



HALLMARK

SPECIALTY PERSONAL LINES

Tennessee

- | New Business: 5/11/15
- | Renewals: 7/10/15

Personal Auto Program

- | Formerly State Auto National
- | 6 & 12 Month Terms



UNACCEPTABLE RISKS:

DRIVERS

1. Anyone without a permanent residence address in the state in which the policy is issued.
2. Anyone who resides in the state in which the policy is issued less than 9 months a year, including migrant or transient workers.
3. Anyone, licensed or unlicensed, under the minimum required age for licensing.
Note: Household members age 14 and older must be declared on the application.
4. Any driver with more than 30 Hallmark National surcharge points.
5. Physically or mentally impaired persons if the impairment affects their driving ability.

COVERAGES

1. Collision without Other than Collision Coverage.
2. Other Than Collision and Collision on a stated value or stated amount basis.
3. Other Than Collision and/or Collision only on a single car policy.
4. Custom equipment coverage over \$12,000.
5. Medical payments, UMBI or UMPD without Bodily Injury and Property Damage.
6. Named non-owner policy with business use.

VEHICLES

1. Any vehicle not principally garaged in the state in which the policy is issued.
2. Gray market vehicles of any make or model.
3. Customized, one of a kind, altered or modified vehicles of any make or model including kit cars.
4. Antique, classic, custom built, limited edition, restored or highly customized vehicles.
5. Emergency use vehicles.
6. Vehicles used for public or livery conveyance, including vehicles to transport church members, daycare/nursery school children, migrant workers or hotel guests even on an occasional basis with or without compensation.
7. Any vehicle with less than 4 wheels, motorcycles, snowmobiles, dune buggies, motor homes, buses, mini-buses, camper vans or golf carts.
8. Vehicles with more than 4 wheels with the exception of "dually" pickup trucks.
9. Any vehicle designed, equipped, prepared or used in any form of racing or show.
10. Any vehicle used for retail, wholesale or courtesy delivery including pizza, magazine, newspaper, mail delivery or escort service, even on an occasional basis with or without compensation.
11. Any vehicle used to pick up, haul or deliver property, supplies or material.
12. Any commercial vehicle, flatbed trucks, dump trucks or wreckers.
13. Vehicles equipped with permanently installed mobile equipment.
14. Any vehicle rented to others.
15. Vehicles carrying explosives or flammable substances, even on an occasional basis.
16. Vans, pickups, utility vehicles and panel trucks with a GVW over 10,000 lbs.
17. Any vehicle titled in the name of a business, organization or corporation, public or private.
18. Any vehicle equipped for snow plowing.

PRIOR APPROVAL RISKS:

We would appreciate an opportunity to discuss any personal auto risk with you. Your Hallmark National rating software will allow you to estimate a rate for virtually any risk. However, prior approval is required before binding coverage on any of the following risks:

DRIVERS

1. Any driver with a suspended, canceled or revoked license unless a valid driver's license is obtained within 30 days after the effective date.
2. Any driver under the age of 21:
 - a) With an alcohol or drug-related violation or other major violation.
 - b) Who has been involved in two (2) or more at-fault accidents.
 - c) With more than seven (7) points.
3. Any driver age 21 or over:
 - a) With a total of two (2) or more major and/or alcohol or drug-related violations (i.e. one DWI and one reckless driving).
 - b) Who has been involved in three (3) or more at-fault accidents.
 - c) With more than ten (10) surcharge points.
4. Any driver age 75 or older without a completed ACORD Medical Statement prior to binding.
5. Any policy with more than 13 points for all drivers combined, regardless if the points will be rated.

COVERAGES

1. Other Than Collision or Collision on any vehicle more than 15 years old.
2. For model year 2010 and prior, Other Than Collision and Collision coverage on any vehicle ISO symbol 22 or higher. For model year 2011 and subsequent, Other Than Collision and Collision coverage on any vehicle with at least one ISO symbol 46 or higher.
3. Any policy requesting Family Account Coverage Extension.

VEHICLES

1. Any vehicle not titled or leased to the named insured.
2. Any vehicle with business or artisan use. Only one vehicle of this type may be insured on the policy. See Business or Artisan Use section.
3. Any vehicle with existing damage, regardless of amount. If written, photos and estimate may be required.
4. Any vehicle regularly used outside the state in which the policy is issued.

Note: Quotes are not firm as all required underwriting information may not be immediately available. All quotes should be viewed as premium estimates pending the completion of our underwriting review.

