



# Private Fleet Automobile Policy

## AGREEMENT

In return for payment of the premium and subject to all the terms of this policy, we agree with you as follows:

### DEFINITIONS

**A.** Throughout this policy, "you" and "your" refer to:

1. The "named insured" shown in the Declarations; and
2. The spouse if a resident of the same household.

If the spouse ceases to be a resident of the same household during the policy period or prior to the inception of this policy, the spouse will be considered "you" and "your" under this policy but only until the earlier of:

1. The end of 90 days following the spouse's change of residency;
2. The effective date of another policy listing the spouse as a named insured; or
3. The end of the policy period.

**B.** "We", "us" and "our" refer to the Company providing this insurance.

**C.** For purposes of this policy, a private passenger type auto, pickup or van shall be deemed to be owned by a person if leased:

1. Under a written agreement to that person; and
2. For a continuous period of at least 6 months.

Other words and phrases are defined. They are in quotation marks when used.

**D.** "Bodily injury" means bodily harm, sickness or disease, including death that results.

**E.** "Business" includes trade, profession or occupation.

**F.** "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child.

**G.** "Occupying" means:

1. In;
2. Upon; or
3. Getting in, on, out or off.

**H.** "Property damage" means physical injury to, destruction of or loss of use of tangible property.

**I.** "Trailer" means a vehicle designed to be pulled by a:

1. Private passenger auto; or
2. Pickup or van.

It also means a farm wagon or farm implement while towed by a vehicle listed in 1. or 2. above.

**J.** "Your covered auto" means:

1. Any vehicle shown in the Declarations.
2. A "newly acquired auto".
3. Any "trailer" you own.
4. Any auto or "trailer" you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. Loss; or
  - e. Destruction.

This Provision (J.4.) does not apply to Coverage for Damage To Your Auto.

**K.** "Newly acquired auto":

1. "Newly acquired auto" means any of the following types of vehicles you become the owner of during the policy period:
  - a. A private passenger auto; or
  - b. A pickup or van, for which no other insurance policy provides coverage, that:
    - (1) Has a Gross Vehicle Weight Rating of 10,000 lbs. or less; and
    - (2) Is not used for the delivery or transportation of goods and materials unless such use is:
      - (a) Incidental to your "business" of installing, maintaining or repairing furnishings or equipment; or
      - (b) For farming or ranching.
2. Coverage for a "newly acquired auto" is provided as described below. If you ask us to insure a "newly acquired auto" after a specified time period described below has elapsed, any coverage we provide for a "newly acquired auto" will begin at the time you request the coverage.

- a. For any coverage provided in this policy except Coverage For Damage To Your Auto, a "newly acquired auto" will have the broadest coverage we now provide for any vehicle shown in the Declarations. Coverage begins on the date you become the owner. However, for this coverage to apply to a "newly acquired auto" which is in addition to any vehicle shown in the Declarations, you must ask us to insure it within 30 days after you become the owner.

If a "newly acquired auto" replaces a vehicle shown in the Declarations, coverage is provided for this vehicle without your having to ask us to insure it.

- b. Collision Coverage for a "newly acquired auto" begins on the date you become the owner. However, for this coverage to apply, you must ask us to insure it within:

(1) 30 days after you become the owner if the Declarations indicate that Collision Coverage applies to at least one auto. In this case, the "newly acquired auto" will have the broadest coverage we now provide for any auto shown in the Declarations.

(2) Four days after you become the owner if the Declarations do not indicate that Collision Coverage applies to at least one auto. If you comply with the 4 day requirement and a loss occurred before you asked us to insure the "newly acquired auto", a Collision deductible of \$500 will apply.

- c. Other Than Collision Coverage for a "newly acquired auto" begins on the date you become the owner. However, for this coverage to apply, you must ask us to insure it within:

(1) 30 days after you become the owner if the Declarations indicate that Other Than Collision Coverage applies to at least one auto. In this case, the "newly acquired auto" will have the broadest coverage we now provide for any auto shown in the Declarations.

(2) Four days after you become the owner if the Declarations do not indicate that Other Than Collision Coverage applies to at least one auto. If you comply with the 4 day requirement and a loss occurred before you asked us to insure the "newly acquired auto", an Other Than Collision deductible of \$500 will apply.

- L. "Collector auto" means any "classic vehicle", "exotic vehicle" or "antique vehicle" shown in the Declarations that is;

1. maintained primarily for use in car club activities, parades, exhibitions, other functions of public interest or for a private collection; and

2. used infrequently for other purposes.

M. "Antique vehicle" means a vintage auto or motor cycle manufactured more than 25 years prior to the current year. Antique vehicles are rarely driven and typically transported by trailer.

N. "Classic vehicle" means a motor vehicle of limited production or availability, unique or rare design, and recognized for its aesthetic value. For purposes of this policy, a classic vehicle also includes a reproduction of a collector auto.

O. "Exotic vehicle" means a motor vehicle that is less than 20 years old that has not been altered from its original factory specifications. Exotic vehicles are of unique design and are part of a limited production. An exotic vehicle's value is derived in part from its performance and the artistic nature of its bodywork and interior.

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## PART A - LIABILITY COVERAGE

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### INSURING AGREEMENT

A. We will pay damages for "bodily injury" or "property damage" for which any "insured" becomes legally responsible because of an auto accident. Damages include prejudgment interest awarded against the "insured". We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. 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 this coverage has been exhausted by payment of judgments or settlements. We have no duty to defend any suit or settle any claim for "bodily injury" or "property damage" not covered under this policy.

B. "Insured" as used in this Part means:

1. You or any "family member" for the ownership, maintenance or use of any auto or "trailer".
2. Any person using "your covered auto".
3. For "your covered auto", any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this Part.
4. For any auto or "trailer", other than "your covered auto", any other person or organization but only with respect to legal responsibility for acts or omissions of you or any "family member" for whom coverage is afforded under this Part. This Provision (B.4.) applies only if the person or organization does not own or hire the auto or "trailer".

