

Mendakota Insurance Company

MAP VP Program

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CUSTOMER SERVICE

All endorsements are to be processed via the Internet with a few exceptions, which are listed below.

Please notify us of policy endorsements within 3 days of your notification from the named insured of any midterm increase or decrease in exposure (addition of drivers, vehicles, etc.) to the policy.

The following requests must be submitted to the company via fax and are effective upon receipt:

- Reduction or elimination of coverage that requires a signed form.
- Deletion or exclusion of drivers
- Cancellation of policy – Named insured's signature with written request to cancel is required.

CLAIMS SERVICE

Please have your insured immediately report all losses directly to Mendota. Losses can be reported 24 hours a day, 7 days a week. In the event of an accident, policyholders will receive fast, expert service from one of our experienced claim examiners.

Claims can also be reported online at www.MyMendota.com

CONTACT INFORMATION

Mendota/Mendakota Insurance Company
3343 Perimeter Hill Dr., Suite 214
Nashville, TN 37211

Hours of Operation: 8:00A.M. – 6:00P.M. (CST)

Customer Service: 800-422-0792

Claims Reporting: 800-422-0793

[CLICK HERE](#)

**TO SEE CUSTOMER SERVICE, CLAIM AND SALES MANAGER CONTACT INFORMATION
AS WELL AS HOURS OF OPERATION.**

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APPLICATION SUBMISSION

UPLOAD PROCEDURES AND BINDING AUTHORITY

- Qualifying risks may be bound at the time and date on which the application is completed in full, signed and the required deposit premium is paid by the insured.
- Agent binding authority is 1 business day from the policy effective date. The application and required payment must be uploaded within 24 hours of the policy effective date.
- The insured's Social Security number is optional to upload and may allow for a more competitive price. We require that you have the insured sign the application and any supplemental forms and retain in your files.
- Effective dates prior to the date the application is signed and bound by the producer are not acceptable.
- No paper applications will be accepted including rewrites. All policies must be uploaded via the company's software.
- When a policy is successfully uploaded, the agent receives immediate confirmation, including a policy number.
- Agents do not have the authority to bind the company on physical damage coverage mid-term on an existing policy unless an inspection is completed and appropriate documentation is kept in the agent's files. Any existing damage must be indicated on the change application.
- Photo's of the vehicle (4 corners of the vehicle plus VIN) must be retained in the agents office for all vehicles insured with physical damage coverage. This applies to physical damage added mid-term on existing policies or written at new business.
- The agent's or insured's bank account will be swept no earlier than 3 days later for the amount indicated on the application.
- Brokered business is not acceptable.
- Any risk with an operator who is nationally or locally known to a large segment of the population (politician, celebrity, professional athlete, or entertainer) cannot be bound and must be submitted to our Business Center for approval.
- Risk cannot be bound if it appears as *unacceptable*, *ineligible*, or *submit for approval* in this manual.

SEVERE WEATHER BINDING AUTHORITY

No new coverage or increase to existing coverage may be bound on any risk or exposure located in an area for which a hurricane, tornado, severe weather watch or warning, or natural disaster has been posted. Normal binding authority will resume after the watch and/or warnings are lifted. Every auto written with physical damage coverage within 72 hours after the warnings are lifted must be inspected to determine if there is existing damage. The inspection and any damage must be indicated on the application.

DOCUMENTATION RETENTION AND AUDIT REQUIREMENTS

Proper documentation must be maintained in your files or FAXED to the company using the FAX Cover Sheet. For Proof of Prior documentation use fax#: (866) 385-0553. The company software will predetermine which documents must be FAXED immediately. Other documents should be maintained in your files. Use the following as a guide for documentation retention.

Maintain in Agency Files and available for audit:

- | | |
|---|--|
| ▶ Signed and dated application | ▶ Signed EFT form |
| ▶ Photo's if physical damage coverage afforded | |
| ▶ Proof of Home/Condo ownership | ▶ All Signed Coverage Election/Rejection forms – (eg. UM and UIM Coverage Selection/Rejection) |
| • HO Dec page | ▶ Proof of Prior Insurance |
| • Real estate tax info | • Renewal Notice |
| • Mortgage statement | • Non-renewal notice, |
| • Copy of Property title | • Dec page with limits displayed |
| • Print out from County Assessor Internet Site | • Letter of experience on company letterhead |
| ▶ Proof that household member qualifies to be "List Only" | |

Periodic audits will be done on random files by the company. These audits will either be done on-site by company representatives or requested to be sent to the company for documents listed above. Documentation must be sent within 1 business day for requested materials.

MATERIAL MISREPRESENTATION OF RISK

Misrepresentation is insurance fraud! We expect applicants to truthfully and fully complete an application for insurance. If misrepresentation is discovered, we will cancel the policy and collect the additional premium due from inception. A misrepresentation may also prevent recovery under the contract or policy if:

- The misrepresentation, omission, concealment, or incorrect statement is fraudulent or is material either to our accepting the risk or the hazard we assume; or
- If we had known the true facts we would not have issued the policy, would have charged a higher premium, or would not have issued the policy with the same coverages or coverage limits.

