

Public Auto Underwriting Guidelines

The Carolina Casualty Difference

For over 75 years, Carolina Casualty has been a premier name in the commercial transportation industry. We specialize in insurance products and coverages designed exclusively for preferred trucking and public transportation risks. Carolina Casualty offers responsive service, innovative solutions, and financial strength for our agents and customers. Carolina Casualty Insurance Company is rated A+ by A.M. Best Company.

Agents and Brokers

Carolina Casualty will accept new submissions from approved retail agents and brokers. Agents and brokers must be appointed and licensed with Carolina Casualty in the insured's state prior to binding. These guidelines will assist you in qualifying, submitting and binding Public Transportation business with Carolina Casualty. Our guidelines are subject to change periodically without notice.

Program Availability

Programs are available in all states except Alaska, Hawaii and Massachusetts. Accounts written in Louisiana require a \$25,000 liability deductible.

Target Risk Attributes

- 10+ Power Units
- 3+ Years In Business
- Satisfactory Carrier Safety Rating
- Financially Strong Balance Sheet
- Superior Driver Hiring and Safety Programs
- Values Risk Management Services
- Values Best in Class Claims Service
- Relationship Buyer

Target Operations

- Charter and Tour Operators
- Municipal Transit Authorities
- Limousine Services
- School Districts
- School Bus Contractors
- Entertainment Coach Operations

Risk Eligibility Requirements

Financial Requirements

Carolina Casualty evaluates the financial solvency of every prospect. All risks must be financially solvent and provide an income statement and balance sheet for the last two complete fiscal periods, as well as current year to date. Audited financials are not required. Financials must follow Generally Accepted Accounting Principles.

Years in Business

Applicants must be in business at least three years under their own name and operating authority. Applicant's primary business must be to provide prearranged or scheduled transportation to the public for a fee. School Systems and Non-Profit Public Services are also eligible if professional drivers operate the vehicles.

Safety Requirements

- Strong internal safety program
- Strong driver hiring program
- Acceptable loss control rating within 30 days of binding coverage

Ineligible Operations

- Less than 10 Power Units
- Taxi Services
- Black or Silver Cars
- Airport Shuttles
- Non-Emergency Medical Transport
- Social Services Agencies
- Non-Yellow School Van Operations
- Party Buses
- Van Pools
- Emergency Medical Vehicles

Vehicle Eligibility Requirements

- 20+ year old vehicles are subject to company approval.
- Any limousines with stretched frames must have been modified by a Qualified Vehicle Modifier (QVM) as specified by the Ford Motor Company and the Cadillac Division of General Motors.

Driver Eligibility Requirements

Driver Eligibility

- Must hold a valid CDL (Commercial Driver's License) as is appropriate for vehicles operated
- Must be compliant with state and federal laws applicable to the vehicles operated
- Minimum of two consecutive years of verifiable U.S. professional driving experience operating similar equipment
- Minimum driving age of 23
- Must be in good physical condition with evidence of insurability provided for any drivers of age 65 or older
- No DUIs or felony driving convictions in the last 5 years
- No major violations in the last 5 years, including but not limited to:
 - DUI/DWI
 - Possession of controlled substance
 - Driving while license suspended, revoked, cancelled or disqualified
 - Felony driving convictions or committing felony by use of motor vehicle
 - Hit and run accident or leaving the scene
 - Eluding police
 - Reckless operation including racing convictions
- Maximum of 3 moving violations in last 3 years
- Maximum of 2 moving violations and 1 preventable accident in last 3 years
- Maximum of 2 preventable accidents in last 3 years

Please ask about our Veteran Hiring Program.

Underwriting Information

Coverages Offered

- Auto Liability (up to 5M)
- General Liability
- Garagekeepers' Legal Liability
- Garage Liability
- Physical Damage (\$1,000 minimum deductible)
- Medical Payments
- Limited Abuse or Molestation
- Hired and Non-Owned Auto
- UM/UIM
- PIP/No-fault
- Excess Liability (following form) 5M XS 5M

Deductible and Retention Options

- Auto Liability Deductibles \$2,500-\$750,000
- Self-Insured Retentions \$25,000-\$1,000,000
- All Auto Liability deductibles and retentions require collateralization

Endorsements

All change requests, including driver and vehicle additions, deletions and changes must be made in writing via email, mail or fax. Endorsements can only be bound by a Carolina Casualty employee. Changes will not be made retroactively. All endorsements are effective at 12:01 am.

Quotes

Quotes will be processed once a complete submission is received. We will make every effort to quote by your need-by date. Our average quote time is 30 days.

Filings

Carolina Casualty will make all filings (state and federal). The agent or broker is responsible for requesting filings

Premium Payment Options

- Payment in full.
- Premiums may be financed through premium finance companies; however, the finance agreement must be approved by Carolina Casualty prior to binding. A down payment as stipulated on the proposal is still required prior to inception with the balance due within 30 days.
- Down payments are to be collected by the agent and forwarded to Carolina Casualty with the required signed form(s) in order for an account to be bound. Down payment amounts will be stipulated on each proposal.
- Monthly payments are due within seven (7) days after installment due date per policy schedule.

Underwriting Information

Commission

We offer 10 percent commission on all lines. Net quotes are provided upon request.

