

Personal Automobile Policy



PERSONAL



COMMERCIAL



MOTORCYCLE



RV



HOMEOWNERS



FLOOD



HEALTH & LIFE

10954 (05/16)

National General 
Auto, Home & Health Insurance

5630 University Parkway • PO Box 3199
Winston-Salem NC 27102-3199

Integon Casualty Insurance Company
Integon General Insurance Corporation
Integon Indemnity Corporation
Integon National Insurance Company
Integon Preferred Insurance Company

MIC General Insurance Corporation
National General Assurance Company
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New South Insurance Company

YOUR PERSONAL AUTOMOBILE POLICY QUICK REFERENCE

DECLARATIONS PAGE

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

This policy is a legal contract between you and us. These policy provisions, along with the Declarations Page, statements made at the time of application and any endorsements issued, complete this policy.

Read your policy carefully. Provisions of this contract and its endorsements (if any) restrict coverage. Be certain you understand all of the coverage terms, the exclusions, and your rights and duties.

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PERSONAL AUTOMOBILE POLICY

AGREEMENT

This policy is issued and renewed in reliance upon the truth and accuracy of the representations made in the application for this insurance. The terms of this policy impose obligations on all persons defined as **you**. The responsibilities, acts and/or omissions, in connection with this insurance, of any person defined as **you** shall be binding upon all other persons defined as **you**.

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.
3. an individual who:
 - a. is a resident of the named insured's household; and
 - b. who co-owns one or more vehicles insured under this policy with the named insured or resident spouse; and
 - c. is not a **family member**.

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

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

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

The following words or phrases, when printed in bold-faced type or in quotation marks, are defined as follows:

D. "**Accident**" means: a sudden, unexpected, and unintended event arising out of the ownership, maintenance, or use of an **auto** that results in a claim for damages either by an **insured** or against an **insured** under the terms of **your** policy.

E. "**Actual Cash Value**" means: the fair market value of the stolen or damaged property at the time of **loss**.

F. "**Auto**" means: a land motor vehicle having more than three load-bearing wheels and which is required to be registered under the laws relating to motor vehicles designed primarily for operation upon: the public streets; roads; and highways; and driven by power other than muscular power.

G. "**Bodily injury**" means: bodily harm, sickness or disease, including death that results therefrom. **Bodily injury** does not include harm, sickness, disease or death arising out of a medically defined

communicable disease contracted by any person nor the exposure of such a disease by any person to any other person.

H. "**Business**" means: trade, profession or occupation.

I. "**Depreciation**" means: decline of value due to wear and tear or obsolescence.

J. "**Diminution in value**" means: the actual or perceived reduction, if any, in the **actual cash value** by reason of the fact that the property has been damaged and repaired.

K. "**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, or stepchild.

L. "**Loss**" means: sudden, direct, and accidental destruction or damage. "**Loss**" does not include **diminution in value**.

M. "**Occupying**" means: in; upon; getting into, out of, on or off.

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

O. "**Recreational vehicle**" means: a vehicle used primarily for recreational purposes, with permanently installed equipment for cooking and/or sleeping, which is:

1. a self-propelled motor home;
2. a van conversion;
3. a travel trailer; or
4. a camper body which is designed and constructed to be used with a pickup truck.

P. "**Trailer**" means: a non-powered vehicle, including a farm wagon or farm implement, designed to be pulled on public roads by a:

1. private passenger **auto**; or
2. recreational vehicle.

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

1. any **auto** shown in the Declarations.
2. any of the following types of vehicles on the date **you** become the owner, but only if **you** have asked **us** to insure it as set forth below:
 - a. a private passenger **auto** that has a Gross Vehicle Weight as specified by the manufacturer of less than 10,000 pounds;
 - b. a **recreational vehicle**; or
 - c. a vehicle with a Gross Vehicle Weight of 10,000 pounds or more used exclusively to tow **your recreational vehicle** for personal recreational use.

If the **auto you** acquire replaces an **auto** shown in the Declarations, it will have the same coverage as the **auto** it replaced, if **you**:

- a. acquire the **auto** during the policy period; and
- b. ask **us** to insure it within 30 days after **you** become the owner; and
- c. insure all of the **autos you** own with **us**.

If **you** do not notify **us** within the time limit noted in b., no coverage exists for the replacement **auto**.

If the **auto you** acquire is in addition to any shown in the Declarations, it will have the broadest coverage **we** now provide for any **auto** shown in the Declarations, if **you**:

- a. acquire the **auto** during the policy period; and
- b. ask **us** to insure it within 30 days after **you** become the owner; and
- c. insure all of the **autos you** own with **us**.

If **you** do not notify **us** within the time limit noted in b., no coverage exists for the newly acquired **auto**.

3. any **trailer you** own:
 - a. while attached to **your covered auto**; and
 - b. not used in a **business**; and
 - c. that is not insured under any other **auto** insurance policy.

However, if the **trailer** is a **recreational vehicle** or is designed to be pulled by a **recreational vehicle**, item 3. a. above does not apply.

