



# AssuranceAmerica

Underwritten by InsureMax Insurance Company

## ARKANSAS PERSONAL CAR POLICY

P.O. Box 723128  
Atlanta, GA 31139

In the event of an accident, we must be notified so please call:

1-888-580-8134

All other calls:

1-888-952-2902

**WARNING:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Policyholders have the right to file a complaint with the Arkansas Insurance Department (AID). You may call AID to request a complaint form at (800) 852-5494 or (501) 371-2640 or write the Department at:

Arkansas Insurance Department  
1 Commerce Way, Suite 102  
Little Rock, AR 72202  
(501) 371-2640 or (800) 852-5494

## **TABLE OF CONTENTS**

### **INSURING AGREEMENT DEFINITIONS**

#### **PART I - LIABILITY TO OTHERS**

Insuring Agreement  
Additional Definitions for Part I Only  
Additional Payments  
Exclusions  
Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles  
Limits of Liability  
Out of State Insurance  
Other Insurance  
Financial Responsibility Laws

#### **PART II – PERSONAL INJURY PROTECTION (PIP)**

Insuring Agreement  
Additional Terms and Duties  
Additional Definitions  
Exclusions  
Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles  
Limits of Liability  
Other Insurance  
Assignment  
Premium Adjustment

#### **PART III – UNINSURED/UNDERINSURED MOTORISTS**

Insuring Agreement – Uninsured Motorist Bodily Injury  
Insuring Agreement – Underinsured Motorist Bodily Injury  
Insuring Agreement – Uninsured Motorist Property Damage  
Additional Terms for Part III  
Additional Definitions for Part III Only  
Exclusions  
Limits of Liability  
Other Insurance

#### **PART IV - CAR DAMAGE COVERAGE**

Insuring Agreement  
Towing and Labor Coverage  
Rental Car Coverage  
Rental Car Damage Coverage  
Additional Definition  
Exclusions  
Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles  
Limits of Liability  
No Benefit to Bailee  
Appraisal  
Payment of Loss  
Power of Attorney  
Loss Payees & Lienholder's Rights  
Other Insurance

#### **PART V - ACCIDENTAL DEATH AND DISMEMBERMENT COVERAGE**

Insuring Agreement  
Limits of Liability  
Death, Dismemberment or Loss of Sight  
Covered Events  
Seat Belt Coverage  
Exclusions  
Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles  
Additional Terms for Part V  
Notice of Claim  
Proof of Loss  
Payment of Claims  
Physical Examination and Autopsy

#### **PART VI - GENERAL POLICY LIMITATIONS**

Non-Duplication  
Two or More Insureds  
Two or More Cars Insured  
Two or More Policies Issued By Us  
Emergency Services Exclusion  
Personal Vehicle Sharing Program

#### **PART VII - GENERAL PROVISIONS**

Policy Period & Territory  
Claims Handling  
Suits Against Us  
Our Recovery Rights (Subrogation & Reimbursement)  
Assignment  
Policy Changes  
Cancellation and Non-Renewal  
Automatic Termination  
Proof of Notice  
Our Right to Void for Fraud or Misrepresentation  
Our Right to Void for Failure of Initial Payment  
Policy Conformed to Statutes  
Choice of Law  
Venue  
Fraudulent Claims  
Conditions Precedent  
Bankruptcy  
Electronic Transactions  
English Language

#### **YOUR DUTIES & REPORTING ALL ACCIDENTS AND LOSSES**

Notice of an Accident or Loss  
Other Duties

#### **ENDORSEMENTS**

**NAMED DRIVER – NON-OWNED VEHICLE COVERAGE**  
**NAMED DRIVER EXCLUSION**

Please read **your** Personal Car Policy. It is a binding legal contract between **you** and **us**. The **Application** and **Declarations Page**, and any endorsements issued by **us**, are part of the contract formed by this policy as if all are physically attached together. This applies whether the form is issued on paper or electronically. This policy describes which **cars** and **persons** have coverage, and which vehicles and **persons** do not have coverage. It includes language that excludes, restricts and limits coverage. It also describes the duty to give **us** notice of an **accident** or **loss**, and to notify **us** about changes in vehicles or drivers in **your household**.

**IMPORTANT:** Coverage does not apply under this policy for any **person** who does not comply with all:

1. Notice requirements;
2. Duties; and
3. Policy terms.

Anyone insured under this policy must comply with the policy requirements before coverage applies. Failure to comply may result in a claim or coverage denial.

The last day of any time period required by this policy to make a payment, perform a duty or give notice, may be any day of the year, including a Saturday, Sunday or public holiday.

## INSURING AGREEMENT

If **your** premium is paid when due, **we** agree to insure **you**, subject to the terms of this policy, for the coverage shown on the **Declarations Page**, up to the limits of liability.

If **you** make **your** initial payment by check, credit card, ACH or any other non-cash method of payment **we** accept, coverage under this policy is conditioned upon that initial payment being honored when first presented for payment to **your** bank or financial institution.

## DEFINITIONS

When shown in this policy in **bold** print, the words and phrases listed below have the meaning shown here. These meanings will apply whether the word or phrase appears in the singular, possessive, plural, active or passive forms:

1. **“Accident”** means an unexpected and unintended event that causes **bodily injury, property damage** or **loss**, which arises out of the ownership, maintenance, or use of a motor vehicle designed for use on public roads.
2. **“Actual cash value”** or **“ACV”** means the reasonable and fair market value of stolen or damaged property at the time and place of the **loss**, but

not in excess of its purchase price when new, and which is determined with adjustment for:

- a. The age, mileage and physical condition of the property; and
  - b. **Depreciation** and prior damage; which will be determined by **us** and may reduce its value.
3. **“After-market parts”** mean replacement auto parts which are not made by the original manufacturer of the motor vehicle or by a manufacturer authorized by the original manufacturer to use its name or trademark.
  4. **“Application”** means the form(s) provided by **us** to collect the information upon which **we** rely to decide to issue this policy and determine the proper premium to charge for the risk to be insured, whether such forms are hardcopy or electronic, or part in hardcopy and part electronic. This includes any supplemental application and forms used to elect, select and reject coverage, limits and deductibles, other forms provided by **us** to record this information, and responses to **our** requests for additional information.
  5. **“Auto business”** means motor vehicle **business** operations, including but not limited to:
    - a. Selling;
    - b. Leasing;
    - c. Transporting;
    - d. Delivering;
    - e. Repairing;
    - f. Servicing;
    - g. Road testing;
    - h. Cleaning;
    - i. Parking;
    - j. Storing;
    - k. Renting; or
    - L. Towing;any motor vehicles.
  6. **“Betterment”** means improvement of the **insured car** or property to a value or condition greater than its pre-loss condition.
  7. **“Bodily injury”** means bodily harm to a **person** and sickness, disease or death that result from that bodily harm. **“Bodily injury”** does not include:
    - a. Harm caused by discharge of a firearm or other use of any weapon;
    - b. Becoming pregnant; or
    - c. Communicable disease or illness that results from **person-to-person** transmission or contact.
    - d. Emotional distress or mental anguish or any other psychological injury such as loss of consortium.
  8. **“Business”** means:
    - a. A job, trade, employment, profession or occupation; or
    - b. Any commercial or for-profit activity of any kind; whether full-time or part-time.
  9. **“Car”** means a motorized passenger type vehicle that is a sedan, passenger van, sport utility vehicle or pick-up truck, of a kind required to be registered under the **state** motor vehicle laws for use on the public

- roads, that has at least four but no more than 4 wheels and has a gross vehicle weight rating of 12,000 pounds or less (as determined by the manufacturer). “**Car**” does not include any:
- a. Motorcycle, dirt bike, tryke, quad vehicle, side-by-side or all-terrain vehicle (ATV);
  - b. Golf cart or go-cart;
  - c. Tractor or any farm type machines;
  - d. Vehicle designed and used primarily as an off-road vehicle;
  - e. Step-van or vans with cabs separate from the cargo area;
  - f. Parcel delivery vans and cargo cutaway vans;
  - g. Vehicles operated on rails or crawler treads;
  - h. Vehicles with capacity for twelve (12) or more **persons**;
  - i. Recreational vehicle; or
  - j. Vehicle of any type while used or while parked for use:
    - (1) As a residence, dwelling, living space or premises; or
    - (2) For office, store or display purposes.
10. “**Control**” shall mean the direct and immediate pre-loss care and custody of the **insured car**.
11. “**Declarations Page**” means the document from **us** with respect to this policy, listing:
- a. The types of coverage **you** have elected;
  - b. The limits, deductibles and other Policy options that apply;
  - c. The cost for each coverage;
  - d. The listed **cars** covered by this policy;
  - e. The coverage **you** bought for each **car**; and
  - f. Other information that applies to this policy.
12. “**Delivery**” means to be engaged in the activity of transporting, delivering or picking up **persons**, property, products, materials or goods for compensation or a fee in the course of any **business**, including going to a pick-up and returning from a drop-off. “**Delivery**” includes but is not limited to delivery of magazines, newspapers, food, and any other products.
13. “**Depreciation**” means a decrease in the value of property as occurs:
- a. Over a period of time in the marketplace;
  - b. Due to wear and tear;
  - c. Due to the diminishing useful life of car components and parts; and
  - d. Due to obsolescence.
14. “**Diminution in value**” means and includes, but is not limited to, the perceived or actual decrease in market or resale value of property due to or because of:
- a. An **accident** or loss;
  - b. Repairs or replaced parts; and/or
  - c. Alleged or real stigma or taint related or due to any **accident**, loss, repair or replaced parts.
15. “**Driver’s License**” means a valid and current certificate, permit or license issued by a **state** or governmental agency, authorizing a **person** to operate a motor vehicle.
16. “**Failure to pay premium**” means nonpayment, when due, of any premium or other payment due. This includes the dishonor or rejection, or refusal to pay, by a financial institution of any noncash payment made to **us** or made for this policy.
17. “**Household**” means the address where **you reside** that is shown on the **Declarations Page**.
18. “**Insured car**” means:
- a. Any **car** described on the **Declarations Page**.
  - b. Any **car you** acquire to replace a **car** described on the **Declarations Page**, subject to the following conditions:
    - (1) The existing coverages on the **car** replaced will apply to a replacement **car** as of the date it is acquired if **you** notify **us** within 20 days of the date it is acquired by **you**. Car Damage Coverage shall not apply to the replacement **car** if **we** do not get notice within those 20 days.
    - (2) A replacement **car** will not be provided more coverage than applied to the **car** it replaced until and unless **you** ask **us** to add coverage and **our** conditions are met. If **you** add coverage or increase limits, that added coverage or increased limit does not apply until after **you** have asked **us** to add the coverage or increase limits.
    - (3) The replacement **car** must be acceptable per **our** filed underwriting guidelines.
  - c. Any additional **car** that is not a replacement **car**, that **you** acquire during the policy period, but only if **we** insure all **cars owned by you** and **you** give **us** notice within 20 days of the date the **car** is acquired by **you**. No coverage will apply to an additional **car** if **you** do not notify **us** within 20 days of acquiring that **car**. No Car Damage Coverage shall apply to an additional **car** until after the time **you** give **us** notice **you** have acquired the **car** and these conditions have been met. The additional **car** must be acceptable per **our** filed underwriting guidelines.
- A **car** is no longer an “**insured car**” if:
- a. The **car** is sold, assigned or gifted to another **person** or party who is not **you** or a **relative**;
  - b. Possession or title is permanently transferred to another **person** who is not **you** or a **relative**; or
  - c. **You** have asked **us** to remove it from this Policy.
19. “**Loss**” means direct and sudden loss of, or physical damage to, an **insured car** caused by an **accident**. “**Loss**” includes theft or larceny for Part IV. “**Loss**” does not mean or include any **diminution in value**. This definition does not apply in Part V.
20. “**Minimum limits**” means the minimum amount of liability insurance required for personal use of a **car** under the motor vehicle financial responsibility and/or insurance laws of the state in which **you reside**, as shown in **our** records. That minimum limit amount is the per person/per

