

South Carolina



Motorsports Program

Program Manual: MS-SC-PM-0001 (04/19)

New Business Date: 04-01-2019

American Modern Property and Casualty Insurance Company (071)



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MOTORSPORTS

- Vehicles insured under the American Modern Property and Casualty Insurance Company (American Modern) program include, but are not limited to, Motorcycles, All Terrain vehicles (ATV), Utility vehicles (UTV), Golf Carts, Segways, Snowmobiles, Dirt Bikes, Neighborhood Electric vehicles (NEV), Mopeds, Scooters, Dual Purpose Motorcycles, Custom Motorcycles, Classic Motorcycles and Trailer (tow behind and transport).



REQUIREMENTS

Ownership/Drivers

- The primary named insured must be at least 18 year of age and the titled owner.
Vehicles may be titled in the name of :
 - An Individual
 - A Trust
 - An LLC or Corporation
- For street driven vehicles, all drivers must be at least 16 years of age.
- For Off-road vehicles with an engine size 251cc and over, all drivers must be at least 16 years of age.
- For Off-road vehicles with an engine size 250cc or less, all drivers must be at least 11 years of age.
- All drivers 16 years and older must hold a valid U.S driver's license.

POLICY LEVEL COVERAGE OPTIONS

Coverages	Description	Included Limit	Options
Liability - Bodily Injury and Property Damage	Provides coverage for occupants of other vehicles injured in a collision for which the insured is at-fault. Also provides coverage for the property of others involved in a collision.	Mandatory	Split limit options available are as follows: \$25,000/\$50,000/\$25,000 \$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 \$250,000/\$500,000/\$250,000
Medical Payments	Provides coverage for occupants of the vehicle in the event of a covered loss.	No	Limit options available are as follows: \$1,000 \$2,500 \$5,000 \$10,000
Pet Protection	Provides coverage for costs incurred as a result of injury or death of the primary named insured's cat or dog in the event of a covered accident	\$750	Not Applicable
Underinsured Motorist	Provides bodily injury coverage in the event of a covered collision with an underinsured driver.	No	Split limit options available are as follows: \$25,000/\$50,000 \$50,000/\$100,000 \$100,000/\$300,000 \$250,000/\$500,000
Uninsured Motorist	Provides bodily injury coverage in the event of a covered collision with an uninsured driver.	Mandatory	Split limit options available are as follows: \$25,000/\$50,000 \$50,000/\$100,000 \$100,000/\$300,000 \$250,000/\$500,000

VEHICLE LEVEL COVERAGE OPTIONS

Coverages	Description	Included Limit	Options
Accessories	Provides coverage for items that were not originally included by the manufacturer of the vehicle as identified by the VIN number. (custom paint, saddle bags, chrome accents, side cars, etc.)	\$1,000 for ATV, UTV, Golf Cart, Dirt Bike, or Snowmobile; \$3,000 for a Motorcycle	Limit options are available in increments of \$1,000 up to \$30,000. Actual Cash Value and Replacement Cost settlement options are available.
Collision	Provides coverage for a vehicle in the event of a collision with another vehicle or object, subject to a deductible	No	Deductible options available are as follows: \$0 \$100 \$250 \$500 \$1,000
Comprehensive	Provides coverage for damages to a vehicle caused by an event other than a collision, subject to a deductible	No	
Diminishing Deductible	If selected, this option applies to Comprehensive and Collision deductibles. The deductible is reduced at each renewal as long as the policy is claim free until the deductible is \$0.	No	Not Applicable
Personal Effects	Provides coverage for personal effects damaged or lost during a comprehensive or collision covered event. This includes safety apparel.	\$1,000 with a \$200 deductible	Limit options available are as follows: \$2,500
Rental Reimbursement	Provides coverage for the expense to rent a substitute motorcycle after a physical damage loss.	No	Options available are as follows: 4 Days 10 Days
Passenger Liability	Provides medical coverage for passengers of the vehicle if the vehicle is intended for passengers from the manufacturer and in a collision for which the insured is at-fault.	Yes, equal to Bodily Injury Liability when the vehicle is intended for passengers	Not Applicable
Settlement Option	Determines the settlement of claims for covered losses.	Actual Cash Value or Agreed Value	Replacement Cost is available for certain vehicles. May require underwriting approval.
Towing and Emergency Expense	Provides coverage for towing and emergency roadside service.	\$75	Limit options available are as follows: \$200
Trailer Physical Damage	Provides Physical Damage coverage for trailer vehicle types, subject to a \$250 deductible.	No	Not Applicable
Travel Loss	Provides coverage for transportation, lodging, and meal expense as a result of disablement of the insured vehicle.	No	\$150 per day/ \$600 per occurrence
Underinsured Motorist Property Damage	Provides property damage coverage in the event of a covered collision with an underinsured driver.	No	Limit options available are as follows: \$25,000 \$50,000 \$100,000 \$250,000
Uninsured Motorist Property Damage	Provides property damage coverage in the event of a covered collision with an uninsured driver.	Mandatory	Limit options available are as follows: \$25,000 \$50,000 \$100,000 \$250,000 \$200 deductible

