

Boat

Release 3

Program & Underwriting Guidelines



drive[®]

INSURANCE FROM *PROGRESSIVE*

Drive Boat Insurance

WORK WITH PEOPLE WHO REALLY UNDERSTAND BOAT INSURANCE

The Progressive Group of Insurance Companies has been insuring boaters for more than 20 years. We're America's #1 insurer of personal watercraft and one of the nation's leading boat insurers. With Drive Insurance, you can offer your customers a comprehensive boat program with specialized coverages and competitive prices.

NOW THIS IS SERIOUS COVERAGE

Drive Insurance from Progressive provides specialized insurance for boats. Our program can cover 95 percent of all boats on the water today (including fishing boats, runabouts, personal watercraft and boats up to 50 feet in length and \$250,000 in value).

NEW PRODUCT ENHANCEMENTS:

Underinsured Boaters Coverage – Underinsured boaters coverage has been added to Uninsured boaters coverage for no additional premium.

Personal Effects Coverage – This coverage is now PRIMARY and pays up to \$5,000 for loss to personal effects (binoculars, cameras, sunglasses, etc.) while in or on a covered watercraft.

Expanded Coastal Navigation Limits – Drive Insurance has expanded the base navigation limit for all policies from 50 nautical miles to 75 nautical miles. We've also added an optional endorsement, for additional premium, that permits extended navigation up to 125 nautical miles from the United States or Canada. See page 10 of the product guide for more details.

Improved coverage for policies with Agreed Value and Total Loss Replacement/Purchase Price Coverage – Depreciation on outdrive units and outboard motors manufactured five years before the date of loss have been eliminated.

Primary Fishing Equipment Coverage – Available up to \$10,000.

Water Sports Coverage – Included in Liability and Medical Payments Coverages.

Roadside Assistance – Included for all trailer boats (no additional premium).

Homeowner's Discount – Customers who own a home or condominium are eligible to receive up to a **10% discount**.

OUR LATEST TECHNOLOGY:

FAO Quoting – You can now provide customers with fast, accurate boat quotes through Drive Insurance's agency-dedicated Web site, ForAgentsOnly.com (FAO). The workflow for FAO quoting is identical to the Personal Auto workflow – so we think it will be easy for you to learn and begin using immediately. Check out the other benefits of FAO Quoting:

- Accurate, fast quotes
- More professional looking quote printouts
- Ability to e-mail and fax quotes to your customers with a click of the mouse
- A streamlined quoting process, including cross-sell functionality
- Always up-to-date product and rates

Remember: Quote Drive Insurance every time. You'll be glad you did and so will your customers!

If you have any questions, please contact your territory sales manager, or call our 24-hour agency customer service team at 1-877-776-2436.

Thank you for choosing to sell Drive Boat Insurance from Progressive.

■ **Note: Not all programs and features are available in every state and the specifics of each program feature may vary by state. Please refer to your state-specifics on FAO for details.**

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Agent Reference Information

FORAGENTSONLY.COM (FAO)

FAO is the Drive® Insurance agency-dedicated Web site. Use it to:

- Quote and sell new policies.
- Process policy changes online.
- Make customer payments.
- View and print up-to-date policy documents, ID cards and declarations pages.
- Get referrals.
- Check the status of your customers' claims.
- Monitor your agency's production and loss reporting numbers and quality measures.
- Access your commission statement.
- Access program and underwriting guidelines.
- Review binding restrictions.

Our exclusive toll-free Agency Service and Agency Supplies phone number.....1-877-776-2436

Customer service and new business documentation fax number1-800-229-1590

Customer Reference Information

Online Servicedriveinsurance.com

Your customers can go to driveinsurance.com to:

- Make payments.
- Quote policy changes.
- Check the status of a claim.
- Print policy documents.

Automated Customer Service.....1-800-876-5581

Pay by phone, verify last payment received or due date of next payment.

Our 24-hour toll-free claims reporting phone number (on-water towing).....1-800-925-2886

Customer fax number1-800-229-1590

24-hour Emergency Roadside Assistance1-800-776-2778

ADDRESSES

Correspondence Address*

Drive Insurance
P.O. Box 6807
Cleveland, OH 44101-1807

Overnight Delivery Address

Drive Insurance
6300 Wilson Mills Road – PS
Mayfield Village, OH 44143-2109

*Payments with coupons should be mailed to the address shown on the coupon. Payments without coupons should be mailed to the correspondence address.

Processing Guidelines



NEW BUSINESS — QUOTING

All new business quotes must be completed via ForAgentsOnly.com (FAO). If you are having technical problems and/or need assistance with the FAO Quoting software, please contact the Agent Support Help Desk at 1-877-776-2436.

NEW BUSINESS — UPLOAD ONLY

All applications must be uploaded to Drive Insurance using ForAgentsOnly.com (FAO). Paper applications will not be accepted.

NEW BUSINESS BINDING

Original applications will be bound as of the date on the application if:

- the application and all applicable documents are complete and signed by the applicant;
- the down payment has been made, and any outstanding balance (if applicable) has been paid, on the date of application;
- the application is uploaded and a policy number is issued;
- the effective date is no earlier than the date upon which the agent/broker received the down payment and the application is completed and signed by the applicant;
- the application does not include any class of risk or type of insurance not specified in the underwriting requirements; and
- the information contained within the application is, to the agent's/ broker's knowledge, truthful and accurate.

