Underwritten & Product Guide

Motorcycle

New York
November 11, 2014

Underwritten by Integon National Insurance Company

National General
Auto, Home & Health Insurance
# Table of Contents

Contact Information .................................................................................................................. 1
Unacceptable Risks .................................................................................................................... 2
Coverages .................................................................................................................................. 3
Discounts .................................................................................................................................. 5
Surcharges ................................................................................................................................. 6
Quote Information ..................................................................................................................... 7
Transaction Guidelines ............................................................................................................. 9
Billing, Payments, and Fees ...................................................................................................... 12
Document Retention and Review Requirements ....................................................................... 14
Contact Information

Customer Service .......... Click ‘Talk Now’ on the Policy Summary screen or call 1-877-468-3466
Fax Number .................................................................................1-877-849-9022
Online Service .................................................................www.nationalgeneral.com

Your customers can:
✓ View driver, vehicle, and coverage information ✓ Make a payment ✓ Request an ID Card

Agency Policy System ........................................................... www.natgenagency.com
Report a new Claim (Available 24/7) ........................................1-800-468-3466
Discuss a Pending Claim ................................................................1-888-233-4575

Addresses

Correspondence
National General Insurance
PO Box 3199
Winston-Salem, NC 27102-3199

Payments
National General Insurance
PO Box 89431
Cleveland, OH 44101-6431
Unacceptable Risks

Unacceptable Drivers
The following drivers are ineligible for coverage:

- Drivers under 21 years of age on high-performance bikes
- Drivers with an SR-22 or FR-44
- Drivers under 24 years of age with a DUI or alcohol- or drug-related violation
- Drivers with 6 points or more in 28 months
- Drivers with 10 points or more in 40 months
- Drivers with 4 or more comprehensive claims in the last 35 months
- Drivers under 14 years of age
- Drivers not living in New York at least 10 months of the year
  **Exception:** Out-of-state students.
- Drivers whose job requires them to remain out of state more than 30 days per occasion
  **Exception:** Members of the United States military.
- Person whose occupation is Motorcycle Sales and has more than 5 vehicles on policy
- Drivers with an International, Diplomatic, or Revoked driver license status.

Unacceptable Vehicles
The following vehicles are ineligible for coverage:

- Vehicles with an electric motor — excluding golf carts and GEM vehicles
- Vehicles with no motor or engine
- Cushman 3- and 4-wheeled vehicles
- Dune buggies
- Custom-built, homemade, or assembled cycles and kit bikes (2-wheel non-OEM)
- V8 engine powered cycles (e.g., Boss Hoss, Ecstasy)
- Salvage title vehicles
- Vehicles used for business use, parade, escort, demonstration, contests, or racing
- Vehicles with additional equipment value that exceeds market value of the vehicle
- Vehicles with additional equipment value that exceeds $20,000.00
- Policies exceeding 9 vehicles
- Physical Damage Only policies
- Golf carts with Liability limits exceeding 100/300/50
- Golf carts operated outside of a contained community
- Classic cycles with a value exceeding $40,000.00
- Any vehicle not specifically listed by manufacturer on our software
- Cycles being prepared for or being used in any race or contest
- Cycles being used for demonstration purposes
- Rental cycles
Coverages

Liability
- Bodily Injury/Property Damage/Guest Passenger limits must be same for all cycles on policy.

Supplemental Uninsured/Underinsured Motorist
- Optional coverage.
- Limits must be same for all cycles on policy.
- Limits cannot exceed Bodily Injury/Property Damage.

Medical Payments
- Optional coverage.
- Limits must be same for all cycles on policy.
- Coverage is per person per accident.

Optional Basic Economic Loss (OBEL)
- Optional coverage.
- $25,000.00 limit.
- Coverage is for pedestrians.

Physical Damage
- Physical Damage Only policies are not acceptable.
- Collision coverage requires Comprehensive coverage on the policy.
- Salvage vehicles are not acceptable.

Helmet Coverage
- Up to $400.00 of Helmet coverage is included at no additional premium on all cycles on the policy with both Comprehensive and Collision coverages. Coverage applies when the helmet is worn during a covered loss.

