



Personal Auto Policy



**Omni Insurance
Company**



PENNSYLVANIA

LIMITED TORT ALTERNATIVE INFORMATION NOTICE

Each person who elects the limited tort alternative remains eligible to seek compensation for economic loss sustained in a motor vehicle accident as the consequence of the fault of another person pursuant to applicable tort law. Unless the injury sustained is a serious injury, each person who is bound by the limited tort election shall be precluded from maintaining an action for noneconomic loss except that:

- A.** An individual otherwise bound by the limited tort election who sustains damages in a motor vehicle accident as the consequence of the fault of another person may recover damages as if the individual damaged had elected the full tort alternative whenever the person at fault:
1. Is convicted, or accepts Accelerated Rehabilitation Deposition for driving under the influence of alcohol or a controlled substance in that accident;
 2. Is operating a motor vehicle registered in another state;
 3. Intends to injure himself or another person, provided that an individual does not intentionally injure himself or another person merely because his act or failure to act is intentional or done with his realization that it creates a grave risk of causing injury if the act or omission causing the injury is for the purpose of averting bodily harm to himself or another person; or
 4. Has not maintained financial responsibility as required by the Pennsylvania Motor Vehicle Financial Responsibility Law; provided that nothing in paragraphs 1. through 4. shall affect the limitation of a person, precluded from maintaining an action for noneconomic damages under

the limited tort alternative, to recover noneconomic damages under Uninsured Motorists Coverage or Underinsured Motorists Coverage.

- B.** An individual otherwise bound by the limited tort election shall retain full tort rights with respect to claims against a person in the business of designing, manufacturing, repairing, servicing, or otherwise maintaining motor vehicles arising out of a defect in such motor vehicle which is caused by or not corrected by an act or omission in the course of such business, other than a defect in a motor vehicle which is operated by such business.
- C.** An individual otherwise bound by the limited tort election shall retain full tort rights if injured while an occupant of a motor vehicle other than a private passenger motor vehicle.

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PERSONAL AUTO POLICY COVER SHEET – PENNSYLVANIA

Your personal auto insurance policy is a legal contract between **you** and **your** insurance company. **Your** insurance application and the policy forms indicated on **your** declarations page constitute **your** insurance policy.

READ YOUR POLICY CAREFULLY. This cover sheet provides only a brief outline of some of the important features of **your** policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth, in detail, the rights and obligations of both **you** and **your** insurance company. **IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY CAREFULLY.**

The following is an index of the major provisions of **your** policy. Page numbers refer to the location of these provisions in the policy. Amendatory endorsements may be attached to **your** policy to modify these provisions or provide **you** with additional coverage(s).

INDEX MAJOR POLICY PROVISIONS

YOUR DUTIES AFTER AN ACCIDENT OR LOSS	1
AGREEMENT	2
DEFINITIONS	2
PART A – LIABILITY COVERAGE	8
Insuring Agreement	
Supplementary Payments	
Exclusions	
Limit of Liability	
Out of State Coverage	
Financial Responsibility	
Other Insurance	

PART B – FIRST PARTY BENEFITS COVERAGE / EXTRAORDINARY MEDICAL BENEFITS COVERAGE	16
Definitions	

SECTION B.1 – FIRST PARTY BENEFITS COVERAGE	17
Insuring Agreement	
— Basic First Party Benefit	
— Added First Party Benefits	
— Combination First Party Benefits	
Exclusions	
Limit of Liability	
Priorities of Policies	
Non-Duplication of Benefits	
Part E – Our Right To Recover Payment	

SECTION B.2 – EXTRAORDINARY MEDICAL BENEFITS COVERAGE	23
Limited Benefits	
Warning	
Insuring Agreement	
Exclusions	
Limit of Liability	

PART C – UNINSURED / UNDERINSURED MOTORISTS COVERAGE.....	26
--	-----------

SECTION C.1 UNINSURED MOTORISTS COVERAGE (NON-STACKED)	26
Insuring Agreement	
Exclusions	
Limit of Liability	
Other Insurance	
Arbitration	

SECTION C.2 UNINSURED MOTORISTS COVERAGE (STACKED)	33
Insuring Agreement	
Exclusions	
Limit of Liability	
Other Insurance	
Arbitration	

SECTION C.3 UNDERINSURED MOTORISTS COVERAGE (NON-STACKED)	40
Insuring Agreement	
Exclusions	
Limit of Liability	
Other Insurance	
Arbitration	
SECTION C.4 UNDERINSURED MOTORISTS COVERAGE (STACKED)	47
Insuring Agreement	
Exclusions	
Limit of Liability	
Other Insurance	
Arbitration	
PART D – COVERAGE FOR DAMAGE TO YOUR AUTO	53
Insuring Agreement	
Limited Transportation Expenses	
Exclusions	
Limit of Liability	
Payment of Loss	
Car Storage Coverage	
Loss Payable Clause	
No Benefit to Bailee	
Other Sources of Recovery	
Appraisal	
PART E – GENERAL PROVISIONS	62
Bankruptcy	
Changes	
Fraud	
Legal Action Against Us	
Our Right to Recover Payment	
– Part A and Part D	
– Part C	
Payment of Premium	
Policy Period and Territory	
Termination	
Reinstatement of Policy With a Lapse in Coverage	
Structured Settlements	
Transfer of Your Interest in This Policy	
Two or More Auto Policies	

Our Right to Re-compute Premium
Notice
Constitutionality Clause
Pennsylvania Notice

ENDORSEMENTS

(Only those listed in the Declarations are effective on **your** policy)

1037-1 PENNSYLVANIA AMENDATORY ENDORSEMENT	73
1037-2 RENTAL REIMBURSEMENT / TRANSPORTATION EXPENSES.....	74
1037-3 TOWING AND LABOR COSTS COVERAGE.....	75
1037-6 CUSTOMIZING PARTS OR EQUIPMENT COVERAGE	76
1037-7 NAMED NON-OWNER COVERAGE	79
Definitions	
Liability Coverage	
Uninsured Motorists Coverage	
Underinsured Motorists Coverage	
1037-8 ADDITIONAL INSURED - LESSOR	82
1037-9 NAMED DRIVER EXCLUSION ENDORSEMENT	83

This list is not inclusive. There may be other endorsements attached to **your** policy.

**READ YOUR POLICY AND ALL
ENDORSEMENTS TO YOUR POLICY
CAREFULLY.**

YOUR DUTIES AFTER AN ACCIDENT OR LOSS

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

- A. We** must be notified within 30 days, or as soon as practicable, 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 to medical exams by physicians **we** select. **We** will pay for these exams.
 4. Allow **us** to take signed or recorded statements, including statements under oath outside the presence of other interested persons or parties, and answer all reasonable questions **we** may ask, when and as often as **we** may reasonably require.
 5. Authorize **us** to obtain:
 - a. Medical reports; and
 - b. Other pertinent records.
 6. Submit a proof of loss when required by **us**.
 7. 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.
 8. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen or vandalized.
 9. Permit **us** to inspect and appraise the damaged property before its repair or disposal.

- C. A person seeking Extraordinary Medical Benefits Coverage under Section **B.2.** of Part **B** must submit proof, when required by **us**, that at least \$100,000 of **medical expenses** has been incurred as the result of any one **accident** by an **insured**.
- D. A person seeking Uninsured Motorists Coverage or Underinsured Motorists Coverage must also notify the police within 24 hours, or as soon as practicable, if a hit-and-run driver is involved.
- E. A person seeking Underinsured Motorists Coverage must also promptly:
 - 1. Send **us** copies of the legal papers if a suit is brought; and
 - 2. Notify **us** in writing 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**.

PERSONAL AUTO POLICY AGREEMENT

Your written application, the **Declarations page** and this policy constitute the entire agreement. **We** will insure **you** for the coverages and limits of liability for which a premium is shown on the **Declarations page** of this policy. 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:

- a. The end of 30 days following the spouse's change of residency;
- b. The effective date of another policy listing the spouse as a **named insured**; or
- c. The end of the policy period.

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

Other words and phrases are defined. They are in **boldface** when used.

C. Accident means a sudden, unexpected, and unintended occurrence. All **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **accident**.

D. Actual Cash Value means the fair and reasonable market value at the time of the loss based on vehicle mileage, age, condition, original optional equipment, and comparable vehicles available for sale within a reasonable geographic radius as documented in an electronic database of publications and dealerships, less **depreciation** and/or **betterment**.

E. After-market Parts means replacement **auto** parts not made by the original **auto** manufacturer of the **auto** or by a manufacturer authorized by the original **auto** manufacturer.

