

Auto Policy

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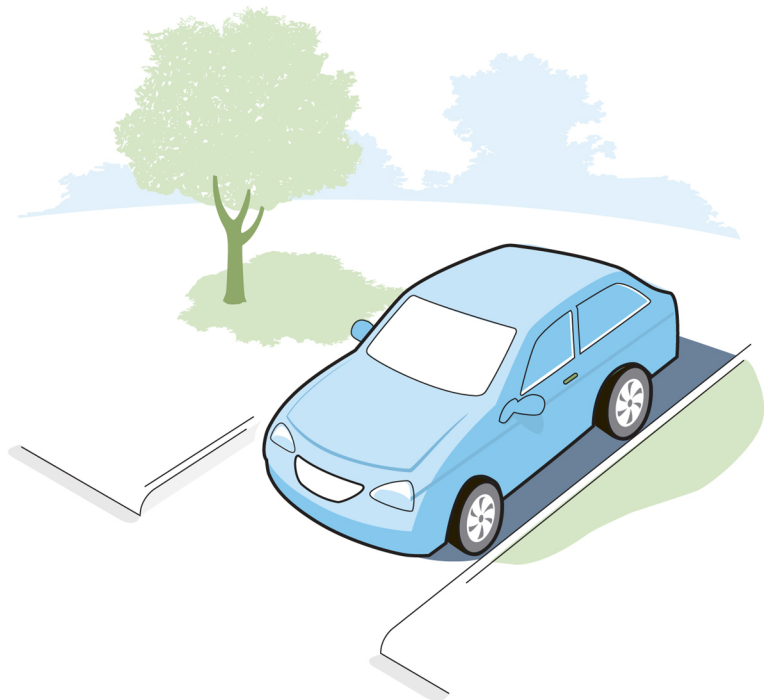


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IN ACCORDANCE WITH SECTION 1725 OF THE MOTOR VEHICLE FINANCIAL RESPONSIBILITY LAW, THIS IS TO INFORM YOU THAT COLLISION DAMAGE TO A RENTAL VEHICLE WILL BE COVERED IF: 1) THE RENTAL VEHICLE IS A FOUR-WHEEL PRIVATE PASSENGER AUTOMOBILE OR A UTILITY AUTOMOBILE, 2) IT IS TEMPORARILY USED BY YOU WITH THE PERMISSION OF THE OWNER WHILE YOUR INSURED AUTO IS OUT OF SERVICE BECAUSE OF A LOSS INSURED UNDER PART 4, AND 3) AT LEAST ONE PREMIUM FOR COLLISION COVERAGE (DD) APPEARS ON YOUR POLICY DECLARATIONS.

COVERAGE WILL BE SUBJECT TO DEDUCTIBLES AND TO POLICY TERMS AND CONDITIONS, INCLUDING ANY APPLICABLE ENDORSEMENTS.

General Provisions

Insuring Agreement

The coverages of this policy apply only when a specific premium is indicated for them on the Policy Declarations. If more than one **auto** is insured, a coverage premium will be shown for each **auto**. **We**, relying on the information **you** have given **us**, make the following agreements with **you**.

When And Where The Policy Applies

During the policy period, **your** policy applies to losses to the **auto**, accidents and occurrences within the United States of America, its territories or possessions or Canada, or between their ports. However, Uninsured Motorists Insurance–Coverage SS and Underinsured Motorists Insurance–Coverage SU applies to accidents and occurrences anywhere in the world during the policy period.

Limited Mexico Coverage

For **your** protection **you** should purchase insurance from a company licensed in Mexico. However, the coverage of this policy for an insured private passenger or **utility auto** is extended to cover that **auto** within the Republic of Mexico. This coverage applies only while the insured **auto** is within 75 miles of the United States border and only for a period not to exceed ten day after each separate entry into the Republic of Mexico.

If loss or damage occurs which may require repair of the insured **auto** or replacement of any part(s) while the **auto** is in Mexican territory, the basis for adjustment of the claim will be as follows. The repair or replacement costs will not exceed the cost of having the repairs or replacements made at the nearest point in the United States where the repairs or replacements can be made. The cost for towing, transportation and salvage operations of the **auto** while within Mexican territory are not covered under this policy.

WARNING

Unless you have auto or aircraft insurance written by a Mexican insurance company you may spend many hours or days in jail if you have an accident in Mexico. Insurance coverage should be secured from a company licensed under the laws of Mexico to write such insurance in order to avoid complications and some other penalties possible under the laws of Mexico including the possible impoundment of your auto or aircraft.

Definitions

1. **"We," "Us," or "Our"** means the company named on the Policy Declarations.
2. **"Auto"** means a four-wheel, private passenger land motor vehicle designed for use principally on public roads.
3. **"Resident"** means a person who physically resides in **your** household with the intention of continuing residence there. **Your** unmarried dependent children while temporarily away from home will be considered residents if they intend to resume residing in **your** household.
4. **"You" or "Your"** means the policyholder named on the Policy Declarations and that policyholder's **resident** spouse.

Changes

Premium Changes

The premium for each **auto** is based on the information **we** have received from **you** or other sources. **You** agree to cooperate with **us** in determining if this information is correct, if it is complete, and if it changes during the policy period. **You** agree that if this information changes or is incorrect or incomplete, **we** may adjust **your** premium accordingly during the policy period. Changes which result in a premium adjustment are contained in **our** rules. These include, but are not limited to:

1. **autos** insured by the policy, including changes in use.
2. drivers residing in **your** household, their ages or marital status.
3. coverages or coverage limits.
4. rating territory.
5. discount eligibility.

Any calculation or adjustment of **your** premium will be made using the rules, rates and forms in effect, and on file if required, for **our** use in **your** state.

Coverage Changes

When **we** broaden a coverage during the policy period without additional charge, **you** have the new feature if **you** have the coverage to which it applies. The new feature applies on the date the coverage change is effective in **your** state. Otherwise, the policy can be changed only by endorsement. Any change in **your** coverage will be made using the rules, rates and forms in effect, and on file if required, for **our** use in **your** state.

Duty To Report Policy Changes

Your policy was issued in reliance on the information **you** provided concerning **autos** and persons insured by the policy. To properly insure **your auto**, **you** should promptly notify **us** when **you** change **your** address or whenever any **resident** operators insured by **your** policy are added or deleted. Coverage will not be provided for **resident** operators under Part 4, Protection Against Loss To The Auto, unless the **resident** operator is listed on the Policy Declarations.

You must notify **us** within 30 days when **you** acquire an additional **auto** or utility **auto**. If **you** do not, the coverages under this policy will not apply to the additional **auto**. When **you** acquire an additional **auto**, it will be covered by **us** under this policy for 30 days immediately after **you** acquire ownership. However, **we** will provide this coverage only if **we** insure all other **autos** and utility **autos** **you** own, no other insurance policy provides coverage for this **auto**, and **you** pay the additional premium.

Coverage will be continued under this policy beyond this 30 day period only if:

1. **you** ask **us** to continue coverage within 30 days after **you** acquire the **auto** or utility **auto**;
2. **we** agree to continue coverage for this additional **auto** or utility **auto**; and
3. **you** pay the additional premium.

If **you** do not notify **us** within 30 days of acquiring a replacement **auto**, the coverage under Part 4, Protection Against Loss To Your Auto, of this policy will not apply to the replacement **auto**.

Payment

If at any time, **your** payment of any premium amount due is made by check, electronic transaction, or other remittance which is not honored because of insufficient funds or a closed account, **you** will be charged a fee.

Transfer

This policy cannot be transferred to another person without **our** written consent. However, if **you** die this policy will provide coverage until the end of the policy period for **your** legal representative while acting as such and persons covered on the date of **your** death.

Termination

If **we** offer to renew **your** policy and **your** required premium payment is not received when due, **you** will have rejected **our** renewal offer. This means that the insurance coverage described in the renewal offer and any endorsements to the renewal offer will not become effective.

Cancellation

You may cancel this policy by writing and telling **us** at what future date **you** wish to stop coverage.

We may cancel part or all of this policy by mailing notice to **you** at **your** last known address.

If **we** cancel because **you** did not pay the premium, the date of cancellation will be at least 15 days after the date of mailing notice.

If **we** cancel for any other reason within the first 59 days of the original policy period, the date of cancellation will be at least 15 days after mailing the notice. Otherwise, if **we** cancel for reasons 2. or 3. below, **we** will give **you** 60 days notice.

Mailing the notice will be proof of notice. A refund, if due will be calculated according to the rules, rates, and forms in effect, and on file if required, for **our** use in **your** state. Cancellation will be effective even though the refund is not made immediately. Any unearned premium amounts under \$2.00 will be refunded only upon **your** request.

After **your** original policy has been in effect 60 days, **we** will not cancel **your** policy prior to the next anniversary of the original effective date unless:

1. the premium is not paid when due;
2. **you** had **your** driver's license suspended or revoked; or
3. **you** concealed a material fact, or made a material misrepresentation of fact, which if known to **us** would have caused **us** not to issue the policy.

Our right to cancel this policy is subject to the provisions of 40 P.S. § 991.2004, 2006.

Conditional Reinstatement

If **we** mail a cancellation notice because **you** did not pay the required premium when due and **you** then tender payment by check, draft, or other remittance which is not honored upon presentation, **your** policy will terminate on the date and time shown on the cancellation notice and any notice **we** issue which waives the cancellation or reinstates coverage is void. This means that **we** will not be liable under this policy for claims or damages after the date and time indicated on the cancellation notice.

Non-Renewal

We have the right to nonrenew this policy only at each anniversary of the original effective date. If **we** do not intend to renew the policy, **we** will mail **you** notice at least 60 days before the next anniversary date. **Our** right to nonrenew this policy is subject to the provisions of 40 P.S. § 991.2004, 2006.

