

HALLMARK

N A T I O N A L

Maryland

- | New Business: 11/17/2014
- | Renewals: 1/16/2015

Personal Auto Program

- | 6 & 12 Month Terms



Service is our Hallmark.



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 to the applicant.

Note: We obtain underwriting reports that include credit history 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.

ELIGIBLE VEHICLES

Private passenger automobiles including cars, vans, pickup trucks and utility vehicles (not exceeding 1 ton load capacity) are eligible for coverage. Vehicles must be owned or leased by an individual and may not be used for commercial purposes.

BINDING AND EFFECTIVE DATES

Producer must be properly appointed and issued a producer number prior to issuing any policies. Applications for coverage must be consistent with the written program guidelines and producer agreement. The down payment or full premium must accompany the application or endorsement. Applications and endorsements processed through the Point of Sale System (POS) will be bound effective the date and time assigned by the system.

Applications will not be accepted with a future effective date exceeding 60 days from the current date. Applications or endorsements may not be bound to cover a loss which occurred before the application is signed. 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.

TEMPORARY BINDING RESTRICTIONS

The company will not accept applications or endorsements during the specific events outlined below, which represent an elevated exposure level to the company. Agents are responsible for enforcing these temporary binding restrictions, whether the company issues a bulletin or the system is modified to prevent binding.

Event	Binding Restriction Impacts:	Binding Restriction in Effect Until:
Severe Weather Watch or Warning (Hurricane, tornado, Hail, named storm, or similar)	Counties (in their entirety) included within the watch or warning or within the imminent path of the storm	The watch or warning has been lifted, plus 24 hours (1 day)
Wildfire	Counties (in their entirety) within the active fire location.	The fire has been contained
Earthquake or Aftershock (minimum 5.0 magnitude on Richter scale)	Counties within 100 miles of the epicenter	The aftershocks have dissipated to below 5.0 magnitude, plus 72 hours (3 days).
State of Emergency or Declared Disaster Area	Counties included in the state of emergency or the declared disaster area	The state of emergency or declared disaster area has been lifted, plus 24 hours (1 day).

No applications or endorsements which increase the company's exposure may be bound during the following events:

- Applications with an effective date/postmark combination which violate the prohibitions listed above will be rejected and no coverage will have existed.
- Renewals of the company's expiring policies may be written in the normal manner providing there is no increase in exposure to the company.

CLAIMS

All claims should be reported directly to our claims service, by calling (800) 486-5616. Please have the insured report the claim. If the agent takes the claim and fails to fax or telephone the information within 24 hours, agent could be responsible for any fines imposed by the Maryland Department of Insurance.

DOCUMENT RETENTION

For all policies issued by the agent through the POS system, it is the agents' responsibility to secure the required documentation upon binding and retain this information in the insured's file for a period of seven (7) years after the last policy renewal expiration date. Any and all documentation must be made available upon company request.

AGENCY FUNDS

Agency payments (made through agency sweep or any other means) that are returned from the bank unpaid must be replaced immediately. Recurring instances of dishonored payments could result in immediate cancellation of the agency contract.

FINAL UNDERWRITING AUTHORITY

THIS MANUAL MAY NOT ADDRESS every aspect that might affect the acceptance or continuation of a particular vehicle or driver. For this reason, the company RESERVES THE RIGHT TO remain the final authority in the acceptance or continuation of any risk.

UNACCEPTABLE RISKS - NEW BUSINESS & RENEWAL BUSINESS:

DRIVERS

1. Anyone without a permanent residence address in the state in which the policy is issued. Drivers licensed in NY, NJ, PA DC and internationally licensed drivers must provide proof of residency in Maryland.
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. Any driver with a cancelled or revoked license, unless that driver is excluded from coverage.
4. Unlicensed drivers.
5. Anyone, licensed or unlicensed, under the minimum required age for licensing.
Note: Household members age 14 and older must be declared on the application.
6. Any driver with more than nine (9) Hallmark National surcharge points.
7. Physically or mentally impaired persons if the impairment affects their driving ability.
8. Anyone age 75 or older without a completed Medical Statement.
9. Any driver for whom we are unable to obtain a Motor Vehicle Report (i.e. Unverifiable MVR).
10. Any driver convicted of insurance fraud, vehicular homicide, vehicular manslaughter, assault with a motor vehicle or negligent vehicular homicide.
11. Named Insureds under the age of 18 unless parent's or guardian's signature accompanies the insured's signature on all areas of the application.
12. Named Insureds who refuse to disclose information requested on the application or who fail to respond to a request for information by Hallmark's staff may be considered an unacceptable risk.

