

Department of Consumer & Business Services  
**Oregon Division** of Financial Regulation – 5  
350 Winter St. NE, Rm. 440  
Salem, Oregon 97301-3883  
Phone (503) 947-7983

## STANDARDS FOR VEHICLE RENTAL COMPANY AUTO INSURANCE

This checklist (product standards) must be completed and attached under the Supporting Documentation tab. It has been provided as an aid to assist you in preparing your filing. ORS 731.296, OAR 836-010-0011(2) & (3).

This checklist includes relevant statutes, rules, bulletins, and other documented positions to enforce ORS 731.016. **The standards are summaries and review of the entire statute or rule may be necessary.** After diligent consideration has been given to each item, mark as instructed. “Not applicable” can be used only if the item does not apply to the coverage being filed. Any line left blank may result in the delay or disapproval of the filing. Compliance with these provisions must be certified by both the filer and an officer of the company signing the Certificate of Compliance form.

**Market:** Personal lines  
**TOI** (type of insurance): 33.0 Other Lines of Business  
**Sub-TOI** (type of insurance): 33.0001 Other Personal Lines

Types of coverage allowed:

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Personal accident   | <input type="checkbox"/> Liability insurance, UM/UIM, APIP | <input type="checkbox"/> Personal effects |
| <input type="checkbox"/> Roadside assistance | <input type="checkbox"/> Emergency sickness                |   |

**IMPORTANT LEGISLATIVE CHANGE: House Bill 2958, Chapter 524, Oregon Laws 2015, Effective 9/20/2015.**

House Bill 2958 clarifies that a car rental company employee “or designated agent” is included in the rental company’s limited License used to sell insurance products incidental to a motor vehicle rental. The designated agent could be an employee of an airport, repair shop, or a hotel where a consumer is completing the transaction to rent a vehicle.

Review requirement	Reference	Description of review standards requirements	Check answer
<b>GENERAL REQUIREMENTS (FOR ALL FILINGS)</b>			
Requirements	OAR 836-010-0011 As required on SERFF or our Web site	<p>Filing requirements are located on SERFF or on our Web site at: <a href="http://dfr.oregon.gov/rates-forms/pc/Pages/pc.aspx">http://dfr.oregon.gov/rates-forms/pc/Pages/pc.aspx</a></p> <p>The correct information must be attached to the appropriate schedule items in order for your filing to be considered complete.</p> <p>The clean copy of the submitted form must be attached under the Form Schedule tab. Each form filed for approval must be attached to a separate Schedule Item under this tab. <b>The form number should appear exactly as shown on the PDF document.</b> Any edition/revision date used in the form number must be included under the Form Number column. It is not necessary to use the Edition Date column. However, if you use the Edition Date column, please do not include the edition date in the Form Number column. The Form Type column must be completed correctly.</p> <p>If filing a Replacement document, the Action Specific Data column must be completed by providing the Oregon assigned Filing Number (tracking number) of the previous filing. The Replaced form number must be typed exactly the way it was typed on the original approved form. It must also include the edition date of the form being replaced. A comparison document (red-lined, highlighted, side-by-side) must be provided under the Supporting Documentation tab.</p> <p>Rates and rules are to be submitted under the Rate/Rule tab in SERFF. The Actuarial Memorandum, expense exhibits, or other rate justification documents should be submitted under the Supporting Documentation tab.</p> <p>Other filing requirements as listed below, or other documentation submitted to assist us in our review, should be placed under the Supporting Documentation tab.</p> <ol style="list-style-type: none"> <li>1. A Filing Description is attached under the General Information tab, or a Cover letter or Filing Memorandum attached under the Supporting Documentation tab that explains the intent or purpose of the forms/rules/rates.</li> <li>2. A third party filers' letter of authorization is attached if applicable.</li> <li>3. The signed <a href="#">Certificate of Compliance, form 440-3894</a> is attached to the Supporting Documentation tab.</li> </ol>	<p>Yes    N/A</p> <p><input type="checkbox"/>    <input type="checkbox"/></p> <p><input type="checkbox"/>    <input type="checkbox"/></p> <p><input type="checkbox"/>    <input type="checkbox"/></p>

