



**TENNESSEE
PERSONAL AUTOMOBILE INSURANCE POLICY**

IMPORTANT

Do not fail to notify the office of the Company of every accident however slight, immediately upon occurrence. If accident is fatal or involves serious injury telephone at the company's expense, giving date of inquest if one is to be held. Delay in sending notice may jeopardize your claim rights. Please notify us immediately and send complete report later.

Notify the Company at 7400 Caldwell, Niles, IL 60714, (773) 299-7500

THESE POLICY PROVISIONS WITH THE DECLARATIONS PAGE, AND ENDORSEMENTS, IF ANY,
ISSUED TO FORM A PART THEREOF, COMPLETE THIS POLICY.

IMPORTANT

PLEASE READ YOUR POLICY AND REPORT IN WRITING ANY ERRORS IMMEDIATELY TO THE COMPANY.

NOTICE – This policy has been issued based upon the reliance of your statements and representations on the application. Read it carefully and notify the Company immediately of any misinformation or changes which have occurred or may occur.

**UNIQUE INSURANCE CO,
Niles, Illinois 60714**

YOUR PERSONAL AUTOMOBILE POLICY – QUICK REFERENCE

DECLARATIONS PAGE

**Name of Insurance Company Your
Name and Address Your Auto or Trailer
Policy Period
Coverage and Amounts of Insurance**

	<u>Beginning On Page</u>		<u>Beginning On Page</u>
AGREEMENT, DECLARATIONS and DEFINITIONS	3	PART E-Rental Reimbursement Coverage	10
PART A-Liability Coverage	4	PART F-Insuring Agreement & Towing and Labor	11
Insuring Agreement	4	PART G-Duties After An Accident Or Loss	11
Supplementary Payments	4	General Duties	11
Exclusions to Your Auto	4	Additional Duties for Uninsured Motorists Coverage	11
Financial Responsibility Laws	5	Additional Duties for Coverage for Damage to Your Auto	11
Limit of Liability	5	PART H-General Provisions	12
Other Insurance	5	Bankruptcy	12
PART B-Medical Payments Coverage	5	Changes	12
Insuring Agreement	5	Conditions Precedent and Legal Action Against Us	12
Exclusions	5	Our Right to Recover Payment	12
Limit of Liability	6	Policy Period and Territory	12
Payment of Benefits	6	Expiration	12
Trust Agreement	6	Termination	12
PART C-Uninsured Motorist Coverage	6	Transfer of Your Interest in This Policy	13
Insuring Agreement	6	Two or More Auto Policies	13
Additional Definitions as used in Part C	6	Fraud and Misrepresentation	14
Exclusions	7		
Limit of Liability	7		
Payment of Loss by Us	8		
Action Against Us	8		
Proof of Claim	8		
Other Insurance	8		
PART D-Coverage for Damage to Your Auto	8		
Insuring Agreement	8		
Transportation Expenses	9		
Exclusions	9		
Limit of Liability	10		
Payment of Loss	10		
No Benefit to Bailee	10		
Other Insurance	10		
Appraisal	10		
Loss Payee Clause	10		

PERSONAL AUTO POLICY

AGREEMENT

In consideration of the payment of the premium and in reliance upon the statements in the application and declarations and subject to all of the terms of this policy, we agree with you as follows:

DECLARATIONS

By acceptance of this policy you agree:

1. that the statements contained in the application, a copy of which is attached to and forms a part of this policy, and the statements in the Declarations are your representations; and
2. that this policy is issued in reliance upon the truth of those representations; and
3. that this policy embodies all agreements existing between you and us or any of our agents relating to this policy; and
4. that the coverages afforded by the policy shall not apply to any loss in which any vehicle is driven, operated, occupied, manipulated, maintained, serviced or used in any manner by any person that is not listed as a driver on the policy Application, Declarations, or Endorsements who is (a) either a **Family Member** or resides in the same household as the **named insured**, or (b) a regular or frequent user of any automobile insured under this policy. This provision shall apply whether or not the **named insured** is occupying the vehicle at the time of loss.

GENERAL DEFINITIONS

Throughout the policy, "**you**" and "**your**" refer to:

1. The "**named insured**" shown in the Declarations; and
2. The spouse of the '**named insured**,' if residing in the same household, and if listed as a driver on the Application Declarations, and/or added by Endorsement.

"**Named insured**" means the individual named in Item 1 of the Declarations and also includes his **spouse**, if a resident of the same household;

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

"**Family Member**" means a person related to you by blood, marriage or adoption and who primarily lives in your household. This includes your ward or foster child, and includes any child of yours who is only temporarily away from the household.

"**Maintenance**" means performance of services which are necessary to keep a vehicle in working order or to restore it to working order.

"**Occupying**" means in, entering, on, upon, or alighting from. It requires physical contact.

"**Operation**" means physically controlling, having physical controlled, or attempting to physically control, the movements of a vehicle.