F. Auto means a land motor vehicle with at least 4 wheels including:

1. A private passenger automobile; or
2. A private passenger pickup or private passenger van, for which no other insurance policy provides coverage, that:
 - a. Has a Gross Vehicle Weight Rating of 9,000 lbs. or less;

- b. Is designed for use mainly on public roads; and
 - c. Is not used for the delivery or transportation of persons or goods and materials unless such use is:
 - i. Incidental to **your business** of installing, maintaining or repairing furnishings or equipment; or
 - ii. For farming or ranching.
- G. **Betterment** means an improvement that adds value to an item.
- H. **Bodily injury** means bodily harm, sickness or disease, including death that results from bodily harm, sickness, or disease.
- I. **Business** includes trade, profession or occupation.
- J. **Declarations Page** or **Declarations** mean the document **you** receive from **us** listing:
 - 1. The types of coverages **you** have selected;
 - 2. The limit and/or deductible for each coverage;
 - 3. The cost for each coverage;
 - 4. The specified **autos** covered by this policy;
 - 5. The types of coverage for each such **auto**; and
 - 6. Other information applicable to this policy.
- K. **Depreciation** means a decrease or loss of value caused by physical, technological, and/or location deterioration.
- L. **Diminution of Value** means the difference in the **actual cash value** of **your covered auto** immediately before and after loss.
- M. **Family member** means a person related to **you** by blood, marriage or adoption who is a resident of **your** household even if temporarily living elsewhere. This includes a ward or foster child.
- N. **Insured Resident** means a person living in **your** household, other than **you** or a **family member**. Any **insured resident** must be specifically identified on the

- application or endorsed on the policy prior to a loss. **You** have fourteen (14) calendar days to report any new **insured resident**.
- O. Noneconomic loss** means pain and suffering and other nonmonetary detriment.
- P. Non-Owned Auto** means any **auto** that is not **owned** by **you**, an **insured resident**, or a **family member**.
- Q. Occupying** means:
1. In;
 2. Upon; or
 3. Getting in, on, out or off.
- R. Own or owned**, with respect to an **auto**, means:
1. Holding legal title to the **auto**;
 2. Having legal possession of the **auto** that is subject to a written security agreement with an original term of six (6) months or more; or
 3. Having legal possession of the **auto** that is leased to that person under a written agreement for a continuous period of six (6) months or more.
- S. Owner** means any person who, with respect to an **auto**:
1. Holds legal title to the **auto**;
 2. Has legal possession of the **auto** that is subject to a written security agreement with an original term of six (6) months or more; or
 3. Has legal possession of the **auto** that is leased to that person under a written agreement for a continuous period of six (6) months or more.
- T. Property damage** means physical injury to, destruction of or loss of use of tangible property.
- U. Serious injury** means an injury resulting in death, serious impairment of body function or permanent serious disfigurement.
- V. Trailer** means a vehicle designed to be pulled by an **auto**. It also means a farm wagon or farm implement while towed by an **auto**. A **trailer** does not include a

mobile home, travel trailer, or any vehicle that can be lived in or is self-propelled.

W. Your covered auto means:

1. Any **auto** that **you** or an **insured resident own** and is shown in the **Declarations** unless **you** have asked **us** to delete that vehicle from the policy.
2. An **additional auto**.
3. A **replacement auto**.
4. Any **trailer you own**.
5. 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 (**W.5**) does not apply to Coverage For Damage To Your Auto.

X. Additional auto means an **auto you** acquire during the policy period shown on the **Declarations** page, if:

1. **We** insure all **autos you own** or lease for a term of at least 6 months;
2. No other insurance policy provides coverage for that **auto**;
3. **You** pay **us** any additional premium required when due; and
4. The **additional auto** is an acceptable risk to **us** under **our** underwriting guidelines.

If **we** provide coverage for an **additional auto**, **we** will provide the broadest coverage **we** now provide for any **auto** shown in the **Declarations** for a period of fourteen (14) days after **you** become the **owner**. The **additional auto** will include physical damage coverage under Part **D** only if the **Declarations** indicate that Part **D** applies to any **auto** on the policy. **We** will not provide coverage after this fourteen

(14) day period, unless within this period **you** ask **us** to insure the **additional auto**. If **you** ask **us** to insure an **additional auto** after the fourteen (14) day period, any coverage **we** provide for an **additional auto** will begin at the time **you** request coverage. If **you** request coverage not already provided for any **auto** shown in the **Declarations** for the **additional auto** or increase **your** limits, these changes to **your** policy will not become effective until after **you** ask **us** to add the coverage or increase **your** limits.

Y. Replacement Auto means an **auto** **you** become the **owner** of if:

1. **You** acquire the **auto** during the policy period shown on the **Declarations page**;
2. The **auto** that **you** acquire replaces one shown on the **Declarations page**;
3. No other insurance policy provides coverage for that **auto**;
4. **You** pay **us** any additional premium required when due; and
5. The **replacement auto** is an acceptable risk to **us** under **our** underwriting guidelines.

If the **auto** that **you** acquire replaces one shown on the **Declarations page**, it will have the same coverage as the **auto** it replaces. **You** must ask **us** to insure a **replacement auto** within fourteen (14) days after **you** become the **owner** if **you** want to continue coverage under Part **D**. If **you** ask **us** to insure a **replacement auto** after this fourteen (14) day period, any coverage **we** provide under Part **D** for a **replacement auto** will begin at the time **you** request coverage. If **you** request coverage not already provided for any **auto** shown in the **Declarations** for the **replacement auto** or increase **your** limits, it will not become effective until after **you** ask **us** to add the coverage or increase **your** limits.

- Z. Throughout the policy, **minimum limits** refers to the following limits of liability as required by Pennsylvania law, to be provided under a policy of automobile liability insurance:
1. \$15,000 for each person, subject to \$30,000 for each **accident**, with respect to **bodily injury**; and
 2. \$5,000 for each **accident** with respect to **property damage**.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

- A. **We** will pay compensatory damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an **auto accident**. **We** will settle or defend, as **we** consider appropriate, any claim or suit asking for 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. **We** will not cover punitive or exemplary damages.
- B. **Insured** as used in this Part means:
1. **You**, an **insured resident**, or any **family member** for the ownership, maintenance or use of **your covered auto**.
 2. **You**, an **insured resident**, or any **family member** while operating a **non-owned auto** with the express or implied permission of the **owner**.
 3. A person using **your covered auto** with the **owner's** express or implied permission and within the scope of the permission granted. The person must

hold a valid driver's license at the time of loss and must not be a regular operator of **your covered auto**.

4. For **your covered auto**, any person or entity but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this Part.
5. For any **auto** or **trailer**, other than **your covered auto**, any other person or entity but only with respect to legal responsibility for acts or omissions of **you**, an **insured resident**, or any **family member** for whom coverage is afforded under this Part. This provision (**B.5.**) applies only if the person or entity 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. **We** have no duty to purchase bonds in an amount exceeding **our** limit of liability.
3. Interest accruing after a judgment is entered in any suit **we** defend. **Our** duty to pay interest ends when **we** offer to pay that part of the judgment which does not exceed **our** limit of liability for this coverage.
4. Up to \$200 a day for loss of earnings, but not other income, because of attendance at hearings, trials, or any other proceedings at **our** request.
5. Other reasonable expenses incurred at **our** request.

6. Prejudgment interest awarded against the **insured** on the part of the judgment **we** pay. Any prejudgment interest awarded against the **insured** is subject to the applicable Pennsylvania Rules of Civil Procedure.

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 or co-worker 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, maintenance, or use of a vehicle or **trailer**, including **your covered auto**, while being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of newspapers, magazines, food, or any other products. This exclusion (**A.5.**) does not apply to a share-the-expense car pool or to a delivery by an **insured** as a volunteer.
 6. While employed or otherwise engaged in the **business** of:
 - a. Selling or leasing;
 - b. Repairing;
 - c. Servicing;

- d. Storing;
- e. Parking; or
- f. Towing;

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. An **insured resident**;
- c. Any **family member**; or
- d. Any partner, agent or employee of **you**, an **insured resident** 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 an **auto** or **trailer** used with an **auto** if a business use surcharge is shown on the **Declarations page**.

8. 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.

9. For **bodily injury** or **property damage** assumed by an **insured** under any contract or agreement.

10. For **bodily injury** or **property damage** resulting from the operation of farm machinery.
11. For **bodily injury** or **property damage** arising from the operation of a vehicle by that person as an employee of the United States Government when the provisions of the Federal Tort Claims Act apply.
12. For **bodily injury** or **property damage** caused by any vehicle, including **your covered auto**, while used in practicing, participating, or preparing for any race, speed contest or performance contest.
13. For **bodily injury** to the **owner** of any **non-owned auto** when being used by or driven by **you**, an **insured resident** or a **family member**.
14. For **bodily injury** or **property damage** resulting from the use of a vehicle for snow removal.
15. For **bodily injury** or **property damage** sustained by an **insured** while **occupying** any vehicle located for use or being used as a residence or premises.
16. For **bodily injury** or **property damage** resulting from the ownership, maintenance or use of any vehicle when driven by an individual who:
 - a. Is under the minimum age to obtain a valid driver's license in the state where the vehicle is garaged;
 - b. Is under fifteen (15) years of age;
 - c. Does not have a valid driver's license; or
 - d. Has a suspended or revoked driver's license.

- 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 to any **trailer**.
 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 **insured resident** or **family member**; or
 - b. Furnished or available for the regular use of any **insured resident** or **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 an **insured resident** or **family member**; or
 - b. Furnished or available for the regular use of an **insured resident** or **family member**.
 4. Any vehicle, including a **trailer**, rented for any **business** purpose.

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**.

These limits of liability are 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** – First Party Benefits Coverage / Extraordinary Medical Benefits Coverage;
 2. Part **C.1.** – Uninsured Motorists Coverage (Non-Stacked); or
 3. Part **C.3.** – Underinsured Motorists Coverage (Non-Stacked).
- C.** An **auto** and attached **trailer** are considered one **auto**. Therefore, **our** limits of liability will not be increased for any **accident** involving an **auto** which has an attached **trailer**.

OUT OF STATE COVERAGE

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

- A.** If the state or province has:
1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the **Declarations**, **your** policy will provide the higher specified limit.

2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, **your** policy will provide at least the required minimum amounts and types of coverage.
- B.** No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required. **You** must reimburse **us** if **we** make a payment that **we** would not have made if this policy was not certified as proof of financial responsibility.

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.