- accident limits for **bodily injury** and/or property damage required by such laws on the date of the **accident** (also called “split limits”).
21. **“Named insured”** means the **person** or **persons** shown as the policyholder on the **Declarations Page**. If the **named insured** is not a living **person**, then there is no coverage under this Policy for any **relative** or the spouse of the **named insured**.
  22. **“Non-owned car”** means any **car**, other than an **insured car**, that is not **owned** by or furnished or available for regular or frequent use by **you**, any **resident** of **your household** or **your** non-resident spouse. **“Non-owned car”** does not include any **car** rented for more than 30 consecutive days.
  23. **“Nuclear exposure”** means and includes any type of contact or exposure to any nuclear: element, event, reaction, radiation or radioactive contamination, no matter how caused, and any event to which a nuclear energy liability insurance policy could apply.
  24. **“Occupying”** means to be in or upon a **car**.
  25. **“Owns”** and **“Owned”** means to:
    - a. Hold legal title to the **car**;
    - b. Have legal possession of the **car** subject to a written conditional sales agreement; or
    - c. Have legal possession of the **car** under a lease agreement of more than 30 days.
  26. **“Owner”** means the **person** or entity who:
    - a. Holds legal title to the **car**;
    - b. Has legal possession of the **car** subject to a written conditional sales agreement; or
    - c. Has legal possession of the **car** under a lease agreement of more than 30 days.
  27. **“Person”** means a natural, living human being and not a corporation, partnership, association or **business** name.
  28. **“Property damage”** means physical damage to, or destruction or loss of use of tangible property.
  29. **“Punitive damages”** means damages that may be imposed to:
    - a. Punish or deter wrongful, malicious or unlawful conduct;
    - b. Deter wrongful, malicious or unlawful conduct; or
    - c. Fine, penalize or impose a statutory penalty;
 other than damages intended to compensate for actual **bodily injury** or **property damage** incurred by a **person**. **“Punitive damages”** include, but are not limited to, damages referred to under any law as punitive damages, exemplary damages, treble damages or statutory multiple damages, and any attorney fees, other fees and interest awarded because of such damages.
  30. **“Racing”** means:
    - a. Preparing or participating in any race, speed, demolition, stunt, or timed contest or activity, whether organized or not; or
    - b. Operating a motor vehicle on a track or course designed or used for speed or racing contests, demonstration or high performance driving, or advanced skilled type driver training; or
  - c. Operating a motor vehicle in any competition, demonstration, sport rally or exhibition activity.
  31. **“Regular operator”** is any **person** not listed on the **Declarations Page** who has operated the **insured car** six or more times during the three months preceding either **your application** for this Policy or any **loss** for which coverage is sought under this Policy.
  32. **“Relative”** means:
    - a. A **person** who primarily **resides** in **your household** and is related to **you** by blood, marriage or adoption;
    - b. **Your** ward or foster child who primarily **resides** with **you**.
 If the **“named insured”** shown on the **Declarations Page** is not a **person**, no one will be a **relative**.
  33. **“Reside”**, **“resides”** and **“residing”** mean to dwell permanently, as the **person's** primary and legal domicile.
  34. **“Resident”** and **“residents”** mean any **person** or **persons** who **reside** in the **household** of the **named insured**.
  35. **“State”** means the District of Columbia, and any state, territory or possession of the United States, and any province of Canada.
  36. **“Temporary Substitute Car”** means a **car** not owned by **you**, a **resident**, or a **relative**, that **you** use temporarily while an **insured car** shown on the **Declarations Page** is out of normal use due to servicing, repair, theft, destruction, or malfunction.  
 A **Temporary Substitute Car** does not include any **car** that is **owned** by **you**, a **resident**, or a **relative**, or that is furnished or available for **your** regular or frequent use.  
 A **Temporary Substitute Car** is considered an **insured car** only where this Policy specifically provides coverage for its use and must be an acceptable car per our filed underwriting guidelines.
  37. **“Transportation network company”** and **“TNC”** mean any entity (including, but not limited to, a corporation, limited liability company, partnership or sole proprietor) that provides prearranged transportation or ride-sharing type services for-profit or compensation using an online-enabled or digital application, software, website, system or platform to connect a rider with a TNC driver who provides prearranged rides to the between destination points chosen by the rider.
  38. **“We”**, **“Us”** and **“Our”** mean the Company providing this insurance, as shown on the **Declarations Page**.
  39. **“You”** and **“your”** mean the **“named insured”** shown on the **Declarations Page**, and the spouse of that **named insured** if that spouse **resides** in the **household** of the **named insured** at the time of the **accident** or **loss**.

## PART I - LIABILITY TO OTHERS

### Insuring Agreement

Subject to the limits of liability and all policy terms, if **you** paid the premium for coverage for Liability To Others, **we** will pay compensatory damages for **bodily injury** or **property damage** for which any **insured person** becomes legally responsible because of a **car accident**. These compensatory damages include prejudgment interest awarded against the **insured person** but do not include **punitive damages**.

**We** have the right to investigate, negotiate, and settle any claim covered under Part 1 as **we** deem appropriate. **We** will settle or defend claims and lawsuits for damages covered under this Part I as **we** deem proper. This may include attorneys hired and paid for by **us**.

In addition to **our** limit of liability, **we** will pay all defense costs **we** incur. **Our** duty to settle or defend ends when **our** limit of liability for damages under this coverage has been paid. **We** have no duty to defend any lawsuit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

Liability Coverage is provided by this Policy as required by the Compulsory Insurance Law or Financial Responsibility Law of the **state** in which the first **named insured** resides at the time this Policy is issued.

### Additional Definition for Part I Only

As used in Part I:

"**Insured person**" or "**insured persons**" means:

1. **You**, with respect to liability arising out of the ownership, maintenance or use of an **insured car**.
2. **You**, while driving a **non-owned car** with permission of its **owner**.
3. Any other **person** using an **insured car** with **your** permission.
4. Any other **person** listed as a driver on the **Declaration Page** while driving an **insured car**.
5. A **relative** listed as a driver on the **Declaration Page**, with respect to an **accident** while driving a **non-owned car** with permission of its **owner**.
6. Any Additional Interest shown on the **Declarations Page**, with respect to liability arising out of the use of the **insured car** by a **person** described above. An Additional Interest Insured shall not increase **our** limit of liability. Coverage for the Additional Interest insured is excess over any other valid insurance. Coverage for an Additional Interest insured is limited to the **insured car** for which the Additional Interest insured has been shown on the **Declarations Page**.

An "**insured person**" does not include anyone using a motorized vehicle or device (other than an **insured car** for which Part I applies as shown in the **declarations**) if that vehicle or device is:

1. **Owned** by;

2. Registered to; or
3. Furnished or available for the regular or frequent use of; **you** or a **relative**.

### Additional Payments

When coverage applies under this Part I for damages that arise from an **accident**, **we** will also pay:

1. All expenses **we** incur in the settlement of any claim.
2. All expenses **we** incur in the defense of any lawsuit alleging claims against an **insured person** that may be covered by this policy.
3. When required in any suit **we** defend, the premiums or costs to purchase appeal bonds and attachment bonds with a face amount up to **our** limit of liability. **We** have no duty to:
  - a. Pay the premium for any bonds that are more than **our** limit of liability;
  - b. Apply for or furnish bonds; or
  - c. Pay any premium for any appeal bond after **we** have tendered or offered the policy limit in payment of that portion of any judgment that falls within **our** limit of liability.
4. Up to \$100 for a bail bond needed for an **insured person** due to an **accident** arising out of the use of an **insured car**. **We** have no duty to apply for or furnish bonds.
5. Other reasonable expenses, other than loss of earnings, incurred at **our** request.

These additional payments listed here-above are separate from, and do not reduce, the limit of liability for Liability To Others coverage shown on the **Declarations Page**.

### Exclusions

Coverage for Liability to Others and **our** duty to defend do not apply to:

1. **Bodily injury** or **property damage** that arises out of the ownership, maintenance or use of a motor vehicle as a livery service, for **TNC** services or for **delivery**. This exclusion does not apply to shared-expense car pools.
2. **Bodily injury** or **property damage** caused by:
  - a. An intentional act by, or at the direction of, an **insured person**, even if the **bodily injury** or **property damage** that results is not what was intended; or
  - b. A deliberate act by, or at the direction of, an **insured person** which any reasonable **person** would deem intended or calculated to cause **bodily injury** or **property damage**.
3. **Bodily injury** or **property damage** caused by any **person** using an **insured car** without **your** express or implied permission.
4. Use of a **non-owned car** by an **insured person** without the **owner's** permission or if being used outside of the scope of the **owner's** permission.

5. **Bodily injury or property damage** that arises out of, or is due to:
  - a. The ownership or use of a **car** for transporting any explosive substance, toxic material, flammable substance, or similarly hazardous material;
  - b. **Nuclear exposure**;
  - c. Radioactive, pathogenic, poisonous, biological, toxic, or hazardous contamination or materials; or
  - d. War (declared or undeclared) or warlike action of any kind.
6. **Bodily injury** to an employee, employer or co-worker of any **insured person** that occurs in the course of employment, or to which insurance under any type of workers compensation or disability or similar law applies. Coverage does not apply to a domestic employee if benefits are payable or are required to be provided under any workers' compensation or other similar law.
7. **Bodily injury or property damage** that arises out of the ownership or use of an **insured car** when it is:
  - a. Rented, leased or provided to anyone in exchange for any form of value, compensation or reimbursement;
  - b. Entrusted to another **person** or entity for the purpose of subleasing, leasing, renting or selling and is no longer in **your** possession;
  - c. Sold to any **person** or entity other than **you** or a **relative**; or
  - d. Under a conditional sales agreement and is no longer in **your** possession.
8. **Bodily injury or property damage** arising out of the ownership, maintenance or use of any motor vehicle, other than an **insured car** by an **insured person**, while in the course or scope of employment.
9. **Bodily injury to you or a relative**.
10. **Bodily injury or property damage** arising out of the operation of any traction engine, road roller, grater, tractor crane, power shovel, well driller, or implement of animal husbandry.
11. Any liability assumed by an **insured person** under any bailment, contract or agreement.
12. **Bodily injury or property damage** caused by an **insured car** when it is driven by any **person** who does not have a valid **driver's license**.
13. **Bodily injury or property damage** caused by an **insured person** operating an **insured car** or **non-owned car** while **racing**.
14. **Bodily injury or property damage** arising out of the ownership, maintenance or use of any motor vehicle, other than an **insured car**, which is **owned** by **you** or furnished or available for regular or frequent use by **you**, a **relative**, or any **insured persons**.
15. **Bodily injury or property damage** arising out of the ownership, maintenance or use of an **insured car** by any **person** who:
  - a. **Resides** in **your** household; or
  - b. Is a **regular operator** of the **insured car**; but is not listed as a driver on the policy prior to the **accident**.
16. **Bodily injury or property damage** for which the United States Government is liable under the Federal Tort Claim Act or similar law.

17. **Bodily injury or property damage** resulting from the ownership, maintenance, or use of any motor vehicle by any **person** while engaged in any **business** activities. This exclusion does not apply to **business** use of an **insured car** that has been declared to **us** and for which **you** have paid the additional business use premium for that use.
18. **Property damage** to property:
  - a. Rented to;
  - b. Used by;
  - c. Transported by;
  - d. Owned by; or
  - e. In the care of;
 the **insured person**.  
 This exclusion does not apply to **property damage** to a residence or private garage not owned by an **insured person, you** or a **relative**, that is rented by **you**.
19. **Bodily injury or property damage** that occurs while the **insured person** is committing a felony or attempting to elude law enforcement personnel. This does not apply to misdemeanor violations of the motor vehicle or traffic code.
20. **Punitive damages** of any kind.
21. **Bodily injury or property damage** resulting from the operation of any **car** by a specifically named excluded driver.
22. **Bodily injury or property damage** that result from an **auto business**. However, this exclusion does not apply to **you** when the **bodily injury** or the **property damage** arises out of **auto business** operations conducted by someone other than **you**, a **relative** or **resident**.

If a court with proper jurisdiction finds an exclusion is invalid and cannot be enforced, that exclusion is revised so it will:

1. Not apply to the portion of damages that is less than or equal to the **minimum limits**; and
2. Apply and be enforced as to all other damages.

#### **Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles**

Notwithstanding Exclusion 22. above concerning **auto business**, Liability Coverage under this Part I applies to any motor vehicle:

1. Loaned by a duly licensed automobile dealer to **you** as a **temporary substitute car** while **your insured car** is out of use due to breakdown, repair, or servicing;
2. Loaned by a duly licensed automobile dealer to **you** as a demonstrator vehicle; or
3. Rented or leased to **you** from a rental company.

Coverage provided under this paragraph shall be primary to any insurance or self-insurance maintained by the automobile dealer or rental company.

## Limits of Liability

Without regard to the number of:

1. **Insured persons**;
2. **Cars** insured under this policy;
3. Separate premiums paid or shown on the **Declarations Page**;
4. Policies issued;
5. Claims made;
6. Vehicles involved;
7. Heirs or wrongful death beneficiaries involved; or
8. Lawsuits filed;

**we** will pay no more than the limits of liability shown on the **Declarations Page** due to any one **accident**. There will be no adding, stacking or combining of coverage afforded to more than one **car** or **insured person** under this policy.

The limit for "each person" is the most **we** will pay due to **bodily injury** sustained by a **person** in an **accident**, and only the limit for "each **person**" will apply to the total of claims made due to that **bodily injury**, including any and all claims:

1. Derived from such **bodily injury** including, but not limited to:
  - a. **Loss** of society;
  - b. **Loss** of companionship;
  - c. **Loss** of service or support;
  - d. **Loss** of consortium; and
  - e. Wrongful death; and
2. For mental anguish or emotional distress due to observing the **accident** or **bodily injury** occur.

Subject to the **bodily injury** limit for "each person", the limit for "each accident" is the most **we** will pay for **bodily injury** sustained by two or more **persons** in one **accident**.

The **property damage** liability limit for each occurrence is the most **we** will pay for any damage to property in one **accident**.

No one is entitled to duplicate payments under this coverage for the same element of damages that has been paid by:

1. Any other coverage under this policy;
2. Workers' compensation or any similar insurance; or
3. Any other source.

The damages for **bodily injury** recoverable by a guest or passenger in an **insured car** shall be reduced by any payments made to that **person** under Medical Payments Coverage.

**Our** limit of liability will not be increased for an **accident** because a trailer is attached to an **insured car** or a **non-owned car** at the time of the **accident**.

Any payment to a **person** under this liability coverage shall be reduced by any payments to that **person** under Uninsured Motorist Coverage and Underinsured Motorist Coverage.

## Out of State Insurance

If an **accident** to which this Part I applies occurs in any state, territory or possession of the United States of America or any territory of Canada, other than the one in which an **insured car** is principally garaged, and the state, province, territory or possession has:

1. A financial responsibility or similar law requiring limits of liability for **bodily injury** or **property damage** higher than the limits shown on the **Declarations Page**, this policy will provide the higher limit; or
2. A compulsory insurance or similar law requiring a non-resident to maintain insurance whenever the non-resident drives a **car** in that state, province, territory or possession, this policy will provide the greater of:
  - a. The required minimum amounts and types of coverage; or
  - b. The limits of liability under this policy.

## Other Insurance

If other motor vehicle liability insurance applies to an **accident** covered by this Part I, **we** will pay the proportionate share **our** limit of liability bears to the total of all applicable liability limits with the same priority.

