California

Auto Product Guide



Safeco Insurance Companies

Safeco Insurance™
A Liberty Mutual Company

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What's New
Effective Date of New and Revised Material

Companies and Copyrights

Summary of the California Auto Product
Program Attributes

Binding Authority
Non-Bound (Paper) Applications
Earthquake – Both Programs

Verification
Home Ownership
Group Rate Plans
File Maintenance and Audit Requirements

Policy Term
New Business
Renewal Business

Vehicle Eligibility
Garaging Address
Model Year
Recreational Vehicles – Safeco Only
Off-Road Vehicles
Salvage Vehicles
Unacceptable Makes/Models
Other Unacceptable Vehicles
Symbol Rated Vehicles
Pickups with a Canopy
Pickups with Camper Body

Vehicle Photo Requirements and Inspections

Vehicle Use
Business Use

Driver Eligibility in Both Programs
Driver Classification
Driver-vehicle Assignment and Excess Vehicles
Household Members
Driver Type
Driver Exclusions
Financial Responsibility Filings (SR-22)
Unacceptable Drivers
Named Insured
Additional Interest

Driving Record
Accidents, Convictions and Claims
At-fault Accidents
Non-chargeable Violations
Suspended License

Driving Record Charges

Coverage Options
Bodily Injury Liability – Both Programs
Property Damage Liability – Both Programs
Combined Single Limit – Both Programs
Medical Payments – Both Programs
Uninsured/Underinsured Motorists Bodily Injury – Both Programs
Uninsured Motorists Property Damage Coverage – Both Programs
Comprehensive Physical Damage Coverage – Both Programs
Collision Physical Damage Coverage – Both Programs
Safeco Optimum Package Plus™ – Both Programs
OEM Endorsement – Both Programs
New Vehicle Replacement – Both Programs
Auto Loan/Lease Coverage – Safeco Only
Audio, Visual and Customized Equipment – Both Programs
Roadside Assistance – Both Programs
Emergency Assistance Package – Safeco Only
Named Non-Owner – Not Available
Loss of Use – Both Programs
Automobile Death Indemnity and Total Disability – Safeco Only
Extended Non-owned Auto Coverage (Broad Form Drive Other Car) – Liability and Medical – Safeco Only
Vendor Single Interest – Safeco Only
Waiver of Collision Deductible – Both Programs

Discounts
Account Discount – Both Programs
Airbag Discount – Both Programs
Distant Student Discount – Both Programs
Good Driver Discount – Both Programs
Good Student Discount – Both Programs
Longevity Discount – Both Programs
Mature Driver Discount – Both Programs
Multi-car Discount – Both Programs
Superior Good Driver Discount – Both Programs

Group Rate Plans
California Occupation/ Education

Billing
Commissions
Payment Methods
Fees

Policy Changes
Endorsements/Changes on Policies

Cancellation and Continuing with a Lapse
Cancellation
Continuing with a Lapse
Waiver of Returned Premium

What's New

Effective Date of New and Revised Material

05/01/20 New business • 05/01/20 Renewal business

Salvage Vehicles has been added. 13
Unacceptable Makes/Models has been updated. 14
Other Unacceptable Vehicles has been updated. 15

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Safeco Insurance Companies consist of the following:

Safeco Insurance Company of America
American States Preferred Insurance Company
First National Insurance Company of America



Summary of the California Auto Product

(Effective NB: 05/18/18 RB: 05/18/18)

The California auto product is comprised of two exclusive auto programs which are branded as Safeco and Safeco Standard. The table below summarizes some of the important differences and similarities of the two new programs.

Program Attributes	Safeco	Safeco Standard	Both Programs
Policy Term	Annual (12-month) policy term or semi-annual (6-month) policy term	Semi-annual (6-month) policy term	
Distributed by	Agents		Quoted and sold through the rating system.
Commissions	17 or 15 percent new business 15, 12 or 10 percent renewal business		
Non-“Good Driver Risks” Accepted as New Business	No	Yes	The rating system will determine program acceptance. Good driver discount will be granted to “in-force” business that qualifies in either program.
New Business Binding and Final Acceptability	Business may be bound by the agent or submitted as a *non-bound* paper application. The rating system automatically makes this determination for you.	Business may be bound by the agent or submitted as a *non-bound* paper application. The rating system automatically makes this determination for you.	Safeco Insurance Companies underwrite all business submitted to either program. Final acceptability or placement into a particular program is determined after complete review of the risk. All applications are to be submitted within five days of the effective date on the application.

Program Attributes	Safeco	Safeco Standard	Both Programs
Fees	May not be charged		
MVR Reports	Ordered through ChoicePoint™ and paid for by Safeco as long as the reports are used for underwriting risks that are intended to be uploaded to Safeco Insurance Companies.		
CLUE Reports	Ordered through the rating system and used only for quoting and underwriting risks that are intended to be uploaded to the Safeco Insurance Companies.		
Policy Coverages	Traditional broad coverage contract -- see contract for specific details	Restricted coverage contract. Some examples of coverage restrictions: • Liability coverage drops to minimum limits on permissive drivers. • Policy does not cover motor homes, non-owned trailers, or camper bodies. • Medical payment coverage includes a right of reimbursement if the customer receives proceeds from another policy.	
New Business Legal Entities	Safeco Insurance Company of America	American States Preferred Insurance Company	"A" Rated with A.M. Best®.
Driver/Vehicle Assignment	Determined entirely by the rating system	Determined entirely by the rating system	
Physical Damage Photos	Required only on *non-bound* paper applications that include physical damage coverage. Photos are to be mailed to operations along with the rest of the application.		