4. any **auto** or **trailer** not owned by **you** while used on a temporary basis as a substitute for any other **auto** described in this definition which is out of normal use because of its:
 - a. breakdown;
 - b. repair;
 - c. servicing;
 - d. **loss**; or
 - e. destruction.

choose the counsel of **our** choice which may include an in-house counsel. In addition to **our** limit of liability, **we** will pay all defense costs **we** incur. **Our** duty to settle or defend ends when **we** offer to pay and pay **our** limit of liability for this coverage. **We** have no duty to defend any suit, settle any claim or pay any judgment for **bodily injury** or **property damage** not covered under this policy.

- B. "**Insured**" as used in Part A means:
 1. **you** or any **family member** for the ownership, maintenance, or use of any **auto** or **trailer**, with the owner's permission.
 2. any person using **your covered auto** with **your** permission.
 3. for **your covered auto**, any person or organization other than 1. and 2. above. This provision applies 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 person or organization other than 1. and 2. above. This provision applies 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 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 \$300 for the cost of bail bonds required because of traffic law violations resulting from an **auto accident**. The **auto accident** must result in **bodily injury** or **property damage** covered under this policy. **We** have no obligation to apply for or furnish a bond.
2. premiums on appeal bonds and bonds to release attachments in any suit **we** defend and **we** choose to appeal.
3. for damages covered under this policy, interest accruing after a judgment is entered in any suit **we** defend. **Our** duty to pay interest ends when **we** offer to pay that part of the judgment which does not exceed **our** limit of liability for this coverage.
4. reasonable loss of wages, up to \$50 per day, because of attendance at hearings, proceedings, or trials at **our** request. This does not include other types of income.
5. reasonable expenses for emergency first aid **you** administer to others at the scene of an **accident** involving any **auto** covered by this policy.
6. other reasonable expenses incurred at **our** request.

PART A - LIABILITY COVERAGE

INSURING AGREEMENT

- A. If **you** pay a premium for this coverage, **we** will pay damages, except punitive or exemplary 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** subject to **our** limit of liability for this coverage. **We** will settle or defend, as **we** consider appropriate, any claim or suit asking for these damages. If **we** defend, **we** will

EXCLUSIONS

A. Coverage under this Part A, including **our** duty to defend, does not apply to:

1. **bodily injury** or **property damage** caused intentionally by or at the direction of an **insured**.
2. **property damage** to property owned or being transported by an **insured**.
3. **property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care, custody, or control of; an **insured**.

This exclusion does not apply to **property damage** to a rented residence or rented private garage caused by **your covered auto**.

4. **bodily injury** to an employee or fellow employee of any **insured** arising out of the course of employment. This exclusion does not apply to **bodily injury** to a domestic employee unless Workers' Compensation benefits, disability benefits, or similar benefits are required or available for that domestic employee.
5. liability arising out of the ownership or operation of an **auto** while it is being used to carry persons or property for compensation or a fee. This exclusion does not apply to a share-the-expense car pool.
6. any person while employed or otherwise engaged in the **business** of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing;
 - e. parking;
 - f. road testing;
 - g. delivering;
 - h. leasing; or
 - i. washing

vehicles designed for use mainly on public highways.

However, coverage does apply to **you**, a **family member**, or any partner, agent or employee of **you** or a **family member** when using **your covered auto**.

7. maintaining or using any **auto** while that person is employed or otherwise engaged in any **business** not described in Exclusion 6. If a **business** or artisan use is noted in the Declarations for an **auto** shown in the Declarations, this exclusion does not apply to: the ownership; maintenance; or use of that **auto** by:
 - a. **you**;
 - b. any **family member**; or
 - c. any partner, agent or employee of **you** or any **family member**.
8. any person using an **auto** beyond the scope of the owner's express or implied permission.
9. **bodily injury** or **property damage** for which an **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.

For the purpose of this exclusion a nuclear energy liability policy means 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.
10. **bodily injury** or **property damage** arising out of the ownership, maintenance, or use of:
 - a. a motorcycle or any motorized vehicle having fewer than four wheels or more than six wheels; or
 - b. an all-terrain vehicle regardless of the number of wheels it has; or
 - c. any self-propelled vehicle not licensed for use on public roads; or
 - d. any vehicle weighing 10,000 or more pounds other than **your covered auto**.
11. **bodily injury** or **property damage** arising out of any person's liability for the ownership, maintenance, or use of **your covered auto** when it:
 - a. is being rented or leased to others; or
 - b. has been sold to another; or
 - c. is under a conditional sales agreement by **you** to another.

12. **bodily injury** or **property damage** arising out of the ownership, maintenance, or use of an **auto** while it is being operated in or while in practice or preparation for any prearranged or organized:

- a. race event;
- b. hill climb;
- c. demonstration;
- d. speed contest;
- e. stunting contest; or
- f. performance contest.

13. **bodily injury** or **property damage** for which the United States Government is held responsible under the Federal Tort Claims Act.

14. **bodily injury** or **property damage** arising out of any liability assumed by an **insured** under any contract or agreement.

15. **bodily injury** or **property damage** to any person while **occupying** any **auto**:

- a. being used in unlawful activity (other than a traffic violation), illicit trade or transportation; or
- b. used or operated in an attempt to flee a law enforcement agent;

and such person is a willing participant in such activity listed in a. or b. above.

16. **bodily injury** or **property damage** caused by or any consequence of:

- a. war, whether declared or undeclared;
- b. civil war;
- c. insurrection;
- d. rebellion or revolution;
- e. radioactive contamination;
- f. nuclear reaction or radiation, whether controlled or uncontrolled or however caused.