Any insurance **we** provide for a **car**, other than an **insured car**, will be excess over any other collectible insurance, self-insurance or bond.

However, when coverage applies to a vehicle described in the Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles section, such coverage will be primary to any insurance, bond, or self-insurance maintained by the duly licensed automobile dealer or rental company.

Nothing in this Other Insurance clause implies or creates coverage that does not otherwise exist under this policy or which is limited by any other policy provisions.

## Financial Responsibility Laws

When **we** certify this policy as proof of future financial responsibility, this policy will comply with the minimum financial responsibility laws, as amended, to the extent required by law for **bodily injury** and **property damage**. **You** must reimburse **us** for any payment **we** make which **we** would not have made under the terms of this policy except for it being certified.

## PART II – PERSONAL INJURY PROTECTION (“PIP”)

### Insuring Agreement

1. Subject to the limits of liability, if **you** buy Personal Injury Protection (“PIP”) from **us** on this Policy, **we** will pay the PIP benefits listed below in this PIP Insuring Agreement, if purchased, and as required by Arkansas insurance laws, as amended, for loss and reasonable expenses incurred by an **insured person** because of **bodily injury** that:
  - a. Is caused by an **accident**; and
  - b. Arises out of the maintenance or use of a motor vehicle as a motor vehicle; without regard to fault.
2. PIP benefits consist of:
  - a. **Medical & hospital benefits**;
  - b. **Income disability benefits**; and
  - c. **Accidental death benefits**;if **you** have paid a premium to buy that specific PIP benefit from **us** under this Policy as shown on the **Declarations Page**.

### Additional Terms & Duties

These Additional Terms & Duties apply to this Part II:

1. **Medical & hospital benefits** are only available for those reasonable and necessary services and expenses incurred within 24 months after the date of the **accident**.
2. To make sure any expense is:
  - a. Reasonable and necessary for treatment of the **bodily injury**;
  - b. For a **bodily injury** that results from the **accident**; and
  - c. The usual and customary charge for the service;**we** may use sources of information and experts which may include, but are not limited to:
  - a. Review of medical records and test results by **persons** and services selected by **us**;
  - b. Computer programs for analysis of medical treatment and expenses;
  - c. Published sources of medical expense information; and
  - d. Exams, to be paid for by **us**, by doctors **we** select.
3. **We** will not pay for a part or all of an expense:
  - a. That is unreasonable because the fee for the service is greater than the usual and customary charge.
  - b. When the service(s) provided is:
    - (1) Not necessary for the diagnosis and treatment of the **bodily injury**;
    - (2) For the treatment of a **bodily injury** that was not caused by the **accident**; or
    - (3) Not performed or prescribed by a state licensed medical or health care provider acting within the scope of that license.

### Additional Definitions

When shown in **bold** print, the words and phrases below are defined for Part II as set forth here. These definitions apply throughout this Part II, including when the word or phrase is used in its singular, plural, possessive, active or passive form.

In this Part II:

1. **“Accidental death benefits”** means the amount of \$5,000, or any higher limit set forth on the **Declarations Page** for this benefit, to be paid to the personal representative of the **insured person**, should **bodily injury** resulting from the **accident** cause death to that **insured person** within one (1) year from the date of the **accident**.
2. **“Family member”** means a person who is a member of the **named insured’s** family **residing** in the same **household** as the **named insured**. **“Family member”** includes:
  - a. **Your** ward or foster child if **residing** in the **named insured’s household**; and
  - b. **Your** unmarried and dependent child, ward or foster child who:
    - (1) Temporarily lives elsewhere while away at school or in the armed forces; and
    - (2) Can demonstrate that they intend to continue to **reside** with **you**.
3. **Income disability benefits”** means payments to an **insured person** who is:
  - a. An income earner of 70% of the loss of income from work during a period commencing 8 days after the date of the **accident**, and not to exceed 52 weeks, but subject to a maximum of \$140 per week, or any higher limit set forth on the **Declarations Page** for this benefit; or
  - b. A non-income earner, the benefits shall consist of expenses not to exceed \$70.00 per week, or any higher limit set forth on the **Declarations Page** for this benefit, or any fractional part of a week, which are reasonably incurred for essential services in lieu of those the injured **insured person** would have performed without income during a period commencing 8 days after the date of the **accident** and not to exceed 52 weeks. No payment for **income disability benefits** will be made because of, or for any period following, the death of the **insured person**.
4. **“Insured person”** means:
  - a. The **named insured**, a **relative** or a **regular operator** while:
    - (1) **Occupying** any motor vehicle; or
    - (2) Not **occupying** a motor vehicle and when a **pedestrian** struck by a motor vehicle.

- b. Any other person who is:
- (1) **Occupying** an **insured car** with permission from **you** or a **regular operator**, if being used within the scope of that permission.
  - (2) **Occupying**, with permission from **you** or a **regular operator**, a **temporary substitute car** but only if that **temporary substitute car** is being operated by **you**, a **relative**, or a regular operator with permission of its **owner**.
  - (3) A **pedestrian** struck by an **insured car**.

If there is any other valid and collectible automobile insurance policy providing the same or similar type of nofault or PIP coverage or benefits in at least the prescribed minimum amounts of coverage required by Arkansas law, as amended, then "**insured person**" does not include a **person** who is:

- a. A **relative** or an **insured driver**, and also a **named insured** under that other policy; or
- b. Other than **you**, a **relative** or a **regular operator**, and either a **named insured** or additional insured under that other policy.

However, the limitation above regarding other valid and collectible automobile insurance does not apply while an **insured person** is operating or occupying a motor vehicle:

- a. Loaned by a duly licensed automobile dealer as a **temporary substitute car** while **your insured car** is out of use because of breakdown, repair, or servicing;
- b. Loaned by a duly licensed automobile dealer as a demonstrator vehicle; or
- c. Rented or leased from a rental company.

In these circumstances, such person shall be considered an **insured person** under this Part II, and **we** will provide primary Personal Injury Protection coverage for the operation or occupancy of that vehicle by **you**, a **relative**, or a **regular operator**, primary to any insurance or self insurance maintained by the automobile dealer or rental company.

5. "**Medical & hospital benefits**" means all reasonable and necessary expenses for medical, hospital, nursing, dental, surgical, ambulance, funeral expenses, and prosthetic services incurred within 24 months after the automobile **accident**, up to an aggregate of \$5,000 per person, or any higher limit set forth on the **Declarations Page** for this benefit, and may include any nonmedical remedial care and treatment rendered in accord with a recognized religious method of healing. Expenses for hospital room charges are limited to semi-private accommodations.
6. "**Pedestrian**" means any **person** who is not occupying any vehicle, though includes bicyclists, motorcyclists, persons in a horse-drawn wagon or cart, **persons** riding on an animal, and no other.

## Exclusions

**We** do not provide coverage under this Part II for any PIP benefits for any **person** for **bodily injury**:

1. That occurs while **occupying** or using any vehicle while an **insured person** is using that vehicle for the delivery of persons or property for compensation or a fee. This does not apply to **bodily injury** sustained by **you**, a **relative**, or a **regular operator** while a guest passenger in a non-owned taxi, limousine, public bus or other similar public transport.
2. Sustained while **occupying** or using any motor vehicle while it is located for use as:
  - a. A residence or premises; or
  - b. An office, store or display.
3. Sustained during the course of employment if workers' compensation or similar benefits are required or available for that person.
4. Sustained while **occupying** or using any vehicle **owned** by, or furnished or available for the regular use of, **you**, a **relative** or a **regular operator**, if that vehicle is not an **insured car** under this policy.
5. Sustained while **occupying** or using any:
  - a. **Insured car** without permission from **you** or a **regular operator**, or outside the scope of that permission; or
  - b. Other vehicle without the express permission of its **owner** or outside the scope of that permission.
6. That arises out of any use of a vehicle by any employee, agent, contractor or other person in connection with, or in the course of, any auto trade or **auto business**.
7. That arises out of the use of a vehicle in the course of any **business**. This does not apply to:
  - a. The use of an **insured car** if that specific use is declared by **you** and allowed by **us**, **you** pay **our** charge for that **business** use, and it is shown on the **Declarations Page**.
  - b. **Bodily injury** that arises out of the ownership or use of an **insured car** or **non-owned car** for:
    - (1) Commuting to or from **your** principal place of business; or
    - (2) An occasional business errand if not part of the **insured person's** usual business or job responsibilities.
8. Caused by or as a consequence of:
  - a. War; or
  - b. Hazardous materials.
9. That arises out of that **person's** use of a vehicle for any race, stunt or performance driving.
10. Sustained while **occupying** a vehicle being operated by a **person**:
  - a. Who has no driver's license;
  - b. Whose driver's license is expired, suspended or revoked; or
  - c. Who has a restricted driver's license and is using the vehicle outside the scope of that restriction.

This does not apply to an auto being operated by **you** or any **regular operator**.

11. That arises out of the use of any vehicle as an emergency vehicle.
12. That arises out of that **person's** use of any vehicle while it is being used in the course of a crime.
13. For which the United States Government or its military services are required (directly or indirectly) to provide similar services or benefits.
14. That arises out of the use of an **insured car** when it is:
  - a. Rented, leased, loaned or given to anyone in exchange for any form of value, compensation or reimbursement;
  - b. Entrusted to another **person** or party for the purpose of subleasing, leasing, renting or selling and is no longer in your possession; or
  - c. Under a conditional sales agreement and is no longer in **your** possession.
15. That is caused intentionally by, or at the direction of, or that is or should be reasonably expected to result from the willful acts by, that injured insured person, even if the **bodily injury** that results is not what was intended.
16. That arises out of the ownership, maintenance or use of an **insured car** by any **person** who:
  - (1) **Resides** in **your** household; or
  - (2) Is a **regular operator** of the **insured car** but is not listed as a driver on the policy prior to the **accident**.
17. Sustained by any **person** resulting from the use of a motor vehicle by a **person** specifically excluded from coverage under this Policy.

#### **Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles**

Notwithstanding Exclusions 6. and 7. above concerning **auto business** and **business**, Personal Injury Protection coverage under this Part II applies to **bodily injury** arising out of any motor vehicle:

1. Loaned by a duly licensed automobile dealer as a **temporary substitute car** while **your insured car** is out of use due to breakdown, repair, or servicing;
2. Loaned by a duly licensed automobile dealer as a demonstrator vehicle; or
3. Rented or leased from a rental company.

Coverage provided under this paragraph shall be primary to any insurance or self-insurance maintained by the automobile dealer or rental company.

#### **Limits of Liability**

1. The limits of liability for PIP benefits under this Part II are shown on the **Declarations Page** and/or set forth in the Additional Definitions section of this Part II.
2. **We** will not pay more than the limits of liability shown on the **Declarations Page** and/or set forth in the Additional Definitions section of this Part II for each **insured person** in any one **accident**, without regard to the number of:

- a. **Cars** insured under this Policy;
- b. Premiums paid or shown on the **Declarations Page**;
- c. **Insured persons**;
- d. Policies issued by **us**;
- e. Claims made or **persons** injured;
- f. Vehicles or trailers involved in an **accident**;
- g. Heirs, survivors or wrongful death beneficiaries; or
- h. Lawsuits filed.

There will be no adding, stacking or combining of coverage.

3. No one is entitled to recover more than once from **us** for the same elements of damages that have been paid by **us** or any other source, which may include, but is not limited to:
  - a. Any other coverage under this Policy;
  - b. Any other policy **we** or another insurer issue; or
  - c. Workers' compensation or any similar insurance.
4. If **we**, or an affiliate insurer, have issued more than one policy to **you** with coverage for PIP benefits, **we** will not pay more than the highest limit of liability that applies to the **insured person** under one policy. The limit of liability may not be added, combined or stacked with similar coverage under any other policy issued by **us** or an affiliate insurer.

#### **Other Insurance**

1. If there is other applicable no-fault or personal injury protection benefits insurance or self- insurance, **we** will pay only our share of the expenses. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits of the same priority.
2. However, when coverage applies to a vehicle described in the Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles section, such coverage will be primary to any insurance, bond, or self-insurance maintained by the duly licensed automobile dealer or rental company.
3. If there is any other valid and collectible automobile insurance policy providing the same or similar type of nofault or PIP coverage or benefits in at least the prescribed minimum amounts of coverage required by Arkansas law, as amended, then **insured person** does not include, and there is no PIP coverage or benefits for, a **person** who is:
  - a. A **relative** or a **regular operator**, and also a **named insured** under that other policy; or
  - b. Other than **you**, a **relative** or a **regular operator**, and either a **named insured** or additional insured under that other policy.

#### **Assignment**

**We** will pay for medical expenses directly to a state licensed doctor or other health care provider if the **insured person** gives a signed written assignment

of benefits payable under Part II to **our** claim representative assigned to handle the claims arising out of the **accident**. If **we** pay benefits directly to a doctor or other health care provider, **we** have no further duty or liability to pay those same benefits.

### Premium Adjustment

**We** rely on the Arkansas insurance laws governing personal injury protection coverage, as amended, when setting premium for this policy. If a court with proper jurisdiction declares, or enters a judgment the effect of which is to render, any of those laws invalid or unenforceable, in whole or in part, **we** may, at our option, void or amend the terms of coverage under PIP in response and readjust the premium that must be paid for the policy. These amendments and readjustments will be effective retroactively to the date that such act or any amendment is deemed to be invalid or unenforceable in whole or in part.

## **PART III – UNINSURED/UNDERINSURED MOTORISTS**

### Insuring Agreement – Uninsured Motorist Bodily Injury Coverage

Subject to the limits of liability, if **you** buy Uninsured Motorist Bodily Injury Coverage from **us** on this policy, **we** will pay compensatory damages an **insured person** is legally entitled to recover from the **owner** or operator of an **uninsured motor vehicle** due to **bodily injury**:

1. Sustained by that **insured person**; and
2. Caused by an **accident**;

that arises out of the ownership or use of the **uninsured motor vehicle**.