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

1. Private passenger auto; or
2. Pickup, panel truck, or van.

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

"**Your Covered Auto**" means:

1. Any vehicle shown in the Declarations.
2. Any of the following vehicles acquired during the policy period on the date you become the owner or lessee, provided you ask us, in writing, to insure it and pay the required premium within 30 days of purchase or lease.
 - a. a private passenger auto; or
 - b. a pickup, panel truck or van, not used in any business or occupation other than farming or ranching

For purposes of this policy a private passenger type auto 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 three months
3. Any **trailer** you own.
4. Any auto, including but not limited to an auto the cost of which is reimbursable under Rental Reimbursement Coverage or any **trailer** you do not own while used as a temporary substitute for any other vehicles described in this definition which is out of normal use because of its:
 1. breakdown;
 2. repair;
 3. servicing;
 4. loss; or
 5. destruction.

Except note that paragraphs 3 and 4 are excluded from collision and comprehensive coverage in the definition of "**Your Covered Automobile**" **PART D- COVERAGE FOR DAMAGE TO YOUR AUTOMOBILE** and from uninsured motorist property damage coverage under **PART C- UNINSURED MOTORIST COVERAGE**.

“Non-Covered Person” as used in this Policy means:

1. Any operator of a vehicle who is not listed as a driver on the policy Application, Declarations, and/or added by Endorsement and is either a **Family Member** or resides in the same household as the **named insured**.
2. Any operator who is listed as an “Excluded Driver(s)” on the Application, Declarations and/or added by Endorsement.
3. An operator of a vehicle who is a regular or frequent user of **Your Covered Auto** and not listed on the Application, Declarations and/or added by Endorsement.
4. An operator of a vehicle who is an unlicensed driver or whose driving privileges have been terminated or suspended.
5. An operator of a vehicle who is using a vehicle without a reasonable belief that person is entitled to do so.
6. Any person who directly or indirectly intentionally causes bodily injury or property damage. The person shall be deemed to intend the natural and probable consequences of his intentional acts.

PART A - LIABILITY COVERAGE INSURING AGREEMENT

We will pay damages for bodily injury or property damage for which a **Covered Person**, as defined in this Part, becomes legally responsible because of an auto accident. 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. We will **not** pay damages for bodily injury or property damage caused by a **Non-Covered Person**, nor will we defend or pay any cost of defense.

It is further understood and agreed that we are not obligated to pay, and shall not pay, attorney's fees for any legal or investigative work, unless such attorneys are selected by us; it is further understood and agreed that we are not obligated to pay, and shall not pay, any sum of which a **Covered Person**, as defined in this Part, may be legally obligated to pay as a result of a lawsuit **unless such Covered Person provides us actual notice of said suit, in accordance with PART G - DUTIES AFTER AN ACCIDENT OR LOSS, GENERAL DUTIES.**

“Covered Person” as used in this Part means:

1. You for the ownership, maintenance or use of **Your Covered Auto** or **trailer**, unless it is operated by a **Non-Covered Person**.
2. A person, other than a **Non-Covered Person**, using **Your Covered Auto** with your express permission within the scope of that permission
3. For **Your Covered Auto**, any person or organization, other than a **Non-Covered Person**, but only with respect to legal responsibility for acts or omissions of an operator of **Your Covered Auto**, provided said operator is not a **Non-Covered Person**.

SUPPLEMENTARY PAYMENTS

In addition to our limit of liability, we will pay on behalf of a **Covered Person**:

1. Up to \$100 for the cost of bail bonds required because of an accident, including related traffic law violations that result in bodily injury or property damage that is covered under this policy.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Up to \$35 a day for loss of earnings, but no other income, because of attendance at hearings or trials at our request.
4. Other reasonable expenses incurred at our request.

EXCLUSIONS

- A. We do not provide Liability Coverage for any person:
1. For damage to property owned or being transported by that person.
 2. For damage to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of; that person.
 3. For bodily injury to an employee of that person during the course of employment.
 4. Bodily injury to any person eligible to receive any benefits required to be provided or voluntarily provided by any insured under a:
 - a. Workers Compensation;
 - b. Unemployment Compensation;
 - c. Non-occupational or occupational disease;
 - d. Disability benefit or similar law.
 5. For that person's liability arising out of the ownership or operation of a vehicle while it is being used to carry persons or property for a fee or compensation of any type, including, but not limited to, pizza, postal, and newspaper deliveries. This exclusion does not apply to a share-the-expense car pool.
 6. While employed or otherwise engaged in the business or occupation of:
 - a. selling; or
 - b. repairing; or
 - c. servicing; or
 - d. storing; or
 - e. parking vehicles designed for use mainly on public highways. This includes road testing and delivery. This exclusion does not apply to the ownership, maintenance or use of **Your Covered Auto** by you.
 7. For bodily injury or property damage for which that person:
 - 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.
8. For bodily injury, property damage or death sustained by you or any **Family Member** or person who is otherwise a member of your household.
9. For bodily injury or property damage which may reasonably be expected to result from the acts of an insured person, or from the criminal acts of an insured person, or which are, in fact, intended by an insured person to cause bodily injury or property damage.
10. Arising out of operation of any automobile insured under this policy which is designed for racing while being tested, repaired or serviced or while used, operated, manipulated or maintained in any prearranged or organized race or speed test; including "hot rod", "drag" or "stock" racing.
11. For the payment of punitive or exemplary damages, whether arising from or resulting from actual or alleged malicious, intentional, fraudulent or reckless conduct.
12. While towing a vehicle other than **Your Covered Auto**.
- B. We do not provide Liability Coverage for the ownership, maintenance, or use of:
1. A motorcycle, all terrain vehicle (ATV), golf cart, or any motorized vehicle having less than four wheels.
 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 a **Family Member**, or
 - b. furnished or available for the regular use of any **Family Member**