17. **bodily injury** or **property damage** arising out of the ownership, maintenance, or use of **your covered auto** as a residence or premises.

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

1. any **auto**, other than **your covered auto**, which is:
 - a. owned by **you**; or
 - b. furnished or available for **your** regular use.
2. any **auto**, 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.2., does not apply to **you**.

LIMIT OF LIABILITY

A. The limit of liability shown in the Declarations for each person for Bodily Injury Liability Coverage is **our** maximum limit of liability for all damages for **bodily injury** sustained by any one person in any one **auto accident**. This includes all derivative claims arising out of said **bodily injury**. Derivative claims include, but are not limited to, damages for care; death; loss of service; loss of consortium; loss of society or companionship. Subject to this limit for each person, the limit of liability shown in the Declarations for each **accident** for Bodily Injury Liability Coverage is **our** maximum limit of liability for all damages for **bodily injury** resulting from any one **auto accident**. This includes all derivative claims arising out of said **bodily injury**. Derivative claims include, but are not limited to, damages for care; death; loss of service; loss of consortium; loss of society or companionship. The limit of liability shown in the Declarations for each **accident** for Property Damage Liability Coverage is **our** maximum limit of liability for all damages to all property resulting from any one **auto accident**. The limit of liability shown in the Declarations is the most **we** will pay under Bodily Injury Liability Coverage or Property Damage Liability Coverage, whichever is applicable, as a result of any one **auto accident** regardless of the number of:

1. **insureds**;
2. claims made;
3. **autos** or premiums shown in the Declarations;
4. vehicles involved in the **accident**;
5. premiums paid; or
6. lawsuits brought.

An **auto** and attached **trailer** are considered one **auto**. Therefore, the limit of liability will not be increased for an **accident** involving an **auto** with an attached **trailer**.

B. Any amount payable under this coverage to or for an injured person will be reduced by any payment made to that person under any Medical Payments, Uninsured or Underinsured Motorists, Personal Injury Protection or No Fault coverage.

C. No one will be entitled to receive duplicate payments for the same elements of damage.

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 **auto accident** as follows:

If the state or province has:

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

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

FINANCIAL RESPONSIBILITY REQUIRED

When this policy is certified as proof of financial responsibility, this policy will comply with the law to the extent required. If **we** make a payment for an **accident** which is not covered under the terms of this policy, but which **we** paid solely to comply with the terms of a financial responsibility certification, **you** must reimburse **us** to the extent of such payment.

OTHER INSURANCE

If there is other applicable liability insurance or bond, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit bears to the total of all applicable limits. However, any insurance **we** provide for an **auto** **you** do not own shall be excess over any other collectible insurance, self insurance or bond.

PART B - MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A. Subject to the limit of liability shown in the Declarations, if **you** pay a premium for Medical Payments Coverage, **we** will pay reasonable expenses incurred for necessary medical and funeral services because of **bodily injury**:
 1. caused by an **auto accident**; and
 2. sustained by an **insured**.

We will pay only those medical and funeral expenses incurred within 3 years from the date of the **accident**.
- B. "**Insured**" as used in Part B means:
 1. **you** or any **family member**:
 - a. while **occupying** a motor vehicle; 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** when **your covered auto** is being used within the scope of **your** permission.

EXCLUSIONS

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

1. arising out of the ownership or operation of an **auto** while it is being used to carry persons or property for compensation or a fee. This exclusion does not apply to a share-the-expense car pool.
2. occurring during the course of employment if Worker's Compensation benefits are required or available for the **bodily injury**.

3. sustained while **occupying** any **auto**, other than **your covered auto**, which is:
 - a. owned by **you**; or
 - b. furnished or available for **your** regular use.
4. sustained while **occupying** any **auto**, 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 4. does not apply to **you**.
5. sustained while **occupying** any **auto** being used beyond the scope of the owner's express or implied permission.
6. resulting from the maintenance or use of any **auto** while that person is engaged in the **business** of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing;
 - e. parking;
 - f. road testing;
 - g. delivering;
 - h. leasing; or
 - i. washing;

vehicles designed for use mainly on public highways.

However, coverage does apply to **you**, a **family member**, or any partner, agent or employee of **you** or a **family member** when using **your covered auto**.
7. resulting from the maintenance or use of any **auto** while that person is employed or otherwise engaged in any **business** not described in Exclusion 6. If a **business** or artisan use is noted in the Declarations for an **auto** shown in the Declarations, this exclusion does not apply to:
 - a. **you**; or
 - b. any **family member**; or
 - c. any partner or employee of **you** or any **family member**.
8. caused by or as a consequence of:
 - a. war, whether declared or undeclared;
 - b. civil war;
 - c. insurrection;
 - d. rebellion or revolution;

- e. radioactive contamination;
 - f. nuclear reaction or radiation, whether controlled or uncontrolled or however caused.
9. sustained while **occupying**:
- a. a motorcycle or any motorized vehicle having fewer than four wheels or more than six wheels; or
 - b. an all-terrain vehicle regardless of the number of wheels it has; or
 - c. any self-propelled vehicle not licensed for use on public roads; or
 - d. any vehicle weighing 10,000 or more pounds other than **your covered auto**.
10. resulting from ownership, maintenance, or use of an **auto** while it is being operated in or while in practice or preparation for any prearranged or organized:
- a. race;
 - b. hill climb;
 - c. demonstration;
 - d. speed contest;
 - e. stunting contest; or
 - f. performance contest.
11. sustained while **occupying** any vehicle located for use as a residence or premises.
12. intentionally caused by that person or reasonably expected to result from an intentional act by that person.
13. sustained while **occupying** any **auto**:
- a. being used in unlawful activity (other than a traffic violation), illicit trade or transportation; or
 - b. used or operated in an attempt to flee a law enforcement agent;
- and such person is a willing participant in such activity listed in a. or b. above.

