

Off-Road Vehicle Policy

AU14570

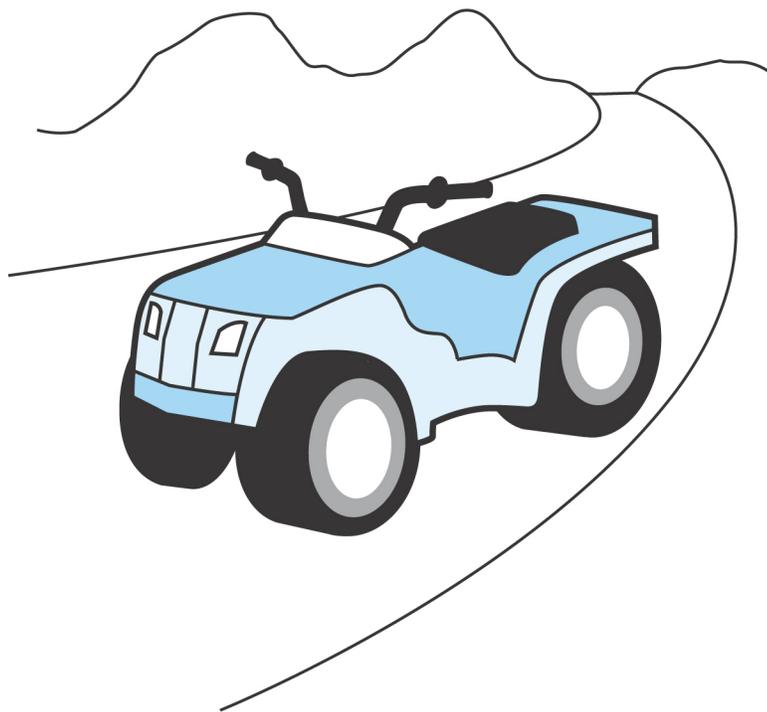


Table of Contents

Insuring Agreement	3
When And Where The Policy Applies	3
Conformity To State Statutes	3
Insurance Coverage In Mexico	3
Premium Changes	3
Coverage Changes	3
Duty To Report Policy Changes.....	4
Notice.....	4
What To Do If There Is A Loss	4
Assistance And Cooperation	4
Subrogation Rights	4
Combining Limits Of Two Or More Vehicles Prohibited	4
Transfer	5
Payment.....	5
Conditional Reinstatement.....	5
Fraud Or Misrepresentation	5
Cancellation.....	5
Non-Renewal.....	6
Bankruptcy Or Insolvency	6
Action Against Us	6
Definitions Used Throughout The Policy	6

Part 1—Liability Insurance

Bodily Injury

Property Damage

General Statement Of Coverage	7
Our Right To Appeal	7
Additional Payments We Will Make.....	7
Additional Definition For Part 1	7
Exclusions—What Is Not Covered.....	8
Financial Responsibility.....	9
Limits Of Liability.....	9
Non-Duplication Of Benefits.....	9
Action Against Us	9
If There Is Other Insurance	10
Additional Interested Parties	10

Part 2—Medical Payments Coverage

General Statement Of Coverage	10
Additional Definition For Part 2	10
Exclusions—What Is Not Covered.....	10
Limits Of Liability.....	11
Non-Duplication Of Benefits.....	12
Unreasonable Or Unnecessary Medical Expenses.....	12
Action Against Us	12
If There Is Other Insurance	12
Right Of Reimbursement	12

Part 3—Protection Against Loss To The Off-Road

Vehicle.....	13
Collision Insurance	13
Comprehensive Insurance	13
Lease Or Loan Gap Coverage.....	13
Optional Or Added Equipment Coverage.....	13
Additional Payments We Will Make	13
Additional Definitions For Part 3.....	14
Exclusions—What Is Not Covered.....	14
Right To Appraisal.....	15
Payment Of Loss By Us.....	15
Limits Of Liability	15
Limits Of Liability For Loss To Helmets	15
Limits Of Liability Under Lease Or Loan Gap Coverage	15
Action Against Us.....	16
If There Is Other Insurance.....	16
No Benefit To Bailee.....	16
Loss Payable Clause	16

Insuring Agreement

This policy is a legal contract between **you** and **us**. A coverage applies only when a premium for it is shown on the Policy Declarations. If more than one **off-road vehicle** is insured, premiums will be shown for each **off-road vehicle**. If **you** pay the premiums when due and comply with the policy terms, **we**, relying on the information **you** have given **us**, make the following agreements with **you**.

The terms of this policy impose joint obligations on persons defined in applicable sections of this policy as insured person(s). This means that the responsibilities, acts and omissions of a person defined as an insured person will be binding upon other person(s) defined as insured person(s).

When And Where The Policy Applies

Your policy applies only during the policy period. During this time, it applies to covered losses to an **insured vehicle**, accidents and occurrences within the United States of America, its territories or possessions, or Canada, or between their ports. The policy period is shown on the Policy Declarations.

Conformity To State Statutes

When any policy provision is in conflict with the statutes of the state in which the policy was issued, the provisions are amended to conform to such statutes.

Insurance Coverage In Mexico

Prior to entering and driving in Mexico, **you** must check with the appropriate Mexican authorities regarding insurance requirements. Motor vehicle accidents in Mexico are subject to the laws of Mexico, NOT the United States of America. In Mexico, an accident can be considered a CRIMINAL OFFENSE as well as a civil matter.