What Law Will Apply

This policy is issued in accordance with the laws of Pennsylvania and covers property risks principally located in Pennsylvania. Subject to the following paragraph, any and all claims or disputes in any way related to this policy shall be governed by the laws of Pennsylvania.

If a covered loss to the **auto**, a covered **auto** accident, or any other occurrence for which coverage applies under this policy happens outside Pennsylvania, claims or disputes regarding that covered loss to the **auto**, covered **auto** accident, or other covered occurrence may be governed by the laws of the jurisdiction in which that covered loss to the **auto**, covered **auto** accident, or other covered occurrence happened, only if the laws of that jurisdiction would apply in the absence of a contractual choice of law provision such as this.

Where Lawsuits May Be Brought

Subject to the following two paragraphs, any and all lawsuits in any way related to this policy shall be brought, heard, and decided only in a state or

federal court located in Pennsylvania. Any and all lawsuits against person not parties to this policy but involved in the sale, administration, performance, or alleged breach of this policy or involved in any other way with this policy, shall be brought, heard, and decided only in a state or federal court located in Pennsylvania, provided that such persons are subject to or consent to suit in the courts specified in this paragraph.

If a covered loss to the **auto**, a covered **auto** accident, or any other occurrence for which coverage applies under this policy happens outside Pennsylvania, lawsuits regarding that covered loss to the **auto**, covered **auto** accident, or other covered occurrence may also be brought in the judicial district where that covered loss to the **auto**, covered **auto** accident, or other covered occurrence happened.

Nothing in this provision, **Where Lawsuits May Be Brought**, shall impair any party's right to remove a state court lawsuit to a federal court.

Action Against Us

No one may bring an action against **us** unless:

- there is full compliance with all policy terms; and
- the action is commenced within one year of the date the cause of action accrues. However, if an action is in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under a particular coverage that is shown on the Policy Declarations, such action must be commenced within the time period specified in the **Action Against Us** provision of that particular coverage. If an action is brought asserting claims relating to the existence or amount of coverage, or the amount of loss for which coverage is sought, under different coverages of this policy, the claims relating to each coverage shall be treated as if they were separate actions for the purpose of the time limit to commence action.

Arbitration

Any claim or dispute in any way related to this policy, by a person insured under this policy against **us** or **us** against a person insured under this policy, may be resolved by arbitration only upon mutual consent of the parties.

Arbitration pursuant to this provision shall be subject to the following:

- no arbitrator shall have the authority to award punitive damages or attorney's fees;
- neither of the parties shall be entitled to arbitrate any claims or disputes in a representative capacity or as a member of a class; and
- no arbitrator shall have the authority, without the mutual consent of the parties, to consolidate claims or disputes in arbitration.

This provision shall not apply to claims or disputes to which the **Part 3—Uninsured and Underinsured Motorist Insurance, If We Cannot Agree** provisions apply.

Conformity To State Statutes

When any policy provision is in conflict with the law of the state in which the policy was issued, the law of the state applies.

Part 1—Automobile Liability Insurance

Bodily Injury Liability—Coverage AA

Property Damage—Coverage BB

Insuring Agreement

We will pay damages an insured person is legally obligated to pay because of:

- bodily injury** sustained by any person, and
- damage to or destruction of property.

Under these coverages, **your** policy protects an insured person from liability for damages arising out of the ownership, maintenance or use, loading or unloading of the insured **auto**.

We will defend an insured person sued for damages which are covered by this policy, even if the suit is groundless, false or fraudulent. **We** will defend the insured person at **our** own expense. **We** will choose the counsel. **We** may settle any claim or suit if **we** believe it is proper. **We** will not defend an insured person sued for damages which are not covered by this policy.

Additional Payments We Will Make

When **we** defend an insured person under this part, **we** will pay:

- up to \$100 per day for loss of wages or salary if **we** ask that person to attend hearings or trials to defend against a bodily injury suit. **We** will not pay for loss of other income. **We** will pay other reasonable expenses incurred at **our** request.
- court costs for defense.
- interest accruing on damages awarded until such time as **we** have paid, formally offered, or deposited in court the amount for which **we** are liable under this policy. Interest will be paid only on damages which do not exceed **our** limits of liability.
- all premiums on appeal bonds and on bonds to release attachments, but not in excess of **our** limit of liability. **We** have no obligation to apply for or furnish these bonds.

We will repay an insured person for:

- the cost of any bail bonds required due to an **auto** accident or traffic law violation involving the use of the insured **auto**. Payment will not exceed \$100 per bond. **We** have no obligation to apply for or furnish a bond.
- any expense incurred for first aid to others at the time of an **auto** accident involving the insured **auto**.

Insured Persons

These persons are insured under Coverage AA and Coverage BB:

- While using an insured **auto**:
 - You**,
 - Any **resident** relative, and
 - Any other licensed driver using it with **your** permission.
- While using a non-owned **auto**:
 - You**, and
 - Any **resident** relative.

The use of a non-owned **auto** must be with the owner's permission.

Insured Autos

1. Any **auto** described on the Policy Declarations. This includes any **auto** or **utility auto you** replace it with.
2. An additional **auto** or **utility auto you** become the owner of during the policy period. This **auto** will be covered only if **we** insure all other **autos** or **utility autos you** own. **You** must notify **us** within 30 days of acquiring the **auto** and pay any additional premium. **We** must agree to provide coverage for the additional **auto** or **utility auto**.
3. A substitute **auto** or **utility auto**, not owned by **you** or a **resident** relative, being temporarily used by **you** with the permission of the owner while **your** insured **auto** is being serviced or repaired, or if **your** insured **auto** is stolen or destroyed.
4. A non-owned **auto** used by **you** or a **resident** relative with the permission of the owner. This **auto** must not be available or furnished for the regular use of an insured person.
5. A trailer while attached to an insured **auto**. The trailer must be designed for use with a private passenger **auto**. This trailer must be designed for use with a private passenger **auto**. This trailer cannot be used for business purposes with other than a private passenger **auto** or **utility auto**. Home, office, store, display, or passenger trailers are not covered. **Travel-trailers** or **camper units** are not covered unless described on the Policy Declarations.

Definitions

1. **"We," "Us,"** or **"Our"** means the company named on the Policy Declarations.
2. **"Auto"** means a four-wheel, private passenger land motor vehicle designed for use principally on public roads and which is not principally used for commercial purposes other than farming.
3. **"Bodily injury"** means bodily injury, sickness, disease or death.
4. **"Noneconomic loss"** means pain and suffering and other nonmonetary detriment.
5. **"Resident"** means a person who physically resides in **your** household with the intention of continuing residence there. **Your** unmarried dependent children while temporarily away from home will be considered residents if they intend to resume residing in **your** household.
6. **"Serious Injury"** means a personal injury resulting in death, serious impairment of body function or permanent serious disfigurement.
7. **"Utility Auto"** means an **auto** with a gross weight not exceeding 9,000 pounds. This **auto** must be of the pickup body, sedan delivery or panel truck type and must not be principally used for commercial purposes other than farming.
8. **"You"** or **"Your"** means the **resident** policyholder named on the Policy Declarations and that policyholder's **resident** spouse.

Exclusions—What Is Not Covered

We will not pay for those damages which an insured person is legally obligated to pay because of:

1. **bodily injury** or property damage arising out of the use of **your** insured **auto** while hired by or rented to others for a charge, or any **auto** an insured person is driving while available for hire by the public. This exclusion does not apply to shared expense car pools.
2. **bodily injury** or property damage arising out of **auto** business operations such as repairing, servicing, testing, washing, parking, storing, or selling **autos** or other motor vehicles.

However, coverage does apply to **you**, **resident** relatives, partners or employees of the partnership of **you** or a **resident** relative when using **your** insured **auto**.
3. **bodily injury** or property damage arising out of the use of a non-owned **auto** in any business or occupation of an **insured person**. However, this exclusion does not apply while **you**, **your** chauffeur or domestic employee are using a private passenger **auto** or trailer.
4. **bodily injury** to an employee of any **insured person** arising in the course of employment. This exclusion does not apply to **your** domestic employee who is not required to be covered by a workers' compensation law or similar law.
5. **bodily injury** to a co-worker injured in the course of employment. This exclusion does not apply to **you**.
6. damage to or destruction of property an insured person owns, transports, is in charge of, or rents. However, a private residence or a garage rented by that person is covered.
7. **bodily injury** or property damage which may reasonably be expected to result from the intentional or criminal acts of an insured person or which are in fact intended by an insured person.
8. **bodily injury** or property damage which would also be covered under nuclear energy liability insurance. This applies even if the limits of that insurance are exhausted.
9. **bodily injury** or property damage arising out of the participation in any prearranged, organized, or spontaneous:
 - a) racing contest;
 - b) speed contest; or
 - c) use of an **auto** at a track or course designed or used for racing or high performance driving;
 or in practice or preparation for any contest or use of this type.
10. **bodily injury** or property damage arising out of the ownership, maintenance, or use of the insured **auto** for transportation of explosives or explosive devices.
11. **bodily injury** or property damage arising out of the ownership, maintenance, or use of a motor vehicle with less than four wheels.

12. **bodily injury** to any person related to an insured person by blood, marriage, or adoption and residing in that person's household.
13. punitive or exemplary damages. However, this exclusion does not apply to punitive or exemplary damages which are awarded in a wrongful death action.
14. **bodily injury** or property damage arising out of the use of an **insured auto** while leased or rented to others. However, this exclusion does not apply to the use of an **insured auto** by **you** or a person related to **you** by blood, marriage, or adoption.

Financial Responsibility

When this policy is certified as proof under any Motor Vehicle Financial Responsibility law, the insurance under this part shall comply with the provisions of such law. This liability coverage will comply with the extent of liability coverage and limits required by the law.

