

# Arizona

## Auto Product Guide



Safeco Insurance Company of America



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## Binding Authority

All applications are to be submitted within five days of the effective date on the application. There are certain situations that pose such significant risk that binding authority is immediately suspended. These situations include, but are not limited to, the following.

### Earthquake

In the event of an earthquake in excess of 6.0 on the Richter scale, no coverage may be bound on new business or by endorsement to in-force policies for 10 days following the initial shock. A formal written notice will be issued if the moratorium is lifted sooner than or extended beyond 10 days due to continued aftershocks.

### Severe Weather

No coverage may be bound if the National Weather Service has issued a severe weather warning for the area for the duration of the warning. This includes, but is not necessarily limited to, warnings for rain, wind, flood, snow, ice, tornado or hurricane.

### Other Catastrophes

In the event of a natural or man-made catastrophe, no coverage may be bound on new business or by endorsement to in-force policies for five days. This includes, but is not necessarily limited to, such events as fire, windstorm, hail storm, flooding or hurricane.

In addition, we reserve the right to suspend binding authority as we deem appropriate. You will be notified in writing when this has occurred.

## Product and Market Tier Placement

### New Business

#### Coverage Tiers

Our rating system determines the best possible coverage tier placement for your customer using available information, including the application, financial responsibility, driving record and loss history.

#### Market Placement

Our rating system determines the appropriate market for your customer.

Market determination no longer impacts the rate level for your customer. However, market will be used to determine coverage limit eligibility and commission rate.

### Renewal Business

Upon renewal, our rating system will automatically recalculate your customer's coverage tiers and market.

## Verification

Verification of prior insurance and home ownership are required.

When a policy has been selected for verification, you will receive a screen message instructing you to print the fax verification sheet as part of the print package. Complete the form and **fax** it to us (Safeco) along with any requested documents.

Please **fax** these items immediately whenever possible. If verification is not received within 20 calendar days of the request or 42 days after policy inception, whichever is sooner, we will re-rate the policy accordingly.

### **Prior Insurance Coverage and Limits**

(Effective NB: 12/13/07 RB: 01/17/08)

Our rating system will prompt you for the carrier name and the lowest liability limits of the named insured's prior auto insurance policy. This information is required and will be verified at random.

### **Prior Auto Insurance Proof**

Acceptable verification documents include a declarations page, a cancel/nonrenewal notice, a printout from an agency management system, or an Identification (ID) Card.

Any of these items must include the named insured and most recent term with expiration date and previous liability limits. The named insured on the new Safeco policy must be the named insured or a listed driver on the prior policy. ID cards will be considered at minimum limits if the liability limits are not displayed. Any proof not showing the named insured, a 6-month policy term and liability limits may cause the policy to be re-rated. Documentation of an acceptable reason for not having prior insurance may also be considered on an exception basis.

## Home Ownership

Our rating system will prompt you for the residence type of the named insured. This information is required and will be verified at random.

Acceptable verification documents include:

- Active Safeco homeowners policy number
- Company-issued homeowners declaration page
- Printouts of homeowners coverage from an agency management system
- Deed
- Mortgage coupon
- Property tax record

Any of these items must include the named insured.

## File Maintenance and Audit Requirements

(Effective NB: 12/13/07 RB: 01/17/08)

You are required to maintain relevant documentation for a period of 10 years after policy expiration.

These documents include, but are not limited to:

- Original signed application
- SR-22 filings
- Signed electronic funds transfer (EFT) forms
- Signed credit card authorization
- Proof of special equipment
- Signed exclusion form listing all persons excluded from coverage
- Signed uninsured motorists selection/rejection form
- Proof of not-at-fault accidents
- Proof of home ownership

## Vehicle Eligibility

### Garaging Address

Entering the address where the vehicle is principally garaged will allow the system to automatically assign the proper territory and rating factor.

For students with a vehicle away from home, you should rate the vehicle at the policyholder's principal garaging address.

### Model Year

The model year is determined by the vehicle's original manufacturer. If the vehicle is rebuilt or structurally altered, the model year of the chassis determines the model year of the vehicle.

### RVs and Classic Cars

(Effective NB: 12/13/07 RB: 01/17/08)

Our RV (Motor Homes, Trailers & Campers) and Classic Car (Antique Autos, Classics, Modified and Modern Classics) programs are written monoline or as an additional vehicle on the auto policy. See the RV & Classic Car product guides for program details.

### Off-Road Vehicles

The following off-road vehicles may be written in Safeco's Off-Road Program:

- Dune buggies
- Golf carts
- Vehicles with fewer or more than four wheels (excluding dual-axle pickup trucks)
- Any other vehicles not licensed for road use

Please refer to our off-road product guide for details.

## Ineligible Vehicles\*

All personal vehicle types owned by a named insured, including pickups with canopies are eligible for participation in our personal auto program except for the following:

- Buses
- Vehicles used as a primary residence
- Previously totaled, salvaged, restored or reconstructed vehicles
- Vehicles used in racing or speed contests or in responding to emergencies
- Vehicles used for hire, lease, rental, limousine, taxi services, pilot car or transportation of passengers
- Vehicles used for wholesale or retail pickup or delivery of goods (for example: pizza, flowers, newspapers, mail, etc.)

- Commercial type vehicles such as step, panel and cut-away vans; flatbed, stake beds and dump trucks or those equipped for snow plowing, including pickups and vans greater than one-ton-rated load capacity
- Vehicles which require a state or federal motor carrier permit to operate
- Vehicles titled or owned/leased on a long-term contract by a partnership or corporation, unless:
  - They are ordinarily operated by a corporation director or officer named in the declarations, or resident relatives for pleasure, commuting or acceptable business use
  - All operators are household members and listed on the policy
  - No more than four such vehicles are owned or leased by the partnership or corporation
- Estates, receiverships, partnerships or corporations cannot be listed as a named insured, but may be listed as an “additional interest”

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\*. May not apply to replacement vehicles.