FINANCIAL RESPONSIBILITY LAWS

When we certify this policy as proof of Financial Responsibility, it will comply with the law to the extent of the coverage required by the law, in the state where we certified this policy, subject to the limits of this policy.

LIMIT OF LIABILITY

Regardless of the number of covered persons, claims made, vehicles or premiums shown in the Declarations, vehicles involved in the auto accident, or suits brought, we will pay the limits of liability shown in the Declarations subject to the following:

1. The limit for "each person" is the maximum we will pay for bodily injury sustained by any one accident, and includes all derivative claims which include but are not limited to loss of society, loss of companionship, loss of services and loss of consortium.
2. Subject to the bodily injury limit for "each person," the limit for each accident, is the maximum we will pay for bodily injury sustained by two or more persons in any one accident and includes all derivative claims which include but are not limited to loss of society, loss of companionship, loss of services and loss of consortium.
3. The property damage liability limit for "each occurrence" is the maximum we will pay for all damage to property in an occurrence.
4. We will provide insurance for a covered person, other than the **named insured**, listed driver, or a **Family Member**, up to the limits of the Financial Responsibility Law only. Any amount payable under this coverage to or for an injured person will be reduced by any payment made to that person under the Uninsured Motorist Coverage for this policy.

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, any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance.**

PART B- MEDICAL PAYMENTS COVERAGE INSURING AGREEMENT

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

1. Caused by an auto accident; and
2. Sustained by a **Covered Person**, and
3. Which is in excess of any medical and/or funeral expenses actually paid or which would be payable to or on behalf of the **Covered Person** under the provision of any:
 - a. automobile or premises insurance affording benefits for medical expenses;
 - b. individual, blanket or group accident, disability or hospitalization insurance; or
 - c. medical or surgical insurance or reimbursement plans; and
4. Provided by a medical provider who is a) licensed by the state where these services are performed and b) licensed to perform these services.

We will pay only those expenses incurred within 1 year from the date of the accident.

"**Covered Person**" as used in this Part means:

1. You or any **Family Member**, other than a **Non-Covered Person**
 - a. while occupying **Your Covered Auto** (provided it is not operated by a **Non-Covered Person**), 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 person while occupying **Your Covered Auto**, (provided it is not operated by a **Non-Covered Person**).

EXCLUSIONS

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

1. Sustained while any automobile is operated by a **Non- Covered Person**.
2. Sustained while **occupying** a motorcycle, all terrain vehicle (ATV), or any motorized vehicle having less than four wheels.
3. Sustained while **Your Covered Auto** is being used to carry persons or property for a fee or compensation of any type, including, but not limited to, pizza, postal, and newspaper deliveries. This exclusion does not apply to a share-the- expense car pool.
4. Sustained while **occupying** any vehicle located for use as a residence or premises.
5. Occurring during the course of employment if workers' compensation benefits are required or available for the bodily injury.
6. Sustained while occupying **Your Covered Auto** when it is being used in the business or occupation of a **Covered Person**.
7. 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;
 - e. rebellion or revolution or
 - f. terrorist act
8. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation;
 - c. radioactive contamination.
9. Arising out of operation of any automobile insured under this policy which is designed for racing while being tested, repaired or serviced or while used, operated, manipulated or maintained in any prearranged or organized race or speed test, including "hot rod", "drag" or "stock" racing.

LIMIT OF LIABILITY

The limit of liability 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. **Covered Persons**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident. Any amounts otherwise payable for expenses under this coverage shall be reduced by any amounts paid or payable for the same expenses under Part A or Part C, or 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 shall be excess over any other collectible insurance providing payments for medical or funeral expenses.

As soon as possible the **Covered Person** making claim under this coverage shall give us written proof of intent to present a claim under this Part, and to provide us a proof of loss, including full details of the injuries and treatment, other medical, hospital, workman's compensation insurance available, and any other information we may need to determine the amounts payable. The **Covered Person** shall submit to reasonable questioning concerning any claim made under this policy.

The **Covered Person** shall submit to physical examination by doctors chosen by us at the time we select and as often as we may reasonably require. The **Covered Person** shall also give us an authorization which would allow us to obtain medical reports and copies of the records.

