
Aegis Security Insurance Company
California Motorcycle Program
Effective 1/1/2014

General Rules

1. Applicants must reside in California with vehicles to be insured principally garaged in California. Military personal must reside and / or be stationed in California.
2. All listed operators must have a valid driver's license or learner's permit issued in the United States.
3. All household residents and family members must be listed as an operator or excluded.
4. All vehicles to be insured must be registered to the named insured or named insured spouse.
5. Any driver, household resident, or family member except the named insured may be excluded from the policy.
6. All individuals listed on the vehicle registration must be rated operators or excluded.
7. Motorcycle is defined as a two or three wheel street legal factory manufactured motorized vehicle of the motorcycle, motorbike, moped, or motor scooter type.
8. Off road vehicle is defined as a two, three, or four wheel factory manufactured motorized vehicle of the motorbike, all terrain, or utility type designed for off public road or agricultural use.
9. New business coverage will be effective no earlier than the date and time the new business application and initial down payment are received and accepted by Aegis Security.
10. Producers must obtain and retain prior to submission to Aegis Security the following documentation for each policy:
 - a. Complete application, supplement application, driver exclusion, affidavit, and waiver forms signed and dated by the named insured and producer as applicable.
 - b. Copy of all operator drivers' licenses.
 - c. Copy of all vehicle registrations.
 - d. Copy of proof of completion of Motorcycle Safety Foundation Training Course.
 - e. Copy of driver improvement course certificate issued by a DMV certified facility.
 - f. Copy of proof of installation of approved vehicle recovery system.
 - g. Copy of vehicle verification requirement if physical damage coverage is requested.Producer documentation is subject to audit.
11. A Non-Owner or Named Operator Only Policy is not available.
12. Financial responsibility filings will be made only for the named insured or their spouse in California.

Coverage Offered

Liability coverage must be identical on all units of a multi-vehicle policy.

Bodily Injury (includes Guest Coverage) and Property Damage

\$15,000/\$30,000/\$5,000

\$15,000/\$30,000/\$10,000

\$25,000/\$50,000/\$10,000

\$25,000/\$50,000/\$25,000

\$50,000/\$100,000/\$25,000

\$100,000/\$300,000/\$50,000

Medical Payments

\$500, \$1,000, or \$2,000

Uninsured Motorist Bodily Injury – cannot exceed Bodily Injury Limit

\$15,000/\$30,000

\$25,000/\$50,000

\$50,000/\$100,000

Uninsured Motorist Property Damage – only available with Uninsured Motorist Bodily Injury

\$3,500 when no Collision coverage carried.

Collision Deductible Waiver – only available with Uninsured Motorist Bodily Injury

\$250, \$500, or \$1,000 when Collision coverage carried.

Comprehensive Deductible Options – can be purchased without Collision coverage

\$250, \$500, or \$1,000

Only factory standard equipment is covered plus \$2,000 accessory coverage, additional accessory coverage available for additional premium.

Collision Deductible Options

\$250, \$500, or \$1,000

Only factory standard equipment is covered plus \$2,000 accessory coverage, additional accessory coverage available for additional premium.

Accessory Coverage

\$2,000 of coverage for accessory is automatically included with physical damage coverage.

\$5,000 of coverage for accessory coverage is available for an additional premium charge when physical damage coverage is carried.

Safety Apparel Coverage

Optional coverage is available for an additional premium charge providing coverage for rider wearing apparel, helmets, leathers, boots, etc. that may be damaged as a result of a covered loss. Requires physical damage coverage on at least one vehicle on the policy.

Roadside Assistance and Trip Interruption

Optional coverage is available for an additional premium charge providing coverage for roadside assistance and trip interruption. Coverage must be identical on all vehicles, physical damage not required.

Discounts Available

Persistency Discount

Discount based on each year the policy has been in force with Aegis Security Insurance Company or its affiliates with no single lapse greater than 30 days.

Motorcycle Safety Foundation Training Discount

Discount applies to rated operators who provide proof of completion of a Motorcycle Safety Foundation training course.