Limits Of Liability

1. Limited Tort Insurance

If the Policy Declarations indicates **you** elected Limited Tort insurance for Coverage AA, **you** or any **resident** relative may seek compensation for economic loss sustained due to **bodily injury** in a covered motor vehicle accident. **You** or any **resident** relative are precluded from maintaining an action for any **noneconomic loss** unless the injury sustained is a **serious injury** or the at-fault person:

- a) is convicted of, or accepts Accelerated Rehabilitative Disposition for, driving under the influence of alcohol or a controlled substance in the accident;
- b) is operating a motor vehicle registered in another state;
- c) intends to injure himself or another person; or
- d) has not maintained financial responsibility.

You or any **resident** relative otherwise bound by the Limited Tort option 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. Full tort rights will be retained by **you** or any **resident** relative for claims involving a motor vehicle which has a defect caused by, or not corrected by, an act or omission in the course of such a business, other than a defect in a motor vehicle which is operated by such business.

You or any **resident** relative otherwise bound by the Limited Tort option shall retain full tort rights if injured while an occupant of a motor vehicle other than a private passenger motor vehicle.

2. Full Tort Insurance

If the Policy Declarations indicates **you** elected Full Tort insurance for Coverage AA, **you** or any **resident** relative may seek compensation for **noneconomic loss** and economic loss sustained in a covered motor vehicle accident caused by another person.

3. The limits shown on the Policy Declarations are the maximum **we** will pay for any single motor vehicle accident. The limit stated for "each person" for **bodily injury** applies to damages arising out of **bodily**

injury sustained by one person in any one occurrence, including damages sustained by anyone else as a result of that **bodily injury**. Subject to the limit for each person, the occurrence limit is **our** total limit of liability for legal damages for **bodily injury** sustained by two or more persons in any one occurrence. For property damage, the limit applies to legal damages arising from each occurrence.

The liability limits apply to each insured **auto** as stated on the Policy Declarations. The insuring of more than one person or **auto** under this policy will not increase **our** liability limits beyond the amount shown for any one **auto**, even though a separate premium is charged for each **auto**. The limits also will not be increased if **you** have other **auto** insurance policies that apply.

An **auto** and attached trailer are considered one **auto**. Also, an **auto** and a mounted camper unit, topper, cap or canopy are considered one **auto**.

If a single "each occurrence" limit is stated on the Policy Declarations for Automobile Liability Insurance, this limit will be the maximum amount of **our** liability for **bodily injury** and property damage arising out of any one occurrence.

If There Is Other Insurance

If an insured person is using a substitute private passenger **auto** or non-owned **auto**, **our** liability insurance will be excess over other collectible insurance. If more than one policy applies to an accident involving **your** insured **auto**, **we** will bear **our** proportionate share with other collectible liability insurance.

Assistance And Cooperation Of The Insured

An insured person must assist **us** in making settlements, securing evidence, obtaining witnesses and in conducting suits. This includes disclosing all facts, and attending hearings and trials. That person must also help **us** recover from anyone who may be jointly responsible.

We can not be obligated if an insured person voluntarily makes any payments or takes other actions except as specified in this policy.

Actions Against Us

No insured person may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under **Part 1—Automobile Liability Insurance**, unless there is full compliance with all policy terms and such action is commenced no later than the last of the following to occur:

- a) one year after the date of the accident;
- b) one year after entry of final judgment or other court order terminating a lawsuit against the insured to determine the insured's liability or the amount of the insured's liability arising out of the accident;
- c) one year after **we** agree to a settlement; or
- d) if **we** have denied coverage and the insured person has thereafter settled with the claimant without any lawsuit being filed to determine the insured's liability or the amount of the insured's liability arising out of the accident, within one year after the denial of coverage.

If the insured person is subjected to claims arising out of the same accident by more than one person claiming **bodily injury** or property damage, the time for the insured person to bring an action against **us** shall be determined separately as to the coverage sought or provided with respect to the claims of each of those claiming against the insured person.

If liability has been determined by judgment after trial, or by written agreement among the insured, the other person, and **us**, then whoever obtains this judgment or agreement against an insured person may sue **us** up to the limits of this policy. However, no one has the right to join **us** in a suit to determine legal responsibility of an insured person.

Bankruptcy Or Insolvency

The bankruptcy or insolvency of an insured person will not relieve **us** of any obligation.

Additional Interested Parties

If one or more additional interested parties are listed on the Policy Declarations, the Automobile Liability Insurance coverages of this policy will apply to those parties as insureds.

We will mail or deliver at least 15 days notice to an additional interested party if **we** cancel or make any changes to this policy which adversely affect that party's interest. **Our** notice will be considered properly given if mailed to the last known address of the additional interested party.

The naming of an additional interested party does not increase that party's right to recovery under this policy, nor does it impose an obligation for the payment of premiums under this policy.

What To Do In Case Of An Auto Accident Or Claim

If an insured person has an **auto** accident or information that a claim may be made against that person, **we** must be informed promptly of all details. If an insured person is sued as a result of an auto accident, **we** must be informed immediately so **we** can provide defense.

Part 2—First Party Benefits Coverage

Medical Expenses—Coverage CC

Funeral Expenses—Coverage CF

Income Loss—Coverage VW

Accidental Death—Coverage VM

Combination Package—Coverage CE

In accordance with the Pennsylvania Motor Vehicle Financial Responsibility Law, **we** will pay First Party Benefits for:

1. a) **medical expense** (Coverage CC),
- b) **income loss** (Coverage VW), and
- c) **funeral expense** (Coverage CF)

arising from **bodily injury** to an **eligible person** resulting from the maintenance or use of a **motor vehicle** as a vehicle.

2. **accidental death** (Coverage VM) arising from **bodily injury** to the **named insured** or **relative** resulting from the maintenance or use of a **motor vehicle** as a vehicle.

Only the First Party Benefits shown as applicable in the Policy Declarations will apply.

Definitions

1. **"We," "us,"** and **"our"** mean the Company providing this insurance.
2. **"Accidental death"** means the death of the **named insured** or **relative** if death occurs within 24 months from the date of the accident. The death benefit shall be paid to the executor or administrator of the estate of the **named insured** or **relative**.
3. **"Bodily injury"** means accidental bodily harm to a person and that person's resulting illness, disease or death.
4. **"Catastrophic Loss Trust Fund"** means the Fund established under the Pa. Motor Vehicle Financial Responsibility Law (75 Pa. C.S. Ch. 17 F.)
5. **"Eligible person"** means:
 - a) the **named insured** or any **relative**;
 - b) any other person who sustains **bodily injury**
 - 1) while **occupying** the insured **motor vehicle**, or
 - 2) while a non-occupant of a **motor vehicle** if injured as a result of an accident in Pennsylvania involving the **insured motor vehicle**. An unoccupied parked **insured motor vehicle** is not a **motor vehicle** involved in an accident unless it was parked in a manner as to create an unreasonable risk of injury.
6. **"Funeral expenses"** means reasonable expenses directly related to the funeral, burial, cremation or other form of disposition of the remains of the deceased **eligible person**. The expenses must be incurred as a result of the death of the **eligible person** and within 24 months from the date of the accident.
7. **"Income loss"** means eighty (80%) percent of gross income actually lost by an **eligible person**. **Income loss** includes reasonable expenses actually incurred for hiring:
 - a) a substitute to perform the work a self-employed **eligible person** would have performed except for the **bodily injury**, or
 - b) special help, thereby enabling a person to work, thereby reducing loss of gross income.

Income loss does not include:

 - a) loss of expected income for any period following the death of an **eligible person**,
 - b) expenses incurred for services performed following the death of an **eligible person**, or
 - c) any loss of income during the first five (5) working days the **eligible person** did not work after the accident because of the **bodily injury**. These five (5) working days do not have to be consecutive.

8. **"Insured motor vehicle"** means a **motor vehicle**:
- to which the bodily injury liability insurance of the policy applies and for which a specific premium is charged, and
 - for which the **named insured** maintains First Party Benefits as required under the Pennsylvania Motor Vehicle Financial Responsibility Law.
9. **"Medical expenses"** means reasonable and necessary charges incurred for:
- medical treatment, including but not limited to:
 - medical, hospital, surgical, nursing and dental services;
 - medications, medical supplies and prosthetic devices; and
 - ambulance;
 - medical and rehabilitative services, including but not limited to:
 - medical care;
 - licensed physical therapy, vocational rehabilitation and occupational therapy;
 - osteopathic, chiropractic, psychiatric and psychological services; and
 - optometric services, speech pathology and audiology;
 - nonmedical remedial care and treatment rendered in accordance with a recognized religious method of healing.
- All medical treatment and medical and rehabilitative services must be provided by or prescribed by a person or facility approved by the Department of Health, the equivalent government agency responsible for health programs or the accrediting designee of a department or agency of the state in which those services are provided.
- Payment of **medical expenses** incurred after 18 months from the date of the accident causing **bodily injury** shall be made only if within 18 months from the date of the accident it is ascertainable with reasonable medical probability that further expenses may be incurred as a result of the injury.
10. **"Motor vehicle"** means any vehicle which is self-propelled except one which is propelled:
- solely by human power,
 - by electric power obtained from overhead trolley wires, or
 - upon rails.
11. **"Named insured"** means the person or organization named in the Policy Declarations including the spouse if a **resident** in the same household.
12. **"Occupying"** means in or upon, entering into or alighting from.
13. **"Relative"** means, if a **resident** in the same household as the **named insured**:
- the spouse of the **named insured**,
 - any person related to the named insured by blood, marriage or adoption, including a minor in the custody of the **named insured**, or such related person,
- whether or not temporarily residing elsewhere.