### SUPPLEMENTARY PAYMENTS

We will pay on behalf of an "insured":

1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in "bodily injury" or "property damage" covered under this policy.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Interest accruing after a judgment is entered in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.
4. Up to \$200 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
5. Other reasonable expenses incurred at our request.

These payments will not reduce the limit of liability.

### EXCLUSIONS

**A.** We do not provide Liability Coverage for any "insured":

1. Who intentionally causes "bodily injury" or "property damage".
2. For "property damage" to property owned or being transported by that "insured".
3. For "property damage" to property:
  - a. Rented to;
  - b. Used by; or
  - c. In the care of;that "insured".

This Exclusion (A.3.) does not apply to "property damage" to a residence or private garage.

4. For "bodily injury" to an employee of that "insured" during the course of employment. This Exclusion (A.4.) does not apply to "bodily injury" to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. For that "insured's" liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This Exclusion (A.5.) does not apply to a share-the-expense car pool.
6. While employed or otherwise engaged in the "business" of:
  - a. Selling;
  - b. Repairing;
  - c. Servicing;
  - d. Storing; or
  - e. Parking;

vehicles designed for use mainly on public highways. This includes road testing and delivery. This Exclusion (A.6.) does not apply to the ownership, maintenance or use of "your covered auto" by:

- a. You;
  - b. Any "family member"; or
  - c. Any partner, agent or employee of you or any "family member".
7. Maintaining or using any vehicle while that "insured" is employed or otherwise engaged in any "business" (other than farming or ranching) not described in Exclusion A.6.

This Exclusion (A.7.) does not apply to the maintenance or use of a:

- a. Private passenger auto;
  - b. Pickup or van; or
  - c. "Trailer" used with a vehicle described in a. or b. above.
8. Using a vehicle without a reasonable belief that that "insured" is entitled to do so. This Exclusion (A.8.) does not apply to a "family member" using "your covered auto" which is owned by you.
9. For "bodily injury" or "property damage" for which that "insured":

- a. Is an insured under a nuclear energy liability policy; or
- b. Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy is a policy issued by any of the following or their successors:

- a. Nuclear Energy Liability Insurance Association;
- b. Mutual Atomic Energy Liability Underwriters; or
- c. Nuclear Insurance Association of Canada.

**B.** We do not provide Liability Coverage for the ownership, maintenance or use of:

1. Any vehicle which:
  - a. Has fewer than four wheels; or
  - b. Is designed mainly for use off public roads.This Exclusion (B.1.) does not apply:
  - a. While such vehicle is being used by an "insured" in a medical emergency;
  - b. To any "trailer"; or
  - c. To any non-owned golf cart.
2. Any vehicle, other than "your covered auto", which is:
  - a. Owned by you; or
  - b. Furnished or available for your regular use.

3. Any vehicle, other than "your covered auto", which is:

- a. Owned by any "family member"; or
- b. Furnished or available for the regular use of any "family member".

However, this Exclusion (B.3.) does not apply to you while you are maintaining or "occupying" any vehicle which is:

- a. Owned by a "family member"; or
- b. Furnished or available for the regular use of a "family member".

4. Any vehicle, located inside a facility designed for racing, for the purpose of:

- a. Competing in; or
- b. Practicing or preparing for;

any prearranged or organized racing or speed contest.

#### LIMIT OF LIABILITY

A. The limit of liability shown in the Declarations for each person for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care, loss of services or death, arising out of "bodily injury" sustained by any one person in any one auto accident. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Bodily Injury Liability is our maximum limit of liability for all damages for "bodily injury" resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all "property damage" resulting from any one auto accident.

This is the most we will pay regardless of the number of:

1. "Insureds";
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:

1. Part B or Part C of this policy; or
2. Any Underinsured Motorists Coverage provided by this policy.

#### OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which "your covered auto" is principally garaged, we will interpret your policy for that accident as follows:

A. If the state or province has:

1. A financial responsibility or similar law specifying limits of liability for "bodily injury" or "property damage" higher than the limit shown in the Declarations, your policy will provide the higher specified limit.

2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage.

B. No one will be entitled to duplicate payments for the same elements of loss.

#### FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

#### OTHER INSURANCE

If there is other applicable liability insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, if other insurance is available under a policy or contract relating to the maintenance, selling, repairing, servicing, storing, or parking of motor vehicles, then any insurance we provide will be excess over that other insurance. Any insurance we provide for a vehicle you do not own, including any vehicle while used as a temporary substitute for "your covered auto", shall be excess over any other collectible insurance.

#### FEDERAL EMPLOYEES USING AUTOS IN GOVERNMENT BUSINESS

If this policy is issued to a federal employee using an auto in government business, the following provision is added:

The following are not "insureds" under Part A:

1. The United States of America or any of its agencies.
2. Any person with respect to "bodily injury" or "property damage" resulting from the operation of an auto by that person as an employee of the United States Government. This applies only if the provisions of Section 2679 of Title 28, United States Code as amended, require the Attorney General of the United States to defend that person in any civil action which may be brought for the "bodily injury" or "property damage".

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#### PART B – MEDICAL PAYMENTS COVERAGE

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#### INSURING AGREEMENT

A. We will pay reasonable expenses incurred for necessary medical and funeral services because of "bodily injury":

1. Caused by accident; and
2. Sustained by an "insured".

We will pay only those expenses incurred for services rendered within 3 years from the date of the accident.

B. "Insured" as used in this Part means:

1. You, any "family member", or a domestic animal owned by, or in the care, custody and control of an "insured":
  - a. While "occupying"; or
  - b. As a pedestrian when struck by;  
a motor vehicle designed for use mainly on public roads or a trailer of any type.
2. Any other person while "occupying" "your covered auto".