Multi Vehicle Discount

Discount applies to common coverage when more than one vehicle is insured on the policy.

Mature Driver Discount

Discount applies to rated operators age 55 or older that provide proof of completion of a driver improvement course by a DMV certified facility.

Anti Theft Discount

Discount applies to each vehicle when proof of installation of a vehicle theft recovery system.

Good Driver Discount

Discount applies to all drivers who qualify as a Good Driver as defined in CIC Section 18161.025. If there are more drivers than vehicles, all drivers must qualify as Good Drivers for the discount to apply. If there are more vehicles than drivers, all drivers must qualify as Good Drivers for the discount to apply to the extra vehicle.

Pursuant to CIC Section 11580.15 this page may be reproduced and provided to the insured as a freestanding document in order to satisfy discount disclosures required by Aegis Security.

Driver Classification and Vehicle Rating

Operators will be rated as married when they are legally married, registered as domestic partners, or widowed. All other operators are rated as single.

Highest Rated Driver is determined by the combining the following factors for Bodily Injury for all rated operators: Driver Safety Record x Years Licensed/Marital Status. Rank multiple rated operators in descending order.

Highest Rated Vehicle is the vehicle with physical damage coverage. If more than one vehicle carries physical damage, Highest Rated Vehicle is determined by combining the following factors for Collision for all vehicles: Annual Mileage x Vehicle / Engine x Model Year x Deductible. Rank multiple vehicles in descending order.

If no physical damage coverage is carried, Highest Rated Vehicle is determined by combining the following factors for Bodily Injury for all vehicles: Annual Mileage x Vehicle / Engine. Rank multiple vehicles in descending order.

When more rated operators than vehicles exist on a policy, rate the highest rated driver to the highest rated vehicle, second highest rated driver to the second highest rated vehicle, etc. until all vehicles are rated.

When more vehicles than rate operators exist on a policy, the excess vehicle(s) will be rated based on the following rated operator factors: Zero point driving safety record and no driver years licensed / marital status factor. Vehicle specific factors and discounts apply. Driver related discounts apply to excess vehicle(s) only if all rated operators qualify.

Driving record is based on accidents and convictions for violations of the Motor Vehicle Code for the 36 month period prior to policy inception. Conviction date is used to determine chargeability of violations within the 36 month period. If convicted of multiple violations or violations and an accident, only the highest rated offense is utilized for surcharge rating.

Accidents are considered chargeable unless:

1. The driver was responsible for less than 51% of the cause of the accident.
2. The vehicle was lawfully parked when struck.
3. The vehicle was struck in the rear and the driver was not convicted of any moving violation.
4. The driver was not convicted of a moving violation and the other operator was cited.
5. Damage was the result of a Hit and Run and the accident was reported to law enforcement.
6. Damage was the result of contact with animals, birds, or falling objects.

7. A peace officer, CHP, firefighter, federal officer, or federal customs agent was operating an emergency or official government vehicle in the performance duty during employment.
8. Accident resulted only in damage to property of \$750 or less if occurring before January 1, 2012.
9. Accident resulted only in damage to property of \$1,000 or less if occurring on or after January 1, 2012.
10. Accident was a solo vehicle accident principally caused by a hazardous condition the operator would not have noticed (i.e. black ice) or could not have noticed (i.e. child running into street).

Driver Safety Record Surcharge Points are assigned based on the rated operate for each vehicle. Points are not accumulated from multiple rated operators.

Major Violations – 2 Points Each Conviction

Chargeable Accident
 Failure to stop at the scene of an accident
 Felony involving a vehicle
 Homicide or manslaughter involving a vehicle
 All alcohol or drug related offenses including DUI
 Eluding or fleeing law enforcement
 Passing stopped school bus
 Reckless driving
 Speed contest or exhibitions
 Speeding over 100 MPH
 Wrong way
 Transporting explosives
 Operating vehicle without owner consent

Minor Violations – 1 Point Each Conviction

Speeding
 Driving without a license
 Driving with a suspended, expired, or revoked license
 Violation of license restrictions
 Any other Motor Vehicle Code violation involving the safe operation of a motor vehicle*

*Violation convictions for the following will not be assigned any point surcharge

Failure to appear	Seat belt violations
Overweight vehicle violations	Equipment violations
Vehicle registration violations	Hand free or mobile device violations

Minimum Policy Premium

Minimum written premium per policy is \$100 for a Non Good Driver policy, \$80 for a Good Driver Policy. Minimum earned premium per policy is \$50 for a Non Good Driver Policy, \$40 for a Good Driver policy.

