

SERFF Tracking Number: LBPM-125329610 State: Arkansas
First Filing Company: Liberty Insurance Corporation, ... State Tracking Number: AR-PC-07-026502
Company Tracking Number: AR AO REV ENDORS
TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Product Name: LibertyGuard Personal Automobile Program
Project Name/Number: Revised Automobile Endorsements/AR AO Rev Endors

Filing at a Glance

Companies: Liberty Insurance Corporation, Liberty Mutual Fire Insurance Company, The First Liberty Insurance Corporation

Product Name: LibertyGuard Personal Automobile Program
TOI: 19.0 Personal Auto
Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Filing Type: Form

SERFF Tr Num: LBPM-125329610 State: Arkansas
SERFF Status: Closed
Co Tr Num: AR AO REV ENDORS State Status:
Co Status:
Author: Laura Miller
Date Submitted: 10/19/2007

Reviewer(s): Alexa Grissom, Betty Montesi
Disposition Date: 11/01/2007
Disposition Status: Approved
Effective Date (New): 01/01/2008
Effective Date (Renewal):

General Information

Project Name: Revised Automobile Endorsements
Project Number: AR AO Rev Endors
Reference Organization:
Reference Title:
Filing Status Changed: 11/01/2007
State Status Changed: 10/23/2007
Corresponding Filing Tracking Number:
Filing Description:
In response to AR H.B. 2243, which requires that every motor vehicle liability, bodily injury, physical damage, uninsured and underinsured motorist insurance policy extend coverage on a primary basis to rented or leased vehicles from a rental company operated by the insured individual and its occupants, we will be revising our endorsements.

Status of Filing in Domicile: Not Filed
Domicile Status Comments:
Reference Number:
Advisory Org. Circular:
Deemer Date:

Company and Contact

Filing Contact Information

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Craig Cunningham, Manager of Product Analysis
craig.cunningham@libertymutual.com
175 Berkeley Street (800) 225-8346 [Phone]
Boston, MA 02116 (617) 574-6699[FAX]

Filing Company Information

Liberty Insurance Corporation CoCode: 42404 State of Domicile: Illinois
175 Berkeley Street Group Code: 111 Company Type:
Boston, MA 02116 Group Name: State ID Number:
(800) 225-8346 ext. [Phone] FEIN Number: 03-0316876

Liberty Mutual Fire Insurance Company CoCode: 23035 State of Domicile: Wisconsin
175 Berkeley Street Group Code: 111 Company Type:
Boston, MA 02116 Group Name: State ID Number:
(800) 225-8346 ext. [Phone] FEIN Number: 04-1924000

The First Liberty Insurance Corporation CoCode: 33588 State of Domicile: Iowa
175 Berkeley Street Group Code: 111 Company Type:
Boston, MA 02116 Group Name: State ID Number:
(800) 225-8346 ext. [Phone] FEIN Number: 04-3058503

SERFF Tracking Number: LBPM-125329610 State: Arkansas
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Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Liberty Mutual Fire Insurance Company	\$50.00	10/19/2007	16202895
The First Liberty Insurance Corporation	\$0.00	10/19/2007	
Liberty Insurance Corporation	\$0.00	10/19/2007	

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Correspondence Summary

Dispositions

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

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	10/30/2007	10/30/2007	Laura Miller	10/31/2007	10/31/2007
Industry Response						

SERFF Tracking Number: LBPM-125329610 State: Arkansas
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Disposition

Disposition Date: 11/01/2007
Effective Date (New): 01/01/2008
Effective Date (Renewal):
Status: Approved
Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

SERFF Tracking Number: *LBPM-125329610* State: *Arkansas*
 First Filing Company: *Liberty Insurance Corporation, ...* State Tracking Number: *AR-PC-07-026502*
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 Product Name: *LibertyGuard Personal Automobile Program*
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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Forms	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Certificates of Compliance	Approved	Yes
Supporting Document	AS 2198 02 05	Approved	Yes

SERFF Tracking Number: LBPM-125329610 State: Arkansas
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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 10/30/2007

Submitted Date 10/30/2007

Respond By Date

Dear Craig Cunningham,

This will acknowledge receipt of the captioned filing. The policy must be amended to allow at least 20 days for adding a vehicle to the policy.

Please feel free to contact me if you have questions.

Sincerely,

Alexa Grissom

Response Letter

Response Letter Status Submitted to State

Response Letter Date 10/31/2007

Submitted Date 10/31/2007

Dear Alexa Grissom,

Comments:

Response 1

Comments: Dear Ms. Grissom,

Please refer to our 2005 SERFF filing # USPH-6CFSUK164/00, Arkansas # AR-PC-05-015061. Our Automobile Amendatory Endorsement addresses the definition for "Newly acquired auto" to allow for 30 days to add a vehicle to a policy. It is enclosed for your reference. Please let us know if you have any more questions.

Thank you,

Laura Miller

(800) 225-8346 x41746 or laura.miller@libertymutual.com

Changed Items:

SERFF Tracking Number: LBPM-125329610 State: Arkansas
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Supporting Document Schedule Item Changes

Satisfied -Name: AS 2198 02 05

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Laura Miller

SERFF Tracking Number: *LBPM-125329610* *State:* *Arkansas*
First Filing Company: *Liberty Insurance Corporation, ...* *State Tracking Number:* *AR-PC-07-026502*
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Rate Information

Rate data does NOT apply to filing.

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Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 11/01/2007

Comments:

Attachments:

Transmittal.pdf
Form Schedule.pdf

Satisfied -Name: Forms **Review Status:** Approved 11/01/2007

Comments:

Attachments:

AS 1154 01 08 final.pdf
AS 1168 01 08 final.pdf
AS 2314 01 08 final.pdf
AS 1154 01 08 mock 1.pdf
AS 1168 01 08 mock 1.pdf
AS 2313 01 08 mock 2 10.19.pdf
AS 2314 01 08 mock 1.pdf
AS 2313 01 08 proof.pdf

Satisfied -Name: Cover Letter **Review Status:** Approved 11/01/2007

Comments:

Attachment:

cover letter.doc

Satisfied -Name: Certificates of Compliance **Review Status:** Approved 11/01/2007

Comments:

Attachment:

certificates of compliance.pdf

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Project Name/Number: Revised Automobile Endorsements/AR AO Rev Endors

Satisfied -Name: AS 2198 02 05 **Review Status:** Approved 11/01/2007
Comments:
Attachment:
AS 2198 02 05.pdf

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:
	New Business
	Renewal Business
	f. State Filing #:
	g. SERFF Filing #:
	h. Subject Codes

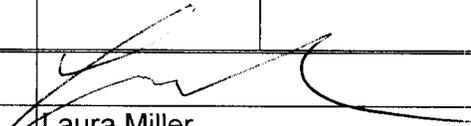
3. Group Name	Group NAIC #
Liberty Mutual Group	111-01112

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Liberty Mutual Fire Insurance Company	WI	111-23035	04-1924000	
Liberty Insurance Corporation	IL	111-42404	03-0316876	
The First Liberty Insurance Corporation	IA	111-33588	04-3058503	

5. Company Tracking Number	AR AO Rev Endors
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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
	Laura Miller 175 Berkeley Street Boston, MA 02116	Industry Filings Analyst	(800) 225-8346 x41746	617-574-6699	laura.miller@liberty mutual.com

7. Signature of authorized filer	
8. Please print name of authorized filer	Laura Miller

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

9. Type of Insurance (TOI)	Personal Auto
10. Sub-Type of Insurance (Sub-TOI)	Private Passenger Auto
11. State Specific Product code(s) (if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Liberty Guard Personal Auto Policy Program
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: January 1, 2008 Renewal:

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	
19. Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #	AR AO Rev Endors
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21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

In response to AR H.B. 2243, which requires that every motor vehicle liability, bodily injury, physical damage, uninsured and underinsured motorist insurance policy extend coverage on a primary basis to rented or leased vehicles from a rental company operated by the insured individual and its occupants, we will be revising our endorsements.

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]
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Check #: TBD
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, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	AR AO Rev Endors			
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	Amendment of Policy Provisions	AS 1154 01 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	AS 1154 01 99	
02	Underinsured Motorist Coverage	AS 2313 01 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	PP 04 34 05 98	
03	Uninsured Motorist Coverage	AS 2314 01 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	PP 04 95 06 94	
04	Personal Injury Protection Coverage	AS 1168 01 08	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	AS 1168 11 06	
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

AMENDMENT OF POLICY PROVISIONS - ARKANSAS

AS 1154 01 08

(PP 01 77 06 94)

I. DEFINITIONS

The following is added to Definition **J.**:

5. With respect to Coverage for Damage to Your Auto only, any vehicle provided by a duly licensed automobile dealer to you or a "family member" for use as a temporary substitute for any other vehicle described in this definition while it is out of normal use because of its breakdown, repair or servicing.

II. PART A - LIABILITY COVERAGE

Part **A** is amended as follows:

- A. The Other Insurance provision is replaced by the following:

OTHER INSURANCE

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

1. A duly licensed automobile dealer provides a vehicle to you or a "family member":
 - a. For use as a temporary substitute while "your covered auto" is out of normal use because of its breakdown, repair or servicing; or
 - b. to demonstrate the vehicle; or
2. The vehicle is rented or leased by you or any "family member" from a rental company for a period not more than 90 days.

III. PART B - MEDICAL PAYMENTS COVERAGE

Part **B** is not applicable.

IV. PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

Part **D** is amended as follows:

- A. The last sentence of the Payment of Loss provision is replaced by the following:

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property. However, if the loss is a total loss to "your covered auto" or any "non-owned auto" and we elect either to pay for loss in money or offer a comparable

replacement vehicle, our payment for loss will include, other than payment for any applicable deductible shown in the Declarations, all:

1. Applicable taxes;
2. License fees; and
3. Other fees;

actually incurred incident to transfer of evidence of ownership of a comparable replacement vehicle.

- B. The Other Sources of Recovery provision is replaced by the following:

OTHER SOURCES OF RECOVERY

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

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

However, we will provide primary insurance for a vehicle you do not own if:

1. A duly licensed automobile dealer provides a vehicle to you or a "family member":
 - a. For use as a temporary substitute for "your covered auto" while it is out of normal use because of its breakdown, repair or servicing; or
 - b. To demonstrate the vehicle; or
2. The vehicle is rented or leased by you or a "family member" from a rental company for a period not more than 90 days.

- E. The Appraisal provision is replaced by the following:

APPRAISAL

If we and you do not agree on the amount of loss, an appraisal of the loss may be made. However, an appraisal will be made only if both we and you agree, voluntarily, to have the loss appraised. If so agreed, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. The appraisers will state separately

the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. An appraisal decision will not be binding on either party. 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.

V. PART F - GENERAL PROVISIONS

Part F is amended as follows:

- A. The Fraud provision does not apply to Part A - Liability Coverage.
- B. The following is added to the Our Right To Recover Payment Provision:

OUR RIGHT TO RECOVER PAYMENT

We shall be entitled to a recovery under Paragraph A. or B. only after the person has been fully compensated for damages.

- C. The Termination provision of Part F is replaced by the following:

TERMINATION

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

1. The named insured shown in the Declarations may cancel by:
 - a. Returning this policy to us; or
 - b. Giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. At least 10 days notice if cancellation is for nonpayment of premium; or
 - b. At least 20 days notice in all other cases.
3. When this policy is in effect for 60 days or more, or if this is a renewal or continuation policy, we will cancel only:
 - a. For nonpayment of premium; or
 - b. If your driver's license or that of:
 - (1) Any driver who lives with you; or
 - (2) Any driver who customarily uses "your covered auto";has been suspended or revoked. This must have occurred:

- (1) During the policy period; or
- (2) Since the last anniversary of the original effective date if the policy period is other than 1 year; or

However, we may not cancel under paragraph (B.3.c.) solely because of the administrative suspension or revocation of the insured's driver's license due to the influence or use of alcohol or a controlled substance as set forth in ARK. CODE ANN. Section 5-165-104.

- c. If the policy was obtained through material misrepresentation.

Nonrenewal. If we decide not to renew or continue this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 30 days before the end of the policy period. If the policy period is:

1. Less than one year, we will have the right not to renew or continue this policy at the end of the policy period.
2. 1 year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

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

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

Other Termination Provisions.

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. If we cancel, we will refund you the pro rata unearned premium. If you cancel, we will refund you 90% of the pro rata unearned premium.