- Vehicles garaged outside of this state for more than six months of the year (unless the student is away at school and parents are written in-state on the same policy)
- Vehicles which are custom-manufactured, kit, self-assembled, limited edition, replica and exotic
- Vehicles with plastic, aluminum or stainless steel bodies
- Modified vehicles other than conversion vans (such as hot rods, cars with special suspensions, etc.) This includes modifications which substantially increase the performance of the vehicle.
- Grey market vehicles which are vehicles manufactured outside the United States (usually in Europe) that do not meet U.S. emission and safety standards. Grey market vehicles that have been upgraded to meet U.S. emission and safety standards may be eligible if they are approved, prior to binding, by an underwriter and we obtain a copy of the vehicle registration verifying the local jurisdiction's Department of Transportation safety requirements

and Environmental Protection Agency emission standards are satisfied

## Symbol Rated Vehicles

Most vehicles are assigned Safeco symbols for rating both liability and physical damage coverages. The system will assign symbols for you based on vehicle identification number (VIN), year, make and model.

For new models or model year vehicles which are not assigned a Safeco symbol, you will be prompted to enter an Insurance Services Office, Inc. (ISO) symbol from the symbol pages.

Vehicles designed for sale or intended for use outside the United States, grey market vehicles, are rated using the same symbols as would be used for comparable U.S. vehicles. A grey market vehicle without a comparable U.S. vehicle is not eligible for our markets.

## Value Class Vehicle Rating

Stated amount vehicles are vehicles that:

- Do not appear on our symbols list
- Are limited in production
- Have more than \$5,000 in additional equipment or add-on's

Physical damage coverage on stated amount vehicles provides coverage up to the lesser of actual cash value or the stated amount value specified by your customer. Stated amount vehicles valued over \$100,000 are not eligible.

## Pickups with a Canopy

Canopies or camper shells are typically fiberglass shells attached to the back of a pickup and are not equipped with sleeping or living quarters. Canopies are considered equipment as long as they are attached to the pickup and are covered for direct or accidental loss if the pickup carries comprehensive or collision coverages.

Physical damage premiums are determined by combining the original cost new of the pickup and the original cost new of the canopy. Input the pickup's VIN (with year, make and model), then indicate "truck-camper/canopy" as the body style and input the combined cost new in the "cost new/actual cash value" field.

## Pickups with Camper Body

A camper body is a body equipped with sleeping or living quarters which is designed to be mounted on a pickup. Slide-in campers with sleeping or living quarters must be listed and rated separately on the policy as a camper. The pickup used to transport the camper is rated separately as a private passenger vehicle. Please refer to our rec vehicle product guide for details on rating a camper body.

Physical damage coverage for campers is excluded on the contract unless indicated on the declarations.

## Vehicle Use

### Personal Use

The regular non-business use of a personal vehicle, including commuting to or from work or school.

- Pleasure use means that there is no business use of the vehicle nor is it customarily used in the course of driving to or from work a distance of more than three road miles one way
- Short commute means that there is no business use of the vehicle but it is customarily used in the course of driving to or from work a distance of less than 15 road miles one way
- Long commute means that there is no business use of the vehicle but it is customarily used in the course of driving to or from work a distance of 15 or more road miles one way

Note: A vehicle used for driving to or from school shall be considered as used for driving to or from work.

The term “customarily” includes:

- Use of vehicles in a car-pool or other ride-share arrangements
- A vehicle driven part way to or from work, such as to a railroad or bus depot, whether or not the vehicle is parked at the depot during the day

A vehicle used in the business of the United States government by an employee thereof may be classified and rated as pleasure use, short commute or long commute provided coverage is limited in accordance with the applicable endorsement.

### Business Use

The use of a vehicle which is required by or primarily involved in the duties of the primary operator in his or her occupation, profession or business, other than going to or from work.

**Eligible Business Use**

The following are examples of some but not all types of eligible business use:

- Vehicles owned or leased by the applicant and used in their business or occupation, such as consultants and contractors
- Vehicles used by sales representatives, such as realtors, insurance agents, manufacturer and company representatives, and home-based sales, such as Avon, Mary Kay and Tupperware
- Vehicles used by professionals whose duties include travel to hospitals, clinics, courthouses, job sites or client homes, such as doctors, attorneys, architects, accountants, financial advisors, engineers and clergy
- Vehicles used in a business for occasional errands

**Ineligible Business Use**

The following are examples of some but not all types of ineligible business use:

- Vehicles used for transportation of passengers, such as taxis or limousines

- Vehicles used for retail or wholesale delivery, such as food (pizza), newspapers, contract mail delivery and other consumer products
- Vehicles operated by employees or coworkers
- Vehicles used in security or surveillance operations
- Vehicles used to carry tools or equipment weighing more than 500 lbs
- Vehicles used to transport flammables or explosives
- Vehicles used to accompany wide loads
- Named non-owner policies

**Farm Use**

The vehicle is principally garaged on a farm or ranch and is not primarily used in going to or from work other than farming or ranching and is not used in any occupation other than farming or ranching.

## Driver Eligibility

### Driver Classification

Drivers are classified by age, sex and marital status.

Age means the age of the driver as of the term effective date.

#### Driver Marital Status

Single means an operator who is not legally married, including single, widowed, separated, divorced or in a domestic partner relationship.

Married means an operator who meets the local statutory definition of married.

### Driver-Vehicle Assignment

We determine an average rating factor for all rated drivers and then apply that factor to all vehicles. This is done automatically. We do not require you to assign drivers to specific vehicles.