■ **Note: Brokers do not have the authority to issue policies, endorsements or cancellation notices unless specifically authorized by Drive Insurance in writing to do so.**

■ **Note: The FAO Quoting software will prevent you from selling a policy with an effective date that is outside your binding authority (greater than 72 hours in the past).**

BINDING RESTRICTIONS

Physical Damage Coverage may not be written or bound in any area where there is a hurricane or tropical storm watch, warning or occurrence. Binding may also be restricted for other natural disasters, such as a flood, tornado, earthquake, etc., at Drive Insurance's discretion. Always check FAO to see if any binding restrictions are in place for your area.

ENDORSEMENTS

Please process your endorsements online at our agency-dedicated web site, ForAgentsOnly.com (FAO). Processing your endorsements online saves you time otherwise spent on the phone with Drive Insurance and the customer. While online you can also access and print policy documents, including declaration pages, bills and renewal notices.

FAXED DOCUMENTS

While we prefer that you process all endorsements and cancellations via FAO for faster, higher quality service, the following transactions require a signature and must be faxed:

- Agent of record changes (fax this prior to policy renewal – we do not make these changes mid-term).
- Changes or deletions of the named insured.
- Coverage reductions (if your state requires these be faxed to Drive Insurance).
- Proof documents for Homeowners Discount.

REPLACEMENT BOAT

- If no change in coverage – notify us within 30 days of purchase date.
- If change in coverage – notify us immediately. Coverage does not apply until we are notified.

CANCELLATIONS

- Customer Request – If Drive Insurance cancels a policy due to customer request or nonpayment of premium, we will calculate any refund due on a daily pro-rata basis. A \$30 cancellation fee will be charged (will vary by state) during the initial policy term only.
- Company Cancel – Drive Insurance will refund premium on a daily pro-rata basis for the period from the date of cancellation to the expiration date. No cancellation fee will be charged.
- Loss Payee – Company mails notice of cancellation unless Loss Payee submits written release of their copy of the policy.
- Duplicate Coverage – Cancellation requests due to duplicate coverage must be accompanied by a copy of the declaration page from the current carrier showing coverage and effective date.
- Effective Date/Time – 12:01 AM on cancellation day.
- There are NO RESTARTS on cancelled policies.

Installment payments postmarked the day of cancellation will be accepted and the policy will remain in force.

RENEWALS

- Renewal notices issue automatically at least 30 days prior to the policy expiration date.
- Electronic Funds Transfer (EFT) Payment – The insured will be notified that funds will be automatically withdrawn at renewal if the EFT payment option was selected.
- A payment postmarked after the expiration date will renew the policy effective the day after postmark.
- Renewals with more than a 50-day lapse must be submitted as a new application.

REWRITES

When rewriting a policy, please ensure all eligible coverages transfer to the new policy. All outstanding balances on cancelled policies must be paid before the insured is rewritten.

REINSTATEMENTS

Policies cancelled for any reason cannot be reinstated after the cancellation date. A new application must be rated and uploaded via FAO to obtain coverage.

ACQUIRED BUSINESS

If you acquire a Drive Insurance policy, either through an agent of record change or through the transfer or purchase of another agency's book of business, you must immediately obtain, from the prior agent or agency, all original signed applications (including exclusions and rejections of optional coverage) and all other records relating to that policy. Such records must be maintained in accordance with the terms of your Producer's Agreement and all applicable laws. If attempts to obtain records from the prior agent or agency prove unsuccessful, you must obtain signed forms directly from the policyholder.

FILE MAINTENANCE AND AUDIT REQUIREMENTS

Just prior to upload, FAO will display a list of documents to be kept in your agency files. Please be sure to maintain all required documents.

Routine audits will be performed on random files. You will be required to provide file maintenance documentation to a Drive Insurance representative during an on-site visit or fax audit.



Boat Types and Acceptability Guidelines

PLEASURE BOAT

Boats up to 50 feet in length and \$250,000 in value including motor(s), permanently attached equipment, portable boating equipment and trailer (see FAO for exceptions).

RUNABOUT

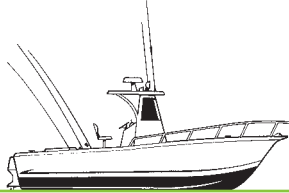


(types: cuddy cabin, deck boat, open bow, ski boat)

PONTOON



FISHING



(types: center console, flats/bayboat, jon boat, walk-around)

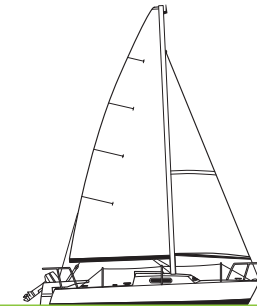
HOUSEBOAT



BASS



SAIL



(types: mono hull, catamaran, trimaran)

CABIN CRUISER



(types: express, sedan, aft-cabin, fly bridge, motor yacht, trawler)

PERSONAL WATERCRAFT (PWC)

Water jet-pump-driven watercraft up to \$27,000 in value including permanently attached equipment, portable boating equipment and trailer.



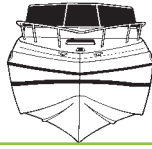
(types: Sea-Doo®, Waverunner®, Jetski®, Aquatrax®)

FAO software will automatically assign the proper rating symbol based on the year, make, model, value, horsepower, length and weight of the boat.

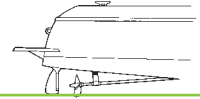
Maximum speed is determined by Drive Insurance using information obtained from boat manufacturers and from independent testing publications.