PART B - FIRST PARTY BENEFITS COVERAGE / EXTRAORDINARY MEDICAL BENEFITS COVERAGE

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

BASIC FIRST PARTY BENEFITS – LIMITS OF LIABILITY - AS INDICATED IN THE DECLARATIONS

**ADDED FIRST PARTY BENEFITS – LIMITS
OF LIABILITY - APPLY INSTEAD OF THE
BASIC FIRST PARTY BENEFIT AND
COMBINATION FIRST PARTY BENEFITS
ONLY AS INDICATED IN THE
DECLARATIONS.**

**COMBINATION FIRST PARTY BENEFITS -
LIMITS OF LIABILITY - APPLY INSTEAD
OF THE BASIC FIRST PARTY BENEFIT
AND ADDED FIRST PARTY BENEFITS
ONLY AS INDICATED IN THE
DECLARATIONS.**

**NOTE: IF ADDED FIRST PARTY BENEFITS
OR COMBINATION FIRST PARTY
BENEFITS ARE NOT SHOWN AS
APPLICABLE IN THE
DECLARATIONS, ONLY THE BASIC
FIRST PARTY BENEFIT APPLIES.**

DEFINITIONS

The Definitions section is amended as follows:

- A. The Act** refers to the Pennsylvania Motor Vehicle Financial Responsibility Law.
- B.** The following definition is replaced:
Your covered auto means a **motor vehicle**:
 1. To which Part **A** of this policy applies and for which a specific premium is charged; and

2. For which First Party Benefits Coverage required by **the Act** is maintained.
- C. The following definition is added:
Motor vehicle means a self-propelled vehicle operated or designed for use upon public roads. However, **motor vehicle** does not include a vehicle operated:
1. By muscular power; or
 2. On rails or tracks.
- D. **Insured** as used in this section means:
1. **You** or any **family member**.
 2. Any other person while:
 - a. **Occupying your covered auto**; or
 - b. Not **occupying a motor vehicle** if injured as a result of an **accident** in Pennsylvania involving **your covered auto**.

If **your covered auto** is parked and unoccupied it is not a **motor vehicle** involved in an **accident** unless it is parked in a manner which creates an unreasonable risk of injury.

SECTION B.1 - FIRST PARTY BENEFITS COVERAGE

INSURING AGREEMENT

A. BASIC FIRST PARTY BENEFIT

We will pay, in accordance with **the Act**, the Basic First Party Benefit to or for an **insured** who sustains **bodily injury**. The **bodily injury** must be caused by an **accident** arising out of the maintenance or use of a **motor vehicle**.

Subject to the limit shown in the **Declarations**, the Basic First Party Benefit consists of:

Medical Expenses. Reasonable and necessary medical expenses incurred for an **insured's**:

1. Care;
2. Recovery; or
3. Rehabilitation.

This includes remedial care and treatment rendered in accordance with a recognized religious method of healing.

Medical expenses will be paid if incurred within 18 months from the date of the **accident** causing **bodily injury**. However, if within 18 months from the date of the **accident**, it can be determined with reasonable medical probability that additional expenses may be incurred after this period, the 18 month time limit will not apply to the payment of the additional medical expenses.

B. ADDED FIRST PARTY BENEFITS

If the **Declarations** indicate that Added First Party Benefits apply, **we** will pay Added First Party Benefits instead of the Basic First Party Benefit to or for an **insured** who sustains **bodily injury**. The **bodily injury** must be caused by an **accident** arising out of the maintenance or use of a **motor vehicle**. These benefits are subject to the provisions of **the Act**. Subject to the limits shown in the **Declarations**, Added First Party Benefits consist of the following:

1. **Medical expenses** as described in the Basic First Party Benefit.
2. **Work Loss**.
 - a. Loss of income. Up to 80% of gross income actually lost by an **insured** as a result of the **accident**.
 - b. Reasonable expenses actually incurred to reduce loss of income by hiring:
 - (1) Special help, thereby enabling an **insured** to work; or
 - (2) A substitute to perform the work a self-employed **insured** would have performed.

However, **work loss** does not include:

- a. Loss of expected income or expenses incurred for services performed after the death of the **insured**; or

EXCLUSIONS

A. We do not provide First Party Benefits Coverage for **bodily injury** sustained by any **insured**:

1. While intentionally causing or attempting to cause **bodily injury** to himself or any other person. **We** will not pay accidental death on behalf of that **insured**.
2. While committing a felony.
3. While seeking to elude lawful apprehension or arrest by a law enforcement official.
4. While maintaining or using a **motor vehicle** knowingly converted by that **insured**. This Exclusion (**A.4.**) does not apply to:
 - a. **You**; or
 - b. Any **family member**; while using **your covered auto**.
5. Who, at the time of the **accident**, is:
 - a. The **owner** of one or more registered **motor vehicles**, none of which have in effect the financial responsibility required by **the Act**; or
 - b. **Occupying a motor vehicle owned** by that **insured** for which the financial responsibility required by **the Act** is not in effect.
6. Maintaining or using a **motor vehicle** while located for use as a residence or premises.
7. While **occupying** a:
 - a. Recreational vehicle designed for use off public roads; or
 - b. Motorcycle, moped or similar-type vehicle.

B. We do not provide First Party Benefits Coverage for **bodily injury**:

1. Sustained by a pedestrian if the **accident** occurs outside of Pennsylvania. This exclusion (**B.1.**) does not apply to:
 - a. **You**; or
 - b. Any **family member**.

2. Sustained by any person injured as a result of conduct within the course of **business** of repairing, servicing or otherwise maintaining **motor vehicles**. However, this exclusion does not apply if the conduct is off the **business** premises.
3. 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.
4. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. Nuclear reaction;
 - b. Radiation; or
 - c. Radioactive contamination.

LIMIT OF LIABILITY

- A. The limits of liability shown in the **Declarations** for the first party benefits that apply are the most **we** will pay to or for each **insured** as the result of any one **accident**, regardless of the number of:
 1. Claims made;
 2. Vehicles or premiums shown in the **Declarations**;
 3. Vehicles involved in the **accident**; or
 4. Insurers providing first party benefits.
- B. If Combination First Party Benefits are afforded, **we** will make available at least the minimum limit required by **the Act** for the Basic First Party Benefit. This provision (**B.**) will not change **our** maximum limit of liability.
- C. Any amount payable under this coverage shall be excess over any amounts:
 1. Paid;
 2. Payable; or
 3. Required to be provided;to an **insured** under any workers' compensation law or similar law.

PRIORITIES OF POLICIES

A. We will pay first party benefits in accordance with the order of priorities set forth by **the Act**. We will not pay if there is another insurer at a higher level of priority. The **First** category listed below is the highest level of priority and the **Fourth** category is the lowest level of priority. The priority order is:

First	The insurer providing benefits to the insured as the named insured .
Second	The insurer providing benefits to the insured as a family member or insured resident who is not a named insured under another policy providing coverage under the Act .
Third	The insurer of the motor vehicle which the insured is occupying at the time of the accident .
Fourth	The insurer of any motor vehicle involved in the accident if the insured is not: a. Occupying a motor vehicle ; and b. Provided first party benefits under any other automobile policy.

An unoccupied parked **motor vehicle** is not a **motor vehicle** involved in an **accident** unless it is parked in a manner which creates an unreasonable risk of injury.

B. If 2 or more policies have equal priority within the highest level applicable priority level:

1. The insurer against whom the claim is first made shall process and pay the claim as if wholly responsible. The insurer is then entitled to recover contribution pro rata from any other insurer

for the benefits paid and the costs of processing the claim. If such contribution is sought among insurers under the **Fourth** priority, proration shall be based on the number of involved **motor vehicles**.

2. If **we** are the insurer against whom the claim is first made, **our** payment to or for an **insured** will not exceed the applicable limit of liability for First Party Benefits Coverage shown in the **Declarations**.
3. The maximum recovery under all policies will not exceed the amount payable under the policy with the highest limit of liability.

NON-DUPLICATION OF BENEFITS

No one will be entitled to recover duplicate payments for the same elements of loss under this or any other similar insurance including self-insurance.

PART E - GENERAL PROVISIONS

Part **E** is amended as follows:

Our Right To Recover Payment provision does not apply.

SECTION B.2 – EXTRAORDINARY MEDICAL BENEFITS COVERAGE

THIS SECTION APPLIES ONLY IF EXTRAORDINARY MEDICAL BENEFITS COVERAGE IS INDICATED ON THE DECLARATIONS PAGE

With respect to coverage provided by Section **B.2.**, the provisions of Section **B.1.** - First Party Benefits Coverage apply unless modified by Section **B.2.**

LIMITED BENEFITS

THIS SECTION B.2 PROVIDES COVERAGE ONLY FOR MEDICAL EXPENSES.

WARNING

“YOU” SHOULD BE AWARE THAT EXTRAORDINARY MEDICAL BENEFITS COVERAGE DOES NOT APPLY TO THE FIRST \$100,000 OF MEDICAL EXPENSES INCURRED BY AN “INSURED”. “YOU” CAN AVOID HAVING TO PAY SOME OF “YOUR” OWN MEDICAL BILLS BY PURCHASING ADDED FIRST PARTY BENEFITS COVERAGE WITH A \$100,000 LIMIT OF LIABILITY FOR MEDICAL EXPENSES.

EXTRAORDINARY MEDICAL BENEFITS COVERAGE

INSURING AGREEMENT

We will pay, in accordance with **the Act**, extraordinary medical benefits to or for an **insured** who sustains **bodily injury**. The **bodily injury** must be caused by an **accident** arising out of the maintenance or use of a **motor vehicle**.

Subject to the limit shown in the **Declarations**, extraordinary medical benefits consist of:

Medical Expenses. Reasonable and necessary medical expenses incurred for an **insured’s**:

1. Care;
2. Recovery; or
3. Rehabilitation.

This includes remedial care and treatment rendered in accordance with a recognized method of healing.

Regardless of whether **you** have purchased Basic, Added or Combination First Party Benefits Coverage under this policy, **we** will pay extraordinary medical benefits only after \$100,000 of **medical expenses** has been incurred by any one **insured** as a result of any one **accident**.

EXCLUSIONS

The following exclusion is added:

We do not provide Extraordinary Medical Benefits Coverage for the first \$100,000 of **medical expenses** incurred by an **insured** as a result of an **accident**.

LIMIT OF LIABILITY

- A.** The limit of liability shown in the **Declarations** for Extraordinary Medical Benefits Coverage is the most **we** will pay to or for each **insured** as the result of any one **accident**, regardless of the number of:
1. Claims made;
 2. Vehicles or premiums shown in the **Declarations**;
 3. Vehicles involved in the **accident**; or
 4. Insurers providing extraordinary medical benefits.

