



American Service Insurance
Virginia Taxi & Limousine

150 Northwest Point Blvd.
Elk Grove Village, IL 60007

Underwriting Guidelines effective

New Business and Transfer Business 06/05/2009
Renewals 09/07/2009

For your convenience, our phone numbers are:

Main Telephone Number: toll free at (800) 897-2551

Claims: press 1 Customer Service/Billing: press 2	Underwriting: press 3 and select option 2 for commercial	Marketing: press 4 Accounting: press 7
--	--	---

Claims Fax Number: (847) 228-3920

Commercial General Fax Number: (847) 228-3933

Supplies: toll free at (800) 897-2551 ext. 6851

Business Forms can also be located on our Producer only web feature,

Passport, at: www.asilink.com.

Contact Marketing for details.

VIRGINIA TAXI and LIMOUSINE

UNDERWRITING GUIDELINES
AMERICAN SERVICE INSURANCE

Effective 06/05/2009 for New Business
09/07/2009 for Renewals

I. Qualifications:	3
A. Acceptable Risks	3
B. Ineligible Risks	3
C. Vehicle Characteristics NOT Eligible	4
D. Physical Damage	4
II. Guidelines:	4
A. Application	4
B. Drivers	4
C. Uninsured/Underinsured Motorist Bodily Injury (UMBI/UIMBI)	4
E. Medical Expense and Income Loss Benefits	5
F. Cancellations/Reinstatements	5
G. Direct Bill / Binding	5
H. Fees	6
I. Endorsements	6
J. Claims	6
K. Certificates	6
III. Vehicle Classes:	7
A. Taxi Classes	7
B. Limousine Class Type	7
IV. Surcharges / Points	8
A. Surcharges	8
B. Number of Points	8

VIRGINIA TAXI and LIMOUSINE

UNDERWRITING GUIDELINES
AMERICAN SERVICE INSURANCE

Effective 06/05/2009 for New Business
09/07/2009 for Renewals

I. Qualifications:

A. Acceptable Risks

Virginia Residents holding a Virginia Driver's License for at least two (2) years, valid for the size, type, of the vehicle(s) to be insured. The vehicle must be titled in Virginia.

B. Ineligible Risks

1. Driving a motor vehicle while under the influence of liquor or drugs.
2. Illegal transportation of intoxicants or drugs.
3. Manslaughter (whether voluntary or involuntary), reckless homicide or assault out of the use of an automobile.
4. Failure to stop, report, or identify oneself when involved in a motor vehicle accident.
5. Operating a motor vehicle without a valid driver's license, valid motor vehicle registration or during a period of revocation, probation, or suspension.
6. Lending operator, chauffeur's license or motor vehicle registration to another.
7. Negligent, reckless or careless driving.
8. Speeding in excess of twenty-five (25) miles per hour over the limit. (If over twenty-four (24) months ago refer to underwriter).
9. Drivers under the age of twenty-one (21) and over seventy-five (75).
10. No more than two (2) accidents in the past thirty-six (36) months.
11. Operators who currently, or in the past three (3) years, have been treated for any physical or mental condition that might affect the drivers' ability to operate a motor vehicle safely

VIRGINIA TAXI and LIMOUSINE

C. Vehicle Characteristics NOT Eligible

1. No vehicles over fifteen (15) years old.
2. Vehicles greater than 245" are unacceptable.
3. Stretch limousines manufactured by other than a certified limousine manufacturer.

D. Physical Damage

1. No Physical Damage Only policies will be written.
2. No physical damage on vehicles over nine (9) years old.
3. No vehicles over \$100,000 current value for limousines. Round limousine vehicle values to the nearest \$1,000.
4. No vehicles over \$35,000 current value for taxis.
5. Towing and rental reimbursement coverage is not available.

II. Guidelines:

A. Application

Fully completed applications are essential to evaluate the risk. A signed application and a copy of the last three (3) years loss history from the prior carrier are required. A personal interview with the applicant will enable you to determine eligibility. On applications, wherein it is determined the applicant has materially misrepresented facts, all coverage will be declared Null and Void.

B. Drivers

There will be no coverage for any driver not listed on an application. On all subsequent drivers added to the policy after the policy is in force "ASI" must receive an acceptable current MVR and will either approve or decline the driver prior to starting work.

C. Uninsured/Underinsured Motorist Bodily Injury (UMBI/UIMBI)

On requests for UMBI/UIMBI Limits lower than the BI Liability Limits, a UMBI/UIMBI motorist waiver signed by the Applicant/Named Insured is required. If the waiver is not signed, the UMBI/UIMBI Limits will equal to the B.I. Liability Limits.