BINDING AUTHORITY:

AGENT'S OBLIGATION

It is the agent's obligation to field underwrite every risk submitted to the Company. All questions on the application must be explained and the consequences of missing or incorrect information outlined in detail.

Note: We obtain underwriting reports that include credit history information, on every risk. If any undisclosed violations, accidents or drivers in the household are discovered, all applicable surcharges will be applied or discounts eliminated and the policy will be amended. A cancellation notice may be generated at the same time at our discretion.

No Coverages Can Be Bound Prior To The Date & Time:

- The application is fully and accurately completed
- The application is signed by a named insured and the agent
- The required premium payment is received by the agent

Note: Coverage may not be bound over the phone or by any other form of binder!

1. Unless accepted elsewhere in this Underwriting Guide, all coverages will be bound as of the date and time on the original application or change request provided the application or change request is forwarded to the Company no later than the fourth (4th) business day following the effective date.
2. Only agents licensed with Hallmark National Insurance Company have the authority outlined herein.
3. Every driver, vehicle, vehicle use and coverage selection on any risk submitted must meet the eligibility rules outlined in this manual before any coverage can be bound.
4. Binding authority for physical damage coverage is suspended while a flood, tornado, hurricane, or tropical storm watch or warning (issued by the National Weather Service) is in effect within 100 miles of the location of the proposed risk.

NO AGENT MAY BACK DATE AN APPLICATION, CANCELLATION OR CHANGE REQUEST FOR ANY REASON.

Back dating is defined as using any date other than the current date and time, or the date and time all binding requirements have been completed, whichever is later. No agent is authorized to issue verbal or written coverage binders!

Note: Vehicles with Other Than Collision and Collision Coverage **SHOULD BE INSPECTED BY THE AGENT** prior to binding those coverages. Any damage must be noted on the application.

OUTSIDE PREMIUM FINANCE

Outside premium financed policies are welcome! Any application submitted with outside premium financing must be accompanied by a clear copy of the financing agreement and Power of Attorney.

Note: Premium financed policies are not eligible for the Paid in Full Discount.

COMMISSION

Commission is paid monthly on all written premium credited to the agent's account as follows:

- All six-month and annual policies will pay 15% commission on new business and renewals

POLICY TERMS

Six-month and Annual policies are available.

NAMED INSURED

1. The Named Insured cannot be a business, organization, corporation, etc.
2. The Named Insured cannot be excluded or deleted.

Note: The signature of a Named Insured is required on any change request to reduce or delete coverage. The agency must retain this signature if the request is transmitted via upload, E-Mail or phone. Any change request to reduce or delete coverage submitted to the Company without the required signature will be processed with the understanding and presumption the agency has obtained the required signature and will retain the required signature in the agency file.

CHANGE REQUESTS

1. All change requests may be submitted via upload, FAX or E-Mail.

POLICYHOLDER SERVICES
PROCESSING FAX
1-800-876-6960

Email: endorsements@hallmarkinsco.com

2. A Named Insured signature is REQUIRED to:
 - Delete or reduce coverage
 - Increase deductibles
 - Delete vehicle without replacement
3. Named Insured's signature is NOT REQUIRED to:
 - Add or increase coverage
 - Lower deductibles
 - Change address
 - Add vehicles or drivers
 - Replace a vehicle
 - Correct any policy information
4. Additional premium endorsement balances will be spread over the remaining unbilled installments. If there are no remaining installments, the insured will be billed immediately for the full amount of any balance due.
5. Change requests received less than 30 days prior to renewal will generate an additional billing. The billing for the changes will not include the amount due on the renewal bill. Both bills must be paid to retain coverage.

Note: Any change request to reduce or delete coverage submitted to the Company without the required signature will be processed with the understanding and presumption the agency has obtained the required signature and will retain the required signature in the agency file.

EXCLUSIONS

1. All household members who have reached the minimum age of licensing, whether licensed or not, must be either excluded or rated. This includes anyone who reaches this age during the policy term.
2. The Named Insured may not be excluded or deleted.
3. A non-driving spouse must be excluded from coverage.
4. All exclusion forms must be signed by the Named Insured(s) before they are effective.

CANCELLATIONS

1. Cancellations at the insured's request must be documented in writing. The request to cancel must specify the policy number, or include the original Declarations page and policy, the effective date of cancellation and be signed by the Named Insured(s).
2. Lienholder copies are not generated until the policy actually cancels. If payment is received in the Company office prior to the cancel date, the policy will be automatically reinstated.
3. All cancellations will be processed on a pro-rata basis.
4. All refunds are issued payable to the Named Insured and mailed to the Named Insured. Refunds for policies with Premium Financing will be issued payable to the Premium Finance Company and mailed to the Premium Finance Company.