The rated drivers are equal to all the drivers on the policy.

### Household Members

(Effective NB: 09/22/08 RB: 09/22/08)

All drivers of the household should be insured on a single policy.

Drivers that must be rated or excluded are individuals that are currently licensed or were previously licensed (for example, revoked or suspended licensed).

- This also includes youthful operators who are resident students at a school, college or educational institution located more than 100 road miles from the principal garaging address on the policy and who are without a car at a school. However, the operator shall be eligible for the distant student discount.

Drivers that are neither rated nor excluded must be input as a non-rated driver.

Examples of acceptable non-rated driver reasons are:

- Any spouse or eligible age adult resident who has never had a license

- Any resident youthful operator with a valid learners permit.
- An individual in active military service with the armed forces of the United States of America unless such individual customarily operates a covered vehicle.

## Driver Type

(Effective NB: 11/13/08 RB: 12/18/08)

We determine driver type eligibility automatically based on a combination of driver type, relationship to insured, and reason for non-rated or excluded.

### Rated

All licensed persons of driving age who operate any of the insured vehicles should be listed as rated drivers.

### Excluded

Drivers for whom there will be no coverage under the policy should they operate a vehicle. A surcharge may apply. Exclusion rules vary by state, including signature requirements.

### Non-Rated

Persons of driving age in the household who will not be permitted to drive any of the insureds vehicles. Refer to the [Household Members](#) section of the product guide for a list of acceptable non-rated driver types.

## Driver Exclusions

(Effective NB: 11/13/08 RB: 12/18/08)

Drivers other than the named insured, spouse or those drivers requiring an SR-22 filing may be excluded. A surcharge may apply. Drivers may not be excluded from one of our (Safeco) policies and insured on another of our (Safeco) policies. Exclusions must be signed by a named insured, 18 years of age or older. Additionally, exclusions for drivers other than above are allowed as offered by us in lieu of cancellation/nonrenewal due to a driving record (in accordance with A.R.S. 20-1631(F)). Driver exclusion forms are available in the Q&I print package and the [Policy Forms Viewer](#) on our web site.

## Financial Responsibility Filings (SR-22)

Individuals requiring a filing cannot be excluded and must have verifiable driving records. All SR-22s will be issued by us (Safeco). For policies requiring an immediate SR-22, please contact [customer care](#).

- Liability limits must meet the minimum financial responsibility requirements for the state requesting the filing
- Bodily injury coverage is required on any policy with an SR-22
- All vehicles owned by the driver requiring the filing must be on our policy
- The name on the filing must appear exactly as it reads on the driver's license
- Filings are not available for a driver with an unverifiable driving record. If we are unable to verify the driving record of a driver requiring a filing, the policy is subject to cancellation

## Ineligible Drivers

The following drivers are ineligible for insurance:

- Drivers without a current, valid driver's license
- Drivers without a specific, in-state garaging address
- Drivers who are not permanent residents (10-month intended stay) of the rating state
- Drivers with permanently suspended or revoked licenses, unless that driver is excluded from coverage
- Operators under the minimum age for state licensing
- Drivers who have been convicted of insurance fraud
- Persons employed in illegal enterprises and occupations
- Persons employed in occupations involving the use of an insured vehicle by nonresident non dependent operators
- Drivers who have had a policy canceled by us for loss experience or misrepresentation

## Youthful Operators

Any driver under the age of 25 is considered a youthful operator.

## Driving Record

### Unverifiable Driving Record

Any driver with a U.S. driver's license whose driving record cannot be verified by the licensing state's licensing authority will be assessed a major violation surcharge.

The charge will be removed if a valid motor vehicle record (MVR), covering the complete chargeable period, is received within 30 days of policy inception.

### Accidents, Convictions and Claims

When determining the appropriate market and coverage tiers for your customer's policy, we will consider driving and claims activity up to five years as stipulated below. After determining the appropriate market and coverage tiers, the experience period for charging convictions or at-fault-accident points is 34 months prior to the effective date of the policy.

Please stress the importance of full disclosure to avoid additional premium or policy cancellation. Any unrevealed driving activity will be added to the driving record and the policy will be re-rated accordingly.

The following driving record and claims activity must be shown on the application:

- Minor convictions which have occurred in the past five years
- Major convictions which have occurred in the past five years which include, but are not limited to (see a [complete list](#) of major violations):
  - Driving under the influence
  - Open container violation
  - Vehicle theft or felony of a vehicle
  - Careless or improper operation of a vehicle
  - Drag racing

– Driving under suspension excludes suspensions which are not related to owning or operating a motor vehicle such as failure to appear, failure to pay:

- Fine
- Alimony
- Child support
- Taxes
- Real estate license
- Hunting license

– Fleeing from police

– Leaving the scene of an incident

– Reckless or negligent driving

– Vehicular homicide

– Driving without owner's consent

• Claims which have occurred in the past five years:

– Include at-fault accidents, not-at-fault accidents and comprehensive losses

– Exclude towing losses

– Exclude not-at-fault losses where the only payment was for personal injury protection or medical payment losses for the vehicle owner or other operator residing in the same household

All driving record and claims activity listed above must be shown on the application. Comprehensive Loss Underwriting Exchange (CLUE) reports and motor vehicle records (MVRs) will be utilized to verify the information provided. Point charges are based on the violation date and, when multiple points are applicable to one occurrence, all incidents should be input on the application; however, only the accident or conviction with the highest points will receive a merit surcharge.

### **Accident Forgiveness**

(Effective NB: 02/19/09 RB: 03/26/09)

For a policy that has been consecutively in force with us for six years or longer on which none of the rated drivers 18 or older have an at fault accident or violation, the first at fault accident caused by a driver 18 or older will not result in a surcharge. Subsequent at fault accidents will result in a surcharge, as will all accidents for drivers less than 18.