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POLICY PERIOD

Six (6) and Twelve (12) month policy terms are available.

ZIP CODE RATING

Rating territories are defined by zip code. Use the zip code in which the vehicle is principally garaged. P.O. boxes are not acceptable as garaging locations.

VEHICLE SYMBOLS

For rating purposes, every vehicle is assigned the company's own vehicle symbols and make/model adjustment code. The vehicle symbol and make/model adjustment applies to Bodily Injury, Property Damage, Medical Payments, Uninsured/Underinsured Motorist, Uninsured Motorist Property Damage, Comprehensive, and Collision coverages.

For Named Operator Policies (Named Non-Owner) a separate Named Non-Owner symbol is assigned.

PAYMENT PLANS

Mendota Specialty Auto utilizes a direct bill program. Please submit all payments gross. Do not retain commission. Installment notices are sent directly to the insureds. Please encourage your insureds to use EFT for payments, to pay online at www.MyMendota.com, or to mail payments to the address provided on the bill. Payments must be received by the due date indicated on the bill. Any payments submitted to you by the insured directly must be uploaded via EFT to Mendota using the Web site at www.mendota-insurance.com.

The following NB payment options are available: (the system will display payment plan based on eligibility)

Policy Term	Down payment Percentage	Payment Method	1 st Installment Due in:
6 or 12 month	100.00%	N/A	N/A
6 month	25.00%	EFT Optional	30 Days
*6 month	22.00%	EFT Optional	25 Days
*6 month	20.00%	EFT Required	25 Days
*6 month	16.70%	EFT Required	30 Days
12 month	12.50%	EFT Optional	30 Days
**12 month	11.00%	EFT Optional	25 Days
**12 month	10.00%	EFT Required	25 Days

*6-Month Term: All in-force policies with a 22% Down-Payment or lower (1st installment in 25 days) will renew into a 16.7% Down-Payment (1st installment in 30 days)

**12-Month Term: All in-force policies with an 11% Down-Payment or lower (1st installment in 25 days) will renew into an 8.35% Down-Payment (1st installment in 30-days)

EFFECT OF POLICY CHANGES ON INSTALLMENTS

Premium adjustments that result from a policy endorsement will bill the insured enough premium to maintain coverage up to the next installment. The remainder of the additional premium will be equally distributed over the remaining installments.

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PAYMENT OPTIONS

ELECTRONIC FUNDS TRANSFER (EFT)

Down payments and installments should be made to the company via EFT to the agent or insured's bank account via our website. The insured will be notified as to when the account will be swept for the payment and the amount if it is from their account. The policy can be paid in full or by installments.

PAY ONLINE at www.MyMendota.com

Policyholders can make payments online or set their policy up for future EFT billing.

CREDIT CARD PAYMENTS

The use of credit cards for payment of policy down payment or installments is available. We accept Visa, MasterCard, Discover and American Express.

FEES

INSTALLEMENT SERVICE FEE

For policies on installment plans, an installment fee will be charged on each installment, after the initial new business down payment, based on the payment method selected at policy inception. Installment fees are charged in addition to premium. Fees vary by the type of payment.

Type of Payment		
Direct Bill ("Paper") Payments	Checking and Savings Bank Transfer Payments	Credit and Debit Card Payments
\$13	\$5	\$7

NON-SUFFICIENT FUNDS (NSF) FEE

Policies with payments not honored by the bank or financial institution, which are returned to the company unpaid, will be charged a \$20.00 NSF fee.

MIDTERM REINSTATEMENT FEE

Policies reinstated or rewritten after cancellation for non-payment will result in a \$40.00 charge.

REWRITE FEE

Policies rewritten for non-payment or renewed with a lapse in coverage will result in a \$10.00 rewrite fee charge.

LATE FEE

A \$10.00 fee will be charged for any payment made more than 3 days after the due date. The Late Fee will not be charged on a policy which is being rewritten/reinstated for non-payment or rewritten/reinstated with a lapse in coverage.

POLICY FEE

A \$40.00 policy fee will be added to all new business and rewritten policies. This fee is not subject to discount, and no commission is paid on the Policy Fee. NOTE: There is no policy fee on renewal business.

SR-22 FEE

Please see the Financial Responsibility Filings Section of the guide.

COMMISSIONS

Please refer to your most recent commission schedule for your current commission level.

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UNACCEPTABLE RISKS - NEW BUSINESS

INELIGIBLE POLICIES:

1. Policy may not be financed through a premium finance company.
2. Vehicles from more than one household may not be listed on a single policy.
3. Policy may not have an Estate, Receivership, Corporation or Partnership as named insured.
4. Physical Damage only coverage is allowed on an individual vehicle after the initial New Business policy has been written, and only if it is a multi -vehicle policy and at least one other vehicle affords full coverage (liability and physical damage).
5. Stated value physical damage.
6. Policies with more than 5 vehicles.
7. Policies with three or more At-Fault Accidents.
8. Policies with five or more Not-At-Fault Accidents.
9. Policies with three or more Major violations.