### Insuring Agreement – Underinsured Motorist Bodily Injury Coverage

Subject to the limits of liability, if **you** buy Underinsured Motorist Bodily Injury Coverage from **us** on this policy, **we** will pay compensatory damages an **insured person** is legally entitled to recover from the **owner** or operator of an **underinsured motor vehicle** due to **bodily injury**:

1. Sustained by that **insured person**; and
2. Caused by an **accident**;

that arises out of the ownership or use of the **underinsured motor vehicle**.

### Insuring Agreement – Uninsured Motorist Property Damage Coverage

Subject to the limits of liability, if **you** buy Uninsured Motorist Property Damage Coverage from **us** on this policy for an **insured car**, **we** will pay for **property damage** that an **insured person** is legally entitled to recover from

the **owner** or operator of an **uninsured motor vehicle** because of **property damage** caused by an **accident** that arises out of the ownership or use of the **uninsured motor vehicle**.

### Additional Terms & Duties for Part III

These Additional Terms & Duties apply to this Part III:

1. The liability of the **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** for **bodily injury** or **property damage** must arise out of the ownership or use of an **uninsured motor vehicle** or **underinsured motor vehicle**.
2. **We** will pay under this Part only after the limits of liability under all other liability policies and bonds that apply have been exhausted by payment.
3. If an offer of settlement has been made to an **insured person** by the insurer, or any **person** on behalf, of the **owner** or operator of an **underinsured motor vehicle**, **we** must be given:
  - a. Not less than 30 days written notice, by certified mail return receipt requested, of that offer to pay. Written notice of such offer to pay or tentative settlement must include written:
    - (1) Documentation of monetary losses incurred, including copies of all medical bills;
    - (2) Authorization, or a court order authorizing **us**, to obtain medical reports from all employers and medical providers; and
    - (3) Confirmation from the insurer of the **underinsured motor vehicle** of the liability coverage limits of the **owner** or operator of the **underinsured motor vehicle** and the terms of the tentative settlement, which shall in no event include any component sum representing punitive or exemplary damages. However, in no event shall evidence of the referenced liability limits, the fact that a tentative settlement was reached, or the terms of the tentative settlement be admissible in any civil action with the sole exceptions of actions by:
      - (a) Underinsured motorist insurers to enforce subrogation rights;
      - (b) First party liability insureds against their insurer to enforce their contract or a settlement hereunder, if any; and
      - (c) First party underinsured motorist insureds against their insurer to enforce their contract or a settlement hereunder.
  - b. A chance to advance payment to the **insured person** in an amount equal to the offered settlement within 30 days after **we** get notice. However, if the **owner** or operator of the **underinsured motor vehicle** is insured by **us** for liability coverage, this shall not apply and an **insured person** may proceed with his or her claim for damages under this coverage after settlement of that insured's claim for damages under the liability coverage applicable to the **owner** or operator of the **underinsured motor vehicle**.

4. If a lawsuit is filed without prior notice to **us**, **we** are not bound by any judgment that arises out of that lawsuit as to:
  - a. The liability of an **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle**; or
  - b. The amount of damages that result from an **accident**.
5. If a settlement agreement is entered into with the **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** but without **our** written consent, **we** are not bound by that agreement. Notwithstanding the foregoing, this paragraph 5. shall not apply to a settlement agreement with the **owner** or operator of an **underinsured motor vehicle** if the provisions of paragraph 3. above are satisfied.

### **Additional Definitions for Part III Only**

When shown in **bold** print, the words and phrases below are defined for Part III as set forth here. These definitions apply throughout this Part III, including when the word or phrase is used in its singular, plural, possessive, active or passive form.

In this Part III:

1. “**Insured person**” means:
  - a. **You**, a **relative**, or a **regular operator**.
  - b. Any other **person**:
    - (1) Operating an **insured car** with permission from **you** or a **regular operator**, if being used within the scope of that permission; or
    - (2) **Occupying**, with permission from **you** or a **regular operator**, a **temporary substitute car** but only if that **temporary substitute car** is being operated by **you**, a **relative**, or a **regular operator** with permission of its **owner**.
  - c. A **person** who is legally entitled to recover damages due to **bodily injury** to a **person** described in clause 1.a. or 1.b. directly above. This will not increase **our** limit of liability in an **accident** to an amount more than the limit that applies to the **person** who has sustained the **bodily injury**.
2. “**Property damage**” means physical injury to or destruction of a:
  - a. **Insured car** for which Uninsured Motorist Property Damage Coverage has been purchased on this Policy; or
  - b. **Temporary substitute car** if that **temporary substitute car** is being operated by **you**, a **relative**, or a **regular operator** with permission of its **owner**.

“**Property damage**” also includes a reasonable allowance for loss of use of the **insured car** or **temporary substitute car** due to an **accident** caused by the **owner** or operator of an **uninsured motor vehicle**.

3. “**Underinsured motor vehicle**” means a **motor vehicle** for which one or more **bodily injury** liability bonds, policies or self-insurance apply at the time of the **accident**, but all limits available under those sources of recovery for **bodily injury** liability are not enough to pay the full amount the **insured person** is legally entitled to recover as damages for **bodily injury**.

“**Underinsured motor vehicle**” does not include any vehicle or equipment that is:

- a. Insured under Part I of this Policy;
  - b. Shown on the **Declarations Page**;
  - c. **Owned** by, or furnished or available for the regular **use** of, **you**, a **regular operator** or a **relative**;
  - d. **Owned** by a **state** or any government body, unit or agency;
  - e. Driven on rails or crawler treads;
  - f. Designed for use mainly off public roads, while not on public roads;
  - g. Located for use as a residence or premises; or
  - h. An **uninsured motor vehicle**.
4. “**Unidentified motor vehicle**” means a hit-and-run motor vehicle for which the **owner** or operator cannot be identified, and that motor vehicle:
    - a. Hits, with actual physical contact:
      - (1) **You**, a **regular operator** or a **relative**; or
      - (2) Any vehicle that **you**, a **regular operator** or a **relative** is **occupying**; or
      - (3) An **insured car** or **temporary substitute car**; and
    - b. Causes **bodily injury** to that **insured person** or **property damage**.
  5. “**Uninsured motor vehicle**” means a motor vehicle:
    - a. For which no liability bonds, policies or self-insurance apply at the time of the **accident**.
    - b. For which there is liability bond or policy but:
      - (1) The bonding company or liability insurer:
        - (a) Has legally denied coverage; or
        - (b) Is or becomes insolvent within one year of the date of the **accident**; or
      - (2) The limit of liability under that policy or bond is less than **minimum limits**.
    - c. That is an **unidentified motor vehicle**. However, coverage with respect to an **accident** caused by **uninsured motor vehicle** shall not apply to an **accident** caused by an **unidentified motor vehicle** unless the injured **insured person**, or someone on his or her behalf, reports the **accident** to law enforcement within 24 hours or as soon as practicable after the **accident**.

“**Uninsured motor vehicle**” does not include any vehicle or its equipment that is:

- a. Insured under Part I of this policy;

- b. Shown on the **Declarations Page**;
- c. **Owned** by, or furnished or available for the regular **use** of, **you**, a **regular operator** or a **relative**;
- d. **Owned** by a **state** or any government body, unit or agency;
- e. Driven on rails or crawler treads;
- f. Designed for use mainly off public roads, while not on public roads;
- g. Located for use as a residence or premises;
- h. **Owned** or operated by a self-insured under any **motor vehicle** law that applies, other than a self-insured that is or becomes insolvent; or
- i. An **underinsured motor vehicle**.

### Exclusions

1. **We** do not provide coverage under this Part III for any **bodily** or **property damage**:
  - a. If the injured person or their legal representative settles a claim without **our** written consent.
  - b. Sustained while **occupying** or **using** any motor vehicle while an **insured person** is using that motor vehicle for the delivery of persons or property for compensation or a fee. This does not apply to **bodily injury** sustained by **you**, a **regular operator**, or a **relative** while a guest passenger in a non-owned taxi, limousine, public bus or other similar public transport.
  - c. Sustained while **occupying** or using any motor vehicle **owned** by, or furnished or available for the regular use of, **you**, a **regular operator** or a **relative**, if that motor vehicle is not an **insured car** under this Policy.
  - d. Sustained while **occupying** or using any:
    - (1) **Insured car** without permission from **you** or a **regular operator**, or outside the scope of that permission; or
    - (2) Other vehicle without the express permission of its **owner** or outside the scope of that permission.
  - e. Arising out of the ownership, maintenance or use of an **insured car** by any **person** who:
    - (1) **Resides** in **your** household; or
    - (2) Is a **regular operator** of the **insured car**, but is not listed as a driver on the policy prior to the **accident**.
  - f. Resulting from the operation of any **car** by a specifically named excluded driver;
  - g. Caused by an **insured car** when it is driven by any **person** who does not have a valid **driver's license**.
  - h. Sustained while a vehicle is used in the course of a crime.
  - i. Caused by hazardous materials.
  - j. If the **property damage** is caused by an **underinsured motor vehicle**.
  - k. If the **property damage** results from or is due to the use of a vehicle while an **insured person** is involved in any race, stunt or performance driving.

- l. For the first \$200 of the amount of that **property damage** as the result of any one **accident**. This does not apply if:
    - (1) **We** insure the **covered auto** for both Collision and Uninsured Motorist Property Damage; and
    - (2) The operator of the **uninsured motor vehicle** is positively identified and is solely at fault.
  - m. For or due to **diminution of value**.
2. This Part III shall not apply, directly or indirectly, to benefit any:
    - a. Workers' compensation or disability benefits insurer;
    - b. Self-insurer under any workers' compensation, or disability benefits or similar law;
    - c. Insurer or self-insurer of property; or
    - d. **State** or government body, unit or agency.
  3. No coverage under Part III applies for any type of punitive damages or any award of attorney fees based on punitive damages.

### Limits of Liability

1. The limits of liability for this Part III are shown on the **Declarations Page**.
2. **We** will not pay more than the limit of liability shown on the **Declarations Page** for "per person" for **bodily injury** sustained by a **person** in an **accident**. Only the limit for "per person" will apply to the total of all claims made due to that **bodily injury**, including any and all claims:
  - a. Derived from that **bodily injury** including, but not limited to:
    - (1) Loss of society;
    - (2) Loss of companionship;
    - (3) Loss of service or support;
    - (4) Loss of consortium; and
    - (5) Wrongful death; and
  - b. For mental anguish or emotional distress due to observing the **accident** or **bodily injury** occur.
3. Subject to the limit for "per person", **we** will not pay more than the limit of liability shown on the **Declarations Page** for "per accident" for all claims derived from **bodily injury** sustained by two or more **persons** in one **accident**.
4. **We** will not pay more than the limit of liability shown on the **Declarations Page** for Uninsured Motorist Property Damage Coverage for all **property damage** in an **accident**.
5. **We** will not pay more than the limits of liability shown on the **Declarations Page**, and as described in this Limits of Liability clause, due to any one **accident**, without regard to the number of:
  - a. **Cars** insured under this policy;

- b. Premiums paid or shown on the **Declarations Page**;
- c. **Insured persons**;
- d. Policies issued by **us**;
- e. Claims made or **persons** injured;
- f. Vehicles or trailers involved in an **accident**;
- g. Heirs, survivors or wrongful death beneficiaries; or
- h. Lawsuits filed.

There will be no adding, stacking or combining of coverage.

- 6. No one is entitled to recover more than once from **us** for the same elements of damages that have been paid by this policy, under any other coverage or from any other source.

7. **Offsets:**

- a. For an **insured person**, other than **you**, a **relative** or a **regular operator**:

- (1) Any amount to be paid under this Part III will reduce any amount that the **person** is entitled to recover under Part I.
- (2) **Our** limit of liability under this Part III shall be reduced by any amount paid or to be paid because of **bodily injury** or **property damage**:
  - (a) By or on behalf of any **persons** or parties that may be legally responsible, including, but not limited to all sums paid under Part I of this policy;
  - (b) Under Part II, Part IV and Part V; and
  - (c) Under any workers' compensation law, disability benefits law, or similar laws.

However, this shall not reduce coverage under either Part I or Part II to an amount less than the Policy limits.

- b. The total damages an **insured person**, if such **person** is **you**, a **relative** or a **regular operator**, is legally entitled to recover from the **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** shall be reduced by any amount paid or to be paid because of **bodily injury** or **property damage**:

- (1) By or on behalf of any **persons** or parties that may be legally responsible, including, but not limited to all sums paid under Part I of this Policy;
- (2) Under Part II, Part IV and Part V; and
- (3) Under any workers' compensation law, disability benefits law, or similar laws.

- 8. If **we**, or an affiliate insurer, have issued more than one policy to **you** with uninsured or underinsured motorist coverage, **we** will not pay more than the highest limit of liability for that coverage that applies under one policy. The limit of liability may not be added, combined or stacked with similar coverage under any other policy issued by **us** or an affiliate insurer.

- 9. **We** will not pay more than the limit of liability shown on the **Declarations Page** for Uninsured Motorist Property Damage Coverage for all **property damage** in an **accident**. Subject to this limit, for **property damage** covered under this Part III, **we** will not pay more than the lesser of:

- a. The **actual cash value**, at the time of **loss**, of the damaged or stolen **insured car** or **temporary substitute car**, or its parts if the **loss** is limited to parts;
- b. The amount necessary to repair physical damage to the **insured car** or **temporary substitute car**, or its parts if the **loss** is limited to parts, to return it to its pre-**loss** physical condition. No amount for any **diminution of value** or other change in market value of the vehicle will be included in, or paid with, the amount to repair; or
- c. The amount necessary to replace the damaged or stolen **insured car** or **temporary substitute car**, or its parts if the **loss** is limited to parts, with that of like kind and quality.

