



Sensa Insurance Underwriting Guidelines



Overview

SENSA is focused on writing quality personal automobile insurance for insureds who maintain clean driving records and who value the focused medical response technology SENSEA provides, in addition to the personalized service they get to help navigate through the claims process.

The target audience will include insureds who are family and safety focused, with growing assets to protect, having exemplary driving history, two or three vehicles to insure and are tech aware.

General Philosophy

We strive to make our coverage available to a broad cross section of the public at a reasonable cost and have an expectation of profitable operation for both our Agents and the Company. While it is our intention to establish a premium structure with sufficient flexibility to accommodate a wide breadth of policyholders, certain behaviors displayed by individuals or characteristics built into vehicles have been shown to be indicative of an increased probability of loss. Individuals or vehicles which present these behaviors and characteristics cannot be accepted.

SENSA's overall philosophy is non-discriminatory and adheres to the spirit of any statutes pertaining to underwriting regulations. Thus, to the extent any of the guidelines contained in this document are in conflict with applicable law, the conflicting guidelines do not apply.

Policy Term

Policies will be issued for a term of twelve (12) months, with the option for a six (6) month policy if requested by the insured. Coverage begins on the day the premium is paid by the insured and received by the Company. In order to receive the Company's preferred rate, a SENSEA Tag is sent to the insured (within 48 hours of binding) for installation and activation in the insured vehicle within seven (7) days of the policy effective date. If the SENSEA Tag is not installed and activated within the seven (7) day initiation period, the insured will be assessed an additional premium reflecting the removal of preferred rating credits, pro-rated for the remaining policy term. Policies meeting the Company's requirements and guidelines may be renewed and the SENSEA Tag will be considered installed for the renewal period if the expiring term recognizes the tag as continuing to be active. Coverage for any new or replacement vehicle accepted by the Company and added to the policy will begin on the date the vehicle is properly registered and added to the policy. The normal seven (7) day initiation period for the SENSEA Tag installation and activation for the new or replacement vehicle will apply, and premiums will be charged appropriately.

Required Technology

Only insureds who, during the quoting process, agree to properly install and activate the Company provided SENSEA Tag in their vehicles are eligible for the Company's preferred rating and insurance plan. Failure to install and activate the SENSEA Tag within the initial seven (7) day initiation period will result in the assessment of an additional premium reflecting the non-preferred pricing, pro-rated for the remainder of the policy term



Pricing

All policies will be priced in accordance with the Company's filed rating plan. No deviation from the filed pricing plan is allowed.

All required driver, vehicle, risk, household information, etc. of the Company's filed rating plan will be collected as part of the application, risk selection and pricing process

Minimum Deductible

All quotes will be priced and policies issued using a default \$500 deductible for Collision and/or Comprehensive coverage. A lower or higher deductible for either or both coverages, in accordance with the filed rating plan, is available at the insured's request. No policy will be issued with a deductible less than \$100 when Collision and/or Comprehensive coverage is purchased. A minimum deductible of \$500 for Collision and/or Comprehensive coverage applies to all vehicles with a cost new of \$50,000 or higher.

Policy Limits

Our portfolio will be constructed conservatively to help develop a select and profitable book of business. As such our strategy related to policy limits will be as follows:

1. No policy will be quoted or issued with Bodily Injury limits below \$50,000/\$100,000.
2. Bodily Injury coverage will be quoted with a default limit of \$100,000/\$300,000.
 - Higher limits of \$150,000/\$300,000 or \$250,000/\$500,000 are available and will be readily provided on request.
3. No Bodily Injury limits above \$250,000/\$500,000 will be offered.
4. No Combined Single Limits will be offered.
5. Uninsured/Underinsured Bodily Injury Limits:
 - UM/UIMBI limits cannot exceed the limits chosen for Bodily Injury liability.
 - Coverage is mandatory on all automobile liability policies unless the insured signs a UM/UIMBI rejection. If the rejection is not signed, this coverage will be added at minimum limits as prescribed in the states Financial Responsibility Rules/Guidelines.
6. Uninsured/Underinsured Property Damage Limits:
 - UM/UIMPD cannot be purchased without Uninsured/Underinsured Motorist Bodily Injury coverage.
 - UM/UIMPD limits cannot exceed those chosen for Property Damage coverage.
 - Coverage is mandatory on all automobile liability policies unless the insured signs a UM/UIMPD rejection. If the rejection is not signed, this coverage will be added at the minimum limits as prescribed by the states Financial Responsibility Rules/Guidelines
7. Medical Payments Limits:
 - Medical Payments Coverage (MED) is only available on policies with Bodily Injury/Property Damage liability coverage.
 - If this coverage is selected, PIP coverage cannot be selected.
8. Personal Injury Protection Limits:
 - Personal Injury Protection (PIP) coverage is only available on policies with Bodily Injury/Property Damage liability coverage.
 - If this coverage is selected, MED coverage cannot be selected.
 - This coverage is mandatory on all automobile liability policies unless the insured signs a PIP rejection.
9. The chosen limits for Bodily Injury, Property Damage, UM/UIMBI, UM/UIMPD, MED, and PIP must be identical for all vehicles with liability coverage on a multi-car policy (except for any vehicles for which UM/UIMBI, UM/UIMPD, MED, or PIP are not purchased).
10. Comprehensive coverage is required in order to purchase Collision coverage.
11. No vehicles will be insured with cost new amounts greater than \$150,000.



