

SERFF Tracking Number: BRWS-125312446 State: Arkansas
Filing Company: Bristol West Insurance Company State Tracking Number: AR-PC-07-026371
Company Tracking Number: AR0807
TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Product Name: Select 2.0
Project Name/Number: AR policy/

Filing at a Glance

Company: Bristol West Insurance Company

Product Name: Select 2.0

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto
(PPA)

Filing Type: Form

SERFF Tr Num: BRWS-125312446 State: Arkansas

SERFF Status: Closed

Co Tr Num: AR0807

Co Status:

Authors: Eric Kappler, Robert
Gerlack, Eric Schauer

Date Submitted: 10/09/2007

State Tr Num: AR-PC-07-026371

State Status:

Reviewer(s): Alexa Grissom, Betty
Montesi, Brittany Yielding

Disposition Date: 11/01/2007

Disposition Status: Approved

Effective Date Requested (New): 12/12/2007

Effective Date Requested (Renewal): On Approval

Effective Date (New): 12/12/2007

Effective Date (Renewal):
01/12/2008

General Information

Project Name: AR policy

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 11/01/2007

State Status Changed: 10/09/2007

Corresponding Filing Tracking Number:

Filing Description:

The proposed policy contract is our national policy template modified to AR regulations.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Company and Contact

Filing Contact Information

Eric Schauer, Product Manager

Bristol West Insurance Group

eric.shauer@bristolwest.com

(888) 888-0080 [Phone]

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Independence, OH 44131 (216) 674-7116[FAX]

Filing Company Information

Bristol West Insurance Company CoCode: 19658 State of Domicile: Ohio
5990 West Creek Rd. Group Code: 814 Company Type: Stock
Rockside Center III
Independence, OH 44131 Group Name: Bristol West Ins Grp State ID Number:
(888) 888-0080 ext. [Phone] FEIN Number: 38-1865162

SERFF Tracking Number: BRWS-125312446 *State:* Arkansas
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Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation:
Per Company: No

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Alexa Grissom	11/01/2007	11/01/2007
Approved	Alexa Grissom	10/23/2007	10/23/2007

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Alexa Grissom	10/11/2007	10/11/2007	Eric Schauer	10/18/2007	10/18/2007

Industry
Response

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Personal AutoForm Policy		Eric Schauer	10/31/2007	10/31/2007

SERFF Tracking Number: BRWS-125312446

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Disposition

Disposition Date: 11/01/2007

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Effective Date (Renewal): 01/12/2008

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Form (revised)	Personal Auto Policy	Approved	Yes
Form	Personal Auto Policy	Approved	Yes
Form	Personal Auto Policy	Approved	Yes

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Disposition

Disposition Date: 10/23/2007

Effective Date (New): 12/12/2007

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Status: Approved

Comment:

Rate data does NOT apply to filing.

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 10/11/2007
Submitted Date 10/11/2007
Respond By Date
Dear Eric Schauer,

This will acknowledge receipt of the captioned filing. The physical damage section of the policy should comply with ACt 373 of 2007. Additionally, per Ark. Code Ann. 23-89-305, 30 days' notice must be given in the event of nonrenewal.

Please feel free to contact me if you have questions.

Sincerely,
Alexa Grissom

Response Letter

Response Letter Status Submitted to State
Response Letter Date 10/18/2007
Submitted Date 10/18/2007

Dear Alexa Grissom,

Comments:

Response 1

Comments: Dear Alexa Grissom,

This is response to your Objection Letter dated 10/11/07. I modified the Nonrenewal notice days from 20 to 30.

I also modified the policy to address the changes in Act 373 2007. Specifically, I modified the definition of non-owned vehicle in the General Definitions. I also modified the Other Insurance clauses in Part A and in Part D of the policy to make our insurance primary for temporary substitutes and rental vehicles as provided in the statute.

Attached is the revised policy for your approval.

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Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Personal Auto Policy	BWPP-03001	08/07	Policy/Coverage Form	Replaced		0	Arkansas Policy 5c.doc, Arkansas Policy 6c.doc

Previous Version

Personal Auto Policy	BWPP-03001	08/07	Policy/Coverage Form	Replaced		0	Arkansas Policy 5c.doc
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No Rate/Rule Schedule items changed.

Sincerely,
 Eric Kappler, Eric Schauer, Robert Gerlack

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Amendment Letter

Amendment Date:
 Submitted Date: 10/31/2007

Comments:

The change was made to exclusion 23 under Part D of the policy adding the last sentence to 23.b.:

23. covered by collision under this policy if any vehicle is being operated by any person:
- a. listed as an operator in the Declarations who has a permanently revoked license;
 - b. not listed on the policy, who has been a resident of your household for more than 30 days. You must notify us within 30 days of the time when a person becomes a resident who was not listed on the policy. However, this exclusion (23.b.) shall not apply if the vehicle is operated by a person residing in your household who, at the time of the loss, is insured by one of our affiliated companies under a private passenger auto insurance policy; or
 - c. not listed on the policy, who does not have a current valid license to drive a motor vehicle, regardless of where that person resides.

We also corrected our numbering and lettering under Exclusions that apply to Part B Personal Injury Protection Coverage

Thank you for reopening this filing

Changed Items:

Form Schedule Item Changes:

Form Name	Form Number	Edition Date	Form Type	Action	Replaced Form #	Previous Filing #	Readability Score	Attachments
Personal Auto Policy	BWPP-03001	08/07	Policy/C overage Form	Replaced	BWPP-03001		0	Arkansas Policy 7c.doc

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Personal Auto Policy	BWPP-03001	08/07	Policy/Coverage Replaced Form	Replaced Form #:0.00 BWPP-03001 Previous Filing #:		Arkansas Policy 7c.doc



Arkansas

Personal Auto Policy

Bristol West Insurance Company

Claims
1-800-BRISTOL
(274-7865)

All Other Calls
1-888-888-0080
(Toll-Free)

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ARKANSAS PERSONAL AUTO POLICY

AGREEMENT

Your policy consists of the policy contract, **your** insurance application, the **Declarations**, and all endorsements to this policy. In reliance upon the statements of fact made in the application for this insurance, which statements of fact **you** represent are true to the best of **your** knowledge, and in return for the payment of the premium, **we** agree with **you**, for the coverages shown in the **Declarations** and subject to all the terms and conditions of the policy, as follows:

GENERAL DEFINITIONS

Certain words and phrases are defined by using boldface type. The defined terms have the same meaning whether in the singular, plural, or any other form. They are defined as follows:

1. **You** and **your** refer to:
 - a. the **named insured** shown in the **Declarations**; and
 - b. the spouse of the **named insured** shown in the **Declarations**, if a **resident** of the same household.
2. **We**, **us** and **our** refer to the insurance company providing this insurance, as shown in the **Declarations**.
3. **Accident** means a sudden, unexpected and unintended event that arises out of the ownership, maintenance, or use of an **auto** as an **auto**, and that causes **bodily injury** or **property damage** during the policy period.
4. **Additional auto** means an **auto you** acquire that is in addition to any **auto** shown in the **Declarations**, if:
 - a. the **auto** is acquired during the policy period;
 - b. no other insurance policy provides coverage for the **auto**;
 - c. **you** ask us to insure the **auto** within 30 days after **you** become the **owner** of the **auto**; and
 - d. **we** insure all **autos** in **your** household.An **additional auto** will have the broadest coverage **we** provide for any **auto** shown in the **Declarations**.
5. **Auto** means any self-propelled private passenger motor vehicle with not less than four wheels designed principally for use on paved public streets and highways, provided it has a gross vehicle weight (as determined by the manufacturer's specifications) of 12,000 pounds or less and is not a step-van, parcel delivery van, cargo cutaway van or other van with the cab separate from the cargo area.
6. **Bodily injury** means bodily harm, sickness or disease, including death resulting from bodily harm, sickness or disease.
7. **Business** means any full or part-time profession, occupation, trade or commercial enterprise.
8. **Declarations** means the Personal Auto Policy Declarations that lists the **named insured**, the **autos** to be covered by this policy, the coverages that apply under this policy, the limits of liability, the policy period, and other information pertinent to **your** policy of insurance when purchased from **us**.
9. **Family member** means a person related to **you** by blood, marriage or adoption who is a **resident** of **your** household, including a ward or foster child. **Family members** include **your** unmarried dependent children living temporarily away from home.
10. **Named insured** means the person or persons listed in the **Declarations** as the named insured.
11. **Non-owned auto** means 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**. A **non-owned auto** includes a motor vehicle:

- a. loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing;
- b. loaned to **you** or a **family member** by a duly licensed dealer for use as a demonstrator vehicle; and
- c. rented or leased to **you** or a **family member** from rental company as defined in Arkansas Statute 23-64-202.

However, a **non-owned auto** does not include a vehicle that is not in the lawful possession of the person operating it.

- 12. **Property damage** means physical injury to or destruction of tangible property, including any loss of use.
- 13. **Resident** means domiciled and actually living in the household in which **you** reside.
- 14. **Occupying** means in, upon, getting in, on, out or off.
- 15. **Owned** means, with respect to a private passenger type **auto**, the person:
 - a. holds legal title; or
 - b. has legal possession under a written lease or loan agreement for a continuous period of at least six months.
- 16. **Replacement auto** means an **auto** that permanently replaces an **auto** shown in the **Declarations**. A **replacement auto** will have the same coverages as the **auto** it replaces provided that no other insurance provides coverage for the **replacement auto** and it is acquired during the policy period. If **you** wish to continue coverage under Part D – Damage to Your Auto for the **replacement auto**, you must ask **us** to provide the coverage within 30 days after **you** become the **owner** of the **replacement auto**. If the **auto** it replaces does not have coverage under Part D – Damage to Your Auto, **you** must ask us to add the coverage and **you** must pay the additional premium due prior to the effective date those coverages are added.
- 17. **Trailer** means a non-motorized vehicle designed to be pulled by a:
 - a. private passenger **auto**; or
 - b. pickup, van or panel truck.

It also means a farm wagon or farm implement while being towed by a vehicle listed in a. or b. above. It does not include travel trailers, camper trailers or other **trailers** used for commercial purposes including as an office, a store or display purposes, or to transport passengers.
- 18. **Your covered auto** means:
 - a. any **auto** shown in the **Declarations** for the coverages applicable to that **auto**;
 - b. any **additional auto**;
 - c. any **replacement auto**; or
 - d. any **trailer owned** by **you** while attached to **your covered auto**.

PART A -- LIABILITY COVERAGE

INSURING AGREEMENT

If **you** pay **us** the premium when due for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an **accident**. Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** expense and as **we** consider appropriate, any claim or suit asking for these damages. Attorneys selected by **us** will provide a defense to such suit after it is tendered to **us**. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment, settlement or judgment.

We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** may recover from an **insured person** any amounts **we** have paid to defend the **insured person** in a lawsuit if it is determined that **we** had no duty to defend the **insured person**.

SUPPLEMENTARY PAYMENTS

In addition to **our** limit of liability, **we** will pay on behalf of an **insured person**:

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** have paid, offered to pay, or deposited into court, that part of the judgment that 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.

ADDITIONAL DEFINITIONS

When used in this Part A:

1. **Insured person** means:
 - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations** with respect to an **accident** arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto**;
 - b. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and
 - c. Any person or organization vicariously liable for the acts or omissions of a person described in paragraph a or b above.
2. **Punitive or exemplary damages** means damages which may be imposed to punish a wrongdoer and to deter others from similar conduct.

EXCLUSIONS THAT APPLY TO PART A – LIABILITY COVERAGE

We do not provide Liability Coverage and **we** have no duty to settle or defend any claim or lawsuit:

1. For **bodily injury** or **property damage** caused intentionally by, or at the direction of, any **insured person**, even if the actual injury or damage is different than that which was intended or expected;
2. For damage to property owned by, used by, rented to, being transported by, or in the care, custody or control of an **insured person**. This exclusion does not apply to damage to a rented residence or rented private garage.
3. For **bodily injury** to an employee of an **insured person** during the course of employment. This exclusion does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits, disability benefits or similar benefits are required or available for that domestic employee.
4. For **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle by a person who is employed or otherwise engaged in the **business** of:
 - a. Selling;
 - b. Repairing;
 - c. Servicing;
 - d. Storing; or
 - e. Parking;vehicles. This includes road testing and delivery.
6. For **bodily injury** or **property damage** arising out of the maintenance or use of any vehicle while an **insured person** is employed or otherwise engaged in any business not described in exclusion 5. This exclusion 6 does not apply to the maintenance or use of a:
 - a. Private passenger auto;
 - b. Pickup or van that:
 - (1) You own; or
 - (2) You do not own while used as a temporary substitute for **your covered auto** which is out of its normal use because of its breakdown, loss, repair destruction or servicing; or
 - c. **Trailer** used with a vehicle described in a. or b. above
7. For **bodily injury** or **property damage** arising out of any person's use of a vehicle without the owner's express or implied permission.
8. For **bodily injury** or **property damage** for which an **insured 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. American Nuclear Insurers;
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
9. For **bodily injury** to **you** or any **family member**, including whenever the ultimate benefits of that indemnification accrue directly or indirectly to **you** or a **family member**.
10. For **punitive or exemplary damages**.
11. For liability assumed by an **insured person** under any contract or agreement.

12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto** which is:
 - a. **Owned by you**; or
 - b. Furnished or available for **your** regular use.
13. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is:
 - a. **Owned** by any **family member** or any person specifically listed as an additional driver in the **Declarations**; or
 - b. Furnished or available for the regular use of any **family member** or any person specifically listed as an additional driver in the **Declarations**.

This exclusion does not apply to **your** maintenance or use of such vehicle.
14. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
15. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
16. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
17. For any obligation for which the United States Government is liable under the Federal Tort Claims Act.
18. Arising out of the ownership, maintenance or use of **your covered auto** while it is rented to or leased to another.
19. Arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
20. for charges, fees and administrative expenses for services performed by law enforcement and municipal personnel when responding to a motor vehicle **accident** or loss.

LIMIT OF LIABILITY

The bodily injury liability limit for “each person” as shown in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the bodily injury liability limit for “each person”, the bodily injury liability limit for “each accident” as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

The property damage liability limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for all **property damage** arising out of any one **accident**.

The limit of liability shown in the **Declarations** is the most **we** will pay regardless of the number of vehicles involved in the **accident**, **insured persons**, claims made, lawsuits brought, premiums paid, or the number of vehicles or premiums shown in the **Declarations**.

No one is entitled to duplicate payments for the same element of damages. Any amount payable under Part A-Liability Coverage to a person for **bodily injury** shall be reduced by all sums paid to that

person, or for their benefit, under Part B - Personal Injury Protection Coverage and Part C – Uninsured/Underinsured Motorist Coverage.

OUT OF STATE COVERAGE

If an **accident** to which Part A-Liability Coverage 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 a financial responsibility or similar law requiring a nonresident to maintain 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.
- 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. If, due to certification as future proof of financial responsibility **we** are required to pay a claim that would otherwise have not been covered under this Part, **you** agree to reimburse **us** to the extent of that payment.

OTHER INSURANCE

Any insurance we provide under Part A shall be excess over any other collectible insurance, self-insurance, protection and/or any other source of recovery, except for the insurance we provide for the ownership, maintenance and use of **your covered auto**. If other insurance, self-insurance, protection and/or other source of recovery with the same priority applies, 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 insurance limits, self-insurance amounts or limits, and/or other sources of recovery.

However, coverage under this Part A shall be primary to any insurance or self-insurance maintained by a duly licensed automobile dealer or rental company, for a motor vehicle:

- a. loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing;
- b. loaned to **you** or a **family member** by a duly licensed dealer for use as a demonstrator vehicle; and
- c. rented or leased to **you** or a **family member** from rental company as defined in Arkansas Statute 23-64-202.

PART B – PERSONAL INJURY PROTECTION BENEFITS COVERAGE

INSURING AGREEMENT

Subject to the Limit of Liability shown on the **Declarations Page**, we will pay personal injury protection benefits to or for an **insured person** who sustains **bodily injury** caused by an **accident** and arising out of the maintenance or use of a motor vehicle.

If a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member** for use as a temporary substitute for any **your covered auto** while it is out of normal use because of its:

1. Breakdown;
2. Repair; or
3. Servicing;

personal injury protection benefits shall extend to such loaned motor vehicle only to the extent of the coverage provided, if any, to **your covered auto** being repaired or serviced.

Personal injury protection benefits, subject to the limits shown in the **Declarations**, consist of the following:

1. Medical payments. All reasonable and necessary expenses incurred within 2 years from the date of the **accident** for:
 - a. Medical, hospital, x-ray, professional nursing, dental, surgical, ambulance, prosthetic and funeral expenses; and
 - b. Any non-medical remedial care and treatment rendered in accordance with a recognized religious method of healing.Medical payments do not include expenses in excess of those required for a semi-private room, unless more intensive care is required.
2. Work loss.
 - a. If an **insured person** is an income earner, loss of income from work that **insured person** would have performed had he not sustained **bodily injury**.
 - b. If an **insured person** is a non-income earner, expenses reasonably incurred in obtaining ordinary and necessary services instead of those that **insured person** would have performed, without income and for the benefit of himself or his family, had he not sustained **bodily injury**.
Work loss applies only to the period beginning 8 days after the date of the **accident** and not exceeding 52 weeks. However, work loss does not include any loss or expense after the death of an **insured person**.
3. Accidental death. A death benefit paid if **bodily injury** resulting from the accident causes the death of an **insured person** within 1 year from the date of the **accident**. The **bodily injury** must be the sole cause of death.

ADDITIONAL DEFINITIONS

When used in this Part B:

1. **Insured person** means:
 - a. **You** or any **family member**; and
 - b. any other person:
 - i. while **occupying your covered auto**; or
 - ii. when struck by **your covered auto** while a pedestrian, bicyclist, or motorcyclist, or while riding on an animal or a horse-drawn wagon or cart.

EXCLUSIONS THAT APPLY TO PART B – PERSONAL INJURY PROTECTION COVERAGE

The coverages under this Part B - Personal Injury Protection Coverage do not apply to **bodily injury**:

1. Sustained by any person while:
 - a. Operating **your covered auto** without the **you** express or implied consent; or
 - b. Not in lawful possession of **your covered auto**;
2. Due to:
 - a. War (declared or undeclared);
 - b. Civil war;
 - c. Insurrection;
 - d. Rebellion or revolution; or
 - e. Any act or condition incident to any of the above.
3. Resulting from the:
 - a. Radioactive;
 - b. Toxic;
 - c. Explosive; or
 - d. Other hazardous properties of nuclear material;
4. Sustained by any person to the extent that benefits are, in whole or in part, paid or payable under any of the following or similar law:
 - a. Workers' compensation law; or
 - b. Employer's disability law.However, this exclusion does not apply to any coverage for accidental death.
5. Sustained by:
 - a. Any person while **occupying** any motor vehicle, other than **your covered auto**, that is owned by, or furnished, or available, for the regular use of **you**;
 - b. Any **family member** while **occupying** any motor vehicle, other than **your covered auto**, which is owned by, or furnished, or available for the regular use of **you** or that **family member**;
 - c. Any **family member** that is entitled to similar coverage as a named insured under another policy which provides personal injury protection benefits equal to or greater than those required by the Arkansas statutes.
 - d. Any **insured person**, other than **you** or a **family member**, entitled to similar coverage as a named insured or family member under another policy which provides personal injury protection benefits equal to or greater than those required by the Arkansas statutes.
 - e. Any person while **occupying your covered auto** when it is being used as a public or livery conveyance unless such use is stated in the Declarations.
 - f. Any person, other than **you** or any **family member**;
 - i. While **occupying** any motor vehicle, other than **your covered auto**, while employed or otherwise engaged in the business or occupation of:
 - (1) Selling;
 - (2) Repairing;
 - (3) Servicing;
 - (4) Storing; or
 - (5) Parking;motor vehicles.
 - ii. Arising out of the maintenance or use of any motor vehicle, other than **your covered auto** or a motorcycle, by that person while employed or otherwise engaged in any **business** or occupation not described above. This exclusion does not apply to **bodily injury** resulting from the operation or occupancy of a:

- (1) Private passenger auto; or
 - (2) Trailer used with such private passenger auto or **your covered auto**;
by the named insured or his private chauffeur or domestic servant.
- g. Any person while occupying any motor vehicle, other than **your covered auto**, unless that person has, or reasonably believes he has, the permission of the owner to use such motor vehicle.

PAYMENT OF BENEFITS

We may pay medical payments or work loss to an **insured person** or organization rendering the services. Such payment shall reduce the amount payable under this coverage for **bodily injury** sustained by that **inured person**.

LIMIT OF LIABILITY

The limits of liability shown in the **Declarations** for Personal Injury Protection Coverage are the most we will pay each **insured person** injured in any one **accident**, regardless of the number of:

1. **Insured persons**;
2. Policies or bonds;
3. Claims made;
4. **Your covered autos**; or
5. Premiums paid.

OTHER INSURANCE

Any insurance we provide for medical payments:

1. With respect to **bodily injury** sustained by any **family member**, shall be excess over any other collectible insurance available to that **family member** as a named insured under another motor vehicle insurance policy providing direct benefits without regard to fault.
2. With respect to **bodily injury** sustained by an **insured person**, other than **you** or any **family member**, shall be excess over any other collectible similar insurance available to that **insured person** as a named insured or **family member** under another motor vehicle insurance policy providing direct benefits without regard to fault.

Except as provided above, if there is other similar collectible insurance that provides coverage for medical payments, 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 a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member**:

1. For use as a temporary substitute for **your covered auto** while it is out of normal use because of its:
 - a. Breakdown;
 - b. Repair; or
 - c. Servicing; or
2. To demonstrate the motor vehicle;
then we will provide primary insurance.

Any insurance we provide for work loss or accidental death shall be excess over any other collectible insurance available to:

1. An **insured person**, other than **you** or any **family member**, under another motor vehicle insurance policy. In this event, **our** maximum limit of liability will be the amount by which the

applicable limit of liability shown in the **Declarations** exceeds the applicable limits of liability of all other insurance.

2. **You** or any **family member** under any other motor vehicle insurance policy. In this event:
 - a. The maximum recovery under all policies shall not exceed the highest limit of liability under any one policy.
 - b. **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 a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member**:
 1. For use as a temporary substitute for **your covered auto** while it is out of normal use because of its:
 - a. Breakdown;
 - b. Repair; or
 - c. Servicing; or
 2. To demonstrate the motor vehicle;
then **we** will provide primary insurance.

No one shall be entitled to recover duplicate payments for the same elements of loss.

PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT – UNINSURED MOTORIST COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

INSURING AGREEMENT – UNDERINSURED MOTORIST COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **underinsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **underinsured motor vehicle**.

INSURING AGREEMENT – UNINSURED MOTORIST PROPERTY DAMAGE COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** to a **your covered auto** caused by an **accident** and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

We will pay under Part C only after the limits of liability under all applicable liability bonds and policies have been exhausted by payment of judgments or settlements.

Any judgment for damages arising out of a suit brought without **our** written consent is not binding on **us**. If a tentative settlement has been made between an **insured person** and the insurer of the **underinsured motor vehicle** and **we** have been given prompt written notice by certified mail, return receipt requested of such tentative settlement, then **we** may advance payment to the **insured person** in an amount equal to the tentative settlement within 30 days after receipt of notification. However, if the owner or operator of the **underinsured motor vehicle** is insured by **us** for liability coverage, this provision shall not apply, and an **insured person** may proceed with his or her claim for damages under this coverage anytime after settlement of that **insured person's** claim for damages under the liability coverage applicable to the owner or operator of the **underinsured motor vehicle**.

ADDITIONAL DEFINITIONS

When used in this Part C:

1. **Insured person** means:
 - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations**;
 - b. Any other person while occupying **your covered auto**, provided the actual use thereof is with the permission of the **named insured**; and
 - c. Any person entitled to recover damages for **bodily injury** covered under Part C of this policy sustained by a person meeting the definition of an **insured person** in 1.a. or 1.b. above.
2. **Property damage** means physical damage to, or destruction of **your covered auto**. It includes a reasonable allowance for loss of use of **your covered auto**.
3. **Underinsured motor vehicle** means a land motor vehicle or **trailer** of any type to which a **bodily injury** liability policy applies at the time of the **accident** but the sum of all applicable

limits of liability for **bodily injury** is less than the amount of damages incurred by the **insured person**.

However, an **underinsured motor vehicle** does not include:

- a. A vehicle that is **owned** or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
 - b. A vehicle that is **owned** by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any such government;
 - a. A land motor vehicle or trailer, if operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
 - d. A farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
 - e. A vehicle **owned** by or furnished for the regular or frequent use of an **insured person** or any member of the household of the **insured person**;
 - f. Any vehicle or equipment to which coverage under Part A applies; or
 - g. Any vehicle or equipment that is an **uninsured motor vehicle**.
4. **Uninsured motor vehicle** means a land motor vehicle or **trailer** of any type:
- a. For which no liability policy or bond applies at the time of the **accident**;
 - b. To which a liability policy applies at the time of the **accident** but the insuring company:
 - i. Denies coverage;
 - ii. Refuses to admit coverage except conditionally or with reservation; or
 - iii. Is or becomes insolvent, declared bankrupt, or subject to the appointment of a receiver;
 - c. Which is a hit and run vehicle whose owner or operator cannot be identified and which hits or makes physical contact with:
 - i. **You** or any **family member**;
 - ii. A vehicle which **you** or any **family member** are **occupying**; or
 - iii. **Your covered auto**; orProvided that an **insured person** or their representative reports the **accident** to the police or civil authority within 72 hours or as soon as practicable after the **accident**.

However, **uninsured motor vehicle** does not include any vehicle:

- a. **Owned** by an **insured person** or furnished or available for the regular use of an **insured person**;
- b. **Owned** or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
- c. **Owned** by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any such government;
- d. Operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
- e. That is a farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
- f. That is an **underinsured motor vehicle**; or
- g. For which coverage under Part A applies.

EXCLUSIONS THAT APPLY TO PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE

Coverage under Part C does not apply:

1. if the **insured person** or their legal representative settles or prosecutes to a judgment a claim for **bodily injury** or **property damage** without our consent.

2. to **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
3. to **bodily injury** or **property damage** when an **insured person** is using a vehicle without a reasonable belief that the person is entitled to do so.
4. to **property damage** or to **bodily injury** sustained by any person while **occupying** or when struck by a **trailer** of any type used with a motor vehicle **owned** by **you** or any **family member** or any other person specifically listed as an additional driver listed in the **Declarations** which is not insured for this coverage under this policy.
5. directly or indirectly to benefit:
 - a. Any **insured person** or self-insurer under any of the following or similar law:
 - i. workers' compensation law;
 - ii. disability benefits law;
 - iii. the State Accident Insurance Fund; or
 - b. An insurer of property.
6. directly to the benefit of the United States or any State or political subdivision thereof.
7. to any claim for punitive, exemplary, multiple damages, fines, penalties, or restitution.
8. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
9. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
10. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.

LIMIT OF LIABILITY

The limit of Uninsured Motorist Bodily Injury Liability, Underinsured Motorist Bodily Injury Liability or Uninsured Motorist Property Damage Liability shown in the Schedule or in the **Declarations** is the most **we** will pay regardless of the number of:

1. **Insured persons**;
2. Claims made;
3. Vehicles or premiums shown in the **Declarations**;
4. Vehicles involved in the **accident**; or
5. Premiums paid.

In no event shall the limit of liability for two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available as uninsured motorist coverage, underinsured motorist coverage, or uninsured motorist property damage benefits.

The limit for each person as shown in the **Declarations** for Uninsured Motorist Bodily Injury Liability or Underinsured Motorist Bodily Injury Liability is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the Uninsured Bodily Injury limit or the Underinsured Motorist Bodily Injury limit for each person, the **bodily injury** limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

Our maximum limit of liability for all damages for **property damage** resulting from any one **accident** will be the lesser of:

1. The limit of Uninsured Motorist Property Damage Liability shown in the **Declarations**;
2. The actual cash value of **your covered auto**, reduced by the salvage value if **you** or the owner of the property retain the salvage; or
3. The amount to repair the vehicle or property;
reduced by:
 - a. All sums paid for the **property damage** by or on behalf of any persons or organizations who may be legally liable;
 - b. Any amounts paid under this policy for the same elements of **property damage** or loss; and
 - c. A deductible of \$200 for **property damage** to **your covered auto**. However, this deductible does not apply if we insure **your covered auto** for both collision coverage and uninsured motorist property damage coverage.
 - d. If the **auto** is repaired, all sums that represents any increase in:
 - i. The value of the **auto**, when repair of prior damage increases the value of the **auto** to a condition that was better than it was prior to the **accident**; and
 - ii. The value of the increase of useful life of replaced parts that have a useful life shorter than the auto's useful life, including but not limited to, tires, batteries and struts.