## At-fault Accidents

(Effective NB: 09/22/08 RB: 09/22/08)

At-fault accidents occurring before April 20, 2007 which result in property damage totaling \$500 or more or any bodily injury result in a merit surcharge. At-fault accidents occurring on or after April 20, 2007 which result in property damage totaling \$750 or more or any bodily injury result in a merit surcharge.

At-fault accidents beneath these thresholds are not subject to this surcharge.

## Not At-fault Accidents

Not at-fault accidents do not receive a merit surcharge. Some examples of not at-fault accidents are situations where:

- The vehicle was lawfully parked at the time of the accident
- The accident was caused by collision with a bird or animal
- The vehicle was struck by a “hit-and-run” driver and the accident was reported to the proper authorities within 24 hours

- A non-rated driver was convicted of a moving violation in connection with the accident
- The accident is one in which judgment or reimbursement is obtained from the other party, providing we make no liability payment on behalf of your customer
- The vehicle was stopped at a stop sign or traffic light when it was rear-ended by another vehicle, or the rated driver was clearly not at fault
- The accident involved physical damage limited to and caused by flying gravel, missiles or falling objects
- The owner or operator of your customer’s vehicle was reimbursed (or received judgment against another) for more than 50 percent of the property damage or was found to be less than 50 percent at fault

## Foreign and International Driver's Licenses

Drivers with a valid foreign or international driver's license and without a valid U.S. driver's license will be assessed a surcharge equivalent to a major violation until they are able to provide proof of a valid U.S. driver's license in effect for at least 12 months. The surcharge will be removed at the next applicable renewal.

## Driving Record Charges

Point assignments vary by violation type, driver age, and age of incident. As an incident ages, it will be assigned fewer points. The description and number of points assigned to a policy are as follows:

Major Violations						
1 <sup>st</sup> Most Recent Incident	2 <sup>nd</sup> Most Recent Incident					Each add'l Incident
	0 to 5	6 to 11	12 to 23	24 to 34	None	
0 to 5	10	10	9	9	5	5
6 to 11		10	9	9	5	
12 to 23			8	8	4	
24 to 34				7	3	
None					0	

Alcohol/Drugs						
1 <sup>st</sup> Most Recent Incident	2 <sup>nd</sup> Most Recent Incident					Each add'l Incident
	0 to 5	6 to 11	12 to 23	24 to 34	None	
0 to 5	10	10	9	9	4	3
6 to 11		10	9	9	4	
12 to 23			8	8	3	
24 to 34				7	2	
None					0	

At-fault Accidents						
1 <sup>st</sup> Most Recent Incident	2 <sup>nd</sup> Most Recent Incident					Each add'l Incident
	0 to 5	6 to 11	12 to 23	24 to 34	None	
0 to 5	9	8	7	6	4	3
6 to 11		7	6	5	3	
12 to 23			5	4	2	
24 to 34				3	1	
None					0	

Minor/Speeding Violations						
1 <sup>st</sup> Most Recent Incident	2 <sup>nd</sup> Most Recent Incident					Each add'l Incident
	0 to 5	6 to 11	12 to 23	24 to 34	None	
0 to 5	5	5	5	4	3	2
6 to 11		5	5	4	3	
12 to 23			4	3	2	
24 to 34				2	1	
None					0	

## Coverage Options

Coverage descriptions are for informational purposes only. Please refer to the policy for actual coverage descriptions.

### Liability Coverages

	Preferred	Standard	Non-standard
<b>Bodily Injury Liability Limits</b> (in thousands)	15/30 25/50 50/100 100/300 250/500 300/300 500/500	15/30 25/50 50/100 100/300 250/500 300/300 500/500	15/30 25/50 50/100 100/300 Not available Not available Not available
<b>Property Damage Liability Limits</b> (in thousands)	10 25 50 100	10 25 50 100	10 25 50 100
<b>Combined Single Limit of Liability</b> (in thousands)	100 300 500	100 300 500	100 Not available Not available
<b>Medical Payments Coverage Limits</b>	\$ 500 1,000 2,000 5,000 10,000	\$ 500 1,000 2,000 5,000 10,000	\$ 500 1,000 2,000 5,000 10,000

	Preferred	Standard	Non-standard
<b>Uninsured Motorists Limits</b> (in thousands)	15/30 25/50 50/100 100/100 100/300 250/500 300/300 500/500	15/30 25/50 50/100 100/100 100/300 250/500 300/300 500/500	15/30 25/50 50/100 100/100 100/300 Not available Not available Not available
<b>Underinsured Motorists Limits</b> (in thousands)	15/30 25/50 50/100 100/100 100/300 250/500 300/300 500/500	15/30 25/50 50/100 100/100 100/300 250/500 300/300 500/500	15/30 25/50 50/100 100/100 100/300 Not available Not available Not available
<b>Uninsured/Underinsured Motorists Combined Single Limits</b> (in thousands)	100 300 500	100 300 500	100

Physical Damage Coverages

	Preferred	Standard	Non-standard
<b>Comprehensive Physical Damage Coverage Deductibles</b> (also available with Full Safety Glass Coverage)	\$ 100 250 500 750 1,000 1,500 2,000	\$ 100 250 500 750 1,000 1,500 2,000	\$ 100 250 500 750 1,000 1,500 2,000
<b>Collision Physical Damage Coverage Deductibles</b>	\$ 100 250 500 750 1,000 1,500 2,000	\$ 100 250 500 750 1,000 1,500 2,000	\$ 100 250 500 750 1,000 1,500 2,000
<b>Safeco Optimum Package Plus™</b>	Available	Available	Available
<b>New Vehicle Replacement Coverage</b>	Available	Available	Available
<b>Auto Loan/Lease Coverage</b>	Available	Available	Not available
<b>Audio, Visual and Customized Equipment Coverage</b>	Up to \$5,000 per vehicle	Up to \$5,000 per vehicle	Up to \$5,000 per vehicle
<b>Roadside Assistance/Emergency Assistance Package</b>	Available	Available	Available
<b>Loss of Use Coverage</b>	\$ 25/750 35/1,050 50/1,500 75/2,250	\$ 25/750 35/1,050 50/1,500 75/2,250	\$ 25/750 35/1,050 50/1,500 75/2,250