However, we will refund you the full pro rata unearned premium if:

- a.** You cancel this policy because:
- (1)** You have disposed of "your covered auto," and you insure another auto with us under a new policy, to become effective within 30 days of the effective date of cancellation of this policy; or
 - (2)** "Your covered auto" has been repossessed under the terms of a financing agreement; or
 - (3)** You are entering the armed forces of the United States of America; or
 - (4)** "Your covered auto" was stolen or destroyed, and you request cancellation:
 - (a)** Within 30 days following the date "your covered auto" was stolen or destroyed; or
 - (b)** Within 15 days of the time we determined "your covered auto" was destroyed, or if stolen, to be unrecoverable.
- b.** You cancel this policy but there remains in force with us a policy in your name insuring another auto.
- c.** This policy is written for a term of greater than one year and you cancel the policy after it has been in effect for one year.
- Making or offering to make the refund is not a condition of cancellation.
- 3.** The effective date of cancellation stated in the notice shall become the end of the policy period.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY
PERSONAL INJURY PROTECTION COVERAGE - ARKANSAS**

**AS 1168 01 08
(PP 05 82 06 94)**

With respect to coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

SCHEDULE

BENEFITS	VEHICLE TO WHICH BENEFIT APPLIES	LIMIT OF LIABILITY	PREMIUM
└ Medical Payments	Any "motor vehicle" which is registered or principally garaged in Arkansas and is:	\$ <u>5000</u> per person	\$ <u>See Declaration</u>
	<input checked="" type="checkbox"/> owned by the "named insured" and covered under Part A of this policy.	\$ <u>5000</u> per "pedestrian" other than the "named insured" or any "family member".	
	<input type="checkbox"/> _____.	└ \$1,000	\$ <u>See Declaration</u>
└ Increased Medical Payments	Any "motor vehicle" which is registered or principally garaged in Arkansas and is:	└ \$2,000	
		└ \$3,000	
		└ \$4,000	
	<input checked="" type="checkbox"/> owned by the "named insured" and covered under Part A of this policy.	└ \$5,000	
	<input type="checkbox"/> _____.	Limits apply on a per person and/or per "pedestrian" other than the "named insured" or any "family member" basis.	
└ Work Loss	Any "private passenger motor vehicle" which is registered or principally garaged in Arkansas and is:	70% of loss of gross income up to a maximum of \$140 per week for an income earner.	\$ <u>See Declaration</u>
	<input checked="" type="checkbox"/> owned by the "named insured" and covered under Part A of this policy.	Up to \$70 per week for a non-income earner.	
	<input type="checkbox"/> _____.		
└ Accidental Death	Any "private passenger motor vehicle" which is registered or principally garaged in Arkansas and is:	\$ <u>5000</u> per person	\$ <u>See Declaration</u>
	<input checked="" type="checkbox"/> owned by the "named insured" and covered under Part A of this policy.		
	<input type="checkbox"/> _____.		
Total Premium			\$ <u>See Declaration</u>

I. DEFINITIONS

The definitions section is amended as follows:

A. The following definitions are replaced:

1. "Occupying" means:
 - a. In or upon;
 - b. Entering into; or
 - c. Alighting from.
2. With respect to medical payments, "your covered auto" means a "motor vehicle" shown in the Schedule or Declarations to which medical payments apply. This includes:
 - a. A "private passenger auto" not owned by the "named insured" while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
 - (1) Breakdown;
 - (2) Repair;
 - (3) Servicing;
 - (4) Loss; or
 - (5) Destruction.
 - b. A trailer designed for use with a "private passenger auto" provided such trailer is not being used for business purposes with another type vehicle.
3. With respect to work loss and accidental death, "your covered auto" means a "private passenger motor vehicle" shown in the Schedule of Declarations to which work loss applies. This includes:
 - a. A "private passenger auto" not owned by the "named insured" while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
 - (1) Breakdown;
 - (2) Repair;
 - (3) Servicing;
 - (4) Loss; or
 - (5) Destruction.
 - b. A trailer designed for use with a "private passenger auto" provided such trailer is not being used for business purposes with another type vehicle.

B. The following definitions are added:

1. "Motor vehicle" means a land motor vehicle, trailer or semitrailer. However, "motor vehicle" does not include a:

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- a. Farm tractor or other equipment, designed for use mainly off public roads, while not upon public roads;
 - b. Vehicle operated upon rails or crawler treads; or
 - c. Vehicle located for use as a residence or premises.
2. "Named insured" means the person named in the Declarations.
 3. "Pedestrian" means any person who is not "occupying" any vehicle other than a:
 - a. Motorcycle; or
 - b. Vehicle operated by human or animal power.
 4. "Private passenger auto" means a "motor vehicle" which is a:
 - a. Private passenger;
 - b. Station wagon; or
 - c. Jeep type; automobile.
 5. "Private passenger motor vehicle" means a "motor vehicle" which is a:
 - a. "Private passenger auto";
 - b. Pickup or van not customarily used for:
 - (1) Occupational;
 - (2) Professional; or
 - (3) Business;purposes, other than farming or ranching.
 - c. Motorcycle.

However, "private passenger motor vehicle" does not include a "motor vehicle" used as a public or livery conveyance for passengers.

C. "Insured" as used in this endorsement means:

1. The "named insured" or any "family member" who sustains "bodily injury" while:
 - a. "Occupying"; or
 - b. a "pedestrian" struck by; a "motor vehicle".
2. Any other person who sustains "bodily injury":
 - a. While:
 - (1) "Occupying"; or
 - (2) a "pedestrian" struck by; "your covered auto".

- b.** While "occupying" a "motor vehicle" other than "your covered auto". The "bodily injury" must result from the:
- (1) Use of such "motor vehicle" by the "named insured";
 - (2) Operation of such "motor vehicle" by the "named insured's" private chauffeur or domestic servant on behalf of the "named insured"; or
 - (3) Use of such "motor vehicle" by any "family member" if the "motor vehicle" is a "private passenger auto" or trailer.

However, this provision (2.b.) does not apply to work loss or accidental death.

D. "Reasonable and necessary" when applied to any medical payments coverage under this personal injury protection endorsement - means services or supplies provided by a licensed hospital, licensed physician, or other licensed medical provider that, as determined by us or someone on our behalf, are:

1. Required to identify or treat an injury caused by an accident covered by this policy;
2. Consistent with symptoms, diagnosis, and treatment of the covered person's injury and appropriately documented in the covered person's medical records;
3. Provided in accordance with recognized standards of care for the covered person's injury at the time the charge is incurred;
4. Consistent with published practice guidelines and technology, and assessment standards of national organizations or multi-disciplinary medical groups;
5. Not primarily for the convenience of the covered person, or his or her physician, hospital, or other health care provider;
6. The most appropriate supply or level of service that can be safely provided to the covered person; and
7. Not excessive in terms of scope, duration, or intensity of care needed to provide safe, adequate, and appropriate diagnosis and treatment.
8. Reasonable in terms of the charge for the service or supply provided.

However, reasonable medical expenses do not include expenses for any of the following:

1. Nutritional supplements or over-the-counter drugs;
2. Experimental services or supplies, which means services or supplies that we

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determine have not been accepted by the majority of the relevant medical specialty as safe and effective for treatment of the condition for which its use is proposed.

3. Inpatient services or supplies provided to the covered person when these could safely have been provided to the covered person as an outpatient.

E. "Reasonable" - when applied to the charge for the service or supply provided means the least of:

1. The actual charge;
2. The charge negotiated with a provider; or
3. The charge determined by us based on a methodology using a database designed to reflect amounts charged by providers of medical services or supplies within the same or similar geographic region in which you receive your medical services or supplies. The database will reflect
 - a. service charge data regardless of the provider's specialty and
 - b. in the case of new procedures, services or supplies, or existing procedures, services or supplies for which there is little or no charge data, a comparison to commonly used procedures, services or supplies.

II. PERSONAL INJURY PROTECTION COVERAGE INSURING AGREEMENT

A. We will pay for personal injury protection benefits to or for an "insured" who sustains "bodily injury". The "bodily injury" must:

1. Be caused by an accident; and
2. Arise out of the maintenance or use of a "motor vehicle" as a "motor vehicle."

We will only pay those benefits for which either the word included, or a specific premium, is shown in the Schedule or Declarations.

B. Subject to the limits shown in the Schedule or Declarations, personal injury protection benefits 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" is an income earner, loss of income from work that "insured" would have performed had he not sustained "bodily injury".
 - b. If an "insured" is a non-income earner, expenses reasonably incurred in obtaining ordinary and necessary services instead of those that "insured" 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."

3. Accidental death. A death benefit paid if "bodily injury" resulting from the accident causes the death of an "insured" within 1 year from the date of the accident. The "bodily injury" must be the sole cause of death.

EXCLUSIONS

- A. We will not provide Personal Injury Protection Coverage for "bodily injury":
 1. Sustained by any "insured" while:
 - a. Operating "your covered auto" without the "named insured's" 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.

- B. We do not provide coverage for medical payments or work loss for "bodily injury" sustained by any "insured" to the extent that benefits are, in whole or in part, paid or payable under any of the following or similar law:
 1. Workers' compensation law; or
 2. Employer's disability law.
- C. We do not provide coverage for work loss or accidental death sustained by:
 1. The "named insured" while "occupying" any "private passenger motor vehicle" other than "your covered auto" which is:
 - a. Owned by; or
 - b. Furnished or available for the regular use of;
the "named insured."
 2. Any "family member" while "occupying" any "private passenger motor vehicle", other than "your covered auto", which is:
 - a. Owned by; or
 - b. Furnished or available for the regular use of;
the "named insured" or that "family member".
 3. Any "family member" 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.
 4. Any "insured", other than the "named insured" or any "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.
- D. We will not provide coverage for medical payments for "bodily injury" sustained by:
 1. The "named insured" while "occupying" any "motor vehicle", other than "your covered auto", which is:
 - a. Owned by; or
 - b. Furnished or available for the regular use of;
the "named insured".
 2. Any "family member" while "occupying" any "motor vehicle", other than "your covered auto", which is:
 - a. Owned by; or

- b. Furnished or available for the regular use of;
the "named insured" or that "family member".
3. Any "insured", other than the "named insured" or any "family member", while "occupying" any "motor vehicle", other than "your covered auto", which is:
- a. Owned by; or
- b. Furnished or available for the regular use of;
the "named insured" or any "family member".
4. Any "insured" while "occupying" "your covered auto" when it is being used as a public or livery conveyance unless such use is stated in the Declarations.
5. Any "insured", other than the "named insured" or any "family member", while "occupying" any "motor vehicle" other than "your covered auto" when it is being used as a public or livery conveyance.
6. Any "insured" other than the "named insured" or any "family member":
- a. 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".
- b. Arising out of the maintenance or use of any "motor vehicle", other than "your covered auto" or a motorcycle, by that "insured: while employed or otherwise engaged in any business or occupation not described in 6.a. This exclusion (6.b.) does not apply to "bodily injury" resulting from the operation or occupancy of a:
- (1) "Private passenger auto"; or
- (2) Trailer use with such "private passenger auto" or "your covered auto".
7. Any "insured" while "occupying" any "motor vehicle", other than "your covered auto", unless that "insured" 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" or any person or organization rendering the services. Such payment shall reduce the amount payable under this coverage for "bodily injury" sustained by that "insured".

COORDINATION OF COVERAGE

Any coverage provided by this endorsement for medical payments shall be primary insurance over any medical expense benefits which are paid or payable under this or any other motor vehicle insurance policy because of bodily injury to an insured with respect to "your covered auto" which is registered or principally garaged in Arkansas.

LIMIT OF LIABILITY

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

1. "Insureds";
2. Policies or bonds applicable;
3. Claims made; or
4. "Your covered autos".

OTHER INSURANCE

A. Any insurance we provide for medical payments:

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

B. Except as provided in A. above, if there is other similar collectible insurance which 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, we will provide primary insurance for a "motor vehicle" you do not own if:

1. A duly licensed automobile dealer provides a "motor vehicle" to the "named insured" or a "family member":
 - a. For use as a temporary substitute for any other "your covered auto" while it is out of normal use because of its:
 1. Breakdown;
 2. Repair; or
 3. Servicing; or
 - b. To demonstrate the "motor vehicle"; or
 2. The "motor vehicle" is rented or leased by you or a family member from a rental company for a period not more than 90 days.
- C. No one shall be entitled to recover duplicate payments for medical payments for the same elements of loss.
- D. Any insurance we provide for work loss or accidental death shall be excess over any other collectible insurance available to:
1. An "insured", other than the "named insured" 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 Schedule or Declarations exceeds the applicable limits of liability of all other insurance;
 2. The "named insured" 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, we will provide primary insurance for a "motor vehicle" you do not own if:

1. A duly licensed automobile dealer provides a "motor vehicle" to the "named insured" or a "family member":
 - a. For use as a temporary substitute for any other "your covered auto" while it is out of normal use because of its:
 1. Breakdown;
 2. Repair; or
 3. Servicing; or
 - b. To demonstrate the "motor vehicle"; then we will provide primary insurance.

2. the "motor vehicle: is rented or leased by you or a "family member" from a rental company for a period not more than 90 days.

III. PART E - DUTIES AFTER AN ACCIDENT OR LOSS

Part E is amended as follows:

A. Duties A. and B.3. are replaced by the following:

- A. We must be promptly notified in writing of how, when and where the accident happened. Notice should include the names and addresses of any "insureds" and witnesses.
- B. A person seeking Personal Injury Protection Coverage must:
 3. Submit, as often as we reasonably require, to physical and mental exams by physicians we select. We will pay for these exams.