## EXCLUSIONS

We do not provide Medical Payments Coverage for any "insured" for "bodily injury":

1. Sustained while "occupying" any motorized vehicle having fewer than four wheels.
2. Sustained while "occupying" "your covered auto" when it is being used as a public or livery conveyance. This Exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while "occupying" any vehicle located for use as a residence or premises.
4. Occurring during the course of employment if workers' compensation benefits are required or available for the "bodily injury".
5. Sustained while "occupying", or when struck by, any vehicle (other than "your covered auto") which is:
  - a. Owned by you; or
  - b. Furnished or available for your regular use.
6. Sustained while "occupying", or when struck by, any vehicle (other than "your covered auto") which is:
  - a. Owned by any "family member"; or
  - b. Furnished or available for the regular use of any "family member".However, this Exclusion (6.) does not apply to you.
7. Sustained while "occupying" a vehicle without a reasonable belief that that "insured" is entitled to do so. This Exclusion (7.) does not apply to a "family member" using "your covered auto" which is owned by you.
8. Sustained while "occupying" a vehicle when it is being used in the "business" of an "insured". This Exclusion (8.) does not apply to "bodily injury" sustained while "occupying" a:
  - a. Private passenger auto;
  - b. Pickup or van; or
  - c. "Trailer" used with a vehicle described in a. or b. above.
9. Caused by or as a consequence of:
  - a. Discharge of a nuclear weapon (even if accidental);

- b. War (declared or undeclared);
  - c. Civil war;
  - d. Insurrection; or
  - e. Rebellion or revolution.
10. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
    - a. Nuclear reaction;
    - b. Radiation; or
    - c. Radioactive contamination.
  11. Sustained while "occupying" any vehicle located inside a facility designed for racing, for the purpose of:
    - a. Competing in; or
    - b. Practicing or preparing for;  
any professional or organized racing or speed contest.

## LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
  1. "Insureds";
  2. Claims made;
  3. Vehicles or premiums shown in the Declarations; or
  4. Vehicles involved in the accident.
- B. The limit of liability for injury to a domestic animal as described in Paragraph B.1. above is \$5,000 for each domestic animal in any one accident regardless of the limit of liability shown in the Declarations. This is the most we will pay regardless of the number of:
  1. "Insureds";
  2. Claims made;
  3. Vehicles or premiums shown in the Declarations; or
  4. Vehicles involved in the accident.
- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
  1. Part A or Part C of this policy; or
  2. Any Underinsured Motorists Coverage provided by this policy.

## OTHER INSURANCE

If there is other applicable auto medical payments insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own, including any vehicle while used as a temporary substitute for "your covered auto", shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.

## PART C – UNINSURED MOTORISTS COVERAGE

### INSURING AGREEMENT

**A.** We will pay compensatory damages which an "insured" is legally entitled to recover from the owner or operator of an "uninsured motor vehicle" because of "bodily injury":

1. Sustained by an "insured"; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the "uninsured motor vehicle".

Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

**B.** "Insured" as used in this Part means:

1. You or any "family member".
2. Any other person "occupying" "your covered auto".
3. Any person for damages that person is entitled to recover because of "bodily injury" to which this coverage applies sustained by a person described in 1. or 2. above.

**C.** "Uninsured motor vehicle" means a motor vehicle or trailer of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident. In this case its limit for bodily injury liability must be less than the minimum limit for bodily injury liability specified by the financial responsibility law of the state in which "your covered auto" is principally garaged.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits:
  - a. You or any "family member";
  - b. A vehicle which you or any "family member" are "occupying"; or
  - c. "Your covered auto".
4. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company:
  - a. Denies coverage; or

**b.** Is or becomes insolvent.

However, "uninsured motor vehicle" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any "family member".
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

### EXCLUSIONS

**A.** We do not provide Uninsured Motorists Coverage for "bodily injury" sustained:

1. By an "insured" while "occupying", or when struck by any motor vehicle owned by that "insured" which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
2. By any "family member" while "occupying", or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.

**B.** We do not provide Uninsured Motorists Coverage for "bodily injury" sustained by any "insured":

1. If that "insured" or the legal representative settles the "bodily injury" claim and such settlement prejudices our right to recover payment.
2. While "occupying" "your covered auto" when it is being used as a public or livery conveyance. This Exclusion **(B.2.)** does not apply to a share-the-expense car pool.
3. Using a vehicle without a reasonable belief that that "insured" is entitled to do so. This Exclusion **(B.3.)** does not apply to a "family member" using "your covered auto" which is owned by you.

**C.** This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:

1. Workers' compensation law; or
2. Disability benefits law.

**D.** We do not provide Uninsured Motorists Coverage for punitive or exemplary damages.

### LIMIT OF LIABILITY

**A.** The limit of liability shown in the Declarations for each person for Uninsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care, loss of services or death, arising out of "bodily injury" sustained by any one person in any one accident. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Uninsured Motorists Coverage is our maximum limit of liability for all damages for "bodily injury" resulting from any one accident.

This is the most we will pay regardless of the number of:

1. "Insureds";
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident.

**B.** No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:

1. Part **A** or Part **B** of this policy; or
2. Any Underinsured Motorists Coverage provided by this policy.

**C.** We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

**D.** We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:

1. Workers' compensation law; or
2. Disability benefits law.

#### **OTHER INSURANCE**

If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the policy:

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance we provide with respect to a vehicle you do not own, including any vehicle while used as a temporary substitute for "your covered auto", shall be excess over any collectible insurance providing such coverage on a primary basis.
3. If the coverage under this policy is provided:
  - a. On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.

b. On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis.