Exclusions—What Is Not Covered

This coverage does not apply to **bodily injury** to:

- any person who, at the time of the accident,
 - is the owner of one or more registered **motor vehicles** for which Financial Responsibility is not provided; or
 - is **occupying** or is struck by a **motor vehicle** owned by that person for which Financial Responsibility is not provided.
- any person while **occupying** a motorcycle, motor driven cycle, motorized pedalcycle or like type vehicle required to be registered under Title 75 or a recreational vehicle not intended for highway use;
- any person other than the **named insured** or any **relative**, who knowingly converts a **motor vehicle** if the **bodily injury** arises out of the maintenance or use of the converted vehicle;
- any person when the conduct of that person contributed to the **bodily injury** sustained by that person, while
 - intentionally injuring or attempting to intentionally injure himself or another,
 - committing a felony, or
 - seeking to elude lawful apprehension or arrest by a law enforcement official;
- any person engaged in the business of repairing, servicing, or otherwise maintaining **motor vehicles** if the **bodily injury** arises out of that business unless the conduct occurs off the business premises;
- any person not **occupying a motor vehicle**, other than the **named insured** or any **relative**, if the accident occurs outside the Commonwealth of Pennsylvania;
- any person while maintaining or using a **motor vehicle** while located for use as a residence or premises;
- any person due to war, whether or not declared, civil war, insurrection, revolution or rebellion or any accompanying acts or conditions;
- any person caused by nuclear radioactivity or explosion; and
- bodily injury** or property damage arising out of the participation in any prearranged, organized, or spontaneous:
 - racing contest;
 - speed contest; or
 - use of an **auto** at a track or course designed or used for racing or high performance driving;
 or in practice or preparation for any contest or use of this type.

Policy Period; Territory

This coverage applies only to accidents which occur on or after October 1, 1984 during the policy period and within the United States of America, its territories and possessions or Canada.

Limits Of Liability

1. **Our** liability for benefits with respect to **bodily injury** to any one **eligible person** in any one **motor vehicle** accident is limited to the amount shown in the Policy Declarations; or
2. If the Policy Declarations show that Combination Package-Coverage CE applies, **we** will pay:

Benefit	Limit
a) Medical Expenses	Subject to Aggregate Limit
b) Income Loss	Subject to Aggregate Limit
c) Funeral Expenses	Subject to amount shown in the Policy Declarations
d) Accidental Death	Subject to amount shown in the Policy Declarations

The Aggregate Limit is shown in the Policy Declarations. The Aggregate Limit is the total amount payable for all benefits with respect to **bodily injury** to any one **eligible person** in any one **motor vehicle** accident for the expenses incurred within three years from the date of the accident. The limits shown in the Policy Declarations for Funeral Expenses and Accidental Death are included within the Aggregate Limit for Coverage CE and not in addition to the Aggregate Limit.

Benefits shall not be increased for any **eligible person** by adding together the limits of liability:

1. under this policy because there are multiple **motor vehicles** covered under this policy, or
2. under multiple **motor vehicle** policies covering an **eligible person** for the same loss.

Any amount payable by **us** under the terms of this coverage:

1. for **medical expenses** greater than \$100,000 shall be excess over any amount paid or payable under the **Catastrophic Loss Trust Fund**, and
2. for First Party Benefits shall be excess over all benefits that an **eligible person** receives or is entitled to receive under any workers' compensation law or similar law.

Priorities Of Policies

We will pay First Party Benefits in accordance with the following order of Priority. **We** will not pay if there is another insurer at a higher level of priority. The priority order is:

- | | |
|--------|--|
| First | The insurer providing benefits to the eligible person as a named insured . |
| Second | The insurer providing benefits to the eligible person as a relative who is not a named insured under another policy providing coverage under the Pennsylvania Motor Vehicle Financial Responsibility Law. |
| Third | The insurer of the motor vehicle which the eligible person is occupying at the time of the accident. |

- Fourth The insurer providing benefits on any **motor vehicle** involved in the accident if the **eligible person** is not (a) **occupying a motor vehicle**, and (b) providing coverage under any other policy.

The first category listed above is the highest level of priority and the fourth category listed above is the lowest level of priority.

If two or more policies have equal priority:

1. the insurer against which the claim is first made shall process and pay the claim as if wholly responsible.
2. the maximum recovery under all policies will not exceed the amount payable under the policy with the highest dollar limits of benefits.

For the purposes of determining priorities, an unoccupied parked **motor vehicle** is not a **motor vehicle** involved in an accident unless it was parked in a manner as to create an unreasonable risk of injury.

Conditions

- A. **Action Against Us.** No one may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under **Part 2 First Party Benefits Coverage**, unless there is full compliance with all policy terms. If benefits have not been paid, such action must be commenced within four years after the date of the accident. If benefits have been paid, such action must be commenced within four years after the date of the last payment.
- B. **Notice.** If an accident occurs, written notice adequately identifying the **eligible person** and reasonably accessible facts concerning the time, place and circumstances of the accident shall be given as soon as practicable by or on behalf of each **eligible person** to **us** or any of **our** authorized agents.
- C. **Medical Reports; Proof of Claim.** As soon as practicable the **eligible person**, or someone on his behalf, shall give **us** written proof of claim, under oath if required, fully describing the nature and extent of **bodily injury**, treatment and rehabilitation received and contemplated and other information to assist **us** in determining the amount due and payable.

Proof of claim shall be made upon forms furnished by **us** unless **we** fail to supply such forms within 15 days after receiving notice of claim.

The **eligible person** shall submit to mental and physical examinations by physicians selected by **us** when and as often as **we** may reasonably require. **We** will pay the costs of such examinations.

The **eligible person** (or, in the event of such person's incapacity or death, his legal representative) shall, if **we** request, sign papers to enable **us** to obtain medical reports and copies of records. A copy of such medical report will be forwarded to such **eligible person** upon his written request.

If benefits for **income loss** are claimed, the **eligible person** presenting such claim shall authorize **us** to obtain details of all earnings paid to him

by an employer or earned by him since the time of the injury or during the year immediately preceding the date of the accident.

- D. **Customary Charges For Treatment.** The amount **we** will pay a person or institution providing treatment, accommodations, products or services to an **eligible person** for an injury covered by **medical expense** benefits shall not exceed the amount the person or institution customarily charges for like treatment, accommodations, products and services in cases involving no insurance.
- E. **Non-Duplication Of Benefits.** No **eligible person** shall recover duplicate benefits for the same elements of loss under this or any other similar automobile insurance including self-insurance.
- F. **Other Insurance.** If the **eligible person** is the **named insured**, a **relative**, or the occupant of an **insured motor vehicle**, **we** shall not be liable for a greater proportion of any loss than this policy's limit of liability bears to the sum of all limits of liability of all applicable insurance and self-insurance. The maximum recovery shall not exceed the amount payable under the insurance or self-insurance providing the highest dollar limit.

If the **eligible person** is not the **named insured**, a **relative**, or the occupant of an **insured motor vehicle**, **our** share shall be based on the number of **motor vehicles** involved in the accident.

Part 3—Uninsured Motorists Insurance— Coverage SS Underinsured Motorists Insurance— Coverage SU

Section 1—Uninsured Motorists Insurance

If a limit of liability is shown on **your** Policy Declarations for Uninsured Motorists Insurance—Coverage SS, **we** will pay damages to an insured person for **bodily injury** which an insured person is legally entitled to recover from the owner or operator of an uninsured **auto**. **Bodily injury** must be caused by accident and arise out of the ownership, maintenance or use of an uninsured **auto**. **We** will not pay any punitive or exemplary damages. No judgment for damages arising out of a suit brought against the owner or operator of an uninsured **auto** is binding on **us**.

Insured Persons

These persons are insured under Coverage SS:

1. **You** and any **resident** relative,
2. Any other person while in, on, getting into or out of **your** insured **auto** with **your** permission, and
3. Any other person who is legally entitled to recover because of **bodily injury** to **you**, a **resident** relative, or an occupant of **your** insured **auto** with **your** permission.

An Insured Auto Is A Motor Vehicle:

1. Described on the Policy Declarations. This includes the **motor vehicle** **you** replace it with.
2. **You** acquire ownership of during the policy period. This additional **motor vehicle** will be covered if **we** insure all other private passenger **motor vehicles** **you** own. **You** must, however, notify **us** within 30 days after **you** acquire the **motor vehicle** and pay any additional premium.
3. Not owned by **you** or a **resident** relative if being temporarily used by **you** or a **resident** relative while **your** insured **auto** is being serviced or repaired, or if **your** insured **auto** is stolen or destroyed. The **motor vehicle** must be used with the owner's permission. It can not be furnished for the regular use of **you** or any **resident** relative.
4. Not owned by **you** or a **resident** relative, being operated by **you** or a **resident** relative with the permission of the owner. This **auto** must not be available or furnished for the regular use of an insured person.
5. Not made available for public hire by an insured person.

An Uninsured Auto Is:

1. A **motor vehicle** which has no bodily injury liability bond or insurance policy in effect at the time of the accident.
2. A **motor vehicle** for which the insurer denies coverage, becomes insolvent, or is involved in insolvency proceedings.
3. A hit-and-run **motor vehicle** which causes **bodily injury** to an insured person as the result of a **motor vehicle** accident. The identity of either the operator or owner must be unknown. The accident must be reported to the police or proper governmental authority as soon as practicable. **We** must be notified within 30 days.

If the insured person was occupying the vehicle at the time of the accident, **we** have a right to inspect it. If the hit-and-run **motor vehicle** caused the injury without physical contact with the insured person or the vehicle the insured person was occupying, the facts of the accident must be verified by a disinterested witness.

An Uninsured Auto Is Not:

1. An underinsured **auto**.
2. A **motor vehicle** insured for bodily injury liability under Part 1 of this policy.
3. A **motor vehicle** owned by, furnished or available for the regular use of **you** or any **resident** relative.
4. A **motor vehicle** that is lawfully self-insured.