Program Attributes	Safeco	Safeco Standard	Both Programs
Driver Exclusions	Individual drivers may be excluded prior to upload.		
Non-resident Producers may Upload Policies	Yes	Yes	
Recreational Vehicles, including Motor homes, Travel Trailers, Antique Autos and Classic Cars	Accepted	Not accepted	

Binding Authority

Please refer to the Summary of the California Auto Product section.

Non-Bound (Paper) Applications

(Effective NB: 11/10/12 RB: 11/10/12)

Because California drivers exhibit a wide range of risk characteristics, we may, on occasion, determine that coverage cannot be immediately bound on a particular risk. This will allow us to underwrite the risk thoroughly and be sure that the risk is appropriately rated.

Our entry system will automatically prompt you during new business input when a paper application is required. Continued entry of all accurate and pertinent new business information must be completed. You will be unable to issue the policy and will instead need to print a completed application for our processing.

Do not establish any effective dates or collect any payment from the applicant until Safeco operations department approves the risk. If the risk qualifies, binding will usually occur within 30 days of receipt of the application, provided that all required documents have been received and all transaction requirements are complete.

To initiate processing of the paper application, each of the following documents must be included and mailed to us as a complete application packet:

- The printout of the complete paper application signed by the customer
- Photos for all vehicles requesting physical damage coverage (two photos to be taken from opposite corners for each vehicle)
- Driver motor vehicle (MVR) and Comprehensive Loss Underwriting Exchange (CLUE) reports
- Signed exclusion forms (if applicable)

The application packet will be returned, in total, for resubmission if any of the required documents listed above are missing.

A paper application will not be bound until:

- The risk is reviewed and approved by Safeco operations department
- The risk is successfully uploaded
- Funds are received by us

Paper applications may not be faxed or e-mailed. They must be mailed to us at:

Safeco Personal Lines Operations
Re: CA Paper Application
P.O. Box 704000
Salt Lake City, UT 84170-4000

Once the paper application packet has been reviewed, an email with appropriate supporting information will be sent advising whether the application is approved or rejected.

Upon approval, the new business must be submitted and issued in our system within 14 days. If it is not submitted within this time frame, the process of submitting the paper application must be restarted. Any changes to the original application will void the approval. The paper application process must then be restarted.

After upload, the policy will be assigned an effective date 14 days in the future. A bill will be generated the following day and mailed to the customer. **Binding will occur as long as payment is received prior to the effective date of the policy.**

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 – Both Programs

In the event of an earthquake in excess of 6.0 on the Richter scale, no coverage may be bound in either program 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.

Verification

Verification of affinity groups and home ownership is required.

Home Ownership

The rating system will prompt you for the residence type of the named insured. This information is required and will be verified at random. However, policy premium amount is not affected by this information. When a policy is selected for random 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.

Acceptable verification documents include:

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

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, the producer code will be documented with a verification document violation. Producers with excessive documentation violations will receive a warning and may eventually have production suspended.

Group Rate Plans

Our rating system will prompt you for your customer's affiliation with one of our group rate plans. Specific documentation in support of the group rates is required.

Please see the Group Rate Plans section for acceptable documentation for the discount.

Please fax these items immediately whenever possible. If verification is not received within 20 days of the request or 42 days after policy inception, whichever is

sooner, we will assume your customer does not qualify and re-rate the policy accordingly.

File Maintenance and Audit Requirements

You are required to maintain relevant documentation for a period of seven 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
- A copy of the signed exclusion form listing all persons excluded from coverage. **The original signed form must be sent to Safeco**.
- Signed uninsured motorists selection/rejection form
- Proof of not-at-fault accidents
- Proof of home ownership
- Proof of affiliation with any affinity group

Policy Term

New Business

(Effective NB: 01/14/10 RB: 01/14/10)

Customers in our Safeco program are eligible for either an annual (12-month) policy term or a semi-annual (6-month) policy term.

Renewal Business

(Effective NB: 01/14/10 RB: 01/14/10)

Customers written on a semi-annual policy in our Safeco program are eligible to be endorsed to an annual term policy. The endorsement can only be processed effective on a subsequent renewal date.

Vehicle Eligibility

Garaging Address

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

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.

Recreational Vehicles – Safeco Only

Antique autos, classic cars, trailers and motor homes are eligible for participation in Safeco's Recreational Vehicle Program and are written on our auto policy. Please refer to our Recreational Vehicle Product Guide for details.

Off-Road Vehicles

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

- Dune buggies
- Snowmobiles
- Some miscellaneous-type vehicles
- Any other vehicles not licensed for road use

Please refer to our Off-road Product Guide for details.

Salvage Vehicles

Vehicles previously totaled, salvaged, restored or reconstructed are eligible for both liability and physical damage coverage if all drivers on the policy qualify as good drivers, as defined in California Insurance Code section 1861.025 and the vehicles insured are private passenger type, as defined insection 660 of the California Insurance Code.