B. The following duties are added:

A person seeking Personal Injury Protection Coverage must:

1. Give us written proof of claim, under oath if required. This proof of claim must include:
 - a. Complete details of the nature and extent of the injuries and treatment received and contemplated; and
 - b. Any other information which may assist us in determining the amount due and payable.
2. At our request, furnish us with a sworn statement of earnings for the "insured" since the date of the accident and for a reasonable time before the accident.
3. Promptly send us copies of:
 - a. The summons and complaint; or
 - b. Other process;served in connection with any legal action taken, to recover damages for "bodily injury", against a person or organization who is or may be legally liable.

IV. PART F - GENERAL PROVISIONS

Part F is amended as follows:

A. The Our Right To Recover Payment provision is amended as follows:

OUR RIGHT TO RECOVER PAYMENT

1. This provision does not apply to accidental death.
2. Paragraph A. of the provision is replaced by the following:

If we make a payment under this coverage and the person to or for whom payment was made has a right to recover damages from another that person shall:

- a. Hold in trust for us such rights of recovery;
 - b. Do nothing after loss to prejudice them;
 - c. Do whatever is necessary to secure these rights; and
 - d. Execute and deliver to us any instruments and papers as may be appropriate to secure that person's and our rights.
3. The following is added to paragraph **B.**:

We will have a lien against the proceeds of the recovery. We may give notice of the lien to:

- a. The person or organization causing "bodily injury";
 - b. That person's agent or insurer; or
 - c. A court having jurisdiction in the matter.
- B.** Paragraph **B.** of the Policy Period And Territory provision is replaced by the following:
- POLICY PERIOD AND TERRITORY**
- B.** The policy territory is:
1. The United States of America, its territories and possessions; or
 2. Canada.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNINSURED MOTORISTS COVERAGE – ARKANSAS

Part C – Uninsured Motorists Coverage is replaced by the following:

SCHEDULE

Uninsured Motorists Coverage	Limit of Liability	Premium		
		Auto 1	Auto 2	Auto 3
1. Bodily Injury and Property Damage	\$ _____ each accident	\$ _____	\$ _____	\$ _____
2. Bodily Injury Only	\$ _____ each accident	\$ _____	\$ _____	\$ _____

INSURING AGREEMENT

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

1. "Bodily injury" sustained by an "insured" and caused by an accident; and
2. "Property damage" caused by an accident if the Schedule or Declarations indicates that both bodily injury and property damage Uninsured Motorists Coverage applies.

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

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

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

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

C. "Property damage" as used in this endorsement means injury to or destruction of "your covered auto" (including its loss of use).

D. "Uninsured motor vehicle" means a land motor vehicle or trailer of any type:

1. To which no liability bond or policy applies at the time of the accident.
2. To which a liability bond or policy applies at the time of the accident. In this case its limit for liability must be less than the minimum limit for liability specified by the Arkansas Financial Responsibility Law.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits:
 - a. You or any "family member";
 - b. A vehicle which you or any "family member" are "occupying"; or
 - c. "Your covered auto".
4. To which a liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a. Denies coverage; or
 - b. Is or becomes insolvent.

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

1. Owned by or furnished or available for the regular use of you or any "family member".
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.

5. Designated mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

- A.** We do not provide Uninsured Motorists Coverage for "property damage" or "bodily injury" sustained:
1. By an "insured" while "occupying", or when struck by, any motor vehicle owned by that "insured" which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
 2. By any "family member" while "occupying", or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.
- B.** We do not provide Uninsured Motorists Coverage for "property damage" or "bodily injury" sustained by any "insured":
1. If that "insured" or the legal representative settles the "bodily injury" or "property damage" claim without our consent.
 2. When "your covered auto" is being used as a public or livery conveyance. This exclusion (**B.2.**) does not apply to a share-the-expense car pool.
 3. Using a vehicle without a reasonable belief that that "insured" is entitled to do so.
 4. For the first \$200 of the amount of "property damage" to "your covered auto". This exclusion (**B.4.**) does not apply if:
 - a. We insure "your covered auto" for both collision and property damage Uninsured Motorists Coverage; and
 - b. The operator of the "uninsured motor vehicle" is positively identified and is solely at fault.
- C.** This coverage shall not apply directly or indirectly to benefit:
1. Any insurer or self-insurer under any of the following or similar law:
 - a. Workers' compensation law; or
 - b. Disability benefits law.
 2. Any insurer of property.
- D.** No payment will be made for loss paid or payable to the "insured" under Part **D** of the policy.
- E.** We do not provide Uninsured Motorists Coverage for punitive or exemplary damages which are imposed to:
1. Punish a wrongdoer; and

2. Deter others from similar conduct.

LIMIT OF LIABILITY

- A.** The limit of liability shown in the Schedule or in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one accident. This is the most we will pay regardless of the number of:
1. "Insureds";
 2. Claims made;
 3. Vehicles or premiums shown in the Schedule or in the Declarations; or
 4. Vehicles involved in the accident.
- B.** No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
1. Part **A** or Part **B** of this policy; or
 2. Any Underinsured Motorists Coverage provided by this policy.
- C.** We will not make duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- D.** We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
1. Workers' compensation law; or
 2. Disability benefits law.

OTHER INSURANCE

If there is other applicable insurance available under one or more policies or provisions of coverage:

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

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

However, we will provide primary insurance for a vehicle you do not own if:

- a. 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;
- b. The vehicle is rented or leased by you or a "family member" from a rental company for a period not more than 90 days.

ARBITRATION

- A. If we and the "insured" do not agree:
 - 1. Whether that "insured" is legally entitled to recover damages; or
 - 2. As to the amount of damages which are recoverable by that "insured";

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

Arbitration will take place only if both we and the "insured" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Any decision of the arbitrators will not be binding on either party.
- C. Each party will:
 - 1. Pay the expenses it incurs; and
 - 2. Bear the expenses of the third arbitrator equally.
- D. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

I. DEFINITIONS

The following is added to Definition J.:

5. With respect to Coverage for Damage to Your Auto only, any vehicle provided by a duly licensed automobile dealer to you or a "family member" for use as a temporary substitute for any other vehicle described in this definition while it is out of normal use because of its breakdown, repair or servicing.

II. PART A - LIABILITY COVERAGE

Part A is amended as follows:

- ~~A. The following is added to paragraph A. of the Insuring Agreement provision:~~

~~If a duly licensed automobile dealer provides a vehicle to you or a "family member" for use as a temporary substitute for any other vehicle described in the definition of "your covered auto" while it is out of normal use because of its breakdown, repair or servicing, coverage shall extend to such loaned vehicle only to the extent of the coverage provided, if any, to the automobile being repaired or serviced.~~

- B. A.** The Other Insurance provision is replaced by the following:

OTHER INSURANCE

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

1. if a **A** duly licensed automobile dealer provides a vehicle to you or a "family member":
 - a. For use as a temporary substitute while "your covered auto" is out of normal use because of its breakdown, repair or servicing; or
 - b. to demonstrate the vehicle; **or**
2. The vehicle is rented or leased by you or any "family member" from a rental company for a period not more than 90 days.

~~then we will provide primary insurance.~~

III. PART B - MEDICAL PAYMENTS COVERAGE

Part B is not applicable.

IV. PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

Part D is amended as follows:

- ~~A. The following is added to paragraph A. of the Insuring Agreement provision:~~

~~If a duly licensed automobile dealer provides a vehicle to you or a "family member" for use as a temporary substitute for any other vehicle described in the definition of "your covered auto" while it is out of normal use because of its breakdown, repair or servicing, coverage shall extend to such loaned vehicle only to the extent of the coverage provided, if any, to the automobile being repaired or serviced.~~

- ~~B. The following is added to paragraph C.2. of the Insuring Agreement provision:~~

~~However, "non-owned auto" does not include any vehicle provided by a duly licensed automobile dealer to you or a "family member" for use as a temporary substitute for "your covered auto" while it is out of normal use because of its breakdown, repair or servicing.~~

- C. A.** The last sentence of the Payment of Loss provision is replaced by the following:

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property. However, if the loss is a total loss to "your covered auto" or any "non-owned auto" and we elect either to pay for loss in money or offer a comparable replacement vehicle, our payment for loss will include, other than payment for any applicable deductible shown in the Declarations, all:

1. Applicable taxes;
2. License fees; and
3. Other fees;

actually incurred incident to transfer of evidence of ownership of a comparable replacement vehicle.

- D. B** The Other Sources of Recovery provision is replaced by the following:

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. Any insurance we provide with respect to a "non-owned auto" shall be

excess over any other collectible source of recovery including, but not limited to:

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

However, we will provide primary insurance for a vehicle you do not own if:

1. ~~if a~~ A duly licensed automobile dealer provides a vehicle to you or a "family member":
 1. a. For use as a temporary substitute for "your covered auto" while it is out of normal use because of its breakdown, repair or servicing; or
 2. b. To demonstrate the vehicle; ~~or~~
2. The vehicle is rented or leased by you or a "family member" from a rental company for a period not more than 90 days.

~~then we will provide primary insurance.~~

- E. The Appraisal provision is replaced by the following:

APPRAISAL

If we and you do not agree on the amount of loss, an appraisal of the loss may be made. However, an appraisal will be made only if both we and you agree, voluntarily, to have the loss appraised. If so agreed, each party will select a competent ~~and impartial~~ appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. An appraisal decision will not be binding on either party. 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.

V. PART F - GENERAL PROVISIONS

Part F is amended as follows:

- A. The Fraud provision does not apply to Part A - Liability Coverage.
- B. The following is added to the Our Right To Recover Payment Provision:

OUR RIGHT TO RECOVER PAYMENT

We shall be entitled to a recovery under Paragraph A. or B. only after the person has been fully compensated for damages.

- C. The Termination provision of Part F is replaced by the following:

TERMINATION

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

1. The named insured shown in the Declarations may cancel by:
 - a. Returning this policy to us; or
 - b. Giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. At least 10 days notice if cancellation is for nonpayment of premium; or
 - b. At least 20 days notice in all other cases.
3. ~~After~~ **When** this policy is in effect for 60 days ~~or more,~~ or if this is a renewal or continuation policy, we will cancel only:
 - a. For nonpayment of premium; or
 - b. If your driver's license or that of:
 - (1) Any driver who lives with you; or
 - (2) Any driver who customarily uses "your covered auto";
 has been suspended or revoked. This must have occurred:
 - (1) During the policy period; or
 - (2) Since the last anniversary of the original effective date if the policy period is other than 1 year; or
 However, we may not cancel under paragraph (B.3.c.) solely because of the administrative suspension or revocation of the insured's driver's license due to the influence or use of alcohol or a controlled substance as set forth in ARK. CODE ANN. Section 5-165-104.
 - c. If the policy was obtained through material misrepresentation.

Nonrenewal. If we decide not to renew or continue this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice

will be mailed at least 20 30 days before the end of the policy period. If the policy period is:

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

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

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

Other Termination Provisions.

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. If we cancel, we will refund you the pro rata unearned premium. If you cancel, we will refund you 90% of the pro rata unearned premium.

However, we will refund you the full pro rata unearned premium if:

- a. You cancel this policy because:

- (1) You have disposed of "your covered auto," and you insure another auto with us under a new policy, to become effective within 30 days of the effective date of cancellation of this policy; or
- (2) "Your covered auto" has been repossessed under the terms of a financing agreement; or
- (3) You are entering the armed forces of the United States of America; or
- (4) "Your covered auto" was stolen or destroyed, and you request cancellation:
 - (a) Within 30 days following the date "your covered auto" was stolen or destroyed; or
 - (b) Within 15 days of the time we determined "your covered auto" was destroyed, or if stolen, to be unrecoverable.
- b. You cancel this policy but there remains in force with us a policy in your name insuring another auto.
- c. This policy is written for a term of greater than one year and you cancel the policy after it has been in effect for one year.

Making or offering to make the refund is not a condition of cancellation.