Hull and Propulsion Types

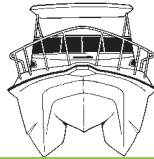
V-HULL



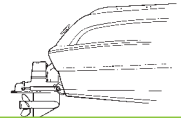
INBOARD



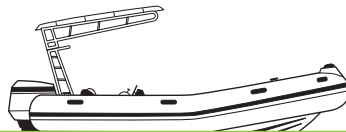
DISPLACEMENT CATAMARAN HULL



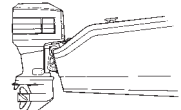
INBOARD/OUTBOARD
(STERN DRIVE)



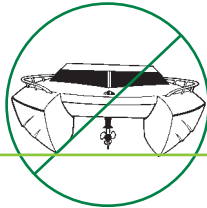
INFLATABLE



OUTBOARD



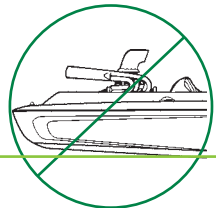
PERFORMANCE CATAMARAN/
TUNNEL HULL (UNACCEPTABLE)



JET



EXPOSED ENGINE
(UNACCEPTABLE)



Boat Rating Information

WATERCRAFT VALUE

The definition of the watercraft value depends on the type of physical damage selected. A current BUC Guide, ABOS Blue Book, N.A.D.A. Appraisal Guide, accredited marine survey or a local dealer may be used to help determine the watercraft value. For boats two years old or less, a sales receipt can also be used to determine the value.

Total Loss Replacement/Purchase Price – Represents the purchase price of the watercraft (including tax, and title fees paid at the time of purchase), including motor(s), any portable boating equipment, permanently attached equipment, marine electronics and trailer, if Trailer Coverage is requested.

Agreed Value – Represents the current market value of the watercraft, including any motor(s), portable boating equipment, permanently attached equipment, marine electronics and trailer, if Trailer Coverage is requested.

Actual Cash Value – Represents the current market value of the watercraft, including motor(s), any portable boating equipment, permanently attached equipment, marine electronics and trailer, if Trailer Coverage is requested.

Permanently attached equipment is fastened to the hull using bolts or brackets, including slide-out brackets. Permanent equipment includes, but is not limited to:

- Audio/Video equipment
- Depth/Fish finders
- Downriggers/Outriggers
- Loran and GPS systems
- Radar and sonar systems
- Ship-to-shore radios
- Trolling motors

Portable Boating Equipment is detachable equipment customarily kept in or on a boat for the maintenance or use of the boat.

Portable Boating Equipment includes, but is not limited to:

- Anchors
- Lights
- Safety and lifesaving
- Sails & Rigging
- Tarpaulins/covers
- Water skis, wake boards, knee boards, equipment tubes

➤ **Note: Scuba equipment is NOT considered Portable Boating Equipment. Scuba equipment can be insured under "Personal Effects" if coverage is desired.**

PRINCIPAL DOCKAGE/MOORING/STORAGE LOCATION

Principal dockage/mooring/storage location is the Zip Code where the boat is located at least 6 months of the year. The location must be in a state with a filed program. Drive Insurance's FAO will automatically assign the proper territory rating factor based on Zip Code.

➤ **Note: Drive Insurance does not surcharge for the type of storage.**

Personal Watercraft (PWC) Coverage Highlights

Drive Insurance offers some of the most comprehensive coverages available for PWC owners, coverages that you can't find with other carriers.

REPLACEMENT COST PERSONAL EFFECTS COVERAGE

Drive Insurance can cover your customer's personal effects while on board the watercraft or while being carried on or off the customer's watercraft. Theft must be supported by visible evidence of forced entry.

Replacement Cost Personal Effects includes but is not limited to: binoculars, cameras, CD players, cellular telephones, clothing, coolers, portable radios, scuba equipment, sunglasses, etc. Coverage is available up to \$5,000. A \$250 deductible shall apply to each loss.

LIABILITY COVERAGE

Drive Insurance is one of the few companies that offers limits of liability up to \$500,000 CSL for PWCs. This works well for those customers looking for more complete coverage or for those customers that have an umbrella policy and need higher underlying coverage. We also offer "liability only" coverage for those customers that need to make sure they meet state, marina or yacht club requirements.

WATER SPORTS COVERAGE

(Included with Liability & Medical Payments Coverages)

Drive Insurance automatically includes water sports coverage for no extra premium when liability and medical payments coverages are purchased. We provide coverage for water skiing, knee boarding, wake boarding and tubing.

ROADSIDE ASSISTANCE COVERAGE

Roadside Assistance Coverage provides towing for the covered PWC and tow vehicle to the nearest qualified repair facility when the tow vehicle or the PWC trailer is disabled. This coverage extends to the tow vehicle while transporting the insured PWC, even if the tow vehicle is insured with another insurance company. Roadside Assistance Coverage is automatically included on all policies with Physical Damage Coverage and a trailer — for no extra premium!

DEDUCTIBLES

Drive Insurance offers a wide selection of physical damage deductibles ranging from \$250 to \$5,000. We let you and your customer decide what best fits their budget.



Although we provide coverage for almost all risks, the following risks are not acceptable for our Boat Program:

UNACCEPTABLE INSURED/OPERATORS

- Operators who do not possess a valid U.S., Canadian or International driver's license.
- Operators with a suspended, revoked or canceled driver's license.
- Operators without a permanent garaging address, including migratory, seasonal occupation, or transient risks.
- Operators requiring a financial responsibility filing.
- Applicants who have had a policy cancelled or nonrenewed by Drive Insurance for fraud or misrepresentation in connection with an application for insurance or in the presentation or settlement of a claim, or who have been convicted of insurance fraud.
- Applicants who have had a policy cancelled or nonrenewed by Drive Insurance because of an unauthorized payment in connection with an application for insurance or a policy.