Definitions

1. **"We," "Us,"** or **"Our"** means the company named on the Policy Declarations.
2. **"Bodily injury"** means bodily injury, sickness, disease or death.

3. **"Motor Vehicle"** means a land motor vehicle or attached trailer other than:
 - a) a vehicle or other equipment designed for use principally off public roads,
 - b) a vehicle operated on rails or crawler-treads, or
 - c) a vehicle when used as a residence or premises.
4. **"Noneconomic Loss"** means pain and suffering and other nonmonetary detriment.
5. **"Resident"** means a person who physically resides in **your** household with the intention of continuing residence there. **Your** unmarried dependent children temporarily living away from home will be considered residents if they intend to resume residing in **your** household.
6. **"Serious Injury"** means a personal injury resulting in death, serious impairment of body function or permanent serious disfigurement.
7. **"You"** or **"Your"** means the **resident** policyholder named on the Policy Declarations and that policyholder's **resident** spouse.

Exclusions—What Is Not Covered

We will not pay any damages an insured person is legally entitled to recover because of:

1. **bodily injury** to any person who makes a settlement without **our** written consent, if such agreement adversely affects **our** rights.
2. **bodily injury**, if the payment would directly or indirectly benefit any workers' compensation or disability benefits insurer, including a self-insurer.
3. **bodily injury** while in, on, getting into or out of, or when struck by an uninsured **motor vehicle** owned by **you** or a **resident** relative.
4. **bodily injury** or property damage arising out of the participation in any prearranged, organized, or spontaneous:
 - a) racing contest;
 - b) speed contest; or
 - c) use of an **auto** at a track or course designed or used for racing or high performance driving;
 or in practice or preparation for any contest or use of this type.
5. **bodily injury** to **you** or a **resident** relative while in, on, getting into or out of or when struck by a non-owned **motor vehicle** not insured for Uninsured Motorists Coverage under this policy if that non-owned **motor vehicle** is available for the regular use of **you** or a **resident** relative.

Limits Of Liability

1. Limited Tort Insurance

If the Policy Declarations indicates **you** elected Limited Tort insurance for Coverage SS, **you** or any **resident** relative may seek compensation for economic loss sustained due to **bodily injury** in a covered **motor vehicle** accident. **You** or any **resident** relative are precluded from

maintaining an action for any **noneconomic loss** unless the injury sustained is a **serious injury** or the at-fault person:

- a) is convicted of, or accepts Accelerated Rehabilitative Disposition for, driving under the influence of alcohol or a controlled substance in the accident; or
- b) is operating a **motor vehicle** registered in another state; or
- c) intends to injure himself or another person.

You or any **resident** relative otherwise bound by the Limited Tort option 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**. Full tort rights will be retained by **you** or any **resident** relative for claims involving a **motor vehicle** which has a defect caused by, or not corrected by, an act or omission in the course of such a business, other than a defect in a **motor vehicle** which is operated by such business.

You or any **resident** relative otherwise bound by the Limited Tort option shall retain full tort rights if injured while an occupant of a **motor vehicle** other than a private passenger **motor vehicle**.

Whenever the at-fault person has not maintained financial responsibility, **you** or a **resident** relative cannot maintain an action for **noneconomic loss** for **bodily injury** unless one of the above conditions are met.

2. Full Tort Insurance

If the Policy Declarations indicates **you** elected Full Tort insurance for Coverage SS, **you** or any **resident** relative may seek compensation for **noneconomic loss** and economic loss sustained in a covered **motor vehicle** accident caused by another person.

3. When The Limits Of Two Or More Insured Autos May Be Stacked:

If the Policy Declarations indicates **you** elected to stack limits for two or more insured **autos** together under Coverage SS, the following **Limits Of Liability** apply.

The Coverage SS limit shown on the Policy Declarations for:

- a) "each person" is the maximum that **we** will pay for damages arising out of **bodily injury** to one person in any one **motor vehicle** accident, including damages sustained by anyone else as a result of that **bodily injury**.

When the limits of two or more insured **autos** are stacked, **our** maximum limit of liability damages to **you** or a **resident** relative in any one accident is the sum of the "each person" limits for each insured **auto** shown on the Policy Declarations.

- b) "each accident" is the maximum that **we** will pay for damages arising out of **bodily injury** to two or more persons in any one **motor vehicle** accident.

When the limits of two or more insured **autos** are stacked, subject to the limit for "each person," **our** maximum limit of liability for damages to two or more persons in any one accident is the sum of the "each accident" limits for each insured **auto** shown on the Policy Declarations.

4. **When The Limits Of Two Or More Insured Autos May Not Be Stacked:**

If the Policy Declarations indicates **you** did not elect to stack limits for two or more insured **autos** together under Coverage SS, the following **Limits Of Liability** apply.

The Coverage SS limit shown on the Policy Declarations for:

- a) "each person" is the maximum that **we** will pay for damages arising out of **bodily injury** to one person in any one **motor vehicle** accident, including damages sustained by anyone else as a result of that **bodily injury**.
- b) "each accident" is the maximum that **we** will pay for damages arising out of **bodily injury** to two or more persons in any one **motor vehicle** accident.

These limits are the maximum **we** will pay for any one **motor vehicle** accident regardless of the number of:

- a) claims made;
- b) vehicles or persons shown on the Policy Declarations; or
- c) vehicles involved in the accident.

5. If **bodily injury** is sustained in a motor vehicle accident by any person other than **you** or a **resident** relative, **our** maximum limit of liability is the limit of liability shown on the Policy Declarations applicable to the vehicle the insured person was occupying at the time of the **motor vehicle** accident. This is the most **we** will pay regardless of the number of:

- a) claims made;
- b) vehicles or persons shown on the Policy Declarations; or
- c) vehicles involved in the **motor vehicle** accident; whether the Policy Declarations indicates stacking or non-stacking of limits. The Uninsured Motorists Insurance–Coverage SS limits apply to each insured **motor vehicle** as shown on the Policy Declarations.

6. Subject to the above limits of liability, damages but not limits payable will be reduced by:

- a) All amounts paid by the owner or operator of the uninsured **auto** or anyone else responsible. This includes all sums paid under the bodily injury liability coverage of this or any other policy.
- b) All amounts paid or payable under any Personal Injury Protection, any First Party Benefits Coverage, any automobile medical payments coverage and any other sources of benefits specified under Section 1722 of Title 75 of the Pennsylvania Consolidated Statutes.

Non-Duplication Of Benefits

No injured person will recover duplicate benefits for the same elements of loss under this or any other uninsured motorists coverage including approved plans of self-insurance or First Party Benefits Coverage.

If There Is Other Insurance

1. **When The Limits Of Two Or More Insured Autos May Be Stacked:**

If the insured person was in, on, getting into or out of a vehicle **you** do not own which is insured for this coverage under another policy, this

coverage will be excess. This means that when the insured person is legally entitled to recover damages in excess of the other policy limit, **we** will pay up to **your** policy limit, but only after all other collectible insurance has been exhausted.

If more than one policy applies to a **motor vehicle** accident on a primary basis, **we** will bear **our** proportionate share, as it applies to the total limits available, up to the full limits of liability for this coverage under this policy.

2. **When The Limits Of Two Or More Insured Autos May Not Be Stacked:**

If the insured person was in, on, getting into or out of a vehicle **you** do not own which is insured for this coverage under another policy, this coverage will be excess. This means that when the insured person is legally entitled to recover damages in excess of the other policy limit, **we** will pay up to **your** policy limit, but only after the other insurance has been exhausted.

If more than one policy applies to the **motor vehicle** accident on a primary basis, the total benefits payable to any one person will not exceed the maximum benefits payable by the policy with the highest limit for uninsured motorists benefits. **We** will bear **our** proportionate share, as it applies to the total limits available, up to the full limits of liability for this coverage under this policy. This applies no matter how many **autos** or **auto** policies may be involved whether written by **us** or not.

Proof Of Claim; Medical Reports

As soon as possible, **you** or any other person making claim must give **us** written proof of claim including all details reasonably required by **us** to determine the amounts payable.

The injured person may be required to take physical examinations by physicians selected by **us**, as often as **we** reasonably require. The injured person or his representative must authorize **us** to obtain medical reports and copies of records.

Assistance And Cooperation Of The Insured

We may require the insured person to take proper action to preserve all rights to recover damages from anyone responsible for the **bodily injury**. An insured person must assist **us** in securing evidence, obtaining witnesses and in conducting suits. This includes submitting to signed statements and disclosing all facts.

Trust Agreement

When **we** pay any person under this coverage:

1. **We** are not entitled to repayment until after the person **we** have paid under this coverage has been compensated for all damages that person was legally entitled to recover. **We** are entitled to repayment of amounts paid by **us** and related collection expenses out of the proceeds of any settlement or judgment that person recovers from any responsible party or insurer.

2. All rights of recovery against any responsible party or insurer must be maintained and preserved for **our** benefit.
3. If **we** ask, injured persons must take appropriate action in their names to recover damages from any responsible party or insurer. **We** will select the attorney and pay all related costs and fees. **We** will not ask the injured person to sue the insured of any insolvent insurer or any insurer involved in insolvency proceedings.

Our Payment Of Loss

Any amount due is payable to the injured person, to the parent or guardian of an injured minor, or to the spouse of any injured person who dies. However, **we** may pay any person lawfully entitled to recover the damages.

Action Against Us

No one may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under **Part 3—Uninsured Motorists Insurance**, unless there is full compliance with all policy terms and such action is commenced within four years after the date of the accident.

If any insured person sues a person believed responsible for the accident without **our** written consent, **we** are not bound by any resulting judgment.