- 10. **We** will reduce what **we** will pay for Uninsured Motorist Property Damage Coverage by the following:

- a. The amount of **depreciation** or **betterment**, if the repair or replacement improves the condition of the **insured car** or **temporary substitute car** This includes, but is not limited to:
  - (1) The replacement of batteries, tires and other parts with a useful life longer than the useful life of the part replaced.
  - (2) The increase in value from the repair of prior damage.**You** are responsible to pay for any **betterment**.
- b. The salvage value if **you**, or the **owner**, keep any salvage.

- 11. If the **insured car** or **temporary substitute car** is to be repaired:

- a. **We** will not pay:
  - (1) More than the prevailing competitive labor rates charged in the area where the **insured car** or **temporary substitute car** is to be repaired as reasonably found by **us**.
  - (2) Any amount for any **diminution of value** due to the repair.
- b. **We** will prepare a repair estimate that will set forth the amount needed to repair the **insured car** or **temporary substitute car** and any parts needed to be replaced as a result of the **loss**.
- c. When and as allowed by law, the repair estimate will:
  - (1) Be based on the use of new or used OEM parts, recycled parts or **after-market parts**, as **we** see fit; and
  - (2) Specify which parts are new or used OEM parts, recycled parts or **after-market parts**.

**Other Insurance**

If any other uninsured or underinsured motorist insurance policy, bond or self-insurance applies under one or more policies or terms of coverage that is similar to the coverage under Part III:

1. The maximum limit of liability under all the policies (including any other policy issued by **us** or an affiliate) or terms of coverage shall be no more than the highest applicable limit of liability that applies for either:
  - a. Any one policy as to **bodily injury** to an **insured person** while that **person** at the time of the **accident** either was:
    - (1) Not **occupying** or using any vehicle; or
    - (2) **Occupying** or using a vehicle, that is not a **insured car** and is not **owned** by **you** or a **relative**; or
  - b. The **insured car** that:
    - (1) Is **owned** by **you** or a **relative**; and
    - (2) Was being **occupied** or used by an **insured person** at the time of the **accident**; or
  - c. **Property damage**.
2. Any insurance **we** provide for an **insured person occupying** or using any vehicle, other than an **insured car** that is **owned** by **you** or a **relative**, will be excess over all other insurance, bonds or self-insurance.
4. Subject to the other terms of this Other Insurance clause, if **we** provide coverage under this Part III **we** will not pay more than **our** share of the damages that must be paid under the highest limit available under one policy of uninsured or underinsured motorist coverage. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits of liability for coverage with the same priority.

This "Other Insurance" section is subject to all other Policy terms. Nothing in this "Other Insurance" section creates, implies or expands any coverage that does not already exist under the terms of this Policy.

## PART IV - CAR DAMAGE COVERAGE

### Insuring Agreement

Subject to the limits of liability and all policy terms, if the premium is paid for coverage under Part IV when due, **we** will pay for a **loss** described below to an **insured car** for which coverage has been purchased. **We** will pay for **loss** to an **insured car** caused by:

1. A comprehensive **loss**, other than collision, only if the **Declarations Page** shows that Other Than Collision coverage applies for that **insured car**.
2. Collision, only if the **Declarations Page** shows that Collision Damage applies for that **insured car**.

**Loss** caused by:

1. Missiles;
2. Falling or thrown objects;
3. Fire;

4. Theft or larceny;
  5. Malicious mischief or vandalism;
  6. Riot or civil commotion;
  7. Explosion;
  8. Earthquake;
  9. Windstorm or hail;
  10. Water or flood but not to include when **you**, a **relative**, or a **regular operator** drive any **car** into unsafe or unpassable flooded roadways or areas if that **car** or person is not otherwise in danger; or
  11. Accidental glass breakage;
- are comprehensive losses to be paid under Other Than Collision coverage. **Loss** due to the hitting or being hit by an animal or bird will also be paid under Other Than Collision coverage, but only if there is proof that the **car** damage directly resulted from contact with that animal or bird. A comprehensive **loss** shall not include any **loss** covered as a collision.

**Loss** caused by an **insured car**:

1. Overturning, rolling, or flipping; or
  2. Colliding with, or being hit by, another object;
- are collision losses to be paid under Collision Coverage. A collision **loss** shall not include any **loss** covered as a comprehensive **loss**.

### Towing and Labor Coverage

If **you** paid the premium for Towing and Labor Coverage and it is shown on the **Declarations Page**, **we** will pay up to the limits shown on the **Declarations Page** for towing and labor costs incurred each time an **insured car** for which **you** bought this coverage is disabled. This includes the costs associated with emergency flat tire change, tire repair, battery jump, battery repair, fuel delivery (but not the fuel) and locksmith services each time an **insured car** is disabled, subject to the limits shown on the **Declarations Page** for that **insured car**. Covered labor must be performed at the time and place of disablement and does not include routine maintenance of the **insured car**. The maximum amount **we** will pay for any single disablement will be the amount shown on the **Declarations Page** for this coverage for that **insured car**. **You** must provide **us** with a verifiable receipt of the towing or labor charges incurred. This coverage does not apply to towing from entrapment in snow, mud, water or sand, more than 100 feet from a public road or highway.

### Rental Car Coverage

If **you** paid the premium for Rental Car Coverage and it is shown on the **Declarations Page**, when an **insured car** for which **you** bought this coverage sustains **loss** due to a collision, **we** will reimburse **you** for necessary **car** rental charges **you** incur from a licensed rental car agency, while that **insured car** is inoperable due to that **loss**. **We** will pay no more than:

1. The limit shown on the **Declarations Page**; or
2. The **actual cash value** of the **insured car** at the time of **loss**.

Rental Car Coverage is limited to the period the vehicle is inoperable or under repair.

Rental Car Coverage will end 72 hours after **we** offer to pay the amount **we** determine is due for a total loss.

No deductible applies to Rental Car Coverage. The limits set forth above are the most **we** will pay as the result of any one **loss**, regardless of the number of **insured cars** listed on this policy or premiums paid.

**We** must be given original receipts, or written proof that can be verified, of the rental charges. **We** have no duty to pay for charges or costs that cannot be verified.

### **Rental Car Damage Coverage**

If **you** paid the premium for Rental Car Damage Coverage and it is shown on the **Declarations Page**, the Rental Car Damage Coverage **you** have purchased for an **insured car** is extended to a rented **non-owned car**. The rented **car** must be of the same type or class of vehicle as **your insured car** for this coverage to apply. This coverage does not apply to a **car** rented for **business** purposes but does apply to a **car** rented for recreational purposes or as a substitute **car** for **your insured car** while it is out of service due to an **accident** or **loss**.

### **Additional Definition**

When shown in Part IV in **bold** print, "**special/additional equipment**" means any of the following, except when installed by the original manufacturer of an **insured car** or by the manufacturer's dealer as a manufacturer's new car option or equipment on an **insured car**:

1. Parts, accessories and any other equipment or enhancement;
2. Any modified suspension equipment, modified engines, modified carburetor systems, modified exhaust system, modified equipment, or custom wheels, including, but not limited to:
  - a. Aluminum, magnesium, chrome or alloy wheels;
  - b. Special wide-tread tires or slicks or tires that are not the size specified by the manufacturer;
3. Custom paint, murals, logos, trademarks, insignia, decals, graphics or any decorative marks;
4. Special carpeting or furnishings; sunroofs, moon roofs, t-bar or height extending roofs; bubble domes or similar windows; refrigeration or cooking equipment and any equipment used for sleeping;
5. Ground-effects, after market lights, custom grilles, louvers, side pipes, hood scoops, spoilers and front-end protectors;
6. Winches, roll bars and running boards;
7. Equipment to make a vehicle handicap accessible;
8. Tool bench/boxes; and

9. Electronic video, audio, digital or data transmitting, receiving, recording and playback devices, including but not limited to:
  - a. Any communication, or audio devices, including citizen band radios, two way mobile radios, televisions, VCR, mobile cellular and other telephones, blue tooth devices, scanning monitor receivers, audio devices that record and/or play sound, and including: radios; satellite radios; stereos; cassette tape decks; compact disk systems; MP3 devices; internet video and/or audio streaming devices; audio interface devices; radio scanners; and any similar device for reproducing sound;
  - b. GPS and other navigation systems;
  - c. Personal computers and internet access systems;
  - d. Video devices, including DVD devices, VCR's; monitors; cameras, streaming devices and televisions, and any similar device; and
  - e. Any accessories, cables, connectors or antennas used with any of these types of equipment.

### **Exclusions**

Coverage does not apply to **loss** or damage:

1. To an **insured car** while used for livery, **TNC** services or **delivery** services. This exclusion does not apply to shared expense car pools.
2. Caused by:
  - a. War (declared or undeclared);
  - b. Civil war;
  - c. Insurrection;
  - d. Rebellion;
  - e. Revolution;
  - f. **Nuclear exposure**;
  - g. Pathogenic, poisonous, biological, toxic, explosive or other hazardous materials; or
  - h. Any consequence of any of the items listed above.
3. To any **special/additional equipment**. However, if **you** have paid the premium for Special/Additional Equipment Coverage and it is shown on the **Declarations Page**, this exclusion shall not apply to the **special/additional equipment** listed on the schedule of **special/additional equipment** in **our** records. If **you** change the **special/additional equipment** on an **insured car**, **you** must notify **us** to change **your** listed equipment before any added **special/additional equipment** will be covered. **We** must be given original sales receipts or other credible and verifiable written proof of purchase of any **special/additional equipment** for **loss** to that **special/additional equipment**.
4. To any camper body or trailer.
5. That occurs to any vehicle while it is located for use as a residence or premises.
6. That results from off-road recreational use of a vehicle.
7. Resulting from:
  - a. Prior **loss** or damage;

- b. Manufacturer's defects; or
  - c. Any of the following:
    - (1) Wear and tear;
    - (2) Rust or corrosion;
    - (3) Wet or dry rot;
    - (4) Freezing;
    - (5) Mechanical or electrical breakdown or failure;
    - (6) Road damage to tires; or
    - (7) Mold, mildew, fungi or any by-product of these;
 unless the damage is the result of other **loss** covered by this policy.
  - d. The lack of routine and/or proper care and maintenance.
8. To any personal property, including but not limited to wearing apparel, any personal property, tools or nonstandard equipment and racks which is permanently or temporarily attached to an **insured car** at the time of the **loss**.
  9. That occurs while **you**, or anyone driving with **your** permission, is using an **insured car**:
    - a. In an illegal trade or transportation;
    - b. While committing a crime (other than a violation of a traffic law or similar law governing the ownership or operation of a vehicle); or
    - c. While fleeing any law enforcement personnel.
  10. Arising out of or due to the use of an **insured car** for transportation of any explosive substance, flammable liquid or similarly hazardous material, except transportation, incidental to ordinary residential or farm activities. This shall not apply to:
    - a. The fluids necessary for the operation of the **car**, but only when used in the proper and intended scope of the **car's** normal use; or
    - b. Fuel for a **car**, motor vehicle or lawn and yard equipment, but only when being safely transported in a federally approved container.
  11. That occurs while an **insured car** is **rac**ing.
  12. That occurs while an **insured car** is subject to any bailment lease, conditional sale, mortgage or other encumbrance not specifically declared and described on this policy.
  13. Due to theft or conversion by **you**, or a **relative**. However, this does not apply to the interest of a **named insured** or the spouse of the **named insured** who **resides** in the same **household** as the **named insured** if that **person** did not consent to, direct, contribute to, or participate in the theft or conversion.
  14. To an **insured car** caused intentionally by or at the direction of any **person** listed on the **Declarations Page**. This exclusion will not apply to the interest of **named insured** or the spouse of the **named insured** who **resides** in the same **household** as the **named insured** if:
    - a. The state law protects that interest;
    - b. That **person** has not:
      - (1) Participated in;
      - (2) Contributed to;
      - (3) Directed; or
      - (4) Consented to;
- the intentional act causing the **loss**;
- c. A complaint has been filed with law enforcement and sign by the innocent spouse to make an arrest of the other spouse for violation of a family violence or similar law; and
  - d. That **person** cooperates in any investigation relating to the **loss**.
15. That occurs while an **insured car** is driven by any **person** who is not a listed driver on the **Declarations Page** or any **person** who does not have a valid **driver's license**.
  16. To an **insured car** when it is driven, operated, or used by any person who:
    - a. **Resides** in **your** household; or
    - b. Is a **regular operator** of the **insured car**; but is not listed as a driver on the policy prior to the **loss**.
  17. That occurs while an **insured car** is rented to, leased to, or loaned to any **person** or organization in return for compensation, payment or benefit of any kind in exchange for, or resulting from, the use of the **insured car**.
  18. That occurs while under the care or **control** of a **business** or **person**, other than a **person** listed as an insured driver under this policy, in exchange for payment, compensation or payment in kind in exchange for, or resulting from, the use of an **insured car**.
  19. Due to the legal seizure or destruction of an **insured car** by any government or civil authority for any reason.
  20. Due to the repossession of the **insured car** by a **person** or entity legally entitled to do so.
  21. Resulting from the ownership, maintenance, or use of an **insured car** while a **person** is engaged in any **business** other than **auto business** activities. This exclusion includes use of a vehicle for livery, **TNC** or **delivery** services. This exclusion does not apply if **business** use of an **insured car** has been declared to **us** and an additional business use premium has been paid.
  22. To an **insured car** due to **diminution of value** or any loss or reduction in market or resale value, regardless of whether the insured car has been repaired or replaced, unless required by applicable law.
  23. That occurs while the operator of the **car** is texting, keying or typing on any portable electronic device, including but not limited to mobile phones and computers.
  24. To any vehicle other than an **insured car** for which the premium has been paid for the coverage being sought under this Part.
  25. To an **insured car** while it is being operated by any **person** not listed as a driver on the **Declarations Page** or by endorsement, unless the **loss** is the result of theft.
  26. That occurs from, and is due and confined to lack of lubricants, oil, transmission fluid, coolant, or loss or damage resulting from internal seepage of water. This includes, but is not limited to:
    - a. The engine overheating due to mechanical problems; or
    - b. Damage resulting from intentionally driving through unsafe or unpassable flooded roadways or areas if that car or person is not otherwise in danger.