Extraordinary medical benefits are subject to an annual limit of \$50,000 for each **insured**. However, this limit does not apply to **medical expenses** incurred within 18 months from the date the **insured** incurs \$100,000 of **medical expenses** as a result of the **accident**.

- B.** Any amounts payable under this coverage shall be excess over any amounts available to an **insured** for **medical expenses** under Basic, Added or Combination First Party Benefits Coverage.
- C.** If an **insured** is eligible for benefits under both this coverage and the Catastrophic Loss Trust, the total recovery under Extraordinary Medical Benefits Coverage and the Catastrophic Loss Trust Fund combined shall not exceed \$1,000,000. In no event will the amount payable under Extraordinary Medical Benefits Coverage exceed the limit of liability shown in the **Declarations**.
- D.** Any amounts payable under this coverage shall be excess over any amount:
1. Paid;

2. Payable; or
 3. Required to be provided;
- to an **insured** under any workers' compensation law or similar law.

PART C – UNINSURED / UNDERINSURED MOTORISTS COVERAGE

SECTION C.1 UNINSURED MOTORISTS COVERAGE - (NON-STACKED)

This Section Applies Only If Uninsured Motorists Coverage (Non-Stacked) Is Indicated On The Declarations Page.

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**.

No judgment for damages arising out of a suit brought against the **owner** or operator of an **uninsured motor vehicle** is binding on **us** unless **we**:

1. Received reasonable notice of the pendency of the suit resulting in the judgment; and
2. Had a reasonable opportunity to protect **our** interests in the suit.

B. Insured as used in this Part means:

1. **You**, an **insured resident** or any **family member**.
2. Any other person **occupying your covered auto** up to the **minimum limits**

of liability specified by the financial responsibility law of Pennsylvania.

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. Which is a hit-and-run vehicle whose operator or **owner** cannot be identified and which hits or which causes an **accident** resulting in **bodily injury** without hitting:
 - a. **You**, an **insured resident** or any **family member**;
 - b. A vehicle which **you**, an **insured resident** or any **family member** are **occupying**; or
 - c. **Your covered auto**.

If there is no physical contact with the hit-and-run vehicle, the facts of the **accident** must be proved.

3. 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:
 - (1) Insolvent within six years of the date of the **accident**; or
 - (2) Involved in insolvency proceedings.

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

1. **Owned** by or furnished for the regular use of **you**, an **insured resident** 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. Operated on rails or crawler treads.
4. Designed mainly for use off public roads while not on public roads.
5. While located for use as a residence or premises.

EXCLUSIONS

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

1. By **you** while **occupying**, or when struck by, any motor vehicle **you own** which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
2. By an **insured resident** or **family member**:
 - a. Who **owns** an **auto**, while **occupying**, or when struck by, any motor vehicle **owned** by **you**, an **insured resident**, or any **family member** which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
 - b. Who does not **own** an **auto**, 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.
3. While using any motor vehicle without the express or implied permission of the **owner**, or using a motor vehicle outside the scope of permission granted by the **owner**.

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

1. If that **insured** or the legal representative settles the **bodily injury** claim and such settlement prejudices **our** right to recover payment.
2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This Exclusion (**B.2.**)

does not apply to a share-the-expense car pool.

3. While **occupying your covered auto** when it is being used for the delivery of food or products, including but not limited to newspapers and magazines. This Exclusion (**B.3.**) does not apply to a delivery by an **insured** as a volunteer.

- C. We** do not provide Uninsured Motorists Coverage for **noneconomic loss** sustained by any **insured** to whom the limited tort alternative applies, resulting from **bodily injury** caused by an **accident** involving an **uninsured motor vehicle**, unless the **bodily injury** sustained is a **serious injury**.

This Exclusion (**C.**) does not apply if that **insured** is injured while **occupying** a motor vehicle insured under a commercial motor vehicle insurance policy.

- D.** 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.
- E. 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. If **bodily injury** is sustained by an **insured** other than **you**, an **insured resident** or any **family member**:

1. That part of the limit of liability shown in the **Declarations** for each person for Uninsured Motorists Coverage that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania 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**.
2. Subject to this limit for each person, that part of the limit of liability shown in the **Declarations** for each **accident** for Uninsured Motorists Coverage that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania 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**.

This Section (**B.**) will not change **our** limit of liability.

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

1. Part **A** – Liability;
2. Part **B** – First Party Benefits Coverage / Extraordinary Medical Benefits Coverage;

- 3. Part **C.3.** – Underinsured Motorists Coverage (Non-Stacked); or
 - 4. Part **C.4.** — Underinsured Motorists Coverage (Stacked).
- D. 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 entities who may be legally responsible. This includes all payments made to an **insured’s** attorney either directly or as part of the payment made to the **insured**.
- E. 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:
- a. Workers’ compensation law; or
 - b. Disability benefits law.

OTHER INSURANCE

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

The following priorities of recovery apply:

First	The Uninsured Motorists Coverage applicable to the vehicle the insured was occupying at the time of the accident .
Second	The policy affording Uninsured Motorists Coverage to the insured as a named insured , an insured resident or any family member .

- 1. When there is applicable insurance available under the **First** Priority:
 - a. The limit of liability applicable to the vehicle the **insured** was **occupying**, under the policy in the **First** priority, shall first be exhausted; and

- b. The maximum recovery under all policies in the **Second** priority may equal but not exceed the highest applicable limit of liability for Uninsured Motorists Coverage for any one vehicle under any one policy providing coverage to **you**, an **insured resident** or any **family member**.
2. When there is no applicable insurance available under the **First** priority, the maximum recovery under all policies in the **Second** priority shall not exceed the highest applicable limit for any one vehicle under any one policy.

If two or more policies have equal priority, the insurer against whom the claim is first made shall process and pay the claim as if wholly responsible for all insurers with equal priority. The insurer is thereafter entitled to recover contribution pro rata from any other insurer for the benefits paid and the costs of processing the claim.

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 the 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. The arbitrators shall have no authority to award an amount in excess of **our** limit of liability for this coverage.
- B.** Each party will:
- 1. Pay the expenses it incurs; and

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

SECTION C.2 UNINSURED MOTORISTS COVERAGE - (STACKED)

This Section Applies Only If Uninsured Motorists Coverage (Stacked) Is Indicated On The Declarations Page

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**.

No judgment for damages arising out of a suit brought against the **owner** or operator of an **uninsured motor vehicle** is binding on **us** unless **we**:

1. Received reasonable notice of the pendency of the suit resulting in the judgment; and
2. Had a reasonable opportunity to protect **our** interests in the suit.

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

1. **You**, an **insured resident** or any **family member**.
2. Any other person **occupying your covered auto** up to the **minimum limits**

of liability specified by the financial responsibility law of Pennsylvania.

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. Which is a hit-and-run vehicle whose operator or **owner** cannot be identified and which hits or which causes an **accident** resulting in **bodily injury** without hitting:
 - a. **You, an insured resident, or any family member;**
 - b. A vehicle which **you, an insured resident, or any family member** are **occupying;** or
 - c. **Your covered auto.**

If there is no contact with the hit-and-run vehicle, the facts of the **accident** must be proved.

3. 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:
 - (1) Insolvent within six years of the date of the **accident;** or
 - (2) Involved in insolvency proceedings.

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

1. **Owned** by or furnished for the regular use of **you, an insured resident** 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. Operated on rails or crawler treads.
4. Designed mainly for use off public roads while not on public roads.
5. While located for use as a residence or premises.

EXCLUSIONS

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

1. By **you** while **occupying**, or when struck by, any motor vehicle **you own** which is not insured for this coverage. This includes a **trailer** of any type used with that vehicle.
2. By an **insured resident** or **family member** who **owns** an **auto**, while **occupying**, or when struck by, any motor vehicle **owned** by **you**, an **insured resident**, or any **family member** which is not insured for this coverage. This includes a **trailer** of any type used with that vehicle.
3. While using any motor vehicle without the express or implied permission of the **owner**, or using a motor vehicle outside the scope of permission granted by the **owner**.

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

1. If that **insured** or the legal representative settles the **bodily injury** claim and such settlement prejudices **our** right to recover payment.
2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This Exclusion (**B.2.**) does not apply to a share-the-expense car pool.
3. While **occupying your covered auto** when it is being used for the delivery of food or products, including but not limited to newspapers and magazines.

This Exclusion (**B.3.**) does not apply to a delivery by an **insured** as a volunteer.

- C. We** do not provide Uninsured Motorists Coverage for **noneconomic loss** sustained by any **insured** to whom the limited tort alternative applies, resulting from **bodily injury** caused by an **accident** involving an **uninsured motor vehicle**, unless the **bodily injury** sustained is a **serious injury**.

This Exclusion (**C.**) does not apply if that **insured** is injured while **occupying** a motor vehicle insured under a commercial motor vehicle insurance policy.

- D.** 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.

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

LIMIT OF LIABILITY

- A.** If **bodily injury** is sustained in an **accident** by **you**, an **insured resident**, or any **family member**:

1. **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 such **accident** is the sum of the limits of liability shown in the **Declarations** for each person for Uninsured Motorists Coverage.
2. Subject to the maximum limit for each person described in **A.1.** above, **our** maximum limit of liability for all damages arising out of **bodily injury** resulting from any one **accident** is the sum of the limits of liability shown in the **Declarations** for each **accident** for Uninsured Motorists Coverage.

3. Subject to the maximum limits of liability set forth in **A.1.** and **A.2.** above, the most **we** will pay for **bodily injury** sustained in such **accident** by an **insured** other **you**, an **insured resident**, or any **family member** is that part of the each person or each **accident** limit of liability shown in the **Declarations** applicable to the vehicle that the **insured** was **occupying** at the time of the **accident**, that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania.