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. Personal Injury Protection, UM/UIM BI 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. Grey market vehicles or vehicles not originally manufactured to meet U.S. standards.
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. Police, Security, Emergency or any other related Public Service-type vehicles, regardless of the use.
6. Vehicles used for public or livery conveyance, including vehicles to transport church members, daycare/nursery school children except vehicles used by registered family day care providers under Title 5, Subtitle 5, Part V of the Family Law Article, 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, flat or stake-bed trucks, panel vans, step vans, car carriers, 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.
19. Any vehicle with existing damage without photo and estimate regardless of amount.

POLICY TERMS

6 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.

ENDORSEMENTS

All endorsements that generate an additional premium must be paid pursuant to the calculation of premium due as generated by the POS system. (Examples may include but not limited to: adding a vehicle, coverage or driver, territory address change, driver class change, etc.) For date and time bound, please refer to the binding and effective dates section.

To process endorsement requests submitted through the mail, we require:

- Agent number and name of representative handling request for change
- Policy number, effective date and requested change with all required information
- Additional premium

Signed endorsement requests are required for the following:

- Addition or Deletion of UM coverage (signed selection/rejection required)
- Deletion or reduction of any coverage or vehicle
- Request to exclude a driver (signed driver exclusion required)
- Insured requested cancellations

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. A spouse may be excluded.
3. A non-driving or non-licensed spouse must be excluded from coverage.
4. The Named Insured may not be excluded or deleted.
5. All driver exclusion forms become effective no earlier than the date and time the exclusion form is signed by the Named Insured.
6. Drivers with their own vehicle or own insurance must be listed on the application as either active or excluded.
7. Registered owners must be listed on the policy. They may be excluded, if excluded they cannot be listed as Driver 1 (Named Insured).

Note: In lieu of cancellation, non-renewal, or premium increase due to the claim experience or driving record of one or more but fewer than all drivers in the household, the insurer must offer continuance with a driver exclusion.

CANCELLATIONS

NO FLAT CANCELLATIONS (EXCEPT INSURED'S FULL DOWN PAYMENT THAT IS RETURNED DUE TO INSUFFICIENT FUNDS TO THE COMPANY OR AGENT). To effect a cancellation, the Company must be relieved of the obligation to provide coverage to the Insured and Lienholder (if applicable).

Cancellations are effective no earlier than the date and time the cancellation request signed by the insured is received, unless acceptable proof of replacement coverage is provided.

REINSTATEMENTS

Reinstatements (no lapse in coverage) will be considered on a prior approval basis. A Hallmark National statement of no loss form must be completed and received by the Company prior to any reinstatement. A reinstatement fee will apply.

REWRITES

Policies cancelling for non-payment may be rewritten without a new application within 60 days of the date of cancellation.

If all of the policy characteristics remain the same compared to the cancelled policy, simply bring up the cancelled policy on our PTS software and click the Rewrite button. When rewriting a policy, please ensure all eligible coverages transfer to the new policy. All outstanding balances on cancelled policies must be paid before the insured is rewritten.

SERVICE FEES

1. An \$8 service fee is added for each installment
2. A \$20 service fee will be charged on checks returned as NSF
3. A late fee of \$10 will be assessed if a policy is reinstated after a cancellation caused by non-payment

RENEWAL RATE CAPPING

Policy level renewal premiums will be capped at no greater than a -6%/+6% rate increase due to a rate revision applying to the risk being renewed for the duration of the renewal term. However, if there is a change to the risk being rated, the rate capping is reset and the proper (uncapped) rate is applied as of the date of the endorsement.

BILLING OPTIONS:

The Non-Standard 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	Due at Inception of Policy Term	Due at Inception of Policy Term
Quarterly (2 Pay)	No	\$8	60% Due at Inception Remaining Due in 3 Months	50% Due at Inception Remaining Due in 3 Months
Monthly (6 Pay)	No	\$8	16.67% – EFT 20% - Direct Bill Due at Inception Remaining Billed in Installments Every 30 Days	1/6th Due at Inception 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
Full Pay*	No	N/A	Due at Inception of Policy Term	Due at Inception of Policy Term
Two Pay	No	\$8	55% Due at Inception Remaining Due in 6 Months	50% Due at Inception Remaining Due in 6 Months
Quarterly (4 Pay)	No	\$8	60% Due at Inception Remaining Due in 3 Months	50% Due at Inception Remaining Due in 3 Months
Monthly (12 Pay)	No	\$8	16.67% – EFT 20% - Direct Bill Due at Inception Remaining Billed in Installments Every 30 Days	1/6th Due at Inception Remaining Billed in Installments Every 30 Days

**Paid in Full – 100% of the term premium submitted with the application will earn a 10% discount.*

METHODS OF PAYMENT

1. Customer Payment Options:

- Credit Card - Customers can use their credit card to make a down payment when taking out a new policy with Hallmark National.
- By Check - Customers can mail in a check with the invoice billing stub.
- EFT - Customers can have an automatic deduction taken from their bank account.
- Payments can be made any time of the day or night, seven days a week, by credit or debit card (Visa or Master Card) using either of these options:
 - Pay on the web at www.hallmarkpayments.com.
 - Pay by phone using our automated service - just call (800) 486-5616.