INELIGIBLE DRIVERS:

1. Named Insureds who have never been licensed (spouse never licensed acceptable with but must be listed on the policy).
2. Any operator with a revoked driver's license.
3. Any operator who has been convicted of insurance fraud.
4. Named insureds must be at least 18 years old. Drivers under 18 are eligible to be added, but they may not be the Named insured.

INELIGIBLE VEHICLES:

1. Vehicles with an appreciated value due to limited production or unique construction and/or exotic specialty vehicles.
2. Vehicles used for racing or modified or customized for the purpose of participating in any type of competition: show, speed, sound, timed event etc.
3. Vehicles with modified suspensions which jump, rock or bounce and/or suspensions modified with lift kits or greater than four inches.
4. Vehicles manufactured for sale outside of the United States (gray market).
5. Vehicle used for pickup or delivery of goods, limousine or taxi service, any vehicle for hire, emergency service or any commercial use. This includes transporting nursery school or school children, migrant workers, hotel/motel guests or entertainers and/or equipment.
6. Vehicles equipped with cooking equipment or bathrooms.
7. Vehicles equipped for snow plowing.
8. Vehicles which are regularly made available to nonlisted drivers.
9. Vehicles not titled in Nevada or garaged outside of Nevada for more than two months per year.
10. Vehicles classified as kit cars, aluminum, or stainless steel cars, hot rods, or vehicles substantially modified or structurally altered to change appearance or performance.
11. Vehicles leased or rented to other operators by the applicant.
12. Flat bed, stake or modified trucks, stepvans, panel vans, cutaway vans, motorhomes, or converted buses.
13. Vehicles with a load capacity greater than 1 ton or gross vehicle weight greater than 10,000 pounds.
14. Salvage vehicles or reconstructed vehicles (these may be written for liability only coverage).
15. Vehicles not found in the company defined symbol pages, except newly released vehicles from a major manufacturer.
16. Vehicles with an ACV over \$60,000.

ADDITIONAL RESTRICTIONS FOR VEHICLES WITH PHYSICAL DAMAGE COVERAGE

Vehicles over 20 years are unacceptable for physical damage coverage for new business.

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POLICY ELIGIBILITY

There must be a verifiable garaging location in Nevada for each vehicle. A P.O. Box garaging address is not acceptable.

DRIVER ELIGIBILITY

1. All licensed operators in the household, all other regular operators of the vehicle, permit holders and all residents of the household age **14** and older must be listed on the application. (Regular operators are those who use the vehicle two or more times per month.
2. All operators must have a valid U.S. driver's license. Exceptions:
 - a. Valid matricula, passport, or foreign/international licenses are acceptable (FDL surcharge applies).
 - b. Suspended U.S. licenses are acceptable (including SR22s).
3. All drivers must be Nevada residents and no driver may live or work in Mexico.

VEHICLE ELIGIBILITY

1. Vehicles must be private passenger automobiles owned or leased by an individual, husband and wife resident of the same household or jointly by two or more resident relatives. Vehicles used occasionally in business will not be considered Business Use and therefore, not subjected to the Business Use surcharge.
2. Pickups rated one ton or less, vans and utility type vehicles used only as a private passenger vehicles are also eligible provided such vehicles are not used in the occupation, profession, or business of the insured other than farming/ranching. If the business use consists solely of carrying tools and supplies between the named insured's residence and a job site, an Artisan risk is acceptable if:
 - a. the vehicle is owned by an individual; (vehicle cannot be titled to a corporation or partnership)
 - b. the vehicle is operated solely by the named insured and covered family members;
 - c. the named insured has no more than one vehicle in this category, and
 - d. the vehicle visits no more than three job sites per day, and
 - e. the vehicle has no visible signs or business logos.
3. The following are also acceptable business use:
 - a. vehicles used by sales or service representatives, or for consumer oriented direct home sales on a full-time basis (e.g., Avon, Mary Kay, Tupperware);
 - b. vehicles used by real estate or insurance agents, lawyers, doctors, accountants or other professionals visiting multiple locations;
 - c. vehicles owned by the insured and used by domestic employees (e.g., maids, chauffeurs);
 - d. vehicles used in a business for occasional errands.

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UNDERWRITING SEGMENT ELIGIBILITY

Policies will be automatically assigned to an underwriting segment based on the following:

1. PRIOR INSURANCE

Prior insurance means the named insured has proof of private passenger automobile liability insurance, which verifies that the previous policy covered the named insured or rated spouse and provided six (6) months continuous liability coverage. Prior liability limits and length of lapse are also considered.