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** regardless of the number of:
- 1. **insureds**;
 - 2. claims made;
 - 3. **autos** or premiums shown in the Declarations;
 - 4. vehicles involved in the **accident**;
 - 5. premiums paid; or
 - 6. lawsuits brought.

- B. Any amounts payable for expenses under this coverage shall be reduced by any amounts paid or payable for the same expenses under any Auto Liability, Uninsured Motorists, Underinsured Motorists, No Fault or Personal Injury Protection Coverage provided by this policy.
- C. When **we** make payment to **you** for any amount due under this Part B, **we** may deduct from the payment any premium or fees that are due and unpaid under this policy.
- D. No one will be entitled to receive duplicate payments for the same elements of damage.

OTHER INSURANCE

If there is other applicable **auto** medical payments insurance **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. This policy will be excess over any coverage afforded to a permissive user of **your covered auto**. Further, any coverage afforded under this Part B shall be excess over any Personal Injury Protection, No Fault or Workers' Compensation benefits required by law.

PART C - UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

If **you** pay a premium for this coverage, **we** will pay damages, except punitive or exemplary 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 **auto accident**.

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

We will pay under this coverage only after the limits of liability under any applicable liability bonds or policies have been paid.

Any judgment for damages arising out of a lawsuit is not binding on **us** unless **we** have consented in writing to the filing of the lawsuit.

DEFINITIONS

- A. "**Insured**" as used in this Part means:
- 1. **you** or any **family member**.
 - 2. any other person **occupying your covered auto** within the scope of **your** express or implied permission.
 - 3. any person for damages that person is legally entitled to recover because of **bodily injury** to which this coverage applies sustained by a person listed in 1. or 2. above.

B. “**Uninsured motor vehicle**” means a land motor vehicle or **trailer**:

1. not insured by a **bodily injury** liability bond or policy at the time of the **accident**.
2. insured by a **bodily injury** liability bond or policy which applies at the time of the **accident**, but its limit of liability is less than the minimum limit 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 such operator or owner causes an **accident** resulting in **bodily injury** to an **insured**. If there is no physical contact with the hit-and-run vehicle, the facts of the **accident** must be corroborated by an independent eyewitness other than the person or persons making claim under this or similar coverage.
4. for 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 or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
2. owned by:
 - a. The United States of America;
 - b. Canada;
 - c. a state;
 - d. any other governmental entity or unit; or
 - e. an agency of a., b., c., or d. above.
3. operated on rails or crawler treads.
4. which is designed mainly for use off public roads while not on public roads.
5. while located for use as a residence or premises.
6. owned by or furnished or available for the regular use of **you** or any **family member**.
7. which is insured for coverage under Part A of this policy.

EXCLUSIONS

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

1. if that person or the legal representative settles the **bodily injury** claim without **our** written consent.

2. while **occupying your covered auto** while it is being used to carry persons or property for compensation or a fee. This exclusion does not apply to a share-the-expense car pool.
 3. using or **occupying** an **auto** beyond the scope of the owner’s express or implied permission.
 4. while **occupying** any **auto**:
 - a. being used in any unlawful activity (other than a traffic violation), illicit trade or transportation; or
 - b. used or operated in an attempt to flee a law enforcement agent;and such person is a willing participant in such activity listed in a. or b. above.
 5. when caused by the use of firearms or any other weaponry.
- B. 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.

LIMIT OF LIABILITY

A. The limit of **bodily injury** liability shown in the Declarations for each person for Uninsured Motorists Coverage is **our** maximum limit of liability for all damages for **bodily injury** sustained by any one person in any one **auto accident**. This includes all derivative claims arising out of said **bodily injury**. Derivative claims include, but are not limited to, damages for care; death; loss of service; loss of consortium; or loss of society or companionship. 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 **auto accident**. This includes all derivative claims arising out of said **bodily injury**. Derivative claims include, but are not limited to, damages for care; death; loss of service; loss of consortium; or loss of society or companionship. The limit of liability shown in the Declarations is the most **we** will pay under Uninsured Motorists Coverage as a result of any one **auto accident** regardless of the number of:

1. **insureds**;
2. claims made;
3. **autos** or premiums shown in the Declarations;
4. vehicles involved in the **accident**;
5. premiums paid; or
6. lawsuits brought.

- B. Any amount otherwise payable for **bodily injury** under this coverage shall be reduced by all sums:
1. paid or payable from or on behalf of persons or organizations who may be legally responsible. This includes all sums paid or payable under Part A; and
 2. paid or payable under any of the following or similar law:
 - a. workers' compensation law;
 - b. disability benefits law;
 - c. personal injury protection or no-fault coverage; or
 - d. medical expenses coverage.
- C. Any payment made under this coverage shall reduce the amount that person is entitled to receive for the same element of damage under any Auto Liability, Medical Payments, Uninsured Motorists, Underinsured Motorists, No Fault or Personal Injury Protection Coverage .
- D. No one will be entitled to receive duplicate payment for the same elements of damage.