Named Insured

The named insured must be a natural person and may be comprised of two persons who reside in the same household. Corporations or partnerships are not acceptable as a named insured but may be listed as an Additional Interest

Eligible Insureds

Individuals who can be considered eligible for insurance under this program will be:

1. The principal driver of an owned vehicle
2. The spouse of the named insured
3. Of legal driving age
4. A holder of a valid driver's license
5. A licensed (including a learner's permit), unmarried child of the named insured
6. An unmarried child of the named insured under the age of 25 temporarily away at school
7. An unmarried child of the named insured under the age of 25 temporarily away serving military duty
8. Risks who meet the company's financial acceptability guidelines which are not unfairly discriminatory and are compliant with all applicable laws.

For underwriting purposes, all licensed drivers of the household must be identified on the application and underwritten accordingly. In addition, specified information on all members of the household (e.g., name, age, sex) must be obtained for underwriting and rating purposes.

Ineligible Insureds

The following individuals will not be considered eligible for insurance under this program:

1. Any driver with a major violation in the last three (3) years. Major violations include assault with a motor vehicle, felony involving a motor vehicle, fleeing or eluding a police officer, hit and run, homicide or assault, and failure to stop for a school bus or emergency vehicle. Such driver(s) may be listed on the policy but only when a Named Driver Exclusion Endorsement is used identifying such driver(s).
2. Any driver with an alcohol-related violation in the last three (3) years.
3. For new business, a driver with more than one at-fault accident in the last three (3) years. For renewal business, any driver with more than two at-fault accidents in the last three (3) years.
4. For new business, any driver with more than one minor violation in the last three (3) years. For renewal business, any driver with more than two minor violations in the last three (3) years.
5. Any driver cited for driving in excess of 100MPH.
6. Any driver under 21 years of age cited for driving while under the influence of drugs or alcohol in the last three (3) years.
7. Any driver under 21 years of age with one or more at-fault accidents in the last three (3) years who is the named insured or spouse on the policy.
8. Any driver who has never been licensed in the US or whose driving record cannot be verified by the state or county of origin, unless that driver is specifically excluded from coverage.
9. Any driver without a valid driver's license issued in the state the filing is made.
10. Any driver with a license or motor vehicle registration that has been suspended or revoked within 180 days of the policy effective date.
11. Any driver under the minimum age for state licensing.
12. Any driver who has been convicted of insurance fraud.
13. Any driver who has not provided documentation to verify his/her identity.
14. Any driver who has committed fraud or misrepresentation in connection with an application for insurance, in a request to change a policy after inception, or in the presentation or settlement of a claim.



15. Any driver who has had a policy terminated or voided by the Company because of, or who has issued an unauthorized
16. Any driver who has an outstanding balance on an existing or recently cancelled or lapsed policy written by the Company unless that balance has been discharged in bankruptcy or is paid in full before the inception of the new policy.
17. Any driver who has knowingly threatened bodily harm or engaged in menacing behavior towards a Company employee or an authorized independent agent of the Company.
18. Any driver whose physical or mental condition prohibits the safe operation of a motor vehicle and may endanger public safety.