3. The effective date of cancellation stated in the notice shall become the end of the policy period.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY
PERSONAL INJURY PROTECTION COVERAGE - ARKANSAS**

AS 1168-11-06 01 08
(PP 05 82 06 94)

With respect to coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

SCHEDULE

BENEFITS	VEHICLE TO WHICH BENEFIT APPLIES	LIMIT OF LIABILITY	PREMIUM
Medical Payments	Any "motor vehicle" which is registered or principally garaged in Arkansas and is:	\$5000 per person	\$ <u>See Declaration</u>
	<input checked="" type="checkbox"/> owned by the "named insured" and covered under Part A of this policy.	\$5000 per "pedestrian" other than the "named insured" or any "family member".	
	<input type="checkbox"/> _____.	\$ 1,000	\$ <u>See Declaration</u>
Increased Medical Payments	Any "motor vehicle" which is registered or principally garaged in Arkansas and is:	\$ 2,000	
		\$ 3,000	
		\$ 4,000	
		\$ 5,000	
	<input checked="" type="checkbox"/> owned by the "named insured" and covered under Part A of this policy.	Limits apply on a per person and/or per "pedestrian" other than the "named insured" or any "family member" basis.	
	<input type="checkbox"/> _____.		
Work Loss	Any "private passenger motor vehicle" which is registered or principally garaged in Arkansas and is:	70% of loss of gross income up to a maximum of \$140 per week for an income earner.	\$ <u>See Declaration</u>
	<input checked="" type="checkbox"/> owned by the "named insured" and covered under Part A of this policy.	Up to \$70 per week for a non-income earner.	
	<input type="checkbox"/> _____.		
Accidental Death	Any "private passenger motor vehicle" which is registered or principally garaged in Arkansas and is:	\$5000 per person	\$ <u>See Declaration</u>
	<input checked="" type="checkbox"/> owned by the "named insured" and covered under Part A of this policy.		
	<input type="checkbox"/> _____.		
Total Premium			\$ <u>See Declaration</u>

I. DEFINITIONS

The definitions section is amended as follows:

A. The following definitions are replaced:

1. "Occupying" means:
 - a. In or upon;
 - b. Entering into; or
 - c. Alighting from.
2. With respect to medical payments, "your covered auto" means a "motor vehicle" shown in the Schedule or Declarations to which medical payments apply. This includes:
 - a. A "private passenger auto" not owned by the "named insured" while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
 - (1) Breakdown;
 - (2) Repair;
 - (3) Servicing;
 - (4) Loss; or
 - (5) Destruction.
 - b. A trailer designed for use with a "private passenger auto" provided such trailer is not being used for business purposes with another type vehicle.
3. With respect to work loss and accidental death, "your covered auto" means a "private passenger motor vehicle" shown in the Schedule of Declarations to which work loss applies. This includes:
 - a. A "private passenger auto" not owned by the "named insured" while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
 - (1) Breakdown;
 - (2) Repair;
 - (3) Servicing;
 - (4) Loss; or
 - (5) Destruction.
 - b. A trailer designed for use with a "private passenger auto" provided such trailer is not being used for business purposes with another type vehicle.

B. The following definitions are added:

1. "Motor vehicle" means a land motor vehicle, trailer or semitrailer. However, "motor vehicle" does not include a:

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- a. Farm tractor or other equipment, designed for use mainly off public roads, while not upon public roads;
 - b. Vehicle operated upon rails or crawler treads; or
 - c. Vehicle located for use as a residence or premises.
2. "Named insured" means the person named in the Declarations.
 3. "Pedestrian" means any person who is not "occupying" any vehicle other than a:
 - a. Motorcycle; or
 - b. Vehicle operated by human or animal power.
 4. "Private passenger auto" means a "motor vehicle" which is a:
 - a. Private passenger;
 - b. Station wagon; or
 - c. Jeep type; automobile.
 5. "Private passenger motor vehicle" means a "motor vehicle" which is a:
 - a. "Private passenger auto";
 - b. Pickup or van not customarily used for:
 - (1) Occupational;
 - (2) Professional; or
 - (3) Business;purposes, other than farming or ranching.
 - c. Motorcycle.

However, "private passenger motor vehicle" does not include a "motor vehicle" used as a public or livery conveyance for passengers.

C. "Insured" as used in this endorsement means:

1. The "named insured" or any "family member" who sustains "bodily injury" while:
 - a. "Occupying"; or
 - b. a "pedestrian" struck by; a "motor vehicle".
2. Any other person who sustains "bodily injury":
 - a. While:
 - (1) "Occupying"; or
 - (2) a "pedestrian" struck by; "your covered auto".

- b. While "occupying" a "motor vehicle" other than "your covered auto". The "bodily injury" must result from the:
- (1) Use of such "motor vehicle" by the "named insured";
 - (2) Operation of such "motor vehicle" by the "named insured's" private chauffeur or domestic servant on behalf of the "named insured"; or
 - (3) Use of such "motor vehicle" by any "family member" if the "motor vehicle" is a "private passenger auto" or trailer.

However, this provision (2.b.) does not apply to work loss or accidental death.

D. "Reasonable and necessary" when applied to any medical payments coverage under this personal injury protection endorsement - means services or supplies provided by a licensed hospital, licensed physician, or other licensed medical provider that, as determined by us or someone on our behalf, are:

1. Required to identify or treat an injury caused by an accident covered by this policy;
2. Consistent with symptoms, diagnosis, and treatment of the covered person's injury and appropriately documented in the covered person's medical records;
3. Provided in accordance with recognized standards of care for the covered person's injury at the time the charge is incurred;
4. Consistent with published practice guidelines and technology, and assessment standards of national organizations or multi-disciplinary medical groups;
5. Not primarily for the convenience of the covered person, or his or her physician, hospital, or other health care provider;
6. The most appropriate supply or level of service that can be safely provided to the covered person; and
7. Not excessive in terms of scope, duration, or intensity of care needed to provide safe, adequate, and appropriate diagnosis and treatment.
8. Reasonable in terms of the charge for the service or supply provided.

However, reasonable medical expenses do not include expenses for any of the following:

1. Nutritional supplements or over-the-counter drugs;
2. Experimental services or supplies, which means services or supplies that we

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determine have not been accepted by the majority of the relevant medical specialty as safe and effective for treatment of the condition for which its use is proposed.

3. Inpatient services or supplies provided to the covered person when these could safely have been provided to the covered person as an outpatient.
- E. "Reasonable" - when applied to the charge for the service or supply provided means the least of:
1. The actual charge;
 2. The charge negotiated with a provider; or
 3. The charge determined by us based on a methodology using a database designed to reflect amounts charged by providers of medical services or supplies within the same or similar geographic region in which you receive your medical services or supplies. The database will reflect
 - a. service charge data regardless of the provider's specialty and
 - b. in the case of new procedures, services or supplies, or existing procedures, services or supplies for which there is little or no charge data, a comparison to commonly used procedures, services or supplies.

II. PERSONAL INJURY PROTECTION COVERAGE INSURING AGREEMENT

- A. We will pay for personal injury protection benefits to or for an "insured" who sustains "bodily injury". The "bodily injury" must:
1. Be caused by an accident; and
 2. Arise out of the maintenance or use of a "motor vehicle" as a "motor vehicle."

We will only pay those benefits for which either the word included, or a specific premium, is shown in the Schedule or Declarations.

If a duly licensed dealer provides a "motor vehicle" to the "named insured" or a "family member" for use as a temporary substitute for any other "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 the "your covered auto" being repaired or serviced.

B. Subject to the limits shown in the Schedule or Declarations, personal injury protection benefits 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" is an income earner, loss of income from work that "insured" would have performed had he not sustained "bodily injury".
 - b. If an "insured" is a non-income earner, expenses reasonably incurred in obtaining ordinary and necessary services instead of those that "insured" 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."

3. Accidental death. A death benefit paid if "bodily injury" resulting from the accident causes the death of an "insured" within 1 year from the date of the accident. The "bodily injury" must be the sole cause of death.

EXCLUSIONS

A. We will not provide Personal Injury Protection Coverage for "bodily injury":

1. Sustained by any "insured" while:
 - a. Operating "your covered auto" without the "named insured's" 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.

B. We do not provide coverage for medical payments or work loss for "bodily injury" sustained by any "insured" to the extent that benefits are, in whole or in part, paid or payable under any of the following or similar law:

1. Workers' compensation law; or
2. Employer's disability law.

C. We do not provide coverage for work loss or accidental death sustained by:

1. The "named insured" while "occupying" any "private passenger motor vehicle" other than "your covered auto" which is:
 - a. Owned by; or
 - b. Furnished or available for the regular use of; the "named insured."
2. Any "family member" while "occupying" any "private passenger motor vehicle", other than "your covered auto", which is:
 - a. Owned by; or
 - b. Furnished or available for the regular use of; the "named insured" or that "family member".
3. Any "family member" 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.

4. Any "insured", other than the "named insured" or any "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.
- D. We will not provide coverage for medical payments for "bodily injury" sustained by:
1. The "named insured" while "occupying" any "motor vehicle", other than "your covered auto", which is:
 - a. Owned by; or
 - b. Furnished or available for the regular use of;
the "named insured".
 2. Any "family member" while "occupying" any "motor vehicle", other than "your covered auto", which is:
 - a. Owned by; or
 - b. Furnished or available for the regular use of;
the "named insured" or that "family member".
 3. Any "insured", other than the "named insured" or any "family member", while "occupying" any "motor vehicle", other than "your covered auto", which is:
 - a. Owned by; or
 - b. Furnished or available for the regular use of;
the "named insured" or any "family member".
 4. Any "insured" while "occupying" "your covered auto" when it is being used as a public or livery conveyance unless such use is stated in the Declarations.
 5. Any "insured", other than the "named insured" or any "family member", while "occupying" any "motor vehicle" other than "your covered auto" when it is being used as a public or livery conveyance.
 6. Any "insured" other than the "named insured" or any "family member":
 - a. 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".
 - b. Arising out of the maintenance or use of any "motor vehicle", other than "your covered auto" or a motorcycle, by that "insured: while employed or otherwise engaged in any business or occupation not described in 6.a. This exclusion (6.b.) does not apply to "bodily injury" resulting from the operation or occupancy of a:
 - (1) "Private passenger auto"; or
 - (2) Trailer use with such "private passenger auto" or "your covered auto".
 7. Any "insured" while "occupying" any "motor vehicle", other than "your covered auto", unless that "insured" 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" or any person or organization rendering the services. Such payment shall reduce the amount payable under this coverage for "bodily injury" sustained by that "insured".

COORDINATION OF COVERAGE

Any coverage provided by this endorsement for medical payments shall be primary insurance over any medical expense benefits which are paid or payable under this or any other motor vehicle insurance policy because of bodily injury to an insured with respect to "your covered auto" which is registered or principally garaged in Arkansas.

LIMIT OF LIABILITY

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

1. "Insureds";
2. Policies or bonds applicable;
3. Claims made; or
4. "Your covered autos".

OTHER INSURANCE

A. Any insurance we provide for medical payments:

1. With respect to "bodily injury" sustained by any "family member", shall be in 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", other than the "named insured" or any "family member", shall be in excess over any other collectible similar insurance available to that "insured" as a named insured or family member under another motor vehicle insurance policy providing direct benefits without regard to fault.
- B.** Except as provided in **A.** above, if there is other similar collectible insurance which 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, we will provide primary insurance for a "motor vehicle" you do not own if:

1. ~~if a~~ **A** duly licensed automobile dealer provides a "motor vehicle" to the "named insured" or a "family member":
 - ~~1. a.~~ **1. a.** For use as a temporary substitute for any other "your covered auto" while it is out of normal use because of its:
 - ~~a. 1.~~ **1.** Breakdown;
 - ~~b. 2.~~ **2.** Repair; or
 - ~~c. 3.~~ **3.** Servicing; or
 - ~~2. b.~~ **2. b.** To demonstrate the "motor vehicle"; or
2. The "motor vehicle" is rented or leased by you or a family member from a rental company for a period not more than 90 days. then we will provide primary insurance.

- C.** No one shall be entitled to recover duplicate payments for medical payments for the same elements of loss.
- D.** Any insurance we provide for work loss or accidental death shall be excess over any other collectible insurance available to:
1. An "insured", other than the "named insured" 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 Schedule or Declarations exceeds the applicable limits of liability of all other insurance;
 2. The "named insured" 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, we will provide primary insurance for a "motor vehicle" you do not own if:

1. ~~if a~~ **A** duly licensed automobile dealer provides a "motor vehicle" to the "named insured" or a "family member":
 - ~~1. a.~~ **1. a.** For use as a temporary substitute for any other "your covered auto" while it is out of normal use because of its:
 - ~~a. 1.~~ **1.** Breakdown;
 - ~~b. 2.~~ **2.** Repair; or
 - ~~c. 3.~~ **3.** Servicing; or
 - ~~2. b.~~ **2. b.** To demonstrate the "motor vehicle"; then we will provide primary insurance.
2. the "motor vehicle" is rented or leased by you or a "family member" from a rental company for a period not more than 90 days.

III. PART E - DUTIES AFTER AN ACCIDENT OR LOSS

Part **E** is amended as follows:

- A.** Duties **A.** and **B.3.** are replaced by the following:
- A.** We must be promptly notified in writing of how, when and where the accident happened. Notice should include the names and addresses of any "insureds" and witnesses.
 - B.** A person seeking Personal Injury Protection Coverage must:
 - 3.** Submit, as often as we reasonably require, to physical and mental exams by physicians we select. We will pay for these exams.
- B.** The following duties are added:
- A person seeking Personal Injury Protection Coverage must:
1. Give us written proof of claim, under oath if required. This proof of claim must include:
 - a. Complete details of the nature and extent of the injuries and treatment received and contemplated; and
 - b. Any other information which may assist us in determining the amount due and payable.