UNACCEPTABLE BOATS:

- Boats over 50 feet in length and/or valued over \$250,000.
- Personal Watercraft valued over \$27,000.
- Physical damage coverage on boats more than 15 years old AND worth more than \$20,000.
- Boats with maximum speeds exceeding 75 mph.
- Bass boats with maximum speed exceeding 90 mph.
- Boats with engine horsepower greater than 500 for a single engine or 1,000 for twin engines.
- Boats equipped with over-the-transom exhaust or exposed inboard engine(s).
- Boats with more than two motors (other than trolling motors or "kicker" motors).
- Wood, steel, ferro cement or performance catamarans/tunnel hulls. Please refer to the illustrations on page 5 for additional assistance in determining hull type.
- Boats that do not meet published U.S. Coast Guard standards.
- Boats principally docked/moored/stored in Canada, District of Columbia, Massachusetts, Mexico, or Puerto Rico. "Principally Docked/Moored/Stored" is defined as at least 6 months in a given state or location.
- Boats used as a primary residence ("Live Aboards").
- Boats used for any business or commercial purpose including but not limited to: pickup or delivery of goods, limousine or taxi service, emergency services, food concessions or commercial fishing (including netting and trapping).



- Boats used for racing or speed tests (except sailboats).
- All amphibious boats, hovercraft or airboats.
- Foot pedal/paddle, steam, glass bottom and ice boats (sailboat).
- Homemade boats with physical damage coverage.
- Homemade boats without a serial number.
- Houseboats that do not have motors.
- Engine/Motor Only coverage.
- Boats leased or rented to others by the insured.
- Physical Damage Only policies.
- Boats with more than two owners.

INSPECTIONS

Drive Insurance may on occasion require an inspection on any boat after binding. Any inspections requested after binding will be completed at Drive Insurance's expense and may result in underwriting and/or premium adjustments. Failure to cooperate with an inspection may result in policy cancellation.

Specialized Coverages*

Drive Insurance wants to be your first choice for boat insurance. We will insure almost any boat at a great rate! Give your customers the coverage and service they expect by selling them a Drive Insurance specialized boat policy, instead of endorsing their boat onto their homeowner's policy. Drive Insurance offers competitive rates for a wide range of boats, and we offer coverages designed to meet the needs of all your customers... even those needs your customers may not have even thought about.

TOTAL LOSS REPLACEMENT/PURCHASE PRICE

Drive Insurance's Total Loss Replacement/Purchase Price is available on newly purchased boats up to one model year old. In the event of a total loss, this coverage replaces the insured boat with a new boat that is, to the extent possible, the same make and model, and which contains comparable equipment. For boats over five model years old, we will pay the purchase price. The insured must be the original owner to qualify as a "new" boat for Total Loss Replacement/Purchase Price Coverage.

The Purchase Price must be increased if the policyholder attaches additional equipment that increases the value of the boat. Total Loss Replacement Coverage requires a sales receipt to determine the rating base. (Coverage Not Available for Personal Watercraft)

AGREED VALUE

Agreed Value is available on all boats qualifying for full coverage. In the event of a total loss, this pays the rating base regardless of the actual cash value. On partial losses, there is no depreciation except for batteries, sails, plastic and/or canvas coverings.

For boats two years old or less, the sales receipt can serve as the rating base. If a sales receipt is unavailable, the rating base may be determined by referring to BUC Guide, ABOS Blue Book, N.A.D.A. Appraisal Guide, accredited marine survey or local dealer. (Coverage Not Available for Personal Watercraft)

ACTUAL CASH VALUE

Actual Cash Value Coverage is the most economical choice when it comes to insuring a boat. This coverage is available for all boats and PWCs qualifying for physical damage coverage. Actual cash value is determined by the market value, age, and condition of the boat or PWC at the time of the loss. In the event of a total loss, this coverage will pay the lesser of the actual cash value at the time of loss or the rating base.

➤ **Note: Physical Damage Coverage is not available if the boat is more than 15 years old AND worth more than \$20,000**

IMPROVED!

PARTIAL LOSS SETTLEMENT FOR POLICIES WITH TOTAL LOSS REPLACEMENT COST/PURCHASE PRICE COVERAGE OR AGREED VALUE COVERAGE

No adjustment for depreciation will be made in determining the limit of liability on a covered watercraft manufactured less than five years before the date of loss, except for: batteries, sails, plastic and canvas coverings, including all-weather bridge and cockpit enclosures and dodgers.

DEDUCTIBLES

Available Physical Damage Deductible Options: \$250, \$500, \$1,000, \$2,500 & \$5,000. Deductible applies to hull, machinery, permanently attached equipment, portable boating equipment, marine electronics and trailer (if trailer coverage is requested).

DISAPPEARING DEDUCTIBLES

(Included with Agreed Value & Total Loss Replacement/Purchase Price Coverages)

Disappearing Deductibles is included for no extra premium with Agreed Value and Total Loss Replacement/Purchase Price Coverages. Disappearing Deductibles provides a reduction of 25% in Comprehensive and Collision deductibles for each claim-free policy period. When the fourth consecutive claim-free policy period is reached, the deductible will be \$0. If Drive Insurance pays a comprehensive or collision claim, deductibles return to their original amounts upon the next renewal. Non-physical-damage-related claims (e.g., Liability, Roadside Assistance, etc.) do not affect the disappearing deductible level. (Coverage Not Available for Personal Watercraft)

MEXICO PHYSICAL DAMAGE COVERAGE

(Included with Comprehensive & Collision Coverages)

Provides automatic extension of the physical damage portion of the policy to cover losses occurring within Mexico, including ocean waters within 75 nautical miles of its coast. If the boat must be repaired in Mexico, we will only pay what we determine to be the reasonable costs for such repairs in the United States.