The maximum limit of liability 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.** If **bodily injury** is sustained by any **insured** other than **you**, an **insured resident**, or any **family member** in an **accident** in which none of **you**, an **insured resident**, or any **family member** sustain **bodily injury**:
1. That part of the limit of liability shown in the **Declarations** for each person for Uninsured Motorists Coverage that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania 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**.
 2. Subject to this limit for each person, that part of the limit of liability shown in the **Declarations** for each **accident** for Uninsured Motorists Coverage that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania 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**.

This Section (**B.**) will not change **our** limit of liability.

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

1. Part **A** – Liability;
2. Part **B** – First Party Benefits Coverage / Extraordinary Medical Benefits Coverage;
3. Part **C.3.** – Underinsured Motorists Coverage (Non-Stacked); or
4. Part **C.4.** – Underinsured Motorists Coverage (Stacked).

D. 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 entities who may be legally responsible. This includes all payments made to an **insured's** attorney either directly or as part of the payment made to the **insured**.

E. 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 more than one policy or provision of coverage that is similar to the insurance provided by this Part:

The following priorities of recovery apply:

First	The Uninsured Motorists Coverage applicable to the vehicle the insured was occupying at the time of the accident .
Second	The policy affording Uninsured Motorists Coverage to the insured as a named insured , an insured resident or any family member .

If two or more policies have equal priority, the insurer against whom the claim is first made shall process and pay the claim as if wholly responsible for all insurers with equal priority. The insurer is thereafter entitled to recover contribution pro rata from any other insurer for the benefits paid and the costs of processing the claim.

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 the 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. The arbitrators shall have no authority to award an amount in excess of **our** limit of liability for this coverage.
- B.** Each party will:
1. Pay the expenses it incurs; and

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

SECTION C.3 UNDERINSURED MOTORISTS COVERAGE (NON-STACKED)

This Section Applies Only If Underinsured Motorists Coverage (Non-stacked) Is Indicated On The Declarations Page.

With respect to the coverage provided by Section **C.3.**, the provisions of the policy apply unless modified by Section **C.3.**

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 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.

No judgment for damages arising out of a suit brought against the **owner** or operator of an **underinsured motor vehicle** is binding on **us** unless **we**:

1. Received reasonable notice of the pendency of the suit resulting in the judgment; and
2. Had a reasonable opportunity to protect **our** interests in the suit.

B. Insured as used in this Part means:

1. **You**, an **insured resident** or any **family member**.
2. Any other person **occupying your covered auto** up to the **minimum limits** of liability specified by the financial responsibility law of Pennsylvania.
3. Any person for damages that person is entitled to recover because of **bodily injury** to which this coverage applies sustained by 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 available limits 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. For which liability coverage is provided under Part **A** of this policy.
2. Which is an **uninsured motor vehicle**.
3. Operated on rails or crawler treads.

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

EXCLUSIONS

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

1. By **you** while **occupying**, or when struck by, any motor vehicle **you own** which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
2. By an **insured resident** or **family member**:
 - a. Who **owns** an **auto**, while **occupying**, or when struck by, any motor vehicle **owned** by **you**, an **insured resident**, or any **family member** which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
 - b. Who does not **own** an **auto**, 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.
3. While using any motor vehicle without the express or implied permission of the **owner**, or using a motor vehicle outside the scope of permission granted by the **owner**.

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. While **occupying your covered auto** when it is being used for the delivery of food or products, including but not limited to newspapers and magazines.

This Exclusion (**B.2.**) does not apply to a delivery by an **insured** as a volunteer.

- C. We** do not provide Underinsured Motorists Coverage for **noneconomic loss** sustained by any **insured** to whom the limited tort alternative applies, resulting from **bodily injury** caused by an **accident** involving an **underinsured motor vehicle**, unless the **bodily injury** sustained is a **serious injury**.

This Exclusion (**C.**) does not apply if that **insured** is injured while **occupying** a motor vehicle insured under a commercial motor vehicle insurance policy.

- D.** 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.
- E. We** do not provide Underinsured Motorists Coverage for punitive or exemplary damages.

LIMIT OF LIABILITY

- A.** The limit of liability shown 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 **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. If **bodily injury** is sustained by an **insured** other than **you**, an **insured resident**, or any **family member**:

1. That part of the limit of liability shown in the **Declarations** for each person for Underinsured Motorists Coverage that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania 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**.
2. Subject to this limit for each person, that part of the limit of liability shown in the **Declarations** for each **accident** for Underinsured Motorists Coverage that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania 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**.

This Section (**B.**) will not change **our** limit of liability.

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

1. Part **A** – Liability;
2. Part **B** – First Party Benefits Coverage / Extraordinary Medical Benefits Coverage;
3. Part **C.1.** – Uninsured Motorists Coverage (Non-Stacked); or
4. Part **C.2.** -- Uninsured Motorists Coverage (Stacked).

- D. **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 entities who may be legally responsible.
- E. **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 more than one policy or provision of coverage that is similar to the insurance provided by this policy:

The following priorities of recovery apply:

First	The Underinsured Motorists Coverage applicable to the vehicle the insured was occupying at the time of the accident .
Second	The policy affording Underinsured Motorists Coverage to the insured as a named insured , an insured resident or any family member .

1. When there is applicable insurance available under the **First** Priority:
 - a. The limit of liability applicable to the vehicle the **insured** was **occupying**, under the policy in the **First** priority, shall first be exhausted; and
 - b. The maximum recovery under all policies in the **Second** priority may equal but not exceed the highest applicable limit of liability for Underinsured Motorists Coverage for any one vehicle under any one policy providing coverage to **you**, an **insured resident** or any **family member**.

2. When there is no applicable insurance available under the **First** priority, the maximum recovery under all policies in the **Second** priority shall not exceed the highest applicable limit for any one vehicle under any one policy.

If two or more policies have equal priority, the insurer against whom the claim is first made shall process and pay the claim as if wholly responsible for all insurers with equal priority. The insurer is thereafter entitled to recover contribution pro rata from any other insurer for the benefits paid and the costs of processing the claim.

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 the 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 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. The arbitrators shall have no authority to award an amount in excess of **our** limit of liability for this coverage.

B. Each party will:

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

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

SECTION C.4 UNDERINSURED MOTORISTS COVERAGE (STACKED)

This Section Applies Only If Underinsured Motorists Coverage (Stacked) Is Indicated On The Declarations Page

With respect to the coverage provided by Section **C.4.**, the provisions of the policy apply unless modified by Section **C.4.**

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 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.

No judgment for damages arising out of a suit brought against the **owner** or operator of an **underinsured motor vehicle** is binding on **us** unless **we**:

1. Received reasonable notice of the pendency of the suit resulting in the judgment; and
2. Had a reasonable opportunity to protect **our** interests in the suit.

B. Insured as used in this Part means:

1. **You**, an **insured resident** or any **family member**.
2. Any other person **occupying your covered auto** up to the **minimum limits** of liability specified by the financial responsibility law of Pennsylvania.
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 available limits 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. For which liability coverage is provided under Part **A** of this policy.
2. Which is an **uninsured motor vehicle**.
3. Operated on rails or crawler treads.
4. Designed mainly for use off public roads while not on public roads.
5. While located for use as a residence or premises.

EXCLUSIONS

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

1. By **you** while **occupying**, or when struck by, any motor vehicle **you own** which is not insured for this coverage.

This includes a **trailer** of any type used with that vehicle.

2. By an **insured resident** or **family member** who **owns** an **auto**, while **occupying**, or when struck by, any motor vehicle **owned** by **you**, an **insured resident**, or any **family member** which is not insured for this coverage. This includes a **trailer** of any type used with that vehicle.
 3. While using any motor vehicle without the express or implied permission of the **owner**, or using a motor vehicle outside the scope of permission granted by the **owner**.
- 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. While **occupying your covered auto** when it is being used for the delivery of food or products, including but not limited to newspapers and magazines. This Exclusion (**B.2.**) does not apply to a delivery by an **insured** as a volunteer.
- C. We** do not provide Underinsured Motorists Coverage for **noneconomic loss** sustained by any **insured** to whom the limited tort alternative applies, resulting from **bodily injury** caused by an **accident** involving an **underinsured motor vehicle** unless the **bodily injury** sustained is a **serious injury**. This Exclusion (**C.**) does not apply if that **insured** is injured while **occupying** a motor vehicle insured under a commercial motor vehicle insurance policy.
- D.** 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.
- E. **We** do not provide Underinsured Motorists Coverage for punitive or exemplary damages.

LIMIT OF LIABILITY

A. If **bodily injury** is sustained in an **accident** by **you**, an **insured resident**, or any **family member**:

1. **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 such **accident** is the sum of the limits of liability shown in the **Declarations** for each person for Underinsured Motorists Coverage.
2. Subject to the maximum limit for each person described in **A.1.** above, **our** maximum limit of liability for all damages arising out of **bodily injury** resulting from any one **accident** is the sum of the limits of liability shown in the **Declarations** for each **accident** for Underinsured Motorists Coverage.
3. Subject to the maximum limits of liability set forth in **A.1.** and **A.2.** above, the most **we** will pay for **bodily injury** sustained in such **accident** by an **insured** other **you**, an **insured resident**, or any **family member** is that part of the each person or each **accident** limit of liability shown in the **Declarations** applicable to the vehicle that the **insured** was **occupying** at the time of the **accident**, that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania.

The maximum limit of liability 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. If **bodily injury** is sustained by any **insured** other than **you**, an **insured resident**, or any **family member** in an **accident** in which none of **you**, an **insured resident**, or any **family member** sustain **bodily injury**:

1. That part of the limit of liability shown in the **Declarations** for each person for Underinsured Motorists Coverage that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania 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**.
2. Subject to this limit for each person, that part of the limit of liability shown in the **Declarations** for each **accident** for Underinsured Motorists Coverage that does not exceed the **minimum limits** required by the financial responsibility law of Pennsylvania 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**.

This Section (**B.**) will not change **our** limit of liability.

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

1. Part **A** – Liability;
2. Part **B** – First Party Benefits Coverage / Extraordinary Medical Benefits Coverage;
3. Part **C.1.** – Uninsured Motorists Coverage (Non-Stacked); or
4. Part **C.2.** -- Uninsured Motorists Coverage (Stacked).