Fees

All fees are fully earned and non-refundable.

1. New business policy fee – Good Driver - \$20
2. New business policy fee – Non Good Driver - \$25
3. Installment fee - \$9
4. Financial responsibility filing fee - \$25
5. Reinstatement fee – Good Driver - \$12
6. Reinstatement fee – Non Good Driver - \$15
7. Renewal policy fee – Good Driver - \$9
8. Renewal policy fee – Non Good Driver - \$12
9. Insured request cancellation fee - \$20
10. Non Sufficient Funds fee - \$30
11. Miscellaneous fraud fund fee – per vehicle - \$1.75 annually

Good Driver Fee applicable when any driver on the policy qualifies as a California Good Driver.

Policy Term and Payment Options

1. All policies are issued for an annual policy term.
2. Gross premium remittance plus applicable fees must be submitted. Producers may not retain commission.
3. Policies may be paid in full or may utilize an installment payment plan.
4. Payments for less than the current amount due will not be accepted and will be returned.
5. Policies that have cancelled due to non-payment of premium will be reinstated upon receipt of payment including a reinstatement fee up to 30 days following the cancellation date.
6. Reinstatement of a lapsed policy will be effective no earlier than the date and time the payment is received and accepted by Aegis Security.
7. Policies cancelled for more than 30 days must be resubmitted as new business.

Good Driver Qualification

To qualify as a California Good Driver the operator must meet the following criteria pursuant to Section 1861.025 of the CIC.

1. Must be licensed to drive for three years prior to the effective date of the policy.
2. Have not had any of the following in the prior three years:
 - a. Have more than one violation point count as determined by Section 12810 of the Vehicle Code.
 - b. Have more than one dismissal in the prior three years for violations that would have resulted in the imposition of more than one violation point count had the complaint not been dismissed.
 - c. Operator involved in a principally at fault accident resulting in bodily injury or death of any person.
3. Have not been convicted of any of the following violations in the past ten years:

Alcohol under age 21 – 23140	Fourth or subsequent offense – 23175, 23550
DUI – 23152	Third or subsequent offense – 23190, 23550, 23566
DUI causing injury – 23153	Vehicle manslaughter – 191.5 or 192

Any operator who qualifies as a California Good Driver will be deemed acceptable for coverage in the program.

Vehicle Mileage

1. The insured shall provide an estimated annual mileage for each vehicle at policy inception with the new business application. If an estimate is not provided 6,000 miles will be utilized by Aegis Security.
2. The insured shall provide an estimated annual mileage for each new or replacement vehicle on the policy. If an estimate is not provided 6,000 miles will be utilized by Aegis Security.
3. At policy renewal the prior term annual mileage estimate will be utilized for subsequent policy terms unless a revised estimate is received from the insured. Aegis Security will request from the insured no less than every three years an updated annual mileage estimate. This request will include a listing of the prior annual mileage estimate utilized for rating. If no response is received from the insured the prior estimated annual mileage will be utilized.

Vehicle Verification

Prior to requesting physical damage coverage or reducing existing physical damage deductibles, the producer must verify the vehicle condition and document any preexisting damage by conducting a vehicle inspection. The producer will obtain two photos of the vehicle along with detail photos of any prior damage. This requirement may be waived if:

1. The vehicle has been purchased from a licensed dealer or leasing company in the past 7 days and proof of sale has been collected.
2. Prior physical damage coverage existed and there is no lapse in coverage between policies and proof of prior coverage has been collected.