	Preferred	Standard	Non-standard
Broad Form Drive Other Car	Available	Available	Available

## Bodily Injury Liability

Bodily injury limits must be equal to or higher than the minimum financial responsibility limits required by law. All vehicles on the policy insured for liability coverages must carry the same liability limits. (See [Liability Coverages](#) table.)

## Property Damage Liability

Property damage limits must be equal to or higher than the minimum financial responsibility limits required by law. All vehicles on the policy must carry the same liability limits. (See [Liability Coverages](#) table.)

## Combined Single Limit

Combined single limit is a single limit of liability that applies to bodily injury and property damage with no per person or property damage sub-limit. Uninsured motorists and underinsured motorists are not included in combined single limit but may be purchased separately. Uninsured motorists and underinsured

motorists have combined single limit available to coordinate with your bodily injury and property damage combined single limit option. (See [Liability Coverages](#) table.)

## Medical Payments

Medical payments limits apply to each person, for each accident. If selected, all vehicles on the policy must carry the same medical limits. (See [Liability Coverages](#) table.)

## Uninsured Motorists Bodily Injury

Uninsured motorists bodily injury has to be sold at the same limits as bodily injury, unless reduced or rejected by your customer.

Uninsured motorists bodily injury covers bodily injury to your customer, their relatives who live with them and your customer's passengers if they are injured in an accident caused by an uninsured motorist, or a hit-and-run driver.

This coverage is required under all vehicle liability policies insuring the owner of a motor vehicle unless rejected by your customer.

If this coverage is purchased on one vehicle on a policy, it must be purchased on all vehicles on the policy insured for liability coverages. (See [Liability Coverages](#) table.)

## Underinsured Motorists Bodily Injury

(Amended: 05/17/07)

Underinsured motorists bodily injury has to be sold at the same limits as bodily injury, unless reduced or rejected by your customer.

Underinsured motorists bodily injury covers bodily injury to your customer, their relatives who live with them and your customer's passengers if they are injured in an accident caused by a motorist whose bodily injury limits are less than your customer's damages.

This coverage is required under all vehicle liability policies insuring the owner of a motor vehicle, unless rejected by your customer.

If this coverage is purchased on one vehicle on a policy, it must be purchased on all vehicles on the policy insured for liability coverages. (See [Liability Coverages](#) table.)

## Uninsured/Underinsured Motorists Combined Single Limit

Uninsured motorists/underinsured motorists combined single limit is a single limit of uninsured motorists/underinsured motorists that applies to uninsured motorists bodily injury/underinsured motorists bodily injury with no per person sub-limit. Uninsured motorists/underinsured motorists combined single limit is only available with a corresponding combined single limit. (See [Liability Coverages](#) table.)

## Comprehensive Physical Damage Coverage

Comprehensive physical damage coverage is actual cash value and provides coverage in case of a loss that is other than collision. Comprehensive coverage is required if a loss payee is indicated.

Full safety glass coverage is available for all deductible options.

Comprehensive coverage is available to be purchased separately and with differing deductibles per vehicle.

We will pay for direct and accidental loss to your customer's covered vehicle or any non-owned vehicle, including its equipment, minus any applicable deductible shown in the declarations.  
(See [Physical Damage Coverages](#) table.)

### Collision Physical Damage Coverage

Collision physical damage coverage is the lesser of the actual cash value, or the amount necessary to repair or replace the property. It provides coverage in case of an accident. Collision coverage is required if a loss payee is indicated. Bodily injury, property damage and comprehensive coverages are required if collision coverage is purchased.

Collision coverage is available to be purchased separately and with differing deductibles per vehicle.

We will pay for direct and accidental loss to your customer's covered vehicle or any non-owned vehicle, including its equipment, minus any applicable deductible shown in the declarations.  
(See [Physical Damage Coverages](#) table.)

### Safeco Optimum Package Plus™

(Effective NB: 02/19/09 RB: 03/26/09)

Safeco Optimum Package Plus™ is a bundled coverage which includes the items below. Coverage afforded by the package is determined by the underlying coverage carried on the policy. Additionally, if one vehicle has the package selected, all vehicles must select the package.

- Accident forgiveness – only three consecutive years in force with us without at fault accidents or violations is required on a policy level instead of six years.
- Liability coverage for punitive damages – if bodily injury coverage applies to the policy, the exclusion of punitive or exemplary damages no longer applies.
- Increased loss of income – if bodily injury coverage applies to the policy, payment for loss of income due to attending a trial or hearing at our request is increased to \$400 per day.
- Death benefits – if medical payments coverage applies to the policy, payment of any unused medical payments limits and \$2,000 per death, up to a total of