Note: NO FLAT CANCELLATIONS WILL BE ALLOWED!

REINSTATEMENTS

There is no grace period for accepting payments after the effective date of cancellation. However, reinstatements (no lapse in coverage) will be considered on a prior approval basis. A Statement of No Loss (ACORD 37) form must be completed and received by the Company prior to any reinstatement. A reinstatement fee will apply.

SERVICE FEES

1. An \$8 service premium surcharge is added for each installment.
2. A \$25 service fee will be charged on checks returned as NSF.
3. A nonrefundable \$20 filing premium surcharge will be assessed for every SR-22 filing we make for an insured.
4. A nonrefundable \$15 reinstatement service premium surcharge will be charged each time a policy is reinstated.
5. A nonrefundable \$15 six-month or annual policy fee will be charged to issue a new, renewal or rewritten policy.
6. A nonrefundable \$5 late payment fee will be charged for any payment received 1 day past the due date on the notice of payment due invoice.

BILLING OPTIONS:

1. The Nonstandard Auto program is eligible for Direct Bill and Electronic Funds Transfer Billing per the table below:

6 MONTH POLICY TERM

Pay Plan Option	E-Pay Available	Service Charge	Billing Due Dates	
			New Business	Renewal
Full Pay*	No	N/A	Full payment due at inception of policy term	Full payment due at inception of policy term
Quarterly (2 Pay)	No	\$8	60% due at inception with remaining due in 3 months	50% due at inception with remaining due in 3 months
Monthly (6 Pay)	No	\$8	24% due at inception with remaining billed in installments every 30 days.	1/6th due at inception with remaining billed in installments every 30 days.
Monthly (6 Pay)	No	\$8	20% due at inception with remaining billed in installments every 30 days.	1/6th due at inception with remaining billed in installments every 30 days.
Monthly (6 Pay) EFT Only	No	\$8	16.67% due at inception with remaining billed in installments every 30 days.	1/6th due at inception with remaining billed in installments every 30 days.

12 MONTH POLICY TERM

Pay Plan Option	E-Pay Available	Service Charge	Billing Due Dates	
			New Business	Renewal
Two Pay	No	\$8	55% due at inception with remaining due in 6 months	50% due at inception with remaining due in 6 months
Quarterly (4 Pay)	No	\$8	30% due at inception with remaining billed in installments every 90 days	25% due at inception with remaining billed in 25% installments each 90 days.
Monthly (12 Pay)	Yes	\$8	12% due at inception with remaining billed in installments every 30 days	1/12th due at inception with remaining billed in installments every 30 days

Monthly (12 Pay)	Yes	\$8	10% due at inception with remaining billed in installments every 30 days	1/12th due at inception with remaining billed in installments every 30 days
Monthly (12 Pay)	Yes	\$8	8.33% due at inception with remaining billed in installments every 30 days	1/12th due at inception with remaining billed in installments every 30 days

**Paid in Full – 100% of the term premium submitted with the application will earn a 5% discount.*

2. Timing Considerations - The number of installments will be determined by the number of months remaining in the policy term at the time the policy is set up. At renewal, the payment cycle will convert to the valid pay plan that was selected.

METHODS OF PAYMENT

1. A personal check or agency check may be mailed to the Company for any down payment or installment billing.
2. Customer Payment Options:
 - a) Down Payments - Customers can use their credit card to make a down payment when taking out a new policy with Hallmark.
 - b) By Check - Customers can mail in a check with the invoice billing stub.
 - c) EFT - Customers can have an automatic deduction taken from their bank account. Refer to item 3 under the Billing Options rule.
 - d) Payments can be made any time of the day or night, seven days a week, by credit or debit card (Visa or Master Card), or automated check (ACH payment), using either of these options:
 - i) Pay on the Web at www.hallmarkpayments.com
 - ii) Pay By Phone using our automated service - 1-800-486-5616.
3. Agent "Sweep" / Upload Payments - Agents can collect insured payments in their office, deposit in their bank account, and Hallmark National "sweeps" the money out via electronic transaction.
 - a) New Business - Agencies may upload insured's new business and down payments through Hallmark National's website.
 - b) Installment Payments - Agents can "Sweep" insureds installment payments received in their office via Hallmark National's AgentSite.

The required down payment premium must accompany the new business application for coverage to be bound.

- Policies issued via upload, the down payment amount should also be uploaded using AgentSite.
- For paper applications submitted to the Company to issue, staple the down payment check or money order to the application.