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 damages that must be paid under insurance 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 damages 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** disagree:
1. to the extent to which the **insured** is legally entitled to recover damages from the owner or operator of an **uninsured motor vehicle** (i.e., issues of liability); or

2. as to the amount of damages sustained by the **insured**; then either party may propose arbitration.

Both **we** and the **insured** must agree to arbitration.

This arbitration shall be limited to the two aforementioned factual issues. The Arbitrator will not have the power to decide any dispute regarding the nature or amount of coverage provided by the policy or claims for damages outside the terms of the policy, including, but not limited to, claims for: bad faith; fraud; misrepresentation; punitive or exemplary damages; attorney fees and/or interest.

- B. If **we** and an **insured** agree to arbitration, unless otherwise required by state law, the method, manner and format of any arbitration process will be subject to agreement by both parties.
- C. In the event arbitration is agreed upon, the costs of the arbitrator(s) will be shared equally by **us** and the **insured**. All other expenses shall be paid by the party which incurs the expense. This includes, but is not limited to, attorney fees and witness fees.
- D. The written decision by the arbitrator(s) shall be binding on **us** and the **insured**, subject to the terms of the policy.

PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. If **you** pay a premium for this coverage, **we** will pay for direct and accidental **loss to your covered auto** or any **non-owned auto**, including their equipment. **We** will pay for **loss to your covered auto** caused by:

1. **Collision** only if the Declarations indicate that Collision Coverage is provided for that **auto**.
2. **Other Than Collision** only if the Declarations indicate that Other Than 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 of **your covered autos** shown in the Declarations.

Our payment will be reduced by any deductible shown in the Declarations.

- B. "**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object.
- C. "**Other Than Collision**" means **loss** caused by the following:
1. missiles or falling objects;
 2. fire;
 3. theft or larceny;
 4. explosion or earthquake;

5. windstorm;
6. hail, water or flood;
7. malicious mischief or vandalism;
8. riot or civil commotion;
9. contact with bird or animal; or
10. breakage of glass, except as a result of **collision**.

D. **“Non-owned auto”** means: any private passenger **auto**, pickup, van or **trailer** not owned by or furnished or available for the regular use of **you** or a **family member** while in the custody of or being operated by **you** or any **family member** and while being used within the scope of the owner’s express or implied permission.

E. **“Customized equipment and parts”** means: equipment, devices, accessories, changes and enhancements, other than those installed by the original manufacturer, which alter the appearance or performance of an **auto**. This includes, but is not limited to, such items as: body or suspension alterations; custom or special wheels or tires; side exhausts; roll bars; light bars; spoilers; ground effects; bedliners; side exhausts; utility boxes; custom windows; custom painting; murals; or decals or graphics and also, includes but is not limited to, such items as any electronic equipment; antennas; and other devices used exclusively to send or receive audio, visual or data signals; or play back recorded media; which are permanently installed in **your covered auto** using bolts, brackets or slide-out brackets.

TOWING AND STORAGE CHARGES

In addition, after an **auto accident** to which Part D applies, **we** will pay reasonable charges for transporting and storing **your covered auto** or any **non-owned auto** to a repair facility near the location of **loss**.

TRANSPORTATION AND EMERGENCY TRAVEL EXPENSES

A. Following Theft **Losses**:

In addition, **we** will pay, without application of a deductible, up to \$20 per day, to a maximum of \$600 for:

1. transportation expenses incurred from a commercially licensed rental agency by **you** in the event of the total theft of **your covered auto**. This applies only if the Declarations indicate that Other Than Collision Coverage is provided for that **auto**.
2. loss of use expenses for which **you** become legally responsible in the event of the total theft of a **non-owned auto**. This applies only if the Declarations indicate that Other Than Collision Coverage is provided for **your covered auto**.

We will pay only expenses incurred during the period:

1. beginning 48 hours after the theft; and
2. ending when **your covered auto** or the **non-owned auto** is returned to use or **we** offer to pay for its **loss**.

However, if **you** purchase Rental Reimbursement Coverage with the same or higher limits of coverage than this section provides, then the provisions and limits of the Rental Reimbursement Coverage shall apply to the total theft of **your covered auto** and **non-owned auto**.

Rental Reimbursement Coverage cannot be combined or stacked for any **loss** with the Transportation Expenses Coverage provided under this section.

B. **Losses** Occurring Away from Home:

In the event of a **loss** covered under Part D which causes **your covered auto** to become inoperable more than 100 miles from **your home**, **we** will pay costs **you** incur for: lodging; transportation; and meals; up to \$100 per day and a maximum of \$500, until **your covered auto** is repaired or returned to its principal garaging location. \$500 is the most **we** will pay for such expenses regardless of any other emergency expense allowance, additional living expense, or transportation expense coverage in **your policy**.

The following supplementary payments are added. They apply only to **your covered auto** that has both Collision and Other Than Collision Coverage as shown by a premium for those coverages in the Declarations. No deductible applies to these payments.