2. At our request, furnish us with a sworn statement of earnings for the "insured" since the date of the accident and for a reasonable time before the accident.
 3. Promptly send us copies of:
 - a. The summons and complaint; or
 - b. Other process;
served in connection with any legal action taken, to recover damages for "bodily injury", against a person or organization who is or may be legally liable.
 - b. Do nothing after loss to prejudice them;
 - c. Do whatever is necessary to secure these rights; and
 - d. Execute and deliver to us any instruments and papers as may be appropriate to secure that person's and our rights.
3. The following is added to paragraph **B.**:
We will have a lien against the proceeds of the recovery. We may give notice of the lien to:

IV. PART F - GENERAL PROVISIONS

Part **F** is amended as follows:

- A.** The Our Right To Recover Payment provision is amended as follows:

OUR RIGHT TO RECOVER PAYMENT

1. This provision does not apply to accidental death.
2. Paragraph **A.** of the provision is replaced by the following:

If we make a payment under this coverage and the person to or for whom payment was made has a right to recover damages from another that person shall:

- a. Hold in trust for us such rights of recovery;

- a. The person or organization causing "bodily injury";
 - b. That person's agent or insurer; or
 - c. A court having jurisdiction in the matter.
- B.** Paragraph **B.** of the Policy Period And Territory provision is replaced by the following:

POLICY PERIOD AND TERRITORY

- B.** The policy territory is:
1. The United States of America, its territories and possessions; or
 2. Canada.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNDERINSURED MOTORISTS COVERAGE – ARKANSAS

SCHEDULE

Limit Of Liability	Premium		
	Auto 1	Auto 2	Auto 3
\$ _____ each person			
\$ _____ each accident	\$ _____	\$ _____	\$ _____

INSURING AGREEMENT

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

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

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

We will pay under this coverage only if 1. or 2. below applies:

1. The limits of liability under any bodily injury liability bonds or policies applicable to the "underinsured motor vehicle" have been exhausted by payment of judgments or settlements; or
2. A tentative settlement has been made between an "insured" and the insurer of the "underinsured motor vehicle" and we:
 - a. Have been given prompt written notice by certified mail, return receipt requested of such tentative settlement; and
 - b. Advance payment to the "insured" 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 (2.) shall not apply, and an "insured" may proceed with his or her claim for damages under this coverage anytime after settlement of that "insured's" claim for damages under the liability coverage applicable to the owner or operator of the "underinsured motor vehicle".

~~If a duly licensed automobile dealer provides a vehicle to you or a "family member" for use as a temporary substitute for any other vehicle described in the definition of "your covered auto" while it is out of normal use because of its breakdown, repair or servicing, coverage shall extend to such loaned vehicle only to the extent of the coverage provided, if any, to the automobile being repaired or serviced.~~

- B. "Insured" as used in this endorsement means:
1. You or any "family member".
 2. Any other person "occupying" "your covered auto".
 3. Any person for damages that person is entitled to recover because of "bodily injury" to which this coverage applies sustained by a person described in 1. or 2. above.
- C. "Underinsured motor vehicle" means a land motor vehicle or trailer of any type to which a bodily injury liability bond or policy applies at the time of the accident but the amount paid for "bodily injury" under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages.

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

1. To which a bodily injury liability bond or policy applies at the time of the accident but its limit for bodily injury liability is less than the minimum limit for bodily injury liability specified by the financial responsibility law of Arkansas.
2. Owned by or furnished or available for the regular use of you or any "family member".
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not upon public roads.

6. While located for use as a residence or premises.
7. Owned or operated by a person qualifying as a self-insurer under any applicable motor vehicle law.
8. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a. Denies coverage; or
 - b. Is or becomes insolvent.

EXCLUSIONS

- A. We do not provide Underinsured Motorists Coverage for "bodily injury" sustained:
 1. By an "insured" while "occupying", or when struck by, any motor vehicle owned by that "insured" which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
 2. By any "family member" while "occupying", or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.
- B. We do not provide Underinsured Motorists Coverage for "bodily injury" sustained by any "insured":
 1. While "occupying" "your covered auto" when it is being used as a public or livery conveyance. This Exclusion (B.1.) does not apply to a share-the-expense car pool.
 2. Using a vehicle without a reasonable belief that that "insured" is entitled to do so. This Exclusion (B.2) does not apply to a "family member" using "your covered auto" which is owned by you.
- C. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
 1. Workers' compensation law; or
 2. Disability benefits law.
- D. We do not provide Underinsured Motorists Coverage for punitive or exemplary damages which are imposed to:
 1. Punish a wrongdoer; and
 2. Deter others from similar conduct.

LIMIT OF LIABILITY

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

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

1. "Insureds";
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A, Part B or Part C of this policy.
 - C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
 - D. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
 1. Workers' compensation law; or
 2. Disability benefits law.

OTHER INSURANCE

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

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

However, we will provide primary insurance for a vehicle you do not own if:

- a. if a 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;

b. The vehicle is rented or leased by you or a "family member" from a rental company for a period not more than 90 days.

~~then we will provide primary insurance.~~

ARBITRATION

A. If we and the "insured" do not agree:

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

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

Arbitration will take place only if both we and the "insured" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

B. Any decision of the arbitrators will not be binding on either party.

C. Each party will:

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

D. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply.

ADDITIONAL DUTIES

A person seeking coverage under this endorsement must also promptly:

1. Send us copies of the legal papers if a suit is brought; and
2. Notify us in writing by certified mail, return receipt requested of a tentative settlement between the "insured" and the insurer of the "underinsured motor vehicle" and allow us 30 days to advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such "underinsured motor vehicle".

However, if the owner or operator of the "underinsured motor vehicle" is insured by us for liability coverage, this Provision (2.) shall not apply, and an "insured" may proceed with his or her claim for damages under this coverage anytime after settlement of that "insured's" claim for damages under the liability coverage applicable to the owner or operator of the "underinsured motor vehicle".

Written notice of a tentative settlement must include:

1. Written documentation of monetary losses incurred, including copies of all medical bills;
2. Written authorization or a court order authorizing us to obtain medical reports from all employers and medical providers; and
3. Written confirmation from the insurer of the "underinsured motor vehicle" of the Liability Coverage limits of the owner or operator of the "underinsured motor vehicle".

The following section is added:

GENERAL PROVISIONS

The following is added to the **Our Right To Recover Payment** Provision in Part F **with respect to Underinsured Motorists Coverage:**

OUR RIGHT TO RECOVER PAYMENT

1. We shall be entitled to a recovery under Paragraph A. or B. only after the person has been fully compensated for damages.

2. Our rights do not apply under Paragraph A.

~~with respect to Underinsured Motorists Coverage~~ if we:

a.1. Have been given prompt written notice by certified mail, return receipt requested of a tentative settlement between an "insured" and the insurer of an "underinsured motor vehicle"; and

b.2. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

a- 1. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and

b- 2. We also have a right to recover the advanced payment.

However, no notice of a tentative settlement is required if the "underinsured motor vehicle" is insured by us for liability coverage.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNINSURED MOTORISTS COVERAGE – ARKANSAS

Part C – Uninsured Motorists Coverage is replaced by the following:

SCHEDULE

Uninsured Motorists Coverage	Limit of Liability	Premium		
		Auto 1	Auto 2	Auto 3
1. Bodily Injury and Property Damage	\$ _____ each accident	\$ _____	\$ _____	\$ _____
2. Bodily Injury Only	\$ _____ each accident	\$ _____	\$ _____	\$ _____

INSURING AGREEMENT

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

1. "Bodily injury" sustained by an "insured" and caused by an accident; and
2. "Property damage" caused by an accident if the Schedule or Declarations indicates that both bodily injury and property damage Uninsured Motorists Coverage applies.

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

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

~~If a duly licensed automobile dealer provides a vehicle to you or a "family member" for use as a temporary substitute for any other vehicle described in the definition of "your covered auto" while it is out of normal use because of its breakdown, repair or servicing, coverage shall extend to such loaned vehicle only to the extent of the coverage provided, if any, to the automobile being repaired or serviced.~~

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

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

C. "Property damage" as used in this endorsement means injury to or destruction of "your covered auto": **(including its loss of use).**

D. "Uninsured motor vehicle" means a land motor vehicle or trailer of any type:

1. To which no liability bond or policy applies at the time of the accident.
2. To which a liability bond or policy applies at the time of the accident. In this case its limit for liability must be less than the minimum limit for liability specified by the Arkansas Financial Responsibility Law.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits:
 - a. You or any "family member";
 - b. A vehicle which you or any "family member" are "occupying"; or
 - c. "Your covered auto".
4. To which a liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a. Denies coverage; or
 - b. Is or becomes insolvent.

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

1. Owned by or furnished or available for the regular use of you or any "family member".
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.

5. Designated mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

- A.** We do not provide Uninsured Motorists Coverage for "property damage" or "bodily injury" sustained:
1. By an "insured" while "occupying", or when struck by, any motor vehicle owned by that "insured" which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
 2. By any "family member" while "occupying", or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.
- B.** We do not provide Uninsured Motorists Coverage for "property damage" or "bodily injury" sustained by any "insured":
1. If that "insured" or the legal representative settles the "bodily injury" or "property damage" claim without our consent.
 2. When "your covered auto" is being used as a public or livery conveyance. This exclusion (**B.2.**) does not apply to a share-the-expense car pool.
 3. Using a vehicle without a reasonable belief that that "insured" is entitled to do so.
 4. For the first \$200 of the amount of "property damage" to "your covered auto". This exclusion (**B.4.**) does not apply if:
 - a. We insure "your covered auto" for both collision and property damage Uninsured Motorists Coverage; and
 - b. The operator of the "uninsured motor vehicle" is positively identified and is solely at fault.
- C.** This coverage shall not apply directly or indirectly to benefit:
1. Any insurer or self-insurer under any of the following or similar law:
 - a. Workers' compensation law; or
 - b. Disability benefits law.
 2. Any insurer of property.
- D.** No payment will be made for loss paid or payable to the "insured" under Part **D** of the policy.
- E.** We do not provide Uninsured Motorists Coverage for punitive or exemplary damages which are imposed to:
1. Punish a wrongdoer; and

2. Deter others from similar conduct.

LIMIT OF LIABILITY

- A.** The limit of liability shown in the Schedule or in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one accident. This is the most we will pay regardless of the number of:
1. "Insureds";
 2. Claims made;
 3. Vehicles or premiums shown in the Schedule or in the Declarations; or
 4. Vehicles involved in the accident.
- B.** No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
1. Part **A** or Part **B** of this policy; or
 2. Any Underinsured Motorists Coverage provided by this policy.
- C.** We will not make duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- D.** We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
1. Workers' compensation law; or
 2. Disability benefits law.

OTHER INSURANCE

If there is other applicable insurance available under one or more policies or provisions of coverage:

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

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

However, we will provide primary insurance for a vehicle you do not own if:

- a. ~~if a~~ 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;
- b. The vehicle is rented or leased by you or a "family member" from a rental company for a period not more than 90 days, ~~then we will provide primary insurance.~~

ARBITRATION

- A. If we and the "insured" do not agree:
 - 1. Whether that "insured" is legally entitled to recover damages; or
 - 2. As to the amount of damages which are recoverable by that "insured";

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

Arbitration will take place only if both we and the "insured" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Any decision of the arbitrators will not be binding on either party.
- C. Each party will:
 - 1. Pay the expenses it incurs; and
 - 2. Bear the expenses of the third arbitrator equally.
- D. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

Please read your policy and each endorsement carefully.

To serve you best...

Liberty Mutual has over 350 service offices throughout the United States and Canada. Please contact your service office shown on your Declarations Page to report losses, or for any changes or questions about your insurance. Payments should be sent to the office indicated on your bill.

THIS POLICY IS NONASSESSABLE

Liberty Mutual
Insurance Group

AUTO 3615 Ed. 6-98

**LIBERTYGUARD AUTO POLICY
QUICK REFERENCE
DECLARATIONS PAGE**

Your Name and Address
Your Auto or Trailer
Policy Period
Coverages and Amounts of Insurance Beginning

On Page

Agreement 1
Definitions 1

PART A - LIABILITY COVERAGE

Insuring Agreement 2
Supplementary Payments 2
Exclusions 2
Limit of Liability 4
Out of State Coverage 4
Financial Responsibility 4
Other Insurance 4

PART B - MEDICAL PAYMENTS COVERAGE

Insuring Agreement 4
Exclusions 4
Limit of Liability 5
Other Insurance 5

**PART C - UNINSURED MOTORISTS
COVERAGE**

Insuring Agreement 5
Exclusions 6
Limit of Liability 6
Other Insurance 6
Arbitration 7

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

Insuring Agreement 7
Transportation Expenses 7
Exclusions 8
Limit of Liability 9
Payment of Loss 10
No Benefit to Bailee 10
Other Sources of Recovery 10
Appraisal 10

**PART E - DUTIES AFTER AN
ACCIDENT OR LOSS 10**

PART F - GENERAL PROVISIONS

Bankruptcy 11
Changes 11
Fraud 11
Legal Action Against Us 11
Our Right To Recover Payment 11
Policy Period And Territory 11
Termination 11
Transfer Of Your Interest In This Policy 12
Two Or More Auto Policies 12

***MUTUAL POLICY CONDITIONS 13**

*These conditions apply only if Liberty Mutual Fire Insurance Company is shown in the Declarations as the insurer.