Unacceptable Makes/Models

These provisions do not apply if all drivers on the policy qualify as good drivers, as defined in California Insurance Code section 1861.025 and the vehicles insured are private passenger type, as defined in section 660 of the California Insurance Code.

Make	Model
Aston Martin	All
Bentley	All
BMW	760 and Z8
Bugatti	All
Dodge	All Vipers
Ferrari	All
Ford	Ford GT
Jaguar	XJ SUper V8, XJ Super V8 Portfolio, XJ220
Lamborghini	All
Lancia	All
Lotus	All
Maserati	All
Maybach	All
McLaren	All

Make	Model
Mercedes	CL550, CL55 AMG, CL600, CL65 AMG
Mercedes	S600, S55 AMG, S65 AMG, SL500 Brabus
Mercedes	SL55 AMG, SL600, SL600 Brabus
Mercedes	SL65 AMG, SLR McLaren
Morgan	All
Panoz	All
Porsche	All 911, 959 and Carrera GT
Rolls Royce	All
Saleen	S7
Volkswagen	Phaeton W12
Zimmer	All

Other Unacceptable Vehicles

- Vehicles garaged outside of this state for more than 10 months of the year (unless student is away at school, and parents are written in state on same policy)
- Custom-manufactured, kit, limited edition, replica and exotic cars; self-assembled, plastic, aluminum or stainless steel bodies
- Buses or vehicles used as a primary residence
- Vehicles used in racing or speed contests or in responding to emergencies
- Estates, receiverships, partnerships or corporations cannot be listed as a named insured, but may be listed as an “additional interest”
- Vehicles titled or owned/leased on a long-term contract by a partnership or corporation. Please see Unacceptable Business Use for additional information.
- 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 with 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 – grey market vehicles 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. If the system is unable to generate a symbol for you,

please refer to the Symbols pages to determine the proper symbol.

For new model year vehicles which are not yet listed in the Symbols pages, assign the prior year's symbol for the same make and model. If this is the first year for this model and no prior year match is available, assign the symbol of a similar make and model.

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.

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.

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 Recreational 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 Photo Requirements and Inspections

Photos are not required unless the policy is required to be submitted as a paper application and includes physical damage coverage.

The producer is required to take two photos – each from opposite corners of the vehicle. Photos should be included with the paper application package.

When physical damage coverage is included on a policy, any pre-existing damage should be noted and kept with the application information.

Vehicle Use

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.

Acceptable Business Use

The following are examples of some but not all types of acceptable 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
- Vehicles primarily operated by the named insured
- Vehicles not customarily used for wholesale or retail delivery

Unacceptable Business Use

The following are examples of some but not all types of unacceptable 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
- 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

Driver Eligibility in Both Programs

Driver Classification

Drivers are classified by the years of driving experience and marital status.

Driver-vehicle Assignment and Excess Vehicles

(Effective NB: 05/18/18 RB: 05/18/18)

Safeco

- All residents of driving age in the household, who are licensed or have been previously licensed, whether they drive or not, must be rated as a driver on the application or have a signed exclusion at point of sale. Residents who have never been licensed and hence do not drive must be listed on the policy, but are exempt from rating - this also includes resident minors with a valid learner's permit.
- All non-household operators who are regular or frequent drivers must be listed on the application.
- SAFECO Personal Lines Rating Software will assign drivers to vehicles based on the logic described in these rules. Before assigning drivers to vehicles, the system will rank all vehicles on the policy and all rated drivers on the policy.

Driver Ranking

- Driver ranking is based on the Collision Driver Class Factor, Merit points, Good Driver Discount, Superior Good Driver Discount and Distant Student Discount. A multiplicative product of all aforementioned factors is calculated to develop each driver score. Drivers with the highest score are ranked as highest-rated drivers.

Vehicle Ranking

- Vehicle ranking is based on Collision model year & vehicle symbols. A multiplicative product of these two factors is calculated to develop each vehicle score. Vehicles are then ranked, a vehicle with the highest score will be considered the highest rated vehicles.
- Comprehensive only vehicles will be excluded from ranking and will be rated as Excess Vehicles.
- For policies where the number of vehicles is greater than the number of rated drivers, Excess Vehicles are

the lowest-rated and/or Comprehensive only vehicles that exceed number of rated drivers on the policy

Driver-Vehicle Assignment

- Each driver can be assigned to only one vehicle. If the number of drivers exceeds the number of non-excess vehicles, a driver may not be assigned.
- Rated drivers younger than 25 are considered youthful operators for the purpose of driver assignment rules. The rating system will assign the highest-rated youthful driver to the lowest-rated non-excess vehicle. If there are more than one youthful operator on a policy, the second highest-rated youthful driver will be assigned to the next lowest-rated vehicle and so on. Youthful operators are assigned to vehicles prior to adult operators.
- Rated drivers age 25 or older are considered adult drivers for the purpose of driver assignment rules. The rating system will assign the highest-rated adult driver to the highest rated non-excess vehicle. The second highest-rated adult driver will be assigned to the next highest- rated non-excess vehicle, and so on.
- For policies where number of rated drivers exceed number of vehicles, rated drivers which are not assigned to a vehicle are not used in calculation of rate.
- For policies where the number of vehicles is greater than the number of rated drivers, Excess Vehicles will be determined first (refer to vehicle ranking section) and will not receive a driver assignment. The system will rate these Excess Vehicles using the factors filed with the California Department of Insurance.

