drivers require an explanation for the deletion (i.e., divorced, moved out, deceased, etc.). Nevada General may, in certain circumstances, require that the deleted driver be excluded.

Address Changes – Changes of address require the following information:

- Indicate whether the change is for the mailing address, garaging address or both.
- If the mailing address is a P.O. Box, include the actual garaging address.
- Provide one-way commute distances and annual mileage based on the new address.
- Provide names, birth dates and drivers license numbers for any new household or garaging address residents, *regardless of age*.

Name Changes – Name changes for the Named Insured or any driver require the following:

- Reason for change in name (i.e., recently married, legally changed, etc.).
- If a name has been changed due to marriage, provide the name, birth date and drivers license number of the spouse and any other new members of the household.

Coverage Changes – Eligibility requirements and additional forms are as follows:

- Deletion of Uninsured/Underinsured Motorist coverage requires a revised Arizona Uninsured/Underinsured Motor Vehicle Coverage Rejection/Selection form, signed and dated by both the Named Insured and the Producer.

RATING

Driver Assignment

Drivers are assigned to vehicles using the highest-to-highest method. The driver generating the highest premium will be assigned to the vehicle generating the highest premium; the driver with the second highest premium will be assigned to the vehicle with the second highest premium, etc. When there are more drivers than vehicles, the lowest rated driver, in excess of the number of vehicles, will not be included in the rating. Only the driving record points of the assigned driver are charged against each vehicle. Also, each driver is only rated on one vehicle. Consequently, when there are more vehicles than drivers, the excess vehicles will be rated with a neutral driver class factor.

Vehicle Usage

Nevada General may require or request an insured to provide the following information:

1. If the vehicle is used for commute purposes, the location of the workplace, school, or other destination where the vehicle will be driven and, if applicable, an estimate of the number of one-way miles the vehicle will be driven for commute purposes.
2. The number of days per week the vehicle will be used for commuting.

MISQUOTES

Until the expiration of the policy term covered by the quotation or until a change is subsequently made at the request of the insured, the company will adhere to the premium initially quoted by us or by producers making quotations resulting in the issuance of a Nevada General Insurance Company policy. This shall be true only if the quote provided the applicant with a premium more than \$10 lower than should otherwise have been quoted. The aforementioned does not apply to those situations where the lower quotation was made because the applicant provided incorrect information, fraudulently obtained the insurance policy or made material misrepresentations to the producer or company. The company will advise the insured in writing that the premium quotation initially provided: a) was incorrect, b) should have been another dollar amount (dollar amount will be stated in the communication), and c) will be honored until the first policy renewal or until a change is subsequently made at the request of the insured.

CLAIMS

To insure the most immediate and efficient response, we prefer that claims be reported directly by the policyholder or claimant. Our trained claims staff will begin processing and investigating the claim at the time it is reported. **Claims should be reported directly to the Company at 1-800-234-2886 option 3.**

LATE PAYMENTS

To maintain the policy in force without a lapse, payments must be postmarked by the U.S. Post Office, or paid on the company web site PRIOR to the due date shown on the bill or within the mandatory 7 day grace period as defined in A.R.S. 20-1632.01 in order for coverage to continue. Following the mandatory 7 day grace period, if no payment has been made, a cancellation notice will be mailed to be effective on the date of mailing or the date shown on the cancellation, whichever is greater.

Reinstate of the policy can be accomplished by payment of premiums due including one additional monthly payment (including any applicable fees). Short payments will not reinstate the policy.

All payments received in a Producer's office on a cancelled policy will be subject to review for acceptance. If the payment is accepted, the earliest the reinstatement will be effective will be the DATE AFTER POSTMARK. The policy will have a lapse in coverage from the effective date of cancellation until the effective date of the reinstatement and a reinstatement fee will be charged.

If a claim should occur between the time the Producer accepted the money and the reinstatement effective date, due diligence will be conducted by the Claims Department to assess coverage.