PAYMENT OF BENEFITS

We may pay the **Covered Person**, the person providing medical services or the person responsible for payment of the medical expenses.

TRUST AGREEMENT

When we pay medical expenses, the **Covered Person** or legal representative must agree in writing to repay us out of any damages recovered from anyone responsible for causing the bodily injury. The Covered Person must also agree in writing to hold in trust and preserve for us any rights to recovery against anyone.

PART C - UNINSURED MOTORIST COVERAGE INSURING AGREEMENT

We will pay damages (other than punitive or exemplary damages) which a **Covered Person**, as defined in this Part, is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injury or property damage:

1. Sustained by a **Covered Person**; and
2. Caused by an accident, which in no way involves the operation of any covered automobile by a **Non-Covered Person**; unless the injury is to you or a family member who is not also defined as a Non-Covered Person.

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 prior notice to us, and without our written consent is not binding on a claim being made by any **Covered Person**, against us. A default judgment rendered against the owner or operator of an uninsured motor vehicle shall not be binding nor determinative of any issue arising in a claim being made by any **Covered Person**.

No recovery can be made under this Part until the **Covered Person** has received by way of settlement or judgment, the full limits of coverage under any applicable bodily injury liability policy or bond.

ADDITIONAL DEFINITIONS as used in Part C

"**Covered Person**" as used in this Part means:

1. You, and a **Family Member** other than a **Non-Covered Person**
2. Any individual listed as "driver" on the declarations, but only with respect to that individual's **use** of the vehicle and provided that the individual is not a **Non-Covered Person**; and
3. Any other person using **Your Covered Auto** (provided it is not operated by a **Non-Covered Person**)

"**Property Damage**" means loss to **your covered auto**, which for purposes of this Part C shall not include paragraphs 3 and 4 of the Definition of a **Covered Auto**.

"**Uninsured Motor Vehicle**" means a land motor vehicle or trailer of any type:

1. To which no bodily injury or property damage liability bond or policy is in effect at the time of the accident.
2. To which a bodily injury or property damage liability bond or policy is in effect at the time of the accident but the sum of the limits of liability coverage under all policies is less than the Limits of Liability shown on the declarations page for the coverages under this Part C.
3. Which is a hit and run vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in "bodily injury" without hitting.
 - a. You or a **Family Member**, other than a **Non-Covered Person**
 - b. **Your Covered Auto**
 - c. a vehicle You or a **Family Member**, other than a **Non-Covered Person**, are occupying

If there is no physical contact with the hit and run vehicle, the facts of the accident must be proven by clear and convincing evidence, other than any evidence provided by occupants in the insured or occupied vehicle.

4. To which a 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. Identified as "**Your Covered Auto**" on the Application, Declarations, and/or added by Endorsement.
2. Owned by or furnished or available for the regular use of you or any **Family Member**.
3. Operated by **Non-Covered Person**.
4. Operated on rails or crawler treads.
5. Which is any vehicle designed mainly for use off public roads except while on public roads.
6. While located for use as a residence or premises.

"**Use and Using**" mean maintaining and operating.

EXCLUSIONS

- A. We do not provide Uninsured Motorist Coverage for bodily injury or property damage sustained by any person:
 1. During or as a result of operation of any automobile by a **Non-Covered Person**.
 2. If that person or the legal representative settles the bodily injury claim without notice to us and our consent.
 3. While occupying **Your Covered Auto** when it is being used to carry persons or property for a fee or compensation of any type, including, but not limited to pizza, postal, and newspaper deliveries. This exclusion does not apply to a share-the-expense car pool.
 4. Using a vehicle without a reasonable belief that the person is entitled to do so.
 5. Using a vehicle in the commission of a crime, other than a traffic violation.

LIMIT OF LIABILITY

Subject to the laws of Tennessee, we will pay no more than the maximums shown on the Declarations Page for coverage under this Part C.

1. The amount shown for "each person" is the most **we** will pay for all damages due to a **bodily injury** to one person; and
2. Subject to the "each person" limit, the amount shown for "each accident" is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one **accident**.
3. The property damage limit for "each accident" is the maximum we will pay for all damage to property in an accident, subject to a \$200 deductible. However, the deductible of two hundred dollars (\$200) shall not apply if.
 - a. the vehicle involved in the accident is insured by the same insurer for both collision and uninsured motorist property damage coverage; and
 - b. the operator of the other vehicle has been positively identified and is solely at fault.

The "each person" limit of liability includes the total of all claims made for **bodily injury** to a **covered person** and all claims of others derived from

such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

The damages which a **covered person** is legally entitled to recover because of **bodily injury or property damage** shall be reduced by:

1. all sums paid because of **bodily injury or property damage** by or on behalf of any person or organizations that may be legally responsible;
2. any difference between the sums paid by the insurers of the persons or organizations who may be legally responsible and the limits of liability under those bonds and policies;
3. any amount paid by or for any liable party, including all sums paid under the Auto Liability coverage of this policy;
4. any amount paid or payable under a policy providing Uninsured Motorist Coverage; and
5. any amount paid and the present value of any amounts payable under worker's compensation law, disability benefits law or similar laws;

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

- A. "Insureds";
- B. Claims made;
- C. Vehicles involved in the accident;
- D. Lawsuits brought;
- E. Premiums paid
- F. Number of covered autos;
- G. Covered Persons; or
- H. non-covered persons.

