

### PREAMBLE

THIS CONSTITUTES THE PLAN OF THE INSURANCE COMMISSIONER, PURSUANT TO CALIFORNIA INSURANCE CODE SECTION 11620, APPROVING AND ISSUING A REASONABLE PLAN FOR THE EQUITABLE APPORTIONMENT, AMONG INSURERS ADMITTED TO TRANSACT LIABILITY INSURANCE OF THOSE APPLICANTS FOR AUTOMOBILE BODILY INJURY LIABILITY AND PROPERTY DAMAGE LIABILITY INSURANCE WHO ARE IN GOOD FAITH ENTITLED TO BUT ARE UNABLE TO PROCURE SUCH INSURANCE THROUGH ORDINARY MEANS.

PROVISIONS FOR THE ASSIGNMENT OF APPLICANTS – SECTIONS 1 THROUGH 21, ~~AND 22 THROUGH 39, AND SECTIONS 59 THROUGH 61~~ – ARE APPLICABLE TO THE ASSIGNMENT OF PRIVATE PASSENGER NONFLEET AUTOMOBILES, MISCELLANEOUS NONFLEET VEHICLES (AS DEFINED IN SECTION 8), AND NAMED NONOWNER APPLICANTS NOT SUBJECT TO THE MOTOR CARRIER ACT OF 1980 OR ANY LAW OR REGULATION REQUIRING HIGHER LIMITS THAN THE MAXIMUM PROVIDED IN SECTION 25 OF THE PLAN.

SECTIONS 1 THROUGH 21, ~~AND 40 THROUGH 57~~ 58, SECTIONS 59 AND 60, AND SECTION 62 ARE APPLICABLE TO ALL APPLICANTS OTHER THAN THOSE MENTIONED ABOVE AND ARE PROVIDED COVERAGE UNDER THE COMMERCIAL AUTOMOBILE INSURANCE PROCEDURE (CAIP).

### INTRODUCTION

The **second** paragraph is amended as follows:

The Plan of Operation is divided into parts as follows:

- Part I Definitions
  - Manual terms
- Part II Administrative Part
  - Administrative rules of the Plan
- Part III Producer Certification and Performance Standards Part
  - How to apply for and maintain producer certification
  - Performance standards
  - Peer Review Subcommittee
- Part IV Personal Automobile Part
  - Eligibility
  - Coverages
  - Other applicable provisions
- Part V Commercial Automobile Part
  - Availability and scope of the Commercial Automobile Insurance Procedure (CAIP)
  - Eligibility
  - Coverages
  - Other applicable provisions
- Part VI Appendix Part
  - Alternate Application Submission Procedures

It is required that users of this Plan read the Definitions in Part I, the Administrative Plan Manual in Part II, the Producer Certification and Performance Standards Manual in Part III, the Personal and Commercial Plan Manuals contained in Parts IV and V, the Alternate Application Submission Procedures in Part VI, and review the General Rules. Before submitting an application for coverage, it is strongly recommended that users of this Manual read “How to Submit an Application to the California Automobile Assigned Risk Plan.” To the extent to which “How to Submit an Application to the California Automobile Assigned Risk Plan” conflicts with the Personal or Commercial Automobile Parts, the Administrative Part, ~~or~~ the Producer Certification and Performance Standards Part, ~~or~~ Appendix Part of this Plan, the provisions of the respective Personal or Commercial Automobile Part, Administrative Part, ~~or~~ Producer Certification and Performance Standards Part, ~~or~~ Appendix Part shall apply.

### HOW TO SUBMIT AN APPLICATION TO THE CALIFORNIA AUTOMOBILE ASSIGNED RISK PLAN

#### HOW, WHEN, AND WHERE

A new **second** paragraph is introduced as follows:

Application to the Plan may be made by the following methods:

- The Electronic Application Submission Interface (EASi)

To expedite the application submission process, EASi is recommended. The system offers on line completion of the application form, provides immediate binding of coverage, and electronically transmits the application to the Plan Office.

**EASi Expedited Private Passenger Applications with Electronic Payment Option:** The completed original EASi

application generated from the system bearing the signatures of the applicant and producer and any supporting documentation are **faxed** to the Plan Office. Assignment notices will be available electronically for the producer to print, as well as being mailed out to the producer and the insured.

**All Other EASi Applications (Including private passenger EASi applications when the deposit premium is submitted by check or money order and all commercial EASi applications):** The producer must mail or deliver the completed original EASi application generated from the system bearing the signatures of the applicant and producer, the deposit check or money order, and any supporting documentation to the Plan Office in accordance with Plan rules.

For further details refer to Section 28.C.2 or Section 46.C.2.

- Alternate Application Submission Procedures

The following additional application submission methods are available for producers who choose not to use EASi or do not have access to EASi. They are also available for producers using EASi in the event EASi is not available for any reason.

- United States Postal Service Mail or Delivery By Means Other Than the United States Postal Service

Using either of these methods, the original paper application bearing the signatures of the applicant and producer accompanied by the required supporting documentation and the deposit check or money order must be submitted to the Plan. Coverage is effective as of 12:01 A.M. on the date following receipt of the application in the Plan Office unless a future effective date of coverage is requested.

For further details refer to Appendix Section 61.D and 62.D.

*The current **second** paragraph becomes the **third** paragraph and is amended as follows:*

Incomplete applications, application supplements, or requests for changes in the policy that are not readily identifiable to the assigned insurer or servicing carrier only delay the processing of Plan assignments and endorsements. To expedite the application process and ensure complete application information is provided, the Electronic Application Submission Interface (EASi) is recommended for

transmittal of the application to the Plan. ~~An original current CAARP application form or~~ The original application produced by the ~~Electronic Application Submission Interface~~ EASi must be used for each submission transmitted using EASi. When the application is made using one of the alternate application submission methods, an original current paper CAARP application form must be used for each submission. Copies and facsimiles are not acceptable. Before transmitting the EASi application or mailing forwarding each submission to the Plan, please review the application to ensure that you have provided the assigned insurer, servicing carrier, or Plan with all the information necessary for issuance of the policy or completion of the transaction.

#### **HOW TO APPLY TO THE PLAN**

*A new **second** paragraph is introduced as follows:*

The producer may use EASi to submit an application to the Plan Office. However, if the producer does not have access to EASi, or if for any reason EASi is not available, or if the producer chooses not to use EASi, applications may be submitted using the Alternate Application Submission Procedures contained in the Appendix of this manual.