Note:

Proof of private passenger automobile liability insurance from Mendota or Mendakota is unacceptable, unless one of the following conditions is met:

- The named insured is moving to a new state.
- The insured is listed on another Mendota or Mendakota policy for at least a continuous six month period and the other policy is remaining in force. i.e. Child coming from parent's policy or parent coming from a child's policy.
- The policy is being rewritten and the previous policy was in force with Mendota or Mendakota for a period of at least eighteen (18) months with no losses during that time.

2. NON-CHARGEABLE INCIDENTS

Includes comprehensive losses greater than \$1,000.

RENEWAL UNDERWRITING

The underwriting segment is reevaluated at each renewal based on the current new business guidelines.

The prior insurance information determined at policy inception will remain for the life of the policy provided the renewal payment is postmarked within 30 days of the expiration date.

In the event of a lapse at renewal, we will recalculate the prior insurance status if the policy was previously issued with zero days lapse in coverage. Prior limits are not reevaluated at renewal.

DRIVER/VEHICLE ASSIGNMENT

We do not require you to assign drivers to specific vehicles. We determine an average rating factor for rated drivers and then apply that factor to all vehicles on the policy. If there are more drivers than vehicles on the policy, the highest rated drivers (up to the number of vehicles on the policy) are used.

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COVERAGE OPTIONS

Policy Minimums

1. All private passenger automobile policies are required to have Bodily Injury Liability and Property Damage Liability at the state required minimum limits.
2. Bodily Injury Liability, Property Damage Liability, Uninsured Motorist Liability, Medical Payments, Towing and Labor Costs, and Rental Reimbursement limits must be the same on all vehicles on a multi-car risk.

Bodily Injury Liability (BI)

Available limits are outlined in the Rate section.

Property Damage Liability (PD)

Property Damage limits can only be written when BI coverage is afforded.

Uninsured - Underinsured Motorists Liability Coverage (UMBI)

1. Uninsured Motorists Liability coverage can only be written on policies providing Bodily Injury Liability coverage.
2. Uninsured Motorists Liability coverage includes Underinsured Motorists Liability Coverage.
3. Coverage Rejection and Lower Limits- If an insured wishes to reject or purchase lower limits of Uninsured Motorists Liability coverage, the insured must sign the appropriate Uninsured Motorists form. If the rejection is not signed, coverage will be added at limits equal to the Bodily Injury Liability limits.

Medical Payments Coverage

1. Medical coverage must be offered at a \$1,000 limit.
2. Rejection of Coverage/Election of Higher Limits- Medical Payments coverage can be rejected by the insured or limits can be selected that are higher than \$1,000 with a signed Medical payments election form.

Comprehensive Coverage (COMP)

1. Comprehensive coverage must be written with a deductible.

Collision Coverage (COLL)

1. Collision coverage must be written with a deductible
2. Collision coverage cannot be written without Comprehensive coverage.

Rental Reimbursement (RENT)

Rental Reimbursement coverage cannot be written without Comprehensive and Collision Coverages..

Towing and Labor Costs Coverage (TOW)

Towing and Labor Costs coverage cannot be written without Comprehensive and Collision Coverages.

Coverage for Custom Equipment (CSEQ)

1. Custom parts and equipment coverage cannot be written without both Comprehensive and Collision coverage.
2. Coverage Specifications – Custom Equipment coverage provides physical damage coverage for custom parts or equipment, devices, and accessories. This includes any equipment, other than electronic equipment, that is not provided by the original manufacturer or new car dealer, but which is permanently installed. Examples, include but are not limited to: ground effects; after-market lights; spoilers; carbon fiber panels or hoods; hydraulic lifts; custom exhaust equipment; aluminum, magnesium, chrome or alloy wheels; special or wide tires or slicks; sun roofs; moon roofs; t-bar roofs; height extending roofs; bubble domes or windows; refrigeration; cooking equipment; furnishings; equipment used for sleeping; custom paint; murals; decals; graphics; and special carpeting.
3. All items to be covered under Custom Equipment coverage must be permanently installed on the vehicle. Equipment designed to be removed (nose cover, magnetic antenna, etc.) is not eligible for Custom Equipment coverage.
4. See Limits and Deductibles section for available coverage limits.

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Coverage for Electronic Equipment (ELEQ)

1. Electronic Equipment coverage cannot be written without both Comprehensive and Collision coverage.
2. Coverage Specifications – Electronic Equipment coverage provides physical damage coverage for electronic equipment, devices, and accessories. This includes any equipment, other than custom equipment, that is not provided by the original manufacturer or new car dealer, but which is permanently installed. Examples, include but are not limited to: radios; stereos; tape decks; compact disk systems; MP3 devices; any other sound system; navigation systems; internet access systems; personal computers; DVD devices; VCRs; cameras; telephones; microphones; televisions; two-way mobile radios; scanners; or citizen-band radios and their accessories.
3. All items to be covered under Electronic Equipment coverage must be permanently installed on the vehicle. Equipment designed to be removed (pullout stereos, etc.) is not eligible for Electronic Equipment coverage.
4. See Limits and Deductibles section for available coverage limits.