- D. 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 entities who may be legally responsible.
- E. 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 more than one policy or provision of coverage that is similar to the insurance provided by this Part:

The following priorities of recovery apply:

First	The Underinsured Motorists Coverage applicable to the vehicle the insured was occupying at the time of the accident .
Second	The policy affording Underinsured Motorists Coverage to the insured as a named insured , an insured resident or any family member .

If two or more policies have equal priority, the insurer against whom the claim is first made shall process and pay the claim as if wholly responsible for all insurers with equal priority. The insurer is thereafter entitled to recover contribution pro rata from any other insurer for the benefits paid and the costs of processing the claim.

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 the 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 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. The arbitrators shall have no authority to award an amount in excess of **our** limit of liability for this coverage.

- B. Each party will:
 - 1. Pay the expenses it incurs; and
 - 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by at least two of the arbitrators will be binding.

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 original manufacturer permanently installed 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. Customizing parts or equipment means permanently installed or attached equipment, parts, devices, accessories, enhancements, and changes, other than those which are original manufacturer installed.

D. Non-owned auto means:

1. Any **auto** or **trailer** not **owned** by or furnished or available for the regular use of **you**, an **insured resident** or any **family member** while in the custody of or being operated by **you**, an **insured resident** 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.

LIMITED TRANSPORTATION EXPENSES

In addition, **we** will reimburse **you** up to \$20 per day, to a maximum of \$300, for transportation expenses incurred by **you**.

This applies only in the event of the total theft of **your covered auto**. **We** will pay only transportation expenses incurred during the period:

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

We will not pay for the cost of transportation incurred by an **insured** if there is a theft of only a **trailer**.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is used to carry persons or property for compensation or a fee, including, but not limited to, delivery of newspapers, magazines, food, or any other products. This exclusion (1.) does not apply to a share-the-expense car pool or to a delivery by an **insured** as a volunteer.
2. Damage due and confined to:
 - a. Wear and tear;
 - b. Freezing;
 - c. Mechanical or electrical breakdown or failure;
 - d. Road damage to tires; or
 - e. Manufacturer defects.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 equipment, devices, accessories, and any other personal effects which are not permanently installed or attached by brackets or bolts. This includes, but is not limited to:
 - a. tapes, compact discs, cassettes, and other recording or recorded media;
 - b. any case or other container designed for use in storing or carrying tapes, compact discs, cassettes, or other recording or recorded media;
 - c. any device used for the detection or location of radar, laser, or other speed measuring equipment or its transmissions;
 - d. radios, stereos, CB radios, telephones, two-way mobile radios, scanners, televisions, video or audio cassette/DVD recorders, or personal computers; and
 - e. any compact disc systems, navigation systems, internet access systems, or video entertainment systems.
5. Loss of value in excess of \$500 to any **customizing parts or equipment** unless the value of the equipment has been reported to **us**, scheduled, and a premium has been paid for **customizing parts or equipment** coverage.
6. Loss to **your covered auto**, any **non-owned auto**, or **trailer** due to destruction or confiscation by governmental or civil authorities because **you**, an **insured resident** or any **family member** engaged in illegal activities.
7. Loss to:
 - a. A camper body or motor home; or
 - b. Facilities or equipment used with a **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 **(7.)** does not apply if **you** have identified and scheduled a value for this equipment and paid premium for an endorsement to add coverage for **customizing parts or equipment**.

- 8.** Loss to any **non-owned auto** when used by **you**, an **insured resident** or any **family member** without the **owner's** express or implied permission.
- 9.** Loss to any custom furnishings or equipment in or upon any pickup or van. Custom furnishings or equipment include but are not limited to:
 - a.** Special carpeting or insulation;
 - b.** Furniture or bars;
 - c.** Height-extending roofs including pop up roofs, raised roofs, bubble domes, and bubble windows;
 - d.** Custom murals, paintwork, decals or other graphics; or
 - e.** Captain chairs, swivel chairs, or tables.This exclusion **(9.)** does not apply to a cap, cover or bed liner in or upon any **your covered auto** which is a pickup. This exclusion does not apply if **you** have identified and scheduled a value for this equipment and paid premium for an endorsement to add coverage for **customizing parts or equipment**.
- 10.** Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
 - a.** Selling or leasing;
 - b.** Repairing;
 - c.** Servicing;
 - d.** Storing;
 - e.** Parking; or
 - f.** Towing;vehicles designed for use on public highways. This includes road testing and delivery.

11. Loss while **your covered auto** or any **non-owned auto** is used in practicing, participating, or preparing for any race, speed contest or performance contest.
12. Loss to, or loss of use of, a **non-owned auto** rented by:
 - a. **You**;
 - b. An **insured resident**; or
 - c. Any **family member**;if a rental vehicle company is precluded from recovering such loss or loss of use, from **you**, an **insured resident**, or any **family member**, pursuant to the provisions of any applicable rental agreement or state law.
13. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 10. This exclusion (13.) does not apply to the maintenance or use by **you**, an **insured resident**, or any **family member** of a **non-owned auto**, which is an **auto** or **trailer**.
14. Loss to **your covered auto** or any **non-owned auto** due to or resulting from intentional acts committed by **you**, an **insured resident**, or a **family member**, or by anyone at **your** direction. This exclusion (14.) does not apply to an innocent co-insured who did not cooperate in or contribute to the creation of the loss.
15. Loss to **your covered auto** or any **non-owned auto** caused while **you**, an **insured resident** or any **family member** are involved in any unlawful activity (other than a traffic violation) or attempting to flee or fleeing from any law enforcement officer or agent.
16. Loss resulting from the use of **your covered auto** for snow removal.
17. Loss to paint or discoloration of paint resulting from acid rain, smog, salt, tree sap, or animal or bird droppings unless such loss is a direct result of a **collision** or vandalism.

18. Loss caused by the theft or conversion of **your covered auto** by a person to whom **you** have voluntarily entrusted **your covered auto**.
19. Loss to **your covered auto, non-owned auto** or **trailer** for **diminution of value**.
20. Loss to **your covered auto** or any **non-owned auto** when it is driven, operated or used by an individual with the **owner's** permission if the **owner** knows that the operator:
 - a. Is under the minimum age to obtain a valid driver's license in the state where the vehicle is garaged;
 - b. Is under fifteen (15) years of age;
 - c. Does not have a valid driver's license; or
 - d. Has a suspended or revoked driver's license.

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 at the time of loss; or
 2. Amount necessary to repair or replace **your covered auto, non-owned auto,** or covered equipment with other property of like kind and quality including, but not limited to, **after-market parts**.
- However, the most **we** will pay for loss to:
1. Any **trailer** is \$500.
 2. Non-scheduled **customizing parts or equipment** is \$500.
- B.** In the event of a total loss, an adjustment for:
1. **Depreciation** and physical condition; and
 2. Retained salvage value;
- will be made in determining **actual cash value**.
- C.** If a repair or replacement results in better than like kind or quality, **we** will not pay for the amount of the **betterment**.

D. If coverage applies to a vehicle **you** do not own, **our** liability is limited to the highest **actual cash value** of the highest-valued **your covered auto** for which coverage under this Part has been purchased.

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:

A. You; or

B. 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.

CAR STORAGE COVERAGE

We will pay up to a reasonable and customary daily rate for the cost of storage of **your covered auto** in the event of a loss to **your covered auto** for which coverage under this Part is provided. **We** will pay no more than \$400 total for the cost of storage of **your covered auto** under this section.

LOSS PAYABLE CLAUSE

Loss or damage under this policy shall be paid, as interest may appear, to **you** and the loss payee shown in the **Declarations**. **We** will not pay for any loss caused by conversion, embezzlement, secretion, fraud or omissions by **you** or anyone acting on **your** behalf. In addition, **we** will not pay a loss payee for any loss where fraud, misrepresentation, omission, concealment or intentional damage has been committed by or at the direction of an **insured, family member, or insured resident**. If **we** have to pay the loss payee for a loss not covered

under this policy, **we** will be subrogated to the loss payee's rights of recovery against **you**. This will not affect the loss payee's right to recover the full amount of its claim. The loss payee must assign **us** its interest.

We reserve the right to cancel the policy as permitted by policy terms and the cancellation shall terminate this agreement as to the loss payee's interest. **We** will give the same advance notice of cancellation to the loss payee as **we** give to the **named insured** shown in the **Declarations**. Any return premium owed to **you** will be based on the effective date of cancellation used to give advance notice to the loss payee. When **we** pay the loss payee **we** shall, to the extent of payment, be subrogated to the loss payee's rights of recovery.

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** or any vehicle used as a temporary substitute for **your covered auto** shall be excess over any other collectible source of recovery including, but not limited to:

- A.** Any coverage provided by the **owner** of the **non-owned auto** or any vehicle used as a temporary substitute for **your covered auto**;
- B.** Any other applicable physical damage insurance;
- C.** Any other source of recovery applicable to the loss.

APPRAISAL

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

PART E - 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** filed rates.

- 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

- A.** **Your** policy was issued in reliance on the information **you** provided on **your** insurance application. **We** may void coverage under this policy if **you** have knowingly concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct at the time application was made or in connection with a claim.
- B.** If any representation contained in any notification of change or endorsement request is false, misleading, or materially affects the acceptance or rating of the risk by **us**, by either direct misrepresentation, omission, concealment of facts, or incorrect statements, this policy will be void from the effective date of the requested change.
- C.** **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. This provision shall also apply to misstatements of use and omissions of

fact. However, **we** will provide coverage to an **insured** for damages sustained by any person who has not made fraudulent statements or engaged in fraudulent conduct if such damages result from an **accident** which is otherwise covered by this policy.