Towing and Labor
- Available for any cycle on the policy with Comprehensive coverage or Comprehensive and Collision coverages.
- We will pay up to $50.00 for any covered loss.

Roadside Assistance
- Available for any cycle on the policy with Comprehensive coverage or Comprehensive and Collision coverages.
- For any covered loss that occurs more than 100 miles from the principal place of residence.
**Additional Equipment/Safety Apparel Coverage**

Policies with Physical Damage provide coverage for all equipment made by the motorcycle’s manufacturer that is permanently installed on the cycle when purchased new (invoice required).

- The first $2,000.00 of additional equipment/safety apparel is included at no additional premium. The application should list all additional equipment/safety apparel — regardless of total value.
- Additional Equipment coverage must be purchased to extend coverage to all other equipment exceeding $2,000.00 in value.
- Includes equipment permanently attached to the cycle, custom paint, and customized illustrations.
- Premium is based on the actual cash value of all accessories. Do not include labor in value.

The following are excluded from Additional Equipment/Safety Apparel coverage:

- Radar detectors
- Carbon fiber bodywork or accessories
- Helmets (see separate Helmet Coverage above).
- Policy must have Comprehensive coverage or Comprehensive and Collision coverages.

Safety apparel items specifically listed are only covered while being worn by the insured in a collision loss.

Coverage does not include Comprehensive coverage for any safety apparel item — including theft.

All permanently attached accessories should be included in the calculation of the stated amount value for all cycles in the Classic program.

- The maximum value for additional equipment/safety apparel on one cycle is $20,000.00.
Discounts
All discounts and surcharges will be summed together before being applied. Discount verification(s) should be documented and kept in the agency file subject to review.

Association
Available when the insured is a member of the American Motorcyclist Association or another nationally recognized association such as Goldwing Touring Association, H.O.G., ABATE, etc.

Homeowner
Available when the named insured or spouse owns their home, condo, or townhome or has a Fulltimer policy.
Note: Does not include mobile homes.
Discount does not apply to minors residing in parents’ house — unless parent is listed on policy as named insured.

Motorcycle Safety Foundation (MSF)
Available to all drivers who have completed the Motorcycle Safety Foundation Rider Course or another approved motor vehicle accident prevention course.

Multi-Cycle
Available when there is more than one cycle on the policy. Up to nine cycles per policy are permitted.

Multi-Policy
Available when the insured has another in-force personal auto or commercial vehicle policy with National General Insurance. The policy number of current policy should be included on the motorcycle application.

Renewal
Available at renewal when all drivers on the policy have no at-fault accidents in the prior term.

Safe Driver
Available to drivers who:
- Are accident and violation free for the past 35 months and
- Have been licensed for the past 36 months and
- Have at least 1 year prior cycle experience.

Transfer
Available for new business policies that meet the following conditions:
- All drivers on the policy must have no at-fault accidents during the 12 months prior to the policy effective date and
- Named insured must present proof of continuous in-force personal auto or motorcycle Liability coverage for the prior 12 months with no lapse in coverage.

Acceptable proof:
- Declarations Page
- Renewal offer or notice of non-renewal from prior company showing policy effective dates
- ID cards with policy effective dates.
Surcharges

Modified
A cycle has been modified when the engine or driveline has changed to increase performance, the frame has been lowered, or the cycle has been rebuilt with aftermarket engine or frame components.

Applied to any cycle on the policy that has:
- Engine or driveline modifications designed to increase performance or
- Frame or suspension alterations that change the stability or handling characteristics of the cycle or
- Been rebuilt with aftermarket engine or frame components.

Target Risk
Applied to any entertainer, celebrity, professional athlete, or other nationally known person.
Quote Information

We insure just about every type of cycle — from cruisers and touring bikes to trikes and sport bikes. We even cover special construction bikes, classic motorcycles, golf carts, and ATVs.

Accidents and Violations
- At-fault accidents will be chargeable — unless already being charged on a current New York auto policy.
- Accidents will be charged — unless insured provides written details describing accident that indicate not at-fault.