Named Operator Policy (Non-Owner Coverage)

1. Named operator policies provide liability protection (BI/PD, MED, UMBI) for an individual who does not own a vehicle or have access to any personal use vehicles on a regular basis.
2. Coverage is provided for the named insured only. There is no coverage for spouses or permissive users.
3. Named operator policies are not available if the insured operates a vehicle used for business or artisan use.

Value Plus Liability Coverage Endorsement

This endorsement expands liability coverage by providing additional coverage features. The Value Plus Liability Coverage endorsement provides coverage for:

1. Increases notification time up to 14 days for both additional acquired autos and replacement autos;
2. Raises the age of a dependent child as a family member from under age 23 to under age 26;
3. Raises the period which constitutes a regular operator from 24 hours to seven days; within the undisclosed operator definition;
4. Eliminates the step-down limits feature to state minimum FR limits for other than family members;
5. Extends the limit of liability for legal liability to the lessor to 100/300/50 (applies to lessor only);
6. Eliminates the step-down limits feature to state minimum FR limits for any insured involved in DWI or DUI accident.

Value Plus Physical Damage Coverage Endorsement

This endorsement expands physical damage coverage by providing additional coverage features. The Value Plus Physical Damage Coverage endorsement provides coverage for:

1. Increases notification time up to 14 days for both additional acquired autos and replacement autos;
2. Automatic excess coverage for a non-owned rental vehicle rented for less than 30 days by you or a family member;
3. Includes up to \$1,000 of coverage for either Custom Equipment or Electronic Equipment;
4. Use of OEM parts on vehicles up to five years old;
5. Eliminates the deductible on loss to a windshield;
6. Increases the maximum storage limit to \$750 for any one loss;

Eliminates the deductible for a total theft loss if On-Star or other Vehicle Recovery System aids in the recovery of the vehicle.

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LIMITS AND DEDUCTIBLES

Liability Coverage:

Bodily Injury (BI) (\$000)	Property Damage (PD) (\$000)	Medical Payments (MED)	Uninsured Motorists (UMBI) (\$000)
25/50	20	\$1000	25/50
50/100	50	\$2000	50/100
		\$5000	
		\$10,000	

Physical Damage Coverage:

Comprehensive (Deductible)	Collision (Deductible)	Custom Equipment	Electronic Equipment	Rental Reimbursement	Towing and Labor
100	100	250	250	\$30/Day \$900 Max limit	\$50/ Disablement
250	250	500	500	\$40/Day \$1200 Max limit	\$75/ Disablement
500	500	750	750		
1000	1000	1250	1250		
		1500	1500		
		1750	1750		
		2000	2000		
		2250	2250		
		2500	2500		
		2750	2750		
		3000	3000		
		3250	3250		
		3500	3500		
		3750	3750		
		4000	4000		
		4250	4250		
		4500	4500		
		4750	4750		
		5000	5000		

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POLICY DISCOUNTS

The following discounts vary by coverage, underwriting tier, and by combination of other policy discounts:

Homeowners

Insured must own a home, condo, it must be their primary residence, and all insured vehicles must be garaged at the home. (This does not include mobile homes.)

Multi-Car

Two or more vehicles are insured on the policy for at least bodily injury liability and property damage coverage.

Paid-in-full

Credit will apply on new business when the company receives the full quoted premium amount with the completed application. This credit will apply at renewal provided payment of the full renewal premium is received prior to the renewal effective date.

DRIVER DISCOUNTS

Accident Prevention Course Discount

Rated operator age 55 and older who has successfully completed a motor vehicle accident prevention course which has been approved by the Nevada Commissioner of Safety.

1. This course cannot be self-instructed.
2. Such course must be completed within the most recent 36 months certifying successful completion of the course.
3. If proof of successful completion of such course is submitted during the term of the policy, any premium modification shall become effective upon the next renewal.
4. The discount is applicable for a 36 month period following the course completion date.
5. The driver must not have had a license suspended or revoked in the past (3) years.
6. The driver must have a valid U.S. license.

To continue eligibility for the discount, the rated operator must enroll in and successfully complete the approved driver accident prevention course once every 3 years at the time of the policy renewal.

VEHICLE DISCOUNTS

Air Bag Discount

Applies to vehicles equipped with factory installed driver side or driver and passenger side airbags.

VEHICLE SURCHARGES

Business/Artisan Use

- Applied to any private passenger automobile used in or for business, and which qualifies for our program per our eligible vehicle guidelines; or
- Applied to Pickups, Vans, and SUVs that qualify for our program per our eligible vehicle guidelines based on our definition of an Artisan risk.

High Performance Vehicle Surcharge

Applies to vehicle types of Porsche and Jaguar.

Ineligible Vehicle

If a vehicle is added to a policy midterm that is an ineligible make or model based on the New Business Eligibility, this surcharge will be applied.

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DRIVER SURCHARGES

Inexperienced Operator

Applies to any operator age 19 years and older who has not been licensed for the previous 35 month experience period.