Any amount payable under the terms of this coverage shall be reduced by:

1. All sums paid on account of the **bodily injury** by or on behalf of the owner or operator of the uninsured vehicle and by or on behalf of any other person or organization jointly or severally liable together with the owner or operator for the **bodily injury**, including all sums paid under Part A – Liability Coverage of this policy;
2. The amount paid and the present value of all amounts payable on account of the **bodily injury** under any worker's compensation law, disability benefits law, or any similar law; and
3. The amount paid for loss under Part D – Damage to Your Auto.

No one will be entitled to duplicate payments for the same elements of damages for which payment has been made by or on behalf of persons or organizations who may be legally responsible. **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 Uninsured Motorist Coverage, Underinsured Motorist Coverage, or Uninsured Motorist Property Damage Coverage, **we** will pay only **our** share of the damages. **Our** share of the damages is the proportion that **our** limit of coverage under this Part C bears to the total of all applicable limits. However, any insurance **we** provide with respect to an **auto you** do not own shall be excess over any other valid and collectible insurance. In addition, if a duly licensed automobile dealer provides a vehicle to **you** or a **family member**:

1. For use as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing; or
2. To demonstrate the vehicle;

then **we** will provide primary coverage.

PART D -- DAMAGE TO YOUR AUTO

INSURING AGREEMENT – COLLISION COVERAGE

If **you** pay **us** the premium for Collision Coverage when due, **we** will pay for damage to **your covered auto** or **non-owned auto** resulting from **collision**.

INSURING AGREEMENT – COMPREHENSIVE COVERAGE

If **you** pay **us** the premium for Comprehensive Coverage when due, **we** will pay for comprehensive loss to **your covered auto** or **non-owned auto**. A comprehensive loss is a loss caused by the following:

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, when not caused by **collision**.

TRANSPORTATION EXPENSES

If **you** have purchased Comprehensive Coverage and **your covered auto** is stolen, **we** will pay up to \$20 per day, to a maximum of \$600, for transportation expenses incurred by **you**. **We** will pay only reasonable transportation expenses actually and necessarily incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when **your covered auto** has been repaired or replaced, whichever occurs first. If **your covered auto** is determined by **us** to be a total loss, coverage for transportation expense will end 48 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

We will not pay **you** the cost of renting a car from an individual. The car must be rented from a **business** whose day-to-day operations involve car rental. **We** will not pay for insurance, collision damage waivers, fuel, or any other charges, except for the actual cost of the rental of the vehicle including applicable taxes.

RENTAL REIMBURSEMENT COVERAGE

If **you** pay **us** the premium for Rental Reimbursement Coverage when due, **we** will pay for the cost incurred by **you** for rental of an **auto** from an auto rental agency or a vehicle repair shop while **your covered auto** for which this coverage is purchased is inoperable as a result of **collision** or a comprehensive loss to which coverage under this Part D applies. **We** will not pay Rental Reimbursement when **your covered auto** is inoperable due to wear and tear, freezing, mechanical or electrical breakdown or failure, or road damage to tires.

The limit of liability for Rental Reimbursement Coverage is the amount shown in the **Declarations** as the daily limit, for up to 30 days for each **accident**, loss or theft. Coverage under Transportation Expenses shall not apply for a rental of an **auto** when Rental Reimbursement Coverage applies.

Rental charges will be reimbursed beginning when:

1. **your covered auto** cannot be driven due to a loss; or
2. if **your covered auto** can be driven, when **you** deliver or **your** representative delivers **your covered auto** to an auto repair shop for repairs due to the loss.

Rental charges will end when **your covered auto** has been repaired or replaced. If **your covered auto** is determined by **us** to be a total loss, coverage for rental charges will end 48 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

You must provide **us** written proof of **your** rental charges. Duplicate recovery for identical elements of damages is not permitted under this policy.

TOWING AND LABOR COVERAGE

If **you** pay **us** the premium for Towing And Labor Coverage for **your covered auto** when due, **we** will reimburse **you** for towing and labor costs incurred as a result of the disablement of that **auto**, up to the limit of the coverage stated in the **Declarations** of this policy, provided that:

1. The labor, if any, is performed at the place of disablement; or
2. If towed, the **auto** is towed to the nearest qualified repair facility and the towing is necessary due to:
 - a. mechanical or electrical breakdown;
 - b. battery failure;
 - c. insufficient supply of fuel, oil, water, or other fluid;
 - d. flat tire;
 - e. lock-out; or
 - f. entrapment in snow, mud, water or sand, within 100 feet of a road or highway.

CUSTOMIZING EQUIPMENT COVERAGE

If **you** pay **us** the premium for Customizing Equipment Coverage for **your covered auto** when due, **we** will provide comprehensive and collision coverage to permanently installed custom parts or equipment, devices, accessories, enhancements, and changes which alter the appearance or performance of **your covered auto**. This includes permanently installed stereo equipment, custom paint and exterior body panels, custom wheels and tires, equipment to modify vehicle height on both raised and lowered vehicles, custom seats, and safety or alarm devices.

However, no coverage is provided for:

- a. special carpeting and insulation, furniture, or bars;
- b. bath, toilet or kitchen equipment, including refrigerators;
- c. facilities designed for sleeping;
- c. height-extending roofs;
- d. equipment designed or used for the detection or location of radar;
- e. chassis modification or custom car kits; or
- f. custom murals, paintings or other decals or graphics.

You are required to maintain and, upon demand from **us**, promptly present proof of purchase and proper installation for any parts, equipment, devices, accessories, enhancements, and other changes to which this coverage applies. No coverage will be provided that duplicates payment for the same element of loss paid under any other coverage or any other insurance.

ADDITIONAL DEFINITIONS

When used in this Part D:

1. **Collision** means the upset of **your covered auto** or **non-owned auto** or its impact with another vehicle or object.
2. **Your covered auto** shall also include a vehicle loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing.

EXCLUSIONS THAT APPLY TO PART D – DAMAGE TO YOUR AUTO

Coverage under this Part D does not apply for loss:

1. to **your covered auto** or **non-owned auto** while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
2. to **your covered auto** or **non-owned auto** while it is being rented to others or hired for a fee.
3. to any vehicle that is due and confined to:
 - a. Wear and tear;
 - b. Deterioration including but not limited to rust, rot or mold;
 - c. Latent or inherent defects;
 - d. Freezing;
 - e. Mechanical or electrical breakdown or failure;
 - f. Road damage to tires;
 - g. Lack of maintenance, including but not limited to lack or loss of lubricants, oil, transmission fluid, or coolant; or
 - h. Leakage or seepage of water, whether or not wind driven, unless entering the vehicle through an opening caused by a covered peril.This exclusion does not apply if the damage results from the total theft of **your covered auto**.
4. to any vehicle 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, insurrection, rebellion or revolution.
5. to sound or video producing or recording equipment or navigation equipment for amounts in excess of \$1,000 per component over the applicable deductible even though factory or dealer installed, and then only for the amount in excess of the deductible on the applicable coverage. However, if **you** have paid the premium for Customizing Equipment Coverage, then this exclusion does not apply and any customizing equipment will be subject to the limitations and exclusions contained in the insuring agreement for Customizing Equipment Coverage.
6. to tapes, records, CD's, DVD's, video or other devices for use with equipment designed for the reproduction of sound or video.
7. to any **non-owned auto** when used by **you** or any **family member** or any person specifically listed as an additional driver in the **Declarations** without the owner's express or implied permission to do so.
8. to any vehicle driven by a person:
 - a. who does not possess a valid driver's license; or
 - b. who has had their driving privileges rescinded or revoked.
9. to TV antennas, awnings, cabanas, or equipment designed to create additional living facilities.
10. to any of the following or their accessories:
 - a. Citizen band radio;
 - b. Two-way mobile radio;
 - c. Telephone;

- d. Scanning monitor receiver; or
 - e. Radar detectors or similar devices.
11. to any custom furnishings or equipment in or upon any vehicle unless such equipment was factory-installed by the original manufacturer or authorized dealer at the time of purchase. 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;
 - d. equipment designed or used for the detection or location of radar;
 - e. custom car kits;
 - f. custom grills, louvers, scoops, continental kits, and custom spoilers;
 - g. custom paint, including but not limited to lacquer paint, and upholstery, other than that installed by the original manufacturer, or objects including but not limited to murals, paintings or other decals or graphics;
 - h. custom wheels, other than factory installed;
 - i. custom chrome parts;
 - j. ground effects, running boards, or mud flaps;
 - k. bed liners;
 - l. camper shells or custom enclosures for pickups;
 - m. any other equipment, device, accessory, or enhancement which alters the appearance or performance of a vehicle and is not factory installed; or
 - n. global positioning systems (GPS).
- However, if **you** have paid the premium for Customizing Equipment Coverage, then this exclusion does not apply and any customizing equipment will be subject to the limitations and exclusions contained in the insuring agreement for Customizing Equipment Coverage.
12. to any part of the vehicle, or its equipment, that is not permanently attached to the vehicle at the time of loss.
13. to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
- 1. Selling;
 - 2. Repairing;
 - 3. Servicing;
 - 4. Storing; or
 - 5. Parking;
- vehicles. This includes road testing and delivery.
14. to any vehicle being towed by **your covered auto**, which is not shown in the **Declarations** and for which premium has not been paid. This exclusion does not apply to a **trailer**.
15. due to the cost of delay in repair, nor will **we** pay more than the cost of repair and/or replacement of automobiles of standard makes and similar type, and **we** will not pay for any extraneous items or any finish or special customizing of such vehicle other than as originally and normally manufactured.
16. to any specially built body, food vending equipment, catering equipment, or refrigeration equipment, nor to travel trailers, unless such equipment is described in the application and a premium charged therefore.
17. to any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
18. to any vehicle arising out of or during its commercial use for the transportation of any explosive substance, flammable liquid, or similar hazardous material, except transportation incidental to **your** ordinary household or farm activities.

19. due to taking or confiscation by governmental or civil authority, for any purpose, including temporary taking or temporary confiscation.
20. due to illegal sale, or repossession of a motor vehicle by the rightful owner.
21. due to theft, embezzlement or other unlawful conversion of **your covered auto** or **non-owned auto** after custody of said **auto** has been entrusted to another party for the purpose of subleasing, leasing or selling said automobile, whether under a consignment or not. This exclusion will apply whether the theft, embezzlement or unlawful conversion of the automobile was committed by the person to whom the vehicle was entrusted or by any other person.
22. due to the destruction of any vehicle, in whole or in part, intentionally caused by, or at the direction of **you**, any **insured person**, a **family member**, or any person listed as a driver in the **Declarations**.
23. covered by **collision** under this policy if any vehicle is being operated by any person:
 - a. listed as an operator in the **Declarations** who has a permanently revoked license;
 - b. not listed on the policy, who has been a **resident** of your household for more than 30 days. **You** must notify us within 30 days of the time when a person becomes a **resident** who was not listed on the policy. **However, this exclusion (23.b.) shall not apply if the vehicle is operated by a person residing in your household who, at the time of the loss, is insured by one of our affiliated companies under a private passenger auto insurance policy; or**
 - c. not listed on the policy, who does not have a current valid license to drive a motor vehicle, regardless of where that person resides.
24. to any vehicle due to diminution of value.
25. arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto** while it is rented to or leased to another.
26. arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
27. arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the insured person is actually charged with, or convicted of, a crime.
28. arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.

LIMIT OF LIABILITY

Our limit of liability for loss to **your covered auto** or **non-owned auto** is the lowest of:

1. The actual cash value of the stolen or damaged property at the time of the loss, but not to exceed \$70,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible;
2. The amount necessary to replace the stolen or damaged property, but not to exceed \$70,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible; or
3. The amount necessary to repair the damaged property to its pre-loss condition reduced by the applicable deductible.

Our limit of liability for loss to a **trailer** is \$500.00.

Our limit of liability for loss to property covered under Customizing Equipment Coverage is the lesser of the actual cash value, the declared value shown in the **Declarations** for this coverage, or the actual cost to repair. **Our** payment will be reduced by the applicable deductible.

Payments for loss **your covered auto** or **non-owned auto** are subject to the following provisions:

1. **We** reserve the right to make payment for repairs or replacement of property with other property of like kind and quality, specifically including the vehicle age, use and condition and/or parts supplied by a source other than the manufacturer of the vehicle such as aftermarket, used, recycled, rebuilt, restored, or exchanged parts.
2. If the repair or replacement results in the betterment of the property or part, meaning that the value of the repaired or replaced property or part has been increased above its pre-loss market value as a result of the repair or replacement, **you** may be responsible, subject to applicable laws and regulation, for the amount of the betterment.
3. Deductions for betterment or depreciation will be taken only for parts or specific repair process normally subject to repair or replacement during the useful life of the vehicle. Deductions will be limited to an amount equal to the proportion that the expired life of the part or specific repair process to be repaired for replaced bears to the normal life of that part or repair process.
4. In the event of a total loss, an adjustment for depreciation and physical condition will be made in determining the actual cash value of the vehicle.
5. **Our** payment will be reduced by the value of the salvage when **you** or the **owner** of the vehicle retains the salvage.
6. No person may receive a duplicate recovery under this policy for the same elements of damages.
7. No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.
8. Actual cash value is determined by the market value, age, and condition of the vehicle at the time of the loss.

TOTAL LOSS

In the event that **we** determine **your** vehicle to be a total loss, **you** must allow **us** to move **your** vehicle to a free storage location of **our** choice. **We** reserve the right to retain **your** vehicle and/or its salvage property after **we** determine that **your** vehicle is a total loss.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. **We** may make this payment to **you** or any loss payee as the person or entity's interest appears. **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.

LOSS PAYABLE CLAUSE

Loss or damage under this policy shall be paid as interest may appear to **you** and the loss payee shown in the **Declarations**. If **you** surrender possession of **your covered auto** to the loss payee or the loss payee repossesses **your covered auto**, **we** will not pay the loss payee for loss occurring after the date the loss payee or its agent takes possession of the **auto**. The interest of a loss payee shall be no greater than **your** interest under this policy.

When **we** pay a loss payee, **we** will not pay the loss payee more than the repair costs of **your covered auto**, actual cash value of **your covered auto** or the existing loan balance as of the date of loss, whichever is less, reduced by any applicable deductible and salvage value if **we** do not retain the salvage. Any insurance covering the interest of a loss payee shall not be protected and shall become

invalid for any damage, destruction or other loss resulting from **your** illegal or fraudulent acts and/or omissions. This insurance covering the interest of a loss payee shall become invalid because of **your** illegal or fraudulent acts or omissions. Additionally, **we** will not pay for any loss caused by conversion, embezzlement, or concealment by **you** or anyone acting on **your** direction or behalf. **We** will not pay for any destruction or damage and/or loss to an **auto** caused by any intentional act done by, at the direction of, or on behalf of any **insured person**. If **we** pay the loss payee for any loss that is not covered under this policy, **we** shall, to the extent of that payment, be subrogated to the loss payee's rights to recovery against **you** or any other **insured person**.

We reserve the right to cancel the policy as permitted by the policy terms. Cancellation shall terminate the policy and this agreement as to the loss payee's interest. **We** will give notice of cancellation to the loss payee and **named insured** as required under the law.

NO BENEFIT TO BAILEE

This 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 insurance, self-insurance, and/or protection limits or amounts regardless of source. Any insurance **we** provide with respect to a **non-owned auto** shall be excess over any other collectible insurance, self-insurance, and any other source of recovery applicable to the loss.

However, coverage under this Part D shall be primary to any insurance or self-insurance maintained by a duly licensed automobile dealer or rental company, for a motor vehicle:

- a. loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing;
- b. loaned to **you** or a **family member** by a duly licensed dealer for use as a demonstrator vehicle; and
- c. rented or leased to **you** or a **family member** from rental company as defined in Arkansas Statute 23-64-202.

APPRAISAL

If **we** and **you** do not agree on the amount of loss, then **we** and **you** may agree to an appraisal of the loss. If **we** and **you** agree to an appraisal, each party will select a competent appraiser and notify the other party in writing of the appraiser's identity within 30 days of the request for appraisal. The two appraisers will select an umpire. The appraisers will state separately the amount of loss. If they fail to agree, they will submit their differences to the umpire. A written 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.

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

AFTER MARKET PARTS NOTICE

IN THE REPAIR OF YOUR COVERED VEHICLE UNDER THE PHYSICAL DAMAGE PROVISIONS OF THIS POLICY, WE MAY REQUIRE OR SPECIFY THE USE OF MOTOR VEHICLE PARTS NOT MADE BY THE ORIGINAL MANUFACTURER. THESE PARTS

**ARE REQUIRED TO BE AT LEAST EQUAL IN TERMS OF FIT, QUALITY,
PERFORMANCE, AND WARRANTY TO THE ORIGINAL MANUFACTURER PARTS
THEY REPLACE.**

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

For coverage to apply under this policy, **you** or the person seeking coverage must promptly report to **us** how, when and where the **accident** or loss happened, including the names and addresses of any injured persons and of any witnesses.

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 examinations under oath at a place of our choosing, within 75 miles of the residence of the **named insured**, and require the person to correct and sign under oath the transcript of the examination(s) under oath.
 - c. To a request for production of documents at the time of the examination under oath and any other time, and allow the copying of any documents **we** or our designated representative requests. This includes, but is not limited to, all documents concerning **your** income (payroll records, profit and loss statements, etc.), finances, credit, and any other documents **we** indicate are reasonable and necessary to investigate and process **your** claim. Such documents must be provided to **us** or **our** designated representative in a timely manner, and if requested, prior to an examination under oath.
4. Authorize **us** to obtain:
 - a. Medical reports;
 - b. Any documents **we** indicate are necessary to investigate and process **your** claim; and
 - c. Event data recorders and/or sensing and diagnostic modules or any other recording device for the purpose of retrieving data following an **accident** or loss.
5. Submit a proof of loss when required by **us**.
6. Provide any statements to **us** when **we** request them, whether in writing, oral, or recorded form, or in person, at our option.

A person seeking Uninsured/Underinsured Motorist Coverage must also:

1. Promptly notify the police if a hit and run driver is involved.
2. Provide **us**, within 30 days of the date of filing, with a copy of the complaint, if a lawsuit is brought by the **insured person** against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
3. Within a reasonable time, make available at **our** expense all pleadings and depositions, if an **insured person** brings a lawsuit against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
4. Provide **us** with proof that the limits of liability under any liability policies applicable to an **uninsured motor vehicle** have been exhausted by payment of judgments or settlements. Provide **us** with proof that the limits of liability under any liability bond or policies applicable to an **underinsured motor vehicle** have been exhausted by payment of judgments or settlements.
5. Notify **us** or **our** agent in writing within 10 business days of the **accident** for Uninsured Motorist Property Damage coverage.

A person seeking coverage under Part D - Damage to Your Auto must also:

1. Take reasonable steps after loss, at **your** expense, to protect **your covered auto** or a **non-owned auto** and its equipment from further loss.
2. Notify the police, within 24 hours of discovery of the event, if **your covered auto** is stolen.
3. Permit **us** to inspect and appraise the damaged property as often as **we** reasonably require before its repair or disposal.
4. Send **us**, within 30 days of the loss, **your** signed sworn statement in proof of loss in the form provided to **you**; or, if no form is provided to **you**, a form of **your** own creation, sworn to under oath, and showing the date and time of loss, the cause of loss, the actual cash value and amount of loss to **your covered auto**, and attaching detailed repair estimates.

PART F - GENERAL PROVISIONS

TERMS CONFORMED TO STATUTES

This policy shall be deemed amended to conform to the statutes of the state listed in **your** application if any provision fails to conform to such statutes. Any dispute as to coverages or the provisions of this policy shall be determined and governed by the law of the state listed in **your** application as **your** residence.

BANKRUPTCY

Bankruptcy or insolvency of the **insured person** shall not relieve **us** of any obligations under this policy. If execution of a judgment against an **insured person** under Part A - Liability Coverage is returned unsatisfied for 30 days because of the insolvency or bankruptcy of the **insured person**, a person claiming payment for damages under Part A – Liability Coverage may maintain an action against **us** for the portion of the judgment that does not exceed **our** Limit of Liability, subject to all the terms and conditions of this policy.

CHANGES

This policy, any endorsements to this policy, the **Declarations**, and **your** application contain all the agreements between **you** and **us**. Their terms may not be changed or waived except by endorsement issued by **us**. If a change requires a premium adjustment, **we** will adjust the premium as of the effective date of change.

The premium for this policy is based on the information **you** provided to **us** or other sources **we** use. **You** agree to cooperate with **us** in determining if this information is accurate and complete. **You** agree to notify **us** of any changes during the policy period. If this information is incomplete, incorrect, or changes during the policy period, **you** agree that **we** may adjust **your** premium, or take other legally permissible action.

Changes that may result in a premium change include, but are not limited to, **you** or a **family member** obtaining a driver's license or operator's permit, or changes in:

1. **your** address;
2. **your** garaging address;
3. **resident** drivers and additional frequent drivers;
4. the number, type, or use classifications of **your covered autos**; and
5. coverages, deductibles, or limits of liability.

You must notify us within 30 days of the time when a person becomes a **resident** of **your** household who was not previously listed on the policy.

MISREPRESENTATION OR FRAUD

This policy was issued in reliance on the information provided on **your** insurance application, including, but not limited to information regarding license and driving history of **you, family members**, all persons of driving age residing in **your** household, the description of the vehicles to be insured, the location of the principal place of garaging, and **your** place of residence.

We may void this policy if **you** or any insured have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct, at the time application was made. **We** may deny

coverage for an **accident** or loss if **you** or any insured have knowingly concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may void this policy for fraud or misrepresentation even after the occurrence of an **accident** or loss. This means that **we** will not be liable for any claims or damages that would otherwise be covered. If **we** void this policy, it will be void from its inception (void ab initio), and no coverage will be provided whatsoever.

To the extent that **we** make payments to **you** under this policy and **our** subsequent investigation reveals **your** involvement in fraud or misrepresentation in the presentation of a claim, **you** must indemnify **us** for all payments made.

However, this provision shall not affect coverage under Part A – Liability to Others.

LEGAL ACTION AGAINST US

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

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

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

Under Part B – Personal Injury Protection Coverage or Part D – Coverage for Damage to Your Auto, no legal action may be brought against **us** on or upon this policy, or arising out of any activities of the Company in any way related to this policy, or claims **you** have presented, unless filed within two years of the **accident** or loss.

The **insured person** and **we** agree that no cause of action shall accrue to the insured under Part C – Uninsured/Underinsured Motorist Coverage unless within one year from the date of the **accident**:

1. Agreement as to the amount due under the policy has been concluded;
2. The **insured person** or **we** has formally instituted arbitration proceedings;
3. The **insured person** has filed an action against **us** in a court of competent jurisdiction; or
4. Suit for bodily injury has been filed against the uninsured motorist in a court of competent jurisdiction and, within one year from the date of settlement or final judgment against the uninsured motorist, the **insured person** has formally instituted arbitration proceedings or filed an action against **us** in a court of competent jurisdiction.

OUR RIGHT TO RECOVER PAYMENT

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, provided that the person has been fully compensated for his her damages. That person shall do:

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

However, **our** rights in this provision do not apply under Part D – Coverage for Damage to Your Auto, against any person using **your covered auto** with a reasonable belief that that person is entitled to do so.

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 within 30 days of receipt of the proceeds of any recovery.

If payment is made to an **insured person** under Part B – Personal Injury Protection Coverage, **we** are entitled to reimbursement to the extent of **our** payment, reduced by **our** share of the expenses, costs, and attorney fees incurred by the **insured person** in connection with any recovery from a liable person. This provision shall not apply to payment by us under any Accidental Death Benefits Coverage provided under Part B of this policy. If an **insured person** under this policy makes recovery from a responsible party, other than the owner or operator of an **underinsured motor vehicle**, without our written consent, the **insured person's** right to payment under any affected coverage will no longer exist.

If **we** exercise our right to recovery against another, **we** will also attempt to recover any deductible incurred by an **insured person** under this policy. **We** reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. **We** reserve the right to reduce reimbursement of the deductible by the proportion that the amount **we** recover bears to the total amount of **our** subrogated claim. **We** will also reduce reimbursement of the deductible by the proportionate share of the collection expenses including attorney fees incurred with **our** recovery efforts. **We** will not recover the deductible if **you** instruct **us** not to.

POLICY PERIOD AND TERRITORY

This policy applies only to **accidents** and losses that occur during the policy period as shown in the **Declarations** and within the policy territory. The policy territory is:

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

This policy also applies to loss to, or **accidents** involving, **your covered auto** while being transported between their ports.

CANCELLATION

You may cancel this policy by calling **us** or giving **us** advance notice of the future date cancellation is to take effect. If **your** initial premium is paid by check, draft, credit card, electronic funds transfer, or similar form of remittance, and the remittance is not honored or is returned due to non-sufficient funds, the policy shall be deemed void from inception.

We may cancel this policy at any time for nonpayment of premium by providing at least 10 days notice to **you** at the address shown in **our** records.

During the first 59 days of the initial policy term, **we** may cancel this policy for any reason by providing at least 10 days notice to **you** at the address shown in **our** records. In all other cases, other than nonpayment of premium, at least 20 days notice of cancellation will be provided.

After this policy is in effect for 60 days, or if this is a renewal or continuation policy, **we** may cancel only for one or more of the following reasons:

1. nonpayment of premium;
2. If **your** driver's license or that of:
 - a. Any driver who lives with **you**; or
 - b. Any driver who customarily uses **your covered auto**;has been permanently suspended or revoked during the policy period, or if the policy is a renewal, during the policy period or the 180 days immediately preceding the renewal date. However, **we** will not cancel the policy if a suspension of driving privileges is ordered by a court based on a non-driving offense;
3. The **named insured** or any driver of **your covered auto** is convicted of:
 - a. Driving while intoxicated;
 - b. Homicide or assault arising out of the use of a motor vehicle; or
 - c. Three (3) separate convictions of speeding or reckless driving, or any combination of the two during the policy period, including three (3) months prior to the effective date of the policy;
4. The policy was obtained through fraud or material misrepresentation;
5. Any **insured person** violated any of the terms or conditions of the policy;
6. Any **insured person** made a false or fraudulent claim, or knowingly aided or abetted another in the presentation of such a claim; or
7. Any other reason permitted by law.

The effective date and time of cancellation stated in the notice shall become the end of the policy period. Any cancellation will be effective for all coverages for all persons and all vehicles.

NONRENEWAL

If **we** decide not to renew or continue this policy, **we** will mail notice to **you** at the address shown in **our** records. Notice will be mailed at least 30 days before the end of the policy period.

PREMIUM REFUND AND CANCELLATION FEE

If this policy is canceled, **you** may be entitled to a premium refund. Any refund due will be computed on a daily pro rata basis. However, **we** shall retain a cancellation fee if cancellation is for nonpayment of premium, or if **you** cancel this policy. **Our** making or offering to make a refund is not a condition of cancellation.

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. If **you** fail to pay the required renewal or continuation premium when due, this 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. All coverage associated with any vehicle **you** own will automatically terminate upon the sale or transfer of vehicle ownership.

PROOF OF MAILING

We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.

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 **Declarations** dies, coverage will be provided for:

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

Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTO POLICIES

If this policy and any other automobile 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.

POLICY AND/OR FILING FEES

A Policy Fee and Filing Fee, if any, as set forth under the **Declarations** of this policy, is fully earned upon issuance of the policy and is not refundable.

ADDITIONAL PREMIUM DUE - LOSS SETTLEMENT

In the event of additional premium due to the incorrect rating of this policy, **we** shall have the right to correct the premium in accordance with **our** published rates and underwriting rules. If a loss occurs under the policy **we** shall have the option to deduct such additional premium from any loss settlement.

CLAIMS SETTLEMENT

To assist **us** in determining the amount of damages, expenses, or loss payable under the terms of this policy, **we** may use estimating, appraisal, or injury evaluation systems developed by **third parties or us** and may include the use of computer software, databases and other specialized technology.