*(The current **second** paragraph becomes the **third** paragraph and is unchanged. The current **third** paragraph becomes the **fourth** paragraph and is amended as follows:)*

In completing the application the producer must be certain that

*The **third** bullet is amended as follows:*

- the application contains the requested effective date of coverage. The producer of record and applicant must certify the date and time the EASi application was transmitted to the Plan. ~~If using the Electronic Effective Date Procedure (EEDP), the producer of record and applicant must certify the date and time of coverage. The EEDP reference number must appear on the application in the designated area. If using EASi, the producer of record and applicant must certify the date and time the application was transmitted to the Plan;~~

*The **eighth** bullet is amended as follows:*

- the original application form or the original application produced by EASi or the original plain paper application form is mailed forwarded to the California Automobile Assigned Risk Plan in accordance with Plan rules applicable to the method of application submission. The effective date and time of coverage may be established electronically by transmitting the application using EASi. ~~The effective date and time of coverage may be established by telephone using EEDP or by transmittal of an electronic~~

~~application using EASi. If application is made without using EEDP or EASi, coverage shall be effective on the date following receipt of the application in the Plan Office in accordance with the Alternate Application Submission Procedures in Sections 61.D.2 and 62.D.2;~~

*(Remainder of Section unchanged.)*

#### WHAT TO SEND TO THE PLAN

*The first paragraph is deleted in its entirety as follows:*

~~An original completed current CAARP application shall be forwarded to the Plan Office no later than two working days after its completion, as evidenced by the postmark of the United States Postal Service.~~

*A new first paragraph is introduced as follows:*

**EASi Expedited Private Passenger Applications with Electronic Payment Option:** The producer shall fax the original completed application and required supporting documentation to the Plan Office no later than one working day after transmittal of the EASi application.

*The second paragraph is amended as follows:*

Private passenger applications should be accompanied by copies of the following documents:

- ~~Deposit Check~~
- ~~Copies of the following:~~
  - Applicant's and principal operator's licenses
  - Vehicle registration(s) or proof of ownership

**All Other Applications (Including private passenger EASi applications when the deposit is submitted by check or money order and commercial EASi applications):** An original completed current application or the application generated by EASi shall be forwarded to the Plan Office no later than two working days after its completion, as evidenced by the postmark of the United States Postal Service.

Private passenger applications should be accompanied by the following documents:

- Deposit check or money order
- Copies of the following:
  - Applicant's and principal operator's licenses
  - Vehicle registration(s) or proof of ownership

Commercial applications should be accompanied by the following documents:

- Deposit check or money order
- Copies of the following:
  - Supplemental vehicle schedule, if applicable

#### AVAILABILITY OF APPLICATIONS, FORMS, MANUALS, ETC. HARD COPIES

Application forms to be used when applying to the California Automobile Assigned Risk Plan are available at no charge from AIPSO – Mail Order Management Department by calling (401) 942-9799. The following materials are available at no charge:

*The second bullet is revised as follows:*

- ~~Electronic EASi~~ Effective Date Retraction Request Form

*The fifth bullet is deleted as follows:*

- ~~Electronic Effective Date Procedure Pamphlet~~

*(The remainder of section is unchanged.)*

#### ELECTRONIC FORMAT

The following Plan materials are available in electronic format by accessing [www.aipso.com/ca](http://www.aipso.com/ca):

*The fifth bullet is revised as follows:*

- ~~Electronic EASi~~ Effective Date Retraction Request Form

*The ninth bullet is deleted in its entirety:*

- ~~Electronic Effective Date Procedure Pamphlet~~

*(The remainder of section is unchanged.)*

#### DEFINITIONS

*The following new definition is introduced:*

**“Alternate Application Submission Procedures”** means optional methods that may be used by a producer to submit an application if the producer does not have access to EASi or chooses not to use EASi, or if EASi is not available for use. Optional methods for application submission include submission of the application by United States Postal Service mail or delivery by means other than the United States Postal Service.

*The following definition is amended:*

**“Electronic Effective Date Procedure”** means the Plan procedure whereby certified producers may establish the date and time of coverage for private passenger nonfleet and CAIP risks by obtaining an electronic reference number ~~by toll-free telephone number~~ using the Electronic Application Submission Interface (EASi).

*The following new definition is introduced:*

**“Electronic Payment”** means the optional method for submission of the deposit payment by electronic fund transfer available with the EASi application submission process for private passenger applications.

#### PRODUCER CERTIFICATION AND PERFORMANCE STANDARDS PART

##### **Sec. 19. PRODUCER CERTIFICATION**

*Paragraph A.2 is amended as follows:*

###### A. **Application for Certification**

2. Only certified producers may use EASi to electronically transmit applications (including

the electronic payment option) to bind immediate coverage, obtain paper application forms from the Plan or submit applications to the Plan or the LCA.

**Sec. 20. PERFORMANCE STANDARDS FOR PRODUCERS WRITING CALIFORNIA AUTOMOBILE ASSIGNED RISK PLAN RISKS**

*Paragraph A.3 is introduced as follows:*

A. **Original Applications**

3. For EASi expedited private passenger applications using the electronic payment option, the producer shall print the system generated assignment notice.

*(Current paragraphs A.3 and A.4 are unchanged and are redesignated as A.4 and A.5. Current paragraph A.5 is re-designated as A.6 and is amended as follows:)*

56. When an applicant who has received an electronic effective date through ~~EEDP~~ or EASi decides not to accept the coverage through the Plan before the original paper application has been submitted to the Manager, the producer shall send the appropriate ~~Electronic~~ EASi Effective Date Retraction Request Form, together with the original paper application to the Manager within four working days after the applicant decides not to accept the coverage through the Plan. A producer shall not be assessed for such violations unless the producer has failed to return such forms at least three times in six months.

- ~~6-7.~~ Each application shall be submitted to the Plan in accordance with California insurance law.

*The first and second paragraphs are combined. The text of the former second paragraph is revised as follows:*

G. **Maintenance of Records**

The producer shall maintain all records required by California insurance law, including records of all applications and policy change requests completed and payments received from insureds. Such records shall also include a mail log, check copies, a check register, receipts, and any other records created contemporaneously with the application and policy change request. The producer of record shall permit inspection or copying of those records by the Commissioner, the Manager, or the assigned insurer or servicing carrier in instances where the effective date set forth in the application or policy change request is contested by the insured, insurer or servicing carrier. Failure to permit inspection or photocopying of records pertinent to an effective date requested by the producer shall be

considered a violation of these performance standards. Appropriate records of all ~~telephone calls placed under the EEDP and all~~ electronic applications transmitted under EASi shall be maintained by the producer of record and must be provided upon request in accordance with California Insurance Code Section 11622.5. ~~Such records shall include a log recording all of the following information:~~

- ~~1. The name of the applicant requesting coverage~~
- ~~2. The EEDP or EASi binding reference number~~
- ~~3. The EEDP or EASi binding effective date~~
- ~~4. The time of the binding telephone call for EEDP~~
- ~~5. The time of transmittal of the completed electronic application for EASi~~
- ~~6. The date of mailing of the paper application to the Plan~~
- ~~7. The signing producer's name.~~

*(Paragraph H is unchanged.)*

**PERSONAL AUTOMOBILE PART**

**Sec. 23. APPLICATION REQUIREMENTS**

*The first paragraph is amended as follows:*

Any applicant desiring insurance coverage through the Plan shall submit a completed original ~~application form or the original application produced by EASi~~ or a completed original paper application form and the full annual premium or deposit as prescribed in Section 26. The application shall not be a reproduction or a computer produced form other than an original paper application generated by EASi with the original signatures. However, the completed original EASi application form bearing the signatures of the applicant and producer shall be faxed to the Plan when the electronic payment option is used for expedited assignment processing.