2. Agent "Sweep"/ Upload Payments - Agents can collect insured payments in their office, deposit in their bank account, and Hallmark "sweeps" the money out via electronic transaction.

Note: All payments will be processed the day notice is received. Any down payment that results in an NSF (Non-Sufficient Funds) transaction will be rescinded and the policy voided.

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.

MARRIED VERSUS SINGLE CLASSIFICATION

Married drivers not living with their spouse must be rated as single unless career obligations or military service require them to live away from home for a period of time. Married means a driver living with their spouse or otherwise meeting the statutory definition of married.

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 incidental or occasional basis.
- Insured vehicles never carry any explosives, flammable or otherwise hazardous material or any equipment weighing more than 500 pounds.

Trades not eligible for coverage include: Pest Control, Roofing, Landscape, Lawn Care and Painting. Applications requesting business or artisan use must submit photos and an inspection form.

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

STUDENTS AWAY AT SCHOOL WITH VEHICLE

Students away at school in a state other than Maryland with a covered vehicle will be subject to a surcharge. If the student attends school in a state that Hallmark Personal Lines does 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 Maryland 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 SURCHARGE

Hallmark welcomes drivers licensed outside the U.S. A foreign driver's license surcharge will apply to any driver who is not a U.S. Citizen and has never been licensed to drive in any U.S. state or jurisdiction, but is able to provide acceptable documentation issued by a foreign government/consulate.

Acceptable proofs are international or foreign driver's license, passport, and Matricula or other consular ID. Acceptable proof must be maintained in the insured's file. The Unverifiable driving record surcharge does not apply to drivers with an international license if proof is maintained in the agency file. Drivers who have been licensed in any U.S. state or jurisdiction, regardless of current license status, do not qualify in this category.

Drivers with international driver's licenses must provide proof of residency in Maryland via a utility bill showing current usage. Proof must be submitted to Hallmark at the time the policy is submitted or the driver is added to the policy.

VEHICLE PROFILE FACTOR

Any policy with full coverage will have a factor applied to BI and PD coverages.

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.
8. A driver will not be written under the Point Assignment rule if the driver has:
 - a. More than 9 surcharge points.
 - b. More than two (2) at-fault accidents.
 - c. More than two (2) alcohol/drugs/narcotics violations.
 - d. More than one (1) major violation.

CHARGEABLE ACCIDENTS

A chargeable accident is one which results in bodily injury or death and/or damage to property. 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.
7. The accident resulted in payment only under Personal Injury Protection or Additional Personal Injury Protection and our operator has not been convicted of a moving traffic violation in connection with the accident, nor has been found in a civil suit to have caused the accident. Proof of non-chargeable accidents must be in the form of a police report.

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 36 months

Violation	1st Occ.	2nd Occ.
At-Fault-Accident	3	4*
Major Violation: <ul style="list-style-type: none"> Driving with revoked or suspended license Failure to stop after accident 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	6
Foreign Driver's license	2	N/A
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 Driving under the influence of alcohol, drugs or narcotics and under the age of 21 Driving under the influence of alcohol, drugs or narcotics in conjunction with an accident or major violation 	1 6 3	6 6 6
Minor Violations: <ul style="list-style-type: none"> Assured clear distance or following too close Crossing yellow line or divided highway Driving left of center or on wrong side of road Driving too slow Failure to control Failure to obey traffic control devices or personnel Failure to yield Passing a stopped school bus Improper or illegal passing or turning Talking on a cell phone or texting while driving All other moving traffic violations (excluding parking tickets) 	2 2	2 2
Speeding	2	1

**Effective prior to 8/23/10, any driver currently rated with a second or subsequent accident shall be grandfathered at a rate of 3 occurrence points per each accident. Effective as of 8/23/10 any driver incurring a second or subsequent accident shall be evaluated at a rate of 4 points per accident.*

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, PIP, 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.

MULTI-CAR

A 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 Company will not qualify a vehicle on a Hallmark National policy for this discount. The discount varies based on the combination of active vehicles and non-excluded drivers on the policy.

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

EFT

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.

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

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

Proof must be submitted to the Company within three days of the policy issuance. Proof should include the prior Company's name, policy number, effective and expiration/cancellation dates, and it must also be maintained in the insured's file. Acceptable proof includes a policy declarations page, experience letter or ID card issued from the previous carrier. When monthly proof is provided, copies of all 6 terms must be included.