Pre-submission opinion

Not every company is a good fit for Carolina Casualty. You can pre-qualify your prospect with a phone call or an email. The information you will need for your pre-qualification discussion is current price, current insurance company, current financials (i.e., P&L and balance sheet), loss history summary and nature of operation. Make sure your prospect meets our appetite before you send in a completed submission.

Binding Business

- Coverage will not be bound until Carolina Casualty receives the required down payment, signed application, signed UM/UIM/PIP form (if applicable), and any other quote subjective to.
- Only an employee of Carolina Casualty can bind coverage. Upon receipt of the required down payment and signed forms, all Binders, Loss Payee and Additional Insured Certificates, Identification Cards and Accident Kits will be issued.
- Within the first 30 days of the policy term, Carolina Casualty will conduct a loss control inspection of the account by phone or in person. A qualified independent company will be used. The Insured should have personnel files, vehicle maintenance files, and safety records available for this audit.
- Some quotes released are subject to additional documentation. Please note that failure to provide required items could result in cancellation.

Charter Bus Premium Lay-up Credit Policy

- We allow an Insured to remove one or more vehicles from coverage for a period of time, referred to as a lay-up. Lay-up credit is an accommodation for the unexpected. Acceptable reasons for lay-up include vehicle refurbishing or major repairs. In these situations, we will allow 1 lay-up per vehicle per policy term and it must be for a period of more than 30 days, however, at no time can more than 25% of the total fleet be laid up.
- Unacceptable reasons for lay-up include expected seasonal slowdowns or summer lay-up of school buses. In order to have coverage for a laid up vehicle, we must be notified of the lay-up dates prior to the lay-up.

Cancellations

- Insured request for cancellation will be honored provided the policy is returned or a Lost Policy Release Form is received prior to the requested cancellation date.
- The earliest date a cancellation will be effective is the date Carolina Casualty is notified in writing.
- We will earn premium for as long as we are on the coverage including time necessary to cancel filings.
- Flat cancellations are not permitted.

Underwriting Information

Submission Requirements

We will accept applications from other carriers for quoting purposes. However, we require a completed and signed Carolina Casualty Public Transportation Application upon binding. Applications are available on our website: www.carolinacas.com. Submission applications and all attachments may be emailed to: publicsubmissions@carolinacas.com, faxed to (904) 363-8098 or mailed to our mailing address: P.O. Box 2575, Jacksonville, FL 32203.

Submission Timeline

Submissions can be accepted up to 90 days before the effective date. The preferred window is 60 days. Carolina Casualty understands that some opportunities require a small turnaround time. We are very willing to accommodate those requests for preferred opportunities.

Loss History

Currently valued loss runs (within 90 days of the proposed inception date) are required: four prior years and current year to date.

Submission Packets Should Include

- Completed application including projected and historical exposures over the last five years
- Loss history - Currently valued loss runs (within 90 days of the proposed inception date) are required: four prior years and current year to date.
- Last four quarters of Interstate Fuel Tax Authority (IFTA) reports.
- Current year to date interim financials and full prior years financials, including Balance Sheet and Income Statement financial statements or tax return.
- MVRs on all drivers can be no older than 90 days. For fleets larger than 50 drivers, 50 percent sampling is acceptable.
- Equipment schedule including year, make, model, complete vehicle identification numbers, seating capacity, and length of stretched limousines. Also include stated values if physical damage is desired.
- Driver schedule with dates of birth, dates of hire, years of experience, license numbers and state

Claims and Loss Prevention

Our Claims Philosophy

- Open two way communication on all claims and claims payments – no surprises.
- We understand transportation claims and recognize that an integral part of superior customer service is fast and efficient claims handling. Our goal is to get our clients' vehicles repaired and back on the road as quickly as possible.
- Our seasoned claims professionals have an average of 20+ years of experience in transportation and insurance.
- Our nationwide catastrophic loss teams are comprised of attorneys, independent adjusters and accident reconstruction experts who can respond immediately to the most serious claims and losses. Our experienced environmental claims specialist handles environmental exposures such as fuel spills and fires.
- Every claim is aggressively investigated and evaluated and meritorious claims are paid promptly and fairly. When the facts dictate, we will defend or deny all or part of a claim. Our claims staff, along with a carefully vetted panel of defense attorneys, is adept at managing litigated cases to achieve the best possible outcome on a case-by-case basis.
- Our Special Investigation Unit protects the interests of policyholders and consumers through proactive efforts to deter, detect and investigate potential insurance fraud.
- The Subrogation Unit works diligently to collect claims payments from responsible third parties and, when appropriate, return policyholder deductibles back to our insured customers.

Claims Department

Telephone # 800-874-8053 or 904-363-0900
Fax Number 866-655-9316
Email New Losses to claimdocs@carolinacas.com
Email all Other Claim Documents to claimdocs@carolinacas.com
V.P. Claims Bryan Fortay, 904-363-7282

Risk Management and Safety Services

- A loss prevention survey on all bound accounts will be done within 30 days after the effective date and will be performed by a Safety Specialist.
- We offer risk management services to help your insured run a safer operation including DOT compliance consulting, identifying and analyzing risk exposure, safety training, loss run trending/analysis and more.

Contacts

Public Auto Program Manager

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