LOCKSMITH SERVICES

We will pay up to \$50 for the expense **you** incur for locksmith’s service if **your covered auto’s** ignition or door key is lost, stolen, or locked in **your covered auto**.

THEFT REWARD

We will pay \$1,000 to any person providing information which directly results in the conviction of any person(s) involved in the total theft of **your covered auto** or any **non-owned auto**. The total amount **we** will pay for any such conviction is \$1,000 regardless of the number of persons who may provide information resulting in any such conviction and regardless of the number of persons convicted of the crime.

EXCLUSIONS

We will not pay for:

1. **loss** to **your covered auto** or any **non-owned auto** which occurs while it is being used to carry persons or property for compensation or a fee. This exclusion 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 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. war, whether declared or undeclared;
 - c. civil war;
 - d. insurrection;
 - e. rebellion or revolution; or
 - f. discharge of any nuclear weapon, even if accidental.
4. **loss** to a **trailer you** own which is not shown in the Declarations. This exclusion does not apply to a **trailer you**:
 - a. acquire during the policy period; and
 - b. ask **us** to insure within 30 days after **you** become the owner.
5. **loss** to **your covered auto** or any **non-owned auto** due to forfeiture ordered by the courts or destruction or confiscation by governmental or civil authorities. This exclusion does not apply to the interests of Loss Payees in **your covered auto**.
6. **loss** to **your covered auto** and 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;
 - e. parking;
 - f. road testing; or
 - g. delivering;
 vehicles designed for use on public highways.
7. **loss** to **your covered auto** while maintained or used by any person employed or otherwise engaged in any **business** not described in Exclusion 6. If a **business** or artisan use is noted in the Declarations for an **auto** shown in the Declarations, this exclusion does not apply to the ownership, maintenance, or use of that **auto** by:
 - a. **you**; or
 - b. any **family member**.
8. **loss** to **your covered auto** or any **non-owned auto** which occurs while being operated in, or while in practice or preparation for any prearranged or organized:

- a. race;
- b. hill climb;
- c. demonstration;
- d. speed contest;
- e. stunting contest; or
- f. performance contest.

9. **loss** to equipment designed or used for the detection of radar or laser.
10. **loss** to wearing apparel, tools or personal effects.
11. **loss** to tapes, records, compact discs, or other media, or any other accessories used with electronic equipment designed to receive or transmit audio, visual or data signals.
12. **loss** due to and resulting from intentional acts committed by **you** or any **family member**.
13. **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.
14. **loss** to **your covered auto** while it:
 - a. is being rented or leased to others;
 - b. has been sold to another; or
 - c. is under a conditional sales agreement by **you** to another.
15. **loss** to **your covered auto** and its equipment while **you** or any **family member** or anyone driving with express or implied permission from **you** or a **family member**:
 - a. is using **your covered auto** in any unlawful activity (other than a traffic violation), illicit trade or transportation; or
 - b. using or operating **your covered auto** in an attempt to flee a law enforcement agent;
 and such person is a willing participant in such activity listed in a. or b. above.

LIMIT OF LIABILITY

- A. **Our** limit of liability for **loss** will be the lesser of the:
 1. **actual cash value**;
 2. amount necessary to repair or, at **our** option, replace the property with other property of like kind and quality less deduction for any applicable **depreciation**; or
 3. stated amount shown in the Declarations, if applicable.

However, the most **we** will pay for **loss** to any **non-owned auto** which is a **trailer** is \$500.

- B. 1. An adjustment for **depreciation** and physical condition will be made in determining **actual cash value** in the event of a total **loss**.
- 2. If a repair or replacement results in better than like kind or quality, **we** will not pay for the amount of the betterment.
- C. Further, if there is a stated amount **you** declared on the application or endorsement for a specific **auto** listed and shown in the Declarations, that stated amount will be the maximum Limit of Liability applicable for **loss** to that **auto**, including its **customized equipment and parts**.
- D. In the repair of **your covered auto** or any **non-owned auto** under Part D of this policy, **we** may specify the use of mechanical, non-safety related automobile parts not made by the original manufacturer. These parts will be at least equal in terms of fit, quality, performance and warranty to the original manufacturer parts they replace.
- E. **Customized equipment and parts** - unless **you** pay a premium for Additional Customized Equipment and Parts Coverage, and it is shown in the Declarations or on the applicable schedule, the limit of liability for **loss** to **customized equipment and parts** is the lesser of:
 - 1. the **actual cash value** of such **customized equipment and parts**, reduced by the applicable deductible and its salvage value if **you** or the owner retain the salvage;
 - 2. the amount necessary to repair or replace such **customized equipment and parts** with parts of like kind and quality, reduced by the applicable deductible; or
 - 3. \$1000.

However, if the **actual cash value** of **your covered auto** without the **customized equipment and parts** is less than \$1000, the most **we** will pay is the **actual cash value** of **your covered auto** unless Additional Customized Equipment and Parts Coverage has been purchased.

- F. If **you** pay a premium for Additional Customized Equipment and Parts Coverage and it is shown on the Declaration or on the applicable schedule, the limit of liability for **loss** to the **customized equipment and parts** specifically listed on the application or in the applicable schedule or document will be the lesser of:
 - 1. the **actual cash value** of the stolen or damaged **customized equipment and parts**;
 - 2. the amount shown as the declared value of the **customized equipment and parts** in the application or applicable schedule; or

- 3. the amount necessary to repair, or at **our** option, replace the property with other like kind and quality **customized equipment and parts**, with deduction for **depreciation**.