27. That occurs from fueling a **car** with a type fuel or fuel additive not authorized for that type of **car**, or fueling in other than in the manufacturer's designated fueling or additive point. This includes, but is not limited to:
  - a. Adding diesel, gasoline, or diesel exhaust fluid ("DEF") or any other additive not approved by the manufacturer of the **car** for the type of engine of that car; or
  - b. Adding such products to the incorrect **car** storage reservoir or tank.
28. That results in damage to, or loss of use of, a rental vehicle. However, this exclusion shall not apply if the rental vehicle is a **temporary substitute auto** if the company providing the vehicle is not allowed to recover for the **loss** from **you**, a **relative**, or **regular operator** under the rental agreement or **state** law that applies.
29. Caused by, due to, or in any way that results from the alteration, modification, or customizing of the **insured car** which alters or affects its drivability, road worthiness, handling or safety. This includes any non-dealer or non-factory installed equipment that mechanically or structurally changes the **insured car** and results in an increase in performance or a change in appearance. This also includes equipment which does not conform to this state's Motor Vehicle Code.
30. To the **insured car** that is caused by or that results from **your** acquiring a **car** from the seller without legal titles available to **you**.
31. To parts or equipment solely used for the purpose of any racing, performance or off-road driving, even if otherwise covered as part of **special/additional equipment**.
32. To any murals, decals, wraps, graphics, pinstriping and/or painting with non-Original Equipment Manufacturer (non-OEM) color, even if otherwise covered as part of special/additional equipment.

#### **Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles**

Car Damage Coverage under this Part IV applies to a motor vehicle operated by **you**, a **relative**, or a **regular operator** with the permission of its **owner**, when such vehicle is:

1. Loaned by a duly licensed automobile dealer as a **temporary substitute car** while **your insured car** is out of use due to breakdown, repair, or servicing;
2. Loaned by a duly licensed automobile dealer as a demonstrator vehicle; or
3. Rented or leased from a rental company.

Coverage provided under this paragraph shall be primary to any insurance or self-insurance maintained by the automobile dealer or rental company.

#### **Limits of Liability**

1. **Our** Limit of Liability for **loss** shall not exceed the lowest of:
  - a. The **Actual Cash Value** of the stolen or damaged property at the time of **loss**, reduced by the deductible shown on the **Declarations Page**;

- b. The amount necessary to repair the physical damage to the property to its pre-**loss** physical condition, reduced by the deductible shown on the **Declarations Page**;
- c. The amount necessary to replace the stolen or damaged property with property of like kind and quality, reduced by the deductible shown on the **Declarations Page**; or
- d. Any Stated Amount Limit of Liability shown on the **Declarations Page**, including but not limited to any value listed for **special/additional equipment**.

For a covered total **loss** to an **insured car** covered under this Part, if and when **we** are required by state law, **our** payment also includes the incurred expense of:

- a. sales tax imposed; and
  - b. license, title, transfer of ownership and/or registration fees.
2. If **you** or the **owner** of the **insured car** keep the salvage, the amount **we** pay will be reduced by the salvage value.
  3. If **loss** is sustained by more than one **insured car** in the same collision, only the highest applicable deductible will apply.
  4. The amount **we** will pay under this Part will be adjusted and reduced for **depreciation**, physical condition and **betterment** as applicable. **We** do not pay for the amount of any **betterment**. **You** are responsible to pay for any betterment. **Betterment** includes but is not limited to:
    - a. The replacement of batteries, tires and other parts with useful life longer than the useful life of the part replaced;
    - b. Any repair or replacement of damaged property which results in an improvement of its condition just prior to the **loss**.
  5. The amount **we** will pay to repair an **insured car** or replace parts will be based on the cost of parts which may be new, used, reconditioned, remanufactured, refurbished parts, or **after-market parts**, that are original and/or non-original manufacturer parts or equipment.

**Warning:** IN THE REPAIR OF YOUR COVERED VEHICLE UNDER THE PHYSICAL DAMAGE PROVISIONS OF THIS POLICY, WE MAY REQUIRE OR SPECIFY THE USE OF MOTOR VEHICLE PARTS NOT MADE BY THE ORIGINAL MANUFACTURER. THESE PARTS ARE REQUIRED TO BE AT LEAST EQUAL IN TERMS OF FIT, QUALITY, PERFORMANCE, AND WARRANTY TO THE ORIGINAL MANUFACTURER PARTS THEY REPLACE.

6. There shall be no duplicate recovery for the same elements of **loss** under this coverage and any other coverage under this policy or any other source.
7. Each item of **special/additional equipment** shall be subject to depreciation and to the deductible shown on the **Declarations Page** for **special/additional equipment**. No other deductible shall apply to **special/additional equipment**.
8. If **you** agree to have a windshield repaired at **our** expense after a **loss**:
  - a. no deductible will be applied to that part of the **loss**; and
  - b. **we** then have no duty to:
    - (1) pay the **actual cash value** of that windshield; or

(2) replace that windshield.

“Windshield” means the front window glass panel of a **car**. It does not include side, roof or back windows.

9. **We** will pay up to a reasonable and customary daily rate for the cost of storage of an **insured car** in the event of a **loss** to an **insured car** for which coverage is provided under this Part IV. **Our** maximum liability for the cost of storage of an **insured car** shall not exceed \$400.
10. **We** will not pay for any obligation assumed by an **insured**, registered **owner** or legal **owner** for any of the following costs:
  - a. estimating fees;
  - b. teardown charges not authorized by **us**;
  - c. handling fee;
  - d. negotiating charges; or
  - e. Any other charges which are not part of the necessary cost of repairing the vehicle.
11. **We** will pay no more than the reasonable and customary daily rate in the geographic area for the cost incurred for storage of an **insured car** due to a covered **loss** to an **insured car**.

### **No Benefit to Bailee**

These coverages shall not directly or indirectly benefit any **person** or entity other than **you** for **loss** to an **insured car**.

### **Appraisal**

If **we** cannot agree with **you** on the amount of a **loss**, then **we** and **you** may mutually agree to an appraisal of the **loss**. Within 30 days of any agreement to an appraisal, each party shall appoint a competent and disinterested appraiser and shall notify the other party of that appraiser's identity. The appraisers will determine the **Actual Cash Value** and the amount of **loss**. If they fail to agree, the disagreement will be submitted to a qualified umpire chosen by the appraisers. If the two appraisers are unable to agree upon an umpire within 15 days, **we** or **you** may request that a judge of a court of record, in the county where **you** reside, select an umpire. The appraisers and umpire will determine the **Actual Cash Value** and the amount of **loss**. The **Actual Cash Value** and the amount of the **loss** agreed to by both appraisers, or by one appraiser and the umpire, will determine the amount payable under this Part IV, but will not be binding. **You** will pay **your** appraiser's fees and expenses. **We** will pay **our** appraiser's fees and expenses. All other expenses of the appraisal, including payment of the umpire if one is selected, will be shared equally between **us** and **you**.

Neither **we** nor **you** waive any rights under this policy by agreeing to an appraisal. Coverage issues or disputes under this policy may not be determined by the appraisers.

### **Payment of loss**

At **our** option, **we** will pay the **loss** in money, or repair or replace the damaged or stolen property. With **your** consent, payment for repairs may be made directly to a repair shop if damage is repaired.

**We** may, at any time before the **loss** is paid or the property is replaced by **us**, return, at **our** expense any stolen property either to **you** or to the address shown in **our** records with payment for the resulting damage. **We** may keep all or part of the property at the agreed or appraised value, but there shall be no abandonment to **us**. **We** have no duty to preserve salvage.

If **we** determine property to be a total **loss** when it is stolen or extensively damaged, **you** or the **owner** must transfer the title of the property to **us** at or before the time of payment for that total theft or total **loss** of that property. This does not apply if **you** or the **owner** are keeping the salvage.

**We** may make payment for a **loss** to **you** or the **owner** of the **car**. No payment is due under Part IV until **you** have fully complied with all of the conditions and duties stated in this policy.

### **Power of Attorney**

In the event of a loss to **your insured car**, **you** grant **us** full power, permission and authority to act on **your** behalf, and to exercise all legal rights as may be needed, for the sole purpose of authorizing the release, towing, and otherwise moving or relocating of any vehicle accruing storage charges. In such event, any body shop, facility or other service provider is released from any liability relating to the release of any vehicle at our direction under the above circumstances. **You** also agree to reasonably cooperate with **us** in the event any facility requires additional documentation or personal authorization for **us** to perform **our** duties under this Policy.

### **Loss Payee & Lienholder's Rights**

If a loss payee or lienholder is shown on the **Declarations Page** with respect to an **insured car**, any amount paid under this Part IV for **loss** to that **car** will be paid according to **your** interest and that of the loss payee or lienholder. **We** may make separate payments according to those interests. However, with **your** consent, payment may be made directly to a repair shop when the **loss** is being repaired.

**We** will be subrogated to the loss payee or lienholder's rights of recovery to the extent of **our** payment.

Where a claim is denied for non-cooperation or breach of the **Insured's** duties owed to **us**, the Loss Payee or lienholder's interest will not be protected. Where fraud, misrepresentation, material omission, intentional damage, or

conversion, secretion and/or embezzlement of a **car** has been committed by or at the direction of **you** or a **relative**, or where the **loss** is otherwise not covered under the terms of this policy, the Loss Payee or lienholder's interest will not be protected. **We** have no duty to make any payment to a lienholder or Loss Payee unless the **loss** is payable to **you** and all policy terms and conditions have been met.

Upon cancellation, nonrenewal or any other termination of this Policy, **we** will give notice of termination to the Loss Payee or lienholder when required by law. Any notice given may be delivered electronically. Cancellation shall terminate this agreement as to the Loss Payee's interest.

### Other Insurance

If there is other applicable insurance or source of recovery of the same priority for **loss** to an **insured car**, **we** will pay the proportionate share **our** limit of liability bears to the total of all available sources of recovery of the same priority. The deductible of this policy will be taken in a proportionate share based on the deductibles of each policy.

However, when coverage applies to a vehicle described in the Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles section, such coverage will be primary to any insurance, bond, or self-insurance maintained by the duly licensed automobile dealer or rental company.

Other sources of recovery include, but are not limited to any:

1. Coverage provided by the **car owner**;
2. Other physical damage insurance available; and
3. Other source of recovery that applies to the loss.

## **PART V - ACCIDENTAL DEATH AND DISMEMBERMENT COVERAGE**

### Insuring Agreement

If **you** have paid the premium for Accidental Death and Dismemberment Coverage and it is shown on the **Declarations Page**, subject to all policy terms, **we** will pay the benefits described under the Limits of Liability in this Part V with respect to **bodily injury** sustained by the **named insured** as the result of a Covered Event specified in this Part V.

### Limits of Liability

If a **named insured** sustains death, dismemberment or loss of life, as described below, independent of other causes, that is the result of a Covered Event in an **accident**, **we** will pay the stated benefit to the **named insured**, subject to the aggregate limit of liability shown on the **Declarations Page**.

**DISMEMBERMENT OR LOSS OF SIGHT:** If within 90 days from the date of an **accident** arising out of a Covered Event, **bodily injury** sustained by the **named insured** in that **accident** causes dismemberment or loss of sight, **we** will pay, as follows, but no more than the Limit of Liability shown on the **Declarations Page** for all **bodily injury**:

1. For accidental loss of life of the **named insured** **we** will pay the limit shown on the **Declarations Page**.
2. For loss of both Hands or both Feet, **we** will pay the limit shown on the **Declarations Page**.
3. For loss of sight in both eyes **we** will pay the limit shown on the **Declarations Page**.
4. For loss of one hand and one foot **we** will pay the limit shown on the **Declarations Page**.
5. For loss of either Hand or Foot **we** will pay one-half of the limit shown on the **Declarations Page**.
6. For loss of sight in one eye **we** will pay one-half of the limit shown on the **Declarations Page**.
7. For loss of a thumb and index finger of same Hand of the **named insured** **we** will pay one-half of the limit shown on the **Declarations Page**.

**ACCIDENTAL DEATH:** **We** will pay the amount of \$5,000, or any higher limit set forth on the **Declarations Page**, to be paid to the personal representative of the **insured person**, should **bodily injury** resulting from the **accident** cause death to that **insured person** within one (1) year from the date of the **accident**.

The word "loss", as used in this Part V, means:

1. With regard to hand or foot, complete severance through or above the wrist or ankle joint.
2. With regard to sight of eyes, entire and irrecoverable loss of sight.
3. With regard to thumb and index finger, complete severance through or above metacarpophalangeal joint.

The limit of liability shown for this coverage on the **Declarations Page** is the aggregate limit for all claims under this Part V, and is most **we** will pay under this coverage with respect to a **named insured**, without regard to the number of:

1. **Bodily injuries** sustained by the **named insured**;
2. **Cars** insured under this policy;
3. Separate premiums paid or shown on the **Declarations Page**;
4. Policies issued;
5. Claims made; or
6. Vehicles involved.

There will be no adding, stacking or combining of coverage afforded to more than one **car** under this policy.