No one will be entitled to receive duplicate payments for the same elements of loss as a result of the application of this provision.

We shall not be obligated to pay under this coverage that part of the damages that represent medical bills paid or payable under the Medical Payments Coverage in Part B.

Any coverage afforded under this policy shall apply over and above all sums paid or payable for the same elements of loss because of the "bodily injury" under any of the following or similar laws:

1. workers' compensation law; or
2. disability benefits law.

However, no one will be entitled to receive duplicate payments for the same elements of loss.

Any payments under this coverage will reduce any amount that person is entitled to recover for the same damages under Part A, Part B, Part D, Part E and Part F.

PAYMENT OF LOSS BY US

Payment by us is payable to the **Covered Person** or (a) if the **Covered Person** is a minor, to his parent or guardian, subject to the approval of the appropriate Court(s) of law, or (b) if the **Covered Person** is deceased, to the surviving spouse, otherwise (c) to a person authorized by law to receive such payment.

ACTION AGAINST US

A **Covered Person** must have complied fully with all the terms of this policy and this Part before any obligation for payment arises, and no action may be taken against us without and until compliance with all conditions and terms of this policy by the person(s) seeking coverage hereunder.

PROOF OF CLAIM

You or your relative or someone on your behalf must have reported the accident to the police within 24 hours.

As soon as possible, the **Covered Person** making claim under this coverage shall give us written proof of intent to present a claim under this Part, including submission of a sworn proof of loss that provides full details of the accident, persons, entities, and vehicles involved, the insurance coverages involved for all participants, injuries and treatment for which claim is made, all other and past medical histories, and any other information we may need to determine if coverage is due and, if so, the amount payable. The **Covered Person** shall submit to reasonable questioning, under oath and provide records or documents, if requested, concerning any claim made under this policy as often as we may reasonably require outside the presence of any other claimants.

The **Covered Person** shall submit to physical examinations by doctors chosen by us as often as we may reasonably require. The **Covered Person** shall also give us an authorization which would allow us to obtain all necessary medical reports and copies of the records.

The **Covered Person** shall make the **Covered Auto** available for inspection and examination upon request and as often as we may require.

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 vehicle you do not own shall be excess over any other

collectible insurance which is deemed primary.

PART D - COVERAGE FOR DAMAGE TO YOUR AUTOMOBILE - INSURING AGREEMENT

We will pay for **direct and accidental loss** to **Your Covered Auto**, which for purposes of **Part D** shall not include paragraphs 3 and 4 of the Definition of a **Covered Auto**, provided such loss does not occur during the operation, maintenance or use by a **Non-Covered Person**, including its attached equipment, minus any applicable deductible shown in the Declarations. However, we will pay for a loss under Part D only if the Declarations indicate that this Coverage is provided.

"Direct and Accidental Loss" means damage caused by the upset, collision, missiles, falling objects, fire, theft or larceny, explosion or earthquake, hail, water or flood, malicious mischief or vandalism, contact with birds or animals, or breakage of glass, to **Your Covered Auto**. However, loss covered by riot or civil commotion are not considered a **direct and accidental loss**. Loss occurring during operation, maintenance or use by a **Non-Covered Person** is not a covered loss.

"Collision" means the upset, or collision with another object of **Your Covered Auto**. However, loss caused by the following are not considered a **"collision"**:

1. missiles;
2. fire;
3. theft, conversion, or larceny;
4. explosion or earthquake;
5. hail, water or flood;
6. malicious mischief or vandalism;
7. contact with birds or animals;
8. Breakage of glass.

The above listed causes of damage are considered comprehensive coverage.

TRANSPORTATION EXPENSES

In addition, we will pay up to \$10 per day, to a maximum of \$300 for transportation expenses incurred by you because of the total theft of **Your Covered Auto**. We will pay for transportation expenses incurred during the period:

1. Beginning 72 hours after the theft has been reported to us and to the police; and
2. Ending when whereabouts of **Your Covered Auto** becomes known to the **Covered Person** or Company or we to pay for its loss.

This Transportation Expense will not apply if the Named Insured has purchased Rental Reimbursement Coverage.

EXCLUSIONS

We will not pay for:

1. Loss to **Your Covered Auto** while it is being operated, maintained, or used by a **Non-Covered Person**.
2. Loss to **Your Covered Auto** which occurs while it is used to carry person(s) or property for a fee or compensation of any type, including, but not limited to, pizza, postal, and newspaper deliveries. This exclusion does not apply to a share-the-expense car pool.
3. Damage due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown; or
 - d. road damage to tires; or
 - e. repair, maintenance, or service by you, any other person or third party;

This exclusion does not apply if the damage results from the total theft of **Your Covered Auto**.