DRIVER - VEHICLE ASSIGNMENT

1. The highest rated driver will be assigned to the highest rated vehicle, the second highest rated driver to the second highest rated vehicle, and so on. "Highest rated driver" is defined as the driver with the highest cumulative driver class point relativity. "Highest rated vehicle" is defined as the vehicle with the highest total premium after rating each vehicle with its respective coverages using the driver class relativities of the "highest rated driver".
Exception: Trailers (recreational and utility) and camper bodies are not included in this assignment procedure.
2. When there are more vehicles than drivers, all additional vehicle(s) will be rated with the driver class of the lowest rated driver on the policy at 0 points.

SURCHARGES:

BUSINESS OR ARTISAN USE

Business use is unacceptable on any vehicle with a GVW in excess of 10,000 lbs.

Acceptable business use risks include:

- Real estate and insurance agents, clergy, charitable volunteer activities, doctors or layers regularly visiting multiple locations on a daily basis.
- Regular trips to the bank, post office, etc. by the insured in the insured's car which are part of the insured's job and performed during normal business hours.
- Regular attendance at seminars, as a participant or attendee, held at various locations during normal business hours.
- Sales, service or repair representatives who use their own personal auto at work, provided they do not carry any explosives, flammable or otherwise hazardous material or any equipment weighing more than 500 pounds.
- Delivery to end consumer limited to personal use and household consumer (i.e. direct home-sales products such as Avon, Mary Kay, Amway, Tupperware, Longaberger, etc.). Delivery of these or similar products by a distributor to retail salespeople is not acceptable.

All pickups, vans and utility vehicles used in business are unacceptable unless they meet Our artisan risk guidelines or the usage does not require that style of vehicle.

Examples of acceptable uses are:

- A self-employed retail salesperson using a utility vehicle they own to make deliveries of personal use and household consumer, direct home-sales products.
- A real estate or insurance agent using a pickup or utility vehicle in the course of business.
- An attorney or doctor using a van to regularly travel to various locations for business.

An artisan use vehicle is one used to carry tools or supplies between the insured's home and job sites. Many artisan risks are acceptable if such use is indicated on the application and the business use surcharge is applied.

For an artisan risk to qualify, it must meet the following guidelines:

- No more than an average of 3 job sites may be visited on a daily basis.
- Insured vehicles must be individually owned or leased. Vehicles owned by corporations are not acceptable. A company, corporation or other business entity may not be listed as an additional interest or additional insured.
- Insured vehicles must be no greater than 10,000 lbs. GVW.
- All insured vehicles may be operated only by the named insured, spouse or other resident family member.
- The insured may have only one artisan use vehicle in the household. Those risks with two or more, whether both are insured on our policy or not, are unacceptable.
- There is no pick-up or delivery of any goods or property whether or not such pick-up or delivery is on an incidental or occasional basis.
- Insured vehicles never carry any explosives, flammable or otherwise hazardous material or any equipment weighing more than 500 pounds.

Note: Business/Artisan use is a prior approval risk and subject to a 20% surcharge.

STUDENTS AWAY AT SCHOOL WITH VEHICLE

Students away at school in a state other than Tennessee with a covered vehicle will be subject to a surcharge.

If the student attends school in a state that Hallmark Personal

Lines do not write in, or the states of Florida, Michigan, New York, New Jersey, California, and Washington the risk is unacceptable. Please call your Sales and Underwriting Representative for confirmation of acceptable risks.

Students away at school in Tennessee with a covered vehicle are not subject to this surcharge. However, both the permanent residence address and the school address must be provided. Each vehicle will be rated in the territory where it is garaged.

FOREIGN DRIVER LICENSE

Hallmark welcomes drivers licensed outside the U.S. Acceptable proofs are international or foreign driver's license, passport, Mexican Voter ID Card, and Matricula or other consular ID. Acceptable proof must be maintained in the insured's file.

MULTIPLE ACCIDENT / MAJOR / ALCOHOL SURCHARGE

Any driver with three or more accidents, major violations or alcohol violations, in any combination, will be subject to a surcharge.

VEHICLE PROFILE

A surcharge will be added for any vehicle with other than collision coverage.

POINT DEVELOPMENT

1. When multiple charges result from a single occurrence, apply only the highest point violation.
2. Out-of-state accidents and violations are chargeable.
3. Violations incurred while operating a commercial vehicle are chargeable.
4. Motorcycle accidents and violations are chargeable.
5. New Business - Accidents/violations that are 35 months or older at inception date will not be charged to the policy.
6. Renewals - Accidents/violations will be charged to the policy for occurrences within the last 36 months.
7. The surcharge varies depending on the count and the age of the violation(s) or accident(s). The older the occurrence, the less negative effect it will have on the policy premium.