AUTO POLICY

AGREEMENT

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

DEFINITIONS

- A.** Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations; and
 2. The spouse if a resident of the same household.

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

1. The end of 90 days following the spouse's change of residency;
 2. The effective date of another policy listing the spouse as a named insured; or
 3. The end of the policy period.
- B.** "We", "us" and "our" refer to the Company providing this insurance.
- C.** For purposes of this policy, a private passenger type auto, pickup or van shall be deemed to be owned by a person if leased:
1. Under a written agreement to that person; and
 2. For a continuous period of at least 6 months.

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

- D.** "Bodily injury" means bodily harm, sickness or disease, including death that results.
- E.** "Business" includes trade, profession or occupation.
- F.** "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child.
- G.** "Occupying" means in, upon, getting in, on, out or off.
- H.** "Property damage" means physical injury to, destruction of or loss of use of tangible property.
- I.** "Trailer" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup or van.

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

- J.** "Your covered auto" means:
1. Any vehicle shown in the Declarations.
 2. A "newly acquired auto".
 3. Any "trailer" you own.
 4. Any auto or "trailer" you do not own while used as a temporary substitute for any other

vehicle described in this definition which is out of normal use because of its:

- a. Breakdown;
- b. Repair;
- c. Servicing;
- d. Loss; or
- e. Destruction.

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

- K.** "Newly acquired auto":

1. "Newly acquired auto" means any of the following types of vehicles you become the owner of during the policy period:
 - a. A private passenger auto; or
 - b. A pickup or van, for which no other insurance policy provides coverage, that:
 - (1) Has a Gross Vehicle Weight of less than 10,000 lbs.; and
 - (2) Is not used for the delivery or transportation of goods and materials unless such use is:
 - (a) Incidental to your "business" of installing, maintaining or repairing furnishings or equipment; or
 - (b) For farming or ranching.
2. Coverage for a "newly acquired auto" is provided as described below. If you ask us to insure a "newly acquired auto" after a specified time period described below has elapsed, any coverage we provide for a "newly acquired auto" will begin at the time you request the coverage.
 - a. For any coverage provided in this policy except Coverage For Damage To Your Auto, a "newly acquired auto" will have the broadest coverage we now provide for any vehicle shown in the Declarations. Coverage begins on the date you become the owner. However, for this coverage to apply to a "newly acquired auto" which is in addition to any vehicle shown in the Declarations, you must ask us to insure it within 14 days after you become the owner.

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

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

- (1) 14 days after you become the owner if the Declarations indicate that Collision Coverage applies to at least one auto. In this case, the "newly acquired auto" will have the broadest coverage we now provide for any auto shown in the Declarations.
- (2) Four days after you become the owner if the Declarations do not indicate that Collision Coverage applies to at least one auto. If you comply with the 4 day requirement and a loss occurred before you asked us to insure the "newly acquired auto", a Collision deductible of \$500 will apply.

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

- (1) 14 days after you become the owner if the Declarations indicate that Other Than Collision Coverage applies to at least one auto. In this case, the "newly acquired auto" will have the broadest coverage we now provide for any auto shown in the Declarations.
- (2) Four days after you become the owner if the Declarations do not indicate that Other Than Collision Coverage applies to at least one auto. If you comply with the 4 day requirement and a loss occurred before you asked us to insure the "newly acquired auto", an Other Than Collision deductible of \$500 will apply.

PART A - LIABILITY COVERAGE

INSURING AGREEMENT

- A. We will pay damages for "bodily injury" or "property damage" for which any "insured" becomes legally responsible because of an auto accident. Damages include prejudgment interest awarded against the "insured". We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted by payment of judgments or settlements. We have no duty to defend any suit or settle any claim for "bodily injury" or "property damage" not covered under this policy.
- B. "Insured" as used in this Part means:
1. You or any "family member" for the ownership, maintenance or use of any auto or "trailer".
 2. Any person using "your covered auto".
 3. For "your covered auto", any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this Part.
 4. For any auto or "trailer", other than "your covered auto", any other person or organization but only with respect to legal responsibility for acts or omissions of you or any "family member" for whom coverage is afforded under this Part. This Provision (B.4.) applies only if the person or organization does not own or hire the auto or "trailer".

SUPPLEMENTARY PAYMENTS

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

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

EXCLUSIONS

- A. We do not provide Liability Coverage for any "insured":
1. Who intentionally causes "bodily injury" or "property damage".
 2. For "property damage" to property owned or being transported by that "insured".

3. For "property damage" to property:
 - a. Rented to;
 - b. Used by; or
 - c. In the care of; that "insured".

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

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

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

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

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

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

termination upon exhaustion of its limit of liability.

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

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

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

1. Any vehicle which:
 - a. Has fewer than four wheels; or
 - b. Is designed mainly for use off public roads.

This Exclusion (B.1.) does not apply:

 - a. While such vehicle is being used by an "insured" in a medical emergency;
 - b. To any "trailer"; or
 - c. To any non-owned golf cart.

2. Any vehicle, other than "your covered auto", which is:
 - a. Owned by you; or
 - b. Furnished or available for your regular use.

3. Any vehicle, other than "your covered auto", which is:
 - a. Owned by any "family member"; or
 - b. Furnished or available for the regular use of any "family member".

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

- a. Owned by a "family member"; or
 - b. Furnished or available for the regular use of a "family member".
4. Any vehicle, located inside a facility designed for racing, for the purpose of:
 - a. Competing in; or
 - b. Practicing or preparing for;
 any prearranged or organized racing or speed contest.

LIMIT OF LIABILITY

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

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

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

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

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

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

OUT OF STATE COVERAGE

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

A. If the state or province has:

1. A financial responsibility or similar law specifying limits of liability for "bodily injury" or "property damage" higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever THC nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage.

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

FINANCIAL RESPONSIBILITY

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

OTHER INSURANCE

If there is other applicable liability insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance.

PART B - MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

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

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

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

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

1. You or any "family member":
 - a. While "occupying"; or
 - b. As a pedestrian when struck by; a motor vehicle designed for use mainly on public roads or a trailer of any type.
2. Any other person while "occupying" "your covered auto".

EXCLUSIONS

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

1. Sustained while "occupying" any motorized vehicle having fewer than four wheels.
2. Sustained while "occupying" "your covered

auto" when it is being used as a public or livery conveyance. This Exclusion (2.) does not apply to a share-the-expense car pool.

3. Sustained while "occupying" any vehicle located for use as a residence or premises.
4. Occurring during the course of employment if workers' compensation benefits are required or available for the "bodily injury".
5. Sustained while "occupying", or when struck by, any vehicle (other than "your covered auto") which is:
 - a. Owned by you; or
 - b. Furnished or available for your regular use.
6. Sustained while "occupying", or when struck by, any vehicle (other than "your covered auto") which is:
 - a. Owned by any "family member"; or
 - b. Furnished or available for the regular use of any "family member".

However, this Exclusion (6.) does not apply to you.

7. Sustained while "occupying" a vehicle without a reasonable belief that that "insured" is entitled to do so, This Exclusion (7.) does not apply to a "family member" using "your covered auto" which is owned by you.
8. Sustained while "occupying" a vehicle when it is being used in the "business" of an "insured". This Exclusion (8.) does not apply to "bodily injury" sustained while "occupying" a:
 - a. Private passenger auto;
 - b. Pickup or van that you own; or
 - c. "Trailer" used with a vehicle described in a. or b. above.
9. Caused by or as a consequence of:
 - a. Discharge of a nuclear weapon (even if accidental);
 - b. War (declared or undeclared);
 - c. Civil war;
 - d. Insurrection; or
 - e. Rebellion or revolution.
10. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. Nuclear reaction;
 - b. Radiation; or
 - c. Radioactive contamination.
11. Sustained while "occupying" any vehicle located inside a facility designed for racing, for the purpose of:
 - a. Competing in; or

- b. Practicing or preparing for; any prearranged or organized racing or speed contest.

LIMIT OF LIABILITY

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

OTHER INSURANCE

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

PART C - UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay compensatory damages which an "insured" is legally entitled to recover from the owner or operator of an "uninsured motor vehicle" because of "bodily injury":
 1. Sustained by an "insured"; and
 2. Caused by an accident.

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

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

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

1. You or any "family member".
2. Any other person "occupying" "your covered auto".

3. Any person for damages that person is entitled to recover because of "bodily injury" to which this coverage applies sustained by a person described in 1. or 2. above.
- C. "Uninsured motor vehicle" means a land motor vehicle or trailer of any type:
 1. To which no bodily injury liability bond or policy applies at the time of the accident.
 2. To which a bodily injury liability bond or policy applies at the time of the accident. In this case its limit for bodily injury liability must be less than the minimum limit for bodily injury liability specified by the financial responsibility law of the state in which "your covered auto" is principally garaged.

3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits:
 - a. You or any "family member";
 - b. A vehicle which you or any "family member" are "occupying"; or
 - c. "Your covered auto".
4. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a. Denies coverage; or
 - b. Is or becomes insolvent.

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

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

EXCLUSIONS

- A. We do not provide Uninsured Motorists Coverage for "bodily injury" sustained:
 1. By an "insured" while "occupying", or when struck by, any motor vehicle owned by that "insured" which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
 2. By any "family member" while "occupying", or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.
- B. We do not provide Uninsured Motorists Coverage for "bodily injury" sustained by any "insured":
 1. If that "insured" or the legal representative settles the "bodily injury" claim without our consent.
 2. While "occupying" "your covered auto" when it is being used as a public or livery conveyance. This Exclusion (B.2.) does not apply to a share-the-expense car pool.
 3. Using a vehicle without a reasonable belief that that "insured" is entitled to do so. This Exclusion (B.3.) does not apply to a "family member" using "your covered auto" which is owned by you.
- C. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
 1. Workers' compensation law; or

2. Disability benefits law.

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

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for each person for Uninsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care, loss of services or death, arising out of "bodily injury" sustained by any one person in any one accident. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Uninsured Motorists Coverage is our maximum limit of liability for all damages for "bodily injury" resulting from any one accident. This is the most we will pay regardless of the number of:
 1. "Insureds";
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
 1. Part A. or Part B. of this policy; or
 2. Any Underinsured Motorists Coverage provided by this policy.
- C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- D. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
 1. Workers' compensation law; or
 2. Disability benefits law.

OTHER INSURANCE

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

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance we provide with respect to a vehicle you do not own shall be excess over any collectible insurance providing such coverage on a primary basis.

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

ARBITRATION

- A. If we and an "insured" do not agree:
 1. Whether that "insured" is legally entitled to recover damages; or
 2. As to the amount of damages which are recoverable by that "insured";
 from the owner or operator of an "uninsured motor vehicle", then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The

- two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.
- B. Each party will:
 1. Pay the expenses it incurs; and
 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:
 1. Whether the "insured" is legally entitled to recover damages; and
 2. The amount of damages. This applies only if the amount does not exceed the minimum limit for bodily injury liability specified by the financial responsibility law of the state in which "your covered auto" is principally garaged. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrator's decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. We will pay for direct and accidental loss to "your covered auto" or any "non-owned auto", including their equipment, minus any applicable deductible shown in the Declarations. If loss to more than one "your covered auto" or "non-owned auto" results from the same "collision", only the highest applicable deductible will apply. We will pay for loss to "your covered auto" caused by:
 1. Other than "collision" only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
 2. "Collision" only if the Declarations indicate that Collision Coverage is provided for that auto.
 If there is a loss to a "non-owned auto", we will provide the broadest coverage applicable to any "your covered auto" shown in the Declarations.
- B. "Collision" means the upset of "your covered auto" or a "non-owned auto" or their impact with another vehicle or object. Loss caused by the following is considered other than "collision":
 1. Missiles or falling objects;
 2. Fire;
 3. Theft or larceny;
 4. Explosion or earthquake;
 5. Windstorm;

6. Hail, water or flood;
7. Malicious mischief or vandalism;
8. Riot or civil commotion;
9. Contact with bird or animal; or
10. Breakage of glass. If breakage of glass is caused by a "collision", you may elect to have it considered a loss caused by "collision".
- C. "Non-owned auto" means:
 1. Any private passenger auto, pickup, van or "trailer" not owned by or furnished or available for the regular use of you or any "family member" while in the custody of or being operated by you or any "family member"; or
 2. Any auto or "trailer" you do not own while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. Loss; or
 - e. Destruction.

TRANSPORTATION EXPENSES

- A. In addition, we will pay, without application of a deductible, up to a maximum of \$600 for:

1. Temporary transportation expenses not exceeding \$20 per day incurred by you in the event of a loss to "your covered auto". We will pay for such expenses if the loss is caused by:
 - a. Other than "collision" only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
 - b. "Collision" only if the Declarations indicate that Collision Coverage is provided for that auto.
2. Expenses for which you become legally responsible in the event of loss to a "non-owned auto". We will pay for such expenses if the loss is caused by:
 - a. Other than "collision" only if the Declarations indicate that Other Than Collision Coverage is provided for any "your covered auto".
 - b. "Collision" only if the Declarations indicate that Collision Coverage is provided for any "your covered auto".