#### **ARBITRATION**

**A.** If we and an "insured" do not agree:

1. Whether that "insured" is legally entitled to recover damages; or
2. As to the amount of damages which are recoverable by that "insured";

from the owner or operator of an "uninsured motor vehicle", then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties may agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

**B.** Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

**C.** Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by at least two of the arbitrators will be binding as to:

1. Whether the "insured" is legally entitled to recover damages; and
2. The amount of damages.

This applies only if the amount does not exceed the minimum limit for bodily injury liability specified by the financial responsibility law of the state in which "your covered auto" is principally garaged. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

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**PART D – COVERAGE FOR DAMAGE TO  
YOUR AUTO**

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**INSURING AGREEMENT**

**A.** We will pay for direct and accidental loss to "your covered auto" or any "non-owned auto", including their equipment, minus any applicable deductible shown in the Declarations. If loss to more than one "your covered auto" or "non-owned auto" results from the same "collision" or other than "collision", only the highest applicable deductible will apply. We will pay for loss to "your covered auto" caused by:

1. Other than "collision" only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
2. "Collision" only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a "non-owned auto", we will provide the broadest coverage applicable to any "your covered auto" shown in the Declarations.

**B.** "Collision" means the upset of "your covered auto" or a "non-owned auto" or their impact with another vehicle or object.

Loss caused by the following is considered other than "collision":

1. Missiles or falling objects;
2. Fire;
3. Theft or larceny;
4. Explosion or earthquake;
5. Windstorm;
6. Hail, water or flood;
7. Malicious mischief or vandalism;
8. Riot or civil commotion;
9. Contact with bird or animal; or
10. Breakage of glass.

If breakage of glass is caused by a "collision", you may elect to have it considered a loss caused by "collision".

**C.** "Non-owned auto" means:

1. Any private passenger auto, pickup, van or "trailer" not owned by or furnished or available for the regular use of you or any "family member" while in the custody of or being operated by you or any "family member";
2. Any auto or "trailer" you do not own while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;

- d. Loss; or
- e. Destruction; or

3. Any vehicle you lease or rent for a period not greater than 90 days.

**TRANSPORTATION EXPENSES AND  
TEMPORARY EMERGENCY LIVING EXPENSES**

**A.** In addition, we will pay, without application of a deductible, up to a maximum of \$5,000 for reasonable additional expenses you incur for:

1. Transportation expenses;
2. Meals, lodging and phone expenses if you are more than 50 miles from your closest residence; and
3. Expenses for which you become legally responsible in the event of a loss to a "non-owned auto".

We will pay for such expenses if the loss is caused by:

- (1) Other than "collision" only if Other Than Collision Coverage is provided for an auto on your Declarations.
- (2) "Collision" only if Collision Coverage is provided for an auto on your Declarations.

**B.** Our payment will be limited to that period of time reasonably required to repair "your covered auto" or "non-owned auto". In the event of a total loss, our payment will be limited to that period of time until we pay the loss.

**EXCLUSIONS**

We will not pay for:

1. Loss to "your covered auto" or any "non-owned auto" which occurs while it is being used as a public or livery conveyance. This Exclusion (1.) does not apply to a share-the-expense car pool.
2. Damage due and confined to:
  - a. Wear and tear;
  - b. Freezing;
  - c. Mechanical or electrical breakdown or failure; or
  - d. Road damage to tires.

This Exclusion (2.) does not apply if the damage results from the total theft of "your covered auto" or any "non-owned auto".

3. Loss due to or as a consequence of:
  - a. Radioactive contamination;
  - b. Discharge of any nuclear weapon (even if accidental);
  - c. War (declared or undeclared);
  - d. Civil war;
  - e. Insurrection; or
  - f. Rebellion or revolution.



4. Loss to any electronic equipment that reproduces, receives or transmits audio, visual or data signals. This includes but is not limited to:

- a. Radios and stereos;
- b. Tape decks;
- c. Compact disk systems;
- d. Navigation systems;
- e. Internet access systems;
- f. Personal computers;
- g. Video entertainment systems;
- h. Telephones;
- i. Televisions;
- j. Two-way mobile radios;
- k. Scanners;
- l. Citizens band radios; or
- m. Personal media players.

This Exclusion (4.) does not apply to electronic equipment that is permanently installed in "your covered auto" or any "non-owned auto".

5. A total loss to "your covered auto" or any "non-owned auto" due to destruction or confiscation by governmental or civil authorities.

This Exclusion (5.) does not apply to the interests of Loss Payees in "your covered auto".

6. Loss to:

- a. A "trailer", camper body, or motor home, which is not shown in the Declarations; or
- b. Facilities or equipment used with such trailer, camper body or motor home. Facilities or equipment include but are not limited to:
  - (1) Cooking, dining, plumbing or refrigeration facilities;
  - (2) Awnings or cabanas; or
  - (3) Any other facilities or equipment used with a "trailer", camper body, or motor home.

This Exclusion (6.) does not apply to a:

- a. "Trailer", and its facilities or equipment, which you do not own; or
  - b. "Trailer", camper body, or the facilities or equipment in or attached to the "trailer" or camper body, which you:
    - (1) Acquire during the policy period; and
    - (2) Ask us to insure within 14 days after you become the owner.
7. Loss to any "non-owned auto" when used by you or any "family member" without a reasonable belief that you or that "family member" are entitled to do so.

8. Loss to equipment designed or used for the detection or location of radar or laser.

9. Loss to any custom furnishings or equipment in or upon any pickup or van. Custom furnishings or equipment include but are not limited to:

- a. Special carpeting or insulation;
- b. Furniture or bars;
- c. Height-extending roofs; or
- d. Custom murals, paintings or other decals or graphics.

This Exclusion (9.) does not apply to a cap, cover or bedliner in or upon any "your covered auto" which is a pickup.

10. Loss to any "non-owned auto" being maintained or used by any person while employed or otherwise engaged in the "business" of:

- a. Selling;
- b. Repairing;
- c. Servicing;
- d. Storing; or
- e. Pawning;

vehicles designed for use on public highways. This includes road testing and delivery.