4. Loss due to or as a consequence of:
 - a. radioactive contaminations;
 - b. discharge of any nuclear weapon (even if accidental);
 - c. war (declared or undeclared);
 - d. civil war;
 - e. insurrections;
 - f. rebellion or revolution; or
 - g. terrorist act.
5. Loss to equipment designed for the reproduction of audio or video unless the equipment is permanently installed in the dash or console opening specified by the manufacturer of the motor vehicle for the installation of such equipment;
6. Loss to tapes, records or other devices for use with equipment designed for the reproduction of audio or video sound.
7. Loss to a camper body or **trailer** not shown in the Declarations. This exclusion does not apply to a camper body or **trailer** you:
 - a. acquire during the policy period; and
 - b. ask us to insure within 30 days after you become the owner.
8. Loss of non-attached personal property located in **Your Covered Auto** at the time of loss.
9. Loss to:
 1. TV antennas;
 2. Awnings or cabanas; or
 3. Equipment designed to create additional living facilities.
10. Loss to any of the following or their accessories:
 - a. citizens band radio;

- b. two-way mobile radio;
 - c. telephone; or
 - d. scanning monitor receiver.
11. Loss to any custom furnishings or equipment in or upon any vehicle. Custom furnishings or equipment include but are not limited to:
 - a. special carpeting and insulation, furniture, bars or television receivers;
 - b. facilities for cooking and sleeping;
 - c. height-extending roofs; or
 - d. custom murals, painting or other decals or graphics, including ground effects. Unless otherwise insured against and appropriate premium charged.
 12. Loss to **Your Covered Auto** while being operated in any organized or spontaneous racing or speed contest or in practice or preparation for any such contest.
 13. Any loss to **Your Covered Auto** arising out of or during its use for the transportation of any explosive substance, flammable liquid, or similarly hazardous materials, except transportation incidental to your ordinary household or farm activities.
 14. Loss with respect to a vehicle, ownership of which is acquired by the **Covered Person** during the policy period. The **Covered Person** has not notified us in writing and paid the applicable premium within thirty (30) days of such acquisition, of his or her election to make this part of this policy applicable to such vehicle.
 15. Loss due to theft under this coverage if evidence exists that forcible entry was not required to gain access to **Your Covered Auto**.
 16. Loss of equipment which is not available from the manufacturer of the vehicle named in the policy for that make, model and model year.
 17. Loss to a non-owned vehicle arising out of its use by the **Covered Person** in the automobile business.
 18. Loss to **Your Covered Auto** caused during the commission of a crime other than traffic violations.
 19. Theft or conversion of a **covered vehicle, non-owned vehicle, or trailer**:
 - a. by **you**, a **relative**, or any resident of **your** household;
 - b. prior to its delivery to **you** or a **relative**; or
 - c. while in the care, custody, or control of anyone engaged in the **business** of selling the **vehicle** or **trailer**;
 20. Loss while towing a vehicle other than **Your Covered Auto**.

LIMIT OF LIABILITY

Our limit of liability for payment to you shall not:

1. Exceed the actual cash value of **Your Covered Auto** at the time of direct and accidental loss, or the cost of repair with parts of like kind or quality, whichever is less. However, if repair is made with new parts, which may include parts supplied by a supplier other than the original manufacturer, rather than like kind or quality, we may reduce the amount we pay for this betterment.
2. Be increased if **Your Covered Auto** is altered after its purchase resulting in an increase in value unless you notify us of such alterations in writing and an additional charge is paid.
3. Be increased for special equipment unless such special equipment has been specifically declared to us and an additional charge is paid.
4. Exceed four (4) days of storage charges incurred prior to the date you report a loss or accident to us.
5. Exceed the towing or wrecker charges to the nearest authorized repair facility.

PAYMENT OF LOSS

We may pay for any loss in money or repair or replace the damaged or stolen auto with parts of the kind and quality or damaged part thereof with parts of like kind and quality (which will include parts supplied by a supplier other than the original manufacturer). We may, at our expense, return any stolen auto to:

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

You may not require us to pay for any loss or damage until thirty (30) days after you have complied with all the terms of this policy.

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

NO BENEFIT TO BAILEE

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

OTHER INSURANCE

If other insurance also covers 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.

APPRAISAL

If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In the event, each party will select a competent appraiser, the two appraisers will select an umpire. Each appraiser will state separately the actual cash value and the amount of the 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;
2. Bear the expenses of the appraisal and umpire equally.

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

LOSS PAYEE CLAUSE

Payment for loss to a covered auto will be made according to your interest and the interest of any Loss Payee or Lienholder shown on the Declarations Page or designated by you. Payment may be made to both jointly, or separately, at our discretion.

We will be entitled to the Loss Payee or Lienholder's rights of recovery, to the extent of our payment to the Loss Payee or Lienholder.

If we become obligated to reimburse a lienholder under this coverage due to your failure to meet the policy requirements or through your failing to make your premium payments, we have the right to recover any money we pay, from you.