- D.** If **we** are not permitted to void this policy, any first-party claims will be reduced by the amount of any additional premium owed to **us**. Any payments made by **us** as the result of **your** fraud or misrepresentation may be recovered from **you**, or from any payments due or made to **you** under any first-party coverage provided by 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 entity has any right under this policy to bring **us** into any action to determine the liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT – Applies to Part A – Liability and Part D – Coverage for Damage to Your Auto

- 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 an **insured's** express or implied permission

and within the scope of the permission granted.

- 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 less reasonable attorneys' fees, costs and expenses incurred by that person in collecting **our** share of the recovery.

OUR RIGHT TO RECOVER PAYMENT – Applies to Part C only

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 do not apply under Paragraph (**A.**) with respect to Underinsured Motorists Coverage (Sections **C.3.** and **C.4.**) if **we**:
1. Have been given prompt written notice of a tentative settlement between an **insured** and the insurer of an **underinsured motor vehicle**; and
 2. Fail to advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

If **we** 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.

- 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. However, any reimbursement due to **us** shall be reduced by **our** pro rata share of any reasonable and necessary costs and expenses, including deposition costs, witness fees and attorney's fees, incurred in bringing the claim.

PAYMENT OF PREMIUM

- A.** This insurance coverage is conditional upon payment of premium. Payment of **your** initial premium by check, draft or other instrument is not considered payment until it is honored upon presentment. If **your** initial premium payment is by check, draft, or any remittance other than cash, coverage under this policy may be voidable at **our** election if the check, draft or remittance is not honored upon presentment.
- B.** If **you** make a premium payment with a check and the check is returned to **us** because of insufficient funds, a closed account or a stop payment, a service charge will be added to **your** account balance.
- C.** The premium stated in the **Declarations** is the initial premium for this policy. On each renewal, continuation or anniversary of the effective date of this policy, the premium shall be computed by **us** in accordance with **our** filed rates.
- D.** If **you** owe **us** any outstanding premium balances on **your** expiring, expired or cancelled policy, any moneys received by **us** will be applied first to pay the oldest outstanding balance.

POLICY PERIOD AND TERRITORY

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

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

B. The policy territory is:

1. The United States of America, its territories, or possessions; or
2. 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 future 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 15 days notice of cancellation:
 - (1) If notice is effective within the first 60 days this policy is in effect and this is not a renewal or continuation policy;
 - (2) For nonpayment of premium; or
 - (3) If the driver's license of the **named insured** shown in the **Declarations** has been suspended or revoked after the effective date if this policy has been in effect less than one year; or if the policy has been in effect longer than one year, since the last anniversary of the original effective date; or

- b. At least 60 days notice if the policy was obtained through material misrepresentation.

Our right to cancel this policy is subject to the limitations contained in the applicable Pennsylvania Statutes.

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:

1. At least 15 days notice before the end of the policy period:
 - a. For nonpayment of premium; or
 - b. If the driver's license of the **named insured** shown in the **Declarations** has been suspended or revoked after the effective date if this policy has been in effect less than one year; or if the policy has been in effect longer than one year, since the last anniversary of the original effective date.
2. At least 60 days notice before the end of the policy period in all other cases.

However, **our** right to nonrenew this policy is subject to the limitations contained in the applicable Pennsylvania Statutes.

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.

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 the premium refund is \$10.00 or less, no refund will be sent unless **you** specifically request a refund. If **you** owe **us**

\$10.00 or less, **we** will waive the amount outstanding. However, making or offering to make the refund is not a condition of cancellation. If **you** or **we** cancel **your** policy and a premium refund is owed to **you**, **you** will receive the refund on a pro-rata basis. If **your** policy is cancelled for nonpayment of premium and a refund is owed to **you**, **you** will receive the refund on a pro-rata basis minus the cancellation fee.

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

REINSTATEMENT OF POLICY WITH A LAPSE IN COVERAGE

This section only applies if reinstatements with a lapse in coverage are available in **your** state.

- A.** If this policy is cancelled for nonpayment of premium, **we** will reinstate the policy with a lapse in coverage, subject to underwriting approval, if **payment** is received within 20 days after the cancellation effective date.
- B.** For the purpose of this section, **payment** is considered the amount indicated that must be paid immediately on the past due payment notice.
- C.** If **you** pay **your payment** through electronic means, reinstatement of **your** coverage will be effective the date and time **your payment** is received.
- D.** If **you** mail **your payment**, reinstatement of **your** coverage will be effective at 12:01 A.M. on the day after **your payment** is postmarked. In the event the postmark is not present or is illegible, reinstatement of **your** coverage will be effective at 12:01 A.M. on the date **your payment** is received by **us**.
- E.** There will be a lapse in coverage from the cancellation date to the date and time of reinstatement.

- F. If the consideration accepted by **us** as **payment** for the reinstatement is in the form of a check or draft and the bank on which the check or draft is drawn dishonors it upon presentation, the reinstatement is void as of its inception.
- G. If this policy (or any renewal thereof) is cancelled because of nonpayment of premium after any reinstatement, **we** reserve the right to reinstate or to not reinstate and return unearned premium.
- H. If this policy is reinstated, **you** will be charged a fee for reinstatement as allowed by **your** state law.

STRUCTURED SETTLEMENTS

If payment of **medical expenses** under Section **B.2.** of Part **B** in the form of a structured settlement will be:

1. Cost effective for **us**; and
 2. In the best interest of an **insured**;
- we** and the **insured** may make an agreement, about the timing and amount of payments under this coverage, which is mutually satisfactory. This agreement may include annuities or other long-term payment arrangements.

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.
- C.** If a **named insured** shown in the **Declarations** terminates their marital relationship, **we** will continue to provide coverage for the former spouse of the **named insured**. Coverage applies only:
 - 1.** If **we** are notified of the termination of the marital relationship;
 - 2.** If the former spouse was a resident of the same household immediately prior to the termination of the marital relationship; and
 - 3.** For the lesser of 30 days or until the end of the policy period.

TWO OR MORE AUTO POLICIES

- A.** 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.
- B.** This provision does not apply to Part **C2** – Uninsured Motorists Coverage (Stacked) or Part **C4** – Underinsured Motorists Coverage (Stacked).
- C.** No one will be entitled to receive duplicate payments for the same elements of loss under Part **C2** – Uninsured Motorists Coverage (Stacked) or Part **C4** – Underinsured Motorists Coverage (Stacked).

OUR RIGHT TO RE-COMPUTE PREMIUM

We established the premium for this policy based on the statements **you** made in the application for insurance. **We** have the right to re-compute the premium if **we** later obtain information which affects the premium **we** charged.

NOTICE

Your notice to **our** authorized agent shall be deemed to be notice to **us**.

CONSTITUTIONALITY CLAUSE

The premium for, and the coverages of, this policy have been established in reliance upon the provisions of the Pennsylvania Motor Vehicle Financial Responsibility Law. In the event a court, from which there is no appeal, declares or enters a judgment the effect of which is to render the provisions of such statute invalid or unenforceable in whole or in part, **we** will have the right to recompute the premium payable for the policy and void or amend the provisions of the policy, subject to the approval of the Insurance Commissioner.

PENNSYLVANIA NOTICE

An Insurance Company, its agents, employees, or service contractors acting on its behalf, may provide services to reduce the likelihood of injury, death or loss. These services may include any of the following or related services incident to the application for, issuance, renewal or continuation of, a policy of insurance:

1. Surveys;
2. Consultation or advice; or
3. Inspections.

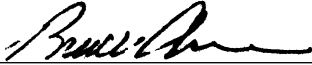
The "Insurance Consultation Services Exemption Act" of Pennsylvania provides that the Insurance Company, its agents, employees or service contractors acting on its behalf, is not liable for damages from injury, death or loss occurring as a result of any act or omission by any person in the furnishing of or the failure to furnish these services.

The Act does not apply:

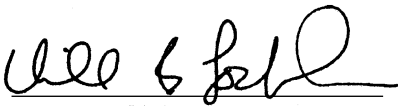
1. If the injury, death or loss occurred during the actual performance of the services and was caused by the negligence of the Insurance Company, its agents, employees or service contractors;
2. To consultation services required to be performed under a written service contract not related to a policy of insurance; or
3. If any acts or omissions of the Insurance

Company, its agents, employees or service contractors are judicially determined to constitute a crime, actual malice, or gross negligence.

IN WITNESS Whereof, **we** have caused this policy to be executed and attested.



Bruce Arneson, President



William Lockhorn, Chairman

THE FOLLOWING ENDORSEMENT ONLY APPLIES IF
FORM 1037-1 APPEARS ON THE POLICY
DECLARATIONS

PENNSYLVANIA AMENDATORY ENDORSEMENT

This endorsement amends **your** policy as follows:

- I. **PART A – LIABILITY COVERAGE** is amended as follows:
 - A. The following exclusion is added:
We do not provide Liability Coverage for any **insured** for **bodily injury** or **property damage** resulting from the ownership, maintenance or use of any vehicle by any resident, including a **family member**, of **your** household who is not listed on the **Declarations page** as a driver or operator.
 - B. The following provision (**D.**) is added to the **Limit of Liability** section of **PART A:**
 - D. Regardless of the limits of liability shown in the **Declarations**, the

limits of liability for **bodily injury** and **property damage** afforded by this policy to an **insured** who is both a regular user of **your covered auto** and is not a resident of **your** household other than:

1. **You**; or

2. An **insured resident**; or

3. Any **family member**;

shall not exceed the **minimum limits** for **bodily injury** or **property damage**.

II. PART D – COVERAGE FOR DAMAGE TO YOUR AUTO is amended as follows:

The following exclusion is added:

We will not pay for loss to **your covered auto** while being driven, maintained or used by any person who is a resident of **your** household and is not listed on the **Declarations page** as a driver or operator.