Ineligible Operator

If an operator is added to a policy midterm that does not meet the New Business Driver eligibility, this surcharge will be applied at the time of the change.

Unverifiable MVR

A surcharge is applied if an operator does not have a verifiable MVR record for the previous 35 month experience period. **NOTE:** Does not apply if the policy is being charged an inexperience operator surcharge.

Foreign License

If an operator does not have a US driver's license but does have a valid foreign license. This surcharge will be applied until they obtain a valid US driver's license.

DRIVING RECORD

Experience Period and Chargeability

1. The experience period for use in determining Driving Record is 35 months preceding the effective date of the new or renewal policy.
2. To determine if the accident or violation took place in the chargeable period, use the occurrence date rather than the conviction date.
3. Out of state violations and accidents are chargeable.
4. Forfeitures of bail or nolo contendere pleas shall be treated as convictions.
5. No more than 18 total violations (major/minor/at-fault accidents) per driver is permitted.

At-Fault Index

1. The At-Fault Index considers the number of at-fault accidents and the timing of the at-fault accidents that occurred during the experience period involving each individual driver while operating a private passenger automobile, motorcycle or recreational vehicle.
2. Accidents caused by the driver swerving to avoid an object and colliding with another object are considered at-fault.
3. Accidents noted on the MVR or application will be assumed to be at-fault unless proof (police report, letter from prior carrier or proof of payment by other company) is received to verify insured was not at-fault.

Number of Major Violations

1. The Number of Major Violations considers those that occurred during the experience period involving each individual driver while operating a private passenger automobile, motorcycle or recreational vehicle. Please refer to the table below for major violation classifications.

Number of Minor Violations

1. The Number of Minor Violations considers those that occurred during the experience period involving each individual driver while operating a private passenger automobile, motorcycle or recreational vehicle. Please refer to the table below for minor violation classifications.
2. No more than 18 minor violations will be permitted.

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Major Violations

- Leaving accident scene before police arrive
- Leaving accident scene before police arrive-fatal accident
- Leaving accident scene before police arrive-personal injury
- Leaving accident scene before police arrive-property damage accident
- Driving while license revoked
- Vehicular manslaughter
- Hit and run-failure to stop and render aid after accident-fatal accident
- Driving while licensed suspended
- Fleeing or evading police or roadblock-failing or refusing to stop a vehicle on a signal of a peace officer, attempting to elude or fleeing a peace officer, evade a police officer
- Driving while license cancelled
- Hit and run-failure to stop and render aid after accident
- Hit and run-failure to stop and render aid after accident-personal injury accident
- Violation resulting in fatal accident
- Driving under the influence of alcohol with BAC at or over .08
- Driving under the influence of alcohol with BAC at or over .10
- Driving under the influence of alcohol with BAC at or over (detailed field required)
- Driving under the influence of alcohol
- Driving under the influence of drugs
- Administrative per se for .10 BAC
- Driving under the influence of alcohol and drugs
- Driving under the influence of alcohol or drugs
- Administrative per se for BAC at or over .08
- Negligent driving/imprudent or full attention
- Duty to stop upon damaging unattended vehicle or property -
- Leaving accident scene before police arrive - property damage accident
- Hit and run-failure to stop and render aid after accident-property damage accident
- Driving while ability impaired
- Reckless driving
- Speed contest (racing) on road open to traffic

Minor Violations

- Driver violation of ignition interlock or immobilization devices
- Violate limited license conditions
- Operating at erratic or suddenly changing speeds
- Improper classification or endorsement on driver license (includes dl, and instruction permit) - 1st offense
- Aggressive driving
- Possession of open alcohol container while operating a motor vehicle
- Operating without equipment as required by law
- Failure to use equipment as required
- Underage convicted of drinking and driving at .02 or higher bac
- Vehicles in unsafe condition or lacking certain equipment prohibited on highway
- Speeding 1 to 10 miles over the posted speed limit
- Improper lane or location-road shoulder, ditch or sidewalk
- Following emergency vehicle unlawfully/following within 500 feet of a fire truck
- FTY ROW to funeral procession, procession or parade
- Failure to use or improper signal/failure to sound horn when required
- Giving wrong signal
- Following fire equipment unlawfully
- Improper starting
- Improper backing
- Improper lane or location-limited access highway
- Improper lane or location-driving over fire hose