Safeco Standard

The rating system will assign the highest-rated driver (operator who has the highest combined liability driver class and driving record point factor with consideration to the good driver discount) to the vehicle with the most current model year. The second highest rated driver is assigned to the next vehicle with the most current model year and so on.

For policies where the number of vehicles is greater than the number of drivers, the vehicles which do not receive a driver assignment from the process outlined

above are considered Excess Vehicles. The system will rate these vehicles using the lowest driver-related factors, as required by the California Department of Insurance.

Household Members

In either program, all residents of driving age in the household, whether they drive or not, must be listed as a driver on the application or be specifically excluded. Children under the age of 18 who have never been licensed are excepted. Information on these household members must be provided by completing the “Number of children in the household” and “Ages of males” and “Ages of females” questions.

- An individual in active military service with the armed forces of the United States of America shall not be considered a resident in the household unless such individual customarily operates the vehicle.
- A youthful operator who is a resident student at a school, college or educational institution shall be considered a resident of the household. Please see Distant Student Discount for additional information.

Driver Type

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.

Listed

Persons of driving age in the household who will not be permitted to drive any of the insureds vehicles (for example, a spouse who has never been licensed to drive, or an eligible age adult resident with his/her own vehicle and insurance.)

Driver Exclusions

Driver Exclusion must be signed by the named insured and forwarded to the company. The forms are available via the rating system for new business and via Policy Forms Viewer for in-force policies. The exclusions may be faxed or mailed to the company using the number or address available in Safeco Now®.

Named insureds or persons insured on another Safeco policy are not eligible for exclusions. The Primary or Additional Named Insured can be excluded if they do not meet the Good Driver eligibility. Underwriting will need to be contacted to have the non-good driver removed as a named insured.

Underwriting approval is required for removing Driver Exclusions. Please contact the underwriting department for consideration.

Financial Responsibility Filings (SR-22)

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
- The name on the filing must appear exactly as it reads on the driver's license
- All vehicles owned by the driver requiring the filing must be on our policy
- We will not issue a SR-22 for any excluded driver.

Unacceptable Drivers

These provisions do not apply if all drivers on the policy qualify as good drivers, as defined in California Insurance Code section 1861.025, and the vehicles insured are private passenger type, as defined in section 660 of the California Insurance Code.

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 revoked licenses, unless that driver is excluded from coverage, and is not a named insured on the policy.
- Drivers who have been convicted of insurance fraud
- Persons employed in illegal enterprises and occupations
- Non-resident and/or non-dependent operators employed in occupations involving the use of an insured vehicle by nonresident non dependent operators
- Any driver whose U.S. or Canadian licensing record for the past one to 18 months cannot be verified by the state's licensing authority
- Policies where all listed operators do not live in the same household, excluding students and military

Named Insured

Named insured may be an individual or two persons who reside in the same household. Estates, receiverships, corporations or partnerships cannot be listed as a named insured but may be listed as an additional interest.

Additional Interest

An additional interest endorsement is available to protect a third party's liability interest.

Driving Record

Accidents, Convictions and Claims

In either program, all driving record and claims activity 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.

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 experience period is 36 months prior to the effective date of the policy. Point charges are based on the conviction date and not the violation date. 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. Each driver is rated with his/her own points. We do not combine points for drivers.

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

- Minor convictions which have occurred in the past three years
- Major convictions which have occurred in the past three years which include, but are not limited to:
  - Careless or improper operation of a vehicle
  - Drag racing
- **Driving under the influence (DUI) – DUIs occurring on or after January 1, 1999, are retained for 10 years for purposes of determining the good driver discount but merit points are only charged for 36 months. Please input DUIs that occurred in the last 10 years accordingly.**
- Claims which have occurred in the past three 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 accidents are considered chargeable unless proof is submitted of not-at-fault. Proof may be in the form of a copy of the accident report, police report, court record or other relevant documentation. We will also accept a declaration, under penalty of perjury, as to at-fault accident history.

At-fault Accidents

(Effective NB: 12/11/11 RB: 12/11/11)

For accidents occurring prior to December 11, 2011 a chargeable at-fault accident is one in which the driver's actions or omissions were at least 51 percent of the proximate cause of the accident, and, if the damage to the property of any one person associated with the accident exceeds the $750 property damage threshold.*

For accidents occurring on or after December 11, 2011 a chargeable at-fault accident is one in which the driver's actions or omissions were at least 51 percent of the legal cause of the accident, and either the accident resulted in bodily injury or death or, for an accident that resulted only in damage to property, the total loss or damage caused by the accident exceeded $1,000.*

*And no California specific fault exemptions apply per California Administrative Code Title 10, Section 2632.13.

Non-chargeable Violations

- Commercial vehicle violations
- Emission control violations
- Certain non-safety-related violations
- Certain parking violations
- Bicycle or moped violations
- Suspensions

Suspended License

If your customer has had a suspended license at any time within the past three years, it is necessary to indicate this on the rating system, along with the reinstatement date if applicable.