VIRGINIA TAXI and LIMOUSINE

D. Uninsured Motorist Property Damage (UMPD)

Uninsured Motorist Property Damage has a \$20,000 limit with a \$200 deductible.

E. Medical Expense and Income Loss Benefits

No policy of Bodily Injury Liability Insurance or of Property Damage Liability Insurance covering liability arising from the ownership, maintenance or use of any motor vehicle shall be issued or delivered in the State of Virginia unless Medical Expense Benefits or Income Loss Benefits, or both, are provided upon request of the insured in accordance with Virginia Code, Section 38.2-2201

F. Cancellations/Reinstatements

Cancellations:

- a. Requests for cancellation must be submitted in writing to ASI.
- b. Insured's requests for cancellation must be signed by the Named Insured.
- c. All Cancellations will be pro-rata.

Reinstatements:

- a. All Reinstatement requests must be submitted in writing and approved by ASI.
- b. Reinstatement requests must be received within thirty (30) days of the cancellation date.

G. Direct Bill / Binding

When bound, the hard copy of the applications must be mailed to us with the appropriate down payment. If the application is not received in our office within seventy-two (72) hours of binding date, WE will bind effective the postmark date upon receipt.

There are two billing options:

- 1. Full payment with application.
- 2. Ten (10) payment plan: 20% down with application balance in (10) ten monthly payments.

All applications must be complete. Full payment or the appropriate down payment must be submitted with the application. ALL PAYMENTS MUST BE IN THE FORM OF CASHIERS CHECK, MONEY ORDER OR AGENCY CHECKS.

VIRGINIA TAXI and LIMOUSINE

H. Fees

Installment fee is \$9. The charge for an NSF check is \$20.

I. Endorsements

Requests for changes must be submitted in writing and are subject to Company approval.

If there is an endorsement for additional premium – additional down payment has to be submitted for the pro-rata premium due (based on schedule below).

If there are remaining bills that have not been sent, the balance will be evenly divided among remaining installments.

If all installments bills have been sent, the full amount will be billed which is payable upon receipt.

<u>Months remaining</u>	<u>Minimum Percentage for Down Payment</u>
12	20%
11	22.7%
10	25%
9	27.8%
8	31.3%
7	35.7%
6	42%
5	50%
4	62.5%
3	83%
2	100%
1	100%

J. Claims

The Insured must immediately report all incidents of claim directly to ASI at (800) 897-2551.

Producers are not authorized to negotiate claim settlements or approve repairs on behalf of ASI.

K. Certificates

Qualifying producers will be able to issue their own certificates online; all other certificates will be issued by the company. On applications, wherein it is determined the applicant has materially misrepresented facts, all coverage will be declared Null and Void.

VIRGINIA TAXI and LIMOUSINE

III. Vehicle Classes:

Classes

A. Taxi Classes

- XA:** Policies with one (1) or two (2) Taxis
- FA:** Policies with three (3) or more Taxis

B. Limousine Class Type

Limousines will be classified as follows:

- LA: Up to six (6) passengers**
(with minimum liability limits of \$350,000 CSL)
- SA: Seven (7) to Ten (10) passengers**
(with minimum liability limits of \$1,500,000 CSL)
- EA: Eleven (11) to Fifteen (15) passengers**
(with minimum liability limits of \$1,500,000 CSL)

IV. Surcharges / Points

A. Surcharges

See surcharge table. Drivers under the age twenty-two (22) or over the age of seventy (70) will be surcharged 25% if acceptable.

ACCIDENTS

Definition of a chargeable accident - Any accident where the insured is at fault or the insured or the insured's company has made any payments under the policy will be considered chargeable.

MOVING VIOLATIONS

1. **New business** - Moving violations are surcharged at the time of policy issuance.

2. **Renewal business** - The policy will be surcharged on the next renewal immediately following the date of the occurrence.

The charge for a specific accident or violation is determined by assigning the following point values to the occurrence(s), then referring to the Surcharge Table for the appropriate surcharge factor.

SURCHARGES/POINTS

The base premium for bodily injury liability, property damage, UM, comp and collision are subject to the following surcharges:

B. Number of Points

A. Each chargeable accident Two (2) Points

B. Each chargeable violation One (1) Point for each of the first three tickets. The fourth ticket is two (2) points.

Each charge applies for a period of (3) three-year.

Surcharge Table

0	1	2	3	4	5	6
+0%	+0%	+15%	+25%	+50%	+150%	+200%

VIRGINIA TAXI and LIMOUSINE

Example for \$1,000 premium:

a. Figure out number of points and surcharges
5 points 1.50 surcharge

b. Then calculate surcharge

\$1,000

x1.50

\$1,500

c. Add original premium to surcharge

\$1,000 original premium

+\$1,500

\$2,500 new premium with surcharge