- \$4,000 if you or a family member dies due an auto accident.
- Tapes, records, disks and other media – if comprehensive coverage and/or collision coverage apply to the policy, up to \$500 of coverage for tapes, records, disks and other media.
  - Coverage for injury or death to your dog or cat – if collision coverage applies to the policy, coverage up to \$500 for veterinary expenses if your pet is injured or a benefit of \$500 if your pet dies as a result of an auto collision.
  - Comprehensive deductible waiver – if comprehensive coverage applies to the policy, the comprehensive deductible will be waived in the event of a total loss.
  - Diminishing deductible – if collision coverage applies to the policy, a \$50 reduction is applied to the selected collision deductible at every renewal (up to a \$500 maximum) until an at-fault accident is surcharged. If a surcharge is applied to the policy, the reduction is removed. The reduction will start again at the first clean renewal following the addition of the surcharge.
  - Non-owned trailer coverage – if comprehensive coverage and/or collision coverage apply to the policy, the limit of liability is increased to \$3,000.
  - Emergency expenses – if comprehensive coverage and/or collision coverage apply to the policy, coverage for necessary expenses such as alternative transportation, meals, or lodging.
  - Personal property coverage – if comprehensive coverage and/or collision coverage apply to the policy, coverage for loss of certain types of personal property while located in the vehicle, subject to a deductible.
  - Waiver of adjustment for depreciation or betterment – if comprehensive coverage and/or collision coverage apply to the policy, the limit of liability is revised to remove any adjustment for physical condition and wear and tear when repairing or replacing property.
  - Electronic lock and key replacement deductible waiver – if comprehensive coverage applies to the policy, any applicable deductible for the replacement of electronic locks or electronic key replacement is waived.

- World-wide coverage for physical damage and indirect loss of use of rental vehicles – if comprehensive coverage and/or collision coverage apply to the policy, subject to the policy provisions, including any applicable deductible, physical damage coverage for vehicles that are rented internationally is covered up to 90 days.

Within stated limits, reasonable expenses for indirect loss of use for the rental company is included.  
(See [Physical Damage Coverages](#) table.)

## New Vehicle Replacement

In the event of a total loss, the new vehicle replacement coverage pays at the insured's option (subject to certain limitations):

- The verifiable purchase price to replace the vehicle
- The cost of a similar new vehicle
- The market value of the vehicle

A new vehicle is one where it has not been previously titled and the insured is the original owner. Coverage is available for the first 365 days from the date of

purchase of the vehicle. After that, the coverage will automatically be removed from the policy at the next renewal. (See [Physical Damage Coverages](#) table.)

## Auto Loan/Lease Coverage – Preferred and Standard Products Only

### Eligibility

A policy providing comprehensive and collision coverage may be extended to provide coverage for the difference between the unpaid amount due on the loan or lease of a new vehicle and the actual cash value of the vehicle. A new vehicle, as used in this rule, is a vehicle that has not previously been titled by any state on the date that your customer purchased it.

### Coverage

Coverage under the endorsement applies only in the event of a premature termination of the loan or lease due to a total loss covered under comprehensive or collision. Coverage does not apply to overdue payments, penalty charges assessed for excessive mileage or excessive wear and tear, etc.  
(See [Physical Damage Coverages](#) table.)

## Audio, Visual and Customized Equipment

If a vehicle has audio, visual, and customized equipment valued in excess of \$1,000 that is non-factory/non-factory dealership installed, coverage is available for an additional premium. To obtain coverage, list the actual value of all equipment on the application. This coverage is only available on those vehicles for which comprehensive and collision coverages are provided. No additional deductible applies.

The following are examples of what is meant by non-factory or non-factory dealership installed audio, visual and customized equipment:

- Any permanently installed audio or visual production/reproduction equipment and accessories installed by anyone other than the auto manufacturer or manufacturer's dealership, such as:
  - Radios and stereos
  - Tape decks
  - Compact disc players

- DVD players
- Any custom vehicle part that modifies the vehicle's appearance or performance, such as:
  - Custom wheels, tires, tachometers, pressure, and temperature gauges
  - Custom murals, paint, decals, or other graphics
  - Modified or custom engines and fuel systems, light bars, racing slicks and/or oversized rims/tires, roll bars and lift kits, winches, utility boxes and tool boxes
  - Paint
  - Interior work (for example: special carpeting and seat covers)

(See **Physical Damage Coverages** table.)

## Roadside Assistance

(Effective NB: 12/04/08 RB: 01/08/09)

Roadside Assistance coverage may be provided on any vehicle. Additionally for new business, if one vehicle has the coverage selected, all vehicles must select the coverage. (See **Physical Damage Coverages** table.)

## Emergency Assistance Package

(Effective NB: 12/04/08 RB: 01/08/09)

Emergency assistance package coverage provides:

- Roadside Assistance coverage
- Transportation expenses such as taxi fare
- Emergency expenses such as lodging
- Personal property coverage
- Lock coverage
- Increased supplementary payments coverage

If emergency assistance package is purchased, comprehensive coverage and any higher limit for loss of use must also be provided.

(See [Physical Damage Coverages](#) table.)

## Loss of Use

Loss of use coverage is available on vehicles insured for collision and/or comprehensive coverages. It reimburses the insured for expenses incurred to rent a substitute for an insured vehicle disabled by a covered loss which exceeds the applicable deductible. (See [Physical Damage Coverages](#) table.)

## Named Non-owner – Preferred and Standard Products Only

A named non-owner policy provides liability protection to an individual who does not own a vehicle or have access to any personal use vehicle on a regular basis.

The only coverages available are bodily injury/property damage, combined single limit, medical payments, uninsured motorists bodily injury/underinsured motorists bodily injury and uninsured motorists/underinsured motorists combined single limit.

SR-22 filings and higher liability limits are acceptable. Business use is not acceptable for named non-owner policies.

## Extended Non-owned Auto Coverage (Broad Form Drive Other Car) – Liability

Coverage is provided for the use of any non-owned vehicle by the named insured as provided in the endorsement.

The following options are available to the named insured or a relative living in the same household with:

- No underlying insurance for named insured and relative
- Underlying insurance for named insured
- Underlying insurance for relative

Please submit complete information regarding:

- Estimated annual mileage of non-owned vehicle
- Whether there is underlying insurance covering the named insured or relative on a direct primary basis
- Type of vehicle usually driven
- Use of vehicle

(See [Physical Damage Coverages](#) table.)