AT-FAULT ACCIDENTS

At-fault accident means the driver of the automobile was:

- a) Entirely or partially at-fault
- b) Comparatively negligent
- c) Has been convicted of any offense that occurred at the time of the accident.

No points will be assigned for an accident if the insured demonstrates that the accident occurred under any of the following circumstances:

1. The insured's auto was lawfully parked.
2. The insured was fully reimbursed by, or on behalf of, a person responsible for the accident or has a judgment against such person.
3. The insured's auto was struck in the rear by another vehicle, and our insured driver was not convicted of a moving traffic violation in connection with the accident.
4. Our insured auto was damaged by result of contact with a "hit and run" driver, as long as the incident was reported to the proper authorities within 24 hours after the damage becomes known.
5. Accidents involving physical damage to an auto caused by flying gravel, objects, missiles or collision with animals or fowl.
6. The operator at the time of the accident was on duty as a paid or volunteer member of any law enforcement, fire or first-aid squad.

Proof of not-at-fault accidents must be in the form of a police report which demonstrates the insured to be free of negligence. Hallmark National's interpretation of negligence in any such instance will be final.

ALCOHOL OR DRUG VIOLATIONS

Driving under the influence of alcohol, drugs or narcotics includes any form of traffic intoxication, refusal to take tests under any implied consent law and any "open bottle" violation. Involvement shall be classified as a conviction.

POINT ASSIGNMENT TABLE

Occurrences within the last 35 months (New Business) and 36 months (Renewals)

Violation	1st Occurrence	Each Additional
At-Fault-Accident	3	3
Major Violation: <ul style="list-style-type: none"> Driving with revoked or suspended license Felony involving a motor vehicle Fleeing or attempting to elude a police officer Leaving the scene of an accident (Hit-and-run) Operating vehicle without owner's consent Racing or drag racing Reckless, negligent or careless driving Vehicular homicide or assault with a motor vehicle 	4	4
Alcohol / Drugs / Narcotics: <ul style="list-style-type: none"> Allowing an intoxicated person to drive vehicle Driving under the influence of alcohol, drugs or narcotics Driving under the influence of drugs/opiates Driving with open alcohol container Illegal possession of alcohol, drugs or narcotics Refusal to take test under any implied consent law 	1	6
<ul style="list-style-type: none"> Driving under the influence of alcohol, drugs or narcotics and under the age of 21 	6	6
<ul style="list-style-type: none"> Driving under the influence of alcohol, drugs or narcotics in conjunction with an accident or major violation 	3	6
Minor Violations: <ul style="list-style-type: none"> Failure to yield Failure to control Passing a stopped school bus All other traffic violations (excluding parking tickets) 	2	2
Speeding	2	1
Unverifiable MVR	4	N/A

DISCOUNTS:

All discounts may be applicable. If a policy is no longer eligible for a discount due to a mid-term vehicle deletion or policy cancellation, the discount will be removed on a pro-rata basis.

HOMEOWNERS

The policy is eligible for the Homeowners Discount if:

1. The named insured has a homeowners or condo policy. Renter's and mobile home policies are ineligible.
2. A copy of the homeowner declarations page must accompany the Hallmark National application. If it is a Hallmark National policy, only the policy number is required.

Applies to BI, PD, Other Than Collision and Collision coverages.

Note: If the Declarations page is not received with the application, the discount will not be applied. The discount will be applied when the Declarations page is received by the Company.

MOBILE HOMES

The policy is eligible for the Mobile Home Discount if:

1. The named insured or spouse owns a mobile home and they do not qualify for the Auto Home Discount.
2. Acceptable proof will be a copy of the declarations page of insurance policy, mortgage payment coupon, copy of the deed or copy of recent property tax bill.
3. The mobile home must be 15 years or newer.

Applies to BI, PD, Other Than Collision and Collision coverages.

MULTI-CAR

The Multi-Car Discount applies when two (2) or more cars are rated on the same Hallmark National policy. A vehicle insured by any other Hallmark National Company will not qualify a vehicle on a Hallmark National policy for this discount.

Applies to BI, PD, Other Than Collision and Collision coverages.

PAID IN FULL

The policy will receive a Paid In Full Discount if the policy is correctly rated on the application and 100% of the term premium is received with the application.

Applies to BI, PD, Other Than Collision and Collision coverages.