If We Cannot Agree

If the insured person and **we** do not agree on that person's right to receive damages or on the amount, then upon mutual consent, the disagreement will be settled by arbitration. Unless **you** and **we** agree otherwise, arbitration will take place in the county in which **your** address shown on the Policy Declarations is located. If the insured person and **we** do not agree to arbitrate, then the disagreement will be resolved in a court of competent jurisdiction. Any and all lawsuits related in any way to this coverage shall be brought, heard, and decided in the county in which **your** address shown on the Policy Declarations is located. The following issues may be arbitrated:

1. Whether an insured person is legally entitled to recover damages from the owner or operator of an uninsured **auto** because of **bodily injury** to the insured person; or
2. The amount of damages to which an insured person is legally entitled due to **bodily injury**, subject to the limits of liability as determined by the terms and conditions of this policy.

The arbitrators will not have the power to decide any dispute regarding the nature or the amount of the coverage provided by the policy or claims for damages outside the terms of the policy, including, but not limited to, claims for bad faith, fraud, misrepresentation, punitive or exemplary damages, attorney fees and/or interest. Neither of the parties shall be entitled to arbitrate any claims in a representative capacity or as a member of a class. No arbitrator shall have the authority, without the mutual consent of the parties, to consolidate claims in arbitration. Arbitration will take place under the rules of the Pennsylvania Uniform Arbitration Act or as agreed to by the parties. All expenses of the arbitration will be shared equally. However, attorney fees and

fees paid to medical and other expert witnesses are not considered arbitration expenses. These costs will be paid by the party incurring them.

No one may pursue arbitration under **Part 3—Uninsured Motorists Insurance** unless there is full compliance with all policy terms. No one may pursue arbitration under **Part 3—Uninsured Motorists Insurance** unless the demand for arbitration is made within four years after the date of the accident.

Section 2—Underinsured Motorists Insurance

If a limit of liability is shown on **your** Policy Declarations for Underinsured Motorists Insurance—Coverage SU, **we** will pay damages to an insured person for **bodily injury** which an insured person is legally entitled to recover from the owner or operator of an underinsured **auto**. **Bodily injury** must be caused by accident and arise out of the ownership, maintenance or use of an underinsured **auto**. **We** will not pay any punitive or exemplary damages.

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

1. **We** received reasonable notice of the pendency of the suit resulting in the judgment; and
2. **We** had reasonable opportunity to protect **our** interests in the suit.

Insured Persons

These persons are insured under Coverage SU:

1. **You** and any **resident** relative,
2. Any other person while in, on, getting into or out of **your** insured **auto** with **your** permission, and
3. Any other person who is legally entitled to recover because of **bodily injury** to **you**, a **resident** relative, or an occupant of **your** insured **auto** with **your** permission.

An Insured Auto Is A Motor Vehicle:

1. Described on the Policy Declarations. This includes the **motor vehicle** **you** replace it with.
2. **You** acquire ownership of during the policy period. This additional **motor vehicle** will be covered if **we** insure all other private passenger **motor vehicles** **you** own. **You** must, however, notify **us** within 30 days after **you** acquire the **motor vehicle** and pay any additional premium.
3. Not owned by **you** or a **resident** relative if being temporarily used by **you** or a **resident** relative while **your** insured **auto** is being serviced or repaired, or if **your** insured **auto** is stolen or destroyed. The **motor vehicle** must be used with the owner's permission. It cannot be furnished for the regular use of **you** or any **resident** relative.
4. Not owned by **you** or a **resident** relative being operated by **you** or a **resident** relative with the permission of the owner. This **auto** must not be available or furnished for the regular use of an insured person.
5. Not made available for public hire by an insured person.

An Underinsured Auto Is:

A **motor vehicle** which has bodily injury liability protection in effect at the time of the accident, but its limit for bodily injury liability is less than the damages the insured person is legally entitled to recover.

An Underinsured Auto Is Not:

1. An uninsured **auto**.
2. A **motor vehicle** insured for bodily injury liability under Part 1 of this policy.
3. A **motor vehicle** owned by or furnished or available for the regular use of **you** or any **resident** relative.

Definitions

1. **"We," "Us," or "Our"** means the company named on the Policy Declarations.
2. **"Bodily injury"** means bodily injury, sickness, disease or death.
3. **"Motor Vehicle"** means a land motor vehicle or attached trailer other than:
 - a) a vehicle or other equipment designed for use principally off public roads, or
 - b) a vehicle operated on rails or crawler-treads, or
 - c) a vehicle when used as a residence or premises.
4. **"Noneconomic Loss"** means pain and suffering and other nonmonetary detriment.
5. **"Resident"** means a person who physically resides in **your** household with the intention of continuing residence there. **Your** unmarried dependent children temporarily away from home will be considered residents if they intend to resume residing in **your** household.
6. **"Serious Injury"** means a personal injury resulting in death, serious impairment of body function or permanent serious disfigurement.
7. **"You" or "Your"** means the **resident** policyholder named on the Policy Declarations and that policyholder's **resident** spouse.

Exclusions—What Is Not Covered

We will not pay any damages an insured person is legally entitled to recover because of:

1. **bodily injury** to any person who makes a settlement without **our** written consent, if such agreement adversely affects **our** rights.
2. **bodily injury**, if the payment would directly or indirectly benefit any workers' compensation or disability benefits insurer, including a self-insurer.
3. **bodily injury** while in, on, getting into or out of, or when struck by an underinsured **motor vehicle** owned by **you** or a **resident** relative.
4. **bodily injury** or property damage arising out of the participation in any prearranged, organized, or spontaneous:

- a) racing contest;
- b) speed contest; or
- c) use of an **auto** at a track or course designed or used for racing or high performance driving;

or in practice or preparation for any contest or use of this type.

5. **bodily injury** to **you** or a **resident** relative while in, on, getting into or out of or when struck by a non-owned **motor vehicle** not insured for Underinsured Motorist Coverage under this policy if that non-owned **motor vehicle** is available for the regular use of **you** or a **resident** relative.

Limits Of Liability

1. Limited Tort Insurance

If the Policy Declarations indicates **you** elected Limited Tort insurance for Coverage SU, **you** or any **resident** relative may seek compensation for economic loss sustained due to **bodily injury** in a covered **motor vehicle** accident. **You** or any **resident** relative are precluded from maintaining an action for any **noneconomic loss** unless the injury sustained is a **serious injury** or the at-fault person:

- a) is convicted of, or accepts Accelerated Rehabilitative Disposition for, driving under the influence of alcohol or a controlled substance in the accident;
- b) is operating a **motor vehicle** registered in another state; or
- c) intends to injure himself or another person.

You or any **resident** relative otherwise bound by the Limited Tort option 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**. Full tort rights will be retained by **you** or any **resident** relative for claims involving a **motor vehicle** which has a defect caused by, or not corrected by, an act or omission in the course of such a business, other than a defect in a **motor vehicle** which is operated by such business.

You or any **resident** relative otherwise bound by the Limited Tort option shall retain full tort rights if injured while an occupant of a **motor vehicle** other than a private passenger **motor vehicle**.

Whenever the at-fault person has not maintained financial responsibility, **you** or a **resident** relative cannot maintain an action for **noneconomic loss** for **bodily injury** unless one of the above conditions are met.

2. Full Tort Insurance

If the Policy Declarations indicates **you** elected Full Tort insurance for Coverage SU, **you** or any **resident** relative may seek compensation for **noneconomic loss** and economic loss sustained in a covered **motor vehicle** accident caused by another person.

3. When The Limits Of Two Or More Insured Autos May Be Stacked:

If the Policy Declarations indicates **you** elected to stack limits for two or more insured **autos** together under Coverage SU, the following Limits of Liability apply.

The Coverage SU limit shown on the Policy Declarations for:

- a) "each person" is the maximum that **we** will pay for damages arising out of **bodily injury** to one person in any one **motor vehicle** accident, including damages sustained by anyone else as a result of that **bodily injury**.

When the limits of two or more insured **autos** are stacked, **our** maximum limit of liability for damages to **you** or a **resident** relative in any one accident is the sum of the "each person" limits for each insured **auto** shown on the Policy Declarations.

- b) "each accident" is the maximum that **we** will pay for damages arising out of **bodily injury** to two or more persons in any one **motor vehicle** accident.

When the limits of two or more insured **autos** are stacked, subject to the limit for "each person," **our** maximum limit of liability for damages to two or more persons in any one accident is the sum of the "each accident" limits for each insured **auto** shown on the Policy Declarations.

4. **When The Limits Of Two Or More Insured Autos May Not Be Stacked:**

If the Policy Declarations indicates **you** did not elect to stack limits for two or more insured **autos** together under Coverage SU, the following **Limits Of Liability** apply.

The Coverage SU limit shown on the Policy Declarations for:

- a) "each person" is the maximum that **we** will pay for damages arising out of **bodily injury** to one person in any one **motor vehicle** accident, including damages sustained by anyone else as a result of that **bodily injury**.
- b) "each accident" is the maximum that **we** will pay for damages arising out of **bodily injury** to two or more persons in any one **motor vehicle** accident.

These limits are the maximum **we** will pay for any one **motor vehicle** accident regardless of the number of:

- a) claims made;
b) vehicles or persons stated on the Policy Declarations; or
c) vehicles involved in the accident.

5. If **bodily injury** is sustained in a **motor vehicle** accident by any person other than **you** or a **resident** relative, **our** maximum limit of liability is the limit of liability shown on the Policy Declarations applicable to the vehicle the insured person was occupying at the time of the **motor vehicle** accident. This is the most **we** will pay regardless of the number of:
- a) claims made;
b) vehicles or persons shown on the Policy Declarations; or
c) vehicles involved in the **motor vehicle** accident;

whether the Policy Declarations indicates stacking or non-stacking of limits. The Underinsured Motorists Insurance-Coverage SU limits apply to each insured **motor vehicle** as shown on the Policy Declarations.