#### COVERED EVENTS:

1. While the **named insured** is riding solely as a passenger in or on, boarding or alighting from any public conveyance, including air, licensed to carry passengers for hire; or
2. When the **named insured** sustains injuries caused by unavoidable exposure to the elements following the forced landing, stranding, sinking or wrecking of such means of transportation described above in which the **person** insured has been riding solely as a passenger; or
3. While the **named insured** is driving or riding in or on; boarding or alighting from, a four-wheel private passenger automobile.

#### Seat Belt Coverage

The Principal Sum benefits for Accidental Death under this policy will be increased by an additional 20% of the benefit amount if death results while the **named insured** is a passenger or driver of a four-wheel private passenger automobile and the **named insured's** seat belt is properly fastened about their body.

#### Exclusions

This coverage does not cover any **loss**, death or **bodily injury** incurred for, or resulting from, any of the following:

1. Suicide or attempted suicide.
2. Intentional self-infliction of injury or attempted self-inflicted of injury.
3. Self destruction or attempted self-destruction.
4. Infections except phylogenetic infections caused wholly by a covered **bodily injury**.
5. War or any warlike action.
6. **Accident** occurring while serving as an active member of any military unit, including but not limited to coast guard, national guard, army, naval or air service of any country.
7. **Accident** occurring while operating, or learning to operate, or performing duties as a member of the crew of any aircraft.
8. Sickness or disease of any kind.
9. **Bodily injury** or loss occurring while the **named insured** is intoxicated or under the influence of any narcotic, unless consumed or ingested pursuant to directions from a licensed physician, in the course of treatment, without any warning from the physician or a licensed pharmacist against operating any motorized vehicle while under the influence of the narcotic.
10. While **racin**g.
11. While operating a motor vehicle use of a motor vehicle as a livery service, for **TNC** services or for **delivery**.
12. As a result of a hernia of any kind.
13. As a consequence of diabetes.

14. **Bodily injury** caused or contributed to, because the **named insured** committed, participated in or attempted to commit:
  - a. A felony; or
  - b. An act of violence, civil disobedience, civil disorder, riot or insurrection.

#### Statutory Extension of Coverage – Dealer Loaner and Rental Vehicles

Accidental Death and Dismemberment Coverage under this Part V applies to **bodily injury** sustained by the **named insured** while operating or **occupying**, with the permission of its **owner**, a motor vehicle:

1. Loaned by a duly licensed automobile dealer as a **temporary substitute car** while **your insured car** is out of use due to breakdown, repair, or servicing;
2. Loaned by a duly licensed automobile dealer as a demonstrator vehicle; or
3. Rented or leased from a rental company.

Coverage provided under this paragraph shall be primary to any insurance or self-insurance maintained by the automobile dealer or rental company.

#### Additional Terms for Part V

1. NOTICE OF CLAIM: Written notice of claim must be given to **us** within 20 days after any **bodily injury** covered by this Part V, or as soon thereafter as is reasonably possible.
2. PROOF OF LOSS: Written proof of **loss** must be furnished to **us** within 90 days after the date of a covered event. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided proof is furnished as soon as reasonably possible.
3. PAYMENT OF CLAIMS: Payment for loss of life will be payable in accord with any beneficiary designation made to **us**, or if none, then to the estate of the **named insured**. Payment of **our** limit of liability to the legal representative of the estate shall be deemed discharge of **our** duties under this Part V.
4. PHYSICAL EXAMINATION AND AUTOPSY: **We** have the right for physical examination or autopsy of the **named insured** who is making a claim under this Part V by a licensed medical practitioner or pathologist when, and as often as **we** reasonably require, unless barred by law.

## PART VI - GENERAL POLICY LIMITATIONS

### Non-Duplication

No **person** or party is entitled to receive duplicate payments from **us** for the same elements of damages, expense or loss already paid:

1. Under any coverage or Part of this Policy; or
2. By any other insurance (whether or not issued by **us**, any of **our** affiliates or any other insurer) or any other source of recovery; unless required by law.

### Two or More Insureds

If more than one **person** or party is shown as the **named insured** on the **Declarations Page**:

1. **Our** limit of liability under this Policy is not increased;
2. Each **named insured** acts for all **named insureds** and insured **persons** to cancel or change the Policy; and
3. The action of one **named insured** is binding on all persons and parties under this Policy.

### Two or More Cars Insured

As to any **accident**, occurrence or **loss** to which this and any other **car** policy issued to **you** by **us**, or an affiliated insurer, applies to provide the same or similar type of coverage, the total limit of **our** liability under all the policies shall not exceed the highest applicable Limit of Liability under any one policy for any one **insured car**.

### Two or More Policies Issued By Us

If this Policy and any other car or motor vehicle insurance policy issued to **you** by **us** (or any of **our** affiliated insurers that have common ownership with **us**) apply to the same accident, damage or loss, **our** limit of liability under all those policies shall not exceed the highest limit of liability for the coverage that applies under any one of those policies. The limit of liability may not be added, combined or stacked with similar coverage under any other **car** or motor vehicle policy issued by **us** (or any insurer that has common ownership with **us**).

### Emergency Services Exclusion

**We** will not pay any emergency response service charges, fees or assessments from fire department, emergency services or law enforcement agency responding to an **accident**. This does not apply to emergency ambulance services.

## Personal Vehicle Sharing Program (Car Sharing Exclusion)

No insurance applies for any coverage provided by this Policy while **your insured car** is used in connection with a personal vehicle sharing program or other similar car-sharing program that engages in the business of facilitating the sharing of private passenger motor vehicles. This does not apply to a share-the-expense car pool or use for a charitable or volunteer purpose. **Personal vehicle sharing program** includes any corporation, limited liability company, partnership, sole proprietorship or other entity engaged in the **business** of, or any other for-profit activity related to, facilitating the sharing of motor vehicles for use by individuals by connecting vehicle owners with drivers through the use of prearranged vehicle sharing services using an online-enabled or digital application, software, website, system or platform. Examples of a **personal vehicle sharing program** include, but are not limited to, for-profit activities such as peer-to-peer car sharing programs and for-profit ride-sharing arrangements.

## PART VII - GENERAL PROVISIONS

### Policy Period & Territory

This policy applies only to **accidents** and **losses** that occur:

1. During the policy period as shown in the **Declarations Page** unless the policy is cancelled, in which case all coverage ends on the effective date of the cancellation; and
2. Within the policy territory. The policy territory is the United States of America, its territories or possessions, and Canada. This policy also applies to an **accident** or **loss** involving an **insured car** while being transported between ports within the policy territory.

The policy period does not include any time period, and coverage does not apply:

1. Before the time **you** apply for coverage and pay the required initial premium on the first day of the initial policy period.
2. Outside the dates or time shown in the **declarations**.
3. During any lapse in coverage.
4. After this Policy has been terminated in any manner.

### Claims Handling

**We** may use any or all of the following to determine the value of any damages, loss or claim that may be covered by this policy:

1. Exams by doctors **we** select, at **our** expense, as often as **we** reasonably request.
2. Medical record review and test result review by **persons** and services selected by **us**.

3. Computer programs and databases for the analysis of medical treatment and expenses.
4. Computer programs, databases and published sources for bodily injury, medical, medical expense and damage information.
5. State Fee Schedules.
6. Federal Fee Schedules.
7. Estimates by vehicle repair shops.
8. Computer programs and databases for the evaluation of injuries and predicting jury verdicts.
9. Computer programs, databases and published sources for vehicle values and cost of repair.
10. Third-party vendors providing estimating, appraisal, injury evaluation, earnings calculators, and analysis.
11. Special-application technology.

### **Suits Against Us**

No legal action may be brought against **us** until there has been full compliance with all terms of this policy.

No one other than an **insured person** under Part I of this policy shall have any interest in this policy prior to obtaining a verdict against an **insured person**.

No legal action may be brought against **us** for payment under Part I – Liability To Others until:

1. **We** agree in writing that the **insured person**, as defined under Part I, has an obligation to pay damages; or
2. The amount of the damages due under Part I on behalf of an insured has been determined by final judgment after trial.

No one shall have any right to make **us** a party to a suit to determine the liability of an **insured person** under Part I.

Any lawsuit against **us** by a **person** seeking coverage under Part III – Uninsured and Underinsured Motorist Coverage must be brought within the time allowed by law.

No one may sue **us** to determine the amount of **loss** payable under Part IV - Car Damage Coverage until after having complied with the Appraisal clause of this policy.

**We** have no duty to preserve or otherwise retain any salvage for any purpose, including, but not limited to, as evidence for any type of court or other proceeding.

No one may sue **us** to determine the amount payable under Part V - Accidental Death and Dismemberment Coverage until at least 60 days after

written proof of loss has been furnished to **us**. After the time written proof of loss is required to be furnished to **us**, no such legal action may be brought after the expiration of the time allowed by law.

**We** shall not be bound by any:

1. Stipulated judgment;
2. Confessed judgment;
3. Default judgment or adverse entry due to failure to appear, respond or plead; or
4. Motion granted due to any failure to appear, respond or plead; unless **we** have consented in writing to the entry of that judgment, default or granting of that motion.

### **Our Recovery Rights (Subrogation & Reimbursement)**

**We** shall be entitled to recovery, as allowed by law and as described here below, only after the **person** who has suffered damages and loss has been fully compensated for those damages and loss by the **accident** covered by this Policy.

In the event of any payment under this policy:

1. The right of recovery of the **person** or party to whom **we** have made payment passes to **us**, and **we** will be subrogated to all rights of recovery that **person** or entity has against another **person** or organization; and
2. Any **person** to or for whom a payment is made who recovers damages from a liable **person** or entity, or their insurer, shall hold the proceeds of that recovery in trust for **us** and reimburse **us** to the extent of **our** payments under this Policy.

Anyone to whom payment was made under this policy must:

1. Cooperate with **us**, including, but not limited to, filing legal papers and taking action as requested by **us** to recover **our** payment;
2. Do whatever is needed to protect **our** interests and rights to recover **our** payments from any responsible or at-fault **person** or party; and
3. Do nothing after the **loss** to harm **our** interests and rights.

If **we** seek recovery from a liable party:

1. **You** authorize **us** to seek recovery of any applicable deductible. But, **we** have no duty to do so, and **we** will notify **you** if **we** do not intend to proceed to collect the deductible; and
2. **You** agree to be bound by any settlement agreement entered into by **us** and the liable party, or the outcome of any arbitration **we** enter into, for those sums.

**We** reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. If the total recovery is less than the total of **our** payment and the deductible, **we**

will reduce reimbursement of the deductible to **you** based on the proportion that the actual recovery bears to the total of **our** payment and the deductible.

Any reimbursement to **you** by **us** will be reduced by a proportionate share of expenses and attorney fees incurred in connection with the recovery.

If any insured under this policy makes recovery from a responsible party without **our** written consent, that insured's rights under any affected coverage will no longer exist.

If payment is made on behalf of anyone insured under this policy to comply with state mandated coverage, and the policy or any subsequent change in coverage was obtained from **us** as a result of **your** material misrepresentation of the risk to be insured by **us**, which otherwise, had it been known to **us** at the time coverage was agreed to by **us**, **we** would have declined coverage or extension of coverage to **you**, **you** agree to reimburse **us** to the full extent of any **loss** and adjustment expense paid on **your** behalf as a result of **your** material misrepresentation to **us**.

**Our** rights to recover or be reimbursed from any **person** or party shall be a first priority claim to be paid before any other claims that may exist are paid. Except where not permitted by law, this applies even if that **person** or party has not been fully compensated or "made whole" for all damages or loss.

### Assignment

**You** may not transfer or assign any of **your** interests, rights and/or duties under this Policy except as allowed by the express terms of this Policy for assignment of benefits under Medical Payments Coverage. **Your** interest and rights in this policy may not be assigned or transferred without **our** written consent. However:

1. Upon the end of the marital relationship of the **named insured**, a spouse of that **named insured** who was covered under this policy immediately prior to the end of the marital relationship shall upon notice to **us** continue to be covered under this policy for a period of 90 days following that end of marital relationship, or until expiration or other termination of the policy term, whichever is shorter;
2. Upon the death of the **named insured**, coverage will be provided until expiration or other termination of the policy term, whichever is shorter, for:
  - a. Any person specifically named as an operator on the **Declarations Page**;
  - b. The legal representative of the deceased person while acting within the scope of his or her duties as a legal representative; and
  - c. The **named insured's** spouse if he or she was covered under this policy immediately prior to that death.

### Policy Changes

This policy, which includes the **Declarations Page**, endorsements issued by **us**, the **Application**, and any coverage election and rejection forms, contains all agreements between **you** and **us**. Its terms may not be changed or waived except by written endorsement issued by **us**. Notice to any agent or knowledge possessed by any agent or other **person** shall not change or affect a waiver on any portion of this policy nor stop **us** from exerting any rights under this policy.

If a change requires a premium adjustment, **we** will adjust **your** premium as of the effective date of the change. **We** may revise this policy form to provide more coverage without additional premium charge. If **we** revise this version of this policy form, **our** policy will automatically provide the additional coverage as to the date the revision is effective.

**We** rely upon the statements made by **you** in the **Application** for insurance to determine the amount of the premium for this policy. **You** agree to cooperate with **us** in determining if this information is correct and complete, and **you** will notify **us** if it changes during the policy period. If this information is incorrect, incomplete, or changes during the policy period, **we** may adjust **your** premium during the policy period or take other action permitted by law.