## Physical Damage Minimum

Each vehicle will be subject to a physical damage minimum excluding towing and labor costs and loss of use.

All Products
\$10 per vehicle

## Discounts

Discounts at a Glance
Multi-car
Advance Quote
Homeowner
Coverage
Paid in Full
Account
Good Student
Distant Student
Driver Training
Anti-theft
Safeco Youthful Program Subscription

### Multi-car Discount

The multi-car discount shall apply if more than one private passenger auto (or pickup or van rated a private passenger auto) is insured. The vehicles must:

- Be owned by an individual or owned jointly by two or more relatives in the same household

- Be owned by a corporation and primarily operated by the corporate officer named in the declarations or family members who are residents of the same household
- Be a combination of the first two bullet points above
- Carry bodily injury and property damage liability or equivalent coverage

The multi-car discount will also be permitted if a new business application insures one vehicle but the named insured owns an additional vehicle eligible for this discount on the policy inception date and an endorsement adding the additional vehicle during the initial policy period is submitted with the application. This is permitted on the policy inception date only.

### Advance Quote Discount

(Effective NB: 12/13/07 RB: 01/17/08)

The advance quote discount shall apply to a newly issued policy if the quote date is eight days or more in advance of the effective date of the policy. This discount will apply for the first 24 months of the policy.

This is a new business discount only, rewritten policies are not eligible for this discount.

## Homeowner Discount

The homeowner discount shall apply if the named insured owns a home or condominium. (See [Discounts](#) table.)

## Coverage Discount

The coverage discount shall apply to any vehicle on the policy which carries liability coverage (bodily injury and property damage) and comprehensive and/or collision coverage. (See [Discounts](#) table.)

## Paid in Full Discount

If the policy term premium is paid in full at inception or renewal, this discount will apply. Installment payments will be offered at renewal, but the discount will be deleted if not paid in full. (See [Discounts](#) table.)

## Account Discount

If your customer has an in-force Safeco homeowners, condominium, or renters policy they are eligible for this discount. (See [Discounts](#) table.)

## Good Student Discount

This rule shall not apply to any driver with a driving record with eight or more points under the safe driver insurance plan rule.

The applicable good student rating factor shall apply if the insured vehicle is classified under any youthful owner or operator classification, provided:

- A youthful operator is not less than 16 years of age, is a full-time student in high school or enrolled in at least four courses per term as a full-time student in a certificate or degree program in an accredited college or university
- The scholastic records for the immediately preceding school semester or quarter (or comparable segment) show that each such student:

- Is ranked scholastically among the upper 20 percent of his or her class
- In schools designating grades by letter (such as A, B, C, D and F), had a grade average of B or its equivalent, B- for a full-time student at a two- or four-year college or university (if the system of grading by letter is not susceptible to averaging, no grade shall be below a B, or a B- as outlined above, or its equivalent)
- In schools where numbers are used to designate grade “points” (such as 4, 3, 2 and 1), had an average of at least 3 grade points for all subjects combined, or its equivalent
- In schools that maintain a dean’s list, honor roll or comparable listing for scholastic achievement, was included in such a list
- For each such student, we are furnished with a statement, certified by a responsible official of the school, indicating the attainment of at least one of the above scholastic requirements

Certification at inception of the policy or on any renewal date applies for four terms. Mid-term certification applies for the remainder of the current term and three additional terms.

If the operator who is applying for re-certification has, during the past year, graduated from a four-year college or university, the applicable good student rating factor shall be continued after graduation, provided documentation confirming graduation is furnished to us. This is a discount continuation and does not apply to new business.

When this discount is applied to a new business policy, please **fax** a copy of the student’s most recent grade report or statement by a school official verifying the acceptable grade level to us. The day after the policy is uploaded to us, you will receive an e-mail reminder to fax the grade report. If verification is not received within 20 calendar days of the request or 42 days after policy inception, whichever is sooner, we will assume the student does not qualify for this discount and re-rate the policy accordingly. Once verified the discount will remain on the policy with new verification every 24 months. (See **Discounts** table.)

## Distant Student Discount

A youthful operator who is in your customer's household but is a resident student at an educational institution over 100 road miles from the principal garaging address qualifies for this discount if they do not have a car at school. (See [Discounts](#) table.)

## Driver Training

(Effective NB: 03/06/08 RB: 04/10/08)

Young drivers, under the age of 21, who complete a driver education course are eligible for this discount. Proof of course completion should be kept in your file while the discount applies.

This discount does not apply if:

- Your customer is taking a course intended to be a penalty, imposed by a court or other governmental entity, or resulting from a moving traffic violation
- During the most recent 36 months, your customer has been:
  - Involved in an at-fault vehicle accident

- Convicted of or has pleaded guilty or nolo contendere to a moving traffic violation for which points may be assessed against your customer's driver's license (See [Discounts](#) table.)

## Anti-theft Discount

The following discounts apply only to comprehensive coverage and only one discount level is allowed. To qualify the vehicle must be equipped with a device described below.

### Alarm Only

A discount will be applied to a vehicle equipped with an alarm device which sounds an audible alarm that can be heard at a distance of at least 300 feet for at least three minutes.

### Disabling Device

A disabling device makes the fuel, ignition or starting system inoperative.

#### *Active Disabling Device*

An active disabling device requires you to turn the system on. A discount will be applied to a vehicle equipped with an active disabling device.

***Passive Disabling Device***

A passive disabling device does not require a separate manual step to engage the device. A discount will be applied to a vehicle equipped with a passive disabling device. (See [Discounts](#) table.)

Note: If your customer has either a LoJack or Teletrac system in their vehicle the comprehensive deductible will be waived if the car is stolen.