1037-1

THE FOLLOWING ENDORSEMENT ONLY APPLIES IF
FORM 1037-2 APPEARS ON THE POLICY
DECLARATIONS

RENTAL REIMBURSEMENT / TRANSPORTATION EXPENSES

In consideration of the premium charged and paid, **we** will pay for:

- A.** Temporary transportation expenses incurred by **you**, an **insured resident** or any **family member** in the event of loss to **your covered auto**. **We** will pay for such expenses if the loss is caused by:
1. Other than **collision** only if the **Declarations** indicate that Other Than Collision Coverage is provided for any **your covered auto**.
 2. **Collision** only if the **Declarations** indicate that Collision Coverage is provided for any **your covered auto**.

- B.** Loss of use expenses for which **you** or an **insured resident** become legally responsible in the event of loss to a **non-owned auto**. **We** will pay for loss of use expenses if the loss is caused by:
1. Other than **collision** only if the **Declarations** indicate that Other Than Collision Coverage is provided for any **your covered auto**.
 2. **Collision** only if the **Declarations** indicate that Collision Coverage is provided for any **your covered auto**.
- C.** **We** will pay only expenses beginning when the **auto** is withdrawn from use for more than 24 hours. **Our** payment will be limited to that period of time reasonably required to repair or replace **your covered auto** or the **non-owned auto**.
- D.** The limit of liability shall not exceed the limit shown for this coverage in the **Declarations**. The total payment under this endorsement shall not exceed the **actual cash value** of **your covered auto** or **non-owned auto** at the time of loss. **We** will pay only if **you**, an **insured resident** or any **family member** rent an **auto** from a licensed rental car agency.

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THE FOLLOWING ENDORSEMENT ONLY APPLIES IF
FORM 1037-3 APPEARS ON THE POLICY
DECLARATIONS

TOWING AND LABOR COSTS COVERAGE

ISO PP 03 03 04 86

We will pay towing and labor costs incurred each time **your covered auto** or any **non-owned auto** is disabled, up to the amount shown in the **Declarations** as applicable to that vehicle. If a **non-owned auto** is disabled,

we will provide the broadest towing and labor costs coverage applicable to any **your covered auto** shown in the **Declarations**. **We** will only pay for labor performed at the place of disablement.

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THE FOLLOWING ENDORSEMENT ONLY APPLIES IF
FORM 1037-6 APPEARS ON THE POLICY
DECLARATIONS

CUSTOMIZING PARTS OR EQUIPMENT COVERAGE (ADDITIONAL EQUIPMENT)

If the **Declarations page** shows a specific premium charged for Customizing Parts or Equipment Coverage, **we** will pay for direct and accidental loss to identified and scheduled **customizing parts or equipment**. This coverage is in addition to the \$500 afforded under Part **D** for non-scheduled **customizing parts or equipment**. This coverage applies only if the equipment is permanently installed or attached to **your covered auto** or **non-owned auto** at the time of loss and is caused by:

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

As used in this endorsement, **customizing parts or equipment** means permanently installed or attached equipment, parts, devices, accessories, enhancements, and changes, other than those which are original manufacturer installed. Equipment installed or alterations made at a conversion facility to

your covered auto or any **non-owned auto** is not considered original manufacturer installed and must be identified and scheduled for this coverage to apply.

Customizing parts or equipment include but are not limited to:

1. Electronic equipment that receives or transmits audio, visual or data signals and is not designed solely for the reproduction of sound and any accessories used with such equipment.
2. Awnings, cabanas, cooking, dining, plumbing or refrigeration facilities, and any other facilities or equipment designed and used to provide additional living facilities.
3. Custom furnishings or equipment including:
 - a. Special carpeting or insulation;
 - b. Furniture or bars;
 - c. Height-extending roofs including pop up roofs, raised roofs, bubble domes, and bubble windows;
 - d. Custom murals, paintwork, decals or other graphics;
 - e. Captain chairs, swivel chairs, or tables; or
 - f. Custom chroming or gold plating.
4. Custom wheels, tires or spinners.
5. Body, engine, exhaust or suspension enhancers.
6. Sun roof, moon roof, T-bar roof, or landau roof.
7. Custom grilles, louvers, side pipes, running boards, air dams, hood scoops or spoilers.
8. Satellite tracking devices if not permanently installed by the original manufacturer or their authorized representative.
9. Radios, stereos, CB radios, telephones, two-way mobile radios, scanners, televisions, video or audio cassette/DVD recorders, or personal computers.
10. Any compact disc systems, internet access systems, or video entertainment systems.

11. Any ground effects package or suspension lowering or raising equipment.
12. Winches, anti-roll or anti-sway bars.
13. Any continental kit.

In addition, the provisions of the policy apply except:

- A. Exclusion 4, of Part D - Coverage For Damage to Your Auto does not apply to the extent that coverage is provided under this endorsement for audio, visual and data electronic equipment.
- B. Exclusion 7 and 9 of Part D - Coverage For Damage To Your Auto does not apply to coverage provided by this endorsement.
- C. The following exclusion is added:
We will not pay for loss to:
 - a. Clothing or luggage;
 - b. Business or office equipment;
 - c. Articles which are sales samples or used in exhibitions.

PART D – LIMIT OF LIABILITY is amended as follows for coverage provided by this endorsement:

LIMIT OF LIABILITY

A. is deleted in its entirety and replaced with the following:

- A. **Our** limit of liability for loss to **customizing parts or equipment** will be the lesser of:
 1. The declared value of the scheduled **customizing parts or equipment** shown on the **Declarations page**;
 2. The **actual cash value** of the stolen or damaged property; or
 3. The amount necessary to repair or replace the **customizing parts or equipment** with other property of like kind and quality including, but not limited to, **after-market parts**.

The following sections are added to the **LIMIT OF LIABILITY** section in **PART D**:

- E. **Our** payment for loss will be reduced by any applicable deductible shown in the **Declarations**.
- F. If loss to more than one of **your covered autos** results from the same **collision**, only the highest applicable deductible will apply.

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THE FOLLOWING ENDORSEMENT ONLY APPLIES IF
FORM 1037-7 APPEARS ON THE POLICY
DECLARATIONS

NAMED NON-OWNER COVERAGE

With respect to individuals and coverages described in the **Declarations**, the provisions of the policy apply unless modified by this endorsement.

I. DEFINITIONS

The Definitions Section is amended as follows:

The definition of **your covered auto** is replaced by the following:

Your covered auto means any **auto** on the date **you** become the **owner**.

This provision applies only:

- A.** If **you** acquire the **auto** during the policy period; and
- B.** For 14 days after **you** become the **owner**.

This insurance does not apply if other insurance applies with respect to any newly acquired **autos**.

II. PART A - LIABILITY COVERAGE

Part **A** is amended as follows:

- A.** The definition of **insured** is amended by deleting references to **insured resident** and **family member**.

Insured means **you** while operating

any **non-owned auto** or **trailer** with the express or implied permission of the **owner**.

- B.** The **EXCLUSIONS** Section is amended as follows:

Exclusion **B.2.** is replaced by the following:

We do not provide Liability Coverage for the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is **owned** by **you**.

- C.** The Out of State Coverage provision is replaced by the following:

OUT OF STATE COVERAGE

If an auto **accident** to which this policy applies occurs in any state or province other than where **you** reside, **we** will interpret **your** policy for that **accident** as follows:

1. If the state or province has:
 - a. 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.
 - b. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, **your** policy will provide at least the required minimum amounts and types of coverage.
2. No one will be entitled to duplicate payments for the same elements of loss.

III. PART C.1 & C.2 – UNINSURED MOTORISTS COVERAGE

Parts **C.1.** and **C.2.** are amended as follows:

A. The definition of **insured** is amended by deleting references to **insured resident** and **family member**.

Insured means **you**.

B. Part **2.** of the definition of **uninsured motor vehicle** is replaced with the following:

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

2. Which is a hit-and-run vehicle whose operator or **owner** cannot be identified and which hits or which causes an **accident** resulting in **bodily injury** without hitting:

a. **You**;

b. A vehicle which **you** are **occupying**;

c. **Your covered auto**; or

If there is no physical contact with the hit-and-run vehicle, the facts of the **accident** must be proved.

IV. PART C.3 & C.4 – UNDERINSURED MOTORISTS COVERAGE

Part **C.3** and **C.4** is amended as follows:

A. The definition of **insured** is amended by deleting references to **insured resident** and **family member**.

Insured means **you**.

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ADDITIONAL INSURED - LESSOR

Any liability and any required no-fault coverages afforded by this policy for **your leased auto** also apply to the lessor named in the **Declarations** as an additional **insured**. This insurance is subject to the following additional provisions:

- A. We** will pay damages for which the lessor becomes legally responsible only if the damages arise out of acts or omissions of:
- 1. You, an insured resident, or any family member; or**
 - 2. Any other person except the lessor or any employee or agent of the lessor using your leased auto.**
- B. Your leased auto** means:
- 1. An auto shown in the Declarations which you or an insured resident lease for a continuous period of at least six months under a written agreement which requires you or an insured resident to provide primary insurance for the lessor; and**
 - 2. Any substitute or replacement auto furnished by the lessor named in the Declarations.**
- C. If we** terminate this policy, notice will also be mailed to the lessor.
- D. The lessor is not responsible for payment of premiums.**
- E. The designation of the lessor as an additional insured shall not operate to increase our limits of liability.**

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NAMED DRIVER EXCLUSION ENDORSEMENT

If **you** have asked **us** on **your** application (Form **U-2** on the application) to exclude any person from coverage under this policy, then **we** will not pay damages, expenses or loss arising out of the maintenance or use of any **auto** or **trailer** by the excluded driver whether or not such maintenance or use was with the express or implied permission of the **named insured**. This includes any claim for damages made against **you**, an **insured resident, family member** or any other person or entity that is liable for an **accident** arising out of the operation of any **auto** by the excluded driver. This also includes any claim for damages for any negligence, which may be imputed by law to **you**, an **insured resident, or family member** arising out of the maintenance, operation or use of a motor vehicle by the excluded person.

The provisions of this Named Driver Exclusion Endorsement shall remain in effect for the term of the policy and for each renewal, reinstatement, substitute, modified, replacement or amended policy, unless discontinued by **us**.

1037-9

