

# Travelers Auto Insurance Company of New Jersey

## Eligibility Rules

### New Business

The New Business rules apply only during the first 60 days of the initial policy period.

#### Eligible person qualifications:

- A. An "eligible person" is a person who is an owner or registrant of an automobile registered and principally garaged in this State or who is a resident and holds a valid New Jersey driver's license to operate an automobile.
- B. An "eligible person" includes a person who is an owner or registrant of an automobile registered in this State or who holds a valid New Jersey driver's license to operate an automobile and is domiciled in this State who is temporarily residing out-of-State and whose car may be principally garaged in another state while the person either is a full time student or is in the military service and is stationed out-of-state.

#### Standard Personal Automobile Insurance Coverage

These eligibility rules apply to **STANDARD** personal automobile insurance coverage for private passenger automobiles. No person who is a named insured on a BASIC personal automobile insurance policy may be a named insured on a Standard policy.

#### An eligible person does not include any person:

1. Who, during the three-year period immediately preceding application for an automobile insurance policy has been convicted of "Operating a motor vehicle under the influence of alcohol or drugs," "Refusal to submit to a chemical test" (pursuant to N.J.S.A. 39:4-50 or N.J.S.A. 39:4-50.4a) or for an offense of a substantially similar nature committed in another jurisdiction;
2. Who has been convicted of a crime of the first, second or third degree resulting from the use of a motor vehicle; or has been convicted of theft of a motor vehicle;
3. Whose driver's license to operate an automobile is under suspension or revocation;
4. Who has been convicted, within the five-year period immediately preceding application for a policy of automobile insurance, of fraud or intent to defraud involving an insurance claim or an application for insurance;
5. Who has been successfully denied, within the immediately preceding five years' payment by an insurer of a claim in excess of \$1,000 under an automobile insurance policy, if there was evidence of fraud or intent to defraud involving the automobile insurance claim or application. For the purpose of this section:
  - i. If the claim has been subject to litigation between the insurer and the insured in which the insurer defended against payment of the claim in whole or in part on grounds of fraud, it shall be conclusively presumed that the claim was successfully denied if judgment was entered for the insurer in the litigation; and conclusively presumed that the claim was not successfully denied if judgment was entered for the insured;
  - ii. If the claim has not been subject to litigation between the insurer and the insured, but the insurer denied the claim without payment by reason of fraud, it shall be presumed that the claim was successfully denied. This presumption may be overcome in an administrative proceeding pursuant to N.J.A.C. 11:3-33;
  - iii. If the incident was not reported to the New Jersey Office of Insurance Fraud Prosecutor pursuant to N.J.S.A. 17:33A-9 it shall be presumed that there was no evidence of fraud or intent to defraud;

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6. Whose automobile insurance policy has been cancelled for nonpayment of premiums or financed premium with a lapse of coverage of at least 30 days, within the immediately preceding two-year period, unless the premium due on a policy for which application has been made is paid in full before issuance or renewal of the policy. For the purpose of this section, "paid in full" shall not include any transaction in which a lender obtains authority from an insured to cancel the policy and receive a refund from the insurer in the event the insured defaults on a loan used to pay the premium;
7. Whose driving record for the three year period immediately preceding the application for a policy of automobile insurance has an accumulation of points in excess of the following:

<b>MAXIMUM NEW JERSEY ELIGIBILITY POINTS THAT ARE ELIGIBLE</b>		
	Number of Operators	Eligibility Points
Per Operator	N/A	10
Per Household	1	10
	2	18
	3	26
	4	34
	5	42
	6	50

*Household Explanation:* In situations where the total household points exceed the permitted amount, the operator who has accumulated the most eligibility points in excess of six will be treated as ineligible. If two or more of these operators have accumulated the same number of eligibility points, the youngest operator will be treated as ineligible. This rule will be applied in a successive nature until the total household points are equal to or less than the permitted amount.