Major violations include the following:
- Assault, manslaughter, or homicide with a motor vehicle
- Felony
- Hit and run
- Alcohol- / drug-related convictions
- Driving with suspended/revoked driver license
- Refusal to submit to chemical test
- Careless/improper driving
- Racing
- Reckless driving.

Minor violations include the following:
- Stop sign violation
- Failure to yield
- Illegal passing
- No motorcycle endorsement
- Speeding: Major (15 mph and over)
- Speeding: Minor (under 15 mph)
- Underage driver
- All other moving violations not listed above.

Experience Period
Violations and accidents are charged if the occurrence date is within the experience period, which is the 3 years ending on the last day of the fourth month preceding the policy effective date.
Underwriting

- Named insured must be titled owner.
- All drivers must be listed. Highest-to-highest rating.
- All drivers should have a valid driver license or motorcycle instruction permit — unless an off-road vehicle is on the policy.
- Named insured and all drivers must reside in same household.
- Application must be signed and dated by both named insured and Agent and kept in agency file subject to review.
- Discount verification(s) should be documented and kept in agency file subject to review.
- All applicable rejections must be signed and dated by named insured and kept in agency file subject to review.

Minimum Premium

Minimum premium varies based on Liability limits.

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<tr>
<th>If Liability Limits are . . .</th>
<th>Then minimum premium is . . .</th>
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<tbody>
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<td>$100.00</td>
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<tr>
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<td>$175.00</td>
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Driver Rating

For multiple vehicle risks, the highest rated driver class will be assigned to the highest rated vehicle, the second highest rated driver class to the second highest rated vehicle, and so on. ‘Highest rated’ is defined as that combination of driver and vehicle producing the highest premium.

All drivers of the cycle(s) on the policy — including the named insured — must be listed on the application.

Territories

ISO Rating territories are defined by ZIP Code/county. Use the ZIP Code in which the cycle is principally garaged. If the mailing address and garaging address differ, list both on the application and provide a clear explanation. A Post Office box is not acceptable as a garaging location.

Note: If the insured moves out of state during the policy period, we recommend rewriting the policy in the new state. If rewritten with National General Insurance, we will cancel current policy pro rata.

Agency Policy Add-Ons

We discourage charging processing fees or selling add-on policies (such as towing, rental, roadside assistance) in conjunction with the sale of our motorcycle policy. However, an agency may choose to do so in accordance with state insurance statutes.

Inform the customer that the add-on is not part of the National General Insurance motorcycle policy. We request a separate check be written to avoid any potential misunderstanding.
Transaction Guidelines

Binding New Policies
The application will be bound as of the date on the application or the request for endorsement as long as:
- The application and all other required forms are completed and signed by the applicant.
- Risk meets acceptability guidelines.
- Required down payment accompanies the application.

Agents do not have authority to issue policies, endorsements, or cancel notices or to permit a solicitor to bind coverage. Backdating is unacceptable.

Hazardous Weather Binding Restrictions
In the event of hazardous weather conditions, National General Insurance reserves the right to prohibit binding of Physical Damage coverage.

New Business
- Do not bind any new policies with Physical Damage coverage.
- Liability Only policies can be bound.

Endorsements
- Do not bind coverage to add or replace a vehicle with Physical Damage coverage.
- Do not add Physical Damage coverage to an existing Liability Only vehicle.
- Do not lower a Physical Damage deductible for an existing vehicle.
- All other types of endorsements can be bound.

Reinstatements
- Policies with Liability Only coverage are eligible for reinstatement.

Misrepresentation of Risk
Misrepresentation of a risk is insurance fraud. Our contract for insurance requires the open disclosure of all requested underwriting information. Failure to do so may affect the insured’s eligibility to receive the benefits of the contract.

Additional Premium
Down payment is not required; we will directly bill the insured. Payments can be made by check, credit card, or at www.natgenagency.com.