In some cases, part or all of this policy may NOT be recognized by Mexican authorities and **we** may not be allowed to provide any insurance coverage at all in Mexico. For **your** protection, **you** should consider purchasing coverage for **your off-road vehicle** from a licensed Mexican insurance company before driving into Mexico.

However, when possible, protection will be afforded for those coverages for which a premium is shown on the Policy Declarations for an **insured vehicle** while that **insured vehicle** is within 75 miles of the United States border and only for a period not to exceed ten days after each separate entry into Mexico.

If loss or damage occurs which may require repair of an **insured vehicle** or replacement of any part(s) while an **insured vehicle** is in Mexico, the basis for adjustment of the claim will be as follows: Any amount payable resulting from any covered loss or damage occurring in Mexico shall be payable in the United States. **We** will not be liable for more than the cost of having the repairs made or parts replaced at the nearest point in the United States where repairs or replacements can be performed. The costs for towing, transportation, and salvage operations of an **insured vehicle** while within Mexico are not covered under this policy.

Premium Changes

The premium for each **off-road vehicle** is based on 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 or take other appropriate action.

Changes which result in a premium adjustment are contained in **our** rules. These include, but are not limited to:

1. **off-road vehicles** insured by the policy, including changes in use;
2. operators residing in **your** household, their ages or marital status;
3. coverages or coverage limits;
4. rating territory; and
5. discount or surcharge applicability.

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, including information concerning **off-road vehicles** and persons insured by the policy. To properly insure **your off-road vehicle**, **you** must promptly notify **us** when **you** change **your** address or whenever any **resident** operators insured by **your** policy are added or deleted.

You must notify **us** within 30 days when **you** acquire an **additional off-road vehicle** or **replacement off-road vehicle**. If **you** don't, certain coverages of this policy may not apply.

When **you** acquire an **additional off-road vehicle**, it will be covered by **us** for 30 days immediately after **you** acquire ownership. **We** will provide this coverage only if **we** insure all other **off-road vehicles** **you** own, no other insurance policy provides coverage for this **off-road vehicle**, and **you** pay the additional premium.

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

1. **you** ask us to continue coverage within 30 days after **you** acquire the **off-road vehicle**;
2. **we** agree to continue coverage for this **additional off-road vehicle**; and
3. **you** pay the additional premium.

If **we** provide coverage for a **replacement off-road vehicle** under any Part of this policy, the **replacement off-road vehicle** will have the same coverage as the vehicle it replaced.

Notice

Your notice to an authorized representative of the company shall be deemed to be notice to **us**.

What To Do If There Is A Loss

1. If an insured person has an accident involving an **insured vehicle**, **we** or one of **our** authorized representatives must be informed as soon as possible of all details. As soon as possible, any person making a claim must give **us** written proof of loss, including all details **we** may need to determine the amounts payable.
2. **We** may require any person making a claim to file with **us** a sworn proof of loss. **We** may also require that person to submit to examinations under oath, separately and apart from others, and to sign the transcript.

3. If an insured person is sued as the result of an accident involving an **insured vehicle**, **we** must be informed immediately.
4. **You** must allow **us** to inspect any damaged property.
5. **You** must protect the **insured vehicle** from further loss. **We** will pay reasonable expenses to guard against further loss. If **you** don't protect the vehicle, further loss is not covered.
6. **You** must report all theft losses as soon as possible to the police.
7. Any insured person may be required to undergo medical examinations by physicians **we** choose, as often as **we** reasonably require. **We** must be given authorization to obtain medical reports and other records pertinent to the claim.

Assistance And Cooperation

An insured person must cooperate with **us** in the investigation, settlement and defense of any claim or lawsuit. If **we** ask, that person must also help **us** obtain payment from anyone who may be jointly responsible.

If an insured person voluntarily takes any action or makes any payments other than for covered expenses for bail bonds or first aid to others, **we** are not obligated to provide reimbursement for such payments.

Subrogation Rights

When **we** pay, an insured person's rights of recovery from anyone else become **ours** up to the amount **we** have paid. The insured person must protect these rights and help **us** enforce them.

Combining Limits Of Two Or More Vehicles Prohibited

The coverage limits applicable to any one **off-road vehicle** shown on the Policy Declarations will not be combined with or added to the coverage limits applicable to any other **off-road vehicle** shown on the Policy Declarations or covered by the policy. This means that no stacking or aggregation of coverages will be allowed by this policy. This is true even though a separate premium is charged for each of those **off-road vehicles**. This is true regardless of the number of:

1. **off-road vehicles** or persons shown on the Policy Declarations;

2. vehicles involved in the accident;
3. persons seeking damages as a result of the accident; or
4. insured persons from whom damages are sought.

If two or more **off-road vehicles** are shown on the Policy Declarations and one of these **off-road vehicles** is involved in an accident to which coverage applies, the coverage limits shown on the Policy Declarations for the vehicle involved will apply. If a covered accident involves an **off-road vehicle** other than one shown on the Policy Declarations, or if an insured person is struck as a pedestrian in a covered accident, the highest coverage limits shown on the Policy Declarations for any one **off-road vehicle** will apply.

Transfer

This policy can't be transferred to another person or entity 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 for persons covered on the date of **your** death.

Payment

If **your** initial premium payment for **your** first policy period is by check, draft, or any remittance other than cash, such payment is conditional upon the check, draft, or other remittance being honored upon presentation. If such check, draft, or remittance is not honored upon presentation, this policy shall be deemed void from its inception. This means that **we** will not be liable under this policy for any claims or damages which would otherwise be covered had the check, draft, or remittance been honored upon presentation.