DISCOUNTS	
Name	Description
Advance Quote	This discount is available if the insured/agent completes a quote at least 1 day in advance of the policy effective date.
Anti-Theft Devices	This discount is available if the insured vehicle possesses an active or passive alarm, an active or passive disabling device, VIN etching, or a vehicle recovery device.
Association	This discount is available for drivers who are a member of an approved association. Retain proof of membership.
Homeowner	This discount is available when the insured owns a home, condominium, or manufactured home.
Loyalty	This discount is available when the policy is renewed with an American Modern Insurance Group Company.
Motorcycle License	This discount is available for drivers with their motorcycle license or motorcycle endorsement.
Motor Vehicle Accident Prevention Course	The principal operator of the vehicle must be over 25 years of age and have a completion certificate dated within the most recent 36 months certifying that he or she has successfully completed an accident prevention course approved by the South Carolina Department of Motor Vehicles. Course cannot be mandated by a court and proof is required.
Multi-Policy	This discount is available when the insured has two or more of a different policy form, under the same account within AMSuite®.
Multi-Vehicle	This discount is available when two or more vehicles are insured on the same policy.
Paid in Full	This discount is available when Paid in Full payment plan is selected.
Paperless	This discount is available when electronic delivery of policy documents is selected.
Preferred Customer	This discount is available based on the loss history of all drivers.
Prior Insurance	This discount is available when the insured previously had Motorsport Insurance and the prior term expiration date is within 31 days of the American Modern policy effective date and is not one of the American Modern Insurance Group, Inc. companies.
Violation Free	This discount is available to all drivers without violations.

UNDERWRITING

Occasionally your American Modern Risk Underwriter may declare a risk unacceptable to the Company even though it appears to be eligible in this Guide.

RISK CHARACTERISTICS

Custom/ Assembled/ State Assigned VIN	▶ These vehicles will be reviewed for approval ▶ Vehicle may be insured at Actual cash value or Liability Only <u>Eligibility requirements:</u> ▶ If the motorcycle is not a new purchase, documentation for prior insurance to include the name of the insurance carrier and the expiration date of the policy ▶ A "Request for Approval on Custom Assembled or State Assigned VIN Motorcycle" form (CUSAP-PR-MC) is required ● An electronic copy of form CUSAPPR-MC can be accessed at https://secureforms.amig.com/mmt/index.php ● Submit form to requestmmt@amig.com or fax 513-688-3308 ▶ Must submit current color photos showing all sides of the bike(s) ● Front side angle, rear side angle, and close up of VIN (Vehicle Identification Number) ▶ Vehicles must be stored in a secured garage, barn, or building when not in use ▶ A copy of the front and back of the title is required ▶ Underwriters may use discretion regarding specific coverage allowance and eligibility
Classic Vehicles	▶ Vehicle may be insured at Agreed value or Liability only ▶ Model year of 1985 and older ▶ Minimum value \$1,000 ▶ Any Classic vehicle with the agreed value settlement option, must be submitted to American Modern for eligibility. <u>Eligibility requirements:</u> ▶ Must submit current photos showing all sides of the bike(s) ● Front side angle, rear side angle, and close up of VIN (Vehicle Identification Number) ▶ Vehicles must be in good to excellent condition ▶ Vehicles must be stored in a secured garage, barn, or building when not in use ▶ Underwriters may use discretion regarding coverage allowance and eligibility
Snowmobiles	▶ Snowmobiles primarily driven on public streets, roads or highways are not acceptable ▶ Snowmobiles operated on unfrozen water are not acceptable
Company As Named Insured (LLC, Trust or Business)	▶ Some vehicles that are titled to a company, trust, or business may be eligible ● This applies to applicants with vehicles that are titled in the name of a business for tax purposes only ▶ Vehicles that are operated or used as part of a business are not acceptable ▶ Trusts must be listed as a company rather than a person
Non-Renewed or Canceled	▶ Applicants non-renewed or canceled by the prior carrier due to excess losses, large losses, payment problems or physical hazards must provide additional detail regarding the non-renewal or cancellation
Off-Road Eligibility	▶ All ATV and Utility vehicles must have four, six, or eight wheels ▶ Any off-road vehicle (ATV, dirt bike, UTV, snowmobile) must not be used on public streets and solely used off-road. ● EXCEPTION: Golf carts where streets have been designated for golf cart use ● EXCEPTION: Any dirt bike, ATV, UTV, or golf cart registered for street use