WRECKAGE REMOVAL COVERAGE

(Included with Comprehensive & Collision Coverages)

Drive Insurance will pay reasonable costs incurred by the insured for any attempted or actual raising, removal or destruction of the wreckage of an insured boat resulting from any loss for which physical damage coverage is provided. The limit of liability varies based on whether or not the insured is legally required to raise, remove or destroy the boat.

FUEL SPILL LIABILITY COVERAGE

(Included with Liability Coverage)

Drive Insurance Liability Coverage includes coverage for unintentional oil or fuel spills that result in bodily injury or property damage for which the insured is legally responsible because of an accident arising out of the ownership, maintenance, or use of the insured boat. The limit of coverage is the liability coverage limits selected by the insured.

*Refer to Drive Insurance's Boat and Personal Watercraft policy for complete details on all of our great coverages.

LIABILITY COVERAGE

Liability Coverage pays for damages, other than punitive or exemplary damages, for bodily injury and/or property damage for which an insured person becomes legally responsible because of an accident arising out of the ownership, maintenance, or use of a boat. When the customer is legally required, liability coverage pays for the raising, removal or destruction of the wreckage of a covered watercraft. There are multiple coverage limits available up to \$500,000 CSL.

WATER SPORTS COVERAGE

(Included with Liability & Medical Payments Coverages)

Water Sports Coverage is automatically included with liability and medical payments coverages for no extra premium. Covered water sport activities include water skiing, knee boarding, wake boarding and tubing. Unacceptable water sport activities include para-sailing, hang gliding, kite skiing, or any other activity involving a device designed for flight.

MEDICAL PAYMENTS

This coverage pays for bodily injury to a covered person arising out of the ownership, maintenance or use of the insured boat or trailer. Available coverage options: \$1,000; \$2,500; \$5,000; \$7,500; or \$10,000 per occurrence. No deductible applies.

ENHANCED!

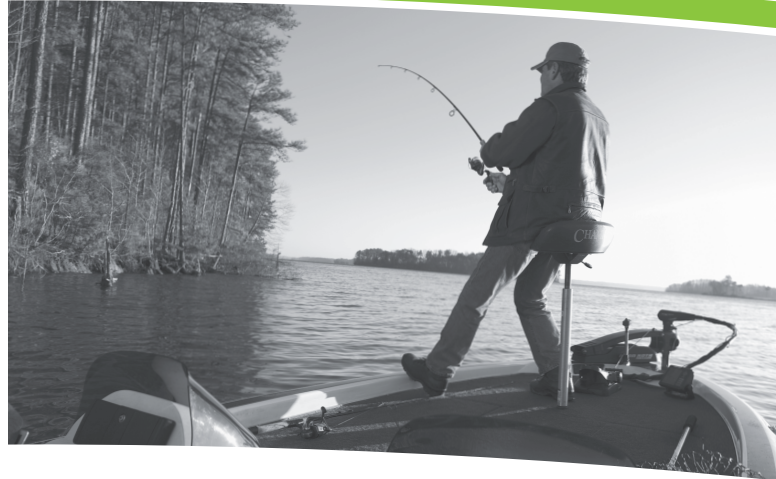
UNINSURED/UNDERINSURED BOATERS

This coverage pays a covered person occupying a boat or personal watercraft for bodily injury caused by the owner or operator of an uninsured or underinsured boat or personal watercraft.

FISHING EQUIPMENT COVERAGE

This coverage pays up to \$10,000 for fishing equipment that is damaged, lost or stolen. The most we will pay for loss or damage to any one item of fishing equipment is \$1,000. A tackle box is considered one item regardless of the number of lures, hooks, baits and other items are stored in the container. A rod and reel are considered two separate items. No coverage is provided for theft unless the fishing equipment is stolen from a locked compartment or cabin, the theft is supported by visible evidence of forcible entry and the theft is reported to the United States Coast Guard, the police, or other civil authority within twenty-four (24) hours or as soon as practicable after the loss. A \$250 deductible applies to each loss. No adjustment for depreciation.

Drive Insurance's Fishing Equipment coverage is PRIMARY, meaning that your customers don't have to worry about submitting a homeowners claim. The following limits are available: \$1,000; \$2,500; \$5,000; and \$10,000.



PRIMARY!

REPLACEMENT COST PERSONAL EFFECTS COVERAGE

Replacement Cost Personal Effects Coverage pays up to \$5,000 for loss to personal effects while in or on a covered watercraft. This coverage is available for all boats, including PWCs. Personal effects does not include permanent or portable boating equipment.

No coverage is provided for theft of personal effects unless such items are stolen from a locked compartment or cabin, the theft is supported by visible evidence of forcible entry and the theft is reported to the United States Coast Guard, the police, or other civil authority within twenty-four (24) hours or as soon as practicable after the loss. The following limits are available: \$1,000; \$2,000; \$3,000; \$4,000; and \$5,000.

Our limit for loss to any one item of personal effects is \$1,000. A deductible of \$250 shall apply to each loss of personal effects. The insurance that we provide for personal effects is PRIMARY. Examples of personal effects include, but are not limited to:

- Binoculars
- Cellular Telephones
- Portable radios
- Cameras
- Clothing
- Scuba Equipment
- CD Players
- Coolers
- Sunglasses

*Refer to Drive Insurance's Boat and Personal Watercraft policy for complete details on all of our great coverages.