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

Conditional Reinstatement

If **we** mail a cancellation notice because **you** didn't 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.

Fraud Or Misrepresentation

This policy shall be deemed void from its inception if it was obtained through material misrepresentation, fraud or concealment of material fact. This means that **we** will not be liable for any claims or damages which would otherwise be covered.

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

Cancellation

Your Right to Cancel:

You may cancel this policy by notifying **us** of the future date **you** wish coverage to stop.

If **you** cancel this policy, any return premium will be calculated using the rules, rates, and forms in effect, and on file if required, for **our** use in **your** state and refunded at the time of cancellation or as soon as possible. **We** will refund amounts under \$2.00 only upon **your** request.

Our Right to Cancel:

We may cancel this policy by mailing notice to **you** at the mailing address shown on the Policy Declarations. When this policy has been in effect for less than 60 days, and it is not a renewal with **us**, **we** may cancel this policy for any reason by mailing notice to **you** at least 10 days notice before the cancellation takes effect.

When this policy has been in effect for 60 days or more, or if it is a renewal with **us**, **we** may cancel this policy for one or more of the following reasons:

1. non-payment of premium;
2. the policy was obtained by misrepresentation, fraud or concealment of material facts;
3. material misrepresentation, fraud or concealment of material facts in presenting a claim, or violation of any of the policy terms; or
4. **we** have mailed notice to **you** within the first 59 days that **we** don't intend to continue the policy.

If **we** cancel because **you** didn't pay the premium, the date of cancellation will be at least 10 days after the date of mailing. Otherwise, **we** will mail you 30 days notice. **Our** mailing the notice of cancellation to **you** will be deemed proof of notice.

If **we** cancel this policy, any return premium will be on a pro rata basis. **We** will make the refund at the time of cancellation or as soon as possible. However, payment of return premium is not a condition of cancellation.

We will refund amounts under \$2.00 only upon **your** request.

Non-Renewal

If **we** don't intend to renew **your** policy beyond the current policy period, **we** will mail **you** notice at least 30 days before the end of the policy period. **Our** mailing the notice of non-renewal to **you** shall be deemed proof of notice.

Bankruptcy Or Insolvency

The bankruptcy or insolvency of an insured person or that person's estate will not relieve **us** of any obligation under the policy.

Action Against Us

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

- a) there is full compliance with all policy terms; and
- b) 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.

Definitions Used Throughout The Policy

The following definitions apply throughout the policy unless otherwise indicated. Defined terms are printed in bold face type. Additional defined terms that apply to specific policy parts will appear in those policy parts.

1. **Additional Off-Road Vehicle** means an **off-road vehicle** of which **you** become the owner during the policy period, if:
 - a) **we** insure all other **off-road vehicles you** own;
 - b) the newly acquired **off-road vehicle** is not covered under any other insurance policy;
 - c) **you** tell **us** within 30 days of acquiring the **off-road vehicle**; and
 - d) **you** pay any additional premium.
2. **Bodily Injury** means physical harm to the body, sickness, disease, or death, but does not include:
 - a) any venereal disease;
 - b) herpes;
 - c) Acquired Immune Deficiency syndrome (AIDS);
 - d) AIDS Related Complex (ARC);
 - e) Human Immunodeficiency Virus (HIV);

or any resulting symptom, effect, condition, disease or illness related to a) through e) listed above.
3. **Insured Vehicle** means any **off-road vehicle you** own which is described on the Policy Declarations. This also includes:
 - a) a **replacement off-road vehicle**;
 - b) an **additional off-road vehicle**;
 - c) a **substitute off-road vehicle**;
 - d) a **non-owned off-road vehicle**; or
 - e) any cutter, sled or trailer while attached to an **insured vehicle** as described in a) through d) above. The cutter, sled or trailer must be designed specifically for use with that vehicle.

This definition of **Insured Vehicle** does not apply to Part 3 of the policy.
4. **Off-Road Vehicle** means a vehicle which is self-propelled and designed for use off public roads and which is not licensed or registered for use on public roads.
5. **Non-Owned Off-Road Vehicle** means an **off-road vehicle** used by **you** or a **resident** relative with the owner's permission but which is not:
 - a) owned by **you** or a **resident** relative; or
 - b) available or furnished for the regular use of **you** or a **resident** relative.
6. **Passenger** means any person, other than the driver of an **insured vehicle**, while this person is in, on, getting into or out of, or getting on or off of, an **insured vehicle**.
7. **Replacement Off-Road Vehicle** means a newly acquired **off-road vehicle you** own which is a permanent replacement for a vehicle described on the Policy Declarations. **You** must notify **us** within 30 days of acquisition and pay any additional premium.
8. **Resident** means a person who physically resides in **your** household with the intention of continuing residence there. **We** must be notified of all residents of **your** household. **Your** unmarried dependent children while

temporarily away from home will be considered residents if they intend to resume residing in **your** household.

9. **Substitute Off-Road Vehicle** means a **non-owned off-road vehicle** being temporarily used by **you** or a **resident** relative with the permission of the owner while **your insured vehicle** is being serviced or repaired, or if **your insured vehicle** is stolen or destroyed.
10. **You** or **Your** means the policyholder named on the Policy Declarations and that policyholder's **resident** spouse.
11. **We**, **Us**, or **Our** means the company shown on the Policy Declarations.