11. Loss arising out of the ownership, maintenance or use of "your covered auto" or "non-owned auto":

- a. During instruction, practice, preparation for, or participation in any competitive, prearranged or organized racing, speed contest, rally, gymkhana, sports event, stunting activity, or timed event of any kind; or
- b. On a facility designed for:
  - (1) Racing;
  - (2) Testing; or
  - (3) Any other similar facility.

12. Loss to, or loss of use of, a "non-owned auto" rented by:

- a. You; or
- b. Any "family member";

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that "family member", pursuant to the provisions of any applicable rental agreement or state law.

13. The actual or perceived loss in market or resale value of an auto which results from a direct or accidental loss.

14. Loss to a "collector auto" caused by insects, birds or vermin, inherent defect, dampness, mildew, mold, rot or rust, temperature extremes or gradual deterioration.

15. Loss to a "collector auto" caused by any repairing, renovating or refinishing process unless the process results in a fire or explosion. We will only pay for the damage caused by the fire or explosion.

#### LIMIT OF LIABILITY

- A.** Our limit of liability for loss will be the lesser of the:
1. The Agreed Value stated in the Declarations or, for any auto without an Agreed Value stated in the Declarations, the actual cash value of the stolen or damaged property;
  2. Amount necessary to repair or replace the property with other property of like kind and quality without application of depreciation; or
  3. \$1,500 for loss to any "Non-owned auto" that is a trailer.

However, our payment will be reduced by any amount paid for a previous loss to the same vehicle if the prior damage has not been repaired.

- B.** Any applicable deductible shown in the Declarations will reduce our payment for loss. In the event of a Total Loss, no deductible will apply. An auto will be considered a Total Loss when:
1. The costs of labor and parts to repair the auto plus the salvage value are greater than or equal to the Agreed Value;
  2. The entire auto is stolen, not recovered and we offer to settle the loss; or
  3. We deem it to be a Total Loss.

#### PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

#### NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

#### OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a "non-owned auto" shall be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the "non-owned auto";
2. Any other applicable physical damage insurance;

3. Any other source of recovery applicable to the loss.

#### APPRAISAL

**A.** If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the expenses of the appraisal and umpire equally.

**B.** We do not waive any of our rights under this policy by agreeing to an appraisal.

#### FULL GLASS COVERAGE

We will pay under Other Than Collision Coverage for the cost of repairing or replacing the damaged windshield on "your covered auto" without a deductible. We will pay only if the Declaration indicates that Other Than Collision Coverage applies.

#### MULTIPLE POLICY DEDUCTIBLES

If a loss caused by the same occurrence is covered under both Part **D** of this policy and a homeowners policy issued by us where you are a "named insured", at your option we will apply only the highest applicable deductible between the two policies.

#### WAIVER OF COLLISION DEDUCTIBLE

When there is a loss to "your covered auto" insured for Collision Coverage under this policy, we will pay the full Collision Coverage deductible if:

1. The loss involves an "uninsured motor vehicle", as the term is defined in the Uninsured Motorist Coverage endorsement; and
2. You are legally entitled to recover the full amount of the loss from the owner or operator of the "uninsured motor vehicle"; or
3. The loss was caused by a "collision" with another auto insured by us.

Subject to the above, if you are legally entitled to recover only a percentage of the loss, we will pay that percentage of your deductible. If the amount of the loss is less than your deductible, we will pay the percentage of the loss you are legally entitled to recover.

In no event will we pay more than the amount of the loss.

The Arbitration and Duties after an Accident or Loss Provisions on the Uninsured Motorists Coverage endorsement apply to the Waiver of Collision Deductible Provision.

## COVERAGE FOR ACCIDENTAL DEPLOYMENT OF AN AIRBAG

We will pay the full cost to repair or replace an airbag system that accidentally deploys and is not caused by a collision or other than collision loss. There is no deductible for this coverage.

## AUTO LOAN/LEASE COVERAGE

If there is a total loss to "your covered auto", we will pay any unpaid amount due on the lease or loan for "your covered auto" less:

1. The amount paid under Part D – Coverage for Damage to Your Auto of the policy; and
2. Any:
  - a. Overdue lease/loan payments at the time of loss;
  - b. Financial penalties imposed under a lease for high mileage;
  - c. Security deposits not refunded by a lessor;
  - d. Cost for extended warranties, Credit , Life insurance, Health, Accident or Disability insurance purchased with the loan or lease; and
  - e. Carry-over balances from previous loans or leases.

## AUTO LOCK COVERAGE

If the keys to "your covered auto" or "non-owned auto" are lost or stolen, and we are notified of the loss within 72 hours, we will pay up to \$1,500 for the following:

1. The cost to replace or duplicate keys; or
2. The labor costs to retrieve keys accidentally locked in the vehicle; or
3. The cost to re-key the locks when the vehicle is stolen and then recovered or the keys are lost or stolen.

There is no deductible for this coverage.

## TOWING COVERAGE

If "your covered auto" is disabled as a result of a covered loss, we will pay the reasonable cost to tow "your covered auto" to a repair facility and for labor performed at the place of disablement.

## SPARE PARTS

We will pay up to \$1,000 in total if spare parts you own as replacement parts for your "collector auto" are lost or damaged unless an exclusion applies. There is no deductible for this coverage.

## PET INJURY

We will pay reasonable expenses incurred for necessary medical services because of a loss caused by a "collision" and sustained by any domestic animals owned by, or in the care, custody and control of an "insured". This coverage only applies if the domestic animal was "occupying" at the time of loss a:

1. Vehicle where the Declarations indicate that collision coverage applies; or

2. "Non-owned auto".

There is no deductible for this coverage.