NAMED DRIVER EXCLUSION

If you have elected to exclude a driver who may, by law, be excluded, coverage under Part A – Liability Coverage and Part D - Coverage For Damage to Your Auto shall not apply nor shall they accrue to the benefit of **you**, any third party claimant, or any other person, while any **auto** is being operated by the driver that has been excluded (listed on the Application and/or **Declarations** and/or a Named Driver Exclusion acknowledgment), regardless of where the person resides or whether the person is licensed to drive.

This exclusion applies to the policy, or any continuation, renewal, or replacement of the policy by the **named insured**, or reinstatement within 30 days of any lapse thereof.

A handwritten signature in black ink, appearing to read "J. Dailey". The signature is fluid and cursive, with the first letter "J" being particularly large and stylized.

Jeffrey J. Dailey, President
Bristol West Insurance Company

NAMED NON-OWNER COVERAGE ENDORSEMENT

If **you** pay the premium for Named Non-Owner Coverage, then **you** agree that this policy is amended as follows:

I. General Definitions

A. The definition of **you** and **your** is deleted and replaced by the following:

You and **your** means only the person shown as the **named insured** on the **Declarations**.

B. The definition of **your covered auto** is deleted and replaced by the following:

Your covered auto means:

1. Any **auto** not **owned** by **you**, **your** spouse, or members of the household in which you reside, which **you** are using with the permission of the **owner**; and
2. Any **auto** of which **you** acquire ownership during the policy period. For coverage to apply under Part A-Liability Coverage, **you** must, however, notify **us** within 30 days of its acquisition. **You** must pay any additional premium charges for coverage for the newly acquired vehicle.

II. Part A – Liability to Others

A. The insuring agreement is deleted and replaced by the following:

INSURING AGREEMENT

If **you** pay **us** the premium when due for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which **you** become legally responsible because of an **accident** arising out of **your** use of **your covered auto**. Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** expense and as **we** consider appropriate, any claim or suit asking for these damages. Attorneys selected by **us** will provide a defense to such suit after it is tendered to **us**. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment, settlement or judgment.

We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** may recover from **you** any amounts **we** have paid to defend **you** in a lawsuit if it is determined that **we** had no duty to defend **you**.

B. The Additional Definition of **Insured Person** is deleted and replaced by the following:

Insured person means:

- i. **You** with respect to an **accident** arising out of the maintenance or use of **your covered auto**;
- ii. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and

- iii. Any person or organization vicariously liable for the acts or omissions of a person described in paragraph i or ii above.
- C. Exclusion 5 is deleted and replaced by the following:
 - 5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **auto** by a person who is employed or otherwise engaged in the **business** of:
 - a. Selling;
 - b. Repairing;
 - c. Servicing;
 - d. Storing; or
 - e. Parking;vehicles. This includes road testing and delivery. This exclusion does not apply to an **auto** operated or occupied by **you**.
- D. Exclusion 12 is deleted and replaced by the following:
 - 12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is **owned by you**
- E. Exclusion 13 is deleted.
- F. The Other Insurance provision is deleted and replaced by the following:

This coverage is excess over any other applicable liability insurance or bond.

III. Part C – Uninsured/Underinsured Motorist Coverage

- A. The Additional Definition of insured person is deleted and replaced by the following:

Insured person means:

 - 1. **You**; and
 - 2. Any other person while occupying **your covered auto** provided the actual use thereof is with **your** permission.
- B. There is no coverage for Uninsured Motorist Property Damage Coverage.

All other terms, conditions, limits and provisions of this policy remain unchanged.

SERFF Tracking Number: BRWS-125312446

State: Arkansas

Filing Company: Bristol West Insurance Company

State Tracking Number: AR-PC-07-026371

Company Tracking Number: AR0807

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Product Name: Select 2.0

Project Name/Number: AR policy/

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: BRWS-125312446

State: Arkansas

Filing Company: Bristol West Insurance Company

State Tracking Number: AR-PC-07-026371

Company Tracking Number: AR0807

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Product Name: Select 2.0

Project Name/Number: AR policy/

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty

Review Status:

Approved

10/23/2007

Comments:

Attachment:

AR PC TD 1.doc

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only
	a. Date the filing is received:
	b. Analyst:
	c. Disposition:
	d. Date of disposition of the filing:
	e. Effective date of filing:
	f. State Filing #:
	g. SERFF Filing #:

3. Group Name	Group NAIC #
Bristol West Insurance Group	814

4. Company Name(s)	Domicile	NAIC #	FEIN #
Bristol West Insurance Company	Ohio	19658	38-1865162

5. Company Tracking Number	AR0807
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Eric Schauer	Product Manager	216-674-7000 x 803-4502	216-674-7116	Eric.Schauer@BristolWest.com
	Rockside Center III 5990 West Creek Road Indendence, Ohio 44113				
7.	Signature of authorized filer				
8.	Please print name of authorized filer		Eric Schauer		

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	19.1-21.1 1000 Private Passenger Auto
10. Sub-Type of Insurance (Sub-TOI)	19.1002/21 PPA Liability and Physical Damage
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Private Passenger Auto
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 12/12/2007 Renewal: 1/12/2008
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	October 9, 2008
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	AR0807
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21.	Filing Description [This area should be similar to the body of a cover letter and is free-form text]
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This filing is made to standardize our Auto policy to the policy we use in all states. We have modified the contract to meet the statutes and regulations of AR.

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
Check #: Amount: \$50.00	
Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.	

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do not refer to the body of the filing for the forms listing.)

1.	This filing transmittal is part of Company Tracking #		AR0807		
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)				
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Personal Auto Policy	BWPP-03001 (08/07)	[] New [X] Replacement [] Withdrawn	BWPP-03001	
02			[] New [] Replacement [] Withdrawn		
03			[] New [] Replacement [] Withdrawn		
04			[] New [] Replacement [] Withdrawn		
05			[] New [] Replacement [] Withdrawn		
06			[] New [] Replacement [] Withdrawn		
07			[] New [] Replacement [] Withdrawn		
08			[] New [] Replacement [] Withdrawn		
09			[] New [] Replacement [] Withdrawn		
10			[] New [] Replacement [] Withdrawn		

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing.)

1.	This filing transmittal is part of Company Tracking #	ARO807
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
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Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc)	
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4a. Rate Change by Company							
Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change where required	Minimum % Change where required

4b.	Rate Change by Company (As Accepted) for State Use Only
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change where required	Minimum % Change where required

5. Overall Rate Information (Complete for Multiple Company Filings only)			
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		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)		
5b	Overall percentage rate impact for this filing		
5c	Effect of Rate Filing – Written premium change for this program		
5d	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	
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7.	Effective Date of last rate revision	
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8.	Filing method of Last Filing (Prior Approval, File & Use, Flex Band, etc.)	
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9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

<i>SERFF Tracking Number:</i>	<i>BRWS-125312446</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Bristol West Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026371</i>
<i>Company Tracking Number:</i>	<i>AR0807</i>		
<i>TOI:</i>	<i>19.0 Personal Auto</i>	<i>Sub-TOI:</i>	<i>19.0001 Private Passenger Auto (PPA)</i>
<i>Product Name:</i>	<i>Select 2.0</i>		
<i>Project Name/Number:</i>	<i>AR policy/</i>		

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Personal Auto Policy	10/18/2007	Arkansas Policy 5c.doc Arkansas Policy 6c.doc
No original date	Form	Personal Auto Policy	10/03/2007	Arkansas Policy 5c.doc



Arkansas

Personal Auto Policy

Bristol West Insurance Company

Claims
1-800-BRISTOL
(274-7865)

All Other Calls
1-888-888-0080
(Toll-Free)

Form No. [XXXX](#) (08/07)

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ARKANSAS PERSONAL AUTO POLICY

AGREEMENT

Your policy consists of the policy contract, **your** insurance application, the **Declarations**, and all endorsements to this policy. In reliance upon the statements of fact made in the application for this insurance, which statements of fact **you** represent are true to the best of **your** knowledge, and in return for the payment of the premium, **we** agree with **you**, for the coverages shown in the **Declarations** and subject to all the terms and conditions of the policy, as follows:

GENERAL DEFINITIONS

Certain words and phrases are defined by using boldface type. The defined terms have the same meaning whether in the singular, plural, or any other form. They are defined as follows:

1. **You** and **your** refer to:
 - a. the **named insured** shown in the **Declarations**; and
 - b. the spouse of the **named insured** shown in the **Declarations**, if a **resident** of the same household.
2. **We, us** and **our** refer to the insurance company providing this insurance, as shown in the **Declarations**.
3. **Accident** means a sudden, unexpected and unintended event that arises out of the ownership, maintenance, or use of an **auto** as an **auto**, and that causes **bodily injury** or **property damage** during the policy period.
4. **Additional auto** means an **auto** you acquire that is in addition to any **auto** shown in the **Declarations**, if:
 - a. the **auto** is acquired during the policy period;
 - b. no other insurance policy provides coverage for the **auto**;
 - c. **you** ask us to insure the **auto** within 30 days after **you** become the **owner** of the **auto**; and
 - d. **we** insure all **autos** in **your** household.An **additional auto** will have the broadest coverage **we** provide for any **auto** shown in the **Declarations**.
5. **Auto** means any self-propelled private passenger motor vehicle with not less than four wheels designed principally for use on paved public streets and highways, provided it has a gross vehicle weight (as determined by the manufacturer's specifications) of 12,000 pounds or less and is not a step-van, parcel delivery van, cargo cutaway van or other van with the cab separate from the cargo area.
6. **Bodily injury** means bodily harm, sickness or disease, including death resulting from bodily harm, sickness or disease.
7. **Business** means any full or part-time profession, occupation, trade or commercial enterprise.
8. **Declarations** means the Personal Auto Policy Declarations that lists the **named insured**, the **autos** to be covered by this policy, the coverages that apply under this policy, the limits of liability, the policy period, and other information pertinent to **your** policy of insurance when purchased from **us**.
9. **Family member** means a person related to **you** by blood, marriage or adoption who is a **resident** of **your** household, including a ward or foster child. **Family members** include **your** unmarried dependent children living temporarily away from home.
10. **Named insured** means the person or persons listed in the **Declarations** as the named insured.
11. **Non-owned auto** means 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**. **Non-owned auto** includes a rental vehicle only if the following conditions are met:

- a. The rental vehicle is not **owned** by or furnished or available for the regular use of **you** or any **family member**;
- b. The rental vehicle is operated within the United States, its territories or possessions, and Canada;
- c. The rental vehicle is operated only for pleasure and not for **business** use;
- d. The rental vehicle is a private passenger automobile and not a motor home, camper, travel trailer, U-Haul, or customized van;
- e. The rental vehicle is **owned** by a person engaged in **business** of renting or leasing vehicles rented or leased without a driver to persons other than the owner and is registered in the name of such owner; and
- f. The rental vehicle is rented under a rental agreement with a term no longer than thirty consecutive days.

A **non-owned auto** includes a vehicle loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing. **Non-owned auto** does not include a vehicle that is not in the lawful possession of the person operating it.

12. **Property damage** means physical injury to or destruction of tangible property, including any loss of use.
13. **Resident** means domiciled and actually living in the household in which **you** reside.
14. **Occupying** means in, upon, getting in, on, out or off.
15. **Owned** means, with respect to a private passenger type **auto**, the person:
 - a. holds legal title; or
 - b. has legal possession under a written lease or loan agreement for a continuous period of at least six months.
16. **Replacement auto** means an **auto** that permanently replaces an **auto** shown in the **Declarations**. A **replacement auto** will have the same coverages as the **auto** it replaces provided that no other insurance provides coverage for the **replacement auto** and it is acquired during the policy period. If **you** wish to continue coverage under Part D – Damage to Your Auto for the **replacement auto**, you must ask **us** to provide the coverage within 30 days after **you** become the **owner** of the **replacement auto**. If the **auto** it replaces does not have coverage under Part D – Damage to Your Auto, **you** must ask us to add the coverage and **you** must pay the additional premium due prior to the effective date those coverages are added.
17. **Trailer** means a non-motorized vehicle designed to be pulled by a:
 - a. private passenger **auto**; or
 - b. pickup, van or panel truck.

It also means a farm wagon or farm implement while being towed by a vehicle listed in a. or b. above. It does not include travel trailers, camper trailers or other **trailers** used for commercial purposes including as an office, a store or display purposes, or to transport passengers.
18. **Your covered auto** means:
 - a. any **auto** shown in the **Declarations** for the coverages applicable to that **auto**;
 - b. any **additional auto**;
 - c. any **replacement auto**; or
 - d. any **trailer owned** by **you** while attached to **your covered auto**.

PART A -- LIABILITY COVERAGE

INSURING AGREEMENT

If **you** pay **us** the premium when due for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an **accident**. Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** expense and as **we** consider appropriate, any claim or suit asking for these damages. Attorneys selected by **us** will provide a defense to such suit after it is tendered to **us**. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment, settlement or judgment.

We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** may recover from an **insured person** any amounts **we** have paid to defend the **insured person** in a lawsuit if it is determined that **we** had no duty to defend the **insured person**.

SUPPLEMENTARY PAYMENTS

In addition to **our** limit of liability, **we** will pay on behalf of an **insured person**:

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** have paid, offered to pay, or deposited into court, that part of the judgment that 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.

ADDITIONAL DEFINITIONS

When used in this Part A:

1. **Insured person** means:
 - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations** with respect to an **accident** arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto**;
 - b. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and
 - c. Any person or organization vicariously liable for the acts or omissions of a person described in paragraph a or b above.
2. **Punitive or exemplary damages** means damages which may be imposed to punish a wrongdoer and to deter others from similar conduct.

EXCLUSIONS THAT APPLY TO PART A – LIABILITY COVERAGE

We do not provide Liability Coverage and **we** have no duty to settle or defend any claim or lawsuit:

1. For **bodily injury** or **property damage** caused intentionally by, or at the direction of, any **insured person**, even if the actual injury or damage is different than that which was intended or expected;
2. For damage to property owned by, used by, rented to, being transported by, or in the care, custody or control of an **insured person**. This exclusion does not apply to damage to a rented residence or rented private garage.
3. For **bodily injury** to an employee of an **insured person** during the course of employment. This exclusion does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits, disability benefits or similar benefits are required or available for that domestic employee.
4. For **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle by a person who is employed or otherwise engaged in the **business** of:
 - a. Selling;
 - b. Repairing;
 - c. Servicing;
 - d. Storing; or
 - e. Parking;vehicles. This includes road testing and delivery.
6. For **bodily injury** or **property damage** arising out of the maintenance or use of any vehicle while an **insured person** is employed or otherwise engaged in any business not described in exclusion 5. This exclusion 6 does not apply to the maintenance or use of a:
 - a. Private passenger auto;
 - b. Pickup or van that:
 - (1) You own; or
 - (2) You do not own while used as a temporary substitute for **your covered auto** which is out of its normal use because of its breakdown, loss, repair destruction or servicing; or
 - c. **Trailer** used with a vehicle described in a. or b. above
7. For **bodily injury** or **property damage** arising out of any person's use of a vehicle without the owner's express or implied permission.
8. For **bodily injury** or **property damage** for which an **insured 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. American Nuclear Insurers;
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
9. For **bodily injury** to **you** or any **family member**, including whenever the ultimate benefits of that indemnification accrue directly or indirectly to **you** or a **family member**.
10. For **punitive or exemplary damages**.
11. For liability assumed by an **insured person** under any contract or agreement.

12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto** which is:
 - a. **Owned by you**; or
 - b. Furnished or available for **your** regular use.
13. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is:
 - a. **Owned by any family member** or any person specifically listed as an additional driver in the **Declarations**; or
 - b. Furnished or available for the regular use of any **family member** or any person specifically listed as an additional driver in the **Declarations**.

This exclusion does not apply to **your** maintenance or use of such vehicle.
14. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
15. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
16. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
17. For any obligation for which the United States Government is liable under the Federal Tort Claims Act.
18. Arising out of the ownership, maintenance or use of **your covered auto** while it is rented to or leased to another.
19. Arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
20. for charges, fees and administrative expenses for services performed by law enforcement and municipal personnel when responding to a motor vehicle **accident** or loss.

LIMIT OF LIABILITY

The bodily injury liability limit for “each person” as shown in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the bodily injury liability limit for “each person”, the bodily injury liability limit for “each accident” as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

The property damage liability limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for all **property damage** arising out of any one **accident**.

The limit of liability shown in the **Declarations** is the most **we** will pay regardless of the number of vehicles involved in the **accident**, **insured persons**, claims made, lawsuits brought, premiums paid, or the number of vehicles or premiums shown in the **Declarations**.

No one is entitled to duplicate payments for the same element of damages. Any amount payable under Part A-Liability Coverage to a person for **bodily injury** shall be reduced by all sums paid to that

person, or for their benefit, under Part B - Personal Injury Protection Coverage and Part C – Uninsured/Underinsured Motorist Coverage.

OUT OF STATE COVERAGE

If an **accident** to which Part A-Liability Coverage 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 a financial responsibility or similar law requiring a nonresident to maintain 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.
- 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. If, due to certification as future proof of financial responsibility **we** are required to pay a claim that would otherwise have not been covered under this Part, **you** agree to reimburse **us** to the extent of that payment.

OTHER INSURANCE

Any insurance we provide under Part A shall be excess over any other collectible insurance, self-insurance, protection and/or any other source of recovery, except for the insurance we provide for the ownership, maintenance and use of **your covered auto**. If other insurance, self-insurance, protection and/or other source of recovery with the same priority applies, 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 insurance limits, self-insurance amounts or limits, and/or other sources of recovery. However, if a duly licensed automobile dealer provides a vehicle to **you** or a **family member**:

1. For use as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing; or
2. To demonstrate the vehicle;

then **we** will provide primary coverage.

PART B – PERSONAL INJURY PROTECTION BENEFITS COVERAGE

INSURING AGREEMENT

Subject to the Limit of Liability shown on the **Declarations Page**, we will pay personal injury protection benefits to or for an **insured person** who sustains **bodily injury** caused by an **accident** and arising out of the maintenance or use of a motor vehicle.

If a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member** for use as a temporary substitute for any **your covered auto** while it is out of normal use because of its:

1. Breakdown;
2. Repair; or
3. Servicing;

personal injury protection benefits shall extend to such loaned motor vehicle only to the extent of the coverage provided, if any, to **your covered auto** being repaired or serviced.

Personal injury protection benefits, subject to the limits shown in the **Declarations**, consist of the following:

1. Medical payments. All reasonable and necessary expenses incurred within 2 years from the date of the **accident** for:
 - a. Medical, hospital, x-ray, professional nursing, dental, surgical, ambulance, prosthetic and funeral expenses; and
 - b. Any non-medical remedial care and treatment rendered in accordance with a recognized religious method of healing.Medical payments do not include expenses in excess of those required for a semi-private room, unless more intensive care is required.
2. Work loss.
 - a. If an **insured person** is an income earner, loss of income from work that **insured person** would have performed had he not sustained **bodily injury**.
 - b. If an **insured person** is a non-income earner, expenses reasonably incurred in obtaining ordinary and necessary services instead of those that **insured person** would have performed, without income and for the benefit of himself or his family, had he not sustained **bodily injury**.
Work loss applies only to the period beginning 8 days after the date of the **accident** and not exceeding 52 weeks. However, work loss does not include any loss or expense after the death of an **insured person**.
3. Accidental death. A death benefit paid if **bodily injury** resulting from the accident causes the death of an **insured person** within 1 year from the date of the **accident**. The **bodily injury** must be the sole cause of death.

ADDITIONAL DEFINITIONS

When used in this Part B:

1. **Insured person** means:
 - a. **You** or any **family member**; and
 - b. any other person:
 - i. while **occupying your covered auto**; or
 - ii. when struck by **your covered auto** while a pedestrian, bicyclist, or motorcyclist, or while riding on an animal or a horse-drawn wagon or cart.

EXCLUSIONS THAT APPLY TO PART B – PERSONAL INJURY PROTECTION COVERAGE

The coverages under this Part B - Personal Injury Protection Coverage do not apply to **bodily injury**:

1. Sustained by any person while:
 - a. Operating **your covered auto** without the **your** express or implied consent; or
 - b. Not in lawful possession of **your covered auto**;
 2. Due to:
 - a. War (declared or undeclared);
 - b. Civil war;
 - c. Insurrection;
 - d. Rebellion or revolution; or
 - e. Any act or condition incident to any of the above.
 3. Resulting from the:
 - a. Radioactive;
 - b. Toxic;
 - c. Explosive; or
 - d. Other hazardous properties of nuclear material;
 3. Sustained by any person to the extent that benefits are, in whole or in part, paid or payable under any of the following or similar law:
 - a. Workers' compensation law; or
 - b. Employer's disability law.
- However, this exclusion does not apply to any coverage for accidental death.
4. Sustained by:
 - a. Any person while **occupying** any motor vehicle, other than **your covered auto**, that is owned by, or furnished, or available, for the regular use of **you**;
 - b. Any **family member** while **occupying** any motor vehicle, other than **your covered auto**, which is owned by, or furnished, or available for the regular use of **you** or that **family member**;
 - c. Any **family member** that is entitled to similar coverage as a named insured under another policy which provides personal injury protection benefits equal to or greater than those required by the Arkansas statutes.
 - d. Any **insured person**, other than **you** or a **family member**, entitled to similar coverage as a named insured or family member under another policy which provides personal injury protection benefits equal to or greater than those required by the Arkansas statutes.
 - e. Any person while **occupying your covered auto** when it is being used as a public or livery conveyance unless such use is stated in the Declarations.
 - f. Any person, other than **you** or any **family member**;
 - i. While **occupying** any motor vehicle, other than **your covered auto**, while employed or otherwise engaged in the business or occupation of:
 - (1) Selling;
 - (2) Repairing;
 - (3) Servicing;
 - (4) Storing; or
 - (5) Parking;motor vehicles.
 - ii. Arising out of the maintenance or use of any motor vehicle, other than **your covered auto** or a motorcycle, by that person while employed or otherwise engaged in any **business** or occupation not described above. This exclusion does not apply to **bodily injury** resulting from the operation or occupancy of a:

- (1) Private passenger auto; or
 - (2) Trailer used with such private passenger auto or **your covered auto**; by the named insured or his private chauffeur or domestic servant.
- h. Any person while occupying any motor vehicle, other than **your covered auto**, unless that person has, or reasonably believes he has, the permission of the owner to use such motor vehicle.

PAYMENT OF BENEFITS

We may pay medical payments or work loss to an **insured person** or organization rendering the services. Such payment shall reduce the amount payable under this coverage for **bodily injury** sustained by that **insured person**.

LIMIT OF LIABILITY

The limits of liability shown in the **Declarations** for Personal Injury Protection Coverage are the most we will pay each **insured person** injured in any one **accident**, regardless of the number of:

1. **Insured persons**;
2. Policies or bonds;
3. Claims made;
4. **Your covered autos**; or
5. Premiums paid.

OTHER INSURANCE

Any insurance we provide for medical payments:

1. With respect to **bodily injury** sustained by any **family member**, shall be excess over any other collectible insurance available to that **family member** as a named insured under another motor vehicle insurance policy providing direct benefits without regard to fault.
2. With respect to **bodily injury** sustained by an **insured person**, other than **you** or any **family member**, shall be excess over any other collectible similar insurance available to that **insured person** as a named insured or **family member** under another motor vehicle insurance policy providing direct benefits without regard to fault.

Except as provided above, if there is other similar collectible insurance that provides coverage for medical payments, 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 a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member**:

1. For use as a temporary substitute for **your covered auto** while it is out of normal use because of its:
 - a. Breakdown;
 - b. Repair; or
 - c. Servicing; or
 2. To demonstrate the motor vehicle;
- then we will provide primary insurance.

Any insurance we provide for work loss or accidental death shall be excess over any other collectible insurance available to:

1. An **insured person**, other than **you** or any **family member**, under another motor vehicle insurance policy. In this event, **our** maximum limit of liability will be the amount by which the

applicable limit of liability shown in the **Declarations** exceeds the applicable limits of liability of all other insurance.

2. **You** or any **family member** under any other motor vehicle insurance policy. In this event:
 - a. The maximum recovery under all policies shall not exceed the highest limit of liability under any one policy.
 - b. **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 a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member**:
 1. For use as a temporary substitute for **your covered auto** while it is out of normal use because of its:
 - a. Breakdown;
 - b. Repair; or
 - c. Servicing; or
 2. To demonstrate the motor vehicle;
then **we** will provide primary insurance.

No one shall be entitled to recover duplicate payments for the same elements of loss.

PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT – UNINSURED MOTORIST COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

INSURING AGREEMENT – UNDERINSURED MOTORIST COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **underinsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **underinsured motor vehicle**.

INSURING AGREEMENT – UNINSURED MOTORIST PROPERTY DAMAGE COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** to a **your covered auto** caused by an **accident** and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

We will pay under Part C only after the limits of liability under all applicable liability bonds and policies have been exhausted by payment of judgments or settlements.

Any judgment for damages arising out of a suit brought without **our** written consent is not binding on **us**. If a tentative settlement has been made between an **insured person** and the insurer of the **underinsured motor vehicle** and **we** have been given prompt written notice by certified mail, return receipt requested of such tentative settlement, then **we** may advance payment to the **insured person** in an amount equal to the tentative settlement within 30 days after receipt of notification. However, if the owner or operator of the **underinsured motor vehicle** is insured by **us** for liability coverage, this provision shall not apply, and an **insured person** may proceed with his or her claim for damages under this coverage anytime after settlement of that **insured person's** claim for damages under the liability coverage applicable to the owner or operator of the **underinsured motor vehicle**.

ADDITIONAL DEFINITIONS

When used in this Part C:

1. **Insured person** means:
 - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations**;
 - b. Any other person while occupying **your covered auto**, provided the actual use thereof is with the permission of the **named insured**; and
 - c. Any person entitled to recover damages for **bodily injury** covered under Part C of this policy sustained by a person meeting the definition of an **insured person** in 1.a. or 1.b. above.
2. **Property damage** means physical damage to, or destruction of **your covered auto**. It includes a reasonable allowance for loss of use of **your covered auto**.
3. **Underinsured motor vehicle** means a land motor vehicle or **trailer** of any type to which a **bodily injury** liability policy applies at the time of the **accident** but the sum of all applicable

limits of liability for **bodily injury** is less than the amount of damages incurred by the **insured person**.

However, an **underinsured motor vehicle** does not include:

- a. A vehicle that is **owned** or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
 - b. A vehicle that is **owned** by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any such government;
 - a. A land motor vehicle or trailer, if operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
 - d. A farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
 - e. A vehicle **owned** by or furnished for the regular or frequent use of an **insured person** or any member of the household of the **insured person**;
 - f. Any vehicle or equipment to which coverage under Part A applies; or
 - g. Any vehicle or equipment that is an **uninsured motor vehicle**.
4. **Uninsured motor vehicle** means a land motor vehicle or **trailer** of any type:
- a. For which no liability policy or bond applies at the time of the **accident**;
 - b. To which a liability policy applies at the time of the **accident** but the insuring company:
 - i. Denies coverage;
 - ii. Refuses to admit coverage except conditionally or with reservation; or
 - iii. Is or becomes insolvent, declared bankrupt, or subject to the appointment of a receiver;
 - c. Which is a hit and run vehicle whose owner or operator cannot be identified and which hits or makes physical contact with:
 - i. **You** or any **family member**;
 - ii. A vehicle which **you** or any **family member** are **occupying**; or
 - iii. **Your covered auto**; orProvided that an **insured person** or their representative reports the **accident** to the police or civil authority within 72 hours or as soon as practicable after the **accident**.

However, **uninsured motor vehicle** does not include any vehicle:

- a. **Owned** by an **insured person** or furnished or available for the regular use of an **insured person**;
- b. **Owned** or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
- c. **Owned** by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any such government;
- d. Operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
- e. That is a farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
- f. That is an **underinsured motor vehicle**; or
- g. For which coverage under Part A applies.

EXCLUSIONS THAT APPLY TO PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE

Coverage under Part C does not apply:

1. if the **insured person** or their legal representative settles or prosecutes to a judgment a claim for **bodily injury** or **property damage** without our consent.