Part 1—Liability Insurance

Bodily Injury

Property Damage

General Statement Of Coverage

If a premium is shown on the Policy Declarations for Liability Insurance—Bodily Injury and Liability Insurance—Property Damage, **we** will pay damages an **insured person** is legally obligated to pay because of:

1. **bodily injury** sustained by others; and
2. 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 an **insured vehicle**.

We will not pay any punitive or exemplary damages, fines or penalties under Liability Insurance—Bodily Injury or Liability Insurance—Property Damage.

We will defend an **insured person** sued as the result of a covered accident, even if the suit is groundless or false. **We** will choose the counsel. **We** may settle any claim or lawsuit if **we** believe settlement is proper. **We** will not defend an **insured person** sued for damages which are not covered by this policy.

Our Right To Appeal

If an **insured person** or any other insurer elects not to appeal a judgment, **we** may do so. **We** will pay costs and interest incidental to the appeal. **We** will not be liable for more than

the limit for Liability Insurance—Bodily Injury and Liability Insurance—Property Damage shown on **your** Policy Declarations plus the costs and interest incidental to the appeal.

Additional Payments We Will Make

When **we** defend an **insured person** under Part 1, **we** will pay:

1. up to \$200 a 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** won't pay for loss of other income. **We** will pay other reasonable expenses incurred at **our** request.
2. court costs for defense.
3. interest accruing on a judgment entered against an **insured person**, but only on that part of a judgment entered against an **insured person** which does not exceed **our** limits of liability, until such time as **we** have paid, formally offered, or conditionally or unconditionally deposited in court, the amount for which **we** are liable under this policy. This means that under no circumstances will **we** pay interest on that part of a judgment entered against an **insured person** which exceeds **our** stated limits of liability.
4. premiums on appeal bonds and on bonds to release attachments, but not in excess of **our** limit of liability. **We** have no obligation, however, to apply for or furnish these bonds.

We will repay an **insured person** for:

1. the cost of any bail bonds required due to an accident or traffic law violation involving the use of an **insured vehicle**. **We** won't pay more than \$300 per bond. **We** have no obligation to apply for or furnish these bonds.
2. reasonable expenses incurred by an **insured person** for first aid to others at the time of an accident involving an **insured vehicle**.

Additional Definition For Part 1

Insured Person(s) means:

1. While using **your insured vehicle**:
 - a) **you**,
 - b) any **resident** relative, and
 - c) any other person using it with **your** permission.
2. While using a **non-owned off-road vehicle**:
 - a) **you**, and

- b) any **resident** relative.
- 3. Any other person or organization liable for the use of an **insured vehicle**, provided:
 - a) the **insured vehicle** is not owned or hired by the person or organization, and
 - b) the use is by an **insured person** under 1. or 2. above.

Exclusions—What Is Not Covered

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

1. **bodily injury** or property damage arising out of the use of an **insured vehicle** while used to carry persons or property for a charge, or the use of any **off-road vehicle** an **insured person** is driving while available for hire by the public. This exclusion does not apply to the use of an **insured vehicle** for charitable events.
2. **bodily injury** or property damage arising out of business operations such as repairing, servicing, testing, washing, parking, storing, or selling of motor vehicles. However, coverage does apply to **you, resident** relatives, partners, or employees of the partnership of which **you** or a **resident** relative are a partner, when using **your insured vehicle**.
3. **bodily injury** or property damage arising out of the use of a **non-owned off-road vehicle** or trailer **you** do not own in any business or occupation of an **insured person**. However, this exclusion does not apply while **you, your** chauffeur, or domestic servant are using an **off-road vehicle** or trailer.
4. **bodily injury** to an employee of any **insured person** arising out of or 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, disability 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. **bodily injury** to any person related to an **insured person** by blood, marriage or adoption and residing in that person's household.
7. damage to or destruction of property an **insured person** owns, transports, is in charge of, or rents. An **off-road vehicle** operated by an **insured person** is considered to be property in the charge of an **insured person**. However, this exclusion does not apply to:
 - a) a rented residence or a rented garage damaged by an **insured vehicle**; or
 - b) property damage to another **insured vehicle**.
8. **bodily injury** or property damage intended by, or reasonably expected to result from, the intentional or criminal acts of an **insured person**. This exclusion applies even if:
 - a) such **insured person** lacks the mental capacity to control or govern his or her conduct;
 - b) such **insured person** is temporarily insane or temporarily lacks the mental capacity to control or govern his or her conduct or is temporarily unable to form any intent to cause **bodily injury** or property damage;
 - c) such **bodily injury** or property damage is of a different kind or degree than intended or reasonably expected; or
 - d) such **bodily injury** or property damage is sustained by a different person than intended or reasonably expected.

This exclusion applies regardless of whether an **insured person** is actually charged with, or convicted of, a crime.