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- Improper operation of or riding on a motorcycle-failure to keep one hand on motorcycle handle bars
- Motorcycle safety equipment not used properly as required/failure to wear protective headgear, glasses or have windshield (motorcycle, etc.)
- Improper lane or location-in occupied lane
- Prima facie speed violation or driving too fast for conditions
- Speeding over the regulated or posted speed limit -speed limit and actual speed detail required
- Speed less than minimum-impede or block traffic-too slow, move to right
- Improper lane or location-slower vehicle lane
- Failure to use headlight dimmer as required
- Unsafe operation/failure to use headlights
- Failure to use lights as required
- Speeding
- Speeding 21-30 MPH over the posted speed limit
- Failure to obey stop sign
- Making improper or prohibited u turn/u-turn on a curve or hill
- Making improper right turn
- Making improper left turn
- Speeding 31 to 40 MPH over the posted speed limit
- Failure to obey barrier/disregard road block sign or control
- Coasting (operating with gears disengaged)/coasting prohibited
- Failure to obey safety zone
- Failure to obey stop sign
- Passing in violation of posted sign or pavement marking
- Inattentive driving/driving without due care/failure to decrease speed
- FTY ROW to cyclist or exercise due care to avoid a collision with a person riding a bicycle
- Failure to obey sign or traffic control device
- Following too closely
- Passing with insufficient distance or visibility
- Passing where prohibited
- Passing on wrong side
- FTY ROW at unsigned intersection
- FTY ROW at yield sign
- FTY ROW at stop sign
- Failure to yield right of way
- FTY ROW to emergency vehicle (i.e. ambulance, fire equipment, police, etc)
- FTY ROW when turning
- FTY ROW to pedestrian or exercise due care to avoid a collision with a pedestrian (includes handicapped or blind)
- Passing school bus displaying warning not to pass
- Speeding 21 to 30 MPH over the posted speed limit
- Improper turn
- Improper or erratic (unsafe) lane changes
- Driving wrong way on one way street or road
- Driving wrong way at rotary intersection
- Improper lane or location-traveling in turn (or center) lane
- Driving on wrong side
- Driving on wrong side of divided highway/gore
- Failure to keep in proper lane/failure to keep to the right on a mountain highway
- Failure to obey police or peace officer
- Failure to obey flagger
- Failure to obey school crossing guard
- Failure to obey traffic sign/disregard traffic control device/ failure to stop in bedience of the direction of a traffic control device - control signal of a school crossing guard
- Failure to obey traffic signal or light
- FTY ROW at traffic signal

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- For all drivers in a ncmv, failure to obey railroad-highway grade crossing restrictions
- Failure to obey warning light or flashers
- Failure to obey yield sign
- Failure to obey lane markings or signal
- Second offense of using a wireless hand held communication device/cellular telephone
- Speeding 31 to 40 at least 41 MPH or more over the posted speed limit
- Drink alcohol while operating a vehicle
- Speeding at least 41 MPH or more over the posted speed limit
- Careless driving

Accidents

- At-Fault Accidents involving Bodily Injury or Property Damage totaling greater than \$500

ACCIDENTS CONSIDERED NOT-AT-FAULT (Not Chargeable):

Accidents occurring under the following circumstances are not counted:

1. The vehicle involved in the accident was legally parked at the time of the accident. If the parked vehicle rolls from the parked position then any such accident is charged to the person who parked the auto.
2. The vehicle involved in the accident was struck in the rear by another vehicle and the applicant was not convicted of a moving traffic violation in connection with this accident.
3. The auto operated by the applicant or any resident operator is struck by a "hit-and-run" vehicle, and the applicant reported the accident to the police within 24 hours of discovering the accident.
4. The applicant was not convicted of a moving traffic violation in connection with the accident, and the operator of the other vehicle was convicted of a moving traffic violation.
5. Accidents involving Physical Damage limited to and caused by flying gravel, missiles, falling objects or by contact with animals or fowl.
6. The applicant is not at fault as evidenced by a written statement from the insured establishing facts demonstrating lack of fault which are not rebutted by information in the insured's file from which the insurer in good faith determines that the insured was substantially at fault.
7. The applicant, owner or resident operator of the insured's automobile involved in the accident is:
 - Determined to be 50% or less negligent; or
 - Has been reimbursed for equal to or greater than 50% of their damage or loss by, or on behalf of, another person responsible for the accident; or
 - Has a judgment against such other person.

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CANCELLATIONS, REINSTATEMENTS, BALANCES & CHANGES

FLAT CANCELLATIONS

Flat cancellations are not permitted after policy inception with the exception of non-sufficient funds down payment checks. Policies with down payment checks returned for insufficient funds will be voided at inception and no coverage provided. This also applies to any Renewal down payment returned. This includes payments made by credit card that are not honored by the bank or financial institution.

TOTAL LOSS

In the event of a total loss, coverage will be canceled effective one day after the loss if proof of the total loss is submitted. If proof of total loss is not submitted, the policy will be canceled if requested by the named insured. The effective date of such cancellation will be the later of either the postmark or the request date.

CANCELLATIONS REQUESTED BY NAMED INSURED

Cancellations requested by the named insured, must be in writing and must include the insured's signature. If requested by the named insured the effective date of the cancellation will be the later of the day received by us or the insured's requested date. If a loss payee is listed on the policy, a 10-day notice of cancellation will be sent to the loss payee. The cancellation date will be effective at the end of the loss payee's notification period.