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## PART E – DUTIES AFTER AN ACCIDENT OR LOSS

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We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
  1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
  2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
  3. Submit, as often as we reasonably require:
    - a. To physical exams by physicians we select. We will pay for these exams.
    - b. To an examination under oath and subscribe the same.
  4. Authorize us to obtain:
    - a. Medical reports; and
    - b. Other pertinent records.
  5. Submit a proof of loss when required by us.
- C. A person seeking Uninsured Motorists Coverage must also:
  1. Promptly notify the police if a hit-and-run driver is involved.
  2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage For Damage To Your Auto must also:
  1. Take reasonable steps after loss to protect "your covered auto" or any "non-owned auto" and their equipment from further loss. We will pay reasonable expenses incurred to do this.
  2. Promptly notify the police if "your covered auto" or any "non-owned auto" is stolen.
  3. Permit us to inspect and appraise the damaged property before its repair or disposal.

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## PART F – GENERAL PROVISIONS

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### BANKRUPTCY

Bankruptcy or insolvency of the "insured" shall not relieve us of any obligations under this policy.

### CHANGES

- A. This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.

**B.** If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:

1. The number, type or use classification of insured vehicles;
2. Operators using insured vehicles;
3. The place of principal garaging of insured vehicles;
4. Coverage, deductible or limits.

If a change resulting from **A.** or **B.** requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.

**C.** If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This Paragraph (**C.**) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of your policy; or
2. An Amendatory Endorsement.

#### **FRAUD**

We do not provide coverage for any "insured" who has made fraudulent statements or engaged in fraudulent conduct in connection with any accident or loss for which coverage is sought under this policy.

#### **LEGAL ACTION AGAINST US**

**A.** No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part **A**, no legal action may be brought against us until:

1. We agree in writing that the "insured" has an obligation to pay; or
2. The amount of that obligation has been finally determined by judgment after trial.

**B.** No person or organization has any right under this policy to bring us into any action to determine the liability of an "insured".

#### **OUR RIGHT TO RECOVER PAYMENT**

**A.** If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:

1. Whatever is necessary to enable us to exercise our rights; and
2. Nothing after loss to prejudice them.

However, our rights in this Paragraph (**A.**) do not apply under Part **D**, against any person using "your covered auto" with a reasonable belief that that person is entitled to do so.

**B.** If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and
2. Reimburse us to the extent of our payment.

#### **POLICY PERIOD AND TERRITORY**

**A.** This policy applies only to accidents and losses which occur:

1. During the policy period as shown in the Declarations; and
2. Anywhere in the world.

**B.** If you buy, lease, or rent, a "non-owned auto" outside the United States, its territories or possessions, Puerto Rico, or Canada, the coverage provided by this policy will apply to the use or operation of that vehicle by you or any "family member" provided:

1. That the mandated insurance is purchased or provided for the vehicle being operated, as defined by the country or jurisdiction. . Our limit of liability will be only the part of a covered loss that exceeds the limit of liability of that policy.

**In Mexico and other countries, liability coverage must be purchased from a locally licensed insurance company to meet the liability requirements of that country. Failure to comply with this requirement may leave you uninsured with regard to liability coverage under the local law and subject to fines and other penalties.**

2. The use, lease or rental, of the "non-owned auto" is for a period less than 90 days.

This coverage also applies to a temporarily relocated "covered auto" and "newly acquired vehicles."

#### **TERMINATION**

##### **A. Cancellation**

This policy may be cancelled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
  - a. Returning this policy to us; or
  - b. Giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:
  - a. At least 10 days notice:

- (1) If cancellation is for nonpayment of premium; or
  - (2) If notice is mailed during the first 60 days this policy is in effect and this is not a renewal or continuation policy; or
- b. At least 20 days notice in all other cases.
3. After this policy is in effect for 60 days, or if this is a renewal or continuation policy, we will cancel only:
- a. For nonpayment of premium; or
  - b. If your driver's license or that of:
    - (1) Any driver who lives with you; or
    - (2) Any driver who customarily uses "your covered auto";has been suspended or revoked. This must have occurred:
    - (1) During the policy period; or
    - (2) Since the last anniversary of the original effective date if the policy period is other than 1 year; or
  - c. If the policy was obtained through material misrepresentation.

#### **B. Nonrenewal**

If we decide not to renew or continue this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 20 days before the end of the policy period. Subject to this notice requirement, if the policy period is:

1. Less than 6 months, we will have the right not to renew or continue this policy every 6 months, beginning 6 months after its original effective date.
2. 6 months or longer, but less than one year, we will have the right not to renew or continue this policy at the end of the policy period.
3. 1 year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

#### **C. Automatic Termination**

If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If you obtain other insurance on "your covered auto", any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance.

#### **D. Other Termination Provisions**

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals. However, making or offering to make the refund is not a condition of cancellation.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.

#### **TRANSFER OF YOUR INTEREST IN THIS POLICY**

- A.** Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:
1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations; and
  2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use "your covered auto".
- B.** Coverage will only be provided until the end of the policy period.

#### **TWO OR MORE AUTO POLICIES**

If this policy and any other auto insurance policy issued to you by us apply to the same accident, the maximum limit of our liability under all the policies shall not exceed the highest applicable limit of liability under any one policy.



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*This endorsement changes the policy. Please read it carefully*

The Policy together with the Declarations Page and Endorsements, if any, is a legal contract between the policyholder and the Company.