Credit Endorsements
Future installments will be reduced equally by the amount of the credit endorsement. If no installments are remaining, a draft will be issued for the amount of the credit.
Endorsements
Endorsement requests should be submitted using our agency policy system at www.natgenagency.com.
Normal binding rules apply to endorsements and all endorsements are subject to the guidelines established for new business.
Premium adjustments resulting from policy changes will be made at time of endorsement or incorporated into future installment bills. If all installment payments have been received, premium adjustments will be billed or credited directly to the insured.
Select types of endorsements will be reviewed by National General Insurance and additional information may be requested as a result of the transaction being performed.

Cancellations

Flat Cancellations
Flat cancellations are only permitted if we are notified within 30 days of the policy effective date that there is duplicate coverage on the vehicle(s) equal to or greater than the National General Insurance policy. A copy of the Declarations Page from the other policy and the named insured’s written request must be submitted.

Insured Requested
Insured requested cancellations are calculated pro rata and are reduced by a Cancellation fee. This fee is fully earned and no commission is paid on the fee.
When you receive a request to cancel a policy from a named insured, co-named insured, or resident spouse who is listed on the Declarations Page, you can process the cancellation. A signed written request from the named insured is required. You must retain the insured’s signed written request and any necessary proof documents.
The cancellation effective date can be:
- Ten days or less in the future
- Thirty days or less in the past.

Note: When the cancellation effective date is more than 30 days in the past, you must send National General Insurance a cancellation request signed by the insured along with proof of other coverage.

When Claims declares a vehicle is a total loss and National General Insurance retains the salvage vehicle, we will delete the vehicle from the policy the day after the loss. If the total loss vehicle is the only vehicle on the policy, we will send a letter to the insured requesting them to provide replacement vehicle information or advise if they wish to cancel the policy.
A minimum retained premium will be charged on all insured’s request cancellations.
Company Requested
Cancellation for Non-Payment

If the initial down payment is non-sufficient or dishonored, the National General Insurance policy becomes null and void. A non-sufficient or dishonored payment to any other party will be treated as a non-payment cancellation.

If payment for a billed installment is not received by the due date, a notice of cancellation may be sent to the insured, Agent, and any loss payee or additional interest. If payment is received before the cancellation effective date, the cancellation will not take effect and the policy will remain in-force. If payment is received on or after the cancellation effective date, the cancellation will take effect. Cancellations for non-payment of premium are calculated pro rata. Cancel fee applies.

Agents are not permitted to request cancellations due to non-payment of premium.

Credit card down payment: If the credit card charge is not valid for any reason, the policy is rendered null and void.

Reinstatements
Policies may be eligible for reinstatement provided certain criteria are met — depending on number of days since expiration or cancellation.

Company cancellations or non-renewals are not eligible for reinstatement. A policy may be rewritten if the insured meets current guidelines and satisfies any outstanding balance; the rate may change.

Renewals
A renewal offer will be sent to the named insured approximately 51 days prior to the policy expiration date. The insured must pay all balances due before money received can be applied to the renewal.

Renewal Down Payments
The renewal down payment must be received prior to the renewal effective date to ensure the policy does not cancel. A policy can be renewed with no lapse in coverage if customer requests reinstatement within 1 – 14 days after cancel date; all payments are due within 7 calendar days.

Payments received more than 14 days after the renewal effective date will be returned to the customer and the policy will not be renewed.
Billing, Payments, and Fees

Do not retain commission from premium collected from insureds. All payment options are direct billed to the insured with the exception of the down payment, which must accompany the application. All refunds are also mailed directly to the named insured(s) at the address on the application or any change of address provided to us in writing.

Term of Policy
12-month policies are offered and will display in the system when available.

Outside Premium Financing
We do not accept premium financing for payment of motorcycle policies. The only acceptable methods of payment are paid in full or one of our installment plans.

Payments
All National General Insurance payment invoices are billed directly to the insured except the down payment, which must accompany the application. Each invoice will contain a schedule of remaining payments.

All refunds are mailed directly to the insured.

When an Agent accepts an insured’s check, it should be made payable to National General Insurance or the agency. When an insured's check is made payable to National General Insurance, the check should be endorsed to the agency account by signing or stamping the check and indicating 'For Deposit Only'.