**EXCEPTION:**

- Notwithstanding the Maximum NJ Eligibility Points chart above, an operator is ineligible if he/she has accumulated more than six points within the three year period preceding application as a result of the following violation(s):
  - i) Any 8 or 9-point violation
  - ii) Any 5-point violation other than an AF accident

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8. Who, during the three-year period immediately preceding application for an automobile insurance policy, has knowingly provided materially false or misleading information in connection with an application for insurance, renewal of insurance or claim for benefits under an insurance policy;
9. Who is a named insured or who is insured under the same policy as a person whose driver's license is suspended or revoked and either:
  - i. The suspended or revoked driver has been convicted of a violation of "Operating a motor vehicle without liability insurance" (N.J.S.A. 39:6B-2) within the previous three years; or
  - ii. Other evidence exists indicating that the suspended or revoked driver has been operating a vehicle during the period of suspension.

### Company Underwriting Rules

If operator/vehicle is ineligible based upon any of the following reasons, all or part of the risk will be cancelled.

1. Operator has any physical or mental disability or handicap that interferes with the ability to safely operate an auto, unless compensated for in a manner sufficient to allow for safe operation of an auto.
2. Applicant or resident spouse was a named insured under a policy of auto insurance which was non-renewed pursuant to N.J.A.C. 11:3-8.5 (2 for 1 or 2% non-renewed) by any company within the First Trenton Companies, or was mid-term canceled by any company within the First Trenton Companies pursuant to N.J.A.C 11:3-35.4(e) (i.e. "serious" suspensions) within the preceding policy period.

### Applicant / Vehicle Ownership

The names of the Applicant(s)/Named Insured(s) and Owner(s)/Lessee(s) must be identical, except that when a husband and wife or parties who have entered into a civil union legally recognized under New Jersey Law reside in the same household, either or both may be named as Applicant(s)/Named Insured(s) and Owner(s)/Lessee(s). When more than one person is listed as a named insured, all must be relatives resident in the same household and be joint owners of all vehicles insured on the policy.

Co-Leased Vehicles: If two relatives living in the same household, other than husband and wife or parties who have entered into a civil union legally recognized under New Jersey Law, are named on a lease, either as Lessees or Lessee and Co-Lessee, the vehicle must be insured in both names; only vehicles with the same Lessee(s)/Co-Lessee(s) can be written on the same policy. **If Lessee(s)/Co-Lessee(s) do not reside in the same household, the vehicle is only eligible for coverage when the following condition has been met:**

- The second Lessee or Co-Lessee must provide evidence of current personal automobile liability insurance

When the second Lessee or Co-Lessee does not reside in the same household as the Lessee, the second or Co-Lessee may only be listed as an "Additional Insured," at the request of the Applicant(s)/Named Insured(s); he or she cannot be a named insured under the policy.

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## Eligibility Rules

### Non-United States Drivers License

Any driver possessing a non-United States driving license is eligible, subject to the eligibility requirements. However, we do not accept an International Drivers License (IDL); we require the valid license of the home country as well as a copy of the visa.

- Short-term visa (one year or less): Not required to obtain a New Jersey license
- Long-term visa (greater than one year): Required to obtain a New Jersey license

### The following vehicles are ineligible:

1. Vehicles used commercially, including but not limited to livery (for hire) or delivery
2. Trailers with a stated amount in excess of \$50,000 are ineligible for Physical Damage coverage only.
3. Gray market vehicles (foreign made vehicles that were not manufactured according to U.S. safety and emissions standards) that have not been properly converted to meet U.S. Department of Transportation/Environmental Protection Agency standards.
4. A motor vehicle with a pick-up body, delivery sedan, a van or panel truck or a camper type vehicle customarily used in the occupation, profession, or business of the insured other than farming or ranching.
5. Any of the following types of vehicles:
  - a. Ambulances
  - b. Funeral Cars
  - c. Motor vehicles rented to others
  - d. Driver Training vehicles
  - e. Motor Vehicles used in the functions of:
    - i. an Emergency Organization
    - ii. a Fire Department
    - iii. a Police Department
    - iv. a Public or Livery Conveyance
    - v. vehicles located for use as a residence or premises
  - f. Two and three wheel motor vehicles
  - g. Utility vehicles such as snowmobiles, dune buggies, golf carts, amphibious motor vehicles, trail bikes, mini-bikes, all-terrain vehicles, and similar miscellaneous vehicles

# **Travelers Auto Insurance Company of New Jersey**

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### Antique / Classic Vehicles:

Antique / Classic vehicles are ineligible unless the following conditions have been met.