2. to **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
3. to **bodily injury** or **property damage** when an **insured person** is using a vehicle without a reasonable belief that the person is entitled to do so.
4. to **property damage** or to **bodily injury** sustained by any person while **occupying** or when struck by a **trailer** of any type used with a motor vehicle **owned by you** or any **family member** or any other person specifically listed as an additional driver listed in the **Declarations** which is not insured for this coverage under this policy.
5. directly or indirectly to benefit:
 - a. Any **insured person** or self-insurer under any of the following or similar law:
 - i. workers' compensation law;
 - ii. disability benefits law;
 - iii. the State Accident Insurance Fund; or
 - b. An insurer of property.
6. directly to the benefit of the United States or any State or political subdivision thereof.
7. to any claim for punitive, exemplary, multiple damages, fines, penalties, or restitution.
8. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
9. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
10. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.

LIMIT OF LIABILITY

The limit of Uninsured Motorist Bodily Injury Liability, Underinsured Motorist Bodily Injury Liability or Uninsured Motorist Property Damage Liability shown in the Schedule or in the **Declarations** is the most **we** will pay regardless of the number of:

1. **Insured persons**;
2. Claims made;
3. Vehicles or premiums shown in the **Declarations**;
4. Vehicles involved in the **accident**; or
5. Premiums paid.

In no event shall the limit of liability for two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available as uninsured motorist coverage, underinsured motorist coverage, or uninsured motorist property damage benefits.

The limit for each person as shown in the **Declarations** for Uninsured Motorist Bodily Injury Liability or Underinsured Motorist Bodily Injury Liability is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the Uninsured Bodily Injury limit or the Underinsured Motorist Bodily Injury limit for each person, the **bodily injury** limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

Our maximum limit of liability for all damages for **property damage** resulting from any one **accident** will be the lesser of:

1. The limit of Uninsured Motorist Property Damage Liability shown in the **Declarations**;
2. The actual cash value of **your covered auto**, reduced by the salvage value if **you** or the owner of the property retain the salvage; or
3. The amount to repair the vehicle or property;
reduced by:
 - a. All sums paid for the **property damage** by or on behalf of any persons or organizations who may be legally liable;
 - b. Any amounts paid under this policy for the same elements of **property damage** or loss; and
 - c. A deductible of \$200 for **property damage** to **your covered auto**. However, this deductible does not apply if we insure **your covered auto** for both collision coverage and uninsured motorist property damage coverage.
 - d. If the **auto** is repaired, all sums that represents any increase in:
 - i. The value of the **auto**, when repair of prior damage increases the value of the **auto** to a condition that was better than it was prior to the **accident**; and
 - ii. The value of the increase of useful life of replaced parts that have a useful life shorter than the **auto's** useful life, including but not limited to, tires, batteries and struts.

Any amount payable under the terms of this coverage shall be reduced by:

1. All sums paid on account of the **bodily injury** by or on behalf of the owner or operator of the uninsured vehicle and by or on behalf of any other person or organization jointly or severally liable together with the owner or operator for the **bodily injury**, including all sums paid under Part A – Liability Coverage of this policy;
2. The amount paid and the present value of all amounts payable on account of the **bodily injury** under any worker's compensation law, disability benefits law, or any similar law; and
3. The amount paid for loss under Part D – Damage to Your Auto.

No one will be entitled to duplicate payments for the same elements of damages for which payment has been made by or on behalf of persons or organizations who may be legally responsible. **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 Uninsured Motorist Coverage, Underinsured Motorist Coverage, or Uninsured Motorist Property Damage Coverage, **we** will pay only **our** share of the damages. **Our** share of the damages is the proportion that **our** limit of coverage under this Part C bears to the total of all applicable limits. However, any insurance **we** provide with respect to an **auto you** do not own shall be excess over any other valid and collectible insurance. In addition, if a duly licensed automobile dealer provides a vehicle to **you** or a **family member**:

1. For use as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing; or
2. To demonstrate the vehicle;

then **we** will provide primary coverage.

PART D -- DAMAGE TO YOUR AUTO

INSURING AGREEMENT – COLLISION COVERAGE

If **you** pay **us** the premium for Collision Coverage when due, **we** will pay for damage to **your covered auto** or **non-owned auto** resulting from **collision**.

INSURING AGREEMENT – COMPREHENSIVE COVERAGE

If **you** pay **us** the premium for Comprehensive Coverage when due, **we** will pay for comprehensive loss to **your covered auto** or **non-owned auto**. A comprehensive loss is a loss caused by the following:

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, when not caused by **collision**.

TRANSPORTATION EXPENSES

If **you** have purchased Comprehensive Coverage and **your covered auto** is stolen, **we** will pay up to \$20 per day, to a maximum of \$600, for transportation expenses incurred by **you**. **We** will pay only reasonable transportation expenses actually and necessarily incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when **your covered auto** has been repaired or replaced, whichever occurs first. If **your covered auto** is determined by **us** to be a total loss, coverage for transportation expense will end 48 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

We will not pay **you** the cost of renting a car from an individual. The car must be rented from a **business** whose day-to-day operations involve car rental. **We** will not pay for insurance, collision damage waivers, fuel, or any other charges, except for the actual cost of the rental of the vehicle including applicable taxes.

RENTAL REIMBURSEMENT COVERAGE

If **you** pay **us** the premium for Rental Reimbursement Coverage when due, **we** will pay for the cost incurred by **you** for rental of an **auto** from an auto rental agency or a vehicle repair shop while **your covered auto** for which this coverage is purchased is inoperable as a result of **collision** or a comprehensive loss to which coverage under this Part D applies. **We** will not pay Rental Reimbursement when **your covered auto** is inoperable due to wear and tear, freezing, mechanical or electrical breakdown or failure, or road damage to tires.

The limit of liability for Rental Reimbursement Coverage is the amount shown in the **Declarations** as the daily limit, for up to 30 days for each **accident**, loss or theft. Coverage under Transportation Expenses shall not apply for a rental of an **auto** when Rental Reimbursement Coverage applies.

Rental charges will be reimbursed beginning when:

1. **your covered auto** cannot be driven due to a loss; or
2. if **your covered auto** can be driven, when **you** deliver or **your** representative delivers **your covered auto** to an auto repair shop for repairs due to the loss.

Rental charges will end when **your covered auto** has been repaired or replaced. If **your covered auto** is determined by **us** to be a total loss, coverage for rental charges will end 48 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

You must provide **us** written proof of **your** rental charges. Duplicate recovery for identical elements of damages is not permitted under this policy.

TOWING AND LABOR COVERAGE

If **you** pay **us** the premium for Towing And Labor Coverage for **your covered auto** when due, **we** will reimburse **you** for towing and labor costs incurred as a result of the disablement of that **auto**, up to the limit of the coverage stated in the **Declarations** of this policy, provided that:

1. The labor, if any, is performed at the place of disablement; or
2. If towed, the **auto** is towed to the nearest qualified repair facility and the towing is necessary due to:
 - a. mechanical or electrical breakdown;
 - b. battery failure;
 - c. insufficient supply of fuel, oil, water, or other fluid;
 - d. flat tire;
 - e. lock-out; or
 - f. entrapment in snow, mud, water or sand, within 100 feet of a road or highway.

CUSTOMIZING EQUIPMENT COVERAGE

If **you** pay **us** the premium for Customizing Equipment Coverage for **your covered auto** when due, **we** will provide comprehensive and collision coverage to permanently installed custom parts or equipment, devices, accessories, enhancements, and changes which alter the appearance or performance of **your covered auto**. This includes permanently installed stereo equipment, custom paint and exterior body panels, custom wheels and tires, equipment to modify vehicle height on both raised and lowered vehicles, custom seats, and safety or alarm devices.

However, no coverage is provided for:

- a. special carpeting and insulation, furniture, or bars;
- b. bath, toilet or kitchen equipment, including refrigerators;
- c. facilities designed for sleeping;
- c. height-extending roofs;
- d. equipment designed or used for the detection or location of radar;
- e. chassis modification or custom car kits; or
- f. custom murals, paintings or other decals or graphics.

You are required to maintain and, upon demand from **us**, promptly present proof of purchase and proper installation for any parts, equipment, devices, accessories, enhancements, and other changes to which this coverage applies. No coverage will be provided that duplicates payment for the same element of loss paid under any other coverage or any other insurance.

ADDITIONAL DEFINITIONS

When used in this Part D:

1. **Collision** means the upset of **your covered auto** or **non-owned auto** or its impact with another vehicle or object.
2. **Your covered auto** shall also include a vehicle loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing.

EXCLUSIONS THAT APPLY TO PART D – DAMAGE TO YOUR AUTO

Coverage under this Part D does not apply for loss:

1. to **your covered auto** or **non-owned auto** while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
2. to **your covered auto** or **non-owned auto** while it is being rented to others or hired for a fee.
3. to any vehicle that is due and confined to:
 - a. Wear and tear;
 - b. Deterioration including but not limited to rust, rot or mold;
 - c. Latent or inherent defects;
 - d. Freezing;
 - e. Mechanical or electrical breakdown or failure;
 - f. Road damage to tires;
 - g. Lack of maintenance, including but not limited to lack or loss of lubricants, oil, transmission fluid, or coolant; or
 - h. Leakage or seepage of water, whether or not wind driven, unless entering the vehicle through an opening caused by a covered peril.This exclusion does not apply if the damage results from the total theft of **your covered auto**.
4. to any vehicle 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, insurrection, rebellion or revolution.
5. to sound or video producing or recording equipment or navigation equipment for amounts in excess of \$1,000 per component over the applicable deductible even though factory or dealer installed, and then only for the amount in excess of the deductible on the applicable coverage. However, if **you** have paid the premium for Customizing Equipment Coverage, then this exclusion does not apply and any customizing equipment will be subject to the limitations and exclusions contained in the insuring agreement for Customizing Equipment Coverage.
6. to tapes, records, CD's, DVD's, video or other devices for use with equipment designed for the reproduction of sound or video.
7. to any **non-owned auto** when used by **you** or any **family member** or any person specifically listed as an additional driver in the **Declarations** without the owner's express or implied permission to do so.
8. to any vehicle driven by a person:
 - a. who does not possess a valid driver's license; or
 - b. who has had their driving privileges rescinded or revoked.
9. to TV antennas, awnings, cabanas, or equipment designed to create additional living facilities.
10. to any of the following or their accessories:
 - a. Citizen band radio;
 - b. Two-way mobile radio;
 - c. Telephone;

Comment [pfsh1]: Jane, this is up to you, should this be \$500 or \$1000 in coverage. What are you rating at? CA is at \$1000 under the newest revision. Is Product looking to standardize.

- d. Scanning monitor receiver; or
 - e. Radar detectors or similar devices.
11. to any custom furnishings or equipment in or upon any vehicle unless such equipment was factory-installed by the original manufacturer or authorized dealer at the time of purchase. 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;
 - d. equipment designed or used for the detection or location of radar;
 - e. custom car kits;
 - f. custom grills, louvers, scoops, continental kits, and custom spoilers;
 - g. custom paint, including but not limited to lacquer paint, and upholstery, other than that installed by the original manufacturer, or objects including but not limited to murals, paintings or other decals or graphics;
 - h. custom wheels, other than factory installed;
 - i. custom chrome parts;
 - j. ground effects, running boards, or mud flaps;
 - k. bed liners;
 - l. camper shells or custom enclosures for pickups;
 - m. any other equipment, device, accessory, or enhancement which alters the appearance or performance of a vehicle and is not factory installed; or
 - n. global positioning systems (GPS).
- However, if **you** have paid the premium for Customizing Equipment Coverage, then this exclusion does not apply and any customizing equipment will be subject to the limitations and exclusions contained in the insuring agreement for Customizing Equipment Coverage.
12. to any part of the vehicle, or its equipment, that is not permanently attached to the vehicle at the time of loss.
13. to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
- 1. Selling;
 - 2. Repairing;
 - 3. Servicing;
 - 4. Storing; or
 - 5. Parking;
- vehicles. This includes road testing and delivery.
14. to any vehicle being towed by **your covered auto**, which is not shown in the **Declarations** and for which premium has not been paid. This exclusion does not apply to a **trailer**.
15. due to the cost of delay in repair, nor will **we** pay more than the cost of repair and/or replacement of automobiles of standard makes and similar type, and **we** will not pay for any extraneous items or any finish or special customizing of such vehicle other than as originally and normally manufactured.
16. to any specially built body, food vending equipment, catering equipment, or refrigeration equipment, nor to travel trailers, unless such equipment is described in the application and a premium charged therefore.
17. to any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
18. to any vehicle arising out of or during its commercial use for the transportation of any explosive substance, flammable liquid, or similar hazardous material, except transportation incidental to **your** ordinary household or farm activities.

19. due to taking or confiscation by governmental or civil authority, for any purpose, including temporary taking or temporary confiscation.
20. due to illegal sale, or repossession of a motor vehicle by the rightful owner.
21. due to theft, embezzlement or other unlawful conversion of **your covered auto** or **non-owned auto** after custody of said **auto** has been entrusted to another party for the purpose of subleasing, leasing or selling said automobile, whether under a consignment or not. This exclusion will apply whether the theft, embezzlement or unlawful conversion of the automobile was committed by the person to whom the vehicle was entrusted or by any other person.
22. due to the destruction of any vehicle, in whole or in part, intentionally caused by, or at the direction of **you**, any **insured person**, a **family member**, or any person listed as a driver in the **Declarations**.
23. covered by **collision** under this policy if any vehicle is being operated by any person:
 - a. listed as an operator in the **Declarations** who has a permanently revoked license;
 - b. not listed on the policy, who has been a **resident** of your household for more than 30 days. **You** must notify us within 30 days of the time when a person becomes a **resident** who was not listed on the policy; or
 - c. not listed on the policy, who does not have a current valid license to drive a motor vehicle, regardless of where that person resides.
24. to any vehicle due to diminution of value.
25. arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto** while it is rented to or leased to another.
26. arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
27. arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the insured person is actually charged with, or convicted of, a crime.
28. arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.

LIMIT OF LIABILITY

Our limit of liability for loss to **your covered auto** or **non-owned auto** is the lowest of:

1. The actual cash value of the stolen or damaged property at the time of the loss, but not to exceed \$70,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible;
2. The amount necessary to replace the stolen or damaged property, but not to exceed \$70,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible; or
3. The amount necessary to repair the damaged property to its pre-loss condition reduced by the applicable deductible.

Our limit of liability for loss to a **trailer** is \$500.00.

Our limit of liability for loss to property covered under Customizing Equipment Coverage is the lesser of the actual cash value, the declared value shown in the **Declarations** for this coverage, or the actual cost to repair. **Our** payment will be reduced by the applicable deductible.

Payments for loss **your covered auto** or **non-owned auto** are subject to the following provisions:

1. **We** reserve the right to make payment for repairs or replacement of property with other property of like kind and quality, specifically including the vehicle age, use and condition

and/or parts supplied by a source other than the manufacturer of the vehicle such as aftermarket, used, recycled, rebuilt, restored, or exchanged parts.

2. If the repair or replacement results in the betterment of the property or part, meaning that the value of the repaired or replaced property or part has been increased above its pre-loss market value as a result of the repair or replacement, **you** may be responsible, subject to applicable laws and regulation, for the amount of the betterment.
3. Deductions for betterment or depreciation will be taken only for parts or specific repair process normally subject to repair or replacement during the useful life of the vehicle. Deductions will be limited to an amount equal to the proportion that the expired life of the part or specific repair process to be repaired for replaced bears to the normal life of that part or repair process.
4. In the event of a total loss, an adjustment for depreciation and physical condition will be made in determining the actual cash value of the vehicle.
5. **Our** payment will be reduced by the value of the salvage when **you** or the **owner** of the vehicle retains the salvage.
6. No person may receive a duplicate recovery under this policy for the same elements of damages.
7. No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.
8. Actual cash value is determined by the market value, age, and condition of the vehicle at the time of the loss.

TOTAL LOSS

In the event that **we** determine **your** vehicle to be a total loss, **you** must allow **us** to move **your** vehicle to a free storage location of **our** choice. **We** reserve the right to retain **your** vehicle and/or its salvage property after **we** determine that **your** vehicle is a total loss.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. **We** may make this payment to **you** or any loss payee as the person or entity's interest appears. **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.

LOSS PAYABLE CLAUSE

Loss or damage under this policy shall be paid as interest may appear to **you** and the loss payee shown in the **Declarations**. If **you** surrender possession of **your covered auto** to the loss payee or the loss payee repossesses **your covered auto**, **we** will not pay the loss payee for loss occurring after the date the loss payee or its agent takes possession of the **auto**. The interest of a loss payee shall be no greater than **your** interest under this policy.

When **we** pay a loss payee, **we** will not pay the loss payee more than the repair costs of **your covered auto**, actual cash value of **your covered auto** or the existing loan balance as of the date of loss, whichever is less, reduced by any applicable deductible and salvage value if **we** do not retain the salvage. Any insurance covering the interest of a loss payee shall not be protected and shall become invalid for any damage, destruction or other loss resulting from **your** illegal or fraudulent acts and/or omissions. This insurance covering the interest of a loss payee shall become invalid because of **your**

illegal or fraudulent acts or omissions. Additionally, **we** will not pay for any loss caused by conversion, embezzlement, or concealment by **you** or anyone acting on **your** direction or behalf. **We** will not pay for any destruction or damage and/or loss to an **auto** caused by any intentional act done by, at the direction of, or on behalf of any **insured person**. If **we** pay the loss payee for any loss that is not covered under this policy, **we** shall, to the extent of that payment, be subrogated to the loss payee's rights to recovery against **you** or any other **insured person**.

We reserve the right to cancel the policy as permitted by the policy terms. Cancellation shall terminate the policy and this agreement as to the loss payee's interest. **We** will give notice of cancellation to the loss payee and **named insured** as required under the law.

NO BENEFIT TO BAILEE

This 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 insurance, self-insurance, and/or protection limits or amounts regardless of source. Any insurance **we** provide with respect to a **non-owned auto** shall be excess over any other collectible insurance, self-insurance, and any other source of recovery applicable to the loss. However, if a duly licensed automobile dealer provides a vehicle to **you** or a **family member**:

1. For use as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing; or
2. To demonstrate the vehicle;

then **we** will provide primary coverage.

APPRAISAL

If **we** and **you** do not agree on the amount of loss, then **we** and **you** may agree to an appraisal of the loss. If **we** and **you** agree to an appraisal, each party will select a competent appraiser and notify the other party in writing of the appraiser's identity within 30 days of the request for appraisal. The two appraisers will select an umpire. The appraisers will state separately the amount of loss. If they fail to agree, they will submit their differences to the umpire. A written 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.

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

AFTER MARKET PARTS NOTICE

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

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

For coverage to apply under this policy, **you** or the person seeking coverage must promptly report to **us** how, when and where the **accident** or loss happened, including the names and addresses of any injured persons and of any witnesses.

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 examinations under oath at a place of our choosing, within 75 miles of the residence of the **named insured**, and require the person to correct and sign under oath the transcript of the examination(s) under oath.
 - c. To a request for production of documents at the time of the examination under oath and any other time, and allow the copying of any documents **we** or our designated representative requests. This includes, but is not limited to, all documents concerning **your** income (payroll records, profit and loss statements, etc.), finances, credit, and any other documents **we** indicate are reasonable and necessary to investigate and process **your** claim. Such documents must be provided to **us** or **our** designated representative in a timely manner, and if requested, prior to an examination under oath.
4. Authorize **us** to obtain:
 - a. Medical reports;
 - b. Any documents **we** indicate are necessary to investigate and process **your** claim; and
 - c. Event data recorders and/or sensing and diagnostic modules or any other recording device for the purpose of retrieving data following an **accident** or loss.
5. Submit a proof of loss when required by **us**.
6. Provide any statements to **us** when **we** request them, whether in writing, oral, or recorded form, or in person, at our option.

A person seeking Uninsured/Underinsured Motorist Coverage must also:

1. Promptly notify the police if a hit and run driver is involved.
2. Provide **us**, within 30 days of the date of filing, with a copy of the complaint, if a lawsuit is brought by the **insured person** against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
3. Within a reasonable time, make available at **our** expense all pleadings and depositions, if an **insured person** brings a lawsuit against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
4. Provide **us** with proof that the limits of liability under any liability policies applicable to an **uninsured motor vehicle** have been exhausted by payment of judgments or settlements. Provide **us** with proof that the limits of liability under any liability bond or policies applicable to an **underinsured motor vehicle** have been exhausted by payment of judgments or settlements.
5. Notify **us** or **our** agent in writing within 10 business days of the **accident** for Uninsured Motorist Property Damage coverage.

A person seeking coverage under Part D - Damage to Your Auto must also:

1. Take reasonable steps after loss, at **your** expense, to protect **your covered auto** or a **non-owned auto** and its equipment from further loss.
2. Notify the police, within 24 hours of discovery of the event, if **your covered auto** is stolen.
3. Permit **us** to inspect and appraise the damaged property as often as **we** reasonably require before its repair or disposal.
4. Send **us**, within 30 days of the loss, **your** signed sworn statement in proof of loss in the form provided to **you**; or, if no form is provided to **you**, a form of **your** own creation, sworn to under oath, and showing the date and time of loss, the cause of loss, the actual cash value and amount of loss to **your covered auto**, and attaching detailed repair estimates.

PART F - GENERAL PROVISIONS

TERMS CONFORMED TO STATUTES

This policy shall be deemed amended to conform to the statutes of the state listed in **your** application if any provision fails to conform to such statutes. Any dispute as to coverages or the provisions of this policy shall be determined and governed by the law of the state listed in **your** application as **your** residence.

BANKRUPTCY

Bankruptcy or insolvency of the **insured person** shall not relieve **us** of any obligations under this policy. If execution of a judgment against an **insured person** under Part A - Liability Coverage is returned unsatisfied for 30 days because of the insolvency or bankruptcy of the **insured person**, a person claiming payment for damages under Part A – Liability Coverage may maintain an action against **us** for the portion of the judgment that does not exceed **our** Limit of Liability, subject to all the terms and conditions of this policy.

CHANGES

This policy, any endorsements to this policy, the **Declarations**, and **your** application contain all the agreements between **you** and **us**. Their terms may not be changed or waived except by endorsement issued by **us**. If a change requires a premium adjustment, **we** will adjust the premium as of the effective date of change.

The premium for this policy is based on the information **you** provided to **us** or other sources **we** use. **You** agree to cooperate with **us** in determining if this information is accurate and complete. **You** agree to notify **us** of any changes during the policy period. If this information is incomplete, incorrect, or changes during the policy period, **you** agree that **we** may adjust **your** premium, or take other legally permissible action.

Changes that may result in a premium change include, but are not limited to, **you** or a **family member** obtaining a driver's license or operator's permit, or changes in:

1. **your** address;
2. **your** garaging address;
3. **resident** drivers and additional frequent drivers;
4. the number, type, or use classifications of **your covered autos**; and
5. coverages, deductibles, or limits of liability.

You must notify **us** within 30 days of the time when a person becomes a **resident** of **your** household who was not previously listed on the policy.

MISREPRESENTATION OR FRAUD

This policy was issued in reliance on the information provided on **your** insurance application, including, but not limited to information regarding license and driving history of **you, family members**, all persons of driving age residing in **your** household, the description of the vehicles to be insured, the location of the principal place of garaging, and **your** place of residence.

We may void this policy if **you** or any insured have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct, at the time application was made. **We** may deny

coverage for an **accident** or loss if **you** or any insured have knowingly concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may void this policy for fraud or misrepresentation even after the occurrence of an **accident** or loss. This means that **we** will not be liable for any claims or damages that would otherwise be covered. If **we** void this policy, it will be void from its inception (void ab initio), and no coverage will be provided whatsoever.

To the extent that **we** make payments to **you** under this policy and **our** subsequent investigation reveals **your** involvement in fraud or misrepresentation in the presentation of a claim, **you** must indemnify **us** for all payments made.

However, this provision shall not affect coverage under Part A – Liability to Others.

LEGAL ACTION AGAINST US

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

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

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

Under Part B – Personal Injury Protection Coverage or Part D – Coverage for Damage to Your Auto, no legal action may be brought against **us** on or upon this policy, or arising out of any activities of the Company in any way related to this policy, or claims **you** have presented, unless filed within two years of the **accident** or loss.

The **insured person** and **we** agree that no cause of action shall accrue to the insured under Part C – Uninsured/Underinsured Motorist Coverage unless within one year from the date of the **accident**:

1. Agreement as to the amount due under the policy has been concluded;
2. The **insured person** or **we** has formally instituted arbitration proceedings;
3. The **insured person** has filed an action against **us** in a court of competent jurisdiction; or
4. Suit for bodily injury has been filed against the uninsured motorist in a court of competent jurisdiction and, within one year from the date of settlement or final judgment against the uninsured motorist, the **insured person** has formally instituted arbitration proceedings or filed an action against **us** in a court of competent jurisdiction.

OUR RIGHT TO RECOVER PAYMENT

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, provided that the person has been fully compensated for his/her damages. That person shall do:

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

However, **our** rights in this provision do not apply under Part D – Coverage for Damage to Your Auto, against any person using **your covered auto** with a reasonable belief that that person is entitled to do so.

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 within 30 days of receipt of the proceeds of any recovery.

If payment is made to an **insured person** under Part B – Personal Injury Protection Coverage, **we** are entitled to reimbursement to the extent of **our** payment, reduced by **our** share of the expenses, costs, and attorney fees incurred by the **insured person** in connection with any recovery from a liable person. This provision shall not apply to payment by us under any Accidental Death Benefits Coverage provided under Part B of this policy. If an **insured person** under this policy makes recovery from a responsible party, other than the owner or operator of an **underinsured motor vehicle**, without our written consent, the **insured person's** right to payment under any affected coverage will no longer exist.

If **we** exercise our right to recovery against another, **we** will also attempt to recover any deductible incurred by an **insured person** under this policy. **We** reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. **We** reserve the right to reduce reimbursement of the deductible by the proportion that the amount **we** recover bears to the total amount of **our** subrogated claim. **We** will also reduce reimbursement of the deductible by the proportionate share of the collection expenses including attorney fees incurred with **our** recovery efforts. **We** will not recover the deductible if **you** instruct **us** not to.

POLICY PERIOD AND TERRITORY

This policy applies only to **accidents** and losses that occur during the policy period as shown in the **Declarations** and within the policy territory. The policy territory is:

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

This policy also applies to loss to, or **accidents** involving, **your covered auto** while being transported between their ports.

CANCELLATION

You may cancel this policy by calling **us** or giving **us** advance notice of the future date cancellation is to take effect. If **your** initial premium is paid by check, draft, credit card, electronic funds transfer, or similar form of remittance, and the remittance is not honored or is returned due to non-sufficient funds, the policy shall be deemed void from inception.

We may cancel this policy at any time for nonpayment of premium by providing at least 10 days notice to **you** at the address shown in **our** records.

During the first 59 days of the initial policy term, **we** may cancel this policy for any reason by providing at least 10 days notice to **you** at the address shown in **our** records. In all other cases, other than nonpayment of premium, at least 20 days notice of cancellation will be provided.

After this policy is in effect for 60 days, or if this is a renewal or continuation policy, **we** may cancel only for one or more of the following reasons:

1. nonpayment of premium;
2. If **your** driver's license or that of:
 - a. Any driver who lives with **you**; or
 - b. Any driver who customarily uses **your covered auto**;has been permanently suspended or revoked during the policy period, or if the policy is a renewal, during the policy period or the 180 days immediately preceding the renewal date. However, **we** will not cancel the policy if a suspension of driving privileges is ordered by a court based on a non-driving offense;
3. The **named insured** or any driver of **your covered auto** is convicted of:
 - a. Driving while intoxicated;
 - b. Homicide or assault arising out of the use of a motor vehicle; or
 - c. Three (3) separate convictions of speeding or reckless driving, or any combination of the two during the policy period, including three (3) months prior to the effective date of the policy;
4. The policy was obtained through fraud or material misrepresentation;5. Any **insured person** violated any of the terms or conditions of the policy;
6. Any **insured person** made a false or fraudulent claim, or knowingly aided or abetted another in the presentation of such a claim; or
7. Any other reason permitted by law.

The effective date and time of cancellation stated in the notice shall become the end of the policy period. Any cancellation will be effective for all coverages for all persons and all vehicles.

NONRENEWAL

If **we** decide not to renew or continue this policy, **we** will mail notice to **you** at the address shown in **our** records. Notice will be mailed at least 20 days before the end of the policy period.