6. **We** are not obligated to make any payment for **bodily injury** under this coverage which arises out of the use of an underinsured **auto** until after the limits of liability for all **motor vehicle** liability protection in effect and applicable at the time of the accident have been exhausted by payment of judgments or settlements.
7. Subject to the above limits of liability, damages but not limits payable will be reduced by:
- a) All amounts paid by the owner or operator of the underinsured **auto** or anyone else responsible. This includes all sums paid under the bodily injury liability coverage of this or any other policy.
- b) All amounts paid or payable under any Personal Injury Protection, any First Party Benefits Coverage, any automobile medical payments coverage and any other sources of benefits specified under Section 1722 of Title 75 of the Pennsylvania Consolidated Statutes.

Non-Duplication Of Benefits

No injured person will recover duplicate benefits for the same elements of loss under this or any other underinsured motorists coverage including approved plans of self-insurance or First Party Benefits Coverage.

If There Is Other Insurance

1. **When The Limits Of Two Or More Insured Autos May Be Stacked:**

If the insured person was in, on, getting into or out of a vehicle **you** do not own which is insured for this coverage under another policy, this coverage will be excess. This means that when the insured person is legally entitled to recover damages in excess of the other policy limit, **we** will pay up to **your** policy limit, but only after all other collectible insurance has been exhausted.

If more than one policy applies to the accident on a primary basis, **we** will bear **our** proportionate share, as it applies to the total limits available, up to the full limits of liability for this coverage under this policy.

2. **When The Limits Of Two Or More Insured Autos May Not Be Stacked:**

If the insured person was in, on, getting into or out of a vehicle **you** do not own which is insured for this coverage under another policy, this coverage will be excess. This means that when the insured person is legally entitled to recover damages in excess of the other policy limit, **we** will pay up to **your** policy limit, but only after all other collectible insurance has been exhausted.

If more than one policy applies to the accident on a primary basis, the total benefits payable to any one person will not exceed the maximum benefits payable by the policy with the highest limit for underinsured motorists benefits. **We** will bear **our** proportionate share, as it applies to the total limits available, up to the full limits of liability for this coverage under this policy. This applies no matter how many **autos** or **auto** policies may be involved whether written by **us** or not.

Proof Of Claim; Medical Reports

As soon as possible, **you** or any other person making claim must give **us** written proof of claim including all details reasonably required by **us** to determine the amounts payable.

The injured person may be required to take physical examinations by physicians selected by **us**, as often as **we** reasonably require. The injured person or his representative must authorize **us** to obtain medical reports and copies of records.

Assistance And Cooperation Of The Insured

We may require the insured person to take proper action to preserve all rights to recover damages from anyone responsible for the **bodily injury**. An insured person must assist **us** in securing evidence, obtaining witnesses and in conducting suits. This includes submitting to signed statements and disclosing all facts.

Trust Agreement

When **we** pay any person under this coverage:

1. **We** are not entitled to repayment until after the person **we** have paid under this coverage has been compensated for all damages that person was legally entitled to recover. **We** are entitled to repayment of amounts paid by **us** and related collection expenses out of the proceeds of any settlement or judgment that person recovers from any responsible party or insurer.
2. All rights of recovery against any responsible party or insurer must be maintained and preserved for **our** benefit.
3. If **we** ask, injured persons must take appropriate action in their names to recover damages from any responsible party or insurer. **We** will select the attorney and pay all related costs and fees. **We** will not ask the injured person to sue the insured of any insolvent insurer or any insurer involved in insolvency proceedings.

Our Payment Of Loss

Any amount due is payable to the injured person, to the parent or guardian of an injured minor, or to the spouse of any injured person who dies. However, **we** may pay any person lawfully entitled to recover the damages.

Action Against Us

No one may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under **Part 3—Underinsured Motorists Insurance**, unless there is full compliance with all policy terms and such action is commenced within four years after the date of the accident.

If any insured person sues a person believed responsible for the accident without **our** written consent, **we** are not bound by any resulting judgment.

If We Cannot Agree

If the insured person and **we** do not agree on that person's right to receive damages or on the amount, then upon mutual consent, the disagreement will be settled by arbitration. Unless **you** and **we** agree otherwise, arbitration will take place in the county in which **your** address shown on the Policy

Declarations is located. If the insured person and **we** do not agree to arbitrate, then the disagreement will be resolved in a court of competent jurisdiction. Any and all lawsuits related in any way to this coverage shall be brought, heard, and decided in the county in which **your** address shown on the Policy Declarations is located. The following issues may be arbitrated:

1. Whether an insured person is legally entitled to recover damages from the owner or operator of an underinsured **auto** because of **bodily injury** to the insured person; or
2. The amount of damages to which an insured person is legally entitled due to **bodily injury**, subject to the limits of liability as determined by the terms and conditions of this policy.

The arbitrators will not have the power to decide any dispute regarding the nature or the amount of the coverage provided by the policy or claims for damages outside the terms of the policy, including, but not limited to, claims for bad faith, fraud, misrepresentation, punitive or exemplary damages, attorney fees and/or interest. Neither of the parties shall be entitled to arbitrate any claims in a representative capacity or as a member of a class. No arbitrator shall have the authority, without the mutual consent of the parties, to consolidate claims in arbitration. Arbitration will take place under the rules of the Pennsylvania Uniform Arbitration Act or as agreed to by the parties. All expenses of the arbitration will be shared equally. However, attorney fees and fees paid to medical and other expert witnesses are not considered arbitration expenses. These costs will be paid by the party incurring them.

No one may pursue arbitration under **Part 3—Underinsured Motorists Insurance** unless there is full compliance with all policy terms. No one may pursue arbitration under **Part 3—Underinsured Motorists Insurance** unless the demand for arbitration is made within four years after the date of the accident.

Part 4—Protection Against Loss To The Auto-Coverages DD, HH, JJ, UU, ZA

The following coverages apply when indicated on the Policy Declarations. Other information applicable to all these coverages appears after the coverage agreements for all coverages.

Auto Collision Insurance—Coverage DD

If a premium is shown on the Policy Declarations for Auto Collision Insurance, **we** will pay for direct and accidental loss to **your** insured **auto** from a collision with another object or by upset of that **auto**.

Auto Comprehensive Insurance—Coverage HH

If a premium is shown on the Policy Declarations for Auto Comprehensive Insurance, **we** will pay for direct and accidental loss to **your** insured **auto** not caused by collision. Loss caused by missiles, falling objects, fire, theft or larceny, explosion, earthquake, windstorm, hail, water, flood, malicious mischief or vandalism, and riot or civil commotion is covered. Glass breakage, whether or not caused by collision, and collision with a bird or animal is covered.

We will pay up to \$750 for loss to a **sound system** permanently installed in **your** insured **auto** by bolts, brackets or other means, its antennas, or other apparatus in or on **your** insured **auto** used specifically with that system. However, any deductible amount which applies will be subtracted from the loss amount.

By agreement between **you** and **us**, the deductible will not be subtracted from a glass breakage loss if repaired rather than replaced.

Rental Reimbursements Coverage—Coverage UU

If a premium is shown on the Policy Declarations for Rental Reimbursement Coverage, and **your** owned insured **auto** is out of service because of a loss insured under Part 4, **we** will reimburse **you** for **your** cost of renting a substitute **auto** from a rental agency or garage. **We** will not pay more than the dollar amount per day shown on the Policy Declarations.

If an insured **auto** is disabled by a collision or comprehensive loss, coverage starts the day of the loss. If the entire insured **auto** is stolen, coverage begins the day **you** report the theft to **us**. If an insured **auto** is driveable, coverage starts the day the **auto** is taken to the garage for repairs.

Coverage ends when whichever of the following occurs first:

1. if the **auto** is disabled by a collision or comprehensive loss, completion of repairs or replacement of the **auto**;
2. if the **auto** is stolen, when **we** offer settlement or **your auto** is returned to use; or
3. thirty full days of coverage.

Sound System Coverage—Coverage ZA

If a premium is shown on the Policy Declarations for Sound System Coverage, **we** will pay for loss to a **sound system**, and antennas or other apparatus used specifically with that system, up to the limit shown on the Policy Declarations.

Sound System Coverage applies only if Auto Collision Insurance and Auto Comprehensive Insurance are in effect under this policy.

Additional Payments We Will Make

1. **We** will pay up to \$200 for loss of clothing and personal luggage, including its contents, belonging to **you** or a **resident** relative while it is in or upon **your** insured **auto**. This provision does not apply if the insured **auto** is a **travel-trailer**.

This coverage applies only when:

- a) the loss is caused by collision and **you** have purchased collision insurance.
- b) the entire **auto** is stolen, and **you** have purchased comprehensive insurance.
- c) physical damage is done to the **auto** and to the clothing and luggage caused by earthquake, explosion, falling objects, fire, lightning, or flood and **you** have purchased comprehensive insurance.

2. **We** will repay **you** up to \$10 for the cost of transportation from the place of theft of **your** insured **auto** or disablement of the **auto** to **your** destination, if:
 - a) the entire **auto** is stolen and **you** have comprehensive insurance under this policy.
 - b) the **auto** is disabled by a collision or comprehensive loss, and **you** have the coverage under this policy applicable to the loss.

This provision does not apply if the insured auto is a **travel-trailer**.

3. If **you** have comprehensive insurance under this policy, **we** will repay you to \$10 a day but not more than \$300 for each loss for the cost of transportation when the entire **auto** is stolen. This coverage begins the day **you** report the theft to **us**, and ends when **we** offer settlement or **your auto** is returned to use.
4. If **you** have purchased collision or comprehensive insurance under this policy, **we** will pay general average and salvage charges imposed when **your** insured **auto** is being transported.