Specialized Coverages*

ROADSIDE ASSISTANCE COVERAGE

This coverage is provided in the event of a covered emergency while your covered watercraft is on a trailer being towed or carried by a land motor vehicle or being loaded or unloaded from its trailer.

We will pay for our authorized service representative to provide towing of the vehicle, covered watercraft and trailer, TO THE NEAREST QUALIFIED FACILITY, and necessary labor at the time and place of disablement, when the disablement is due to: mechanical or electrical breakdown, battery failure, insufficient supply of fuel, oil, water or other fluids, flat tire, lockout, or entrapment in snow, mud, water or sand within 100 feet of the roadway. Coverage extends to the vehicle towing the watercraft trailer.

This service is "Sign and Drive," meaning no out-of-pocket expenses; all the insured has to do is sign the receipt and they're back on their way. Roadside assistance can be obtained 24 hours a day, 7 days a week, anywhere in the U.S. or Canada.

Roadside Assistance Coverage is included on policies with physical damage coverage for Pleasure Boats and PWCs with trailers – for no extra premium!

EMERGENCY TOWING AND LABOR COVERAGE

This coverage provides reimbursement for on-water towing and labor costs in the event the customer's boat becomes disabled while on the water. The labor must be performed at the place of disablement and not where the boat is usually kept. Available coverage options: \$300, \$500, \$1,000 or \$2,500 per occurrence. No deductible applies. (Coverage Not Available for Personal Watercraft)

ENHANCED!

COASTAL NAVIGATION

The Coastal Navigation Coverage limit of 75 nautical miles is included on all policies. It provides coverage for navigation of all inland lakes, rivers and navigable waterways of the continental United States and Canada, including ocean waters 75 nautical miles or less from the coast of either the United States or Canada.

An additional Coastal Navigation limit of 125 nautical miles is available for an additional premium. It extends coverage from the coast of the United States and Canada, and includes the territories and territorial waters of the Commonwealth of the Bahamas that exist 125 miles or less from the coast of the United States.

This limit is available for powered boats at least 26 feet in length with 2 primary engines, and sailboats at least 26 feet in length with at least one inboard engine. (Coverage Not Available for Personal Watercraft)

*Refer to Drive Insurance's Boat and Personal Watercraft policy for complete details on all of our great coverages.

SAMPLE COVERAGE OPTIONS

Bodily Injury/ Property Damage	Uninsured/ Underinsured	Medical Payments	Comprehensive/ Collision Deductibles
25/50/10	25/50	\$1,000	\$250
50/100/25	50/100	\$2,500	\$500
100/300/50	100/300	\$5,000	\$1,000
250/500/100	250/500	\$7,500	\$2,500
100 CSL	100 CSL	\$10,000	\$5,000
300 CSL	300 CSL		
500 CSL	500 CSL		

WHICH DRIVERS TO LIST

- Household residents who operate the boat.
- Drivers that have an ownership interest in the boat.
- Other “Regular Drivers” of the boat. “Regular” is defined as operating the boat more than 12 times per year.

■ **Note: Operators less than 18 years of age who are household members or have permissive use are acceptable and do not have to be listed in order to be covered. Operators 18 years of age or older will be rated on.**

MARITAL STATUS

Only those drivers who are legally married or deemed married by state law may be rated as “Married.” This “Married” classification includes widows and widowers. Individuals who are unmarried, separated, divorced, or in a same-sex relationship are rated as “Single.”

FILING INFORMATION (SR-22’S)

SR-22’s/Filings are not available in the Boat Program.

NAMED INSURED/ADDITIONAL INTEREST

An Additional Interest is a party, other than the insured or an operator on the policy, that has an interest in being protected under the liability portion of the insurance contract. The Named Insured and the Second Named Insured on the policy must be individuals, not a business or a Living Trust. A business or a Living Trust can be listed as the Additional Interest on a boat policy, provided that there is no business use.”

Point of Sale (POS) Information

CREDIT AND MVR VERIFICATION

Use your FAO quoting system’s point of sale (POS) feature to order your customer’s credit and MVR during the quoting process. POS allows you to review all data with your customers and produce the most accurate quote possible, which reduces uprates and increases customer satisfaction and retention.

Insurance Credit Score

- To order this information, simply follow the instructions in your FAO quoting system. Please be sure to read to the customer the short disclosure that appears on the screen.
- You cannot upload an application if you do not order the customer’s insurance credit score.
- Be sure to include full name, address and social security number to avoid inaccurate or unavailable credit information. **(A customer has the right not to provide his/her social security number, but this may result in unconfirmed credit information.)**
- You will not receive any information contained in the customer’s credit report; it is ordered, received and used exclusively by Drive Insurance through its mainframe computer.
- A customer who suspects inaccuracies in his/her credit report can obtain a copy of the report by calling the credit bureau after the confirmation is completed. Agents cannot request this information – only the customer may contact the credit bureau.
- Drive Insurance uses Trans Union, Experian and Equifax as our suppliers of credit information.
- See Quote Status/Consumer Information tab for the credit bureau’s address and telephone number.
- For information about Drive Insurance’s Credit Information Team, see the Credit Information Team section in the next column.
- Drive Insurance may update a customer’s insurance credit score at renewal, just as we update driver age, vehicle age, driving record, etc. This is done to charge rates that are as accurate as possible.