PART E - RENTAL REIMBURSEMENT COVERAGE

1. If your declarations page reflects you pay a premium for Rental Reimbursement Coverage and a covered collision or comprehensive loss, in excess of the applicable deductible, occurs to an owned automobile insured under this policy, the Company will pay for rental expense (limited by the maximum daily rate and maximum covered days stated on the declarations page) incurred for the rental of an automobile from a public automobile rental agency. The maximum daily rate and the maximum covered days are each limited as specified in the policy declaration. Reimbursement will be for the period beginning 12:01 A.M. on the day following:

Losses Other Than Theft of the Entire Automobile (subject to the maximum daily rate and maximum covered days)

- a. The day the owned and insured automobile is delivered to a garage for repairs after repairs have been authorized by the owner of the vehicle and estimated by the Company, and terminating on 12:01 A.M. on the day following completion of repairs or
- b. The day the loss is reported to the Company if the Company offers settlement in lieu of repairs and terminating on 12:01 A.M. on the day following the settlement offer.

Theft of the Entire Automobile (subject to the maximum daily rate and maximum covered days)

The day the theft is reported to the Company and the police and terminating on 12:01 A.M. on the day following the Company's settlement offer for the theft or, if the automobile is recovered before settlement, terminating on 12:01 A.M. in the day following completion of repair.

2. Theft of the entire automobile and any subsequent damage following the theft and before repairs are completed, shall be considered a single loss. Upon recovery, this benefit is not payable for any period that the automobile is in the possession of any insured and is drivable.

PART F - INSURING AGREEMENT – TOWING AND LABOR

We will pay towing and labor costs incurred each time your covered auto is disabled up to the amount shown in the declarations. This coverage applies only to your covered auto for which the required premium is paid. This coverage is limited to two such events per policy period. No coverage is afforded for claims not made within 30 days of the towing occurrence, or made using receipts that do not detail the nature of the service, that do not indicate a paid status, or cannot be validated by an identifiable service facility.

PART G - DUTIES AFTER AN ACCIDENT OR LOSS GENERAL DUTIES

We must be notified immediately 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, the names of all drivers, and the types of claims being presented.

A person seeking any coverage must:

1. Cooperate with us in the investigation of any claim, including immediately notifying us of any accident or loss, giving us all available information and advising of the Parts under which coverage is sought. This obligation is to include providing us with all information we request, answering our questions, under oath if requested, as often as we may reasonably require and outside the presence of other claimants, filling out all proof of loss and other forms we require, providing and executing authorization forms for the release of records and information such as medical or employment records and other records, allowing us to view and photograph vehicles and locations, and making a complete and accurate disclosure to us of the information we request.
2. Promptly send to us any letters, summons and complaint, notices or legal papers received in connection with the accident or loss, or any suit filed by or against such person seeking coverage, including indication of whether defense or action is sought from us in regard to same.
3. Cooperate with us in the settlement or defense of any suit.
4. Submit as often as we reasonably require to physical exams by physicians we select. We pay for these exams.

ADDITIONAL DUTIES FOR UNINSURED MOTORISTS COVERAGE

A person seeking Uninsured Motorists Coverage must also:

1. Promptly notify the police within 24 hours of the accident if a hit and run driver is involved.

2. Promptly send us copies of the legal papers if a suit is brought against an uninsured motorist, and keep us advised of proceedings therein.

ADDITIONAL DUTIES FOR COVERAGE FOR DAMAGE TO YOUR AUTO

A person seeking Coverage for Damage to **Your Covered Auto** must also:

1. Take reasonable steps after a loss to protect **Your Covered Auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
2. Permit us to inspect and appraise the damaged property before its repair or disposal. And allow us to move **Your Covered Auto** as necessary to minimize storage charges.

PART H - GENERAL PROVISIONS

BANKRUPTCY

Bankruptcy or insolvency of the **Covered Person** shall not relieve us of any obligations under this policy.

CHANGES

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

Notice to your Agent, or knowledge possessed by your Agent, or other person shall not change or effect a waiver of any portion of this policy nor stop us from exerting any of our rights under this policy. This policy can only be changed by an endorsement we issue which is signed by our authorized representative.

If a change requires a premium adjustment, we will adjust the premium as of the effective date of change. If we do this, your policy will only provide coverage for this change when the additional premium due, if any, is paid. If the additional premium is not paid, this could result in coverage for a reduced number of days in the current and/or subsequent policy period.

CONDITIONS PRECEDENT AND LEGAL ACTION AGAINST US

A person seeking coverage under this policy must comply fully with all the terms of this policy before any obligation for payment arises, and there can be no action taken against us without and until compliance with all conditions and terms of this policy by the person(s) seeking coverage hereunder. 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 the amount of that obligation has been fully determined by judgment after trial.

No person or organization has any right under this policy to bring us into any action to determine the liability of a **Covered Person**.