Insured Autos

1. Any **auto** described on the Policy Declarations. This includes the **auto** or **utility auto** **you** replace it with if **you** notify **us** within 30 days of the replacement and pay the additional premium. Coverage will not continue after 30 days if **we** are not notified of the replacement **auto**. **We** must agree to provide coverage for the replacement **auto** or **utility auto**.
2. An additional **auto** or **utility auto** **you** become the owner of during the policy period. This **auto** will be covered if **we** insure all other **autos** or utility **autos** **you** own. **You** must, however, tell **us** within 30 days of acquiring the **auto**. **You** must pay any additional premium. Coverage will not continue after 30 days if **we** are not notified of the additional **auto**. **We** must agree to provide coverage for the additional **auto** or **utility auto**.
3. A substitute **auto** or **utility auto**, not owned by **you** or a **resident** relative, temporarily used by **you** or a **resident** relative with the permission of the owner while **your** insured **auto** is out of service because of a loss insured under Part 4.
4. A non-owned four wheel private passenger **auto** or **utility auto** used by **you** or a **resident** relative with the owner's permission. This **auto** must not be available or furnished for the regular use of **you** or any **resident** relative.
5. A trailer while attached to an insured **auto**. This trailer must be designed for use with a private passenger **auto**. This trailer cannot be used for business purposes with other than a private passenger **auto** or **utility auto**. Home, office, store, display, or passenger trailers are not covered. **Travel-trailers** or **camper units** are not covered unless described on the Policy Declarations.

Definitions

1. "**We**," "**Us**," or "**Our**" means the company named on the Policy Declarations.

2. **"Auto"** means a four-wheel, private passenger land motor vehicle designed for use principally on public roads and which is not principally used for commercial purposes other than farming.
3. **"Camper Unit"** means a demountable unit designed to be used as temporary living quarters, including all equipment and accessories built into and forming a permanent part of a unit. A camper unit does not include:
 - a) caps, tops, or canopies designed for use as protection of the cargo area of the **utility auto**; or
 - b) radio or television antennas, awnings, cabanas, or equipment designed to create additional off-highway living facilities.
4. **"Resident"** means a person who physically resides in **your** household with the intention of continuing residence there. **Your** unmarried dependent children while temporarily away from home will be considered residents if they intend to resume residing in **your** household.
5. **"Sound System"** means any device permanently installed inside **your** insured **auto** by bolts, brackets, or other similar means designed for:
 - a) voice or video transmission, or for voice or video reception;
 - b) recording or playing back recorded material; or
 - c) supplying power to cellular or similar telephone equipment.

A **sound system** also includes antennas or other apparatus in or on **your** insured **auto** used specifically with that system, if permanently installed. Apparatus does not include sound reproducing media such as compact discs or cassette tapes. A **sound system** does not include any equipment that is externally exposed except for antennas.
6. **"Travel-Trailer"** means a trailer of the house, cabin or camping type equipped or used as a living quarters.
7. **"Utility Auto"** means an **auto** with a gross vehicle weight not exceeding 9,000 pounds. This **auto** must be of the pickup body, sedan delivery or panel truck type and must not be principally used for commercial purposes other than farming.
8. **"You"** or **"Your"** means the **resident** policyholder named on the Policy Declarations and that policyholder's **resident** spouse.
6. tires unless stolen or damaged by fire, malicious mischief or vandalism. Coverage is provided if the damage to tires occurs at the same time and from the same cause as other loss covered by this policy.
7. loss greater than \$750 to any **sound system**. If **you** have purchased higher limits for a **sound system** under Sound System Coverage, **we** will cover the **sound system** up to the limits shown on the Policy Declarations.
8. loss to any tapes or similar items.
9. loss to a **camper unit** whether or not mounted. This exclusion will not apply if the **camper unit** is described on the Policy Declarations.
10. **bodily injury** or property damage arising out of the participation in any prearranged, organized, or spontaneous:
 - a) racing contest;
 - b) speed contest; or
 - c) use of an **auto** at a track or course designed or used for racing or high performance driving;

or in practice or preparation for any contest or use of this type.
11. loss due to conversion or embezzlement by any person who has the vehicle due to any rental, lease, lien or sales agreement.
12. home, office, store, display, or passenger trailers, **camper units** or **travel-trailers**. This exclusion will not apply if the item is described on the Policy Declarations.
13. any device that is designed for the detection of radar.
14. loss arising from use of an insured **auto** while rented to others.
15. loss or damage to any **auto** while used in any illegal trade or illegal transportation of alcohol or drugs.
16. loss or damage arising out of the ownership, maintenance, or use of the insured **auto** for transportation of explosives or explosive devices.
17. loss to any non-owned **auto** used in auto business operations such as repairing, servicing, testing, washing, parking, storing or selling of **autos**.
18. loss to appliances, furniture, equipment, and accessories that are not built into and forming a permanent part of a **travel-trailer**.

Exclusions—What Is Not Covered

These coverages do not apply to:

1. loss caused intentionally by or at the direction of an insured person.
2. any **auto** used for the transportation of people or property for a fee. This exclusion does not apply to shared-expense car pools.
3. any damage or loss resulting from any act of war, insurrection, rebellion or revolution.
4. loss due to radioactive contamination.
5. damage resulting from wear and tear, freezing, mechanical or electrical breakdown unless the damage is the burning of wiring used to connect electrical components, or the result of other loss covered by this policy.

Right To Appraisal

Both **you** and **us** have a right to demand an appraisal of the loss. Each will appoint and pay a qualified appraiser. Other appraisal expenses will be shared equally. The two appraisers, or a judge of a court of record, will choose an umpire. Each appraiser will state the actual cash value and the amount of loss. If they disagree, they will submit their differences to the umpire. A written decision by any two of these three persons will determine the amount of the loss.

Our Payment Of Loss

We may pay for the loss in money, or may repair or replace the damaged or stolen property. **We** may, at any time before the loss is paid or property is replaced, return at **our** own expense any stolen property, either to **you** or at

our option to the address shown on the Policy Declarations, with payment for any resulting damage. **We** may take all or part of the property at the agreed or appraised value. **We** may settle any claim or loss either with **you** or the owner of the property.

Limits Of Liability

Our limit of liability is the least of:

1. the actual cash value of the property or damaged parts of the property at the time of the loss, which may include a deduction for depreciation;
2. the cost to repair or replace the property or part to its physical condition at the time of the loss using parts produced by or for the vehicle's manufacturer, or parts from other sources, including, but not limited to, non-original equipment manufacturers, subject to applicable state laws and regulations; or
3. \$500, if the loss is to a covered trailer not described on the Policy Declarations.

Any applicable deductible amount is then subtracted.

If **we**, at **our** option, elect to pay for the cost to repair or replace the property or part, **our** liability does not include any decrease in the property's value, however measured, resulting from the loss and/or repair or replacement. If repair or replacement results in the betterment of property or the part, **you** may be responsible, subject to applicable laws and regulations, for the amount for the betterment.

An **auto** and attached trailer are considered separate **autos**, and **you** must pay the deductible, if any, on each. Only one deductible will apply to an **auto**, with a mounted **camper unit**. If unmounted, a separate deductible will apply to the **auto** and **camper unit**.

When more than one coverage is applicable to the loss, **you** may recover under the broadest coverage but not both. However, any Sound System Coverage deductible will always apply.

If There Is Other Insurance

If there is other insurance covering the loss at the time of the accident, **we** will pay only **our** share of any damages. **Our** share is determined by adding the limits of this insurance to the limit of all other insurance that applies on the same basis and finding the percentage of the total that **our** limits represent.

When this insurance covers a substitute **auto** or non-owned **auto**, **we** will pay only after all other collectible insurance has been exhausted.

When this insurance covers a replacement **auto** or additional **auto**, this policy will not apply if **you** have other collectible insurance.

Action Against Us

No one may bring an action against **us** in any way related to the existence or amount of coverage, or the amount of loss for which coverage is sought, under **Part 4—Protection Against Loss To The Auto**, unless there is full compliance with all policy terms and such action is commenced within one year after the date of loss.

Subrogation Rights

When **we** pay, **your** rights of recovery from anyone else become **ours** up to the amount **we** have paid. **You** must protect these rights and help **us** enforce them.

Loss Payable Clause

If a Lienholder and/or Lessor is shown on the Policy Declarations, **we** may pay loss or damage under this policy to **you** and the Lienholder and/or Lessor as its interest may appear, except:

1. Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of **you**.
2. When the vehicle(s) is intentionally damaged, destroyed or concealed by or at the direction of **you** or any owner.
3. When **you** or any owner makes fraudulent statement(s) or engages in fraudulent conduct in connection with any accident or loss for which coverage is sought.

The Lienholder and/or Lessor must notify **us** of any change in ownership or hazard that is known.

If **you** or any owner fails to render proof of loss within the time granted in the policy, the Lienholder and/or Lessor must do so within sixty days in the form and manner described in the policy. The Lienholder and/or Lessor are subject to the provisions of the policy relating to appraisal, time of payment and bringing suit.

We may cancel this policy according to its terms. **We** will notify the Lienholder and/or Lessor at least ten days prior to the date of cancellation that the cancellation is effective as to the interest of the Lienholder and/or Lessor.

Whenever **we** pay the Lienholder and/or Lessor any sum for loss or damage under this policy, **we** will be subrogated to the extent of payment to the rights of the party to whom payment was made. However, these subrogation provisions must in no way impair the rights of the Lienholder and/or Lessor to recover the full amount of its claim from the insured.

The Lienholder and/or Lessor has no greater rights under the provisions of the policy than the insured.

What You Must Do If There Is A Loss

1. As soon as possible, any person making a claim must give **us** written proof of loss. It must include all details reasonably required by **us**. **We** have the right to inspect the damaged property. **We** may require any person making claim to file with **us** a sworn proof of loss. **We** may also require that person to submit to examinations under oath.
2. Protect the **auto** from further loss. **We** will pay reasonable expenses to guard against further loss. If **you** do not protect the **auto**, further loss is not covered.
3. Report all theft losses promptly to the police.