- G. **Our** liability for the cost of repairing **your covered auto**, any **non-owned auto** or **customized equipment and parts** is limited to the amount needed to perform physical repairs to the stolen or damaged property. Part D of **your** policy-Coverage for Damage to Your Auto-does not cover, and **we** will not pay for, **diminution in value**.
- H. **Our** payment for **loss** will be reduced by any applicable deductible shown in the Declarations for **Collision** and/or **Other Than Collision** and/or Additional Customized Equipment and Parts Coverage, if selected.

PAYMENT OF LOSS

We may pay for the **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 on the Declarations Page of this policy.

If **we** return stolen property, **we** will pay for any direct physical damage to **your covered auto** or any **non-owned auto** or its equipment resulting from the theft, subject to the provisions of the LIMIT OF LIABILITY section. **We** may keep all or part of the property at an agreed or appraised value. **You** do not have the right to abandon salvage to **us**.

When **we** make payment of any amounts due under Part D to **you** or the loss payee, as interests may appear, or to anyone on **your** behalf, **we** may deduct from the payment any premium or fees that are due and unpaid under the policy.

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 insurance also covers the **loss**, **we** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. Any applicable deductible of this policy will be taken in a proportionate share based on the applicable deductibles of each policy. 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; or
- 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 - FILING A CLAIM

GENERAL 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. Failure to give notice as required herein may affect coverage provided under this policy. Failure to comply with any of the duties under this Part E may result in denial of coverage and relieve **us** of all duties to investigate, settle, defend, pay any judgment or otherwise honor any claims made against an **insured**.
- B. A person seeking coverage must:
1. cooperate with **us** in the investigation, settlement or defense of any claim or lawsuit.
 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** require:
 - a. to physical exams by physicians **we** select. **We** will pay for these exams.
 - b. to examinations under oath outside the presence of any person other than **your** attorney.
 - c. to recorded statements.
 4. authorize **us** to obtain:
 - a. medical reports; and
 - b. other pertinent records.
 5. submit a sworn statement as proof of loss as **we** require.
 6. provide **us** with records and documents **we** request and permit **us** to make copies.

7. not voluntarily assume any obligation to pay, make any payment or incur any expense, other than to provide first aid to others, for **bodily injury** or **property damage** arising out of an **accident**.

ADDITIONAL DUTIES FOR UNINSURED MOTORISTS COVERAGE

A person seeking Uninsured Motorists Coverage must also in addition to the duties stated above:

1. notify the police as soon as possible of any **accident**.
2. notify the police within 24 hours of an **accident** if a hit-and-run or unknown driver is involved.
3. serve a copy of any legal action and all pleadings on **us** as required by law.

ADDITIONAL DUTIES FOR COVERAGE FOR DAMAGE TO YOUR AUTO

A person seeking Coverage For Damage To Your Auto must also in addition to the duties stated above:

1. notify the police within 24 hours after discovery of the **loss** if **your covered auto** or any **non-owned auto**, including their equipment, is stolen or vandalized.
2. take reasonable steps after **loss** to protect **your covered auto** or any **non-owned auto**, including their equipment, from further **loss**. **We** will pay reasonable expenses incurred to do this.
3. permit **us** to inspect and appraise the damaged property before its repair or disposal.

PART F - GENERAL PROVISIONS

ADDITIONAL DEFINITION USED IN THIS PART

“**Mail**”, “**mailing**” or “**mailed**” means:

1. delivery by **us** to any of the following:
 - a. United States Postal Service;
 - b. public or private mail carrier; or
2. sent by **us** through electronic transmission, if not prohibited by state law.

BANKRUPTCY

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

CHANGES

- A. The premium for each of **your covered autos** is based on information **we** have received from **you** or other sources. **You** agree:
1. that if any of this information material to the development of the policy premium is incorrect, incomplete or changed, **we** may adjust the premium accordingly during the policy period.

2. to cooperate with **us** in determining if this information is correct and complete.
 3. to advise **us** of any changes such as new drivers, residents of **your** household, garaging location of **your covered auto**, or the way **you** use **your covered auto**.
- B. Any adjustment of **your** premium will be made using **our** rules in effect at the time of the change. Premium adjustments may include, but are not limited to, changes in:
1. **autos** insured by the policy, including changes in use;
 2. drivers;
 3. coverages or coverage limits;
 4. place of principal garaging of insured vehicles;
 5. eligibility for discounts or surcharges or other premium credits or debits; or
 6. other factors permitted by law
- C. **We** may revise **your** policy coverages to provide more protection without additional premium charge. If **we** do this and **you** have the coverage which is changed, **your** policy will automatically provide the additional coverage as of the date the revision is effective in **your** state. This does not apply to changes made with a general program revision that includes both broadening and restrictions in coverage, whether that general program revision is made through introduction of a subsequent edition of **your** policy or an amendatory endorsement. Otherwise, this policy contains all of the coverage agreements between **you** and **us**. Its terms may not be changed or waived except by an endorsement issued by **us**.