RISKS THAT REQUIRE UNDERWRITING REVIEW

Policy	▶	Changing the settlement option to agreed value
	▶	Backdating policy changes and rewrite transactions when there is an open claim on the policy
Vehicle	▶	Storage type is parking lot or other unsecured
	▶	The primary use of the vehicle is Promotional use or Other
	▶	Classic vehicles with Comprehensive Coverage
	▶	Vehicle is rebuilt or has a state assigned VIN and Comprehensive coverage is requested
	▶	Vehicles that are kit built
	▶	Vehicle is not a Motorcycle and the Accessories limit is greater than \$15,000
Driver	▶	Any unlicensed driver over age 15 that is not excluded
	▶	The number of drivers on the policy is fewer than the number of drivers reported by prefill
	▶	A person added as an additional interest
	▶	Any Additional Named Insured that is a child or "other"
	▶	Any driver categorized as "Other Related", "Other", or "Unrelated"
	▶	Any Unverifiable MVR Record
Prior insurance lapse in coverage	▶	When Comprehensive coverage exists, the vehicle value is greater than \$20,000, and there has been a lapse in coverage greater than 30 days, additional underwriting review is required
	●	Current color photos showing all sides of bike(s) and/or a no loss statement may be requested by underwriting

RISKS THAT ARE NOT ACCEPTABLE - DO NOT REFER

Policy	▶	Primary Named Insured is not the titled owner
	▶	Applicant with a felony conviction in the last 10 years
Vehicle	▶	Performance motorcycles without both Comprehensive and Collision coverages
	▶	Any vehicle which is being held for the use of its parts for another vehicle
	▶	Salvaged Vehicles with physical damage coverage
	▶	ATV's and UTV's that have a state assigned VIN
	▶	ATV's or UTV's with less than 4 wheels
	▶	Vehicle has any of the following aftermarket modifications: Extended Swingarm, Frame Alterations, Homemade, or Nitrous/Turbo/Supercharged. Manufactured modification may be acceptable
	▶	Vehicles with unrepaired or existing damage
	▶	Vehicles held for sale or consignment
	▶	Vehicles used for racing, speed, hill climbing events or any other organized event, which includes the practice or preparation for any such event
	▶	Vehicles used for business, commercial, rented to others
	▶	Vehicles used for law enforcement or security services
	▶	Dune buggies
	▶	Vehicles that are unapproved Assembled, unapproved Custom or Refurbished. Refurbished refers to chassis or structural modifications. EXCEPTION: The installation of accessories, trailer hitches, trike conversions or sidecars are considered acceptable unless there is resulting structural or chassis alteration
	▶	Vehicles with frames and front ends ("forks") materially altered from the original manufacturer specifications
	▶	Vehicles with freewheeling front wheels (front wheels must have braking system)
	▶	Electronic or gas-powered Go-peds
	▶	Pocket bikes or any other small scale replica of a street-driven vehicle
	▶	Vehicles that are homemade
	▶	Vehicles not principally garaged at least 6 months in a state where there is an active American Modern program
	▶	Vehicles with more than one owner. EXCEPTION: ALL owners primarily reside in the same principle residence
	▶	Electric cars. EXCEPTION: Golf carts and G.E.M. (Global Electric Motorsports) cars

RISKS THAT ARE NOT ACCEPTABLE - DO NOT REFER (continued)

- Driver**
- ▶ Off -road vehicles with any driver less than 11 years old, unless excluded
 - ▶ Drivers requiring a SR-22 Filing
 - ▶ Drivers without a valid US driver's license. **EXCEPTION:** Foreign licenses can be referred to Underwriting
 - ▶ Drivers with suspended, canceled, revoked, or barred license in the past 36 months

DRIVING RECORD

A CLUE, MVR, and PRE-FILL report will be obtained for all new business risks.