Ineligible Vehicles

The following vehicles and vehicle usages are not eligible for insurance under this program:

1. Vehicles not listed on the symbols list of the Company's filing.
2. Motorcycles or other 2 or 3 wheeled vehicles, go-carts, golf carts, off road vehicles.
3. Step vans, parcel delivery vans, cargo cutaway vans, or other vans with cabs separate from the cargo area.
4. Vehicles with a GVW of more than 12,000 pounds.
5. Vehicles garaged in a state in which SENSEA does not operate.
6. Trailers leased / rented to others, used as a permanent residence, or to carry passengers.
7. Motor homes leased / rented to others or used as a permanent residence.
8. Vehicles of special manufacture or limited production, unless service and parts are available in principal area of garaging.
9. Vehicles so mechanically defective that their operation endangers public safety.
10. Driver's training vehicles.
11. Emergency use vehicles.
12. Business use vehicles except if the vehicles are customarily operated by the named insured or a resident relative for pleasure or commuting, all drivers are household residents and listed on the policy, there are no more than three such vehicles on the policy, and the insured does not engage in the business of carrying persons or property for a fee, transport services for nursery or school children, workers, hotel/motel guests, pickup/delivery of magazines, newspapers, food or other products, selling, leasing, repairing. Parking, storing, servicing, delivering or testing vehicles for owned/leased by the partnership or corporations.
13. Vehicles used for private or public livery; carrying persons or property for compensation or a fee, including but limited to taxis, limousines or other ride share uses (unless the ride share use is specifically rated for and the coverage provided by specific endorsement).
14. Vehicles used in speed contests, races, or similar activities.
15. Vehicles held by financial institutions, auto dealers, or discount houses.
16. Vehicles leased to others by the insured.
17. Vehicles used for delivery purposes.
18. Any vehicle designed, modified, or intended for on or off-road racing.
19. Any vehicle whose body, frame, or mechanical systems have been altered to an extent that safe operation is compromised.
20. Vehicles that do not have a permanent garaging address or have a non-residential garaging address or are principally garaged outside of the state where the filing is made.
21. A vehicle over the age of 25 years that can be classified as a "collector's car", "antique auto", or "classic auto".
22. Vehicles equipped with cooking or toilet equipment.
23. Farm vehicles.
24. Snowplow vehicles when the driver is compensated or charges a fee.
25. Vehicles with a stated amount of \$150,000 or greater.
26. Vehicles with an expired or invalid registration.
27. Vehicles that require a state or federal motor carrier permit in order to operate.



Additional Conditions Required For Quoting/Binding

For the following exposures, these additional conditions must be met in order to be eligible for insurance under this program:

1. Risks with any driver under the age of 19, the driver:
 - a. Must live with parents or spouse;
 - b. Be in school or work full time;
 - c. Has three years of driving experience with no violations or, if less than three years of driving experience, has successfully completed driver training and has no violations.
2. Risks with any driver over 75 years of age, the driver:
 - a. Drives less than 10,000 miles annually;
 - b. Has had no accidents or violations in the last three years;
 - c. Has completed a Defensive Driving course in the last three years.
3. Risks with any driver with an alcohol or drug related violation, the driver:
 - a. Has successfully completed drug and/or alcohol awareness/prevention training.

Additional Underwriting Data

Underwriting information will be solicited directly from the insured/applicant as well as other valid sources including but limited to state and governmental agencies (i.e., Departments of Motor Vehicles), third party vendors (i.e., Lexis Nexis, Credit Scoring agencies, Polk, etc.), public record sources, and other publicly available sources.

For New Business:

1. An acceptable, current MVR report (or equivalent from a third-party provider).
2. Lexis Nexis CLUE driver and loss history.
3. An acceptable credit report from one of the three primary credit reporting agencies.
4. A CarFax (or similar) condition report for any vehicle over 10 years of age.
5. Annual miles driven as provided by the insured.

For Renewal Business:

1. An acceptable, current MVR report (or equivalent from third party vendor) every third year.
2. An updated credit report from one of the three primary credit reporting agencies every fifth year.
 - An updated credit report may be requested by the named insured or his authorized agent, however, such a request cannot be made more often than once in any 12-month period.
 - When a new credit score is received by the Company, the Company will recalculate the insurance score, and evaluate the insurance score to determine if it would place the policy in a different Financial Responsibility Tier (based on the BI/PD Financial

Binding Authority

Agents and Brokers have the authority to bind the Company on any accepted risk that has been quoted on the Company's rating platform. Agents and Brokers do not have the authority to issue policies, ID cards, endorsements, or cancellation notices. Coverage is bound when the down payment is received by the Company from the insured. All policies will be issued through the Company's quoting and policy issuance system. The Company reserves the right to review and underwrite an application submitted before the policy is bound and restricts the earliest effective date available on the policy. The Company also reserves the right to audit a policy after it is bound to further validate the accuracy of rating information used to develop the rate and premium. Agents and Brokers do not have the authorization from the Company to charge any fees or charges, other than those specified on the Declarations page of the issued policy.