**Sec. 26. PREMIUM PAYMENT OPTIONS**

*The first paragraph is amended as follows:*

The applicant or producer shall submit a separate check or money order payable to the Plan with each application. When the application is transmitted using EASi, an electronic payment option is available in accordance with Plan approved procedures. The initial payment shall be in the form of an applicant's check, producer's trust account check, certified check, bank check, or money order or by electronic payment in accordance with Plan approved procedures. If the premium is to be financed, a separate check or draft shall accompany each application. The full annual premium payment option, the advance premium payment option, and the installment premium payment options shall be available to applicants.

*The first and second paragraphs of D are amended as follows:*

**D. Deposit, Installment, or Additional Premium Payments Applicable to A, B, or C Above**

The deposit accompanying the application shall be by applicant's check, producer's trust account check, certified check, bank check, or money order, or by premium finance company check or draft payable to the California Automobile Assigned Risk Plan. If the application is transmitted using EASi, an electronic payment option is available in accordance with Plan approved procedures. All deposits, installment payments, and additional premium payments must be submitted on a gross basis. No commission shall be withheld by the producer. Producer commission shall be paid in accordance with Section 34.

The ~~Manager Plan~~ shall immediately return the ~~premium check deposit~~ if the risk is not assigned. The insurer shall credit the deposit against the gross premium if the risk is assigned. The insurer shall refund any portion of the deposit only as provided in Sections 26.E and G.2.c.

*Paragraph F is amended as follows:*

**F. Dishonored Checks**

If any check is dishonored or if an electronic payment is dishonored or returned by the bank, the insurer may impose a dishonored check or electronic payment fee of up to \$10, and the ~~Manager Plan~~ or insurer may require all further payments from that maker to be in the form of a certified check, bank check, or money order, for a period of 12 months from the date the check or electronic payment was dishonored.

Insurers shall notify the ~~Manager Plan~~ of producers who submit dishonored checks or electronic payments that are dishonored or returned by the bank. The ~~Manager Plan~~ may require those producers to submit a certified check or money order with future applications.

*The first paragraph of G is amended as follows:*

**G. Premium Owed for Prior Insurance**

If an applicant is assigned or reassigned to an insurer and the applicant owes an insurer earned premium for prior Plan coverage, the deposit ~~check~~ shall be applied to the earned premium and coverage shall be afforded in accordance with this Section.

*Paragraphs G.2.a and G.2.b are amended as follows:*

2. If the earned premium meets all of the above criteria, the insurer shall proceed as follows:
  - a. If the deposit ~~premium~~ is insufficient to satisfy the full amount of the outstanding earned premium due for prior Plan coverage, the insurer shall apply the deposit

~~check~~ to the prior Plan policy. The insurer shall return the application to the Plan as ineligible for Plan coverage due to the outstanding premium balance. No coverage is in effect.

- b. If the deposit is sufficient to satisfy the full amount of the outstanding earned premium due for prior Plan coverage, the insurer shall apply the deposit ~~check~~ to the prior Plan policy. The insurer shall issue a new policy and a cancellation notice for payment of the deposit balance.

**Sec. 28. APPLICATION FOR ASSIGNMENT, DESIGNATION OF INSURER, EVIDENCE OF INSURANCE, AND EFFECTIVE DATE OF COVERAGE**

*Paragraph A is amended as follows:*

**A. Verification of Application by Plan**

Upon receipt of an application and prior to assignment to an insurer, the ~~Manager Plan~~ shall verify that the form is properly completed, signed, and dated. In so verifying, the ~~Manager Plan~~ shall perform all of the following:

*(The remainder of paragraph A is unchanged.)*

*Paragraph B is amended as follows:*

**B. Designation of Insurer**

Upon determination by the ~~Manager Plan~~ that the application has been properly completed, signed, and dated and that the risk is eligible for assignment, the ~~Manager Plan~~ shall designate an insurer to which the application shall be assigned. The ~~Manager Plan~~ shall advise the applicant and producer of the designated insurer and the effective date of coverage.

*Paragraph C is amended as follows:*

**C. Effective Date of Coverage**

For the purposes of Section 28, the postmark which is to be recognized by the Plan shall be the postmark of the United States Postal Service. A metered mail postmark, computer-generated electronic stamp, or other postage service or stamp shall not be considered a postmark of the United States Postal Service for the purposes of effecting coverage.

The Plan shall provide for effective dates of coverage consistent with all of the following:

1. In no event shall coverage be effective prior to the date and time of completion, signing, and dating of the application forms.
2. ~~Electronic Effective Date Procedure~~
  - a. ~~When the applicant requires that coverage be effective immediately, the effective date and time shall be established by telephone by using EEDP.~~  
~~The Manager shall establish and maintain a toll-free telephone number as~~

~~part of EEDP. The Manager shall maintain sufficient capacity to service, in a timely manner, applications received by means of EEDP.~~

~~EEDP shall be available only to producers who are certified by the Plan. The producer who completes, signs, and dates the application may not use EEDP until the deposit has been received and the application for coverage has been completed.~~

b. Immediate Coverage

~~Coverage for vehicles shall become effective at the date and time the application is transmitted by telephone through EEDP provided all of the following requirements are met:~~

~~(1) The producer shall access EEDP within 24 hours of the date and time the application is completed, signed, and dated.~~

~~(2) The producer and the applicant certify under penalty of perjury on the application the date and time that the application forms were completed, signed, and dated.~~

~~(3) The producer uses EEDP adopted pursuant to Section 28.C and inserts the EEDP reference number and both the date and time provided by the system in the Proposed Effective Date and Time of Coverage section on the application.~~

~~(4) The application forms and required deposit are mailed to the Manager no later than two working days following the date the application forms are completed, signed, and dated. The mailing date is established by the United States Postal Service postmark on the envelope enclosing the application. If the application and deposit are not mailed to the Plan Office in accordance with this subsection, coverage shall be effective at 12:01 A.M. on the day following receipt of the application and deposit by the Plan Office.~~

c. Future Effective Date

~~The Plan shall establish a future effective date using EEDP. The future effective date option shall be available upon request by an applicant.~~

~~(1) The requested effective date of coverage shall not exceed 45 days from the date of completion of the application.~~

~~(2) The producer and applicant certify under penalty of perjury on the application the date and time that the application forms were completed, signed, and dated.~~