- Accidents and Violations**
- ▶ We require 5 years of Accident and Violation history including Accidents, Major Violations, Minor Violations, etc. The system will determine applicability for eligibility, discounts, and surcharges

GENERAL RULES AND RATING INFORMATION

1. **Application, discounts, driver exclusions and forms**

The application and all forms should be completed in AMsuite and printed or electronically signed. The agent's and applicant's signatures are required. The completed and signed application, forms and proof of discounts must be kept on file and made available in the event of a claim or file audit.

For any documents that require a signature AMsuite offers the ability to electronically sign documents. An email and mobile phone number is required from the insured to complete the process. Not all situations will allow for e-signature, AMsuite will determine the eligibility to electronically sign the documents.
2. **Binding**
 - a. All applications should be entered completely into AMsuite. Rules in AMsuite will determine if coverage can be bound.
 - b. If the quote is required to be referred to underwriting for review, it is the agent's responsibility to notify the customer at the time of referral that the risk is not bound.
 - c. Unbound referred applications in AMsuite that do not meet our underwriting guidelines will be rejected and the agent will be notified by an assigned activity in AMsuite or by email.
 - d. If an issue is rejected, a notice will not go out to the customer so it is the agent's responsibility to notify the customer that a policy will not be issued. A declination notice may be produced upon request.
3. **Policy Term**

Policies may only be written for a term of 12 months.
4. **Transfer or Assignment**

Policies may not be transferred or assigned.
5. **Whole Dollar Premium**

The premium shall be rounded separately for each coverage to the nearest whole dollar.
6. **Minimum Written**

Minimum written premium is calculated per policy as follows:

 - 1 vehicle \$75
 - 2 vehicle \$95
 - 3 vehicle \$115
 - 4 or more vehicles \$135
7. **Minimum Earned Premium**

\$50 per policy
8. **Loss Settlement Options**
 - a. **Replacement Cost**

This is an option for vehicles that are two model years or newer. Both Comprehensive and Collision coverage must be purchased. Custom, Classic, Sport Utility, and Golf Cart vehicles are not eligible. Replacement Cost is only available for vehicles age 2 years or less at new Submission. Replacement Cost can be added at Policy Change/Renewal, if the vehicle is age 3 years or less.
 - b. **Actual Cash Value**

In the event of a total loss or theft, we pay the Actual Cash Value, which includes a deduction for depreciation. For a partial loss we pay the Repair Cost minus depreciation for damaged parts. The policy deductible applies.
 - c. **Agreed Value**

This will be applied to classic bikes. Insures the vehicle for the value shown on the declarations page minus any deductible.
9. **Vehicle Value**

AMsuite provides guidance on vehicle valuations by comparing the requested value against NADA Powersports Value guide. Values that fall outside of the recommended range will require additional documentation to substantiate the requested value.
10. **Identification**

A valid VIN or serial number must be obtained for any insured vehicle.
11. **Rating State**

Vehicle storage state determines the policy forms and rates applicable to the policy.
12. **Insurance Score**

Will be used to determine financial responsibility.
13. **Who needs to be listed on the application**
 - a. All licensed members of the household.
 - b. Any other drivers, who are not members of the household and who have regular use of the vehicle.
 - c. Learner's Permits, children at college and any non-licensed spouse.
 - d. If the vehicle is titled in a Trust or LLC, list the name of the Trust/Corporation and the primary operators of the vehicle. The officer of the Trust or LLC must be listed as the first additional insured.
14. **Mailing Address**

Any mailing address must be located within the United States of America.

Canadian Customers - A policy may be written on an eligible vehicle located in the United States for a Canadian customer. All mailings to the insured must be sent to a mailing address within the United States (other than the mailing address of the producing agent).

TEMPORARY SUSPENSION OF WRITINGS

During Temporary Suspensions of Writing, do not accept any applications for new coverage, requests to increase coverage limits, or requests to lower deductibles on existing policies. Existing American Modern policies will renew during this time, provided there is no increase in coverage or lapse between policies.