BLUE CHIP RATING

The policy will receive a premium discount based on the applicants credit score. Enter the applicable credit level into PTS, or your comparative rating product.

Applies to BI, PD, Other Than Collision and Collision coverages.

EFT DISCOUNT (Available with 6 and 12 month terms)

A discount is applied when the insured elects recurring electronic payments via checking account or credit/debit card. The discount will be removed if electronic payments are discontinued mid-term. Upon a second NSF or rejected electronic payment, the discount will be removed and future installments will be direct billed. The customer will have to reapply for electronic payments.

SENIOR DRIVER

A credit will be applied to the premium for Bodily Injury, Property Damage, and Collision coverages when all of the following conditions are met:

- The driver is age 55 or over and is rated on a listed vehicle.
- The driver has successfully completed a motor vehicle accident course within the last 36 months.
- The course was approved by the Tennessee Commissioner of Safety.
- The course instructor was approved by the Tennessee Commissioner of Safety.
- The driver was not required to take the course by court order.
- The certificate must accompany the application for the discount to be applied.

This discount will apply only to the vehicle rated with the driver who holds the course completion certificate. The discount will not be applied more than once to the same auto regardless of the number of course completers within the same household. The discount will apply for a period of three years from the date the course was completed. The driver must complete another approved course to remain eligible for an additional three years.

PRIOR INSURANCE DISCOUNT

A. A new Hallmark National policy is eligible for a Prior Insurance discount if the named insured can show proof of prior private passenger auto liability insurance which covered the named insured or spouse for six (6) continuous months with no more than a thirty (30) day lapse. Proof of prior insurance is documentation that demonstrates the prior policy did not lapse for more than 30 days. However, if the insured can demonstrate they were not required by law to carry such policy they will also be eligible for the discount. Acceptable proof documentation includes:

- Policy declaration
- Renewal billing showing policy number and term
- Cancellation or non-renewal notice

A prior Hallmark National policy will not be considered acceptable proof of prior insurance for a new or rewritten Hallmark National policy except under the following circumstances:

- The named insured has moved from one state to another.
- A child purchasing his/her own policy coming from a parent's Hallmark National policy that was receiving the Prior Insurance discount.
- A parent purchasing his/her own policy coming from a child's Hallmark National policy that was receiving the Prior Insurance discount.
- A spouse recently separated or divorced from a Hallmark National named insured whose policy was receiving the Prior Insurance discount.
- The named insured policy was canceled or lapsed due to an overseas military deployment and the policy was receiving the Prior Insurance discount at the time of cancellation.

B. For new policies, the discount will be applied to eligible policies with the understanding and presumption the agency has obtained proof of prior insurance and will retain it in the agency file.

C. Policies that qualify for the Prior Insurance discount will retain the discount at subsequent renewals.

D. Renewal policies without the Prior Insurance discount will qualify for the discount if the following criteria are met: The Hallmark National policy remains in effect for 36 months, is accident and violation free as of the 36 month renewal date and the policy was not reinstated during the last policy period. If a policy does not qualify at the first renewal after the policy has been in effect for 36 months, the policy will be reviewed at each subsequent renewal to see if these requirements are met.

E. The policy discount applies to BI, PD, Other Than Collision and Collision coverage.

RENEWAL DISCOUNT

A Hallmark National policy may be eligible for our Renewal Discount. A discount will be applied after twelve (12) continuous months.

BI/PD LIMIT OPTIONS

\$25,000 / \$50,000 / \$15,000
\$25,000 / \$50,000 / \$25,000
\$50,000 / \$100,000 / \$25,000
\$50,000 / \$100,000 / \$50,000

Note: Liability limits must be the same on all cars of a multi-car policy.

UNINSURED MOTORISTS-BODILY INJURY*

\$25,000 / \$50,000
\$50,000 / \$100,000

1. UMBI limits may not exceed the Liability limits selected.
2. UMBI limits may not be less than the Liability limits selected unless lower UMBI limits are requested in writing. UMBI limits will be issued equal to the Liability limits if lower UMBI limits are not requested in writing.
3. UMBI limits must be the same on all cars of a multi-car risk.
4. UMBI Coverage is available only on policies with Liability Coverage.