When an insured's check is returned to the agency for non-sufficient funds reasons, National General Insurance will reimburse the Agent — including any associated bank fees up to a maximum of $25.00. Agent notification must be received at National General Insurance within 20 calendar days of the date the insured's check was written in order to receive reimbursement.

Acceptable methods of payment are:

- Down Payment — VISA and MasterCard credit card or debit card, Agent sweep, or electronic check
- Installment Payment — VISA and MasterCard credit card or debit card, Agent sweep, or electronic check
- Automatic Payment — VISA or MasterCard credit card, checking account, or savings account.
Automatic Payment

If the Auto Pay payment method is available, an insured may complete a National General Insurance Automatic Payments Authorization Agreement at new business or at renewal and choose to have monthly installments electronically withdrawn from one of the following:

- Personal checking account or savings account or
- Credit card or debit card.

National General Insurance will provide the named insured a schedule of automatic payment transactions.

If a change occurs on the policy resulting in a premium change, a revised statement will be issued in advance confirming the new amount to be drafted. Agents should notify insureds that National General Insurance will continue drafting based on the current draft schedule until the revised statement is issued.

Requests to change account information or draft dates must be received by National General Insurance at least ten business days prior to the next scheduled draft. Requests to stop automatic payment must be received by National General Insurance at least five business days prior to the next scheduled draft. For account information changes, a new Automatic Payments Authorization Agreement is required.

Renewal down payments will automatically be drafted from the named insured’s account — unless a written request to stop the draft is received.

Fees

All fees are fully earned in the event of cancellation — unless noted differently.

Cancel
A $50.00 fee will be charged when a policy cancels for non-payment or when a customer cancels their policy before the renewal date.

Late
A $12.00 fee will be charged for payments received after the due date.

Non-Sufficient Funds (NSF)
A $20.00 fee will be charged on all returned checks that were not honored by the bank.

Reinstatement
A $5.00 fee will apply to all policies that are reinstated.

Service
A $1.00 fee will be included in the installment amount for Auto Pay — Checking/Saving payment method. A $9.00 fee will be included in the installment amount for Auto Pay — Credit Card and all other payment methods.
Document Retention and Review Requirements

It is important to maintain complete and accurate records on all insurance transactions conducted on behalf of National General Insurance. When you complete a sale or policy endorsement, an Agency “To Do” list prints a list of documents required to be submitted to National General Insurance or to be retained in your customer file. These documents, whether paper or electronic form, should be retained for at least five years from the policy expiration date (or if coverage was never bound, from the date on which the policy quote was rejected). If State Law requires such documents be retained longer than five years, comply with the state requirement.

All agency records pertaining to the business of National General Insurance are open for evaluation and inspection during routine reviews. Upon request, you will be required to present specific documentation. Failure to provide the documentation within the allotted time period will result in a failed review.

Uploading Policy Documents

When a Policy “To Do” requires documentation be submitted to National General Insurance, uploading documents through the system is the fastest and easiest way to ensure we receive the customer’s documentation immediately. Click the green “Upload” button beside the ToDo item on the Policy Summary screen. A separate “Choose File to Upload” window displays for you to select the document to upload.

PDF is the preferred format for documents uploaded and sent to National General Insurance. Other acceptable formats are TIF, BMP, and JPG.

When unable to use the Agency Policy System Upload functionality, you can fax signed forms to 1-877-849-9022.

Go Paperless

Enroll your National General Insurance customers in paperless document delivery — adding value for your customer and reducing calls to your office.

Paperless document delivery provides the insured immediate access to Declaration Pages, Policy Booklets, endorsements, renewals, invoices, and other documents.

Note: The insured will continue to receive a printed cancellation notice delivered by the U.S. Postal Service.

The only requirement for an insured to Go Paperless is a valid e-mail address.

When the insured chooses to Go Paperless, they will receive a welcome e-mail from Service@NGIC.com advising them to complete the self-service registration. If the insured does not complete the self-service registration and accept the terms and conditions within seven days, they will be removed from Go Paperless and all policy documents will be sent to them by the U.S. Postal Service using the address on their policy.