~~(3) The producer uses the EEDP adopted pursuant to Section 28.C.2 and inserts the EEDP reference number and both the date and time provided by the system in the Proposed Effective Date and Time section of the application.~~

~~(4) The application forms and required deposit are mailed to the Manager no later than two working days following the date the application forms are completed, signed, and dated. The mailing date is established by the United States Postal Service postmark on the envelope enclosing the application. If the application and the deposit are not mailed to the Plan Office in accordance with this subsection, coverage shall be effective at the future effective date or at 12:01A.M. on the day following receipt of the application and deposit by the Plan Office, whichever is later.~~

d. Retraction Procedure

~~Following assignment of an EEDP reference number and prior to the mailing of a completed signed application to the Plan, the producer shall be authorized to rescind coverage pursuant to EEDP if~~

~~(1) the producer discovers a material error in an application;~~

~~(2) the applicant has notified the producer of record that coverage through the Plan is no longer required; or~~

~~(3) the producer of record has, in error, requested more than one EEDP reference number for the same application.~~

~~The producer of record shall retract or void an unwanted EEDP reference number by completing an Electronic Effective Date Retraction Request Form within 24 hours of when the producer first makes the EEDP phone call. The producer must complete an Electronic Effective Date Retraction Request Form and forward it to the Plan within the next four days. Failure to mail the retraction form in accordance with this subsection will result in assessment of a violation against the producer.~~

3.2. Electronic Application Submission Interface (EASi)

a. Producers To expedite the application process, producers who are certified by the Plan shall have the option to may use EASi to establish the effective date of coverage if

the applicant requires that the coverage applied for become effective at the time of application. Coverage will be effective only when the electronic application is transmitted under the procedures established by the Plan.

The ~~Manager Plan~~ shall establish and maintain a toll free number for producer technical support as part of EASi. The ~~Manager Plan~~ shall maintain sufficient capacity to provide system access and transmittal, in a timely manner, of completed on line applications by means of EASi.

EASi shall be available only to producers who are certified by the Plan.

~~The producer who completes, signs, and dates the application may not transmit the application until the deposit has been received and the application for~~

The producer may not transmit the application using EASi until the application for coverage has been completed and the deposit has been received.

b. Immediate Coverage

Coverage shall be effective at the date and time of transmission of the electronic application provided all of the following requirements are met for the EASi option chosen:

(1) Electronic Payment Option

(a) The producer and applicant certify, under penalty of perjury, on the paper application form generated by EASi, the date and time that the application was transmitted.

(b) The producer uses EASi pursuant to Section 28.C.2.

(c) The completed application form generated by EASi and premium deposit are electronically transmitted to the Plan Office in accordance with procedures approved by the Plan.

(d) A copy of the completed original signed application form generated by EASi and required documentation are **faxed** to the Plan Office no later than one working day following the date the application and deposit are electronically transmitted to the Plan. If the EASi application and required documentation are not faxed to the Plan Office in accordance with this subsection, coverage shall be effective at 12:01A.M. on the day following

receipt of the **faxed** EASi application and documentation by the Plan Office. The date of receipt of the fax in the Plan Office shall be established by the date and time signature of the Plan facsimile on the EASi application and documentation submitted.

(2) Regular Check or Money Order Submission Option

~~(4)~~(a) The producer and applicant certify, under penalty of perjury, on the paper application form generated by EASi, the date and time the application was transmitted.

~~(2)~~(b) The producer uses EASi pursuant to Section ~~28.C.3~~ 28.C.2.

~~(3)~~(c) The paper application form generated by EASi, required documentation, and required deposit check or money order are mailed to the ~~Manager Plan Office~~ no later than two working days following the date ~~and time~~ the application was transmitted to the Plan. The mailing date is established by the United States Postal Service postmark on the envelope enclosing the application. If the paper application, required documentation, and deposit check or money order are not mailed to the Plan Office in accordance with this subsection, coverage shall be effective at 12:01 A.M. on the day following receipt of the paper application and deposit by the Plan Office.

c. Future Effective Date of Coverage

In the event a future effective date of coverage is requested by the producer of record, coverage shall become effective as of 12:01 A.M. on the future date, provided all of the following requirements are met for the EASi method chosen:

(1) Electronic Payment Option

(a) The requested effective date of coverage shall not exceed 45 days from the date of completion of the application.

- (b) The producer and applicant certify, under penalty of perjury, on the paper application generated by EASi, the date and time the application was transmitted.
  - (c) The producer uses EASi pursuant to Section 28.C.2.
  - (d) The completed application form generated by EASi and deposit payment are electronically transmitted to the Plan Office in accordance with procedures approved by the Plan.
  - (e) A copy of the completed original signed application form generated by EASi and required documentation are **faxed** to the Plan Office no later than one working day following the date the application and deposit are transmitted to the Plan. If the EASi application and required documentation are not faxed to the Plan Office in accordance with this subsection, coverage shall be effective at the future effective date or at 12:01A.M. on the day following receipt of the **faxed** EASi application and documentation by the Plan Office. The date of receipt of the fax in the Plan Office shall be established by the date and time signature of the Plan facsimile on the EASi application and documentation submitted.
- (2) Regular Check or Money Order Submission Option
- ~~(1)~~(a) The requested effective date of coverage shall not exceed 45 days from the date of completion of the application.
  - ~~(2)~~(b) The producer and applicant certify, under penalty of perjury, on the paper application form generated by EASi, the date and time application was transmitted.
  - ~~(3)~~(c) The producer uses EASi pursuant to Section ~~28.C.3~~ 28.C.2.
  - (4)(d) The paper application form generated by EASi, required documentation, and required deposit check or money order are mailed to the ~~Manager~~ Plan Office no later than two working days following the date ~~and time~~

the application was transmitted to the Plan. The mailing date is established by the United States Postal Service postmark on the envelope enclosing the application. If the paper application and deposit check or money order are not mailed to the Plan Office in accordance with this subsection, coverage shall be effective at the future effective date or at 12:01 A.M. on the day following receipt of the application and deposit by the Plan Office, whichever is later.

- d. Retraction Procedure
- Following ~~assignment~~ issuance of an EASi reference number and prior to the mailing or faxing of a completed signed application to the Plan, the producer shall be authorized to rescind coverage bound pursuant to EASi if
- (1) the producer discovers a material error in an application;
  - (2) the applicant has notified the producer of record that coverage through the Plan is no longer required; or
  - (3) the producer of record has, in error, requested more than one EASi reference number for the same application.
- The producer of record shall retract or void an EASi reference number by completing an ~~Electronic~~ EASi Effective Date Retraction Request Form within 24 hours of the date and time of transmittal of the electronic application to the Plan Office. The producer must forward the completed ~~Electronic~~ EASi Effective Date Retraction Form to the Plan within the next four days. Failure to mail the retraction form in accordance with this subsection will result in assessment of a violation against the producer.
- If an EASi reference number must be retracted or voided for an application transmitted with the electronic payment option, the deposit will be returned to either the producer's account or the insured's account within five working days following receipt of the EASi Effective Date Retraction Request form by the Plan Office, as evidenced by the postmark on the transmittal envelope.
- 3. Alternate Application Submission Procedures



Additional methods for application submission are available for producers to submit applications to the Plan. They may be used when EASi is not available or if the producer does not have access to EASi or if the producer chooses not to use EASi.