Driving Record Charges

Accidents and Violations (Last 36 Months)

Violation Type	Examples	Points			
		Safeco		Safeco Standard	
		1st	2nd or More	1st	2nd or More
Alcohol/drug – major	DUI/DWI (driver is disqualified from the good driver discount for 10 years)	2	2	4	4
Alcohol/drug – minor	Open container	1	1	2	3
At-fault accident – bodily injury		1	1	4	4
At-fault accident – property damage		1	1	3	3
Major	Reckless driving, refusal to test, drag racing	2	2	4	4
Minor Plus	Stop light violation, stop sign violation	1	1	3	3
Minor	Fail to yield, driving on shoulder, defective equipment	1	1	2	2
Speeding		1	1	2	1

Please Note:

- These are company merit rating points and are not used in determining good driver discount.
- Safeco program points are not equivalent to Safeco Standard program points. Each will result in different surcharge effects on premium.
- Usually drivers must be Prop.103 Good Drivers to qualify for the Safeco program as new business.

Coverage Options

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

Liability Coverages

	Safeco	Safeco Standard
Bodily Injury Liability Limits (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 Not available Not available
Property Damage Liability Limits (in thousands)	5 10 25 50 100 300 500	5 10 25 50 100 Not available Not available
Combined Single Limits of Liability (in thousands)	100 300 500	Not available Not available 500
Medical Payments Coverage Limits	$ 1,000 2,000 5,000 10,000 25,000	$ 1,000 2,000 5,000 10,000 Not available

	Safeco	Safeco Standard
Uninsured/Underinsured Motorists Bodily Injury Limits (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 Not available Not available
Uninsured Motorists Property Damage Limits	$3,500	$3,500

Physical Damage Coverages

	Safeco	Safeco Standard
Comprehensive Physical Damage Coverage Deductibles (also available with Full Safety Glass coverage)	$ 100 250 500 1,000 2,500	$ 100 250 500 1,000 2,500
Collision Physical Damage Coverage Deductibles	$ 100 250 500 1,000 2,500	$ 100 250 500 1,000 2,500
Safeco Optimum Package Plus™	Available	Available
New Vehicle Replacement Coverage	Available	Available
Auto Loan/Lease	Available	Not available
Audio, Visual and Customized Equipment Coverage	Up to $5,000 per vehicle	Up to $4,000 per vehicle
Roadside Assistance	Available	Available
Emergency Assistance Package	Available	Not available
Loss of Use	$30/$900 $50/$1,200 $75/$4,500	$30/$900 $50/$1,200

	Safeco	Safeco Standard
Automobile Death Indemnity and Total Disability	$ 7,500 insured only 7,500 insured and spouse 15,000 insured only 15,000 insured and spouse	Not available
Extended Non-owned Automobile Coverage (Broad Form Drive Other Car) – Liability and Medical	Available	Not available
Vendors Single Interest	Available	Not available
Waiver of Collision Deductible	Available	Available
OEM Endorsement	Available	Available

Bodily Injury Liability – Both Programs

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 – Both Programs

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 – Both Programs

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. (See Liability Coverages table.)

Medical Payments – Both Programs

Medical payments limits apply to each person, for each accident. If selected, all vehicles on the policy must carry the same medical limits. Medical payment coverage pays out as primary. (See Liability Coverages table.)

Uninsured/Underinsured Motorists Bodily Injury – Both Programs

Uninsured/underinsured motorists coverage will be issued unless rejection is indicated on the application. Uninsured/underinsured motorists limits must be equal to the limits of liability for bodily injury unless rejection of higher limits is indicated on the application.

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.

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 underinsured motorists bodily injury limits and whose bodily injury limits are not sufficient to pay for the damages your customer is legally entitled to recover.

All vehicles on the policy must have the same uninsured/underinsured motorists coverage limits. (See Liability Coverages table.)

Uninsured Motorists Property Damage Coverage – Both Programs

Uninsured motorists property damage coverage pays for direct and accidental loss to your customer's covered vehicle resulting from physical contact with an uninsured motor vehicle. Uninsured motorists property damage coverage will be issued unless rejection is indicated on the application. (See Liability Coverages table.)

Comprehensive Physical Damage Coverage – Both Programs

(Effective NB: 01/14/10 RB: 01/14/10)

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 – Both Programs

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™ – Both Programs

(Effective NB: 01/14/10 RB: 01/14/10)

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.

- 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 ($100 per renewal for an annual policy), 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, greater 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.)

OEM Endorsement – Both Programs

(Effective NB: 01/14/10 RB: 01/14/10)

In the event of a loss, Comprehensive and Collision coverages will be extended to repair or replace damaged property with new Original Equipment Manufactured parts (if available). Original Equipment Manufactured coverage does not apply to Safety glass. Eligible vehicles:

- Must carry both comprehensive and collision coverages
- Be an auto, pickup or a van. (Note: this coverage cannot be extended to vehicles rated as antique/ classic autos, restored autos, motorhomes or trailers)
- Be 10 years old or newer. Vehicle age is measured by the current calendar year minus the vehicle model year. Coverage is available up through the vehicles 10th year of age. After that, the coverage will automatically be removed from the policy at the next renewal.

The charge for this coverage will be 10 percent of the comprehensive and collision coverages.
(See Physical Damage Coverages table.)

New Vehicle Replacement – Both Programs

(Effective NB: 01/14/10 RB: 01/14/10)

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. Leased vehicles are ineligible for the new vehicle replacement coverage. 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 – Safeco Only

(Amended 12/21/15)

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. This coverage must be added at the time the vehicle is added to the policy.