Review requirement	Reference	Description of review standards requirements	Check answer
Requirements, continued	OAR 836-010-0011 As required on SERFF or our Web site	(continued from previous page) 4. This checklist been completed and attached to the Supporting Documentation tab. 5. For form submissions, a comparison document (annotated, highlighted, red-lined, or side-by-side) has been provided under Supporting Documentation for each previously approved form. 6. The rates and/or rules are attached to the Rate Schedule tab. 7. An actuarial memorandum or other documentation that provides an overview of the contents of the filing, and the reasons and procedures used to support the rate change has been attached to the Supporting Documentation tab. 8. The forms being filed for approval are attached to the Form Schedule tab.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>  <input type="checkbox"/> <input type="checkbox"/>  <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	ORS 742.003(1), ORS 744.856(2)	Included in this filing for review: 1. New policy or program. 2. Endorsements amending an existing program that include additional coverages in these standards. 3. Summary of coverage. 4. Syllabus of employee training program.	Yes <input type="checkbox"/> No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	ORS 742.003	No policy has been issued or will be issued upon the forms in this filing until approved.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
	OAR 836-071-0274	Agents are not allowed to charge a service fee.	Confirm <input type="checkbox"/>
Requirements not part of a listed category	ORS 744.850 – ORS 744.858, OAR 836-071-0355 – OAR 836-071-0400	<b><u>PRODUCER LICENSING REQUIREMENTS</u></b> This class of business is subject to specific statutory and administrative rule guidelines regarding licensing and training of producers transacting this business. <b><u>See House Bill 2958 (2015) and OAR 836-071-0355 thru -0400 for recent changes.</u></b>	
<b>FORMS</b>			
Policy documentation	ORS 742.023	The policy describes the conditions and provisions of the coverage provided.	Confirm <input type="checkbox"/>
Policy documentation	ORS 744.850(2)	Rental agreement - a written agreement of the terms and conditions governing use of a vehicle provided by the rental company.	Confirm <input type="checkbox"/>
Policy documentation	ORS 744.850(3)	Rental company - a person or entity providing motor vehicles to the public under a rental agreement for a period of 90 days or less.	Confirm <input type="checkbox"/>
	ORS 744.850(4)	Renter - a person obtaining the use of a vehicle from a rental company for a period of 90 days or less.	Confirm <input type="checkbox"/>
	ORS 744.850(5)	Vehicle - an automobile, van, minivan, sports-utility vehicle, cargo van, pickup truck or truck with a gross vehicle weight of less than 26,000 pounds that does not require a commercial driver license to operate.	Confirm <input type="checkbox"/>