OUTSTANDING CUSTOMER BALANCE VERIFICATION

POS will verify whether your customer has an outstanding balance of \$75 or greater from a previous Drive Insurance policy. If so, your customer will have to make the down payment in addition to paying the outstanding balance before you can upload the application. If POS also finds that your customer has a record of NSF with Drive Insurance, your customer will need to pay the outstanding balance via certified check or money order before you can upload the application. Your quoting system will show the remit-to-address.

UNINSURABLE RISK VERIFICATION

POS will verify whether your customer has ever been cancelled or not renewed by Drive Insurance due to: misrepresentation, misrepresentation on a claim, fraud/misrepresentation on an application, fraud on a claim, lack of cooperation in a fraud investigation, or record of an unauthorized or counterfeit payment. If POS determines that the primary named insured (PNI) is an uninsurable risk, your quoting system will inform you and you must tell the customer. You will not be able to complete the quote.

CREDIT INFORMATION TEAM

Drive Insurance has introduced a service to help customers understand how and why we use consumer credit reports. This service will also help you address customer questions and concerns about insurance credit scores.

The Credit Information Team is comprised of specially trained Customer Service Representatives who can provide consumers with detailed explanations of what was used in determining their insurance credit score, and make reasonable exceptions for consumers whose credit is negatively influenced by extraordinary circumstances.

The Credit Information Team is available through a special toll-free number, 1-800-876-5411.

Discounts & Surcharges

HOMEOWNER'S DISCOUNT

Insureds who own a home or condominium will receive up to a **10% discount** on their Boat policy. The Homeowner's Discount is not available in all states.

Proof of home ownership is required in order to receive the discount. In most cases, FAO will automatically verify home ownership. When home ownership cannot be verified, FAO will instruct the agent to collect proof from the insured. In these cases, the agent must submit proof of home ownership to Drive Insurance. Any of the following are acceptable as long as the information provided includes the name of the insured or spouse:

- Mortgage coupon
- Property tax bill
- Homeowners insurance declarations page or application
- Homeowners insurance renewal offer
- Mortgage loan agreement
- Property deed
- Homestead Exemption Certificate
- Letter from an Indian Reservation confirming that the insured owns a home within the reservation
- Print screen from an agency management system (does not need to show carrier's name)
- Acord application printed from agency management system (for download agents, this is their copy of the Homeowners declarations page)

➤ **Note: For mobile homes, the document must include the year of the mobile home.**

PAID-IN-FULL DISCOUNT

A **10% discount** applies to Boat policies with comprehensive and collision coverage when the insured pays 100% of the policy premium at point of sale.

MULTI-BOAT DISCOUNT

A **5% discount** applies to the Boat policy when two or more watercraft are insured on the same policy.

MULTI-POLICY DISCOUNT

A **5% discount** applies to the Boat policy whenever the named insured has another policy in force with Drive Insurance. The other policy may cover an automobile, mobile home, motorcycle, motor home, snowmobile, travel trailer or boat.

➤ **Note: The Multi-Boat discount supersedes the Multi-Policy discount.**

➤ **Note: Maximum policy discount is 35%.**

ACCIDENT SURCHARGE WAIVER

Drive Insurance now offers Accident Forgiveness at renewal! An insured will not be charged for an at-fault accident if ALL of the following conditions are met:

1. The claim was reported to Drive Insurance;
2. The policy has been in force with Drive Insurance for at least 48 months;
3. The policy did not have any other chargeable accidents during the prior 35 months;
4. The driver and vehicle were listed on the policy when the accident occurred; and
5. There are no other waived accidents on the policy.

SURCHARGES

- A Driving Record surcharge applies to any operator with accidents or violations that have occurred within 35 months of the policy inception date. (Exception - see Accident Surcharge Waiver)
- A surcharge applies to any operator who does not have a valid U.S. or Canadian license, but has a foreign license or international driver's license.
- An Unverifiable Driving Record surcharge applies to any operator whose driving record cannot be verified.
- A Multi-Owner surcharge applies to any boat with more than one titled owner not residing in the same household. Boats with more than two owners are not acceptable.
- A Special Hazard surcharge applies to any boat or personal watercraft having any after-market products that change the manufacturer's base-line performance standards. This includes, but is not limited to:

Boats

- Performance Outdrives
- Turbo/Super Chargers
- Nitrous Oxide Systems

Personal Watercraft

- High Performance Stainless Steel Impellers

Bill Plans & Payment Options

Number of Payments	Down Payment %	Installments	Payment Due Dates
1	100%	n/a	n/a
4	25%	3@25%	Inception date for 3 months
12 EFT†	15%	11@7.7%	Inception date for 11 months
12 EFT (Renewals)†	8.3%	11@8.3%	Inception date for 11 months

†The 12-pay plan is for EFT (Electronic Funds Transfer) only. The payment due date is always the same day of the month, based on the day of the month the policy inceptioned. If the inception date is not in the next billing month, the due date will be the first day of the following month.

POLICY TERM

New business policies are only offered for 12 month terms.

EXPRESS MONEY TRANSFER

(Available for down payment, installment payments and renewal payments)

Express Money Transfer lets you electronically transfer the insured's payment directly to Drive Insurance.

- Deposit payment into your agency's business checking account.
- Payment will be withdrawn the day after the policy has been submitted via FAO.
- In the event of non-sufficient funds in the insured's account, Drive Insurance will return the payment to your account (notify Drive Insurance immediately through the Returned Check Processing tool in FAO).