**IMPORTANT:** To properly insure **your car** and **persons** described in this policy, **you** must promptly notify **us** as soon as reasonable practicable, but no later than 30 days from when:

1. **You** change **your** address or the principal place **you** garage any **insured car**;
2. Any resident operators are added or deleted;
3. **You** acquire an additional or replacement **car**;
4. Any change in the licensed operators residing in **your** household;
5. **You** or a **relative** get married or divorced;
6. **You** or a **relative** obtains a driver's license or has a driver's license suspended, revoked, or refused; or
7. There is a material change in how any **insured car** is routinely used (for example, from personal use to any kind of **business** use).

### Cancellation and Non-Renewal

The **named insured** may cancel this policy by returning it to **us** or by giving **us** notice when at a future date the cancellation is to be effective.

**We** may cancel by mailing notice to the **named insured** shown on the **Declarations Page** at the last known address appearing on **our** records. Notice of cancellation will be mailed at least:

1. 10 days before the effective date of cancellation if due to **failure to pay premium**; or

2. 20 days before the effective date of cancellation if:
  - a. Notice is mailed during the first 59 days of the first policy period; or
  - b. This policy is to be cancelled for any other reason.

**We** may cancel this policy for any lawful reason before the policy has been in effect for 59 days during the first policy period. After this policy is in effect for 60 days, or if this is a renewal policy, **we** may cancel only for one or more of the following reasons:

1. The **failure to pay premium**;
2. Material misrepresentation or fraud, the knowledge of which would have caused **us** to decline to issue the policy;
3. If **your** driver's license or motor vehicle registration for any **insured car**, or that:
  - a. Any driver who resides in **your household**; or
  - b. Any **regular operator** of your **insured car**;has been suspended or revoked. This must have occurred during the current policy period or during the 180 days immediately preceding a renewal effective date;
4. If **you** or any **regular operator** has been convicted of:
  - a. Driving While Intoxicated (DUI or DWI);
  - b. Homicide or assault arising out of the use of a motor vehicle;
  - c. Three (3) separate convictions of speeding or reckless driving, or any combination of the two during the policy period, including three (3) months prior to the effective date of the policy; or
5. Any other reason allowed by law.

With respect to cancellation, this policy is neither severable or divisible. Any cancellation will be effective for all persons and all vehicles.

If this policy is cancelled, coverage will not be provided as of the earliest date and time shown in any notice of cancellation.

Upon cancellation, **you** may be entitled to a premium refund. However, **our** making or offering of a refund is not a notice or condition of cancellation. **We** charge a fully-earned policy fee for each policy term.

If this policy is cancelled for any reason, any refund due will be computed on a daily pro-rata basis and is subject to any fully-earned fees.

If **we** decide to not to renew this policy, **we** will mail notice of nonrenewal to the **named insured** shown on the **Declarations Page** at the last known address appearing in **our** records. Notice will be mailed at least 30 days before the end of the policy period.

Nothing here shall supersede or waive any of **our** rights to void or rescind this Policy as allowed by law.

### Automatic Termination

An **insured car** is no longer an **insured car** when that **insured car** is sold, assigned, gifted or transferred to anyone other than **you**, a **relative** or an insured driver shown on the **Declarations Page**. Coverage for that **insured car** will end the earlier of when:

1. Either title or possession is transferred; or
2. No **person** shown on the **Declarations Page** has an insurable interest in the **insured car**.

This policy will terminate automatically at the end of the current policy period if **we** offer to renew or continue **your** policy and **you** did not accept the offer by the payment due date. **Our** renewal offer is considered rejected if there is any **failure to pay premium**, when due, for the renewal.

### Proof of Notice

**We** may mail or deliver any notice to the **named insured**. Proof of mailing, in accord with applicable law, of any notice will be sufficient proof of notice. If **you** have agreed to electronic notice, proof of sending any notice to the **named insured** by the agreed electronic means will be sufficient proof of notice.

### Our Right to Void for Fraud or Misrepresentation

**We** have the right to rescind and void this policy from its inception if **you** gave false material information or omitted material information in **your Application**. This policy is issued in reliance upon information provided on **your Application**. **We** will rescind and void this policy from inception if **you**:

1. Made false statements or representations to **us** as to any material fact or circumstance;
2. Concealed, omitted or misrepresented any material fact or circumstance; or
3. Engaged in fraudulent conduct; at the time of **application**.

No coverage is provided for any **accident** or **loss** if **we** rescind or void this policy.

However, **our** voiding of this Policy for a reason above will not preclude payment for **bodily injury** or **property damage** under Part I – Liability To Others to an innocent injured party:

1. If the **accident** occurs before **we** give notice to **you** that the policy is void; and
2. For the portion of damages for **bodily injury** or **property damage** that is less than or equal to **minimum limits**.

Notwithstanding this provision for payment to an injured innocent third party, no payment will be made to any **person** who has:

1. Concealed or misrepresented any material fact or circumstance; or
2. Engaged in fraudulent conduct.

If **we** rescind or void this policy and **you** or **your** assignee or representative contest **our** rescission of this policy, **you** must reimburse **us** for all of **our** attorney fees, costs and expenses when **we** prevail in such legal action.

### Our Right to Void for Failure of Initial Payment

Coverage under this policy is conditioned upon **our** receipt of complete and unconditional payment of the initial down-payment of premium. If **you** make **your** initial payment by check, credit card, ACH or any method other than cash, this policy is rescinded and void as if never issued, and there will be no coverage at any time, if the initial payment is not honored for any reason when first presented for payment to **your** bank or financial institution or if there is any **failure to pay premium**. If this policy is rescinded and void **we** will not cover any claims, injury, loss or damages of any kind. **You** must reimburse **us** for any amounts **we** are required by law to pay after **we** rescind or void the Policy. If **we** rescind or void this Policy and **you** or **your** assignee or representative contest **our** rescission of this Policy, **you** must reimburse **us** for all of **our** attorney fees, costs and expenses when **we** prevail in such legal action.

### Policy Conformed to Statutes

Terms of this policy that are in conflict with the statutes or other applicable law of the state where **you** reside when this policy is issued, as shown in **our** records, are hereby amended to conform to the applicable state law. All other terms remain in full effect.

### Choice of Law

This agreement shall be governed by the laws of the state of Arkansas without giving effect to any principles regarding conflict of laws.

### Venue

Unless **we** agree otherwise, any legal action against **us** must be brought in a court of competent jurisdiction for the county and **state** where the **person** seeking coverage from this policy lived at the time of the **accident**.

### Fraudulent Claims

**We** do not provide coverage for, or payment to, any **person** who commits fraud against **our** interests. **We** do not provide coverage or benefits to any **person** or party who has:

1. Misrepresented, concealed, omitted or misstated a material fact or circumstance;
2. Engaged in fraudulent conduct; or

3. Aided, abetted or directed any behavior of the type listed in clause 1 or 2 above;  
in connection with any **accident, loss** or claim.

### Conditions Precedent

There is no coverage provided under this policy until there has been full compliance with all of the duties, terms and conditions of this policy.

### Bankruptcy

The bankruptcy or insolvency of a **person** insured by this policy, or that **person's** estate, shall not relieve **us** of **our** obligations under this policy.

### Electronic Transactions

It is agreed between **you** and **us**, and **we** have **your** consent, that:

1. Electronic signatures, notices and forms:
  - a. May be used to transact this insurance;
  - b. Will satisfy any legal or other requirement for written signatures, notices or delivery of forms; and
  - c. Shall include, but are not limited to, any acceptance, agreement, assent election, selection, rejection, notice or form done as a recorded telephonic signature or assent or sent via e-mail, internet, mobile application, text message or fax.
2. **You** will notify **us** if **you** are unable to print, download or otherwise retain documents delivered electronically by **us** to **you**.
3. When a law requires a signature on any form or document, or letter or document to be notarized, verified or acknowledged or made under oath, the electronic signatures will satisfy this requirement if the signature of the **person** authorized to perform the service of notarizing, verification, or acknowledgment is attached or logically associated with the signature or electronic signatures of record.

### English Language

This Policy and all its related forms (on paper or electronic) are governed by the English language used in the United States of America and with the text provided by **us**. The English language shall apply and control in the event of any difference or discrepancy between the English language text of this Policy (and all its related forms), and any other language version or description of the Policy, coverage or any form.

## YOUR DUTIES & REPORTING ALL ACCIDENTS AND LOSSES

**IMPORTANT:** For coverage as described in this policy to apply, all notice requirements, duties, and policy terms must be satisfied. Failure to comply with any Policy terms may result in a claim or coverage being partially or fully denied.

### Notice of an Accident or Loss

In the event of an **accident** or **loss**, it must be reported to **us** or one of **our** authorized agents as soon as practicable. The report must give time, place and circumstances of the **accident** or **loss**, including all known or reasonably ascertainable names and addresses of injured parties and of witnesses to the **accident** or **loss**.

### Other Duties

Anyone claiming any coverage under the policy must:

1. Cooperate with **us** and assist **us** in any matter concerning a claim or lawsuit.
2. Refuse to assume any obligation or incur any unreasonable and unnecessary expenses at the time of the **accident** or **loss**.
3. Immediately send **us** any legal papers relating to any claim or lawsuit.
4. Submit to physical examination at **our** expense by doctors **we** select as often as **we** may reasonably require.
5. Authorize **us** to obtain medical, wage and other records. Any medical records requested will pertain to the **bodily injury** arising from an **accident**.
6. Provide any written proof of **loss** that **we** require.
7. Submit to statements or examinations under oath by **us** or **our** representative, and subscribe to the same, as **we** may reasonably require. **We** may require that such statements or examinations be recorded and videotaped, as well as conducted individually and outside the presence of witnesses or other **persons** seeking coverage or benefits under this policy.
8. Provide **us** with any personal financial information **we** request for underwriting, policy servicing or claims handling purposes, or provide **us** with written authorization to obtain such information. This includes such information as social security numbers, credit history and any other related information. AssuranceAmerica limits both the collection and use of customer information to the minimum needed to administer **our** business.
9. Allow **us** access to any **car**, vehicle or device being used at the time of, or that was involved in, an **accident**, loss or damage and enable **us** to retrieve and use data contained in:
  - a. any Global Positioning System (GPS).
  - b. any navigation system or device.

- c. any Event Data Recorder (EDR), whether the EDR is part of or in the **auto** or vehicle at the time of the **accident**, loss or damage.
- d. any other device recording driving data, including any **telematics** device or remote or cloud storage of driving or **accident** data.

This applies to data stored in the **car**, vehicle or device attached to the **car** or vehicle or in a separate device, whether or not physically attached to the **car** or vehicle.

Anyone claiming Uninsured/Underinsured Motorist Coverage must contact the police within 48 hours, or as soon as is practicable, after the **accident** if a hit and run driver is involved and must promptly send **us** copies of any legal papers if suit is brought.

Anyone claiming any coverage under this policy must also:

1. Take reasonable steps after **loss** to protect an **insured car** and its equipment from further **loss**. If **you** fail to do so, any further damage will not be covered under this policy. **We** will pay reasonably necessary expenses incurred in providing that protection.
2. Report the total theft of the **car** to the police promptly and as soon as practicable after the **loss**.
3. Allow **us** to inspect and appraise the damage to an **insured car** before its repair or disposal.
4. If a hit and run motorist is involved, adequate proof of loss and a statement under oath must be filed with **us** within 30 days of **our** request.

**IN WITNESS WHEREOF**, the Company has caused this policy to be executed and attested.



President



Secretary

## **ENDORSEMENTS**

When any Endorsement applies, all other terms, limits and conditions of the policy that do not conflict with the terms of the Endorsement shall continue to apply.

**THE FOLLOWING NAMED DRIVER NON-OWNED COVERAGE ENDORSEMENT APPLIES ONLY IF FORM NUMBER E-400 APPEARS ON YOUR DECLARATIONS PAGE.**

### **NAMED DRIVER, NON-OWNED COVERAGE**

If **you** have elected Named Driver, Non-Owned Coverage, **we** will only cover the permissive use of a “**non-owned car**” by the **named insured**. Any coverage provided under this policy shall be excess over any other applicable insurance, self-insurance or bond providing the same or similar insurance or benefits. The following policy changes shall apply:

1. The general policy definition of “**you**” and “**your**” are revised and “**you**” and “**your**” mean the **named insured**. No entity or **person** other than the **named insured** has any insurance under this policy.
2. The definition of “**insured person**” is revised in all parts of the policy and “**insured person**” means the **named insured**. No entity or **person** other than the **named insured** has any insurance under this policy.
3. No coverage applies under the policy for use of any **car** other than the permissive use of a **non-owned car** by a **named insured**.
4. No coverage applies under the policy for any **person** other than the **named insured**.
5. The “**Other Insurance**” clause in every part of this policy is revised and any insurance **we** provide shall be excess over any other applicable insurance, self-insurance or bond providing the same or similar insurance or benefits.
6. No Car Damage Coverage applies under the policy.

E-400 (05/10)

**THE FOLLOWING NAMED DRIVER EXCLUSION ENDORSEMENT APPLIES ONLY IF FORM NUMBER E-500 APPEARS ON YOUR DECLARATIONS PAGE.**

### **NAMED DRIVER EXCLUSION**

If one or more **persons** are shown on the **Declarations Page** as Excluded Drivers or **you** have elected to exclude any drivers from coverage under this policy, **we** do not provide any coverage under any Part of this policy for any **accident** or **loss** that occurs while any Excluded Driver is operating a **car** or any other motor vehicle.

When the Excluded Driver is operating a motor vehicle, no coverage applies for the Excluded Driver or anyone else, including but not limited to claims against **you**, **relatives**, or any other entity or **person** who may be vicariously liable or liable for negligent entrustment with respect to any **accident** or **loss** arising out of the operation of a motor vehicle by any named Excluded Driver.

Driver exclusions shall apply to all renewals, reinstatements after a lapse, continuation and replacement policies unless **you** notify **us** in writing that the election is revoked and **you** pay the additional premium for coverage of that driver.

E-500 (05/10)