This exclusion precludes coverage for any **insured person(s)** under the policy regardless of whether the person seeking coverage participated in any way in the intentional or criminal acts or omissions.
9. **bodily injury** or property damage also covered under nuclear energy liability insurance. This applies even if the limits of that insurance are exhausted.
10. liability from or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a) nuclear reaction;
 - b) radiation; or
 - c) radioactive contamination.
11. **bodily injury** or property damage arising out of the participation in any prearranged, organized or spontaneous:
 - a) racing contest;
 - b) speed contest;
 - c) demolition contest;
 - d) stunt contest;
 - e) **off-road vehicle** performance, maneuvering, or endurance contest; or



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

12. any liability assumed by an **insured person** under any contract or agreement.
13. **bodily injury** or property damage resulting from the ownership, maintenance or use, loading or unloading of the **insured vehicle** by any person as an employee of the United States government, while acting within the scope of such employment. This exclusion applies only if the provisions of the Federal Tort Claims Act, as amended, require the Attorney General of the United States to defend that person in any civil action or proceeding which may be brought for the **bodily injury** or property damage.
14. **bodily injury** or property damage arising out of the use of an **insured vehicle** while leased or rented to others. However, this exclusion does not apply to the operation of an **insured vehicle** by **you** or a **resident** relative.
15. **bodily injury** or property damage arising while an **insured vehicle** is being towed by, or is in or upon a trailer being towed by, a motor vehicle.

Financial Responsibility

When this policy is certified as proof under any financial responsibility law, the policy will comply with the provisions of that law.

Limits Of Liability

The limits shown on the Policy Declarations are the maximum **we** will pay for any single accident involving an **insured vehicle**. The limit stated for each person for **bodily injury** is **our** total limit of liability for damages because of **bodily injury** sustained by one person in any single accident involving an **insured vehicle**, including damages sustained by anyone else as a result of that **bodily injury**. Subject to the limit for each person, the limit stated for each accident is **our** total limit of liability for damages for **bodily injury** sustained by two or more persons in any single accident involving an **insured vehicle**. For property damage, the limit stated for each accident is **our** total limit of liability for property damage sustained in any single accident involving an **insured vehicle**.

The liability limits shown on the Policy Declarations may not be added to the limits for similar coverage applying to other motor vehicles to determine the limit of insurance coverage available. This limit applies regardless of the number of:

1. policies involved;
2. vehicles involved;
3. **insured persons**;
4. claims made;
5. vehicles or premiums shown on the Policy Declarations; or
6. premiums paid.

THIS MEANS THAT NO STACKING OR AGGREGATION OF LIABILITY INSURANCE—BODILY INJURY AND LIABILITY INSURANCE—PROPERTY DAMAGE WHATSOEVER WILL BE ALLOWED BY THIS POLICY.

If none of the **off-road vehicles** shown on the Policy Declarations is involved in the accident, the highest limit of liability shown on the Policy Declarations for any one **off-road vehicle** will apply.

An **off-road vehicle** and attached trailer are considered one **off-road vehicle**.

Non-Duplication Of Benefits

There will be no duplication of payments made under Liability Insurance—Bodily Injury and Medical Payments Coverage of this policy.

Action 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—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) two years 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 person**, 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**.

If There Is Other Insurance

If more than one policy applies on a primary basis to an accident involving **your insured vehicle**, **we** will bear **our** proportionate share with other collectible liability insurance.

If an **insured person** is using a **substitute off-road vehicle** or **non-owned off-road vehicle**, **our** liability insurance will be excess over other collectible insurance.

Additional Interested Parties

If one or more additional interested parties are listed on the Policy Declarations, the Liability Insurance—Bodily Injury and Liability Insurance—Property Damage of this policy will apply to the parties as insureds.

We will mail or deliver at least 10 days written notice to an additional interested party if **we** cancel or make any change to this policy which adversely affects 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 rights to recovery under this policy, nor does it impose an obligation for the payment of premiums under this policy.

Part 2—Medical Payments Coverage

General Statement Of Coverage

If a premium is shown on the Policy Declarations for Medical Payments Coverage, **we** will pay to or on behalf of an **insured person** reasonable expenses actually incurred by the **insured person** for necessary medical treatment, medical services or medical products actually provided to the **insured person**. Ambulance, hospital, medical, surgical, X-ray, dental,

orthopedic and prosthetic devices, pharmaceuticals, eyeglasses, hearing aids, professional nursing services and funeral service expenses are also covered. Payments will be made only when **bodily injury** is caused by a motor vehicle accident.

The treatment, services, or products must be rendered within one year of the date of the accident.

This coverage does not apply to any person to the extent that the treatment is covered under any workers' compensation law.

Additional Definition For Part 2

1. **Insured Person(s)** means:
 - a) **you** and any **resident** relative who sustains **bodily injury** while in, on, getting into or out of, or getting on or off of, or when struck as a pedestrian by, an **off-road vehicle** or attached trailer while such person who sustains **bodily injury** and that **off-road vehicle** or attached trailer are not on public roads.
 - b) any other person who sustains **bodily injury** while in, on, getting into or out of, or getting on or off of:
 - (i) **your insured vehicle**, while being used by **you**, a **resident** relative, or any other person with **your** permission.
 - (ii) a **non-owned off-road vehicle** or attached trailer if the injury results from the operation or occupancy by **you**, **your** private chauffeur or domestic servant on your behalf, or a **resident** relative.
 - (iii) **your insured vehicle** while a **passenger** on **your** vehicle.

Exclusions—What Is Not Covered

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

1. intended by, or reasonably expected to result from, the intentional or criminal acts of an **insured person**. This exclusion applies even if:
 - a) such **insured person** lacks the mental capacity to control or govern his or her conduct;
 - b) such **insured person** is temporarily insane or temporarily lacks the mental capacity to control or govern his or her conduct or is temporarily unable to form any intent to cause **bodily injury**;
 - c) such **bodily injury** is of a different kind or degree than intended or reasonably expected; or
 - d) such **bodily injury** is sustained by a different person than intended or reasonably expected.