**Uninsured Motorists coverage includes underinsured motorist coverage. Please refer to the endorsement for specific coverage definitions and limitations.*

UNINSURED MOTORISTS -PROPERTY DAMAGE

\$15,000
\$25,000
\$50,000

1. Uninsured Motorists Property Damage (UMPD) coverage is optional, but must be offered to the applicant.
2. UMPD coverage may not be purchased without UMBI coverage. The UMPD limit may not exceed the PD limit selected for the Liability limits.
3. UMPD limits must be the same on all cars of a multi-car risk.
4. UMPD coverage is limited to the actual cash value (ACV) of the vehicle or the purchased limit, whichever is less.
5. UMPD coverage is subject to a \$200 deductible. This deductible does not apply if:
 - a. We insure "your covered auto" for both collision and UMPD; and
 - b. The operator of the "uninsured motor vehicle" is positively identified and is solely at fault.

Note: If UMBI is rejected, UMPD must also be rejected.

MEDICAL PAYMENTS

\$500
\$1,000
\$2,000
\$5,000

1. Medical Payments Coverage is available only on policies with Liability Coverage.
2. Medical Payments limits must be the same on all cars of a multi-car policy.
3. Medical Payments limits are for each person injured in any one accident.

OTHER THAN COLLISION AND COLLISION DEDUCTIBLE

OPTIONS DEDUCTIBLES

Other Than Collision*	Collision
100	100
250	250
500	500
1,000	1,000

Note: Other Than Collision and Collision deductibles are available in any combination as long as Collision is equal to or greater than Other Than Collision.

* The Other Than Collision deductible will be reimbursed if a vehicle is stolen and subsequently recovered as the result of an activated electronic vehicle recovery system (i.e., OnStar, LoJack, etc.).

NAMED NON-OWNER

1. BI, PD Liability, UM/UIM BI and Medical Payments coverages are available for an insured for his/her personal operation of a non-owned auto.
2. Permissive use coverage is not included and coverage does not extend to the ownership, maintenance or use of any auto by any other individual or organization.
3. Vehicles can be added to a nonowner policy by completing the appropriate change request. The nonowner policy endorsement will then be deleted. There is a limited extension of coverage for newly acquired owned vehicles under the nonowner policy. Regular binding authority applies.

DIFFERENCE IN VALUE COVERAGE (AUTO LOAN/LEASED AUTO)

1. Coverage for the difference between the lease or loan pay-off of a covered auto and ACV will be available only at policy inception and at each subsequent renewal of the policy.
2. Difference in Value Coverage is only available on new vehicles with Liability, Other Than Collision and Collision coverages. A new auto as used in this rule is an auto that has not previously been titled and in which the lender, a financial institution or dealer, retains a valid security interest in the auto.
3. The premium for Difference in Value Coverage will be equal to 5% of the total of the Other Than Collision and Collision premiums.
4. Difference in Value Coverage is a vehicle endorsement and applies only when the vehicle for which this Coverage is indicated on the Declarations page is destroyed in a covered loss. Coverage does not apply to overdue payments or penalty charges assessed for excessive mileage or excessive wear and tear, carry-over loans, etc. Refer to coverage form for a complete listing of limitations.
5. The maximum we shall pay under this coverage is \$5,000.

(6 Month Premium = 5% of Other Than Collision and Collision Premiums)

TOWING AND LABOR COSTS

1. Towing and Labor Costs Coverage is only available on vehicles with Other Than Collision and Collision coverages.
2. Towing and Labor Costs is a vehicle endorsement and applies only when the vehicle for which this coverage is indicated on the Declarations is disabled.

\$50 per Disablement

6 Month Premium = \$10 per Car

OPTIONAL LIMIT TRANSPORTATION EXPENSES

1. Transportation Expenses limit of \$20 per day/\$600 maximum is automatically included when Other Than Collision coverage is afforded for "your covered auto".
2. Optional Limits Transportation Expenses Coverage must be written at policy inception. Coverage may be added at each subsequent renewal.
3. The \$20/\$600 limit for Transportation Expense Coverage may be increased to the following limit.

Optional Limit
\$25 per Day/\$750 Maximum

Semi-Annual Premium per Vehicle
\$8

TRAILERS - (RECREATIONAL & UTILITY) AND CAMPER BODIES

A. Liability

A personal auto policy affording liability coverage covers trailers designed for use with a private passenger auto, pickup or van and camper bodies designed for use with a pickup, without additional premium charge and without a specific description of the trailer or camper body.

Exceptions

Coverage is not provided for a trailer or camper body:

1. Used for business purposes with other than private passenger auto or owned pickup or van
2. When no auto is owned by the insured.

B. Medical Payments

A personal auto policy affording Medical Payments coverage provides coverage for trailers designed for use with a private passenger auto, pickup or van and camper bodies designed for use with a pickup, without additional premium charge and without a specific description of the trailer or camper body.