Alternate application submission procedures located in the Appendix Part of this Manual include submission of applications by (1) United States Postal Service Mail and (2) delivery by means other than the United States Postal Service.

Refer to Appendix Part for further details.

~~4. If application is made without using the EEDP or EASi (including submission by mail or delivery by means other than the United States Postal Service), or if there is not compliance with the provisions of Section 28.C.2.b or Section 28.C.3.b, coverage shall be effective as of 12:01 A.M. on the date following receipt of the paper application in the Plan Office unless a future effective date is requested or an in force policy is terminating.~~

4. If EASi expedited application submission with the electronic payment option does not comply with the provisions of Section 28.C.2.b.(1), coverage shall be effective as of 12:01 A.M. on the date following receipt of the faxed EASi application and required documentation in the Plan Office unless a future effective date is requested or an in force policy is terminating. For the purposes of this subsection, the date of receipt of the fax in the Plan Office shall be established by the date and time signature of the Plan facsimile on the application and documentation submitted.

If an EASi application using the regular check submission option does not comply with the provisions of Section 28.C.2.b.(2), coverage shall be effective as of 12:01 A.M. on the date following receipt of the paper application and deposit check or money order in the Plan Office unless a future effective date is requested or an in force policy is terminating.

~~5. If the applicant desires coverage on a date later than that which would otherwise be fixed pursuant to this Section, the applicant shall indicate that date and the Manager Plan shall fix the effective date of coverage as of 12:01 A.M. on the desired date of coverage. However, no date shall be later than 45 days after the date of application.~~

~~6. In the event there is in force a policy terminating at a date later than the date that~~

would be fixed pursuant to this Sections 28.C.2 through and 4 and the applicant indicates such date in his application, the Manager Plan shall fix the date when coverage becomes effective as 12:01 A.M. on the stated termination date of such policy.

~~7. The effective date of coverage for a replacement vehicle or driver added to an in force policy shall not be subject to the requirements of Sections 28.C.2 through and 4, but shall be governed by the terms of the policy and the provisions of Section 29.~~

~~8. In order to provide evidence of a requested effective date, the producer of record shall maintain records in accordance with Section 20.G for all risks for which he or she has designated the time and date of coverage.~~

~~9. Where EEDP and When EASi are is disrupted due to failure of transmission or receiving equipment due to fire, earthquake, explosion, civil unrest, or similar disaster or emergency, the producer may bind coverage using one of the Alternate Application Submission Procedures in the Appendix Part of this Manual. up to one day prior to the time the paper application forms and deposit are mailed to the Manager, as established by the United States Postal Service postmark on the envelope in which the application was enclosed. In no event shall coverage be effective prior to the date and time the application is completed, signed, and dated.~~

**D. Plan Submission to the Designated Insurer**

The Manager Plan shall forward to the assigned insurer the application, a copy of the notice of the effective date of coverage, and the deposit premium (electronic payment or check or money order) same to be credited by the insurer against the policy premium.

**Secs. 38. – 39. RESERVED FOR FUTURE USE**

**COMMERCIAL AUTOMOBILE PART  
Sec. 41. APPLICATION REQUIREMENTS**

Any applicant desiring insurance coverage through the Plan shall submit a completed original application form or the original application produced by EASi or a completed original paper application form and the full annual premium or deposit as prescribed in Section 44. The application shall not be a reproduction or a computer produced form other than an original paper application generated by EASi with the original signatures.

*(The remainder of Section 41 is unchanged.)*

**Sec. 44. PREMIUM PAYMENT OPTIONS**

*The second paragraph of D is amended as follows:*

**D. Deposit, Installment, or Additional Premium Payments Applicable to A, B, or C, Above**

The Manager Plan shall immediately return the premium check if the risk is not assigned. The servicing carrier shall credit the deposit against the gross premium if the risk is assigned. The servicing carrier shall refund any portion of the deposit only as provided in Sections 44.E and G.

*Paragraph F and the first paragraph of G are amended as follows:*

**F. Dishonored Checks**

If any check is dishonored, the servicing carrier may impose a dishonored check fee of up to \$10, and the Manager Plan or servicing carrier may require all further payments from that maker be made in the form of a certified check, bank check, or money order for a period of 12 months from the date the check was dishonored.

Servicing carriers shall notify the Manager Plan of producers who submit dishonored checks. The Manager Plan may require those producers to submit a certified check or money order with future applications.

**G. Premium Owed for Prior Insurance**

If an applicant is assigned or reassigned to a servicing carrier and the applicant owes a servicing carrier earned premium for prior Plan coverage, the deposit ~~check~~ shall be applied to the earned premium and coverage shall be afforded in accordance with this Section.

*Paragraph G.2.a and G.2.b are amended as follows:*

2. If the earned premium meets all of the above criteria, the servicing carrier shall proceed as follows:

a. If the deposit ~~premium~~ is insufficient to satisfy the full amount of the outstanding earned premium due for prior Plan coverage, the servicing carrier shall apply the deposit ~~check~~ to the prior Plan policy. The servicing carrier shall return the application to the Plan as ineligible for Plan coverage due to the outstanding premium balance. No coverage is in effect.

b. If the deposit is sufficient to satisfy the full amount of the outstanding earned premium due for prior Plan coverage, the servicing carrier shall apply the deposit ~~check~~ to the prior Plan policy. The servicing carrier shall issue a new policy and a cancellation notice for payment of the deposit premium.

*Paragraph G.2.d is amended as follows:*

d. If the applicant can furnish documentation that (1) the outstanding earned premium in question was the result of a premium audit, and (2) the applicant is disputing the findings of that audit, the servicing carrier shall not apply the applicant's deposit ~~premium~~ to resolve the outstanding premium balance for prior coverage. Coverage shall be provided in accordance with Section 46. The premium dispute shall be resolved in accordance with Section 16.

**Sec. 46. APPLICATION FOR ASSIGNMENT, DESIGNATION OF SERVICING CARRIER, EVIDENCE OF INSURANCE, AND EFFECTIVE DATE OF COVERAGE**

*The first paragraph of A is amended as follows:*

**A. Verification of Application by Plan**

Upon receipt of an application and prior to assignment to a servicing carrier, the Manager Plan shall verify that the form is properly completed, signed, and dated. In so verifying, the Manager Plan shall perform all of the following:

*Paragraphs B, C, and D are amended as follows:*

**B. Designation of Servicing Carrier**

Upon determination by the Manager Plan that the application has been properly completed, signed, and dated and that the risk is eligible for assignment, the Manager Plan shall designate a servicing carrier to which the application shall be assigned. The Manager Plan shall advise the applicant and producer of the designated servicing carrier and the effective date of coverage.