We will NOT reinstate any policies wherein an insured's check is returned due to non-sufficient funds. The Guidelines are as follows:

- NSF check to Nevada General Insurance Company, Stonewood Insurance Services or the Producer on new business will result in flat cancellation.
- NSF check on the down payment for new business and the policy has a future cancellation date due to Underwriting Reasons/Substantial Increase in Hazard Insured Against will result in flat cancellation.
- NSF check to Nevada General Insurance Company or the Producer at renewal will result in flat cancellation.

NOTE: A policy will not be canceled if the unpaid balance due is under \$10.00. The unpaid balance will be billed with the next installment or, if no installments remain, at renewal.

BILLING & FEES

Policy information is available at www.stonewoodinsurance.com or by calling 1-800-396-1485

FEES

All fees are fully earned. When payments are received, any outstanding fees will be paid first and the remaining monies will be applied to the premium balance.

Fees are assessed as follows:

- **New Business Policy Fees** – All policies will be charged a \$36.00 policy fee at new business.
- **Installment Fees** – There is a \$13.00 fee on every installment for all pay plans.
- **EFT Fees** – There is a \$13.00 fee on every installment for all EFT transactions.
- **Reinstatement Fees** – When a policy has been cancelled for any reason and is subsequently reinstated, a \$10.00 reinstatement fee will be charged.
- **Rewrite Fee** – When a policy has been cancelled for over 30 days and subsequently rewritten, a \$36.00 fee will be charged.
- **Cancellation Fee** – A fee of \$40.00 will be charged to a policy when it is canceled at the insured's request.
- **Non-Sufficient Funds Fees** – A \$25.00 fee is charged whenever the bank does not honor a check. If the Company agrees to accept replacement funds those funds must be in the form of a cashiers check or money order. If those replacement funds are accepted and the coverage is reinstated, the \$10 reinstatement fee will be charged *in addition to* the \$25.00 NSF fee.
- **SR-22 Fee** – A \$25.00 fee will be charged for an SR-22 filing at new business. A fee of \$25.00 will be applied to the policy for any SR-22 reinstatement filings.

PAYMENT PLAN OPTIONS AND TIMETABLES

SIX MONTH POLICIES¹

	Full Pay	16.67% Down 5 Install Or Recurring Credit Card	EFT 16.67% Down 5 Install
Deposit Premium Required	100% + \$36.00	16 2/3% + \$36.00	16 2/3% + \$36.00
Deposit Premium Due	With App	With App	With App
Second Installment Amount	N/A	16 2/3% + \$13.00	16 2/3% + \$13.00
Second Installment Billed	N/A	22 days after inception date	22 days before the debit date
Second Installment Due Date	N/A	30 days after inception date	30 days after inception date ²
Third Installment Amount	N/A	16 2/3% + \$13.00	16 2/3% + \$13.00
Third Installment Billed	N/A	52 days after inception date	52 days after inception date
Third Installment Due Date	N/A	60 days after inception date ¹	60 days after inception date ¹
Fourth Installment Amount	N/A	16 2/3% + \$13.00	16 2/3% + \$13.00
Fourth Installment Billed	N/A	82 days after inception date	82 days after inception date
Fourth Installment Due Date	N/A	90 days after inception date ¹	90 days after inception date ¹
Fifth Installment Amount	N/A	16 2/3% + \$13.00	16 2/3% + \$13.00
Fifth Installment Billed	N/A	112 days after inception date	112 days after inception date
Fifth Installment Due Date	N/A	120 days after inception date ¹	120 days after inception date ¹
Sixth Installment Amount	N/A	16 2/3% + \$13.00	16 2/3% + \$13.00
Sixth Installment Billed	N/A	142 days after inception date	142 days after inception date
Sixth Installment Due Date	N/A	150 days after inception date ¹	150 days after inception date ¹

¹ One month's equity equals 16.67%. Policy fee is spread over the 6 installments.

² If date falls on non-business day, installment will be due the following business day.