This exclusion applies regardless of whether an **insured person** is actually charged with, or convicted of, a crime.

This exclusion applies to any **insured persons** under the policy regardless of whether the person seeking coverage participated in any way in the intentional or criminal acts or omissions.

2. to **you** or a **resident** relative while in, on, getting into or out of, or getting on or off of, an **off-road vehicle** owned by **you** or a **resident** relative which is not insured for this coverage under this policy.
3. to any person while in, on, getting into or out of, or getting on or off of, an **off-road vehicle** owned by **you** or a **resident** relative while available for hire to the public. This exclusion does not apply to the use of an **insured vehicle** for charitable events.
4. to any person, other than **you** or a **resident** relative, while using a motor vehicle **you** or **your resident** relative do not own or which is not available or furnished for the regular use of **you** or **your resident** relative:
 - a) which is available for hire by the public, or
 - b) in business operations such as repairing, servicing, testing, washing, parking, storing or selling of motor vehicles.

Coverage is provided for **you, your** private chauffeur or domestic servant while using an **insured vehicle** or trailer in any other business or occupation.

5. caused by war or warlike acts, including, but not limited to, insurrection, rebellion, or revolution.
6. arising out of the participation in any prearranged, organized or spontaneous:
 - a) racing contest;
 - b) speed contest;
 - c) demolition contest;
 - d) stunt contest;
 - e) **off-road vehicle** performance, maneuvering, or endurance contest; or

in practice or preparation for any contest or use of this type.
7. to any person or dependent of a person to the extent that such person or dependent is eligible to receive benefits provided by the U.S. government under a contract of employment, including past or present military duty.

We will reimburse the U.S. government, as required in Chapter 55 of Title 10 of the U.S. Code, for expenses covered under this part of the policy when it incurs such expense on behalf of an **insured person** through a facility of the uniformed services.

8. covered under nuclear energy liability insurance. This applies even if the limits of that insurance are exhausted.
9. as a consequence of the following whether controlled or uncontrolled or however caused:
 - a) nuclear reaction;
 - b) radiation; or
 - c) radioactive contamination.
10. arising while an **insured vehicle** is being towed by, or is in or upon a trailer being towed by, a motor vehicle.

Limits Of Liability

The limit shown on the Policy Declarations for Medical Payments Coverage is the maximum **we** will pay for all expenses incurred by or for each person as a result of any one covered accident.

The Medical Payments Coverage limit of liability shown on the Policy Declarations may not be added to the limit(s) for similar coverage applying to other **off-road vehicles** to determine the limit of insurance coverage available. This applies regardless of the number of:

1. policies involved;
2. vehicles involved;
3. **insured persons**;
4. claims made;
5. vehicles or premiums shown on the Policy Declarations; or
6. premiums paid.

THIS MEANS THAT NO STACKING OR AGGREGATION OF MEDICAL PAYMENTS COVERAGE WHATSOEVER WILL BE ALLOWED BY THIS POLICY.

If none of the **off-road vehicles** shown on the Policy Declarations is involved in the accident, the highest limit of liability shown on the Policy Declarations for any one vehicle will apply. If an **insured person** dies as the result of a covered

accident **we** will pay the least of the following as a funeral service expenses benefit:

1. \$2,000;
2. the Medical Payments Coverage limit of liability stated on the Policy Declarations; or
3. the remaining portion of the Medical Payments Coverage limit of liability not expended for other covered medical expenses.

This funeral service expenses benefit does not increase, and will not be paid in addition to, the limits of liability stated on the Policy Declarations for Medical Payments Coverage. This benefit is payable to the deceased **insured person's** spouse if a **resident** of the same household at the time of the accident. However, if the deceased is a minor, the benefit is payable to any parent who is a **resident** of the same household at the time of the accident. In all other cases, the benefit is payable to the deceased **insured person's** estate.

Medical Payments Coverage benefits, other than funeral service expenses benefits, will be reduced by:

1. amounts payable under any workers' compensation law or any similar law.
2. amounts received from others, whether insured under this or any other insurance policy, including their insurers, whether **us** or any other insurer, who may be legally responsible for the injuries. This reduction applies only to amounts that are a duplication of payment for the same loss.
3. amounts of other similar, collectible medical insurance benefits available to an **insured person**.

Non-Duplication Of Benefits

There will be no duplication of payments made under the Liability Insurance—Bodily Injury and Medical Payments Coverage of this policy. All payments made to or on behalf of any person under this coverage will be considered as advance payments to that person. Any damages payable under the Liability Insurance—Bodily Injury of this policy will be reduced by that amount.

Unreasonable Or Unnecessary Medical Expenses

If an **insured person** incurs medical expenses which **we** deem to be unreasonable or unnecessary, **we** may refuse to pay for those medical expenses and contest them.

If an **insured person** is sued by a medical services provider because **we** refuse to pay medical expenses which **we** deem to be unreasonable or unnecessary, **we** will pay defense costs and pay any resulting judgment against the **insured person** up to the Medical Payments Coverage policy limit. **We** will choose the counsel. An **insured person** must cooperate with **us** in the defense of any claim or lawsuit. If **we** ask an **insured person** to attend hearings or trials, **we** will pay up to \$200 per day for the loss of wages or salary. **We** will also pay other reasonable expenses incurred at **our** request.