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 – Both Programs

(Effective NB: 01/14/10 RB: 01/14/10)

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 – Both Programs

(Effective NB: 01/14/10 RB: 01/14/10)

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. Comprehensive only policies are not affected by this rule. (See Physical Damage Coverages table.)

Emergency Assistance Package – Safeco Only

(Effective NB: 01/08/09 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

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.)

Named Non-Owner – Not Available

Currently we do not write named non-owner policies in California.

Loss of Use – Both Programs

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.)

Automobile Death Indemnity and Total Disability – Safeco Only

These coverages are available to the named insured and spouse under a policy affording bodily injury and property damage insurance on a vehicle classified or rated as a private passenger auto owned by either.

General Rules

A spouse is eligible for death indemnity or total disability coverage only when the first named insured also has this coverage.

The principal sum and weekly indemnity amounts must be the same for each customer on the same policy.

Total disability is written only in connection with death indemnity and only when the person insured is engaged in a remunerative occupation.
(See Physical Damage Coverages table.)

Extended Non-owned Auto Coverage (Broad Form Drive Other Car) – Liability and Medical – Safeco Only

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.)

Vendor Single Interest – Safeco Only

This coverage is afforded when required by the loss payee. (See Physical Damage Coverages table.)

Waiver of Collision Deductible – Both Programs

This coverage is offered under all automobile Liability policies, insuring the owner of a motor vehicle or trailer in the state of California, to which collision coverage applies. Under this coverage, the collision deductible will be waived in the event of an accident caused by an uninsured motor vehicle. The coverage may be rejected. (See Physical Damage Coverages table.)

Discounts

Discounts at a Glance

	Safeco	Safeco Standard
Account	●	●
Airbag	●	●
Distant Student	●	●
Good Driver	●	●
Good Student	●	●
Longevity	●	●
Mature Driver	●	●
Multi-Car	●	●
Superior Good Driver Discount	●	●

Except where specifically noted, the following discount and surcharge percentages apply to bodily injury, property damage, uninsured/underinsured motorists bodily injury, uninsured property damage, medical payments, comprehensive and collision coverages.

Account Discount – Both Programs

(Effective NB: 05/18/18 RB: 05/18/18)

The following discounts are available:

Customers may qualify for up to three account discounts.

If your customer has an in-force homeowners, condominium or renters policy with us they will receive a discount, based on the policy type, as indicated in the table to the right. For customers with more than one type of home policy with us, only the highest discount will apply.

Customers who have an in-force Landlord Protection or Umbrella policy with us are eligible for a discount. Landlord Protection and Umbrella discounts will be in addition to any eligible home policy discounts. The maximum available account discount is 27% (Home, LPP, and Umbrella). (See Discounts table.)

Account Discount	Discount Percentage
Home	22%
Condominium	15%
Renters	10%
Limited Property	15%*
Landlord Protection	14%

*Only applies to BI, PD and Med coverages

Airbag Discount – Both Programs

A 2 percent discount applies to medical payments coverage only if the automobile is equipped with factory installed air bag systems on both the driver and passenger sides. (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 and the service is activated at the time of loss.

Distant Student Discount – Both Programs

(Effective NB: 01/10/14 RB: 01/10/14)

A 20 percent discount applies if a youthful operator (less than 25 years of age) is in your customer's household but is a resident student at an education institution over 100 road miles from the principal garaging address and the youthful operator does not have a car at school. (See Discounts table.)

Good Driver Discount – Both Programs

A 20 percent discount is available on all coverages.

The discount applies for each driver who meets the criteria set forth in section 1861.025 of the California Insurance Code, including:

- Has been continuously licensed for the previous 36 months, the most recent 18 months in the U.S. or Canada.
- Has no more than one DMV violation point during the most recent 36 months, in accordance with Section 12810 of the Vehicle Code
- Has not been the driver of a motor vehicle involved in an accident that resulted in bodily injury or in the death of any person and was principally at fault.
- Has no DUI convictions in the last 10 years with a conviction date of January 1, 1999 or later.

(See Discounts table.)

Good Student Discount – Both Programs

(Effective NB: 01/10/14 RB: 01/10/14)

This discount shall apply if the following criteria are met:

- A youthful operator (less than 25 years of age) is a full-time student in high school or enrolled as a full-time student in a certificate or degree program at 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-year 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 and1), 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, the agent is furnished with a statement, certified by a responsible official of the school, indicating the attainment of at least one of the above scholastic requirements

When this discount is applied to a new business policy or a new driver on an existing policy, please maintain a copy of the student's most recent grade report or statement by a school official verifying the acceptable grade level.

For continuation of the discount, every 24 months we will contact customers to request the student's most recent grade report

- Grades received within the agency should be forwarded to Safeco to keep the discount active until the operator reaches 25 years of age.
- If the operator who is applying for recertification has, during the past year, graduated from a four year college or university, the applicable good student shall be continued after graduation, provided documentation confirming graduation is furnished to us.

The Discount percentage will vary depending on the number of years driving experience of the student:

(See Discounts table.)

Good Student Discount	
Years of Experience	**Discount Percentage**
0	10%
1	9%
2	8%
3	7%
4	6%
5	5%
6	4%
7	3%

Good Student Discount	
Years of Experience	Discount Percentage
8	2%
9	1%
10+	1%

Longevity Discount – Both Programs

(Effective NB: 05/18/18 RB: 05/18/18)

A 1 percent discount is available if a policy remains in effect for three to five years without interruption.