However, the most we will pay for any expenses for loss of use is \$20 per day.

B. The loss is caused by:

1. A total theft of "your covered auto" or a "non-owned auto", we will pay only expenses incurred during the period:
 - a. Beginning 48 hours after the theft; and
 - b. Ending when "your covered auto" or the "non-owned auto" is returned to use or we pay for its loss.
2. Other than theft of a "your covered auto" or a "non-owned auto", we will pay only expenses beginning when the auto is withdrawn from use for more than 24 hours.

C. Our payment will be limited to that period of time reasonably required to repair or replace the "your covered auto" or the "non-owned auto".

EXCLUSIONS

We will not pay for:

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

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

3. Loss due to or as a consequence of:

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

4. Loss to any electronic equipment designed for the reproduction of sound and any accessories used with such equipment. This includes but is not limited to:

- a. Radios and stereos;
- b. Tape decks; or
- c. Compact disc players.

This Exclusion (4.) does not apply to equipment designed solely for the reproduction of sound and accessories used with such equipment, provided:

- a. The equipment is permanently installed in "your covered auto" or any "non-owned auto"; or
- b. The equipment is:
 - (1) Removable from a housing unit which is permanently installed in the auto;
 - (2) Designed to be solely operated by use of the power from the auto's electrical system; and
 - (3) In or upon "your covered auto" or any "non-owned auto" at the time of loss.

5. Loss to any electronic equipment that receives or transmits audio, visual or data signals and any accessories used with such equipment. This includes but is not limited to:

- a. Citizens band radios;
- b. Telephones;
- c. Two-way mobile radios;
- d. Scanning monitor receivers;
- e. Television monitor receivers;
- f. Video cassette recorders;
- g. Audio cassette recorders; or
- h. Personal computers.

This Exclusion (5.) does not apply to:

- a. Any electronic equipment that is necessary for the normal operation of the auto or the monitoring of the auto's operating systems; or

- b. A permanently installed telephone designed to be operated by use of the power from the auto's electrical system and any accessories used with the telephone.
6. Loss to tapes, records, discs or other media used with equipment described in Exclusions 4. and 5.
7. A total loss to "your covered auto" or any "non-owned auto" due to destruction or confiscation by governmental or civil authorities.

This Exclusion (7.) does not apply to the interests of Loss Payees in "your covered auto".

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

This Exclusion (8.) does not apply to a:

- a. "Trailer", and its facilities or equipment, which you do not own; or
 - b. "Trailer", camper body, or the facilities or equipment in or attached to the "trailer" or camper body, which you:
 - (1) Acquire during the policy period; and
 - (2) Ask us to insure within 14 days after you become the owner.
9. Loss to any "non-owned auto" when used by you or any "family member" without a reasonable belief that you or that "family member" are entitled to do so.
10. Loss to equipment designed or used for the detection or location of radar or laser.
11. Loss to any custom furnishings or equipment in or upon any pickup or van. Custom furnishings or equipment include but are not limited to:
- a. Special carpeting or insulation;
 - b. Furniture or bars;
 - c. Height-extending roofs; or
 - d. Custom murals, paintings or other decals or graphics.
- This Exclusion (11.) does not apply to a cap, cover or bedliner in or upon any "your covered auto" which is a pickup.
12. Loss to any "non-owned auto" being

maintained or used by any person while employed or otherwise engaged in the "business" of:

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

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

13. Loss to "your covered auto" or any "non-owned auto", located inside a facility designed for racing, for the purpose of:
- a. Competing in; or
 - b. Practicing or preparing for; any prearranged or organized racing or speed contest.
14. Loss to, or loss of use of, a "non-owned auto" rented by:
- a. You; or
 - b. Any "family member";
- if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that "family member", pursuant to the provisions of any applicable rental agreement or state law.

LIMIT OF LIABILITY

- A. Our limit of liability for loss will be the lesser of the:
- 1. Actual cash value of the stolen or damaged property; or
 - 2. Amount necessary to repair or replace the property with other property of like kind and quality.
- However, the most we will pay for loss to:
- 1. Any "non-owned auto" which is a trailer is \$500.
 - 2. Equipment designed solely for the reproduction of sound, including any accessories used with such equipment, which is installed in locations not used by the auto manufacturer for installation of such equipment or accessories, is \$1,000.
- B. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss.
- C. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

PAYMENT OF LOSS

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

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

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

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

NO BENEFIT TO BAILEE

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

OTHER SOURCES OF RECOVERY

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

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

APPRAISAL

- A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
 1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

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

PART F - GENERAL PROVISIONS

BANKRUPTCY

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

CHANGES

- A.** This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
- B.** If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:
1. The number, type or use classification of insured vehicles;
 2. Operators using insured vehicles;
 3. The place of principal garaging of insured vehicles;
 4. Coverage, deductible or limits.

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

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

FRAUD

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

LEGAL ACTION AGAINST US

- A.** No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part **A.**, no legal action may be brought against us until:
1. We agree in writing that the "insured" has an obligation to pay; or
 2. The amount of that obligation has been finally determined by judgment after trial.
- B.** No person or organization has any right under this policy to bring us into any action to

determine the liability of an "insured".

OUR RIGHT TO RECOVER PAYMENT

- A.** If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:
1. Whatever is necessary to enable us to exercise our rights; and
 2. Nothing after loss to prejudice them.
- However, our rights in this Paragraph (**A.**) do not apply under Part **D.**, against any person using "your covered auto" with a reasonable belief that that person is entitled to do so.
- B.** If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
1. Hold in trust for us the proceeds of the recovery; and
 2. Reimburse us to the extent of our payment.

POLICY PERIOD AND TERRITORY

- A.** This policy applies only to accidents and losses which occur:
1. During the policy period as shown in The Declarations; and
 2. Within the policy territory.
- B.** 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.

TERMINATION

A. Cancellation

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

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

(2) If notice is mailed during the first 60 days this policy is in effect and this is not a renewal or continuation policy; or

b. At least 20 days notice in all other cases.

3. After this policy is in effect for 60 days, or if this is a renewal or continuation policy, we will cancel only:

a. For nonpayment of premium; or

b. If your driver's license or that of:

(1) Any driver who lives with you; or

(2) Any driver who customarily uses "your covered auto";

has been suspended or revoked. This must have occurred:

(1) During the policy period; or

(2) Since the last anniversary of the original effective date if the policy period is other than 1 year; or

c. If the policy was obtained through material misrepresentation.

B. Nonrenewal

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

1. Less than 6 months, we will have the right not to renew or continue this policy every 6 months, beginning 6 months after its original effective date.

2. 6 months or longer, but less than one year, we will have the right not to renew or continue this policy at the end of the policy period.

3. 1 year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

C. Automatic Termination

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

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

D. Other Termination Provisions

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

2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals. However, making or offering to make the refund is not a condition of cancellation.

3. The effective date of cancellation stated in the notice shall become the end of the policy period.

TRANSFER OF YOUR INTEREST IN THIS POLICY

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

1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations; and

2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use "your covered auto".

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

TWO OR MORE AUTO POLICIES

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

***MUTUAL POLICY CONDITIONS**

You are a member of the Liberty Mutual Fire Insurance Company while this policy is in force. Membership entitles you to vote in person or by proxy at meetings of the company. The Annual Meeting is in Boston, Massachusetts, on the second Wednesday in April each year at 11 o'clock in the morning.

Also, as a member, you will receive any dividends declared on this policy by the Directors.

This policy is classified in Dividend Class IV-Automobile.

This policy has been signed by our President and Secretary at Boston, Massachusetts, and countersigned on the Declarations Page by an authorized representative.

*These conditions apply only if Liberty Mutual Fire Insurance Company is shown in the Declarations as the Insurer.

Dexter R. Lynn
 SECRETARY

Edmund F Kelly
 PRESIDENT

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UNDERINSURED MOTORISTS COVERAGE – ARKANSAS

SCHEDULE

Limit Of Liability	Premium		
	Auto 1	Auto 2	Auto 3
\$ _____ each person			
\$ _____ each accident	\$ _____	\$ _____	\$ _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSURING AGREEMENT

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

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

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

We will pay under this coverage only if **1.** or **2.** below applies:

1. The limits of liability under any bodily injury liability bonds or policies applicable to the "underinsured motor vehicle" have been exhausted by payment of judgments or settlements; or
2. A tentative settlement has been made between an "insured" and the insurer of the "underinsured motor vehicle" and we:
 - a. Have been given prompt written notice by certified mail, return receipt requested of such tentative settlement; and
 - b. Advance payment to the "insured" 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 **(2.)** shall not apply, and an "insured" may proceed with his or her claim for damages under this coverage anytime after settlement of that "insured's" claim for damages under the liability coverage applicable to the owner or operator of the "underinsured motor vehicle".

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

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

C. "Underinsured motor vehicle" means a land motor vehicle or trailer of any type to which a bodily injury liability bond or policy applies at the time of the accident but the amount paid for "bodily injury" under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages.

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

1. To which a bodily injury liability bond or policy applies at the time of the accident but its limit for bodily injury liability is less than the minimum limit for bodily injury liability specified by the financial responsibility law of Arkansas.
2. Owned by or furnished or available for the regular use of you or any "family member".
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not upon public roads.
6. While located for use as a residence or premises.
7. Owned or operated by a person qualifying as a self-insurer under any applicable motor vehicle law.
8. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a. Denies coverage; or
 - b. Is or becomes insolvent.

EXCLUSIONS

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

1. By an "insured" while "occupying", or when struck by, any motor vehicle owned by that "insured" which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.

2. By any "family member" while "occupying", or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.
- B.** We do not provide Underinsured Motorists Coverage for "bodily injury" sustained by any "insured":
1. While "occupying" "your covered auto" when it is being used as a public or livery conveyance. This Exclusion **(B.1.)** does not apply to a share-the-expense car pool.
 2. Using a vehicle without a reasonable belief that that "insured" is entitled to do so. This Exclusion **(B.2)** does not apply to a "family member" using "your covered auto" which is owned by you.
- C.** This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
1. Workers' compensation law; or
 2. Disability benefits law.
- D.** We do not provide Underinsured Motorists Coverage for punitive or exemplary damages which are imposed to:
1. Punish a wrongdoer; and
 2. Deter others from similar conduct.

LIMIT OF LIABILITY

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

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

1. "Insureds";
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B.** No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part **A**, Part **B** or Part **C** of this policy.
- C.** We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

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

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

OTHER INSURANCE

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

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

However, we will provide primary insurance for a vehicle you do not own if:

- a. 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;
- b. The vehicle is rented or leased by you or a "family member" from a rental company for a period not more than 90 days.

ARBITRATION

- A.** If we and the "insured" do not agree:
1. Whether that "insured" is legally entitled to recover damages; or
 2. As to the amount of damages which are recoverable by that "insured";

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

Arbitration will take place only if both we and the "insured" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Any decision of the arbitrators will not be binding on either party.
- C. Each party will:
 - 1. Pay the expenses it incurs; and
 - 2. Bear the expenses of the third arbitrator equally.
- D. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply.

ADDITIONAL DUTIES

A person seeking coverage under this endorsement must also promptly:

- 1. Send us copies of the legal papers if a suit is brought; and
- 2. Notify us in writing by certified mail, return receipt requested of a tentative settlement between the "insured" and the insurer of the "underinsured motor vehicle" and allow us 30 days to advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such "underinsured motor vehicle".

However, if the owner or operator of the "underinsured motor vehicle" is insured by us for liability coverage, this Provision (2.) shall not apply, and an "insured" may proceed with his or her claim for damages under this coverage anytime after settlement of that "insured's" claim for damages under the liability coverage applicable to the owner or operator of the "underinsured motor vehicle".

Written notice of a tentative settlement must include:

- 1. Written documentation of monetary losses incurred, including copies of all medical bills;
- 2. Written authorization or a court order authorizing us to obtain medical reports from all employers and medical providers; and
- 3. Written confirmation from the insurer of the "underinsured motor vehicle" of the Liability Coverage limits of the owner or operator of the "underinsured motor vehicle".

The following section is added:

GENERAL PROVISIONS

The following is added to the **Our Right To Recover Payment** Provision in Part **F** with respect to Underinsured Motorists Coverage:

OUR RIGHT TO RECOVER PAYMENT

- 1. We shall be entitled to a recovery under Paragraph **A.** or **B.** only after the person has been fully compensated for damages.
- 2. Our rights do not apply under Paragraph **A.** if we:
 - a. Have been given prompt written notice by certified mail, return receipt requested of a tentative settlement between an "insured" and the insurer of an "underinsured motor vehicle"; and
 - b. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.
 - 1. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
 - 2. We also have a right to recover the advanced payment.

However, no notice of a tentative settlement is required if the "underinsured motor vehicle" is insured by us for liability coverage.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.