Exceptions

Coverage is not provided for a trailer or camper body:

1. Used for business purposes with other than private passenger auto or owned pickup or van
2. When no auto is owned by the insured
3. Located for use as a residence or premises.

C. Physical Damage

Trailers and camper bodies are to be insured as separate items with separate premiums shown for each unit. The deductible applies separately to each unit. Attach the Trailer/ Camper Bodies Coverage (Maximum Limit of Liability) Endorsement.

1. Recreational Trailers and Camper Bodies (Class Code 958200)
 - a. A recreational trailer is a non-self-propelled recreational unit, equipped as living quarters (including cooking, dining, sleeping, plumbing or refrigeration facilities).
 - b. A camper body is a non-self-propelled unit designed to be transported by a pickup, with or without cooking, dining, sleeping, plumbing or refrigeration facilities.

To be eligible for coverage, the insured must maintain a separate and permanent residence other than the recreational trailer or camper body.

Other Than Collision and Collision - Determine the stated amount value, including the value of any custom built additions. Assign a symbol based on the stated amount using the tables on pages "1" and "2" of the ISO Symbol and Identification Section corresponding to the model year of the trailer. Refer to Other Than Collision and Collision Deductible Options.

2. All Other Trailers (Class Code 941000)

Semi-Annual Rate per \$100		
Deductible	Other Than Collision	Collision
100	0.37	0.48
250	0.29	0.40
500	0.25	0.36
1,000	0.22	0.31

Note: No discounts apply to trailers (recreational and utility) or camper bodies.

FINANCIAL RESPONSIBILITY

1. Financial responsibility filings are only available for the state in which the policy is issued.
2. A nonrefundable \$15 filing fee will be charged for every SR-22 filing we make for an insured. This fee is in addition to the down payment due on the policy.

Note: SR-22 filings may be issued from your office. Contact your Hallmark National Sales and Underwriting Representative for details and a pre-assigned policy number.

CUSTOM EQUIPMENT

Vehicles with custom equipment exceeding \$12,000 are unacceptable.

For model year 2010 and prior, all custom pickup trucks, vans or conversion vans will be up rated five (5) symbols from the listed ISO/POLK symbol.

For model year 2011 and subsequent, all custom pickup trucks, vans or conversion vans will be up rated eleven (11) symbols from the listed ISO/POLK symbol.

CONTRACTS & ENDORSEMENTS

Form #	Description	Form #	Description
1A-Basic (01/07)	Additional Interest	PP0001B (01/07)	Your Personal Auto Policy Quick Reference
AU0334 (01/05)	Joint Ownership Coverage	PP0192 (01/09)	Amendment of Policy Provisions - Tennessee
AU101 (01/09)	Amendatory Endorsement Amendment of Part B - Medical Payments Coverage	PP0301 (08/86)	Federal Employees Using Autos in Government Business
AU303 (06/09)	Notice of Policies and Practices of the Disclosure of Nonpublic Personal Information	PP0302 (06/98)	Optional Limits Transportation Expenses Coverage
AU650 (06/92)	Communicable Disease Exclusion Endorsement	PP0303 (04/86)	Towing and Labor Costs Coverage
AU651 (06/92)	Policy Changes (Fraud Condition)	PP0307 (01/05)	Trailer/Camper Body Coverage (Maximum Limit of Liability)
AU706 (06/00)	Amendment to Supplementary Payments (Appeal Bonds)	PP0318 (01/05)	Customizing Equipment Coverage
AU1017 (10/06)	Recovered Vehicle Deductible Reimbursement Endorsement	PP0319 (08/86)	Additional Insured - Lessor
AU1539 (09/06)	Policyholder Notice - Ordering Credit Reports	PP0322 (06/98)	Named Non-Owner Coverage Endorsement
AU2073 (02/06)	Amendment of Cancellation Provision	PP0326 (06/94)	Liability Coverage Exclusion Endorsement
NA0001B (04/08)	The National Personal Auto Policy (Cover Page)	PP0335 (09/93)	Auto Loan/Lease Auto
AU122 TN (05/07)	Important Information for Policyholders - Supplement to Application - Tennessee	PP0367 (11/00)	Loss Payable Clause - Tennessee
NA202 (05/97)	Driver Exclusions	PP0452 (01/05)	Uninsured Motorists Coverage - Tennessee
NA209S (06/04)	Family Account Coverage Extension	PP1301 (12/99)	Coverage for Damage to Your Auto Exclusion Endorsement (Exclusion for Diminution of Value)