A 2 percent discount is available if a policy remains in effect for six or more years without interruption. (See Discounts table.)

Mature Driver Discount – Both Programs

A 5 percent discount is available on bodily injury, property damage, uninsured/underinsured motorists bodily injury, uninsured property damage, medical payments coverages only.

The driver must be 55 years old or older and must have completed a California state-approved mature driver improvement course. This discount is applicable for three years after the date of course completion. If your customer is involved in an at-fault accident or is convicted of a moving violation or traffic-related offense involving alcohol or narcotics during the three-year discount period the discount will be cancelled. (See Discounts table.)

Multi-car Discount – Both Programs

(Effective NB: 01/10/14 RB: 01/10/14)

The multi-car discount applies if Safeco insures more than one private passenger auto (including pickups or vans rated as a private passenger auto). The discount amount is varied by coverage and the number of vehicles and drivers insured on the policy. Additional auto policies for the same named insured also qualify for the discount. Antique autos, classic cars restricted use, farm use vehicles, and trailers are not counted towards the total eligible vehicles. (See Discounts table.)

Superior Good Driver Discount – Both Programs

(Effective NB: 01/10/14 RB: 01/10/14)

A 10 percent discount is available on all coverages. The discount applies for each driver who meets the following criteria.

- Qualifies for the Good Driver Discount
- Has 5 years of driving experience
- Has no chargeable violations in the past 3 years
- Has no major violations in the past 5 years
- Has no more than 1 DMV violation point during the past 5 years
- No principally at fault accidents resulting in bodily injury or death in the past 5 years

(See Discounts table.)

Group Rate Plans

(Effective NB: 01/10/14 RB: 01/10/14)

Group rates are applied at the policy level in either Safeco program. No policy will qualify for more than one group rate. Documentation that proves a particular driver qualifies for a group rate must be collected by the agent at new business and be readily available for random verification.

To apply the group rate to an eligible in-force policy, you must submit acceptable proof via fax or email along with this cover sheet to us. Upon receipt of acceptable documentation the group rate will be added to the policy effective the date received.

California Occupation/Education

Highly Skilled Workers Program

(Effective NB: 09/20/19 RB: 09/20/19)

A 5 percent reduction in uninsured/underinsured motorists bodily injury, uninsured property damage and medical payments, and 1 percent reduction in collision premiums applies if the primary named insured or his/her spouse is a member of one of the following professions:

Highly Skilled Workers	
Category	**Title**
Agriculture / Forestry / Fish	Farm / Ranch Owner
Art / Design / Media	Editor
Banking / Finance / Real Estate	Accountant / Auditor Controller Investment Banker Underwriter
Education / Library	College Professor College Teacher K-12 Teacher Librarian / Curator Principal Superintendent
Engineering / Architecture / Science / Mathematics	Actuary Architect Chemist Drafter Engineer Mathematician Research Program Director Scientist Surveyor / Mapmaker

Highly Skilled Workers	
Category	**Title**
Government / Military	Accountant / Auditor Attorney Chief Executive Mayor / City Manager
Information Technology	Analyst Hardware Engineer Programmer Software Engineer Systems Engineer Technical Writer
Insurance	Accountant / Auditor Actuary Attorney Product Manager Underwriter
Legal / Law Enforcement / Secretarial	Attorney Examiner Judge / Hearing Officer
Medical / Social Services / Religion	Dentist Doctor Mortician Optometrist Orthodontist Psychologist Pharmacist Veterinarian
Student	Graduate Student

Highly Skilled Workers	
Category	**Title**
Travel / Transport / Warehousing	Pilot / Captain / Engineer

Acceptable proof must show the insured's occupation, and includes:

- pay stub (or similar HR documentation)
- state license
- document indicating membership of professional association, union membership card

Billing

(Effective NB: 05/08/10 RB: 05/08/10)

Plan	Plan Description	Customer Involvement	Payment Methods	Down Payment	Installment Fees
Full	Your customer pays the full premium amount at the beginning of a policy period.	New customers pay the full-term premium. Renewals may be made via automatic deduction. New customers would need to follow the sign up information under Payment Methods.	• Automatic deduction • Agency sweep • Online check • Credit card • Check	All customers pay the full- term premium.	None
Two-Pay Annual Policies	We bill your customer in equal installments at least 15 days before the due date. First payment is due at the start of the policy period. Subsequent payment is due approximately five months later.	New customers make the appropriate down payment. Future payments and renewals may be made via automatic deduction. To sign up a new customer follow the sign-up information under Payment Methods.	• Automatic deduction • Agency sweep • Online check • Credit card • Check	All customers pay 50 percent down payment.	None

Plan	Plan Description	Customer Involvement	Payment Methods	Down Payment	Installment Fees
Four-Pay Annual Policies and Two-Pay Semi-annual Policies	We bill your customer in equal installments at least 15 days before the due date. First payment is due at the start of the policy period. Subsequent payments are due in approximately 60-day intervals.	New customers make the appropriate down payment. Future payments and renewals may be made via automatic deduction. To sign up a new customer follow the sign-up information under Payment Methods.	• Automatic deduction • Agency sweep • Online check • Credit card • Check	All customers: • With semi-annual auto and rec vehicle policies require 50 percent down payment • With any other policies require 25 percent down payment	Yes