Read your policy carefully

## I. Definitions

The **Definitions** section is amended as follows:

- A.** The definition of "family member" is replaced by the following:  
"Family member" means a person related to you by blood, marriage or adoption, including a minor in the custody of:
1. You; or
  2. Any related person;  
who is a resident of your household or who is temporarily residing elsewhere.
- B.** The following definitions are added:
1. "Rental vehicle" means a rented:
    - a. Private passenger auto;
    - b. Pickup or van; or
    - c. Truck with a registered gross vehicle weight of 26,000 pounds or less; if the rate for the use is determined on a daily, weekly or monthly basis. However, "rental vehicle" does not include any such vehicle if:
      - a. The rental rate is determined based on a period longer than one month;
      - b. The term of the rental agreement is longer than one month;
      - c. The rental agreement has a purchase or buyout option or otherwise functions as a substitute for purchase of the vehicle; or
      - d. It is a "temporary loaned vehicle".
  2. "Temporary loaned vehicle" means a:
    - a. Private passenger auto;
    - b. Pickup or van; or
    - c. Truck with a registered gross vehicle weight of 26,000 pounds or less; if such vehicle is loaned as a replacement for "your covered auto" being serviced or repaired regardless of whether the customer, who is provided the replacement vehicle, is charged a fee for the use of such vehicle.
  3. Throughout the policy, "minimum limits" refers to the following limits of liability, as required by Minnesota law, to be provided under a policy of automobile liability insurance:
    - a. \$30,000 for each person, subject to \$60,000 for each accident, with respect to "bodily injury"; and
    - b. \$10,000 for each accident with respect to "property damage".

## II. Part A – Liability Coverage

Part **A** is amended as follows:

- A.** Paragraph **A.** of the **Insuring Agreement** is replaced by the following:



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We will pay damages for "bodily injury" or "property damage" for which any "insured" becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for damages which are payable under the terms of this policy. In addition to our limit of liability, we will pay all defense costs we incur.

**B.** The following is added to the **Supplementary Payments** Provision:

We will pay on behalf of an "insured":

6. Prejudgment interest awarded against the "insured" on that part of the judgment we pay.

**C.** Exclusions **A.3.**, **A.6.**, and **A.7.** are replaced by the following:

We do not provide Liability Coverage for any "insured":

3. For "property damage" to property:

- a. Rented to;
  - b. Used by; or
  - c. In the care of;
- that "insured".

This Exclusion (**A.3.**) does not apply to:

- a. "Property damage" to a residence or private garage;
- b. "Property damage" to a:
  - (1) "Rental vehicle"; or
  - (2) "Temporary loaned vehicle".

6. While employed or otherwise engaged in the "business" of:

- a. Selling;
- b. Repairing;
- c. Servicing;
- d. Storing; or
- e. Parking;

vehicles designed for use mainly on public highways. This includes road testing and delivery.

This Exclusion (**A.6.**) does not apply to:

- a. The ownership, maintenance or use of "your covered auto" by:
  - (1) You;
  - (2) Any "family member"; or
  - (3) Any partner, agent or employee of you or any "family member";
- b. The ownership, maintenance or use of a "rental vehicle" or "temporary loaned vehicle"; or
- c. "Property damage" to a "rental vehicle" or a "temporary loaned vehicle".

7. Maintaining or using any vehicle while that "insured" is employed or otherwise engaged in any "business" (other than farming or ranching) not described in Exclusion **A.6.**

This Exclusion (**A.7.**) does not apply to:



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- a. The maintenance or use of a:
    - (1) Private passenger auto;
    - (2) Pickup or van; or
    - (3) "Trailer" used with a vehicle described in (1) or (2) above; or
  - b. The ownership, maintenance or use of a "rental vehicle" or "temporary loaned vehicle"; or
  - c. "Property damage" to a "rental vehicle" or a "temporary loaned vehicle".
- D. Exclusion (A.10.) is replaced by the following:**  
We do not provide Liability Coverage for any "insured":
- 10. For "bodily injury" to you or any "family member" to the extent that the limits of liability for this coverage exceed the minimum limits of liability required by the financial responsibility law of Minnesota.
- E. Exclusion B.2. is replaced by the following:**  
We do not provide Liability Coverage for the ownership, maintenance or use of:
- 2. Any vehicle, other than "your covered auto", which is:
    - a. Owned by you; or
    - b. Furnished or available for your regular use. This Exclusion (B.2.b.) does not apply to:
      - (1) A "rental vehicle" or "temporary loaned vehicle"; or
      - (2) "Property damage" to a "rental vehicle" or a "temporary loaned vehicle".
- F. Paragraph A. of the Limit Of Liability Provision is replaced by the following:**
- LIMIT OF LIABILITY**
- The limit of liability shown in the Declarations for each person for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care, loss of services or death, arising out of "bodily injury" sustained by any one person in any one auto accident. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Bodily Injury Liability is our maximum limit of liability for all damages for "bodily injury" resulting from any one auto accident.
- The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all "property damage" resulting from any one auto accident. In addition to this limit, we will make an additional amount available for "property damage" to a "rental vehicle" or "temporary loaned vehicle" for which coverage is provided under this policy if the limit of liability shown in the Declarations for Property Damage Liability is less than \$35,000, or has been reduced to less than \$35,000 by payments for "property damage" to property other than a "rental vehicle" or "temporary loaned vehicle" for which coverage is provided under this policy. This additional amount is equal to the difference between \$35,000 and the limit for Property Damage Liability available after all payments have been made under this coverage for "property damage" to property other than a "rental vehicle" or "temporary loaned vehicle" for which coverage is provided under this policy.
- This is the most we will pay regardless of the number of:
- 1. "Insureds";
  - 2. Claims made;
  - 3. Vehicles or premiums shown in the Declarations; or





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4. Vehicles involved in the auto accident.

G. The **Other Insurance** Provision is replaced by the following:

## **OTHER INSURANCE**

1. If there is other applicable insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. Except as provided in 2. below, any insurance we provide for a vehicle you do not own, including any vehicle while used as a temporary substitute for "your covered auto", shall be excess over any other collectible insurance.
2. With respect to a vehicle you do not own which is a "rental vehicle" or "temporary loaned vehicle", we will provide coverage on a primary basis for:
  - a. Bodily injury liability; and
  - b. Property damage liability, including "property damage" to a "rental vehicle" or a "temporary loaned vehicle".