Liberty Mutual Group

175 Berkeley Street
Mail drop S3-A
Boston, MA 02117
Telephone: (800) 225-8346
Facsimile: (617) 574-6699

October 19, 2007

Honorable Julie Benafield Bowman
Commissioner of Insurance
Arkansas Insurance Department
Property and Casualty Division
1200 W 3rd Street
Little Rock, AR 72201-1904

Re: Arkansas Automobile Endorsements Revision
Co. # AR AO Rev Endors
Liberty Mutual Fire Insurance Company 111-23035
The First Liberty Insurance Corporation 111-33588
Liberty Insurance Corporation 111-42404

Dear Commissioner:

In response to AR H.B. 2243, which requires that every motor vehicle liability, bodily injury, physical damage, uninsured and underinsured motorist insurance policy extend coverage on a primary basis to rented or leased vehicles from a rental company operated by the insured individual and its occupants, we will be revising the following endorsements:

<u>Current Endorsement #</u>	<u>Endorsement Name</u>	<u>New Endorsement #</u>
AS 1154 01 99	AMENDMENT OF POLICY PROVISIONS - ARKANSAS	AS 1154 01 08
PP 04 34 05 98	UNDERINSURED MOTORIST COVERAGE – ARKANSAS	AS 2313 01 08
PP 04 95 06 94	UNINSURED MOTORIST COVERAGE – ARKANSAS	AS 2314 01 08
AS 1168 11 06	PERSONAL INJURY PROTECTION COVERAGE – ARKANSAS	AS 1168 01 08

In addition to the changes made for AR H.B. 2243, we have also made minor revisions with regards to current applicable Arkansas statutes. These revisions have no customer impacts as they align with our current claims practices.

All of these endorsements are applicable to Arkansas Automobile policies for new business and renewals effective on or after **January 1, 2008.**

If you have any questions, please direct them to Laura Miller at 800-225-8346, extension 41746, or e-mail laura.miller@LibertyMutual.com.

Sincerely,
Laura Miller
Industry Filings Analyst

**STATE OF ARKANSAS
REVISED CERTIFICATE OF COMPLIANCE**

COMPANY NAME: Liberty Mutual Group

DESCRIPTION: Underinsured Motorist Coverage

FORM NUMBER: AS 2313

EDITION DATE: 01 08

This is to certify that the above captioned policy form has achieved a Flesch Reading Ease Test score of 44.2 and complies with the requirements of Act 517 of 1981 (Ark. State Ann. Sec. 23-80-301 — 23-80-308) and Rule and Regulation 29.


Signature of Officer of Company

Director of Complex Loss & Underwriting Issues

Title

If a policy is scored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

**STATE OF ARKANSAS
REVISED CERTIFICATE OF COMPLIANCE**

COMPANY NAME: Liberty Mutual Group

DESCRIPTION: Amendment of Policy Provisions

FORM NUMBER: AS 1154

EDITION DATE: 01 08

This is to certify that the above captioned policy form has achieved a Flesch Reading Ease Test score of 50.6 and complies with the requirements of Act 517 of 1981 (Ark. State Ann. Sec. 23-80-301 — 23-80-308) and Rule and Regulation 29.



Signature of Officer of Company

Director of Complex Loss & Underwriting Issues

Title

If a policy is scored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

**STATE OF ARKANSAS
REVISED CERTIFICATE OF COMPLIANCE**

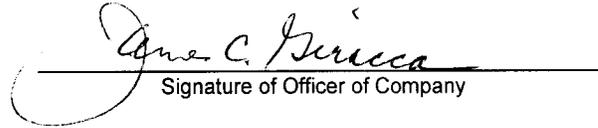
COMPANY NAME: Liberty Mutual Group

DESCRIPTION: Personal Injury Protection

FORM NUMBER: AS 1168

EDITION DATE: 01 08

This is to certify that the above captioned policy form has achieved a Flesch Reading Ease Test score of 44.1 and complies with the requirements of Act 517 of 1981 (Ark. State Ann. Sec. 23-80-301 — 23-80-308) and Rule and Regulation 29.


Signature of Officer of Company

Director of Complex Loss & Underwriting Issues

Title

If a policy is scored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

**STATE OF ARKANSAS
REVISED CERTIFICATE OF COMPLIANCE**

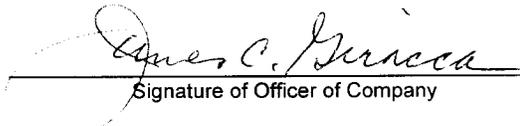
COMPANY NAME: Liberty Mutual Group

DESCRIPTION: Uninsured Motorist Coverage

FORM NUMBER: AS 2314

EDITION DATE: 01 08

This is to certify that the above captioned policy form has achieved a Flesch Reading Ease Test score of 43.7 and complies with the requirements of Act 517 of 1981 (Ark. State Ann. Sec. 23-80-301 — 23-80-308) and Rule and Regulation 29.



Signature of Officer of Company

Director of Complex Loss & Underwriting Issues

Title

If a policy is scored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

I. DEFINITIONS

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

A. The definition of **Newly Acquired Auto** is replaced by the following:

“**Newly acquired auto**”:

- 1.** **Newly acquired auto** means any of the following types of vehicles you become the owner of during the policy period:
 - a.** A private passenger auto; or
 - b.** A pickup or van, for which no other insurance policy provides coverage, that:
 - (1)** Has a Gross Vehicle Weight of less than 10,000 lbs.; and
 - (2)** Is not used for the delivery or transportation of goods and materials unless such use is:
 - (a)** Incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or
 - (b)** For farming or ranching.

For this definition to apply to a **newly acquired auto**, which is in addition to the vehicles listed in the Declarations, we must insure all other vehicles owned by you.

2. Coverage for a **newly acquired auto** is provided as described below. If you ask us to insure a **newly acquired auto** after a specified time period described below has elapsed, any coverage we provide for a **newly acquired auto** will begin at the time you request the coverage.

a. For any coverage provided in this policy except Coverage For Damage To Your Auto, a **newly acquired auto** will have the broadest coverage we now provide for any vehicle shown in the Declarations. Coverage begins on the date you become the owner.

However, for this coverage to apply to a **newly acquired auto** that is in addition to any vehicle shown in the Declarations, you must ask us to insure it within 30 days after you become the owner.

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

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

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

(2) Five days after you become the owner if the Declarations do not indicate that Collision Coverage applies to at least one auto. If you comply with the 5 day requirement and a loss occurred before you asked us to insure the **newly acquired auto**, a Collision deductible of \$500 will apply.

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

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

(2) Five days after you become the owner if the Declarations do not indicate that Other Than Collision Coverage applies to at least one auto. If you comply with the 5 day requirement and a loss occurred before you asked us to insure the **newly acquired auto**, an Other Than Collision deductible of \$500 will apply.

II. PART A - LIABILITY COVERAGE

Exclusion **4.** under paragraph **B.** of the Exclusions section of **Part A** is replaced by the following:

4. Any vehicle, while being used for:

a. competing in; or

b. practicing or preparing for

any organized racing, speed, demolition, stunt or performance contest or related activity whether or not for pay.

III. PART B - MEDICAL PAYMENTS COVERAGE

Exclusion **11.** is under the Exclusions section of **Part B** is replaced by the following:

11. Sustained while **occupying** any vehicle while being used for:

- a. competing in; or
- b. practicing or preparing for any organized racing, speed, demolition, stunt or performance contest or related activity whether or not for pay.

IV. PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

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

INSURING AGREEMENT

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

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

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

B. The following **Customized Equipment Coverage** provision is added under **Part D: CUSTOMIZED EQUIPMENT COVERAGE**

A. We will pay up to \$500 for theft or damage to **customized equipment** if the loss is caused by:

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

Payments shall be reduced by the applicable deductible. However, only one deductible will be applied for any one loss. If you or the owner of a **non-owned auto** keeps salvaged material, payments will also be reduced by the salvage value. In no way shall this coverage increase the limit of liability for **your covered auto** or any **non-owned auto**.

B. “**Customized equipment**” means any parts, equipment and accessories including

devices, extensions, furnishings, fixtures, finishings, and other alterations that:

1. are permanently installed or attached by bolts or brackets;
2. are removable from a housing unit that is permanently installed inside the auto;
3. are permanently bonded to the vehicle by an adhesive or welding procedure; or
4. change the appearance or performance of the vehicle

including but not limited to any additions or alterations to the chassis, engine, exterior or interior of the auto.

This includes but is not limited to ground effects, specialty rims, performance tires, specialty paint or dye, roll bars, running boards, spoilers, special interior or exterior lighting, roof/trunk racks, and high performance engine components. However, such parts, equipment and accessories that were installed by the automobile manufacturer or licensed auto dealer are not considered **customized equipment**.

This also includes any electronic equipment that is not necessary for the normal operation of the auto or the monitoring of the auto’s operating system that is used solely for the reproduction of recorded material or used for transmitting or receiving audio, visual or data signals. However, such parts, equipment and accessories that were installed by the automobile manufacturer or licensed auto dealer or in a location the automobile manufacturer intended for such equipment, are not considered **customized equipment**.

- C. The limit for equipment designed solely for the reproduction of sound, including any accessories used with such equipment, which is not installed in the dash or console openings specified by the auto manufacturer of such equipment or accessories is \$1,000.
- D. If you have purchased additional coverage for **customized equipment** we will pay up to the amount of coverage you have purchased in addition to the \$500 limit provided by the policy. This additional coverage must be shown in the Declarations.
- E. The most we will pay for parts, equipment and accessories that are:
 - a. not installed by the auto manufacturer or dealer and
 - b. permanently installed in or upon the auto is the actual cash value of the vehicle not including such parts, equipment and accessories.

C. The **Transportation Expenses** provision of **Part D** is replaced by the following:

TRANSPORTATION EXPENSES

In addition, we will pay up to \$20 per day to a maximum of 30 days for any temporary transportation expenses incurred by you. This applies in the event of a loss to your covered auto if the loss is caused by:

- a. Other than collision only if the Declarations indicate Other Than Collision Coverage is provided for that auto.
- b. Collision only if the Declarations indicate that Collision Coverage is provided for that auto.

If the loss is caused by a total theft of your covered auto, we will pay only transportation expenses incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when your covered auto is returned to use or we pay for its loss.

D. Exclusion 4. is replaced by the following:

4. We will not pay for loss to equipment that is not permanently installed in or upon **your covered auto** or any **non-owned auto**. This consists of any equipment that is either designed for the reproduction of sound or receives or transmits audio, visual or data signals. This includes but is not limited to:
 - a. radios and stereos;
 - b. tape decks;
 - c. compact disc players and burners;
 - d. digital video disc (DVD) players and burners;
 - e. citizens band radios;
 - f. scanning monitor receivers;
 - g. television monitor receivers;
 - h. global positioning system (GPS) receivers and/or components;
 - i. video cassette players and recorders;
 - j. audio cassette recorders; or
 - k. personal computers, which includes laptops, desktops, and personal digital assistants (PDA) or any other handheld device.

All accessories used with the above or similar equipment are also excluded.

E. Exclusion 5. is replaced by the following:

5. We will not pay for loss to **customized equipment** in excess of what is provided under Customized Equipment Coverage unless additional coverage has been

purchased by endorsement and is shown in the Declarations.

F. Exclusion 13. is replaced by the following:

13. Loss to **your covered auto** or any **non-owned auto** while the car is being used for:
 - a. competing in; or
 - b. practicing or preparing for any organized racing, speed, demolition, stunt or performance contest or related activity whether or not for pay.

G. Paragraph B of the **Limit of Liability** provision of **Part D** is added as follows:

- B. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss. In this case, the actual cash value consists of the value of the vehicle not including any **customized equipment**.

V. **PART E - DUTIES AFTER AN ACCIDENT OR LOSS**

Part E is amended as follows:

A. Paragraph B. of **Part E** is replaced by the following:

B. A person seeking any coverage must:

1. Cooperate with us in the investigation, settlement or defense of any claim or suit. This includes, but is not limited to, allowing us to inspect damage to a vehicle covered by this policy.
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, within 30 days of our request:
 - a. To physical and mental exams by physicians we select under terms we require. We will pay for these exams.
 - b. To interviews and recorded statements without the need for us to conduct an examination under oath.
 - c. To examination under oath and subscribe the same.
4. Authorize us to obtain, within 30 days of our request:
 - a. Medical reports; and
 - b. Other pertinent records, including but not limited to, information contained in or transmitted by any device located in or on the motor vehicle.
5. Submit a proof of loss when required by us within 30 days of our request.

VI. PART F - GENERAL PROVISIONS

Part F is amended as follows:

A. The **Fraud** provision is replaced by the following:

FRAUD

This policy will not provide coverage under any part of this policy for any insured or any other person or entity seeking benefits under this policy (whether before or after a loss) who:

- a.** conceals or misrepresents any material fact or circumstance,
- b.** makes false statements or
- c.** engages in fraudulent conduct,

any of which relate to a loss, an accident, this insurance or the application for this policy.

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