PREMIUM REFUND AND CANCELLATION FEE

If this policy is canceled, **you** may be entitled to a premium refund. Any refund due will be computed on a daily pro rata basis. However, **we** shall retain a cancellation fee if cancellation is for nonpayment of premium, or if **you** cancel this policy. **Our** making or offering to make a refund is not a condition of cancellation.

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. If **you** fail to pay the required renewal or continuation premium when due, this 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. All coverage associated with any vehicle **you** own will automatically terminate upon the sale or transfer of vehicle ownership.

PROOF OF MAILING

We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.

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 **Declarations** dies, coverage will be provided for:

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

Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTO POLICIES

If this policy and any other automobile 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.

POLICY AND/OR FILING FEES

A Policy Fee and Filing Fee, if any, as set forth under the **Declarations** of this policy, is fully earned upon issuance of the policy and is not refundable.

ADDITIONAL PREMIUM DUE - LOSS SETTLEMENT

In the event of additional premium due to the incorrect rating of this policy, **we** shall have the right to correct the premium in accordance with **our** published rates and underwriting rules. If a loss occurs under the policy **we** shall have the option to deduct such additional premium from any loss settlement.

CLAIMS SETTLEMENT

To assist **us** in determining the amount of damages, expenses, or loss payable under the terms of this policy, **we** may use estimating, appraisal, or injury evaluation systems developed by **third parties or us** and may include the use of computer software, databases and other specialized technology.

NAMED DRIVER EXCLUSION

If you have elected to exclude a driver who may, by law, be excluded, coverage under Part A – Liability Coverage and Part D - Coverage For Damage to Your Auto shall not apply nor shall they accrue to the benefit of **you**, any third party claimant, or any other person, while any **auto** is being operated by the driver that has been excluded (listed on the Application and/or **Declarations** and/or a Named Driver Exclusion acknowledgment), regardless of where the person resides or whether the person is licensed to drive.

This exclusion applies to the policy, or any continuation, renewal, or replacement of the policy by the **named insured**, or reinstatement within 30 days of any lapse thereof.

A handwritten signature in black ink, appearing to read "J. Dailey". The signature is fluid and cursive, with the first letter being a large, stylized "J".

Jeffrey J. Dailey, President
Bristol West Insurance Company

NAMED NON-OWNER COVERAGE ENDORSEMENT

If **you** pay the premium for Named Non-Owner Coverage, then **you** agree that this policy is amended as follows:

I. General Definitions

A. The definition of **you** and **your** is deleted and replaced by the following:

You and **your** means only the person shown as the **named insured** on the **Declarations**.

B. The definition of **your covered auto** is deleted and replaced by the following:

Your covered auto means:

1. Any **auto** not **owned** by **you**, **your** spouse, or members of the household in which you reside, which **you** are using with the permission of the **owner**; and
2. Any **auto** of which **you** acquire ownership during the policy period. For coverage to apply under Part A-Liability Coverage, **you** must, however, notify **us** within 30 days of its acquisition. **You** must pay any additional premium charges for coverage for the newly acquired vehicle.

II. Part A – Liability to Others

A. The insuring agreement is deleted and replaced by the following:

INSURING AGREEMENT

If **you** pay **us** the premium when due for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which **you** become legally responsible because of an **accident** arising out of **your** use of **your covered auto**. Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** expense and as **we** consider appropriate, any claim or suit asking for these damages. Attorneys selected by **us** will provide a defense to such suit after it is tendered to **us**. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment, settlement or judgment.

We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** may recover from **you** any amounts **we** have paid to defend **you** in a lawsuit if it is determined that **we** had no duty to defend **you**.

B. The Additional Definition of **Insured Person** is deleted and replaced by the following:

Insured person means:

- i. **You** with respect to an **accident** arising out of the maintenance or use of **your covered auto**;
- ii. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and

iii. Any person or organization vicariously liable for the acts or omissions of a person described in paragraph i or ii above.

C. Exclusion 5 is deleted and replaced by the following:

5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **auto** by a person who is employed or otherwise engaged in the **business** of:

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

vehicles. This includes road testing and delivery. This exclusion does not apply to an **auto** operated or occupied by **you**.

D. Exclusion 12 is deleted and replaced by the following:

12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is **owned by you**

E. Exclusion 13 is deleted.

F. The Other Insurance provision is deleted and replaced by the following:

This coverage is excess over any other applicable liability insurance or bond.

III. Part C – Uninsured/Underinsured Motorist Coverage

A. The Additional Definition of insured person is deleted and replaced by the following:

Insured person means:

- 1. **You**; and
- 2. Any other person while occupying **your covered auto** provided the actual use thereof is with **your** permission.

B. There is no coverage for Uninsured Motorist Property Damage Coverage.

All other terms, conditions, limits and provisions of this policy remain unchanged.



Arkansas

Personal Auto Policy

Bristol West Insurance Company

Claims
1-800-BRISTOL
(274-7865)

All Other Calls
1-888-888-0080
(Toll-Free)

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ARKANSAS PERSONAL AUTO POLICY

AGREEMENT

Your policy consists of the policy contract, **your** insurance application, the **Declarations**, and all endorsements to this policy. In reliance upon the statements of fact made in the application for this insurance, which statements of fact **you** represent are true to the best of **your** knowledge, and in return for the payment of the premium, **we** agree with **you**, for the coverages shown in the **Declarations** and subject to all the terms and conditions of the policy, as follows:

GENERAL DEFINITIONS

Certain words and phrases are defined by using boldface type. The defined terms have the same meaning whether in the singular, plural, or any other form. They are defined as follows:

1. **You** and **your** refer to:
 - a. the **named insured** shown in the **Declarations**; and
 - b. the spouse of the **named insured** shown in the **Declarations**, if a **resident** of the same household.
2. **We, us** and **our** refer to the insurance company providing this insurance, as shown in the **Declarations**.
3. **Accident** means a sudden, unexpected and unintended event that arises out of the ownership, maintenance, or use of an **auto** as an **auto**, and that causes **bodily injury** or **property damage** during the policy period.
4. **Additional auto** means an **auto** you acquire that is in addition to any **auto** shown in the **Declarations**, if:
 - a. the **auto** is acquired during the policy period;
 - b. no other insurance policy provides coverage for the **auto**;
 - c. **you** ask us to insure the **auto** within 30 days after **you** become the **owner** of the **auto**; and
 - d. **we** insure all **autos** in **your** household.An **additional auto** will have the broadest coverage **we** provide for any **auto** shown in the **Declarations**.
5. **Auto** means any self-propelled private passenger motor vehicle with not less than four wheels designed principally for use on paved public streets and highways, provided it has a gross vehicle weight (as determined by the manufacturer's specifications) of 12,000 pounds or less and is not a step-van, parcel delivery van, cargo cutaway van or other van with the cab separate from the cargo area.
6. **Bodily injury** means bodily harm, sickness or disease, including death resulting from bodily harm, sickness or disease.
7. **Business** means any full or part-time profession, occupation, trade or commercial enterprise.
8. **Declarations** means the Personal Auto Policy Declarations that lists the **named insured**, the **autos** to be covered by this policy, the coverages that apply under this policy, the limits of liability, the policy period, and other information pertinent to **your** policy of insurance when purchased from **us**.
9. **Family member** means a person related to **you** by blood, marriage or adoption who is a **resident** of **your** household, including a ward or foster child. **Family members** include **your** unmarried dependent children living temporarily away from home.
10. **Named insured** means the person or persons listed in the **Declarations** as the named insured.
11. **Non-owned auto** means 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**. A **non-owned auto** includes a motor vehicle:

- a. loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing;
- b. loaned to **you** or a **family member** by a duly licensed dealer for use as a demonstrator vehicle; and
- c. rented or leased to **you** or a **family member** from rental company as defined in Arkansas Statute 23-64-202.

However, a **non-owned auto** does not include a vehicle that is not in the lawful possession of the person operating it.

- 12. **Property damage** means physical injury to or destruction of tangible property, including any loss of use.
- 13. **Resident** means domiciled and actually living in the household in which **you** reside.
- 14. **Occupying** means in, upon, getting in, on, out or off.
- 15. **Owned** means, with respect to a private passenger type **auto**, the person:
 - a. holds legal title; or
 - b. has legal possession under a written lease or loan agreement for a continuous period of at least six months.
- 16. **Replacement auto** means an **auto** that permanently replaces an **auto** shown in the **Declarations**. A **replacement auto** will have the same coverages as the **auto** it replaces provided that no other insurance provides coverage for the **replacement auto** and it is acquired during the policy period. If **you** wish to continue coverage under Part D – Damage to Your Auto for the **replacement auto**, you must ask **us** to provide the coverage within 30 days after **you** become the **owner** of the **replacement auto**. If the **auto** it replaces does not have coverage under Part D – Damage to Your Auto, **you** must ask us to add the coverage and **you** must pay the additional premium due prior to the effective date those coverages are added.
- 17. **Trailer** means a non-motorized vehicle designed to be pulled by a:
 - a. private passenger **auto**; or
 - b. pickup, van or panel truck.

It also means a farm wagon or farm implement while being towed by a vehicle listed in a. or b. above. It does not include travel trailers, camper trailers or other **trailers** used for commercial purposes including as an office, a store or display purposes, or to transport passengers.
- 18. **Your covered auto** means:
 - a. any **auto** shown in the **Declarations** for the coverages applicable to that **auto**;
 - b. any **additional auto**;
 - c. any **replacement auto**; or
 - d. any **trailer owned by you** while attached to **your covered auto**.

PART A -- LIABILITY COVERAGE

INSURING AGREEMENT

If **you** pay **us** the premium when due for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an **accident**. Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** expense and as **we** consider appropriate, any claim or suit asking for these damages. Attorneys selected by **us** will provide a defense to such suit after it is tendered to **us**. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment, settlement or judgment.

We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** may recover from an **insured person** any amounts **we** have paid to defend the **insured person** in a lawsuit if it is determined that **we** had no duty to defend the **insured person**.

SUPPLEMENTARY PAYMENTS

In addition to **our** limit of liability, **we** will pay on behalf of an **insured person**:

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** have paid, offered to pay, or deposited into court, that part of the judgment that 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.

ADDITIONAL DEFINITIONS

When used in this Part A:

1. **Insured person** means:
 - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations** with respect to an **accident** arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto**;
 - b. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and
 - c. Any person or organization vicariously liable for the acts or omissions of a person described in paragraph a or b above.
2. **Punitive or exemplary damages** means damages which may be imposed to punish a wrongdoer and to deter others from similar conduct.

EXCLUSIONS THAT APPLY TO PART A – LIABILITY COVERAGE

We do not provide Liability Coverage and **we** have no duty to settle or defend any claim or lawsuit:

1. For **bodily injury** or **property damage** caused intentionally by, or at the direction of, any **insured person**, even if the actual injury or damage is different than that which was intended or expected;
2. For damage to property owned by, used by, rented to, being transported by, or in the care, custody or control of an **insured person**. This exclusion does not apply to damage to a rented residence or rented private garage.
3. For **bodily injury** to an employee of an **insured person** during the course of employment. This exclusion does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits, disability benefits or similar benefits are required or available for that domestic employee.
4. For **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle by a person who is employed or otherwise engaged in the **business** of:
 - a. Selling;
 - b. Repairing;
 - c. Servicing;
 - d. Storing; or
 - e. Parking;vehicles. This includes road testing and delivery.
6. For **bodily injury** or **property damage** arising out of the maintenance or use of any vehicle while an **insured person** is employed or otherwise engaged in any business not described in exclusion 5. This exclusion 6 does not apply to the maintenance or use of a:
 - a. Private passenger auto;
 - b. Pickup or van that:
 - (1) You own; or
 - (2) You do not own while used as a temporary substitute for **your covered auto** which is out of its normal use because of its breakdown, loss, repair destruction or servicing; or
 - c. **Trailer** used with a vehicle described in a. or b. above
7. For **bodily injury** or **property damage** arising out of any person's use of a vehicle without the owner's express or implied permission.
8. For **bodily injury** or **property damage** for which an **insured 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. American Nuclear Insurers;
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
9. For **bodily injury** to **you** or any **family member**, including whenever the ultimate benefits of that indemnification accrue directly or indirectly to **you** or a **family member**.
10. For **punitive or exemplary damages**.
11. For liability assumed by an **insured person** under any contract or agreement.

12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto** which is:
 - a. **Owned by you**; or
 - b. Furnished or available for **your** regular use.
13. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is:
 - a. **Owned by any family member** or any person specifically listed as an additional driver in the **Declarations**; or
 - b. Furnished or available for the regular use of any **family member** or any person specifically listed as an additional driver in the **Declarations**.

This exclusion does not apply to **your** maintenance or use of such vehicle.
14. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
15. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
16. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
17. For any obligation for which the United States Government is liable under the Federal Tort Claims Act.
18. Arising out of the ownership, maintenance or use of **your covered auto** while it is rented to or leased to another.
19. Arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
20. for charges, fees and administrative expenses for services performed by law enforcement and municipal personnel when responding to a motor vehicle **accident** or loss.

LIMIT OF LIABILITY

The bodily injury liability limit for “each person” as shown in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the bodily injury liability limit for “each person”, the bodily injury liability limit for “each accident” as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

The property damage liability limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for all **property damage** arising out of any one **accident**.

The limit of liability shown in the **Declarations** is the most **we** will pay regardless of the number of vehicles involved in the **accident**, **insured persons**, claims made, lawsuits brought, premiums paid, or the number of vehicles or premiums shown in the **Declarations**.

No one is entitled to duplicate payments for the same element of damages. Any amount payable under Part A-Liability Coverage to a person for **bodily injury** shall be reduced by all sums paid to that

person, or for their benefit, under Part B - Personal Injury Protection Coverage and Part C – Uninsured/Underinsured Motorist Coverage.

OUT OF STATE COVERAGE

If an **accident** to which Part A-Liability Coverage 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 a financial responsibility or similar law requiring a nonresident to maintain 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.
- 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. If, due to certification as future proof of financial responsibility **we** are required to pay a claim that would otherwise have not been covered under this Part, **you** agree to reimburse **us** to the extent of that payment.

OTHER INSURANCE

Any insurance we provide under Part A shall be excess over any other collectible insurance, self-insurance, protection and/or any other source of recovery, except for the insurance we provide for the ownership, maintenance and use of **your covered auto**. If other insurance, self-insurance, protection and/or other source of recovery with the same priority applies, 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 insurance limits, self-insurance amounts or limits, and/or other sources of recovery.

However, coverage under this Part A shall be primary to any insurance or self-insurance maintained by a duly licensed automobile dealer or rental company, for a motor vehicle:

- a. loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing;
- b. loaned to **you** or a **family member** by a duly licensed dealer for use as a demonstrator vehicle; and
- c. rented or leased to **you** or a **family member** from rental company as defined in Arkansas Statute 23-64-202.

PART B – PERSONAL INJURY PROTECTION BENEFITS COVERAGE

INSURING AGREEMENT

Subject to the Limit of Liability shown on the **Declarations Page**, we will pay personal injury protection benefits to or for an **insured person** who sustains **bodily injury** caused by an **accident** and arising out of the maintenance or use of a motor vehicle.

If a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member** for use as a temporary substitute for any **your covered auto** while it is out of normal use because of its:

1. Breakdown;
2. Repair; or
3. Servicing;

personal injury protection benefits shall extend to such loaned motor vehicle only to the extent of the coverage provided, if any, to **your covered auto** being repaired or serviced.

Personal injury protection benefits, subject to the limits shown in the **Declarations**, consist of the following:

1. Medical payments. All reasonable and necessary expenses incurred within 2 years from the date of the **accident** for:
 - a. Medical, hospital, x-ray, professional nursing, dental, surgical, ambulance, prosthetic and funeral expenses; and
 - b. Any non-medical remedial care and treatment rendered in accordance with a recognized religious method of healing.Medical payments do not include expenses in excess of those required for a semi-private room, unless more intensive care is required.
2. Work loss.
 - a. If an **insured person** is an income earner, loss of income from work that **insured person** would have performed had he not sustained **bodily injury**.
 - b. If an **insured person** is a non-income earner, expenses reasonably incurred in obtaining ordinary and necessary services instead of those that **insured person** would have performed, without income and for the benefit of himself or his family, had he not sustained **bodily injury**.
Work loss applies only to the period beginning 8 days after the date of the **accident** and not exceeding 52 weeks. However, work loss does not include any loss or expense after the death of an **insured person**.
3. Accidental death. A death benefit paid if **bodily injury** resulting from the accident causes the death of an **insured person** within 1 year from the date of the **accident**. The **bodily injury** must be the sole cause of death.

ADDITIONAL DEFINITIONS

When used in this Part B:

1. **Insured person** means:
 - a. **You** or any **family member**; and
 - b. any other person:
 - i. while **occupying your covered auto**; or
 - ii. when struck by **your covered auto** while a pedestrian, bicyclist, or motorcyclist, or while riding on an animal or a horse-drawn wagon or cart.

EXCLUSIONS THAT APPLY TO PART B – PERSONAL INJURY PROTECTION COVERAGE

The coverages under this Part B - Personal Injury Protection Coverage do not apply to **bodily injury**:

1. Sustained by any person while:
 - a. Operating **your covered auto** without the **your** express or implied consent; or
 - b. Not in lawful possession of **your covered auto**;
 2. Due to:
 - a. War (declared or undeclared);
 - b. Civil war;
 - c. Insurrection;
 - d. Rebellion or revolution; or
 - e. Any act or condition incident to any of the above.
 3. Resulting from the:
 - a. Radioactive;
 - b. Toxic;
 - c. Explosive; or
 - d. Other hazardous properties of nuclear material;
 3. Sustained by any person to the extent that benefits are, in whole or in part, paid or payable under any of the following or similar law:
 - a. Workers' compensation law; or
 - b. Employer's disability law.
- However, this exclusion does not apply to any coverage for accidental death.
4. Sustained by:
 - a. Any person while **occupying** any motor vehicle, other than **your covered auto**, that is owned by, or furnished, or available, for the regular use of **you**;
 - b. Any **family member** while **occupying** any motor vehicle, other than **your covered auto**, which is owned by, or furnished, or available for the regular use of **you** or that **family member**;
 - c. Any **family member** that is entitled to similar coverage as a named insured under another policy which provides personal injury protection benefits equal to or greater than those required by the Arkansas statutes.
 - d. Any **insured person**, other than **you** or a **family member**, entitled to similar coverage as a named insured or family member under another policy which provides personal injury protection benefits equal to or greater than those required by the Arkansas statutes.
 - e. Any person while **occupying your covered auto** when it is being used as a public or livery conveyance unless such use is stated in the Declarations.
 - f. Any person, other than **you** or any **family member**;
 - i. While **occupying** any motor vehicle, other than **your covered auto**, while employed or otherwise engaged in the business or occupation of:
 - (1) Selling;
 - (2) Repairing;
 - (3) Servicing;
 - (4) Storing; or
 - (5) Parking;motor vehicles.
 - ii. Arising out of the maintenance or use of any motor vehicle, other than **your covered auto** or a motorcycle, by that person while employed or otherwise engaged in any **business** or occupation not described above. This exclusion does not apply to **bodily injury** resulting from the operation or occupancy of a:

- (1) Private passenger auto; or
 - (2) Trailer used with such private passenger auto or **your covered auto**; by the named insured or his private chauffeur or domestic servant.
- h. Any person while occupying any motor vehicle, other than **your covered auto**, unless that person has, or reasonably believes he has, the permission of the owner to use such motor vehicle.

PAYMENT OF BENEFITS

We may pay medical payments or work loss to an **insured person** or organization rendering the services. Such payment shall reduce the amount payable under this coverage for **bodily injury** sustained by that **inured person**.

LIMIT OF LIABILITY

The limits of liability shown in the **Declarations** for Personal Injury Protection Coverage are the most we will pay each **insured person** injured in any one **accident**, regardless of the number of:

1. **Insured persons**;
2. Policies or bonds;
3. Claims made;
4. **Your covered autos**; or
5. Premiums paid.

OTHER INSURANCE

Any insurance we provide for medical payments:

1. With respect to **bodily injury** sustained by any **family member**, shall be excess over any other collectible insurance available to that **family member** as a named insured under another motor vehicle insurance policy providing direct benefits without regard to fault.
2. With respect to **bodily injury** sustained by an **insured person**, other than **you** or any **family member**, shall be excess over any other collectible similar insurance available to that **insured person** as a named insured or **family member** under another motor vehicle insurance policy providing direct benefits without regard to fault.

Except as provided above, if there is other similar collectible insurance that provides coverage for medical payments, 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 a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member**:

1. For use as a temporary substitute for **your covered auto** while it is out of normal use because of its:
 - a. Breakdown;
 - b. Repair; or
 - c. Servicing; or
 2. To demonstrate the motor vehicle;
- then we will provide primary insurance.

Any insurance we provide for work loss or accidental death shall be excess over any other collectible insurance available to:

1. An **insured person**, other than **you** or any **family member**, under another motor vehicle insurance policy. In this event, **our** maximum limit of liability will be the amount by which the

applicable limit of liability shown in the **Declarations** exceeds the applicable limits of liability of all other insurance.

2. **You** or any **family member** under any other motor vehicle insurance policy. In this event:
 - a. The maximum recovery under all policies shall not exceed the highest limit of liability under any one policy.
 - b. **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 a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member**:
 1. For use as a temporary substitute for **your covered auto** while it is out of normal use because of its:
 - a. Breakdown;
 - b. Repair; or
 - c. Servicing; or
 2. To demonstrate the motor vehicle;
then **we** will provide primary insurance.

No one shall be entitled to recover duplicate payments for the same elements of loss.

PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT – UNINSURED MOTORIST COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

INSURING AGREEMENT – UNDERINSURED MOTORIST COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **underinsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **underinsured motor vehicle**.

INSURING AGREEMENT – UNINSURED MOTORIST PROPERTY DAMAGE COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** to a **your covered auto** caused by an **accident** and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

We will pay under Part C only after the limits of liability under all applicable liability bonds and policies have been exhausted by payment of judgments or settlements.

Any judgment for damages arising out of a suit brought without **our** written consent is not binding on **us**. If a tentative settlement has been made between an **insured person** and the insurer of the **underinsured motor vehicle** and **we** have been given prompt written notice by certified mail, return receipt requested of such tentative settlement, then **we** may advance payment to the **insured person** in an amount equal to the tentative settlement within 30 days after receipt of notification. However, if the owner or operator of the **underinsured motor vehicle** is insured by **us** for liability coverage, this provision shall not apply, and an **insured person** may proceed with his or her claim for damages under this coverage anytime after settlement of that **insured person's** claim for damages under the liability coverage applicable to the owner or operator of the **underinsured motor vehicle**.

ADDITIONAL DEFINITIONS

When used in this Part C:

1. **Insured person** means:
 - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations**;
 - b. Any other person while occupying **your covered auto**, provided the actual use thereof is with the permission of the **named insured**; and
 - c. Any person entitled to recover damages for **bodily injury** covered under Part C of this policy sustained by a person meeting the definition of an **insured person** in 1.a. or 1.b. above.
2. **Property damage** means physical damage to, or destruction of **your covered auto**. It includes a reasonable allowance for loss of use of **your covered auto**.
3. **Underinsured motor vehicle** means a land motor vehicle or **trailer** of any type to which a **bodily injury** liability policy applies at the time of the **accident** but the sum of all applicable

limits of liability for **bodily injury** is less than the amount of damages incurred by the **insured person**.

However, an **underinsured motor vehicle** does not include:

- a. A vehicle that is **owned** or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
 - b. A vehicle that is **owned** by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any such government;
 - a. A land motor vehicle or trailer, if operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
 - d. A farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
 - e. A vehicle **owned** by or furnished for the regular or frequent use of an **insured person** or any member of the household of the **insured person**;
 - f. Any vehicle or equipment to which coverage under Part A applies; or
 - g. Any vehicle or equipment that is an **uninsured motor vehicle**.
4. **Uninsured motor vehicle** means a land motor vehicle or **trailer** of any type:
- a. For which no liability policy or bond applies at the time of the **accident**;
 - b. To which a liability policy applies at the time of the **accident** but the insuring company:
 - i. Denies coverage;
 - ii. Refuses to admit coverage except conditionally or with reservation; or
 - iii. Is or becomes insolvent, declared bankrupt, or subject to the appointment of a receiver;
 - c. Which is a hit and run vehicle whose owner or operator cannot be identified and which hits or makes physical contact with:
 - i. **You** or any **family member**;
 - ii. A vehicle which **you** or any **family member** are **occupying**; or
 - iii. **Your covered auto**; orProvided that an **insured person** or their representative reports the **accident** to the police or civil authority within 72 hours or as soon as practicable after the **accident**.

However, **uninsured motor vehicle** does not include any vehicle:

- a. **Owned** by an **insured person** or furnished or available for the regular use of an **insured person**;
- b. **Owned** or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
- c. **Owned** by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any such government;
- d. Operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
- e. That is a farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
- f. That is an **underinsured motor vehicle**; or
- g. For which coverage under Part A applies.

EXCLUSIONS THAT APPLY TO PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE

Coverage under Part C does not apply:

1. if the **insured person** or their legal representative settles or prosecutes to a judgment a claim for **bodily injury** or **property damage** without our consent.

2. to **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
3. to **bodily injury** or **property damage** when an **insured person** is using a vehicle without a reasonable belief that the person is entitled to do so.
4. to **property damage** or to **bodily injury** sustained by any person while **occupying** or when struck by a **trailer** of any type used with a motor vehicle **owned by you** or any **family member** or any other person specifically listed as an additional driver listed in the **Declarations** which is not insured for this coverage under this policy.
5. directly or indirectly to benefit:
 - a. Any **insured person** or self-insurer under any of the following or similar law:
 - i. workers' compensation law;
 - ii. disability benefits law;
 - iii. the State Accident Insurance Fund; or
 - b. An insurer of property.
6. directly to the benefit of the United States or any State or political subdivision thereof.
7. to any claim for punitive, exemplary, multiple damages, fines, penalties, or restitution.
8. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
9. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
10. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.

LIMIT OF LIABILITY

The limit of Uninsured Motorist Bodily Injury Liability, Underinsured Motorist Bodily Injury Liability or Uninsured Motorist Property Damage Liability shown in the Schedule or in the **Declarations** is the most **we** will pay regardless of the number of:

1. **Insured persons**;
2. Claims made;
3. Vehicles or premiums shown in the **Declarations**;
4. Vehicles involved in the **accident**; or
5. Premiums paid.

In no event shall the limit of liability for two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available as uninsured motorist coverage, underinsured motorist coverage, or uninsured motorist property damage benefits.

The limit for each person as shown in the **Declarations** for Uninsured Motorist Bodily Injury Liability or Underinsured Motorist Bodily Injury Liability is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the Uninsured Bodily Injury limit or the Underinsured Motorist Bodily Injury limit for each person, the **bodily injury** limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

Our maximum limit of liability for all damages for **property damage** resulting from any one **accident** will be the lesser of:

1. The limit of Uninsured Motorist Property Damage Liability shown in the **Declarations**;
2. The actual cash value of **your covered auto**, reduced by the salvage value if **you** or the owner of the property retain the salvage; or
3. The amount to repair the vehicle or property;
reduced by:
 - a. All sums paid for the **property damage** by or on behalf of any persons or organizations who may be legally liable;
 - b. Any amounts paid under this policy for the same elements of **property damage** or loss; and
 - c. A deductible of \$200 for **property damage** to **your covered auto**. However, this deductible does not apply if we insure **your covered auto** for both collision coverage and uninsured motorist property damage coverage.
 - d. If the **auto** is repaired, all sums that represents any increase in:
 - i. The value of the **auto**, when repair of prior damage increases the value of the **auto** to a condition that was better than it was prior to the **accident**; and
 - ii. The value of the increase of useful life of replaced parts that have a useful life shorter than the **auto's** useful life, including but not limited to, tires, batteries and struts.

Any amount payable under the terms of this coverage shall be reduced by:

1. All sums paid on account of the **bodily injury** by or on behalf of the owner or operator of the uninsured vehicle and by or on behalf of any other person or organization jointly or severally liable together with the owner or operator for the **bodily injury**, including all sums paid under Part A – Liability Coverage of this policy;
2. The amount paid and the present value of all amounts payable on account of the **bodily injury** under any worker's compensation law, disability benefits law, or any similar law; and
3. The amount paid for loss under Part D – Damage to Your Auto.