ELECTRONIC FUNDS TRANSFER (EFT)

(Available for installment and renewal payments)

Drive Insurance is pleased to offer our customers the option of paying their boat insurance installment and renewal payments the easy way – with Electronic Funds Transfer (EFT). When EFT is selected as a payment option in FAO, simply enter the requested banking information and installments will automatically be withdrawn from the insured's checking account.

■ **Note:** The initial down payment cannot be withdrawn electronically.

CREDIT CARD/DEBIT CARD PAYMENTS

(Available for down payment, installment payments and renewal payments)

- Initial down payment – Drive Insurance accepts down payments via credit card (Discover, MasterCard or Visa) or debit card (MasterCard or Visa).
- Installment and renewal payments – Can be made using the insured's credit card (Discover, MasterCard or Visa) or debit card (MasterCard or Visa) via ForAgentsOnly.com, driveinsurance.com or by calling Automated Customer Service at 1-800-876-5581.

PREAUTHORIZED CHECKS (PACS)

(Available for down payment, installment payments and renewal payments)

Customers now have the ability to pay their boat insurance installment and renewal payments to Drive Insurance right over the phone via Preauthorized Checks (PACs). The process is as simple as writing a check, but without the hassle of mailing one. When an insured wants to make a payment on their policy, all they have to do is call Drive Insurance and have the money electronically withdrawn from their checking account. The customer will need to provide the account name, account number and check number for the check they want to use for the transaction. The money will be instantly withdrawn from the customer's checking account and applied to the policy the same day.

FEES (MAY VARY BY STATE)

Fee Type	Amount	Conditions
Installment Fee	\$5	An installment fee of \$5 is charged for each installment payment made via any method other than Electronic Funds Transfer.
EFT Installment Fee	\$1	An installment fee of \$1 is charged for each installment payment made via Electronic Funds Transfer.
Late Fee	\$5	A \$5 fee is assessed on any installment payment if minimum amount due is not paid or if payment is postmarked more than 2 days after the due date.
NSF Fee	\$20	If a payment check is returned by a financial institution due to non-sufficient funds, or an uploaded payment is not processed due to non-sufficient funds in an agent's premium trust account, a \$20 fee will be assessed.
Cancel Fee	\$30	A \$30 fee will be charged if the insured requests cancellation, including nonpayment of premium, during the first policy term.



Drive Boat

Insurance Quote Request



Insure Your Passion®

Drive® Boat Insurance Quote Request



CUSTOMER INFORMATION

First Name: _____ Middle Initial: _____ Last Name: _____ Sex: ☐ M ☐ F

Date of Birth: ____/____/____ Social Security Number: _____ Phone Number: (____) _____

Home Address _____ Marital Status: ☐ Married ☐ Single ☐ Other: _____

E-mail Address: _____

Primary Residence: ☐ Own Home/Condo
☐ Own Mobile Home less than 10 years old
☐ Rent
☐ Live with Parents
☐ Other _____

Driving Record (prior 35 months)
Number of/Nature of Tickets (all vehicles): _____

Number of/Nature of AF/NAF Auto and Boat/PWC Accidents: _____

Automobile Driver License Status: _____

BOAT INFORMATION

Type (i.e., pleasure, fishing, sail, etc.): _____ Year: _____ Make: _____ Model: _____

Length: _____ Number of Engines: _____

Total Horsepower (excluding trolling and kicker motors): _____

Propulsion Type: ☐ Inboard ☐ Outboard ☐ Inboard/Outboard ☐ Jet

Hull Material: _____

Enhanced Performance Modifications (i.e., blowers, superchargers, etc.): _____

Trailer Coverage: ☐ Yes ☐ No

Rating Base* (include value of trailer and portable boating equipment if coverage desired): _____

*Purchase price with taxes and title fees for TLR coverage or current market value for A/V, ACV coverage

UNDERWRITING INFORMATION

Dockage/Mooring/Storage Zip Code: _____ Watercraft Use (i.e., pleasure, business, etc.): _____

Multi-Owner (more than one owner, not in the same household): ☐ Yes ☐ No

Other Drive Policies (5% Discount): ☐ Automobile ☐ Boat ☐ Motorcycle ☐ RV ☐ Snowmobile
(Anyone with regular access to insured vehicle more than 12 times a year)

Names of Regular Operators: _____

Names of Household Resident Operators: _____

COVERAGE INFORMATION

Hull Coverage: ☐ Total Loss Replacement (new boats only) ☐ Agreed Value ☐ Actual Cash Value

Hull Deductibles: ☐ \$250 ☐ \$500 ☐ \$1,000 ☐ \$2,500 ☐ \$5,000

Liability Coverage Limits: _____

Uninsured/Underinsured Boater Coverage: _____

Medical Payments Coverage: ☐ \$1,000 ☐ \$2,500 ☐ \$5,000 ☐ \$7,500 ☐ \$10,000

Primary Personal Effects Coverage: ☐ \$1,000 ☐ \$2,000 ☐ \$3,000 ☐ \$4,000 ☐ \$5,000

Fishing Equipment Coverage (Primary): ☐ \$1,000 ☐ \$2,500 ☐ \$5,000 ☐ \$10,000

Emergency Towing (on-water): ☐ \$300 ☐ \$500 ☐ \$1,000 ☐ \$2,500

Coastal Navigation: ☐ 75 Nautical Miles (included) ☐ 125 Nautical Miles (optional)

Note To Customer (in credit states only): To provide an accurate quote, we have asked you numerous questions about yourself and your boat. As part of the quoting process we will also be utilizing various consumer reports which may include reports regarding your credit history. All information we acquire may be provided to our insurance carriers. Please initial here if we have your permission to gather and share information as described herein: _____



Insure Your Passion®