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** unless:
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 legal action against **us** or to make **us** a party to any legal proceeding to determine the liability of the **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:
1. do whatever is necessary to enable **us** to exercise **our** rights; and

2. do nothing after an **accident** or **loss** to prejudice them; and
3. deliver to **us** any legal papers relating to that recovery; and
4. take the necessary or appropriate action, through a representative designated by **us**, to recover payment as damages from the responsible person or organization. If there is a recovery, then **we** shall be reimbursed out of the recovery for expenses, costs and attorney's fees incurred in connection with this recovery; and
5. execute and deliver to **us** any legal instruments or papers necessary to secure the rights and obligations of the **insured** and **us** as established here.

However, **our** rights under this paragraph A. do not apply under Part D- COVERAGE FOR DAMAGE TO YOUR AUTO of this policy, against any person using **your covered auto**, as defined under that Part, with the express or implied permission of the owner.

- 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 **auto accidents** or **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 covered **auto accidents** or covered **losses** while the covered **auto** is being transported between their ports.

PREMIUM DUE ON POLICIES

An affiliate or business partner of **ours** may provide **you** with special offers that may be applied toward the premium to purchase a policy issued by **us**, and **we** may provide **you** with special offers that may be applied toward the purchase of products offered by an affiliate or business partner of **ours**.

In addition, **our** affiliate or business partner may:

1. provide **you** special offers toward the purchase of a product or service provided through or by **our** affiliate or business partner;

2. make a contribution on **your** behalf to an educational or charitable fund under a program sponsored through or by **our** affiliate or business partner; or
3. make a contribution toward any educational or charitable fund of **your** choice.

TERMINATION - CANCELLATION, NONRENEWAL, AUTOMATIC TERMINATION, DISHONORED/INSUFFICIENT CHECKS, CREDIT CARDS, DRAFT OR OTHER REMITTANCE, OTHER TERMINATION PROVISIONS

- 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 one year, **we** will have the right not to renew or continue the 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.

- C. Automatic Termination. If **we** offer to renew or continue **your** policy 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. Dishonored / Insufficient Checks, Credit Cards, Draft or other Remittance. If **you** pay **your** initial premium for any new policy or any subsequent renewal by check, credit card, draft, or any remittance other than cash, the coverage offered by this Policy is conditioned on the remittance being honored upon presentment for payment. If the check, credit card, draft or other remittance is not honored, then **we** shall be deemed not to have accepted the payment and this policy, if allowed by law, shall be void from inception for a new policy and shall terminate on the renewal date if it is a renewal policy.

E. Other Termination Provisions.

1. If the law in effect at the time this policy is issued, renewed or continued:
 - a. requires a longer notice period;
 - b. requires a special form of or procedure for giving notice; or
 - c. modifies any of the stated termination reasons;

we will comply with those requirements.
2. If not prohibited by state law, **we** may deliver any notice in person instead of **mailing** it.
3. Proof of **mailing** of any notice shall be sufficient proof of notice.
4. If this policy is cancelled, 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.
5. The effective date of cancellation stated in the notice shall terminate all coverages under this policy.

TRANSFER OF YOUR INTEREST IN THIS POLICY

Your rights and duties under this policy may not be assigned without **our** written consent. However, upon the death of the named insured shown in the Declarations, coverage will be provided until the end of the policy period or cancellation date, whichever is earlier, for:

1. the surviving spouse, if a resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations.
2. the legal representative of the deceased person while acting within the scope of duties of a legal representative. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

MISREPRESENTATION AND FRAUD

- A. The statements made by **you** in the application are deemed to be representations. If any representation contained in the application is false, misleading or materially affects the acceptance or rating of this risk by **us**, by: direct misrepresentation; omission; concealment of facts or incorrect statements; the coverage provided under this policy may be affected.
- B. If any representation contained in any notification of change is false, misleading or materially affects the acceptance or rating of this risk by **us**, by: direct misrepresentation; omission; concealment of facts or incorrect statements; the coverage provided under this policy may be affected.

- C. **We** do not provide coverage for **you**, a **family member**, or 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.

UNPAID PREMIUM AND FEES

When **we** make payment to **you** or the loss payee, as interests may appear, or to anyone on **your** behalf for any first party claim made by **you** under this policy, **we** may deduct from the payment any premium or fees that are due and unpaid under the policy.

TWO OR MORE AUTO POLICIES

With respect to any **accident** to which this and any other **auto** policy issued to **you** by **us** applies, the total limit of **our** liability under all the policies shall not exceed the highest applicable limit of liability under any one policy.

PARTICIPATION CLAUSE

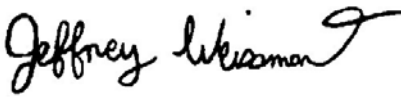
Having the power and authority to permit policyholders to participate in the profits of the operations, the Board of Directors of the Company, within its discretion and in accordance with the provisions of law, may from time to time make determinations concerning payment of such distributions. When distributions are payable, the Board may make reasonable classifications of policies for such distribution, as well as the conditions governing payment.

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In witness whereof, **we** have caused this policy to be executed and attested, and, if required by law, this policy shall not be valid unless countersigned by **our** duly authorized representative.

A handwritten signature in black ink, appearing to read "Barry S. Karfunkel". The signature is stylized with a large, sweeping flourish at the end.

Barry S. Karfunkel
President

A handwritten signature in black ink, appearing to read "Jeffrey Weissmann". The signature is written in a cursive style.

Jeffrey Weissmann
Secretary