CALCULATION OF EARNED PREMIUM

Earned premium on canceled policies is calculated based on the reason for policy cancellation. The calculation methods are detailed below:

1. Insured's Request: pro-rata
2. Non-Payment of Premium: pro-rata
3. Company Cancel: pro-rata

REWRITE/REINSTATEMENT OF CANCELLED POLICIES

1. Policies with any lapse in coverage require a rewrite application and down payment. The rewrite application is available on the Internet under "forms" and must be mailed or faxed to the company.
2. When an installment check is not honored by the bank for any reason and there is a pending cancellation notice that has been issued, the policy will cancel based on the cancellation effective date of the original cancel notice.

MID-TERM REINSTATEMENT OF CANCELLED POLICIES

Under certain circumstances, we allow reinstatement of eligible Personal Auto policies after mid-policy period cancellation due to nonpayment of premium. To be eligible for reinstatement, the policy must be within 10 days of the cancellation date and meet a number of additional criteria.



will indicate when a policy may be eligible for reinstatement, and direct you on how to proceed.

CHECKS NOT HONORED BY THE BANK

New Business/Renewals:

Policies with down payments not honored by the bank or financial institution will be voided at inception and no coverage provided. This also applies to any Renewal down payment returned. A \$20.00 NSF fee will be charged.

In-Force Business:

Payments returned to the company unpaid by the bank or financial institution will be charged a \$20.00 NSF fee. To keep coverage in-force, replacement of the dishonored payment including any NSF Fee, by certified funds (i.e., money order, cashier check) must be received prior to the cancellation date specified on the notice. If payment is not timely and the policy cancels, the insured must re-apply for a new policy.

EXCESS AND OUTSTANDING BALANCES

Company reserves the right to waive excess or outstanding balances of \$5.00 or less, except that the actual return premium shall be allowed at the insured's request.

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CHANGES AND ENDORSEMENTS

1. Endorsement requests will be effective as requested provided received date is within three (3) business days. Transactions received after three (3) business days from the requested effective date will be adjusted to 12:01 a.m. the date we receive it, unless prior underwriting approval was received.
2. Premium adjustments as a result of endorsement activity shall be calculated pro rata and will be billed and incorporated into future installments. If all payments have been received, premium adjustments will be billed or credited directly to the insured. MendotaMax will require a payment at the time of the endorsement for any additional premium due.
3. All premium adjustments reflect rates and rules in force at time of policy inception.
4. Premium adjustments are made as a result of changes in autos, drivers, and coverage. Adjustments are not made mid-term for attained driver age or the addition or aging of chargeable violations.
5. Reduction or rejection of Uninsured-Underinsured Motorists coverage requires the signature of the named insured(s) on a completed Coverage Selection Form titled "Notice to Insured-Rejection on Optional Coverage" Form. These changes will be effective no earlier than the date the request was received.
6. Rejection on Medical Payments coverage or election of higher Medical Payments limits requires the signature of the named insured(s) on a completed Coverage Selection Form titled "Notice to Insured-Rejection on Optional Coverage" Form. These changes will be effective no earlier than the date the request was received.

Changes to Bodily Injury coverage levels will also cause a corresponding change in Uninsured-Underinsured Motorist coverage level unless a new Uninsured-Underinsured Motorists Coverage Supplemental Application Form is received.

RENEWALS

Renewal Offers

The renewal payment must be received prior to the effective date of the renewal. If payment is not received by this date, the policy will expire and no further coverage will be afforded. A courtesy Expiration Notice will be mailed confirming that the policy has expired.

Renewal Reinstatements

If the renewal premium is received by the company within 30 days after the expiration date, the policy may be reinstated effective 12:01 a.m. the date payment is received, with a lapse in coverage. A policy that has been expired more than 30 days cannot be reinstated and must be treated as new business. A late fee will be charged on reinstated policies.

Renewal Rating

Policies will be re-rated in accordance with this manual at each renewal.

Rate Capping

Changes in our rating plan can cause increases in premium at renewal. Because of this, we will cap renewal premium increases at 100%, prior to the application of additional points. This process will take place at every renewal.

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SUSPENSION OF COVERAGE

Suspension of coverage is not available.

NAMED DRIVER EXCLUSION / LIST ONLY OPERATORS

A specific named driver exclusion is not available.

In specific circumstances we will allow household members to be "list only" on the policy. Proof must be maintained in file for audit purposes. These situations would be:

- Out of Country.
- Disabled and does not drive.
- Never been licensed/surrendered license.
- License permanently revoked or suspended (only if an SR22 is required otherwise this is ineligible).
- Age 55 or over, unlicensed and does not drive.
- Incarcerated.
- Has other insurance.

FINANCIAL RESPONSIBILITY FILINGS

SR-22 Filings may be made for any named insured or resident relative listed on the policy if required. Any policy with a SR-22 must offer liability limits, which satisfy minimum financial responsibility requirements for the state requesting the filing. Financial Responsibility Filings will only be provided for this state. Any operator requesting a filing must have a verifiable driving record.

The Company will issue a SR-26 cancellation upon lapse or expiration of the policy.

The fee for each filing is \$10.00 which is fully earned and non-refundable in the event of policy cancellation.