No one will be entitled to duplicate payments for the same elements of damages for which payment has been made by or on behalf of persons or organizations who may be legally responsible. **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 Uninsured Motorist Coverage, Underinsured Motorist Coverage, or Uninsured Motorist Property Damage Coverage, **we** will pay only **our** share of the damages. **Our** share of the damages is the proportion that **our** limit of coverage under this Part C bears to the total of all applicable limits. However, any insurance **we** provide with respect to an **auto you** do not own shall be excess over any other valid and collectible insurance. In addition, if a duly licensed automobile dealer provides a vehicle to **you** or a **family member**:

1. For use as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing; or
2. To demonstrate the vehicle;

then **we** will provide primary coverage.

PART D -- DAMAGE TO YOUR AUTO

INSURING AGREEMENT – COLLISION COVERAGE

If **you** pay **us** the premium for Collision Coverage when due, **we** will pay for damage to **your covered auto** or **non-owned auto** resulting from **collision**.

INSURING AGREEMENT – COMPREHENSIVE COVERAGE

If **you** pay **us** the premium for Comprehensive Coverage when due, **we** will pay for comprehensive loss to **your covered auto** or **non-owned auto**. A comprehensive loss is a loss caused by the following:

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, when not caused by **collision**.

TRANSPORTATION EXPENSES

If **you** have purchased Comprehensive Coverage and **your covered auto** is stolen, **we** will pay up to \$20 per day, to a maximum of \$600, for transportation expenses incurred by **you**. **We** will pay only reasonable transportation expenses actually and necessarily incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when **your covered auto** has been repaired or replaced, whichever occurs first. If **your covered auto** is determined by **us** to be a total loss, coverage for transportation expense will end 48 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

We will not pay **you** the cost of renting a car from an individual. The car must be rented from a **business** whose day-to-day operations involve car rental. **We** will not pay for insurance, collision damage waivers, fuel, or any other charges, except for the actual cost of the rental of the vehicle including applicable taxes.

RENTAL REIMBURSEMENT COVERAGE

If **you** pay **us** the premium for Rental Reimbursement Coverage when due, **we** will pay for the cost incurred by **you** for rental of an **auto** from an auto rental agency or a vehicle repair shop while **your covered auto** for which this coverage is purchased is inoperable as a result of **collision** or a comprehensive loss to which coverage under this Part D applies. **We** will not pay Rental Reimbursement when **your covered auto** is inoperable due to wear and tear, freezing, mechanical or electrical breakdown or failure, or road damage to tires.

The limit of liability for Rental Reimbursement Coverage is the amount shown in the **Declarations** as the daily limit, for up to 30 days for each **accident**, loss or theft. Coverage under Transportation Expenses shall not apply for a rental of an **auto** when Rental Reimbursement Coverage applies.

Rental charges will be reimbursed beginning when:

1. **your covered auto** cannot be driven due to a loss; or
2. if **your covered auto** can be driven, when **you** deliver or **your** representative delivers **your covered auto** to an auto repair shop for repairs due to the loss.

Rental charges will end when **your covered auto** has been repaired or replaced. If **your covered auto** is determined by **us** to be a total loss, coverage for rental charges will end 48 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

You must provide **us** written proof of **your** rental charges. Duplicate recovery for identical elements of damages is not permitted under this policy.

TOWING AND LABOR COVERAGE

If **you** pay **us** the premium for Towing And Labor Coverage for **your covered auto** when due, **we** will reimburse **you** for towing and labor costs incurred as a result of the disablement of that **auto**, up to the limit of the coverage stated in the **Declarations** of this policy, provided that:

1. The labor, if any, is performed at the place of disablement; or
2. If towed, the **auto** is towed to the nearest qualified repair facility and the towing is necessary due to:
 - a. mechanical or electrical breakdown;
 - b. battery failure;
 - c. insufficient supply of fuel, oil, water, or other fluid;
 - d. flat tire;
 - e. lock-out; or
 - f. entrapment in snow, mud, water or sand, within 100 feet of a road or highway.

CUSTOMIZING EQUIPMENT COVERAGE

If **you** pay **us** the premium for Customizing Equipment Coverage for **your covered auto** when due, **we** will provide comprehensive and collision coverage to permanently installed custom parts or equipment, devices, accessories, enhancements, and changes which alter the appearance or performance of **your covered auto**. This includes permanently installed stereo equipment, custom paint and exterior body panels, custom wheels and tires, equipment to modify vehicle height on both raised and lowered vehicles, custom seats, and safety or alarm devices.

However, no coverage is provided for:

- a. special carpeting and insulation, furniture, or bars;
- b. bath, toilet or kitchen equipment, including refrigerators;
- c. facilities designed for sleeping;
- c. height-extending roofs;
- d. equipment designed or used for the detection or location of radar;
- e. chassis modification or custom car kits; or
- f. custom murals, paintings or other decals or graphics.

You are required to maintain and, upon demand from **us**, promptly present proof of purchase and proper installation for any parts, equipment, devices, accessories, enhancements, and other changes to which this coverage applies. No coverage will be provided that duplicates payment for the same element of loss paid under any other coverage or any other insurance.

ADDITIONAL DEFINITIONS

When used in this Part D:

1. **Collision** means the upset of **your covered auto** or **non-owned auto** or its impact with another vehicle or object.
2. **Your covered auto** shall also include a vehicle loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing.

EXCLUSIONS THAT APPLY TO PART D – DAMAGE TO YOUR AUTO

Coverage under this Part D does not apply for loss:

1. to **your covered auto** or **non-owned auto** while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
2. to **your covered auto** or **non-owned auto** while it is being rented to others or hired for a fee.
3. to any vehicle that is due and confined to:
 - a. Wear and tear;
 - b. Deterioration including but not limited to rust, rot or mold;
 - c. Latent or inherent defects;
 - d. Freezing;
 - e. Mechanical or electrical breakdown or failure;
 - f. Road damage to tires;
 - g. Lack of maintenance, including but not limited to lack or loss of lubricants, oil, transmission fluid, or coolant; or
 - h. Leakage or seepage of water, whether or not wind driven, unless entering the vehicle through an opening caused by a covered peril.This exclusion does not apply if the damage results from the total theft of **your covered auto**.
4. to any vehicle 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, insurrection, rebellion or revolution.
5. to sound or video producing or recording equipment or navigation equipment for amounts in excess of \$1,000 per component over the applicable deductible even though factory or dealer installed, and then only for the amount in excess of the deductible on the applicable coverage. However, if **you** have paid the premium for Customizing Equipment Coverage, then this exclusion does not apply and any customizing equipment will be subject to the limitations and exclusions contained in the insuring agreement for Customizing Equipment Coverage.
6. to tapes, records, CD's, DVD's, video or other devices for use with equipment designed for the reproduction of sound or video.
7. to any **non-owned auto** when used by **you** or any **family member** or any person specifically listed as an additional driver in the **Declarations** without the owner's express or implied permission to do so.
8. to any vehicle driven by a person:
 - a. who does not possess a valid driver's license; or
 - b. who has had their driving privileges rescinded or revoked.
9. to TV antennas, awnings, cabanas, or equipment designed to create additional living facilities.
10. to any of the following or their accessories:
 - a. Citizen band radio;
 - b. Two-way mobile radio;
 - c. Telephone;

Comment [pfsh1]: Jane, this is up to you, should this be \$500 or \$1000 in coverage. What are you rating at? CA is at \$1000 under the newest revision. Is Product looking to standardize.

- d. Scanning monitor receiver; or
 - e. Radar detectors or similar devices.
11. to any custom furnishings or equipment in or upon any vehicle unless such equipment was factory-installed by the original manufacturer or authorized dealer at the time of purchase. 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;
 - d. equipment designed or used for the detection or location of radar;
 - e. custom car kits;
 - f. custom grills, louvers, scoops, continental kits, and custom spoilers;
 - g. custom paint, including but not limited to lacquer paint, and upholstery, other than that installed by the original manufacturer, or objects including but not limited to murals, paintings or other decals or graphics;
 - h. custom wheels, other than factory installed;
 - i. custom chrome parts;
 - j. ground effects, running boards, or mud flaps;
 - k. bed liners;
 - l. camper shells or custom enclosures for pickups;
 - m. any other equipment, device, accessory, or enhancement which alters the appearance or performance of a vehicle and is not factory installed; or
 - n. global positioning systems (GPS).

However, if **you** have paid the premium for Customizing Equipment Coverage, then this exclusion does not apply and any customizing equipment will be subject to the limitations and exclusions contained in the insuring agreement for Customizing Equipment Coverage.

12. to any part of the vehicle, or its equipment, that is not permanently attached to the vehicle at the time of loss.
13. to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
- 1. Selling;
 - 2. Repairing;
 - 3. Servicing;
 - 4. Storing; or
 - 5. Parking;
- vehicles. This includes road testing and delivery.
14. to any vehicle being towed by **your covered auto**, which is not shown in the **Declarations** and for which premium has not been paid. This exclusion does not apply to a **trailer**.
15. due to the cost of delay in repair, nor will **we** pay more than the cost of repair and/or replacement of automobiles of standard makes and similar type, and **we** will not pay for any extraneous items or any finish or special customizing of such vehicle other than as originally and normally manufactured.
16. to any specially built body, food vending equipment, catering equipment, or refrigeration equipment, nor to travel trailers, unless such equipment is described in the application and a premium charged therefore.
17. to any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
18. to any vehicle arising out of or during its commercial use for the transportation of any explosive substance, flammable liquid, or similar hazardous material, except transportation incidental to **your** ordinary household or farm activities.

19. due to taking or confiscation by governmental or civil authority, for any purpose, including temporary taking or temporary confiscation.
20. due to illegal sale, or repossession of a motor vehicle by the rightful owner.
21. due to theft, embezzlement or other unlawful conversion of **your covered auto** or **non-owned auto** after custody of said **auto** has been entrusted to another party for the purpose of subleasing, leasing or selling said automobile, whether under a consignment or not. This exclusion will apply whether the theft, embezzlement or unlawful conversion of the automobile was committed by the person to whom the vehicle was entrusted or by any other person.
22. due to the destruction of any vehicle, in whole or in part, intentionally caused by, or at the direction of **you**, any **insured person**, a **family member**, or any person listed as a driver in the **Declarations**.
23. covered by **collision** under this policy if any vehicle is being operated by any person:
 - a. listed as an operator in the **Declarations** who has a permanently revoked license;
 - b. not listed on the policy, who has been a **resident** of your household for more than 30 days. **You** must notify us within 30 days of the time when a person becomes a **resident** who was not listed on the policy; or
 - c. not listed on the policy, who does not have a current valid license to drive a motor vehicle, regardless of where that person resides.
24. to any vehicle due to diminution of value.
25. arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto** while it is rented to or leased to another.
26. arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
27. arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the insured person is actually charged with, or convicted of, a crime.
28. arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.

LIMIT OF LIABILITY

Our limit of liability for loss to **your covered auto** or **non-owned auto** is the lowest of:

1. The actual cash value of the stolen or damaged property at the time of the loss, but not to exceed \$70,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible;
2. The amount necessary to replace the stolen or damaged property, but not to exceed \$70,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible; or
3. The amount necessary to repair the damaged property to its pre-loss condition reduced by the applicable deductible.

Our limit of liability for loss to a **trailer** is \$500.00.

Our limit of liability for loss to property covered under Customizing Equipment Coverage is the lesser of the actual cash value, the declared value shown in the **Declarations** for this coverage, or the actual cost to repair. **Our** payment will be reduced by the applicable deductible.

Payments for loss **your covered auto** or **non-owned auto** are subject to the following provisions:

1. **We** reserve the right to make payment for repairs or replacement of property with other property of like kind and quality, specifically including the vehicle age, use and condition

and/or parts supplied by a source other than the manufacturer of the vehicle such as aftermarket, used, recycled, rebuilt, restored, or exchanged parts.

2. If the repair or replacement results in the betterment of the property or part, meaning that the value of the repaired or replaced property or part has been increased above its pre-loss market value as a result of the repair or replacement, **you** may be responsible, subject to applicable laws and regulation, for the amount of the betterment.
3. Deductions for betterment or depreciation will be taken only for parts or specific repair process normally subject to repair or replacement during the useful life of the vehicle. Deductions will be limited to an amount equal to the proportion that the expired life of the part or specific repair process to be repaired for replaced bears to the normal life of that part or repair process.
4. In the event of a total loss, an adjustment for depreciation and physical condition will be made in determining the actual cash value of the vehicle.
5. **Our** payment will be reduced by the value of the salvage when **you** or the **owner** of the vehicle retains the salvage.
6. No person may receive a duplicate recovery under this policy for the same elements of damages.
7. No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.
8. Actual cash value is determined by the market value, age, and condition of the vehicle at the time of the loss.

TOTAL LOSS

In the event that **we** determine **your** vehicle to be a total loss, **you** must allow **us** to move **your** vehicle to a free storage location of **our** choice. **We** reserve the right to retain **your** vehicle and/or its salvage property after **we** determine that **your** vehicle is a total loss.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. **We** may make this payment to **you** or any loss payee as the person or entity's interest appears. **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.

LOSS PAYABLE CLAUSE

Loss or damage under this policy shall be paid as interest may appear to **you** and the loss payee shown in the **Declarations**. If **you** surrender possession of **your covered auto** to the loss payee or the loss payee repossesses **your covered auto**, **we** will not pay the loss payee for loss occurring after the date the loss payee or its agent takes possession of the **auto**. The interest of a loss payee shall be no greater than **your** interest under this policy.

When **we** pay a loss payee, **we** will not pay the loss payee more than the repair costs of **your covered auto**, actual cash value of **your covered auto** or the existing loan balance as of the date of loss, whichever is less, reduced by any applicable deductible and salvage value if **we** do not retain the salvage. Any insurance covering the interest of a loss payee shall not be protected and shall become invalid for any damage, destruction or other loss resulting from **your** illegal or fraudulent acts and/or omissions. This insurance covering the interest of a loss payee shall become invalid because of **your**

illegal or fraudulent acts or omissions. Additionally, **we** will not pay for any loss caused by conversion, embezzlement, or concealment by **you** or anyone acting on **your** direction or behalf. **We** will not pay for any destruction or damage and/or loss to an **auto** caused by any intentional act done by, at the direction of, or on behalf of any **insured person**. If **we** pay the loss payee for any loss that is not covered under this policy, **we** shall, to the extent of that payment, be subrogated to the loss payee's rights to recovery against **you** or any other **insured person**.

We reserve the right to cancel the policy as permitted by the policy terms. Cancellation shall terminate the policy and this agreement as to the loss payee's interest. **We** will give notice of cancellation to the loss payee and **named insured** as required under the law.

NO BENEFIT TO BAILEE

This 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 insurance, self-insurance, and/or protection limits or amounts regardless of source. Any insurance **we** provide with respect to a **non-owned auto** shall be excess over any other collectible insurance, self-insurance, and any other source of recovery applicable to the loss.

However, coverage under this Part D shall be primary to any insurance or self-insurance maintained by a duly licensed automobile dealer or rental company, for a motor vehicle:

- a. loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing;
- b. loaned to **you** or a **family member** by a duly licensed dealer for use as a demonstrator vehicle; and
- c. rented or leased to **you** or a **family member** from rental company as defined in Arkansas Statute 23-64-202.

APPRAISAL

If **we** and **you** do not agree on the amount of loss, then **we** and **you** may agree to an appraisal of the loss. If **we** and **you** agree to an appraisal, each party will select a competent appraiser and notify the other party in writing of the appraiser's identity within 30 days of the request for appraisal. The two appraisers will select an umpire. The appraisers will state separately the amount of loss. If they fail to agree, they will submit their differences to the umpire. A written 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.

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

AFTER MARKET PARTS NOTICE

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

**PERFORMANCE, AND WARRANTY TO THE ORIGINAL MANUFACTURER PARTS
THEY REPLACE.**

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

For coverage to apply under this policy, **you** or the person seeking coverage must promptly report to **us** how, when and where the **accident** or loss happened, including the names and addresses of any injured persons and of any witnesses.

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 examinations under oath at a place of our choosing, within 75 miles of the residence of the **named insured**, and require the person to correct and sign under oath the transcript of the examination(s) under oath.
 - c. To a request for production of documents at the time of the examination under oath and any other time, and allow the copying of any documents **we** or our designated representative requests. This includes, but is not limited to, all documents concerning **your** income (payroll records, profit and loss statements, etc.), finances, credit, and any other documents **we** indicate are reasonable and necessary to investigate and process **your** claim. Such documents must be provided to **us** or **our** designated representative in a timely manner, and if requested, prior to an examination under oath.
4. Authorize **us** to obtain:
 - a. Medical reports;
 - b. Any documents **we** indicate are necessary to investigate and process **your** claim; and
 - c. Event data recorders and/or sensing and diagnostic modules or any other recording device for the purpose of retrieving data following an **accident** or loss.
5. Submit a proof of loss when required by **us**.
6. Provide any statements to **us** when **we** request them, whether in writing, oral, or recorded form, or in person, at our option.

A person seeking Uninsured/Underinsured Motorist Coverage must also:

1. Promptly notify the police if a hit and run driver is involved.
2. Provide **us**, within 30 days of the date of filing, with a copy of the complaint, if a lawsuit is brought by the **insured person** against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
3. Within a reasonable time, make available at **our** expense all pleadings and depositions, if an **insured person** brings a lawsuit against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
4. Provide **us** with proof that the limits of liability under any liability policies applicable to an **uninsured motor vehicle** have been exhausted by payment of judgments or settlements. Provide **us** with proof that the limits of liability under any liability bond or policies applicable to an **underinsured motor vehicle** have been exhausted by payment of judgments or settlements.
5. Notify **us** or **our** agent in writing within 10 business days of the **accident** for Uninsured Motorist Property Damage coverage.

A person seeking coverage under Part D - Damage to Your Auto must also:

1. Take reasonable steps after loss, at **your** expense, to protect **your covered auto** or a **non-owned auto** and its equipment from further loss.
2. Notify the police, within 24 hours of discovery of the event, if **your covered auto** is stolen.
3. Permit **us** to inspect and appraise the damaged property as often as **we** reasonably require before its repair or disposal.
4. Send **us**, within 30 days of the loss, **your** signed sworn statement in proof of loss in the form provided to **you**; or, if no form is provided to **you**, a form of **your** own creation, sworn to under oath, and showing the date and time of loss, the cause of loss, the actual cash value and amount of loss to **your covered auto**, and attaching detailed repair estimates.

PART F - GENERAL PROVISIONS

TERMS CONFORMED TO STATUTES

This policy shall be deemed amended to conform to the statutes of the state listed in **your** application if any provision fails to conform to such statutes. Any dispute as to coverages or the provisions of this policy shall be determined and governed by the law of the state listed in **your** application as **your** residence.

BANKRUPTCY

Bankruptcy or insolvency of the **insured person** shall not relieve **us** of any obligations under this policy. If execution of a judgment against an **insured person** under Part A - Liability Coverage is returned unsatisfied for 30 days because of the insolvency or bankruptcy of the **insured person**, a person claiming payment for damages under Part A – Liability Coverage may maintain an action against **us** for the portion of the judgment that does not exceed **our** Limit of Liability, subject to all the terms and conditions of this policy.

CHANGES

This policy, any endorsements to this policy, the **Declarations**, and **your** application contain all the agreements between **you** and **us**. Their terms may not be changed or waived except by endorsement issued by **us**. If a change requires a premium adjustment, **we** will adjust the premium as of the effective date of change.

The premium for this policy is based on the information **you** provided to **us** or other sources **we** use. **You** agree to cooperate with **us** in determining if this information is accurate and complete. **You** agree to notify **us** of any changes during the policy period. If this information is incomplete, incorrect, or changes during the policy period, **you** agree that **we** may adjust **your** premium, or take other legally permissible action.

Changes that may result in a premium change include, but are not limited to, **you** or a **family member** obtaining a driver's license or operator's permit, or changes in:

1. **your** address;
2. **your** garaging address;
3. **resident** drivers and additional frequent drivers;
4. the number, type, or use classifications of **your covered autos**; and
5. coverages, deductibles, or limits of liability.

You must notify **us** within 30 days of the time when a person becomes a **resident** of **your** household who was not previously listed on the policy.

MISREPRESENTATION OR FRAUD

This policy was issued in reliance on the information provided on **your** insurance application, including, but not limited to information regarding license and driving history of **you, family members**, all persons of driving age residing in **your** household, the description of the vehicles to be insured, the location of the principal place of garaging, and **your** place of residence.

We may void this policy if **you** or any insured have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct, at the time application was made. **We** may deny

coverage for an **accident** or loss if **you** or any insured have knowingly concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may void this policy for fraud or misrepresentation even after the occurrence of an **accident** or loss. This means that **we** will not be liable for any claims or damages that would otherwise be covered. If **we** void this policy, it will be void from its inception (void ab initio), and no coverage will be provided whatsoever.

To the extent that **we** make payments to **you** under this policy and **our** subsequent investigation reveals **your** involvement in fraud or misrepresentation in the presentation of a claim, **you** must indemnify **us** for all payments made.

However, this provision shall not affect coverage under Part A – Liability to Others.

LEGAL ACTION AGAINST US

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

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

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

Under Part B – Personal Injury Protection Coverage or Part D – Coverage for Damage to Your Auto, no legal action may be brought against **us** on or upon this policy, or arising out of any activities of the Company in any way related to this policy, or claims **you** have presented, unless filed within two years of the **accident** or loss.

The **insured person** and **we** agree that no cause of action shall accrue to the insured under Part C – Uninsured/Underinsured Motorist Coverage unless within one year from the date of the **accident**:

1. Agreement as to the amount due under the policy has been concluded;
2. The **insured person** or **we** has formally instituted arbitration proceedings;
3. The **insured person** has filed an action against **us** in a court of competent jurisdiction; or
4. Suit for bodily injury has been filed against the uninsured motorist in a court of competent jurisdiction and, within one year from the date of settlement or final judgment against the uninsured motorist, the **insured person** has formally instituted arbitration proceedings or filed an action against **us** in a court of competent jurisdiction.

OUR RIGHT TO RECOVER PAYMENT

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, provided that the person has been fully compensated for his/her damages. That person shall do:

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

However, **our** rights in this provision do not apply under Part D – Coverage for Damage to Your Auto, against any person using **your covered auto** with a reasonable belief that that person is entitled to do so.

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 within 30 days of receipt of the proceeds of any recovery.

If payment is made to an **insured person** under Part B – Personal Injury Protection Coverage, **we** are entitled to reimbursement to the extent of **our** payment, reduced by **our** share of the expenses, costs, and attorney fees incurred by the **insured person** in connection with any recovery from a liable person. This provision shall not apply to payment by us under any Accidental Death Benefits Coverage provided under Part B of this policy. If an **insured person** under this policy makes recovery from a responsible party, other than the owner or operator of an **underinsured motor vehicle**, without our written consent, the **insured person's** right to payment under any affected coverage will no longer exist.

If **we** exercise our right to recovery against another, **we** will also attempt to recover any deductible incurred by an **insured person** under this policy. **We** reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. **We** reserve the right to reduce reimbursement of the deductible by the proportion that the amount **we** recover bears to the total amount of **our** subrogated claim. **We** will also reduce reimbursement of the deductible by the proportionate share of the collection expenses including attorney fees incurred with **our** recovery efforts. **We** will not recover the deductible if **you** instruct **us** not to.

POLICY PERIOD AND TERRITORY

This policy applies only to **accidents** and losses that occur during the policy period as shown in the **Declarations** and within the policy territory. The policy territory is:

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

This policy also applies to loss to, or **accidents** involving, **your covered auto** while being transported between their ports.

CANCELLATION

You may cancel this policy by calling **us** or giving **us** advance notice of the future date cancellation is to take effect. If **your** initial premium is paid by check, draft, credit card, electronic funds transfer, or similar form of remittance, and the remittance is not honored or is returned due to non-sufficient funds, the policy shall be deemed void from inception.

We may cancel this policy at any time for nonpayment of premium by providing at least 10 days notice to **you** at the address shown in **our** records.

During the first 59 days of the initial policy term, **we** may cancel this policy for any reason by providing at least 10 days notice to **you** at the address shown in **our** records. In all other cases, other than nonpayment of premium, at least 20 days notice of cancellation will be provided.

After this policy is in effect for 60 days, or if this is a renewal or continuation policy, **we** may cancel only for one or more of the following reasons:

1. nonpayment of premium;
2. If **your** driver's license or that of:
 - a. Any driver who lives with **you**; or
 - b. Any driver who customarily uses **your covered auto**;has been permanently suspended or revoked during the policy period, or if the policy is a renewal, during the policy period or the 180 days immediately preceding the renewal date. However, **we** will not cancel the policy if a suspension of driving privileges is ordered by a court based on a non-driving offense;
3. The **named insured** or any driver of **your covered auto** is convicted of:
 - a. Driving while intoxicated;
 - b. Homicide or assault arising out of the use of a motor vehicle; or
 - c. Three (3) separate convictions of speeding or reckless driving, or any combination of the two during the policy period, including three (3) months prior to the effective date of the policy;
4. The policy was obtained through fraud or material misrepresentation;5. Any **insured person** violated any of the terms or conditions of the policy;
6. Any **insured person** made a false or fraudulent claim, or knowingly aided or abetted another in the presentation of such a claim; or
7. Any other reason permitted by law.

The effective date and time of cancellation stated in the notice shall become the end of the policy period. Any cancellation will be effective for all coverages for all persons and all vehicles.

NONRENEWAL

If **we** decide not to renew or continue this policy, **we** will mail notice to **you** at the address shown in **our** records. Notice will be mailed at least 30 days before the end of the policy period.

PREMIUM REFUND AND CANCELLATION FEE

If this policy is canceled, **you** may be entitled to a premium refund. Any refund due will be computed on a daily pro rata basis. However, **we** shall retain a cancellation fee if cancellation is for nonpayment of premium, or if **you** cancel this policy. **Our** making or offering to make a refund is not a condition of cancellation.

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. If **you** fail to pay the required renewal or continuation premium when due, this 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. All coverage associated with any vehicle **you** own will automatically terminate upon the sale or transfer of vehicle ownership.

PROOF OF MAILING

We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.

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 **Declarations** dies, coverage will be provided for:

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

Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTO POLICIES

If this policy and any other automobile 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.

POLICY AND/OR FILING FEES

A Policy Fee and Filing Fee, if any, as set forth under the **Declarations** of this policy, is fully earned upon issuance of the policy and is not refundable.

ADDITIONAL PREMIUM DUE - LOSS SETTLEMENT

In the event of additional premium due to the incorrect rating of this policy, **we** shall have the right to correct the premium in accordance with **our** published rates and underwriting rules. If a loss occurs under the policy **we** shall have the option to deduct such additional premium from any loss settlement.

CLAIMS SETTLEMENT

To assist **us** in determining the amount of damages, expenses, or loss payable under the terms of this policy, **we** may use estimating, appraisal, or injury evaluation systems developed by **third parties or us** and may include the use of computer software, databases and other specialized technology.

NAMED DRIVER EXCLUSION

If you have elected to exclude a driver who may, by law, be excluded, coverage under Part A – Liability Coverage and Part D - Coverage For Damage to Your Auto shall not apply nor shall they accrue to the benefit of **you**, any third party claimant, or any other person, while any **auto** is being operated by the driver that has been excluded (listed on the Application and/or **Declarations** and/or a Named Driver Exclusion acknowledgment), regardless of where the person resides or whether the person is licensed to drive.

This exclusion applies to the policy, or any continuation, renewal, or replacement of the policy by the **named insured**, or reinstatement within 30 days of any lapse thereof.

A handwritten signature in black ink, appearing to read "J. Dailey". The signature is fluid and cursive, with the first letter being a large, stylized "J".

Jeffrey J. Dailey, President
Bristol West Insurance Company

NAMED NON-OWNER COVERAGE ENDORSEMENT

If **you** pay the premium for Named Non-Owner Coverage, then **you** agree that this policy is amended as follows:

I. General Definitions

- A. The definition of **you** and **your** is deleted and replaced by the following:

You and **your** means only the person shown as the **named insured** on the **Declarations**.

