

**RULE 61. ELIGIBILITY**

- A. Automobiles of the private passenger or station wagon type that are owned or leased under contract for a continuous period of at least twelve months by (1) partnerships, (2) corporations, (3) unincorporated business associations, or (4) other legal business entities with a federal employer identification number. This section does not apply to:
1. Automobiles that are used as a public livery or conveyance. Refer to Section V – Public Transportation of this Manual.
  2. Automobiles that are rented to others without a driver. Refer to Rule 120 – Leasing or Rental Concerns in Section VII – Special Types and Operations of this Manual.

**RULE 62. PRIVATE PASSENGER TYPES CLASSIFICATIONS**

A. Fleet and Non-Fleet Classifications

1. Classify as fleet (class codes 73980 or 19980) any risk that has five or more self-propelled automobiles of any type that are under one ownership. For the purposes of assigning this classification, do not include:
  - a. automobiles owned by allied or subsidiary interests unless the insured holds a majority financial interest
  - b. mobile equipment insured on a General Liability Policy
  - c. trailers
2. Classify as non-fleet (class code 73910) automobiles of any other risk.

Do not change the fleet or non-fleet classification because of mid-term changes in the number of owned automobiles except at the request of the insured. The policy must be cancelled in accordance with Rule 9 – Cancellation in Section I – General Rules of this Manual and rewritten as of the effective date of the cancellation.

B. Geographic Classification

Determine the principal place of garaging in accordance with Rule 21 – Residence and Location in Section II – Common Coverages and Rating Procedures of this Manual.

- C. Leased automobiles that qualify as private passenger types under the provisions of Rule 61 – Eligibility should be classified and rated based on the use of the vehicle by the lessee regardless of whether coverage is provided by the owner or the lessee of the vehicle.

**RULE 63. PREMIUM DEVELOPMENT**

- A. Determine the classification code as follows:

- 1. Determine whether the risk is classified as fleet or non-fleet according to Rule 62.A. – Private Passenger Types Classifications.

Refer to the Servicing Carrier for determining the premium for risks classified as non-fleet.

- 2. Determine the rating territory from the Territory Schedule in the Rate Section.

- B. Liability and Personal Injury Coverages

For risks classified as fleet, as determined in Section A., refer to the Rate Section for the following coverages for each private passenger type automobile:

- 1. Compulsory Bodily Injury Liability
- 2. Personal Injury Protection
- 3. Property Damage Liability
- 4. Optional Bodily Injury Liability
- 5. Medical Payments
- 6. Uninsured Motorists Insurance
- 7. Underinsured Motorists Insurance

- C. Physical Damage

- 1. Determine the original cost new and age of each automobile to be insured according to Rule 42.C. – Physical Damage Coverage and Rating Procedures of Section II – Common Coverages and Rating Procedures of this Manual and use the automobile’s fleet or non-fleet designation and rating territory from Section A. to obtain the actual cash value premiums for comprehensive, collision and limited

collision coverage from the Private Passenger Types rate pages in the Rate Section.

2. The premium for fire, theft, and combined additional coverage is obtained by multiplying the applicable percentage shown on the Private Passenger Types physical damage rate pages in the Rate Section by the comprehensive premium as determined in Section C.1.
3. Premiums for towing and labor coverage are shown on the Private Passenger Types rate pages in the Rate Section.

**D. Premiums for Coverage Limits or Deductibles Not Shown on the Rate Pages**

To determine premiums for coverage limits or deductibles not shown on the Private Passenger Types rate pages, apply the appropriate limit factor or deductible factor to the premiums from the Private Passenger Types rate pages in the Rate Section.

<u>Coverage</u>	<u>Rate Pages to be Used</u>		<u>Factor to be Applied</u>		
Compulsory BI (20/40)	Private Passenger Types Liability	X	N/A	=	Premium
<sup>(1)</sup> Optional BI (20/40)			Increased Limit Factor from Private Passenger Types Rate Pages		
Property Damage (\$5,000)	Increased Limit Factor from Private Passenger Types Rate Pages				
<sup>(2)</sup> Collision (\$500 Deductible)	Private Passenger Types Physical Damage	Higher Deductible Factor			
<sup>(2)</sup> Comprehensive (\$500 Deductible)		Higher Deductible Factor			

<sup>(1)</sup> Refer to Rule 40 – Increased Liability Limits in Section II – Common Coverages and Rating Procedures of this Manual for determining Increased Limits

<sup>(2)</sup> For collision, limited collision or comprehensive deductibles lower than \$500, add the amounts indicated on the Private Passenger Types rate pages in the Rate Section to the otherwise applicable \$500 premium.

**RULE 64. PREMIUMS FOR STATED AMOUNT OR AGREED AMOUNT COVERAGE**

To determine comprehensive or collision premiums for coverage provided on a stated amount or agreed amount basis, refer to Rule 42 – Physical Damage Coverage Rating Procedures in Section II – Common Coverages and Rating Procedures of this Manual.

**RULE 65. TOWING AND LABOR COST**

The annual premium shown on the Private Passenger Type rate pages in the Rate Section is applicable regardless of the period of coverage or term of the policy.

***RULES 66 - 70 RESERVED FOR FUTURE USE.***