Review requirement	Reference	Description of review standards requirements	Check answer
Policy documentation	ORS 742.003, ORS 742.005(2), ORS 742.023	Variable items are bracketed or otherwise marked to denote variability. The filing submission includes a statement or explanation of variability that provides the options for each variable item. This document must have a unique form number assigned and be attached as a separate Schedule Item under the Form Schedule tab.	Yes <input type="checkbox"/>
Legibility of forms	ORS 742.005(2)	The forms are clear and understandable in the presentation of premiums, labels, content descriptions, title, headings, backing, and other indication (including restrictions) in the provisions. The information is clear and understandable to the consumer and is not unintelligible, uncertain, ambiguous, abstruse, or likely to mislead.	Yes <input type="checkbox"/>
Policy period	ORS 742.048, ORS 742.504(3)	<u>Effective date and time</u> - Policy states that coverage commences at 12:01 a.m. on the date the policy becomes effective. It includes a statement that coverage applies only to accidents that occur on or after the effective date of the policy; during the policy period; and within the United States of America, its territories or possessions, or Canada.	Confirm <input type="checkbox"/>
Arbitration	ORS 36.600 – ORS 36.740 <i>Molodyh v. Truck Insurance Exchange</i>	Voluntary arbitration is permitted by the Oregon Constitution and statutes after all internal appeals have been exhausted and can be binding upon consent of the covered insured. <i>(If the policy provides for arbitration when claim settlement cannot be reached, the enrollee may elect arbitration by mutual agreement at the time of the dispute. Arbitration takes place under the laws of Oregon or another agreed-upon procedure. Arbitration must be held in the insured's county and state.)</i>	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
	ORS 742.504(10), ORS 742.505, ORS 742.520(6), ORS 742.521, ORS 742.522	<u>Uninsured Motorist/Underinsured Motorist Coverage and Automobile Personal Injury Protection</u> : Disputes between insurers and beneficiaries about the amount of personal injury protection benefits or about the denial of personal injury benefits, shall be decided by arbitration if mutually agreed to at the time of the dispute. The arbitration shall take place under the arbitration laws of the state of Oregon or, if the parties agree, according to any other procedure. "Costs" to the insured of the arbitration proceeding do not exceed \$100. Costs as used in this provision does not include attorney fees or expenses incurred in the production of evidence or witnesses or the making of transcripts of the proceedings.	Confirm <input type="checkbox"/>
Access to courts	ORS 742.061	<u>Attorney fees</u> - If a claim settlement is not made within six months and action is brought to court, should the plaintiff's recovery exceed the amount of payment made by the defendant, the court will set attorney fees to be paid as part of the costs of legal action and any appeal, unless the parties agree to binding arbitration.	Confirm <input type="checkbox"/>

Review requirement	Reference	Description of review standards requirements	Check answer
Bankruptcy	ORS 742.031	The policy includes a bankruptcy provision similar to that in ORS 742.031.	Confirm <input type="checkbox"/>
Fraud	ORS 742.013, Bulletin INS 2010-3	<b>Fraud warning</b> - If the policy has fraud, concealment, misrepresentation language, then the application is required to include a fraud warning. If one is included, it is general in nature and does not state that the applicant is "guilty" of fraud, but that he or she "may be" guilty of fraud. Fraud or misstatement warnings that mention criminal or civil penalties must avoid definite statements of the criminal nature of an act, guilt, or possible penalties. A warning that specifies that knowingly providing false information "may be" a crime, which "may be" grounds for criminal or civil penalties is appropriate.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Discrimination	ORS 106.300 thru ORS 106.340, OAR 836-081-0010, Bulletin 2008-2	A provision that recognizes a Domestic Partnership is included in the policy. Terms and provisions in the Insurance Code and in rules adopted under the Code that refer to or indicate the marital relationship, its dissolution and dependents in a marital relationship will apply in the same manner to domestic partnerships, to their dissolution and to dependents in the partnership.	Yes <input type="checkbox"/>
Fees Service charges	ORS 737.205, OAR 836-071-0269	All charges to the policyholder are listed on the declarations page. Field add-ons are not permitted.	Yes <input type="checkbox"/>
Loss settlement	ORS 742.504(5)	The policy describes the following claims procedures. (a) As soon as practicable, the insured or other person making claim must give the insurer written proof of claim and submit to examinations under oath as may reasonably be required. Proof of claim is made on forms furnished by the insurer unless the insurer fails to furnish forms within 15 days after receiving notice of claim. (b) Upon reasonable request of and at the expense of the insurer, the injured person must submit to physical examinations by physicians selected by the insurer and give authorization to the insurer to obtain medical reports and copies of records.	Yes <input type="checkbox"/>
	ORS 742.504(2)(f)(g)	When a "hit-and-run" or "phantom" vehicle is involved, the accident must be reported within 72 hours to a police department, or equivalent, as listed in the statute, and within 30 days to the insurer.	Yes <input type="checkbox"/>
	ORS 742.504(6)	Any legal action instituted by the insured is required to be immediately forwarded to the insurer by the insured or the legal representative of the insured.	Yes <input type="checkbox"/>
	ORS 742.053	Policy states that proof of loss forms are available from an insurer upon request by an insured.	Yes <input type="checkbox"/>
Limits	ORS 742.023 & 742.005(2)	Policy clearly identifies and describes limits on the coverage.	Yes <input type="checkbox"/>