- B. The definition of **your covered auto** is deleted and replaced by the following:

Your covered auto means:

1. Any **auto** not **owned** by **you**, **your** spouse, or members of the household in which you reside, which **you** are using with the permission of the **owner**; and
2. Any **auto** of which **you** acquire ownership during the policy period. For coverage to apply under Part A-Liability Coverage, **you** must, however, notify **us** within 30 days of its acquisition. **You** must pay any additional premium charges for coverage for the newly acquired vehicle.

II. Part A – Liability to Others

- A. The insuring agreement is deleted and replaced by the following:

INSURING AGREEMENT

If **you** pay **us** the premium when due for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which **you** become legally responsible because of an **accident** arising out of **your** use of **your covered auto**. Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** expense and as **we** consider appropriate, any claim or suit asking for these damages. Attorneys selected by **us** will provide a defense to such suit after it is tendered to **us**. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment, settlement or judgment.

We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** may recover from **you** any amounts **we** have paid to defend **you** in a lawsuit if it is determined that **we** had no duty to defend **you**.

- B. The Additional Definition of **Insured Person** is deleted and replaced by the following:

Insured person means:

- i. **You** with respect to an **accident** arising out of the maintenance or use of **your covered auto**;
- ii. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and

iii. Any person or organization vicariously liable for the acts or omissions of a person described in paragraph i or ii above.

C. Exclusion 5 is deleted and replaced by the following:

5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **auto** by a person who is employed or otherwise engaged in the **business** of:

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

vehicles. This includes road testing and delivery. This exclusion does not apply to an **auto** operated or occupied by **you**.

D. Exclusion 12 is deleted and replaced by the following:

12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is **owned by you**

E. Exclusion 13 is deleted.

F. The Other Insurance provision is deleted and replaced by the following:

This coverage is excess over any other applicable liability insurance or bond.

III. Part C – Uninsured/Underinsured Motorist Coverage

A. The Additional Definition of insured person is deleted and replaced by the following:

Insured person means:

- 1. **You**; and
- 2. Any other person while occupying **your covered auto** provided the actual use thereof is with **your** permission.

B. There is no coverage for Uninsured Motorist Property Damage Coverage.

All other terms, conditions, limits and provisions of this policy remain unchanged.



Arkansas

Personal Auto Policy

Bristol West Insurance Company

Claims
1-800-BRISTOL
(274-7865)

All Other Calls
1-888-888-0080
(Toll-Free)

Form No. [XXXX](#) (08/07)

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ARKANSAS PERSONAL AUTO POLICY

AGREEMENT

Your policy consists of the policy contract, **your** insurance application, the **Declarations**, and all endorsements to this policy. In reliance upon the statements of fact made in the application for this insurance, which statements of fact **you** represent are true to the best of **your** knowledge, and in return for the payment of the premium, **we** agree with **you**, for the coverages shown in the **Declarations** and subject to all the terms and conditions of the policy, as follows:

GENERAL DEFINITIONS

Certain words and phrases are defined by using boldface type. The defined terms have the same meaning whether in the singular, plural, or any other form. They are defined as follows:

1. **You** and **your** refer to:
 - a. the **named insured** shown in the **Declarations**; and
 - b. the spouse of the **named insured** shown in the **Declarations**, if a **resident** of the same household.
2. **We, us** and **our** refer to the insurance company providing this insurance, as shown in the **Declarations**.
3. **Accident** means a sudden, unexpected and unintended event that arises out of the ownership, maintenance, or use of an **auto** as an **auto**, and that causes **bodily injury** or **property damage** during the policy period.
4. **Additional auto** means an **auto** you acquire that is in addition to any **auto** shown in the **Declarations**, if:
 - a. the **auto** is acquired during the policy period;
 - b. no other insurance policy provides coverage for the **auto**;
 - c. **you** ask us to insure the **auto** within 30 days after **you** become the **owner** of the **auto**; and
 - d. **we** insure all **autos** in **your** household.An **additional auto** will have the broadest coverage **we** provide for any **auto** shown in the **Declarations**.
5. **Auto** means any self-propelled private passenger motor vehicle with not less than four wheels designed principally for use on paved public streets and highways, provided it has a gross vehicle weight (as determined by the manufacturer's specifications) of 12,000 pounds or less and is not a step-van, parcel delivery van, cargo cutaway van or other van with the cab separate from the cargo area.
6. **Bodily injury** means bodily harm, sickness or disease, including death resulting from bodily harm, sickness or disease.
7. **Business** means any full or part-time profession, occupation, trade or commercial enterprise.
8. **Declarations** means the Personal Auto Policy Declarations that lists the **named insured**, the **autos** to be covered by this policy, the coverages that apply under this policy, the limits of liability, the policy period, and other information pertinent to **your** policy of insurance when purchased from **us**.
9. **Family member** means a person related to **you** by blood, marriage or adoption who is a **resident** of **your** household, including a ward or foster child. **Family members** include **your** unmarried dependent children living temporarily away from home.
10. **Named insured** means the person or persons listed in the **Declarations** as the named insured.
11. **Non-owned auto** means 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**. **Non-owned auto** includes a rental vehicle only if the following conditions are met:

- a. The rental vehicle is not **owned** by or furnished or available for the regular use of **you** or any **family member**;
- b. The rental vehicle is operated within the United States, its territories or possessions, and Canada;
- c. The rental vehicle is operated only for pleasure and not for **business** use;
- d. The rental vehicle is a private passenger automobile and not a motor home, camper, travel trailer, U-Haul, or customized van;
- e. The rental vehicle is **owned** by a person engaged in **business** of renting or leasing vehicles rented or leased without a driver to persons other than the owner and is registered in the name of such owner; and
- f. The rental vehicle is rented under a rental agreement with a term no longer than thirty consecutive days.

A **non-owned auto** includes a vehicle loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing. **Non-owned auto** does not include a vehicle that is not in the lawful possession of the person operating it.

12. **Property damage** means physical injury to or destruction of tangible property, including any loss of use.
13. **Resident** means domiciled and actually living in the household in which **you** reside.
14. **Occupying** means in, upon, getting in, on, out or off.
15. **Owned** means, with respect to a private passenger type **auto**, the person:
 - a. holds legal title; or
 - b. has legal possession under a written lease or loan agreement for a continuous period of at least six months.
16. **Replacement auto** means an **auto** that permanently replaces an **auto** shown in the **Declarations**. A **replacement auto** will have the same coverages as the **auto** it replaces provided that no other insurance provides coverage for the **replacement auto** and it is acquired during the policy period. If **you** wish to continue coverage under Part D – Damage to Your Auto for the **replacement auto**, you must ask **us** to provide the coverage within 30 days after **you** become the **owner** of the **replacement auto**. If the **auto** it replaces does not have coverage under Part D – Damage to Your Auto, **you** must ask us to add the coverage and **you** must pay the additional premium due prior to the effective date those coverages are added.
17. **Trailer** means a non-motorized vehicle designed to be pulled by a:
 - a. private passenger **auto**; or
 - b. pickup, van or panel truck.

It also means a farm wagon or farm implement while being towed by a vehicle listed in a. or b. above. It does not include travel trailers, camper trailers or other **trailers** used for commercial purposes including as an office, a store or display purposes, or to transport passengers.
18. **Your covered auto** means:
 - a. any **auto** shown in the **Declarations** for the coverages applicable to that **auto**;
 - b. any **additional auto**;
 - c. any **replacement auto**; or
 - d. any **trailer owned** by **you** while attached to **your covered auto**.

PART A -- LIABILITY COVERAGE

INSURING AGREEMENT

If **you** pay **us** the premium when due for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an **accident**. Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** expense and as **we** consider appropriate, any claim or suit asking for these damages. Attorneys selected by **us** will provide a defense to such suit after it is tendered to **us**. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment, settlement or judgment.

We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** may recover from an **insured person** any amounts **we** have paid to defend the **insured person** in a lawsuit if it is determined that **we** had no duty to defend the **insured person**.

SUPPLEMENTARY PAYMENTS

In addition to **our** limit of liability, **we** will pay on behalf of an **insured person**:

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** have paid, offered to pay, or deposited into court, that part of the judgment that 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.

ADDITIONAL DEFINITIONS

When used in this Part A:

1. **Insured person** means:
 - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations** with respect to an **accident** arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto**;
 - b. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and
 - c. Any person or organization vicariously liable for the acts or omissions of a person described in paragraph a or b above.
2. **Punitive or exemplary damages** means damages which may be imposed to punish a wrongdoer and to deter others from similar conduct.

EXCLUSIONS THAT APPLY TO PART A – LIABILITY COVERAGE

We do not provide Liability Coverage and **we** have no duty to settle or defend any claim or lawsuit:

1. For **bodily injury** or **property damage** caused intentionally by, or at the direction of, any **insured person**, even if the actual injury or damage is different than that which was intended or expected;
2. For damage to property owned by, used by, rented to, being transported by, or in the care, custody or control of an **insured person**. This exclusion does not apply to damage to a rented residence or rented private garage.
3. For **bodily injury** to an employee of an **insured person** during the course of employment. This exclusion does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits, disability benefits or similar benefits are required or available for that domestic employee.
4. For **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle by a person who is employed or otherwise engaged in the **business** of:
 - a. Selling;
 - b. Repairing;
 - c. Servicing;
 - d. Storing; or
 - e. Parking;vehicles. This includes road testing and delivery.
6. For **bodily injury** or **property damage** arising out of the maintenance or use of any vehicle while an **insured person** is employed or otherwise engaged in any business not described in exclusion 5. This exclusion 6 does not apply to the maintenance or use of a:
 - a. Private passenger auto;
 - b. Pickup or van that:
 - (1) You own; or
 - (2) You do not own while used as a temporary substitute for **your covered auto** which is out of its normal use because of its breakdown, loss, repair destruction or servicing; or
 - c. **Trailer** used with a vehicle described in a. or b. above
7. For **bodily injury** or **property damage** arising out of any person's use of a vehicle without the owner's express or implied permission.
8. For **bodily injury** or **property damage** for which an **insured 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. American Nuclear Insurers;
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
9. For **bodily injury** to **you** or any **family member**, including whenever the ultimate benefits of that indemnification accrue directly or indirectly to **you** or a **family member**.
10. For **punitive or exemplary damages**.
11. For liability assumed by an **insured person** under any contract or agreement.

12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto** which is:
 - a. **Owned by you**; or
 - b. Furnished or available for **your** regular use.
13. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is:
 - a. **Owned by any family member** or any person specifically listed as an additional driver in the **Declarations**; or
 - b. Furnished or available for the regular use of any **family member** or any person specifically listed as an additional driver in the **Declarations**.

This exclusion does not apply to **your** maintenance or use of such vehicle.
14. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
15. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
16. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
17. For any obligation for which the United States Government is liable under the Federal Tort Claims Act.
18. Arising out of the ownership, maintenance or use of **your covered auto** while it is rented to or leased to another.
19. Arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
20. for charges, fees and administrative expenses for services performed by law enforcement and municipal personnel when responding to a motor vehicle **accident** or loss.

LIMIT OF LIABILITY

The bodily injury liability limit for “each person” as shown in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the bodily injury liability limit for “each person”, the bodily injury liability limit for “each accident” as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

The property damage liability limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for all **property damage** arising out of any one **accident**.

The limit of liability shown in the **Declarations** is the most **we** will pay regardless of the number of vehicles involved in the **accident**, **insured persons**, claims made, lawsuits brought, premiums paid, or the number of vehicles or premiums shown in the **Declarations**.

No one is entitled to duplicate payments for the same element of damages. Any amount payable under Part A-Liability Coverage to a person for **bodily injury** shall be reduced by all sums paid to that

person, or for their benefit, under Part B - Personal Injury Protection Coverage and Part C – Uninsured/Underinsured Motorist Coverage.

OUT OF STATE COVERAGE

If an **accident** to which Part A-Liability Coverage 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 a financial responsibility or similar law requiring a nonresident to maintain 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.
- 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. If, due to certification as future proof of financial responsibility **we** are required to pay a claim that would otherwise have not been covered under this Part, **you** agree to reimburse **us** to the extent of that payment.

OTHER INSURANCE

Any insurance we provide under Part A shall be excess over any other collectible insurance, self-insurance, protection and/or any other source of recovery, except for the insurance we provide for the ownership, maintenance and use of **your covered auto**. If other insurance, self-insurance, protection and/or other source of recovery with the same priority applies, 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 insurance limits, self-insurance amounts or limits, and/or other sources of recovery. However, if a duly licensed automobile dealer provides a vehicle to **you** or a **family member**:

1. For use as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing; or
2. To demonstrate the vehicle;

then **we** will provide primary coverage.

PART B – PERSONAL INJURY PROTECTION BENEFITS COVERAGE

INSURING AGREEMENT

Subject to the Limit of Liability shown on the **Declarations Page**, we will pay personal injury protection benefits to or for an **insured person** who sustains **bodily injury** caused by an **accident** and arising out of the maintenance or use of a motor vehicle.

If a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member** for use as a temporary substitute for any **your covered auto** while it is out of normal use because of its:

1. Breakdown;
2. Repair; or
3. Servicing;

personal injury protection benefits shall extend to such loaned motor vehicle only to the extent of the coverage provided, if any, to **your covered auto** being repaired or serviced.

Personal injury protection benefits, subject to the limits shown in the **Declarations**, consist of the following:

1. Medical payments. All reasonable and necessary expenses incurred within 2 years from the date of the **accident** for:
 - a. Medical, hospital, x-ray, professional nursing, dental, surgical, ambulance, prosthetic and funeral expenses; and
 - b. Any non-medical remedial care and treatment rendered in accordance with a recognized religious method of healing.Medical payments do not include expenses in excess of those required for a semi-private room, unless more intensive care is required.
2. Work loss.
 - a. If an **insured person** is an income earner, loss of income from work that **insured person** would have performed had he not sustained **bodily injury**.
 - b. If an **insured person** is a non-income earner, expenses reasonably incurred in obtaining ordinary and necessary services instead of those that **insured person** would have performed, without income and for the benefit of himself or his family, had he not sustained **bodily injury**.
Work loss applies only to the period beginning 8 days after the date of the **accident** and not exceeding 52 weeks. However, work loss does not include any loss or expense after the death of an **insured person**.
3. Accidental death. A death benefit paid if **bodily injury** resulting from the accident causes the death of an **insured person** within 1 year from the date of the **accident**. The **bodily injury** must be the sole cause of death.

ADDITIONAL DEFINITIONS

When used in this Part B:

1. **Insured person** means:
 - a. **You** or any **family member**; and
 - b. any other person:
 - i. while **occupying your covered auto**; or
 - ii. when struck by **your covered auto** while a pedestrian, bicyclist, or motorcyclist, or while riding on an animal or a horse-drawn wagon or cart.

EXCLUSIONS THAT APPLY TO PART B – PERSONAL INJURY PROTECTION COVERAGE

The coverages under this Part B - Personal Injury Protection Coverage do not apply to **bodily injury**:

1. Sustained by any person while:
 - a. Operating **your covered auto** without the **your** express or implied consent; or
 - b. Not in lawful possession of **your covered auto**;
 2. Due to:
 - a. War (declared or undeclared);
 - b. Civil war;
 - c. Insurrection;
 - d. Rebellion or revolution; or
 - e. Any act or condition incident to any of the above.
 3. Resulting from the:
 - a. Radioactive;
 - b. Toxic;
 - c. Explosive; or
 - d. Other hazardous properties of nuclear material;
 3. Sustained by any person to the extent that benefits are, in whole or in part, paid or payable under any of the following or similar law:
 - a. Workers' compensation law; or
 - b. Employer's disability law.
- However, this exclusion does not apply to any coverage for accidental death.
4. Sustained by:
 - a. Any person while **occupying** any motor vehicle, other than **your covered auto**, that is owned by, or furnished, or available, for the regular use of **you**;
 - b. Any **family member** while **occupying** any motor vehicle, other than **your covered auto**, which is owned by, or furnished, or available for the regular use of **you** or that **family member**;
 - c. Any **family member** that is entitled to similar coverage as a named insured under another policy which provides personal injury protection benefits equal to or greater than those required by the Arkansas statutes.
 - d. Any **insured person**, other than **you** or a **family member**, entitled to similar coverage as a named insured or family member under another policy which provides personal injury protection benefits equal to or greater than those required by the Arkansas statutes.
 - e. Any person while **occupying your covered auto** when it is being used as a public or livery conveyance unless such use is stated in the Declarations.
 - f. Any person, other than **you** or any **family member**;
 - i. While **occupying** any motor vehicle, other than **your covered auto**, while employed or otherwise engaged in the business or occupation of:
 - (1) Selling;
 - (2) Repairing;
 - (3) Servicing;
 - (4) Storing; or
 - (5) Parking;motor vehicles.
 - ii. Arising out of the maintenance or use of any motor vehicle, other than **your covered auto** or a motorcycle, by that person while employed or otherwise engaged in any **business** or occupation not described above. This exclusion does not apply to **bodily injury** resulting from the operation or occupancy of a:

- (1) Private passenger auto; or
 - (2) Trailer used with such private passenger auto or **your covered auto**; by the named insured or his private chauffeur or domestic servant.
- h. Any person while occupying any motor vehicle, other than **your covered auto**, unless that person has, or reasonably believes he has, the permission of the owner to use such motor vehicle.

PAYMENT OF BENEFITS

We may pay medical payments or work loss to an **insured person** or organization rendering the services. Such payment shall reduce the amount payable under this coverage for **bodily injury** sustained by that **insured person**.

LIMIT OF LIABILITY

The limits of liability shown in the **Declarations** for Personal Injury Protection Coverage are the most we will pay each **insured person** injured in any one **accident**, regardless of the number of:

1. **Insured persons**;
2. Policies or bonds;
3. Claims made;
4. **Your covered autos**; or
5. Premiums paid.

OTHER INSURANCE

Any insurance we provide for medical payments:

1. With respect to **bodily injury** sustained by any **family member**, shall be excess over any other collectible insurance available to that **family member** as a named insured under another motor vehicle insurance policy providing direct benefits without regard to fault.
2. With respect to **bodily injury** sustained by an **insured person**, other than **you** or any **family member**, shall be excess over any other collectible similar insurance available to that **insured person** as a named insured or **family member** under another motor vehicle insurance policy providing direct benefits without regard to fault.

Except as provided above, if there is other similar collectible insurance that provides coverage for medical payments, 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 a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member**:

1. For use as a temporary substitute for **your covered auto** while it is out of normal use because of its:
 - a. Breakdown;
 - b. Repair; or
 - c. Servicing; or
 2. To demonstrate the motor vehicle;
- then we will provide primary insurance.

Any insurance we provide for work loss or accidental death shall be excess over any other collectible insurance available to:

1. An **insured person**, other than **you** or any **family member**, under another motor vehicle insurance policy. In this event, **our** maximum limit of liability will be the amount by which the

applicable limit of liability shown in the **Declarations** exceeds the applicable limits of liability of all other insurance.

2. **You** or any **family member** under any other motor vehicle insurance policy. In this event:
 - a. The maximum recovery under all policies shall not exceed the highest limit of liability under any one policy.
 - b. **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 a duly licensed automobile dealer provides a motor vehicle to **you** or a **family member**:
 1. For use as a temporary substitute for **your covered auto** while it is out of normal use because of its:
 - a. Breakdown;
 - b. Repair; or
 - c. Servicing; or
 2. To demonstrate the motor vehicle;
then **we** will provide primary insurance.

No one shall be entitled to recover duplicate payments for the same elements of loss.

PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT – UNINSURED MOTORIST COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

INSURING AGREEMENT – UNDERINSURED MOTORIST COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **underinsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **underinsured motor vehicle**.

INSURING AGREEMENT – UNINSURED MOTORIST PROPERTY DAMAGE COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** to a **your covered auto** caused by an **accident** and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

We will pay under Part C only after the limits of liability under all applicable liability bonds and policies have been exhausted by payment of judgments or settlements.

Any judgment for damages arising out of a suit brought without **our** written consent is not binding on **us**. If a tentative settlement has been made between an **insured person** and the insurer of the **underinsured motor vehicle** and **we** have been given prompt written notice by certified mail, return receipt requested of such tentative settlement, then **we** may advance payment to the **insured person** in an amount equal to the tentative settlement within 30 days after receipt of notification. However, if the owner or operator of the **underinsured motor vehicle** is insured by **us** for liability coverage, this provision shall not apply, and an **insured person** may proceed with his or her claim for damages under this coverage anytime after settlement of that **insured person's** claim for damages under the liability coverage applicable to the owner or operator of the **underinsured motor vehicle**.

ADDITIONAL DEFINITIONS

When used in this Part C:

1. **Insured person** means:
 - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations**;
 - b. Any other person while occupying **your covered auto**, provided the actual use thereof is with the permission of the **named insured**; and
 - c. Any person entitled to recover damages for **bodily injury** covered under Part C of this policy sustained by a person meeting the definition of an **insured person** in 1.a. or 1.b. above.
2. **Property damage** means physical damage to, or destruction of **your covered auto**. It includes a reasonable allowance for loss of use of **your covered auto**.
3. **Underinsured motor vehicle** means a land motor vehicle or **trailer** of any type to which a **bodily injury** liability policy applies at the time of the **accident** but the sum of all applicable

limits of liability for **bodily injury** is less than the amount of damages incurred by the **insured person**.

However, an **underinsured motor vehicle** does not include:

- a. A vehicle that is **owned** or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
 - b. A vehicle that is **owned** by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any such government;
 - a. A land motor vehicle or trailer, if operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
 - d. A farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
 - e. A vehicle **owned** by or furnished for the regular or frequent use of an **insured person** or any member of the household of the **insured person**;
 - f. Any vehicle or equipment to which coverage under Part A applies; or
 - g. Any vehicle or equipment that is an **uninsured motor vehicle**.
4. **Uninsured motor vehicle** means a land motor vehicle or **trailer** of any type:
- a. For which no liability policy or bond applies at the time of the **accident**;
 - b. To which a liability policy applies at the time of the **accident** but the insuring company:
 - i. Denies coverage;
 - ii. Refuses to admit coverage except conditionally or with reservation; or
 - iii. Is or becomes insolvent, declared bankrupt, or subject to the appointment of a receiver;
 - c. Which is a hit and run vehicle whose owner or operator cannot be identified and which hits or makes physical contact with:
 - i. **You** or any **family member**;
 - ii. A vehicle which **you** or any **family member** are **occupying**; or
 - iii. **Your covered auto**; orProvided that an **insured person** or their representative reports the **accident** to the police or civil authority within 72 hours or as soon as practicable after the **accident**.

However, **uninsured motor vehicle** does not include any vehicle:

- a. **Owned** by an **insured person** or furnished or available for the regular use of an **insured person**;
- b. **Owned** or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
- c. **Owned** by the United States of America, Canada, a state, a political subdivision of any such government or an agency of any such government;
- d. Operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle;
- e. That is a farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads;
- f. That is an **underinsured motor vehicle**; or
- g. For which coverage under Part A applies.

EXCLUSIONS THAT APPLY TO PART C – UNINSURED/UNDERINSURED MOTORIST COVERAGE

Coverage under Part C does not apply:

1. if the **insured person** or their legal representative settles or prosecutes to a judgment a claim for **bodily injury** or **property damage** without our consent.

2. to **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
3. to **bodily injury** or **property damage** when an **insured person** is using a vehicle without a reasonable belief that the person is entitled to do so.
4. to **property damage** or to **bodily injury** sustained by any person while **occupying** or when struck by a **trailer** of any type used with a motor vehicle **owned by you** or any **family member** or any other person specifically listed as an additional driver listed in the **Declarations** which is not insured for this coverage under this policy.
5. directly or indirectly to benefit:
 - a. Any **insured person** or self-insurer under any of the following or similar law:
 - i. workers' compensation law;
 - ii. disability benefits law;
 - iii. the State Accident Insurance Fund; or
 - b. An insurer of property.
6. directly to the benefit of the United States or any State or political subdivision thereof.
7. to any claim for punitive, exemplary, multiple damages, fines, penalties, or restitution.
8. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
9. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
10. for **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or in preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.

LIMIT OF LIABILITY

The limit of Uninsured Motorist Bodily Injury Liability, Underinsured Motorist Bodily Injury Liability or Uninsured Motorist Property Damage Liability shown in the Schedule or in the **Declarations** is the most **we** will pay regardless of the number of:

1. **Insured persons**;
2. Claims made;
3. Vehicles or premiums shown in the **Declarations**;
4. Vehicles involved in the **accident**; or
5. Premiums paid.

In no event shall the limit of liability for two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available as uninsured motorist coverage, underinsured motorist coverage, or uninsured motorist property damage benefits.

The limit for each person as shown in the **Declarations** for Uninsured Motorist Bodily Injury Liability or Underinsured Motorist Bodily Injury Liability is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the Uninsured Bodily Injury limit or the Underinsured Motorist Bodily Injury limit for each person, the **bodily injury** limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

Our maximum limit of liability for all damages for **property damage** resulting from any one **accident** will be the lesser of:

1. The limit of Uninsured Motorist Property Damage Liability shown in the **Declarations**;
2. The actual cash value of **your covered auto**, reduced by the salvage value if **you** or the owner of the property retain the salvage; or
3. The amount to repair the vehicle or property;
reduced by:
 - a. All sums paid for the **property damage** by or on behalf of any persons or organizations who may be legally liable;
 - b. Any amounts paid under this policy for the same elements of **property damage** or loss; and
 - c. A deductible of \$200 for **property damage** to **your covered auto**. However, this deductible does not apply if we insure **your covered auto** for both collision coverage and uninsured motorist property damage coverage.
 - d. If the **auto** is repaired, all sums that represents any increase in:
 - i. The value of the **auto**, when repair of prior damage increases the value of the **auto** to a condition that was better than it was prior to the **accident**; and
 - ii. The value of the increase of useful life of replaced parts that have a useful life shorter than the **auto's** useful life, including but not limited to, tires, batteries and struts.

Any amount payable under the terms of this coverage shall be reduced by:

1. All sums paid on account of the **bodily injury** by or on behalf of the owner or operator of the uninsured vehicle and by or on behalf of any other person or organization jointly or severally liable together with the owner or operator for the **bodily injury**, including all sums paid under Part A – Liability Coverage of this policy;
2. The amount paid and the present value of all amounts payable on account of the **bodily injury** under any worker's compensation law, disability benefits law, or any similar law; and
3. The amount paid for loss under Part D – Damage to Your Auto.

No one will be entitled to duplicate payments for the same elements of damages for which payment has been made by or on behalf of persons or organizations who may be legally responsible. **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 Uninsured Motorist Coverage, Underinsured Motorist Coverage, or Uninsured Motorist Property Damage Coverage, **we** will pay only **our** share of the damages. **Our** share of the damages is the proportion that **our** limit of coverage under this Part C bears to the total of all applicable limits. However, any insurance **we** provide with respect to an **auto you** do not own shall be excess over any other valid and collectible insurance. In addition, if a duly licensed automobile dealer provides a vehicle to **you** or a **family member**:

1. For use as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing; or
2. To demonstrate the vehicle;

then **we** will provide primary coverage.

PART D -- DAMAGE TO YOUR AUTO

INSURING AGREEMENT – COLLISION COVERAGE

If **you** pay **us** the premium for Collision Coverage when due, **we** will pay for damage to **your covered auto** or **non-owned auto** resulting from **collision**.

INSURING AGREEMENT – COMPREHENSIVE COVERAGE

If **you** pay **us** the premium for Comprehensive Coverage when due, **we** will pay for comprehensive loss to **your covered auto** or **non-owned auto**. A comprehensive loss is a loss caused by the following:

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, when not caused by **collision**.

TRANSPORTATION EXPENSES

If **you** have purchased Comprehensive Coverage and **your covered auto** is stolen, **we** will pay up to \$20 per day, to a maximum of \$600, for transportation expenses incurred by **you**. **We** will pay only reasonable transportation expenses actually and necessarily incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when **your covered auto** has been repaired or replaced, whichever occurs first. If **your covered auto** is determined by **us** to be a total loss, coverage for transportation expense will end 48 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

We will not pay **you** the cost of renting a car from an individual. The car must be rented from a **business** whose day-to-day operations involve car rental. **We** will not pay for insurance, collision damage waivers, fuel, or any other charges, except for the actual cost of the rental of the vehicle including applicable taxes.