MOBILE HOME DISCOUNT

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 Homeowners 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, PIP, Other Than Collision and Collision coverages

BLUE CHIP RATING

The level of this discount or surcharge is based on the credit score ranking of the insured and is applicable to all coverages except Uninsured and Underinsured Motorist Coverage.

Note: Blue Chip Rating will apply to all business written with us since September 15, 2000. We will reorder insurance bureau scores every two years, if the insured has been adversely impacted by their insurance based credit score or at the request of the insured (up to once per policy term).

Enter the applicable credit level into PTS, or your comparative rating product.

CLAIMS FREE DISCOUNT

The Discount is eligible to any policy with zero (0) not-at-fault accidents and/or Other Than Collision (OTC) claims.

This is a policy level discount and applies to BI, PD, PIP, Other Than Collision and Collision coverages

BI/PDLIMIT OPTIONS

\$30,000 / \$60,000 / \$15,000

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

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

\$100,000 / \$300,000 / \$50,000**

\$100,000 / \$300,000 / \$100,000**

\$250,000 / \$500,000 / \$100,000*

**250/500/100 These limits will be grandfathered to any existing policy that currently has those limits prior to 3/13/09. These limits are unavailable for any new or existing business after 3/13/09.*

***100/300/100 and 100/300/50. These limits will be grandfathered to any existing policy that currently has those limits prior to 8/23/10. These limits are unavailable for any new or existing business after 8/23/10.*

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

PERSONAL INJURY PROTECTION-NO FAULT

\$2,500

1. Personal Injury Protection:

No policy of motor vehicle liability insurance shall be issued, sold or delivered to a Maryland resident unless the policy affords Personal Injury Protection coverage as prescribed in the Maryland No-Fault Law.

2. Exclusion of Benefits

a. In consideration of a reduction in premium, if you choose the option of "Exclusion of Benefits," all Personal Injury Protection benefits do not apply to:

1. The named insured

2. Any "family member" age 16 or older

3. Any other person listed on the policy as a permissive user of your covered auto.

b. An affirmative waiver form must be completed.

c. The waiver must apply to all vehicles insured on the policy or any other policy issued to the named insured by the same insurer.

SUPPLEMENTAL FAMILY MEMBER LIABILITY COVERAGE

This mandatory coverage will be included on all policies with vehicles registered or principally garaged in Maryland. We will include this coverage, at no cost, when the liability coverage under the policy exceeds the amount required under MD.TRANSP.CODE ANN. Section 17-103. The limits of coverage will be equal to the liability limits selected on the policy.

UNINSURED/UNDERINSURED MOTORISTS-BODILY INJURY

\$30,000 / \$60,000

\$50,000 / \$100,000

\$100,000 / \$300,000**

\$250,000 / \$500,000*

**Available only for grandfathered business*

***Available only for grandfathered business effective 08/23/10*

This is a mandatory coverage.

1. UM/UIM limits will be issued at limits equal to liability unless lower limits (as low as the state minimum limit) are selected.
2. Lower limits than the liability limit must be selected in writing on a signed waiver.
3. UM/UIM limits must be the same on all cars of a multi-car risk.

4. UM/UIM Coverage is available only on policies with Liability Coverage.

UNINSURED MOTORISTS - PROPERTY DAMAGE

\$15,000

\$25,000

\$50,000

\$100,000*

**Available only for grandfathered business effective 08/23/10*

1. UMPD Coverage is available only on policies selecting UMBI Coverage.
2. A \$250 deductible applies.
3. Loss of use and personal property in the car are not covered.
4. This is a mandatory coverage and may not be rejected.

DEDUCTIBLES

Other Than Collision	Collision
100	100
N/A	150
N/A	200
250	250
500	500
1,000	1,000

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.).

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. However, the \$50 Collision deductible is available only when the \$100 Other Than Collision deductible is chosen

MEXICAN COLLISION COVERAGE

Collision coverage for accidents occurring within Mexico shall be afforded to every motor vehicle which has Collision coverage. Vehicles are afforded Mexican Collision coverage without additional premium charge.

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 non-owner policy by completing the appropriate change request. The non-owner policy endorsement will then be deleted. There is a limited extension of coverage for newly acquired owned vehicles under the non-owner policy.

AUTO LOAN/LEASE COVERAGE- PP0335

(6 Month Premium = 3% of Other Than Collision and Collision Premiums)

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 3% 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, balances or amounts excessive the original purchase price of the car.

TOWING AND LABOR

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 = \$7 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 limits.

Optional Limit	Semi-Annual Premium per Vehicle
\$25 per Day/\$750 Maximum	\$8
\$100 per Day/\$1,500 Maximum	\$35

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.

TRAILERS

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 pick up, 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	0.19	0.38
250	0.15	0.34
500	0.13	0.29
1,000	0.11	0.22

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