**C. Effective Date of Coverage**

For the purposes of Section 46, the postmark which is to be recognized by the Plan shall be the postmark of the United States Postal Service. A metered mail postmark, computer-generated electronic stamp, or other postage service or stamp shall not be considered a postmark of the United States Postal Service for the purposes of effecting coverage.

The Plan shall provide for effective dates of coverage consistent with all of the following:

1. In no event shall coverage be effective prior to the date and time of completion, signing, and dating of the application forms.

2. ~~Electronic Effective Date Procedure (EEDP)~~  
a. ~~When the applicant requires that coverage be effective immediately, the effective date and time shall be established by telephone using EEDP.~~

~~The Manager shall establish and maintain a toll-free telephone number as part of EEDP. The Manager shall maintain sufficient capacity to service, in a timely manner, applications received by means of EEDP.~~

~~EEDP shall be available only to producers who are certified by the Plan. The producer who completes, signs, and dates the application may not use EEDP until the deposit has been received and the application for coverage has been completed.~~

b. Immediate Coverage

~~Coverage for vehicles shall become effective at the date and time the application is transmitted by telephone through EEDP provided all of the following requirements are met:~~

- ~~(1) The producer shall access EEDP within 24 hours of the date and time the application is completed, signed, and dated.~~
- ~~(2) The producer and the applicant certify under penalty of perjury on the application the date and time that the application forms were completed, signed, and dated.~~
- ~~(3) The producer uses EEDP adopted pursuant to Section 46.C and inserts the EEDP reference number and both the date and time provided by the system in the Proposed Effective Date and Time of Coverage section on the application.~~
- ~~(4) The application forms and required deposit are mailed to the Manager no later than two working days following the date the application forms are completed, signed, and dated. The mailing date is established by the United States Postal Service postmark on the envelope enclosing the application. If the application and deposit are not mailed to the Plan Office in accordance with this subsection, coverage shall be effective at 12:01 A.M. on the day following receipt of the application and deposit by the Plan Office.~~

c. Future Effective Date

~~The Plan shall establish a future effective date using EEDP. The future effective date option shall be available upon request by an applicant.~~

- ~~(1) The requested effective date of coverage shall not exceed 45 days from the date of completion of the application.~~
- ~~(2) The producer and applicant certify under penalty of perjury on the application the date and time that the application forms were completed, signed, and dated.~~
- ~~(3) The producer uses the EEDP adopted pursuant to Section 46.C.2 and inserts the EEDP reference number and both the date and time provided by the system in the Proposed Effective Date and Time section of the application.~~
- ~~(4) The application forms and required deposit are mailed to the Manager no later than two working days following the date the application forms are completed, signed, and dated. The mailing date is established by the United States Postal Service postmark on the envelope enclosing the application. If the application and the deposit are not mailed to the Plan Office in accordance with this subsection, coverage shall be effective at the future effective date or at 12:01A.M. on the day following receipt of the application and deposit by the Plan Office, whichever is later.~~

d. Retraction Procedure

~~Following assignment of an EEDP reference number and prior to the mailing of a completed signed application to the Plan, the producer shall be authorized to rescind coverage pursuant to EEDP if~~

- ~~(1) the producer discovers a material error in an application;~~
- ~~(2) the applicant has notified the producer of record that coverage through the Plan is no longer required; or~~
- ~~(3) the producer of record has, in error, requested more than one EEDP reference number for the same application.~~

~~The producer of record shall retract or void an unwanted EEDP reference number by completing an Electronic Effective Date Retraction Request Form within 24 hours of when the producer first makes the EEDP phone call. The producer must complete an Electronic Effective Date Retraction Request Form and forward it to the Plan within the next four days. Failure to mail the retraction form in~~

~~accordance with this subsection will result in assessment of a violation against the producer.~~

3.2. Electronic Application Submission Interface (EASi)

- a. Producers who are certified by the Plan ~~shall have the option to~~ may use EASi to establish the effective date of coverage if the applicant requires that the coverage applied for become effective at the time of application. Coverage will be effective only when the electronic application is transmitted under the procedures established by the Plan.

The ~~Manager Plan~~ shall establish and maintain a toll free number for producer technical support as part of EASi. The ~~Manager Plan~~ shall maintain sufficient capacity to provide system access and transmittal, in a timely manner, of completed on line applications by means of EASi.

EASi shall be available only to producers who are certified by the Plan. ~~The producer who completes, signs, and dates the application may not transmit the application until the deposit has been received and the application for coverage has been completed.~~

The producer may not transmit the application using EASi until the application for coverage has been completed and the deposit has been received.

b. Immediate Coverage

Coverage shall be effective at the date and time of transmission of the electronic application provided all of the following requirements are met:

- (1) The producer and applicant certify, under penalty of perjury, on the paper application form generated by EASi, the date and time the application was transmitted.
- (2) The producer uses EASi pursuant to ~~Section 46.C.3~~ 46.C.2.
- (3) The paper application form generated by EASi, required documentation, and required deposit check or money order are mailed to the ~~Manager Plan Office~~ no later than two working days following the date ~~and time~~ the application was transmitted to the Plan. The mailing date is established by the United States Postal Service postmark on the

envelope enclosing the application. If the paper application, required documentation, and deposit are not mailed to the Plan Office in accordance with this subsection, coverage shall be effective at 12:01 A.M. on the day following receipt of the paper application and deposit by the Plan Office.

c. Future Effective Date of Coverage

In the event a future effective date of coverage is requested by the producer of record, coverage shall become effective as of 12:01 A.M. on the future date, provided all of the following requirements are met:

- (1) The requested effective date of coverage shall not exceed 45 days from the date of completion of the application.
- (2) The producer and applicant certify, under penalty of perjury, on the paper application form generated by EASi, the date and time application was transmitted.
- (3) The producer uses EASi pursuant to ~~Section 46.C.3~~ 46.C.2.
- (4) The paper application form generated by EASi, required documentation, and required deposit check or money order are mailed to the ~~Manager Plan Office~~ no later than two working days following the date the application ~~forms are~~ was transmitted to the Plan. The mailing date is established by the United States Postal Service postmark on the envelope enclosing the application. If the paper application and deposit are not mailed to the Plan Office in accordance with this subsection, coverage shall be effective at the future effective date or at 12:01 A.M. on the day following receipt of the application and deposit by the Plan Office, whichever is later.

d. Retraction Procedure

Following ~~assignment~~ issuance of an EASi reference number and prior to the mailing or faxing of a completed signed application to the Plan, the producer shall be authorized to rescind coverage bound pursuant to EASi if

- (1) the producer discovers a material error in an application;

- (2) the applicant has notified the producer of record that coverage through the Plan is no longer required; or
- (3) the producer of record has, in error, requested more than one EASI reference number for the same application.