RENTAL REIMBURSEMENT COVERAGE

If **you** pay **us** the premium for Rental Reimbursement Coverage when due, **we** will pay for the cost incurred by **you** for rental of an **auto** from an auto rental agency or a vehicle repair shop while **your covered auto** for which this coverage is purchased is inoperable as a result of **collision** or a comprehensive loss to which coverage under this Part D applies. **We** will not pay Rental Reimbursement when **your covered auto** is inoperable due to wear and tear, freezing, mechanical or electrical breakdown or failure, or road damage to tires.

The limit of liability for Rental Reimbursement Coverage is the amount shown in the **Declarations** as the daily limit, for up to 30 days for each **accident**, loss or theft. Coverage under Transportation Expenses shall not apply for a rental of an **auto** when Rental Reimbursement Coverage applies.

Rental charges will be reimbursed beginning when:

1. **your covered auto** cannot be driven due to a loss; or
2. if **your covered auto** can be driven, when **you** deliver or **your** representative delivers **your covered auto** to an auto repair shop for repairs due to the loss.

Rental charges will end when **your covered auto** has been repaired or replaced. If **your covered auto** is determined by **us** to be a total loss, coverage for rental charges will end 48 hours after **we** make an offer to pay the actual cash value of **your covered auto**.

You must provide **us** written proof of **your** rental charges. Duplicate recovery for identical elements of damages is not permitted under this policy.

TOWING AND LABOR COVERAGE

If **you** pay **us** the premium for Towing And Labor Coverage for **your covered auto** when due, **we** will reimburse **you** for towing and labor costs incurred as a result of the disablement of that **auto**, up to the limit of the coverage stated in the **Declarations** of this policy, provided that:

1. The labor, if any, is performed at the place of disablement; or
2. If towed, the **auto** is towed to the nearest qualified repair facility and the towing is necessary due to:
 - a. mechanical or electrical breakdown;
 - b. battery failure;
 - c. insufficient supply of fuel, oil, water, or other fluid;
 - d. flat tire;
 - e. lock-out; or
 - f. entrapment in snow, mud, water or sand, within 100 feet of a road or highway.

CUSTOMIZING EQUIPMENT COVERAGE

If **you** pay **us** the premium for Customizing Equipment Coverage for **your covered auto** when due, **we** will provide comprehensive and collision coverage to permanently installed custom parts or equipment, devices, accessories, enhancements, and changes which alter the appearance or performance of **your covered auto**. This includes permanently installed stereo equipment, custom paint and exterior body panels, custom wheels and tires, equipment to modify vehicle height on both raised and lowered vehicles, custom seats, and safety or alarm devices.

However, no coverage is provided for:

- a. special carpeting and insulation, furniture, or bars;
- b. bath, toilet or kitchen equipment, including refrigerators;
- c. facilities designed for sleeping;
- c. height-extending roofs;
- d. equipment designed or used for the detection or location of radar;
- e. chassis modification or custom car kits; or
- f. custom murals, paintings or other decals or graphics.

You are required to maintain and, upon demand from **us**, promptly present proof of purchase and proper installation for any parts, equipment, devices, accessories, enhancements, and other changes to which this coverage applies. No coverage will be provided that duplicates payment for the same element of loss paid under any other coverage or any other insurance.

ADDITIONAL DEFINITIONS

When used in this Part D:

1. **Collision** means the upset of **your covered auto** or **non-owned auto** or its impact with another vehicle or object.
2. **Your covered auto** shall also include a vehicle loaned to **you** or a **family member** by a duly licensed automobile dealer as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing.

EXCLUSIONS THAT APPLY TO PART D – DAMAGE TO YOUR AUTO

Coverage under this Part D does not apply for loss:

1. to **your covered auto** or **non-owned auto** while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion does not apply to a share-the-expense car pool.
2. to **your covered auto** or **non-owned auto** while it is being rented to others or hired for a fee.
3. to any vehicle that is due and confined to:
 - a. Wear and tear;
 - b. Deterioration including but not limited to rust, rot or mold;
 - c. Latent or inherent defects;
 - d. Freezing;
 - e. Mechanical or electrical breakdown or failure;
 - f. Road damage to tires;
 - g. Lack of maintenance, including but not limited to lack or loss of lubricants, oil, transmission fluid, or coolant; or
 - h. Leakage or seepage of water, whether or not wind driven, unless entering the vehicle through an opening caused by a covered peril.This exclusion does not apply if the damage results from the total theft of **your covered auto**.
4. to any vehicle 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, insurrection, rebellion or revolution.
5. to sound or video producing or recording equipment or navigation equipment for amounts in excess of \$1,000 per component over the applicable deductible even though factory or dealer installed, and then only for the amount in excess of the deductible on the applicable coverage. However, if **you** have paid the premium for Customizing Equipment Coverage, then this exclusion does not apply and any customizing equipment will be subject to the limitations and exclusions contained in the insuring agreement for Customizing Equipment Coverage.
6. to tapes, records, CD's, DVD's, video or other devices for use with equipment designed for the reproduction of sound or video.
7. to any **non-owned auto** when used by **you** or any **family member** or any person specifically listed as an additional driver in the **Declarations** without the owner's express or implied permission to do so.
8. to any vehicle driven by a person:
 - a. who does not possess a valid driver's license; or
 - b. who has had their driving privileges rescinded or revoked.
9. to TV antennas, awnings, cabanas, or equipment designed to create additional living facilities.
10. to any of the following or their accessories:
 - a. Citizen band radio;
 - b. Two-way mobile radio;
 - c. Telephone;

Comment [pfsh1]: Jane, this is up to you, should this be \$500 or \$1000 in coverage. What are you rating at? CA is at \$1000 under the newest revision. Is Product looking to standardize.

- d. Scanning monitor receiver; or
 - e. Radar detectors or similar devices.
11. to any custom furnishings or equipment in or upon any vehicle unless such equipment was factory-installed by the original manufacturer or authorized dealer at the time of purchase. 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;
 - d. equipment designed or used for the detection or location of radar;
 - e. custom car kits;
 - f. custom grills, louvers, scoops, continental kits, and custom spoilers;
 - g. custom paint, including but not limited to lacquer paint, and upholstery, other than that installed by the original manufacturer, or objects including but not limited to murals, paintings or other decals or graphics;
 - h. custom wheels, other than factory installed;
 - i. custom chrome parts;
 - j. ground effects, running boards, or mud flaps;
 - k. bed liners;
 - l. camper shells or custom enclosures for pickups;
 - m. any other equipment, device, accessory, or enhancement which alters the appearance or performance of a vehicle and is not factory installed; or
 - n. global positioning systems (GPS).

However, if **you** have paid the premium for Customizing Equipment Coverage, then this exclusion does not apply and any customizing equipment will be subject to the limitations and exclusions contained in the insuring agreement for Customizing Equipment Coverage.

12. to any part of the vehicle, or its equipment, that is not permanently attached to the vehicle at the time of loss.
13. to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
- 1. Selling;
 - 2. Repairing;
 - 3. Servicing;
 - 4. Storing; or
 - 5. Parking;
- vehicles. This includes road testing and delivery.
14. to any vehicle being towed by **your covered auto**, which is not shown in the **Declarations** and for which premium has not been paid. This exclusion does not apply to a **trailer**.
15. due to the cost of delay in repair, nor will **we** pay more than the cost of repair and/or replacement of automobiles of standard makes and similar type, and **we** will not pay for any extraneous items or any finish or special customizing of such vehicle other than as originally and normally manufactured.
16. to any specially built body, food vending equipment, catering equipment, or refrigeration equipment, nor to travel trailers, unless such equipment is described in the application and a premium charged therefore.
17. to any vehicle while it is being used in any racing, speed, or demolition event or contest or stunting activity or preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
18. to any vehicle arising out of or during its commercial use for the transportation of any explosive substance, flammable liquid, or similar hazardous material, except transportation incidental to **your** ordinary household or farm activities.

19. due to taking or confiscation by governmental or civil authority, for any purpose, including temporary taking or temporary confiscation.
20. due to illegal sale, or repossession of a motor vehicle by the rightful owner.
21. due to theft, embezzlement or other unlawful conversion of **your covered auto** or **non-owned auto** after custody of said **auto** has been entrusted to another party for the purpose of subleasing, leasing or selling said automobile, whether under a consignment or not. This exclusion will apply whether the theft, embezzlement or unlawful conversion of the automobile was committed by the person to whom the vehicle was entrusted or by any other person.
22. due to the destruction of any vehicle, in whole or in part, intentionally caused by, or at the direction of **you**, any **insured person**, a **family member**, or any person listed as a driver in the **Declarations**.
23. covered by **collision** under this policy if any vehicle is being operated by any person:
 - a. listed as an operator in the **Declarations** who has a permanently revoked license;
 - b. not listed on the policy, who has been a **resident** of your household for more than 30 days. **You** must notify us within 30 days of the time when a person becomes a **resident** who was not listed on the policy; or
 - c. not listed on the policy, who does not have a current valid license to drive a motor vehicle, regardless of where that person resides.
24. to any vehicle due to diminution of value.
25. arising out of the ownership, maintenance or use of **your covered auto** or **non-owned auto** while it is rented to or leased to another.
26. arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
27. arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the insured person is actually charged with, or convicted of, a crime.
28. arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.

LIMIT OF LIABILITY

Our limit of liability for loss to **your covered auto** or **non-owned auto** is the lowest of:

1. The actual cash value of the stolen or damaged property at the time of the loss, but not to exceed \$70,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible;
2. The amount necessary to replace the stolen or damaged property, but not to exceed \$70,000 unless specifically endorsed for a greater amount, reduced by the applicable deductible; or
3. The amount necessary to repair the damaged property to its pre-loss condition reduced by the applicable deductible.

Our limit of liability for loss to a **trailer** is \$500.00.

Our limit of liability for loss to property covered under Customizing Equipment Coverage is the lesser of the actual cash value, the declared value shown in the **Declarations** for this coverage, or the actual cost to repair. **Our** payment will be reduced by the applicable deductible.

Payments for loss **your covered auto** or **non-owned auto** are subject to the following provisions:

1. **We** reserve the right to make payment for repairs or replacement of property with other property of like kind and quality, specifically including the vehicle age, use and condition

and/or parts supplied by a source other than the manufacturer of the vehicle such as aftermarket, used, recycled, rebuilt, restored, or exchanged parts.

2. If the repair or replacement results in the betterment of the property or part, meaning that the value of the repaired or replaced property or part has been increased above its pre-loss market value as a result of the repair or replacement, **you** may be responsible, subject to applicable laws and regulation, for the amount of the betterment.
3. Deductions for betterment or depreciation will be taken only for parts or specific repair process normally subject to repair or replacement during the useful life of the vehicle. Deductions will be limited to an amount equal to the proportion that the expired life of the part or specific repair process to be repaired for replaced bears to the normal life of that part or repair process.
4. In the event of a total loss, an adjustment for depreciation and physical condition will be made in determining the actual cash value of the vehicle.
5. **Our** payment will be reduced by the value of the salvage when **you** or the **owner** of the vehicle retains the salvage.
6. No person may receive a duplicate recovery under this policy for the same elements of damages.
7. No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.
8. Actual cash value is determined by the market value, age, and condition of the vehicle at the time of the loss.

TOTAL LOSS

In the event that **we** determine **your** vehicle to be a total loss, **you** must allow **us** to move **your** vehicle to a free storage location of **our** choice. **We** reserve the right to retain **your** vehicle and/or its salvage property after **we** determine that **your** vehicle is a total loss.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. **We** may make this payment to **you** or any loss payee as the person or entity's interest appears. **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.

LOSS PAYABLE CLAUSE

Loss or damage under this policy shall be paid as interest may appear to **you** and the loss payee shown in the **Declarations**. If **you** surrender possession of **your covered auto** to the loss payee or the loss payee repossesses **your covered auto**, **we** will not pay the loss payee for loss occurring after the date the loss payee or its agent takes possession of the **auto**. The interest of a loss payee shall be no greater than **your** interest under this policy.

When **we** pay a loss payee, **we** will not pay the loss payee more than the repair costs of **your covered auto**, actual cash value of **your covered auto** or the existing loan balance as of the date of loss, whichever is less, reduced by any applicable deductible and salvage value if **we** do not retain the salvage. Any insurance covering the interest of a loss payee shall not be protected and shall become invalid for any damage, destruction or other loss resulting from **your** illegal or fraudulent acts and/or omissions. This insurance covering the interest of a loss payee shall become invalid because of **your**

illegal or fraudulent acts or omissions. Additionally, **we** will not pay for any loss caused by conversion, embezzlement, or concealment by **you** or anyone acting on **your** direction or behalf. **We** will not pay for any destruction or damage and/or loss to an **auto** caused by any intentional act done by, at the direction of, or on behalf of any **insured person**. If **we** pay the loss payee for any loss that is not covered under this policy, **we** shall, to the extent of that payment, be subrogated to the loss payee's rights to recovery against **you** or any other **insured person**.

We reserve the right to cancel the policy as permitted by the policy terms. Cancellation shall terminate the policy and this agreement as to the loss payee's interest. **We** will give notice of cancellation to the loss payee and **named insured** as required under the law.

NO BENEFIT TO BAILEE

This 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 insurance, self-insurance, and/or protection limits or amounts regardless of source. Any insurance **we** provide with respect to a **non-owned auto** shall be excess over any other collectible insurance, self-insurance, and any other source of recovery applicable to the loss. However, if a duly licensed automobile dealer provides a vehicle to **you** or a **family member**:

1. For use as a temporary substitute while **your covered auto** is out of normal use because of its breakdown, repair or servicing; or
2. To demonstrate the vehicle;

then **we** will provide primary coverage.

APPRAISAL

If **we** and **you** do not agree on the amount of loss, then **we** and **you** may agree to an appraisal of the loss. If **we** and **you** agree to an appraisal, each party will select a competent appraiser and notify the other party in writing of the appraiser's identity within 30 days of the request for appraisal. The two appraisers will select an umpire. The appraisers will state separately the amount of loss. If they fail to agree, they will submit their differences to the umpire. A written 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.

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

AFTER MARKET PARTS NOTICE

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

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

For coverage to apply under this policy, **you** or the person seeking coverage must promptly report to **us** how, when and where the **accident** or loss happened, including the names and addresses of any injured persons and of any witnesses.

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 examinations under oath at a place of our choosing, within 75 miles of the residence of the **named insured**, and require the person to correct and sign under oath the transcript of the examination(s) under oath.
 - c. To a request for production of documents at the time of the examination under oath and any other time, and allow the copying of any documents **we** or our designated representative requests. This includes, but is not limited to, all documents concerning **your** income (payroll records, profit and loss statements, etc.), finances, credit, and any other documents **we** indicate are reasonable and necessary to investigate and process **your** claim. Such documents must be provided to **us** or **our** designated representative in a timely manner, and if requested, prior to an examination under oath.
4. Authorize **us** to obtain:
 - a. Medical reports;
 - b. Any documents **we** indicate are necessary to investigate and process **your** claim; and
 - c. Event data recorders and/or sensing and diagnostic modules or any other recording device for the purpose of retrieving data following an **accident** or loss.
5. Submit a proof of loss when required by **us**.
6. Provide any statements to **us** when **we** request them, whether in writing, oral, or recorded form, or in person, at our option.

A person seeking Uninsured/Underinsured Motorist Coverage must also:

1. Promptly notify the police if a hit and run driver is involved.
2. Provide **us**, within 30 days of the date of filing, with a copy of the complaint, if a lawsuit is brought by the **insured person** against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
3. Within a reasonable time, make available at **our** expense all pleadings and depositions, if an **insured person** brings a lawsuit against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle**, or against the owner or operator of any other vehicle in the **accident**.
4. Provide **us** with proof that the limits of liability under any liability policies applicable to an **uninsured motor vehicle** have been exhausted by payment of judgments or settlements. Provide **us** with proof that the limits of liability under any liability bond or policies applicable to an **underinsured motor vehicle** have been exhausted by payment of judgments or settlements.
5. Notify **us** or **our** agent in writing within 10 business days of the **accident** for Uninsured Motorist Property Damage coverage.

A person seeking coverage under Part D - Damage to Your Auto must also:

1. Take reasonable steps after loss, at **your** expense, to protect **your covered auto** or a **non-owned auto** and its equipment from further loss.
2. Notify the police, within 24 hours of discovery of the event, if **your covered auto** is stolen.
3. Permit **us** to inspect and appraise the damaged property as often as **we** reasonably require before its repair or disposal.
4. Send **us**, within 30 days of the loss, **your** signed sworn statement in proof of loss in the form provided to **you**; or, if no form is provided to **you**, a form of **your** own creation, sworn to under oath, and showing the date and time of loss, the cause of loss, the actual cash value and amount of loss to **your covered auto**, and attaching detailed repair estimates.

PART F - GENERAL PROVISIONS

TERMS CONFORMED TO STATUTES

This policy shall be deemed amended to conform to the statutes of the state listed in **your** application if any provision fails to conform to such statutes. Any dispute as to coverages or the provisions of this policy shall be determined and governed by the law of the state listed in **your** application as **your** residence.

BANKRUPTCY

Bankruptcy or insolvency of the **insured person** shall not relieve **us** of any obligations under this policy. If execution of a judgment against an **insured person** under Part A - Liability Coverage is returned unsatisfied for 30 days because of the insolvency or bankruptcy of the **insured person**, a person claiming payment for damages under Part A – Liability Coverage may maintain an action against **us** for the portion of the judgment that does not exceed **our** Limit of Liability, subject to all the terms and conditions of this policy.

CHANGES

This policy, any endorsements to this policy, the **Declarations**, and **your** application contain all the agreements between **you** and **us**. Their terms may not be changed or waived except by endorsement issued by **us**. If a change requires a premium adjustment, **we** will adjust the premium as of the effective date of change.

The premium for this policy is based on the information **you** provided to **us** or other sources **we** use. **You** agree to cooperate with **us** in determining if this information is accurate and complete. **You** agree to notify **us** of any changes during the policy period. If this information is incomplete, incorrect, or changes during the policy period, **you** agree that **we** may adjust **your** premium, or take other legally permissible action.

Changes that may result in a premium change include, but are not limited to, **you** or a **family member** obtaining a driver's license or operator's permit, or changes in:

1. **your** address;
2. **your** garaging address;
3. **resident** drivers and additional frequent drivers;
4. the number, type, or use classifications of **your covered autos**; and
5. coverages, deductibles, or limits of liability.

You must notify **us** within 30 days of the time when a person becomes a **resident** of **your** household who was not previously listed on the policy.

MISREPRESENTATION OR FRAUD

This policy was issued in reliance on the information provided on **your** insurance application, including, but not limited to information regarding license and driving history of **you, family members**, all persons of driving age residing in **your** household, the description of the vehicles to be insured, the location of the principal place of garaging, and **your** place of residence.

We may void this policy if **you** or any insured have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct, at the time application was made. **We** may deny

coverage for an **accident** or loss if **you** or any insured have knowingly concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may void this policy for fraud or misrepresentation even after the occurrence of an **accident** or loss. This means that **we** will not be liable for any claims or damages that would otherwise be covered. If **we** void this policy, it will be void from its inception (void ab initio), and no coverage will be provided whatsoever.

To the extent that **we** make payments to **you** under this policy and **our** subsequent investigation reveals **your** involvement in fraud or misrepresentation in the presentation of a claim, **you** must indemnify **us** for all payments made.

However, this provision shall not affect coverage under Part A – Liability to Others.

LEGAL ACTION AGAINST US

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

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

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

Under Part B – Personal Injury Protection Coverage or Part D – Coverage for Damage to Your Auto, no legal action may be brought against **us** on or upon this policy, or arising out of any activities of the Company in any way related to this policy, or claims **you** have presented, unless filed within two years of the **accident** or loss.

The **insured person** and **we** agree that no cause of action shall accrue to the insured under Part C – Uninsured/Underinsured Motorist Coverage unless within one year from the date of the **accident**:

1. Agreement as to the amount due under the policy has been concluded;
2. The **insured person** or **we** has formally instituted arbitration proceedings;
3. The **insured person** has filed an action against **us** in a court of competent jurisdiction; or
4. Suit for bodily injury has been filed against the uninsured motorist in a court of competent jurisdiction and, within one year from the date of settlement or final judgment against the uninsured motorist, the **insured person** has formally instituted arbitration proceedings or filed an action against **us** in a court of competent jurisdiction.

OUR RIGHT TO RECOVER PAYMENT

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, provided that the person has been fully compensated for his/her damages. That person shall do:

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

However, **our** rights in this provision do not apply under Part D – Coverage for Damage to Your Auto, against any person using **your covered auto** with a reasonable belief that that person is entitled to do so.

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 within 30 days of receipt of the proceeds of any recovery.

If payment is made to an **insured person** under Part B – Personal Injury Protection Coverage, **we** are entitled to reimbursement to the extent of **our** payment, reduced by **our** share of the expenses, costs, and attorney fees incurred by the **insured person** in connection with any recovery from a liable person. This provision shall not apply to payment by us under any Accidental Death Benefits Coverage provided under Part B of this policy. If an **insured person** under this policy makes recovery from a responsible party, other than the owner or operator of an **underinsured motor vehicle**, without our written consent, the **insured person's** right to payment under any affected coverage will no longer exist.

If **we** exercise our right to recovery against another, **we** will also attempt to recover any deductible incurred by an **insured person** under this policy. **We** reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. **We** reserve the right to reduce reimbursement of the deductible by the proportion that the amount **we** recover bears to the total amount of **our** subrogated claim. **We** will also reduce reimbursement of the deductible by the proportionate share of the collection expenses including attorney fees incurred with **our** recovery efforts. **We** will not recover the deductible if **you** instruct **us** not to.

POLICY PERIOD AND TERRITORY

This policy applies only to **accidents** and losses that occur during the policy period as shown in the **Declarations** and within the policy territory. The policy territory is:

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

This policy also applies to loss to, or **accidents** involving, **your covered auto** while being transported between their ports.

CANCELLATION

You may cancel this policy by calling **us** or giving **us** advance notice of the future date cancellation is to take effect. If **your** initial premium is paid by check, draft, credit card, electronic funds transfer, or similar form of remittance, and the remittance is not honored or is returned due to non-sufficient funds, the policy shall be deemed void from inception.

We may cancel this policy at any time for nonpayment of premium by providing at least 10 days notice to **you** at the address shown in **our** records.

During the first 59 days of the initial policy term, **we** may cancel this policy for any reason by providing at least 10 days notice to **you** at the address shown in **our** records. In all other cases, other than nonpayment of premium, at least 20 days notice of cancellation will be provided.

After this policy is in effect for 60 days, or if this is a renewal or continuation policy, **we** may cancel only for one or more of the following reasons:

1. nonpayment of premium;
2. If **your** driver's license or that of:
 - a. Any driver who lives with **you**; or
 - b. Any driver who customarily uses **your covered auto**;has been permanently suspended or revoked during the policy period, or if the policy is a renewal, during the policy period or the 180 days immediately preceding the renewal date. However, **we** will not cancel the policy if a suspension of driving privileges is ordered by a court based on a non-driving offense;
3. The **named insured** or any driver of **your covered auto** is convicted of:
 - a. Driving while intoxicated;
 - b. Homicide or assault arising out of the use of a motor vehicle; or
 - c. Three (3) separate convictions of speeding or reckless driving, or any combination of the two during the policy period, including three (3) months prior to the effective date of the policy;
4. The policy was obtained through fraud or material misrepresentation;5. Any **insured person** violated any of the terms or conditions of the policy;
6. Any **insured person** made a false or fraudulent claim, or knowingly aided or abetted another in the presentation of such a claim; or
7. Any other reason permitted by law.

The effective date and time of cancellation stated in the notice shall become the end of the policy period. Any cancellation will be effective for all coverages for all persons and all vehicles.

NONRENEWAL

If **we** decide not to renew or continue this policy, **we** will mail notice to **you** at the address shown in **our** records. Notice will be mailed at least 20 days before the end of the policy period.

PREMIUM REFUND AND CANCELLATION FEE

If this policy is canceled, **you** may be entitled to a premium refund. Any refund due will be computed on a daily pro rata basis. However, **we** shall retain a cancellation fee if cancellation is for nonpayment of premium, or if **you** cancel this policy. **Our** making or offering to make a refund is not a condition of cancellation.

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. If **you** fail to pay the required renewal or continuation premium when due, this 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. All coverage associated with any vehicle **you** own will automatically terminate upon the sale or transfer of vehicle ownership.

PROOF OF MAILING

We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.

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 **Declarations** dies, coverage will be provided for:

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

Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTO POLICIES

If this policy and any other automobile 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.

POLICY AND/OR FILING FEES

A Policy Fee and Filing Fee, if any, as set forth under the **Declarations** of this policy, is fully earned upon issuance of the policy and is not refundable.

ADDITIONAL PREMIUM DUE - LOSS SETTLEMENT

In the event of additional premium due to the incorrect rating of this policy, **we** shall have the right to correct the premium in accordance with **our** published rates and underwriting rules. If a loss occurs under the policy **we** shall have the option to deduct such additional premium from any loss settlement.

CLAIMS SETTLEMENT

To assist **us** in determining the amount of damages, expenses, or loss payable under the terms of this policy, **we** may use estimating, appraisal, or injury evaluation systems developed by **third parties or us** and may include the use of computer software, databases and other specialized technology.

NAMED DRIVER EXCLUSION

If you have elected to exclude a driver who may, by law, be excluded, coverage under Part A – Liability Coverage and Part D - Coverage For Damage to Your Auto shall not apply nor shall they accrue to the benefit of **you**, any third party claimant, or any other person, while any **auto** is being operated by the driver that has been excluded (listed on the Application and/or **Declarations** and/or a Named Driver Exclusion acknowledgment), regardless of where the person resides or whether the person is licensed to drive.

This exclusion applies to the policy, or any continuation, renewal, or replacement of the policy by the **named insured**, or reinstatement within 30 days of any lapse thereof.

A handwritten signature in black ink, appearing to read "J. Dailey". The signature is fluid and cursive, with the first letter being a large, stylized "J".

Jeffrey J. Dailey, President
Bristol West Insurance Company

NAMED NON-OWNER COVERAGE ENDORSEMENT

If **you** pay the premium for Named Non-Owner Coverage, then **you** agree that this policy is amended as follows:

I. General Definitions

- A. The definition of **you** and **your** is deleted and replaced by the following:

You and **your** means only the person shown as the **named insured** on the **Declarations**.

- B. The definition of **your covered auto** is deleted and replaced by the following:

Your covered auto means:

1. Any **auto** not **owned** by **you**, **your** spouse, or members of the household in which you reside, which **you** are using with the permission of the **owner**; and
2. Any **auto** of which **you** acquire ownership during the policy period. For coverage to apply under Part A-Liability Coverage, **you** must, however, notify **us** within 30 days of its acquisition. **You** must pay any additional premium charges for coverage for the newly acquired vehicle.

II. Part A – Liability to Others

- A. The insuring agreement is deleted and replaced by the following:

INSURING AGREEMENT

If **you** pay **us** the premium when due for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which **you** become legally responsible because of an **accident** arising out of **your** use of **your covered auto**. Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** expense and as **we** consider appropriate, any claim or suit asking for these damages. Attorneys selected by **us** will provide a defense to such suit after it is tendered to **us**. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment, settlement or judgment.

We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** may recover from **you** any amounts **we** have paid to defend **you** in a lawsuit if it is determined that **we** had no duty to defend **you**.

- B. The Additional Definition of **Insured Person** is deleted and replaced by the following:

Insured person means:

- i. **You** with respect to an **accident** arising out of the maintenance or use of **your covered auto**;
- ii. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and

iii. Any person or organization vicariously liable for the acts or omissions of a person described in paragraph i or ii above.

C. Exclusion 5 is deleted and replaced by the following:

5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **auto** by a person who is employed or otherwise engaged in the **business** of:

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

vehicles. This includes road testing and delivery. This exclusion does not apply to an **auto** operated or occupied by **you**.

D. Exclusion 12 is deleted and replaced by the following:

12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is **owned by you**

E. Exclusion 13 is deleted.

F. The Other Insurance provision is deleted and replaced by the following:

This coverage is excess over any other applicable liability insurance or bond.

III. Part C – Uninsured/Underinsured Motorist Coverage

A. The Additional Definition of insured person is deleted and replaced by the following:

Insured person means:

- 1. **You**; and
- 2. Any other person while occupying **your covered auto** provided the actual use thereof is with **your** permission.

B. There is no coverage for Uninsured Motorist Property Damage Coverage.

All other terms, conditions, limits and provisions of this policy remain unchanged.