Note: if the vehicle fails to qualify as an Antique / Classic, it may be written with liability coverage only.

- a. These autos may only be written for customers who have their regular autos insured with Travelers Auto Insurance Company of New Jersey.
- b. Driving record: all operators are accident and violation free in the past 3 years.
- c. Loss history: there have been no losses on the antique/classic vehicle in the past 3 years.
- d. Driving experience: all operators have at least five years of driving experience.
- e. The vehicle must be completely restored and operational.
- f. The vehicle must be stored in a garage.
- g. The vehicle must be used for pleasure purpose only.
- h. A copy of an appraisal and a photograph is recommended to establish the stated amount.
- i. Racing cars, vehicles modified to increase performance, and homemade cars are not eligible.
- j. The applicant/owner must not be an antique/classic vehicle collector.
- k. Limited Use: In order to qualify for limited use, the vehicle must carry New Jersey antique vehicle ("QQ") license plates/registration.

### Additional Cancellation Provisions for Newly Written Policies:

The company may cancel a new policy or vehicles on it within the first 60 days of the policy period. To do this, the policy or vehicles canceled must be ineligible under our underwriting rules or we must have been provided with incomplete underwriting information.

# Travelers Auto Insurance Company of New Jersey

## Eligibility Rules

### Cancellations

#### Ineligible Insured or Operator:

Once the policy has been in force for 60 or more days, a policy may be canceled only when the driver's license or registration of the named insured or any other operator who resides in the same household or customarily operates an automobile insured under the policy has been under suspension or revocation during the policy period.

- A. A **policy** insuring an eligible person may be canceled when the driver's license or motor vehicle registration of another named insured or person insured under the policy who either resides in the same household or customarily operates an auto insured under the policy has been suspended or revoked for one or more of the following reasons:
1. Conviction of operating a motor vehicle under the influence of alcohol or drugs;
  2. Conviction of refusal to submit to a chemical test;
  3. Conviction of vehicular homicide;
  4. Conviction of operating a motor vehicle while driving privilege is suspended or revoked;
  5. Conviction of operating a motor vehicle without liability insurance;
  6. Conviction of misrepresentation of insurance coverage;
  7. Accumulation of motor vehicle penalty points pursuant to N.J.S.A. 39:5-30.5;
  8. Conviction of racing on a highway;
  9. Conviction of failure to pass to right of vehicle preceding in opposite direction;
  10. Conviction of reckless driving;
  11. Conviction of exceeding a speed limit by 30 mph or more;
  12. Conviction of improperly passing a school bus;
  13. Conviction of leaving the scene of an accident in which personal injury occurred
  14. Conviction of operating a motor vehicle without liability insurance pursuant to N.J.S.A. 39:6B-2; or
  15. Other evidence exists indicating that the suspended or revoked driver has been operating a vehicle during a period of suspension or revocation.

Note: Coverage for eligible persons shall not be canceled when the driver's license or motor vehicle registration of another named insured or any other operator insured under the policy is suspended or revoked for any reason other than those set forth above.

#### Named Insured Moves Out-of-State:

The company will cancel a policy when the named insured moves his/her principal residence out of the state of New Jersey, unless the insured vehicle(s) continues to be legally registered and principally garaged in New Jersey. If the policy is kept in-force for this reason, any vehicle(s) not registered and principally garaged in New Jersey will be deleted from the policy.

#### Additional Cancellation Provisions for Fraud:

The company may cancel this policy or vehicles on it if the named insured or another person insured under the policy who either resides in the same household or customarily operates an auto insured under the policy has knowingly provided materially false or misleading information in connection with any application for insurance, renewal of insurance, or in connection with the filing of a claim for benefits under an insurance policy.

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## Nonpayment of Premium

The company will cancel a policy for nonpayment of premium.

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