Plan	Plan Description	Customer Involvement	Payment Methods	Down Payment	Installment Fees
Monthly with Automatic Deduction or Recurring Credit Card	Between one and 15 policies can be on the same account. We send a notice to your customer at least 10 days before the first deduction. We update the notice if the amount of the deduction or the selected deduction date changes.	New customers send a signed automatic deduction authorization form and the down payment. Payments will be deducted from the account on which the down payment is drawn unless separate bank information (such as a voided check) is also included. Renewal customers have monthly payments deducted from their checking account on or after the deduction day they select. To switch to monthly with automatic deduction your customer should mark the box and send in the appropriate amount, or they can change their account options at www.safeco.com and sign up online.	• Automatic deduction • Recurring credit card	New customers: • Pay no down payment if policy is effective more than 30 days in the future • Pay one-month down payment (10% down for Safeco annual auto; 20% down for Safeco semi-annual auto; 25% down for Safeco Standard semi-annual auto) if effective less than 30 days in the future • Pay two-months down payment if effective date is in the past • May pay down payment (only) by any payment method other than automatic deduction • Renewal customers: • Pay amount shown on the initial renewal billing statement equalling one-month down payment • Pay no down payments on subsequent policy terms	Yes, for Safeco standard auto.

Plan	Plan Description	Customer Involvement	Payment Methods	Down Payment	Installment Fees
Monthly without Automatic Deduction	We send a bill to your customer every month.	New customers make the down payment. For motorcycle business a minimum $300 annual premium is required unless your customer has other policies with Safeco.	• Agency sweep • Online check • Credit card • Check	New customers: • Pay no down payment if policy is effective more than 60 days in the future • Pay one-month down payment if policy is effective more than 30 days in the future • Pay two-months down payment if effective less than 30 days in the future • Pay three-months down payment if effective date is in the past Once on the plan, customers will continue to receive bills monthly, even after renewal.	Yes

Commissions

Regardless of payment method, commissions are paid for the full-term premium at the beginning of each policy period.

Payment Methods

Method	Description
Automatic Deduction	This payment option allows monthly payments to be automatically withdrawn from your customer's bank account. The initial down payment must be made by any of the other payment methods and automatic deduction will be set up for all future installments. Customers must complete an authorization form (either paper form or e-sign found on Safeco.com). Future payments will be deducted from the checking or savings account provided. This payment method is available for all billing plans.
Online Check	This payment option allows your customers to make a one-time payment from their checking account by providing their nine-digit bank routing number and account number. This payment option is available in Safeco Now, Safeco.com and the customer self-service line. Payments are posted the day the transaction is completed.
Credit Card	This payment option allows customers to make a one-time or recurring credit card payment by providing their credit card number and expiration date. This payment option is available in Safeco Now, Safeco.com and the customer self-service line. Payments are posted the day the transaction is completed.
Check	This payment option requires mailing your customer's check to us (Safeco). Payments will not be posted the same day as they are received in your office due to mail and processing time.
C.O.D.	When writing a new business policy, you may choose to issue the policy on a C.O.D. basis. If you do so, we will bill your customer based on the billing plan selected. Please note, if the policy cancels for nonpayment of the C.O.D. bill, you will be responsible for any earned premium due. C.O.D. is not available for non-standard, specialty or motorcycle policies and is not available in Florida.

Fees

Payments received after a fee has been incurred will apply to the fee first, with the remainder applied to the policy.

Installment Fees (only charged on installments for less than six months of premium)

Payment Method	Fee Amount	
	Safeco Auto	Safeco Standard Auto
With Automatic Deduction or Monthly Recurring Credit Card	$0	$3
Without Automatic Deduction or Monthly Recurring Credit Card	$4	$6

Other Fees

Fee	Description	Fee Amount
Late Fee	Unpaid bills result in fees, which are reflected in your customer's next billing statement.	$5
Returned Bank Item Fee	Payments from customers that are dishonored by their bank for non-sufficient funds (NSF) result in a fee. Payment types include: paper check, online check and automatic deduction.	$20

Anti-Fraud Fee

A charge of $.90 per vehicle will be collected on behalf of the California Department of Insurance for every semi-annual (6-month) policy.

A charge of $1.80 per vehicle will be collected on behalf of the California Department of Insurance for every annual (12-month) policy.

This fee is used by the Department as follows:

- Investigation and prosecution of automobile insurance fraud – $1 annual fee per insured vehicle. California Insurance Code section 1872.8, California Code of Regulations Section 2698.60 et. seq.
- Consumer service functions related to automobile insurance – $.30 annual fee per insured vehicle. California Insurance Code section 1872.81, California Code of Regulations Section 2698.68.
- Automobile fraud interdiction program – $.50 annual fee per insured vehicle. California Insurance Code section 1872.8, California Code of Regulations Section 2698.70 et. seq.

The fee is not subject to any modifications of any rating rule or rounding rule, including the Good Driver Discount. Policies in-force for any duration are subject to full collection of the fee.

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 the service center for assistance.

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.

Waiver of Returned Premium

We will compute any additional or return premium pro rata.

If additional premium is due, we will bill your customer with instructions to pay the additional premium directly to us. Return premium checks will be issued by us and sent to your customer.