No **insured person** may sue **us** for medical expenses **we** deem unreasonable or unnecessary unless:

1. the **insured person** has paid the entire disputed amount to the medical services provider; or
2. the medical services provider has expressly threatened or initiated collection activity toward an **insured person**.

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—Medical Payments Coverage, unless there is full compliance with all policy terms and such action is commenced within one year after the date the expenses for which coverage is sought were actually incurred by an **insured person**.

If There Is Other Insurance

When this coverage applies to a **substitute off-road vehicle** or **non-owned off-road vehicle**, **we** will pay only after all other collectible insurance has been exhausted. When this coverage applies to a **replacement off-road vehicle** or **additional off-road vehicle**, this policy will not apply if **you** have other collectible motor vehicle medical insurance.

Right Of Reimbursement

If **we** make payment on behalf of an **insured person**, that **insured person** shall reimburse **us** from the proceeds of any sums received from any other sources, including under Part 1 of this policy, for such medical expenses for the same elements or loss paid or payable under this coverage. Any amount recovered by an **insured person** shall be held in trust for **us** by that **insured person** to the extent of **our** payments made under this part of the policy. In order to protect **our** right to reimbursement, **we** may notify persons or organizations that may be responsible for payment of medical expenses to or on behalf of the **insured person**.

Part 3—Protection Against Loss To The Off-Road Vehicle

Collision Insurance

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

We also will pay for direct and accidental loss to any helmets worn by **you** or any **passenger** in, on, getting into or out of, or getting on or off of, **your insured vehicle** at the time of a collision. The damage to the helmet must occur as a direct result of the collision, and the helmet must be made available for **our** inspection.

Comprehensive Insurance

If a premium is shown on the Policy Declarations for Comprehensive Insurance, **we** will pay for direct and accidental loss to an **insured vehicle** 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. Plastic or other materials used by the manufacturer as substitutes for glass will also be considered glass.

If by agreement between **you** and **us**, glass is repaired rather than replaced, the deductible amount will not be subtracted from a glass breakage loss.

Lease Or Loan Gap Coverage

If a premium is shown on the Policy Declarations for Lease Or Loan Gap Coverage and the amount **you** owe at the time of loss under the terms of the lease or loan agreement on **your off-road vehicle** exceeds the actual cash value of the vehicle at the time of the loss, then **we** will pay the difference between these amounts in the event of a total loss due to physical damage or theft of that **off-road vehicle**. **We** may pay **you** and the lessor or lienholder named on the Policy Declarations.

Lease Or Loan Gap Coverage applies only if **you** have both Collision Insurance and Comprehensive Insurance in effect under this policy at the time of the loss and the loss is covered under either coverage. This coverage applies only to the original lease or loan written on **your off-road vehicle** and applies only if **your** vehicle was not previously titled. This

coverage applies only if **your off-road vehicle** is described on the Policy Declarations and the loss occurs during a policy period that began any time during a calendar year in which that **off-road vehicle** was three model years old or less.

Optional Or Added Equipment Coverage

If a premium is shown on the Policy Declarations for Optional or Added Equipment, **we** will pay for damage caused by a covered Collision or Comprehensive loss to any Optional or Added Equipment.

Optional or Added Equipment means any equipment, devices, accessories, enhancements, and changes, other than those that are installed by the original manufacturer as part of the original sale. Optional or Added Equipment includes, but is not limited to, dealer added items as part of the original sale, **sound systems**, winches, custom seats, windshields, fairings, storage bags, trunk and luggage racks, custom light bars, custom exhaust systems, trailers, cutters and sleds. Trailers, cutters and sleds must be designed for use with an **insured vehicle**. Optional or Added Equipment also includes safety riding apparel, other than helmets, while in, upon or being used in connection with the **insured vehicle**.

You must fully disclose to **us** all Optional or Added Equipment.

Additional Payments We Will Make

1. **We** will pay up to \$200 for loss of clothing, other than safety riding apparel, and personal luggage, including its contents, belonging to **you** or a **resident** relative while it is in or upon **your insured vehicle**.

This coverage applies only when:

- a) the loss is caused by collision and **you** have purchased Collision Insurance.
 - b) the entire **off-road vehicle** is stolen, and **you** have purchased Comprehensive Insurance.
 - c) physical damage is done to the **off-road vehicle** 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 pay **you** up to \$10 for the cost of transportation from the place of theft of an **insured vehicle** or disablement of the vehicle to **your** destination, if:
 - a) the entire **off-road vehicle** is stolen and **you** have Comprehensive Insurance under this policy.

- b) the **off-road vehicle** is disabled by a Collision or Comprehensive loss, and **you** have the coverage under this policy applicable to the loss.
3. If **you** have purchased Collision Insurance or Comprehensive Insurance under this policy, **we** will pay general average and salvage charges imposed when **your insured vehicle** is being transported.

Additional Definitions For Part 3

1. For Part 3, **Insured vehicle** means any **off-road vehicle** **you** own which is described on the Policy Declarations. This also includes:
- a **replacement off-road vehicle**;
 - an **additional off-road vehicle**; or
 - a **substitute off-road vehicle**.
2. **Insured Person(s)** means, while using an **insured vehicle**:
- you**,
 - any **resident** relative, and
 - any other person using an **insured vehicle**.
3. **Sound System** means any device within the **insured vehicle** designed for:
- voice or video transmission, or for voice, video or radar signal reception; or
 - recording or playing back recorded material; or
 - supplying power to cellular or similar telephone equipment,

and which is not standard equipment or is not permanently installed by the original manufacturer of **your off-road vehicle** as part of the original sale.