Vehicle Type

Vehicles are classified according to body style, performance characteristics and engine size. Engine size is determined by cubic centimeter displacement as displayed in the NADA or Kelly Blue Book appraisal guide for motorcycle. Vehicles powered solely by electric motors are classified separately. Vehicle classification categories:

ATV -	Four wheel all terrain vehicle designed and approved for use solely off of developed roadways and highways manufactured by a major manufacturer with characteristics generally classified as ATV.
Cruiser -	Motorcycle designed with upright relaxed operator position with emphasis on rider comfort over cycle performance.
Harley XL -	All Harley Davidson models designated as XL by the manufacturer.
Harley -	All non-XL designated Harley Davidson motorcycles excluding V-Rod.
Sport -	Motorcycles designed primarily for performance with forward operator position.
Luxury -	Motorcycles designed primarily by European manufacturers to provide touring and performance.
Street -	Motorcycles designed with modest performance characteristics that are not otherwise classified as Sport, Cruiser, Tour or Luxury.
Dirt -	Motorcycle designed primarily for off road used and offered for sale by a major manufacturer with characteristics generally classified as dirt bike or dual sport.
Touring -	Motorcycle designed primarily for long range touring, typically including full touring fairings, compartments, and guest rider.
Scooter -	Vehicle with design, performance and characteristics generally classified as moped or motor scooter by the motorcycle industry.
Custom -	Motorcycles manufactured domestically by recognized major manufacturers with limited production runs, but at minimum 100 units per model per year.
UTV -	Four wheel all terrain vehicle designed to accommodate two occupants for use solely off of developed roadways and highways manufactured by a major manufacturer with characteristics generally classified as UTV.

Endorsement

1. Endorsement requests must be submitted electronically or via telephone.
2. Endorsements are effective no earlier than 12:01 am the day following receipt of the change request by Aegis Security.
3. Mid-term policy changes are based on the rates in effective at the inception of the policy term in which the change is effective.
4. The named insured will not be changed, policy assignment will not be allowed except in the event of a surviving spouse or trustee of the named insured estate.

Cancellation and Non Renewal

1. Aegis Security, pursuant to Section 1861.03, will cancel or non renew policies only due to non-payment of premium, fraud or material misrepresentation, or a substantial increase in hazard insured against as defined in Section 2632.19.
2. Cancellation request must be in writing, signed by the named insured, and received by Aegis Security within 10 days of the requested cancellation date.
3. Cancellation request received by Aegis Security exceeding 10 days will be effective no earlier than 12:01 am the day following receipt of the request by Aegis Security.
4. Return premium is calculated on a pro-rata basis less any applicable fees.
5. If initial policy down payment or renewal down payment is not honored by the bank for any reason the policy will be rescinded and no coverage will have existed.

Unacceptable Risks

The following risks are unacceptable regardless of the Good Driver status of the named insured:

1. Any vehicle that is:
 - a. Company owned
 - b. Registered to an individual other than the named insured or spouse
 - c. Rented or leased for a period less than 6 months
 - d. Damaged that makes the vehicle unsafe or illegal to operate
 - e. Used for racing or business use
 - f. Special construction, homemade, go-cart, dune buggy, tractor, or not produced by an Original Equipment Manufacturer
 - g. Turbo, super charged, or performance modified
 - h. Powered by an engine in excess of 2,500cc
 - i. Chopped, reconstructed, or used as an exhibition vehicle

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- j. Three wheel vehicle originally manufactured as a two wheel vehicle

The following risks are unacceptable unless the named insured qualifies as a Good Driver:

1. Operator with five (5) or more driving record surcharge points in the past 36 months.
2. Operator with two (2) or more alcohol or drug related convictions in the past 84 months.
3. Operator with three (3) or more accidents in the past 36 months.
4. Any vehicle that is:
 - a. Over twenty (20) years if physical damage coverage is requested
 - b. Salvaged vehicle if physical damage is requested
5. Vehicle with an Actual Cash Value in excess of \$40,000 including tax and license fees.

If the named insured qualifies as a Good Driver, the named insured will have the option to exclude any unacceptable operator(s) from the policy in order to obtain coverage.