Impending Severe Weather

Impending severe weather includes, but is not limited to:

- ▶ Tornado watches and/or warnings
- ▶ Tropical storm or Hurricane watches and/or warnings
- ▶ Flood watches and/or warnings

Earthquake

- ▶ Restrictions begin with the occurrence of an earthquake or aftershock, of 5.0 Richter (or greater), and continue for a period of 72 hours for units located in counties (in their entireties) within 100 miles of the epicenter.

Wildfire

- ▶ No risks may be bound within a 25 mile radius of any existing wildfire.

Binding Restrictions and updates are posted in the AMsuite system. Producers are encouraged to monitor information resources such as the news when there are impending severe weather or catastrophic events in the area.

For information on current binding restrictions please check the **My News** section on the home page of modernLINK®.

CANCELLATION PROCEDURES

American Modern will accept a request to cancel a policy when accompanied by proper documentation, which is a letter or LPR signed and dated by the named insured. If the request is received more than 30 days after the requested cancellation date, the signed and dated request must also be accompanied by the following:

- ▶ A declarations page from another carrier showing coverage in force from that date; or
- ▶ A bill of sale or other proof that the insured no longer had an interest in the vehicle from the date.

Other acceptable reasons for backdating a cancellation request:

- ▶ Duplicate American Modern policy providing coverage for the same risk exists – valid American Modern policy number must be provided.
- ▶ The request to cancel is due to a total loss and the cancellation date is after the total loss.

DEFINITIONS

- | | |
|------------------------------|--|
| ▶ Manufactured | Motorcycles that are constructed by the manufacturer using parts designed for or built by that same manufacturer. |
| ▶ Assembled | Motorcycles primarily constructed of parts built and designed by or for major after-market manufacturers. |
| ▶ Custom | A Motorcycle specifically or uniquely designed for an individual or enthusiast. |
| ▶ Classic | Motorcycles with a model year of 1985 and older. |
| ▶ Good Condition | A vehicle that will drive and run well. The vehicle has minimal imperfections and no major issues such as rust, holes or damage. The vehicle may need some minor work but overall appears to be well maintained. |
| ▶ Excellent Condition | A vehicle that appears perfect but may have minor wear or flaws. |

QUOTING PROCEDURE

Quoting and issuance of policies will only be available through **AMsuite**. If you do not have access to our website, please call your Account Manager or your General Agent, whichever applies.

In **AMsuite**, an accurate quote will be ensured by entering all of the requested information. On the QUALIFICATION page, you will be asked to verify some information about the applicant before reports can be ordered. On the QUALIFICATION page are our disclosures to the insured that third party reports may be ordered. **You must read this statement to the insured before proceeding.**

PAYMENT PLANS

Payment plan availability varies based on the premium of the policy. AMsuite will only display payment plans that are available based on the policy premium.

1. Paid in Full 100% down with no remaining installments.
2. 2 - Pay Plan - 50% down with 1 remaining installment. EFT available for this plan.
3. 4 - Pay Plan - 25% down with 3 remaining installments. EFT available for this plan.
4. 6 - Pay Plan - 20% down with 5 remaining installments. EFT available for this plan.
5. Monthly - 20% down with up to 10 remaining installments. **MUST** be recurring electronically.

A service fee will be assessed for each remaining installment. Late fees, reinstatement fees, and insufficient fund fees may apply.

How To Reach Us

Policy or billing questions

Call: 1-800-543-2644

Hours: Monday to Friday, 8 a.m. to 8 p.m. Eastern

Payment Lockbox Address: PO Box 740167, Cincinnati, OH 45274-0167

AMsuite support

Call: 1-866-527-9583

Hours: Monday to Friday, 7 a.m. to 12 a.m. Eastern
Saturday and Sunday, 8 a.m.- 9 p.m.

After hours support handled by voicemail return call.

E-mail: systemsupport@amig.com

Hours: Monday to Friday, 7 a.m. to 12 a.m. Eastern

Need Help? Talk to your office's AMSuite Profile Administrator *OR*
Click the Help Link at the upper right of the AMSuite screen.

Report a claim.

Online: In AMSuite, under the Quotes and Policies tab
click the Claims link.

Call: 1-800-543-2644

Fax: 513-947-4046

Mail Address:

American Modern Insurance Group, Inc.
Attn: Claims Processing
PO Box 5323
Cincinnati, OH 45201-5323

Ordering sales or marketing materials

Access the Marketing Center Quick Link on the modernLINK home page.



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