**Safeco Youthful Program Subscription**

(Effective NB: 10/04/07 RB: 10/04/07)

The applicable rating factor shall apply if the insured vehicle is classified under any youthful owner or operator classification, provided:

- A youthful operator is a driver under 25 years of age
- The vehicle has an active Safeco Youthful Program Subscription

If at any time the Subscription is discontinued, the rating factor will be removed upon renewal or sooner.

(See [Discounts](#) table.)

## Policy Changes

### Endorsements/Changes on Policies

Additional coverage will be afforded by endorsement and will run concurrently with the policy term. The addition of coverage will not alter the premium due date of the term during which the additional coverage is attached or affect the premium due date of the policy term.

When additional coverage is added the rate for the added coverage will be prorated for the number of days the added coverage is to run from its effective date to the next ensuing premium due date.

If the policy has already been billed for the next term when the endorsement is processed the charge for the additional coverage will be computed from the effective date of the change to the end of the next term.

The policy coverage as written is automatically renewable on the premium due date for successive periods by payment of required premiums.

### Fifth-vehicle Policies

Fifth-vehicle policies are input by a company operator. Please contact [customer care](#) for assistance.

### Split Policies

A policy will need to be “split” when one of the insureds on a policy needs to be written on their own separate policy. The newly written policy should be input by you into the quote and issue system. Our system will automatically determine the appropriate customer since date for your customer on the newly written policy.

## Cancellation and Continuing with a Lapse

### Cancellation

All cancellations, regardless of whether they are initiated by us or your customer, are calculated on a pro rata basis.

### Continuing with a Lapse

If a payment is postmarked or is received by us within 60 days of the cancellation, a policy may be eligible to continue with a lapse in coverage.

The new term begin date will be effective the time and day you receive the money and bind the coverage or the day after the postmark, whichever is earlier.

### Policy Term

Policies are issued with a six-month term.

## Major Violations

The following is a complete list of major violations:

- Lend/borrow Or Perm Use Reg Card, Plate, title
- Unlawful To Displ False Certif Of Insp
- Alter, Forge, Counterfeit Title, Reg, Plates
- Possession/Use Of Altered Title, Reg, Plates
- Use Of False Name/Statmt To Obtain Title, Reg
- Habitual Offender
- No Driv Lic, Generally
- Person Und 18/21 Not To Oper School Bus
- Persons Und 18 Not Driv For Hire
- Unspecified Lic Misrep, Unlawful Use Of Lic
- Unlawful To Lend Lic
- Unlawful To Displ Another Persons Lic
- Use Of False Name/Othr Statmt To Obtain Lic
- Licensee Shall Not Perm Unlawful Use Of Lic
- Fail To Comply W/Lic Provisions
- Unlawful To Displ Altered, Canc/Susp/Rev Lic
- Driv While Lic Susp/Rev
- Violation Of Out-Of-Service Order
- No Oper On Foreign Lic During Susp/Rev
- Driv While Withdrawn For Hab Offender-Misdem
- Driv While Withdrawn For Hab Offender-Felony
- Perm Unauth Person To Driv, Generally
- Perm Unlicensed Driver To Drive
- Perm Unauth Minor To Driv
- Freq Violator As Determined By Pt System
- Habitually Reckless Or Negligent
- Freq Of Serious Viol To Indicate Disregard
- False Affidavit Of Drivers License Application
- Fraudulent Lic Exam

- Licensee Not Entitled/Gave Wrng Info, Lic Canc
- Point System Susp
- Frequent Violator
- 3 Conv In One Year Flag
- Habitual Violator Flag
- Frequent Accidents Flag
- False Certif
- Driv To Stop After Pi Acc
- Driv In Pi Acc To Render Aid And Info
- Driv To Stop After Pd Acc
- Driv In Pd Acc To Provide Info
- Othr Fail To Rpt Acc
- Fail To Notify Following Disabling Acc
- Person Shall Not Give False Info In Req Rpt
- Fail To Stop After Striking Unattended Veh
- Fail Provide Info - Unattended Property Acci
- Fail To Stop After Acc - Unspecified
- Racing Or Participating In Any Manner In Race
- Prearranged Racing
- Reckless Driving, Willful And Wanton Disregard
- Reckless Driving Reduced From Dui
- Negligent Driving
- Negligent Driving Reduced From Dui
- Driv To Endanger
- Dui Resulting In Death/Injury
- Recreational Veh Intoxication Causing Death/Inj
- Allow Intoxicated Person To Driv
- Homicide By Veh, Negligent Homicide
- Involuntary Manslaughter
- Viol Of Veh Law Resulting In Death
- Serious Viol Of Veh Law Resulting In Death
- Serious Viol Of Veh Law Resulting In Injury

- Use Of Mv In Commission Of Felony
- Theft Of Mv
- Remove/Falsify Veh/Eng Identification
- Receiving Stolen Veh
- Damaging/Tampering W/Mv
- False Or Failure To Make Theft Report
- Unauth Use Of Mv
- Fleeing/Attempting To Elude Police Officer
- Flee/Attempt To Elude Officer - Felony
- Assault W/Mv
- Fail Obey Police Off, Fireman/Othr Auth Person
- Imp Oper Of Auth Emer Veh
- Inattention Operation
- Careless Operation
- Unsafe, (Not Willful) Operation
- Reckless (Not Willful) Operation
- Othr Criminal Activity
- False Statmt, Misrep, Fail To Sign, Etc.
- Altered Or Forged Vin
- Changing Driver In Moving Vehicle
- Conviction Of Insurance Fraud
- Negligent Collision
- No Chauffeurs License
- No Drivers License
- Operating During Life Suspension
- Felony Involving A Motor Vehicle