### **III. Part D – Coverage For Damage To Your Auto**

Part D is amended as follows:

A. Paragraph C. of the **Insuring Agreement** is replaced by the following:

"Non-owned auto" means:

1. Any private passenger auto, pickup, van or "trailer" not owned by, rented by, or furnished or available for the regular use of you or any "family member" while in the custody of or being operated by you or any "family member"; or
2. Any auto or "trailer" you do not own or rent while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. Loss; or
  - e. Destruction.

"Non-owned auto" does not include a:

1. "Rental vehicle"; or
2. "Temporary loaned vehicle".

B. The **Other Sources Of Recovery** Provision is replaced by the following:

## **OTHER INSURANCE**

If there is other applicable similar insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a "non-owned auto" shall be excess over any other collectible insurance.

C. The **Appraisal** Provision is replaced by the following:

## **APPRAISAL**

- A. If we and you do not agree on the amount of loss, and:
  1. The amount of loss is \$10,000 or less, the loss shall be submitted to appraisal.
  2. The amount of loss is greater than \$10,000, either party may demand an appraisal of the loss.



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In the event of an appraisal, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the expenses of the appraisal and umpire equally.

**B.** We do not waive any of our rights under this policy by agreeing to an appraisal.

## IV. Part E – Duties After An Accident Or Loss

Part E is replaced by the following:

**A.** We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.

Notice to our authorized representative is considered notice to us.

- B.** A person seeking any coverage must:
1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
  2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
  3. Submit, as often as we reasonably require:
    - a. To physical exams by physicians we select. We will pay for these exams.
    - b. To examination under oath and subscribe the same.
  4. Authorize us to obtain:
    - a. Medical reports; and
    - b. Other pertinent records.
  5. Submit proof of loss when required by us.
- C.** A person seeking Uninsured Motorists Coverage must also:
1. Promptly notify the police if a hit-and-run driver is involved.
  2. Promptly send us copies of the legal papers if a suit is brought.
- D.** A person seeking Coverage For Damage To Your Auto must also:
1. Take reasonable steps after a loss to protect "your covered auto" or any "non-owned auto" and their equipment from further loss. We will pay reasonable expenses incurred to do this.
  2. Promptly notify the police if "your covered auto" or any "non-owned auto" is stolen.
  3. Permit us to inspect and appraise the damaged property before its repair or disposal.

## V. Part F – General Provisions

Part F is amended as follows:

**A.** The **Bankruptcy** Provision is replaced by the following:

### **BANKRUPTCY**

Bankruptcy, insolvency or dissolution of the "insured" shall not relieve us of any obligations under this policy.

**B.** The **Fraud** Provision does not apply to **Part A – Liability Coverage**.



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C. The following is added to the **Our Right To Recover Payment** Provision:

## **OUR RIGHT TO RECOVER PAYMENT**

1. Our rights under Paragraph **A.** with respect to all coverages do not apply against:
    - a. The person or organization legally responsible for damages, if we also insure that person or organization for the same loss or damages; or
    - b. Any "insured".
  2. With respect to Part **D.**, we shall be entitled to a recovery from the amount we receive under Paragraph **A.** or **B.** only after the person has been fully compensated for any applicable deductible.
  3. Our rights under Paragraph **A.** with respect to all coverages other than Part **A** – Liability Coverage do not apply to a person 21 years or older who:
    - a. Having had control over a premises and being in a reasonable position to prevent the consumption of alcoholic beverages, knowingly or recklessly permitted the consumption of alcoholic beverages that caused the intoxication of a person under 21 years of age; or
    - b. Sold, bartered, furnished or gave to, or purchased alcoholic beverages that caused the intoxication of a person under 21 years of age; and that intoxicated person caused the damages, expenses or loss for which payment was made under the policy.
  4. Our rights in Paragraphs **A.** and **B.** are subject to any applicable limitations contained in Minnesota law or regulation.
- D. The **Termination** Provision is replaced by the following:

## **TERMINATION**

### **Cancellation**

This policy may be cancelled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
  - a. Returning this policy to us; or
  - b. Giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by:
  - a. Giving to the named insured shown in the Declarations at the address shown in this policy at least 10 days' notice:
    - (1) If cancellation is for nonpayment of premium; or
    - (2) If this policy has been in effect less than 60 days at the time notice is given and this is not a renewal or continuation policy; or
  - b. Giving to the named insured shown in the Declarations at the address shown in this policy at least 30 days' notice in all other cases.
3. After this policy is in effect for 60 days, or if this is a renewal or continuation policy, we will cancel only:
  - a. For nonpayment of premium; or
  - b. If your driver's license or that of any driver who is not a named insured under any other policy; and who:
    - (1) Lives with you; or
    - (2) Customarily uses "your covered auto";



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has been suspended or revoked, within 36 months prior to the notice of cancellation, because of a moving traffic violation or refusal to be tested for being under the influence of alcohol. This must have occurred:

- (1) During the policy period; or
  - (2) Since the last anniversary of the original effective date if the policy period is other than one year; or
- c. If the policy was obtained through material misrepresentation.

## **NONRENEWAL**

If we decide not to renew or continue this policy, we will (subject to the provisions of the laws of the State of Minnesota) mail notice to the named insured shown in the Declarations at the address shown in this policy. Such notice will provide at least 60 days' advance notice of our intention not to renew or continue this policy. Subject to this notice requirement, if the policy period is:

1. Less than six months, we will have the right not to renew or continue this policy every six months, beginning six months after its original effective date.
2. Six months or longer, but less than one year, we will have the right not to renew or continue this policy at the end of the policy period.
3. One year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

However, even if we fail to comply with the above paragraph, this policy will terminate:

1. At the end of the current policy period, if:
  - a. You fail to pay the required renewal/continuation premium when due; or
  - b. We offer to renew or continue and you or your representative do not accept.
2. On the effective date of any other auto insurance policy you obtain for "your covered auto" designated in both policies.

## **OTHER TERMINATION PROVISIONS**

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is cancelled, you may be entitled to a premium refund. The premium refund, if any, will be computed according to our manuals.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.