The producer of record shall retract or void an EASI reference number by completing an Electronic EASI Effective Date Retraction Request Form within 24 hours of the date and time of transmittal of the electronic application to the Plan Office. The producer must forward the completed Electronic EASI Effective Date Retraction Form to the Plan within the next four days. Failure to mail the retraction form in accordance with this subsection will result in assessment of a violation against the producer.

3. Alternate Application Submission Procedures

Additional methods for application submission are available for producers to submit applications to the Plan. They may be used when EASI is not available or if the producer does not have access to EASI or if the producer chooses not to use EASI.

Alternate application submission procedures located in the Appendix Part of this Manual include submission of applications by (1) United States Postal Service Mail and (2) delivery by means other than the United States Postal Service.  
Refer to Appendix Part for further details.

4. ~~If the application is made without using the EEDP or EASI (including submission by mail or delivery by means other than the United States Postal Service), or if there is not compliance with the provisions of Section 46.C.2.b or Section 46.C.3.b, coverage shall be effective as of 12:01 A.M. on the date following receipt of the paper application in the Plan Office unless a future effective date is requested or an in force policy is terminating.~~
4. If an EASI application does not comply with the provisions of Section 46.C.2, coverage shall be effective as of 12:01 A.M. on the date following receipt of the paper application and deposit check or money order in the Plan Office unless a

future effective date is requested or an in force policy is terminating.

5. If the applicant desires coverage on a date later than that which would otherwise be fixed pursuant to this Section, the applicant shall indicate that date and the Manager Plan shall fix the effective date of coverage as of 12:01 A.M. on the desired date of coverage. However, no date shall be later than 45 days after the date of application.
6. In the event there is in force a policy terminating at a date later than the date that would be fixed pursuant to ~~this~~ Sections 46.C.2 ~~through and~~ 4 and the applicant indicates such date in his application, the Manager Plan shall fix the date when coverage becomes effective as 12:01 A.M. on the stated termination date of such policy.
7. The effective date of coverage for a replacement vehicle or driver added to an in force policy shall not be subject to the requirements of Sections 46.C.2 ~~through and~~ 4, but shall be governed by the terms of the policy and the provisions of Section 47.
8. In order to provide evidence of a requested effective date, the producer of record shall maintain records in accordance with Section 20.G for all risks for which he or she has designated the time and date of coverage.
9. ~~Where EEDP and When EASI are~~ is disrupted due to failure of transmission or receiving equipment due to fire, earthquake, explosion, civil unrest, or similar disaster or emergency, the producer may bind coverage using one of the Alternate Application Submission Procedures in the Appendix Part of this Manual. up to one day prior to the time the paper application forms and deposit are mailed to the Manager, as established by the United States Postal Service postmark on the envelope in which the application was enclosed. In no event shall coverage be effective prior to the date and time the application is completed, signed, and dated.

D. **Plan Submission to the Designated Servicing Carrier**

The Manager Plan shall forward to the assigned servicing carrier the application, a copy of the notice of the effective date of coverage, and the deposit premium (check or money order) same

to be credited by the servicing carrier against the policy premium.

~~Secs. 56 – 57.~~ ~~RESERVED FOR FUTURE USE~~  
Secs. 56 – 58. RESERVED FOR FUTURE USE

*A NEW appendix part is introduced as follows:*

**APPENDIX PART  
PREFACE**

**THE ELECTRONIC APPLICATION SUBMISSION INTERFACE (EASi), AUTHORIZED BY THE CALIFORNIA AUTOMOBILE ASSIGNED RISK PLAN, OFFERS PRIVATE PASSENGER AND COMMERCIAL APPLICATION FORMS FOR COMPLETION AND TRANSMITTAL TO THE PLAN OFFICE TO EXPEDITE THE APPLICATION PROCESS. HOWEVER, IN THE EVENT EASi IS NOT AVAILABLE OR IF A PRODUCER DOES NOT HAVE ACCESS TO EASi OR PREFERS TO USE A DIFFERENT APPLICATION SUBMISSION METHOD, THE PRODUCER MUST SUBMIT PRIVATE PASSENGER AND COMMERCIAL APPLICATIONS IN ACCORDANCE WITH THE ALTERNATE APPLICATION SUBMISSION PROCEDURES CONTAINED BELOW. FOR ADDITIONAL INFORMATION AND INSTRUCTIONS RELATING TO THE USE OF THE ALTERNATE APPLICATION SUBMISSION PROCEDURES, PLEASE CONTACT THE FOLLOWING:**

**CALIFORNIA AUTOMOBILE ASSIGNED RISK PLAN**

**TELEPHONE: (800) 622-0954 (Pacific Time)**

**E-MAIL: [www.caarp@aipso.com](mailto:www.caarp@aipso.com)**

**Sec. 59. PRODUCER ACCESS TO ALTERNATE APPLICATION SUBMISSION PROCEDURES**

Producers who are licensed to transact automobile insurance in California and who are certified by CAARP may utilize the Alternate Application Submission Procedures to submit private passenger and commercial applications in accordance with the procedures developed and authorized by the Plan.

**Sec. 60. AVAILABILITY OF APPLICATIONS**

Plan private passenger and commercial application forms and the CAARP manual are available as indicated in Introduction Section – Availability of Applications, Forms, and Manuals.

**Sec. 61. ALTERNATE APPLICATION SUBMISSION PROCEDURES FOR PRIVATE PASSENGER APPLICATIONS**

**A. Application Requirements**

An applicant desiring insurance coverage through the Plan shall submit a completed original paper private passenger application form bearing the signatures of the applicant and producer and the full annual premium or deposit as prescribed in Section 26. The application shall not be a reproduction or a computer produced form. The application is subject to the application information, supporting documentation, and applicant signature requirements set forth in Section 23.

**B. Verification of Application by Plan**

All private passenger applications submitted using the alternate application submission procedures shall be subject to Plan procedures for verification of the application in accordance with Section 28.A.

**C. Designation of Insurer**

The Plan will assign an insurer in accordance with the procedures in Section 28.B.

**D. Effective Date of Coverage**

For the purposes of Section 61, the postmark which is to be recognized by the Plan Office shall be the postmark of the United States Postal Service. A metered mail postmark, computer generated electronic stamp, or other postage service or stamp shall not be considered a postmark of the United States Postal Service for the purposes of effecting coverage.