Exclusions—What Is Not Covered

The coverages in Part 3 don't apply to:

- property damage intended by, or reasonably expected to result from, the intentional or criminal acts of an **insured person**. This exclusion applies even if:
 - such **insured person** lacks the mental capacity to control or govern his or her conduct;
 - such **insured person** is temporarily insane or temporarily lacks the mental capacity to control or govern his or her conduct or is temporarily unable to form any intent to cause property damage;
 - such property damage is of a different kind or degree than intended or reasonably expected; or
 - such property damage is sustained by a different person than intended or reasonably expected.

This exclusion applies regardless of whether an **insured person** is actually charged with, or convicted of, a crime.

This exclusion precludes coverage for any **insured persons** under the policy regardless of whether the person seeking coverage participated in any way in the intentional or criminal acts or omissions.

- any **off-road vehicle** used for the transportation of people or property for a fee. This exclusion does not apply to the use of an **insured vehicle** for charitable events.
- any damage or loss resulting from war or warlike acts, including, but not limited to any insurrection, rebellion, or revolution.
- loss due to radioactive contamination.
- any damage resulting from:
 - wear and tear;
 - marring or scratching;
 - freezing; or
 - mechanical or electrical breakdown;

unless the damage is the burning of wires used to connect electrical components, or the result of other loss covered by this policy.

- loss to 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.
- loss, other than collision, to any **insured vehicle sound system**, including any apparatus in or on the **off-road vehicle** designed for use with that system.

This exclusion will not apply if **you** have purchased additional coverage for **your sound system** under Optional Or Added Equipment Coverage.

- loss, other than collision, to any tapes, compact discs, or similar items.
- loss to any optional or added equipment not included as standard equipment by the manufacturer of **your off-road vehicle** as part of the original sale. This exclusion does not apply if you have purchased Optional Or Added Equipment Coverage for this equipment under this policy.

10. loss or damage arising out of the participation in any prearranged, organized or spontaneous:
- racing contest;
 - speed contest;
 - demolition contest;
 - stunt contest;
 - off-road vehicle** performance, maneuvering, or endurance; or
- in practice or preparation for any contest or use of this type.
11. loss which results from the bankruptcy, insolvency, or fraudulent activity of any person who has possession of **your insured vehicle** for the purpose of a consignment sale.
12. loss due to seizure, confiscation or taking away by any means, with or without **your** cooperation, of any **off-road vehicle** by any police or governmental agency, body, or authority, for any reason whatsoever. This exclusion applies whether or not **you** are or were a bona fide purchaser in good faith of the **off-road vehicle**.
13. loss due to conversion or embezzlement by any person who has the **off-road vehicle** due to any rental, lease, lien or sales agreement.

Right To Appraisal

Both **you** and **we** 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 select 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 agreement by any two of these three persons will determine the amount of the loss.

Payment Of Loss By Us

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 the 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

This clause applies to all Part 3 coverages except for loss to helmets and Lease Or Loan Gap Coverage.

Our limit of liability is the least of:

- the actual cash value of the property or damaged part of the property at the time of loss, which may include deduction for depreciation;
- the cost to repair or replace the property or part to its physical condition at the time of 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
- the limit shown on the Policy Declarations for Optional or Added Equipment if the loss is to property covered under Optional Or Added Equipment Coverage.

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 betterment of the property or part, **you** may be responsible, subject to applicable laws and regulations, for the amount of the betterment.

When more than one coverage under this Part 3 of the policy is applicable to the loss, **you** may recover under the broadest coverage but not both.

Limits Of Liability For Loss To Helmets

The total limit of **our** liability for each helmet loss will be the least of the following amounts:

- The actual cash value of the helmet at the time of the loss;
- The cost to repair the helmet;
- The difference between the actual cash value of the helmet prior to the collision and immediately following the collision; or
- \$500 per helmet.

Limits Of Liability Under Lease Or Loan Gap Coverage

Our limit of liability with respect to Lease Or Loan Gap Coverage, when purchased and applicable to the loss, is the difference between the amount **you** owe at the time of loss under the terms of the lease or loan agreement to which the

off-road vehicle is subject and the actual cash value of the **off-road vehicle** at the time of loss. Any amount payable under Lease Or Loan Gap Coverage will be reduced by:

1. overdue loan or lease payments and the financial penalties associated with those overdue payments;
2. the transfer or rollover of a previous outstanding lease or loan balance from another vehicle to the original lease or loan for the **off-road vehicle** described on the Policy Declarations;
3. the dollar amount of unrepaired damage which occurred prior to the total loss of **your off-road vehicle**; and
4. all refunds paid or payable to **you** as a result of the early termination of the lease or loan agreement or, to the extent financed, as a result of the early termination of any financed warranty or extended service agreement on **your off-road vehicle**.

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—Protection Against Loss To The Off-Road Vehicle, unless there is full compliance with all policy terms and such action is commenced within one year after the date of loss.

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 limits 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 off-road vehicle**, **we** will pay only after all other collectible insurance has been exhausted.

When this insurance covers a **replacement off-road vehicle** or **additional off-road vehicle**, this policy won't apply if **you** have other collectible insurance.

Lease Or Loan Gap Coverage is excess over any other collectible insurance.

No Benefit To Bailee

This insurance will not benefit any person or organization who may be caring for or handling **your** property for a fee.

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.