Review requirement	Reference	Description of review standards requirements	Check answer
Other insurance	ORS 744.854(1)	Accident and health insurance -- The policy provides personal accident insurance covering the risks of travel, including accident and health that provides coverage to renters and other occupants of the rental vehicle for accidental death or dismemberment and reimbursement for medical expenses resulting from an accident that occurs during the rental period.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
	ORS 743.053	Benefits in case of death or dismemberment by accident shall specify the number of days after the accident in which the death or dismemberment must occur in order for benefits to be paid under the policy.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
	ORS 744.854(3)	The policy provides personal effects coverage to renters and other vehicle occupants for loss of and damage to personal effects during the rental period.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
	ORS 744.854(4)	The policy provides for roadside assistance and emergency sickness insurance.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Requirements	ORS 744.854(2)	The policy provides liability coverage to renters and other authorized drivers for liability arising from the operation of the rental vehicle.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Limits	ORS 742.450(4), ORS 742.502, ORS 742.520, ORS 742.524, ORS 744.854(2), ORS 806.070, ORS 806.075 For APIP see Division position (1992)	Insurance sold by a Vehicle Rental Company to cover liability while operating a leased or rental vehicle under an agreement not longer than 90 days, must provide bodily injury, property damage, uninsured motorists, underinsured motorists, and automobile personal injury protection coverage that is no less than the Oregon Financial Responsibility limits.	Confirm <input type="checkbox"/>
Rebates	ORS 746.035, ORS746.045	Inducements or rebates are specified in the policy. (If answer is other than "N/A," specific details must be included in the policy forms and the rates and rules filing.)	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Titles & Headings	ORS 742.005(2)	Each form filed identifies the insurer and is clearly titled. Headings for benefits include references to any limitations and restrictions in the provision.	Yes <input type="checkbox"/>
<b>RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS</b>			
Requirements	ORS 737.205	Include an overview of the contents of the filing, and the procedures used to derive the rate	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
	ORS 737.205(1)	Requested effective date cannot be earlier than the date the filing is received by the Division of Financial Regulation.	Yes <input type="checkbox"/>
	ORS 737.205	Copies of rates, rating plans, and rating systems must be filed.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>

Review requirement	Reference	Description of review standards requirements	Check answer	
Discrimination	ORS 746.015, OAR 836-081-0010	Rates, rating plans, and rating systems do not discriminate unfairly in the availability of insurance and the application of rates.	Yes <input type="checkbox"/>	
Rebates	ORS 746.035, ORS 746.045	Inducements or rebates are specified in the policy. (If answer is "yes," explain in the cover letter.)	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
Loss valuation	ORS 737.310, OAR 836-010-0021	Premium data	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
		Loss and LAE data	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
		Expected loss ratio	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
Investment income	ORS 737.310, OAR 836-010-0021	1. Cash flow method OR	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
		2. Alternative method showing amount of investment income earned on loss, LAE, and unearned premium reserve to earned premium.	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
Underwriting profit & contingency	ORS 737.310, OAR 836-010-0021	1. Provide Oregon data for commission and brokerage.	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
		2. Provide countrywide data for general and other acquisition expenses as reported in the <i>Insurance Expense Exhibit</i> .	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
		3. Provide Oregon data for taxes, licenses, and fees.	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
Fees Service charges	ORS 737.310, OAR 836-010-0021	Cost-accounting justification on initial filings and subsequent changes.	Yes <input type="checkbox"/>	No <input type="checkbox"/>