The Plan shall provide for effective dates of coverage consistent with all of the following:

1. In no event shall coverage be effective prior to the date and time of completion, signing, and dating of the application forms.
2. Applications Submitted Via the United States Postal Service or Delivered by Other Means  
If the application is submitted by United States Postal Service mail or is delivered by means other than the United States Postal Service, coverage shall be effective as of 12:01 A.M. on the date following receipt of the paper application and deposit check or money order in the Plan Office unless a future effective date is requested or an in force policy is terminating.
3. When EASi is disrupted due to failure of transmission or receiving equipment due to fire, earthquake, explosion, civil unrest, or similar disaster or emergency, the producer may bind coverage up to one day prior to the time the paper application forms and deposit are mailed to the Plan, as established by the United States Postal Service postmark on the envelope in which the application was enclosed. In no event shall coverage be effective prior to the date and time the application is completed, signed, and dated.
4. If the applicant desires coverage on a date later than that which would otherwise be fixed pursuant to this Section, the applicant shall indicate that date and the Plan shall fix the effective date of coverage as of 12:01 A.M. on the desired date of coverage. However, no date shall be later than 45 days after the date of application.
5. In the event there is in force a policy terminating at a date later than the date that would be fixed pursuant to Sections 61.D.2 and 3 and the applicant indicates such date in his application, the Plan shall fix the date when coverage becomes effective as 12:01 A.M. on the stated termination date of such policy.
6. The effective date of coverage for a replacement vehicle or driver added to an in force policy shall not be subject to the requirements of Sections 61.D.2 and 3, but shall be governed by the terms of the policy and the provisions of Section 29.
7. In order to provide evidence of a requested effective date, the producer of record shall maintain records in accordance with Section 20.G for all risks for which he or she has designated the time and date of coverage.

**E. Plan Submission to the Designated Insurer**

The Plan shall forward to the assigned insurer the application, a copy of the notice of the effective date of coverage, and the deposit check or money order same to be credited by the insurer against the policy premium.

**F. Financial Responsibility Certificates**

If the applicant obtains coverage under the Plan, and the applicant or any eligible resident of the same household who usually drives the insured vehicle requires a financial responsibility certificate, the Plan shall, on behalf of the assigned insurer, and at the time the application is received, process the certificate and notify the insurer, producer, and the insured. The filing shall become effective as of the effective date of coverage.

**G. Applicant Refusal to Accept Policy**

If for any reason the applicant refuses to accept the policy, or coverage is terminated pursuant to Section 33.A, the return premium shall be calculated at .90 of the pro rata unearned premium for the period of coverage, subject to a minimum premium of \$15 per vehicle, whichever is greater.

**H. Reassignment to Prior Insurer**

Applicants to the Plan shall be reassigned to the prior assigned insurer if a previous assignment of that applicant was made in the immediately preceding 24 months.

**I. Plan Procedures and Performance Standards**

Except as otherwise indicated in this Appendix, applications submitted in accordance with this Section are subject to the procedures and performance standards in the Personal Automobile Part of the Plan of Operation.

**Sec. 62. ALTERNATE APPLICATION SUBMISSION PROCEDURES FOR COMMERCIAL APPLICATIONS**

**A. Application Requirements**

An applicant desiring insurance coverage through the Plan shall submit a completed original paper commercial application form bearing the signatures of the applicant and producer and the full annual premium or deposit as prescribed in Section 44. The application shall not be a reproduction or a computer produced form. The application is subject to the application information, supporting documentation, and applicant signature requirements set forth in Section 41.

**B. Verification of Application by Plan**

All commercial applications submitted using the alternate application submission procedures shall be subject to Plan procedures for verification of the application in accordance with Section 46.A.

**C. Designation of Insurer**

The Plan will assign a servicing carrier in accordance with the procedures in Section 46.B.

**D. Effective Date of Coverage**

For the purposes of Section 62, the postmark which is to be recognized by the Plan Office shall be the postmark of the United States Postal Service. A metered mail postmark, computer generated electronic stamp, or other postage service or stamp shall not be considered a postmark of the United States Postal Service for the purposes of effecting coverage.

The Plan shall provide for effective dates of coverage consistent with all of the following:

1. In no event shall coverage be effective prior to the date and time of completion, signing, and dating of the application forms.
2. Applications Submitted Via the United States Postal Service or Delivered by Other Means  
If the application is submitted by United States Postal Service mail or is delivered by means other than the United States Postal Service, coverage shall be effective as of 12:01 A.M. on the date following receipt of the paper application and deposit check or money order in the Plan Office unless a future effective date is requested or an in force policy is terminating.
3. When EASi is disrupted due to failure of transmission or receiving equipment due to fire, earthquake, explosion, civil unrest, or similar disaster or emergency, the producer may bind coverage up to one day prior to the time the paper application forms and deposit are mailed to the Plan, as established by the United States Postal Service postmark on the envelope in which the application was enclosed. In no event shall coverage be effective prior to the date and time the application is completed, signed, and dated.
4. If the applicant desires coverage on a date later than that which would otherwise be fixed pursuant to this Section, the applicant shall indicate that date and the Plan shall fix the effective date of coverage as of 12:01 A.M. on the desired date of coverage. However, no date shall be later than 45 days after the date of application.



5. In the event there is in force a policy terminating at a date later than the date that would be fixed pursuant to Sections 62.D.2 and 3 and the applicant indicates such date in his application, the Plan shall fix the date when coverage becomes effective as 12:01 A.M. on the stated termination date of such policy.
6. The effective date of coverage for a replacement vehicle or driver added to an in force policy shall not be subject to the requirements of Sections 62.D.2 and 3, but shall be governed by the terms of the policy and the provisions of Section 47.
7. In order to provide evidence of a requested effective date, the producer of record shall maintain records in accordance with Section 20.G for all risks for which he or she has designated the time and date of coverage.

**E. Plan Submission to the Designated Servicing Carrier**

The Plan shall forward to the assigned servicing carrier the application, a copy of the notice of the effective date of coverage, and the deposit check or money order same to be credited by the servicing carrier against the policy premium.

**F. Financial Responsibility Certificates**

If the applicant obtains coverage under the Plan, and the applicant or any eligible resident of the same household who usually drives the insured vehicle requires a financial responsibility certificate, the Plan shall, on behalf of the assigned servicing carrier, and at the time the application is received, process the certificate and notify the servicing carrier, producer, and the insured. The filing shall become effective as of the effective date of coverage.

**G. Applicant Refusal to Accept Policy**

If for any reason the applicant refuses to accept the policy, or coverage is terminated pursuant to Section 51.A, the return premium shall be calculated at .90 of the pro rata unearned premium for the period of coverage, subject to a minimum premium of \$250 per vehicle or policy, whichever is greater.

**H. Reassignment to Prior Servicing Carrier**

Applicants to the Plan shall be reassigned to the prior servicing carrier if a previous assignment of that applicant was made in the immediately preceding 36 months.

**I. Plan Procedures and Performance Standards**

Except as otherwise indicated in this Appendix, applications submitted in accordance with this Section are subject to the procedures and performance standards in the Commercial Automobile Part of the Plan of Operation.