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. Our rights of subrogation shall exist regardless of whether or not the person to or for whom payment was made has been made whole by our payment and/or the payments from other persons who are liable to the insured. That person to whom or for whom payment was made shall:
1. Do whatever is necessary to enable us to exercise our rights; and
 2. Do nothing after loss to prejudice our rights; and
 3. Cooperate with us in the prosecution of any claim or suit to recover payments we made.
 4. Take whatever steps are necessary to protect our rights.

However, our rights in this paragraph 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.

This right of reimbursement survives regardless of whether the person to or for whom payment is made has been made whole.

POLICY PERIOD AND TERRITORY

This policy applies only to accidents and losses which occur:

1. During the policy period as shown in the Declarations; and
2. Within the policy territory.

The policy territory is:

1. The United States of America, its territories and possessions;
2. Puerto Rico; or
3. Canada

This policy also applies to loss to, or accidents involving, **Your Covered Auto** while being transported between ports within the policy territory.

EXPIRATION

This policy will expire at the time and on the date shown on the Declarations. THERE IS NO GRACE PERIOD!!!!

Payment of the premium necessary for renewal or continuation of the policy made after the expiration date as stated on the renewal notice will not extend coverage. If, at the Company's option said renewal premium is accepted, renewal will begin, with a lapse in coverage effective either (1) 12:01 a.m. on the day following the post mark date shown on the envelope containing the mailed payment or (2) the time and day Unique r e c e i v e s payment that is not mailed. Any accidents occurring during a lapse period will not be covered.

If this policy has been expired for more than 30 days there can be no renewal of the policy.

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 the cancellation is to take effect.
2. We may cancel by mailing to the **named insured** shown in the Declaration at the address shown in this policy as provided by law:
When cancellation is due to non-payment of premium we will mail the notice of cancellation at least 10 days before the cancellation date.
When cancellation is on a policy in effect for less than 60 days, the notice of cancellation will be mailed at least 10 days before the cancellation date.
When cancellation is on a policy in effect for at least 60 days, the notice of cancellation will be mailed at least 20 days before the cancellation date.
3. We will cancel only for reasons permissible under the applicable insurance statutes of this state.

Non-renewal. If we decide not to renew or continue this policy we will mail notice to the **named insured** shown in the Declaration at the address shown in this policy. Notice will be mailed at least 30 days before the end of the policy period.

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 renewal offer. There is no grace period.

Other Termination Provision.

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 the refund to the appropriate party. 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.
4. Coverage for **Your Covered Auto** shall terminate automatically:
 1. when a person other than **you** becomes the owner, to any extent and by any method including but not limited to purchase, conditional sale, and/or installment contract, of the auto; or
 2. on the effective date of any other motor vehicle insurance policy covering that auto.

TRANSFER OF YOUR INTEREST IN THIS POLICY

Your rights and duties under this policy may not be assigned without our written consent. However, if a **named insured** shown in the Declaration dies, coverage will be provided for:

1. The surviving spouse if resident in the same household at the time of death; or
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**.

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.

CONFORMITY TO STATE STATUTES

The coverages provided in Part A and Part C of this policy pertaining to Liability and Uninsured Motorist Coverages are intended to be in full conformity with the laws of this state applying to such coverages. If any provision of such coverages conflicts with such law, such provision is changed to comply with such law

FRAUD AND MISREPRESENTATION

THIS POLICY WAS ISSUED IN RELIANCE ON THE INFORMATION **YOU** PROVIDED AT THE TIME OF **YOUR** APPLICATION FOR INSURANCE COVERAGE. **WE** MAY VOID THIS POLICY, DENY COVERAGE UNDER THIS POLICY, OR, AT **OUR** ELECTION, ASSERT ANY OTHER REMEDY AVAILABLE UNDER APPLICABLE LAW, IF **YOU**, OR ANY **INSURED** PERSON SEEKING COVERAGE UNDER THIS POLICY, KNOWINGLY, OR UNKNOWINGLY CONCEALED, MISREPRESENTED OR OMITTED ANY MATERIAL FACT OR ENGAGED IN FRAUDULENT CONDUCT AT THE TIME THE APPLICATION WAS MADE OR AT ANY TIME DURING THE POLICY PERIOD.

WE MAY VOID THIS POLICY, DENY COVERAGE FOR AN ACCIDENT OR **LOSS**, OR AT **OUR** ELECTION, ASSERT ANY OTHER REMEDY AVAILABLE UNDER APPLICABLE LAW, IF ANY **INSURED** PERSON OR ANY OTHER PERSON SEEKING COVERAGE UNDER THIS POLICY HAS KNOWINGLY OR UNKNOWINGLY CONCEALED OR MISREPRESENTED ANY MATERIAL FACT OR ENGAGED IN FRAUDULENT CONDUCT IN CONNECTION WITH THE FILING OR SETTLEMENT OF ANY CLAIM.

A handwritten signature in black ink that reads "P. Todd Barton". The signature is written in a cursive style with a large initial "P" and a stylized "Barton".

Todd Barton, Vice-President