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PERSONAL AUTOMOBILE INSURANCE POLICY

AGREEMENT

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

DEFINITIONS

Terms appearing in *boldface italics* typeface will have the following meaning throughout the policy unless otherwise noted.

A. Throughout the policy, *you* and *your* refer to:

1. The "named insured" shown on the *Declarations Page*; and
2. That named insured's spouse if the spouse is a resident of the same household of the named insured during the policy period; and

If the spouse ceases to be a resident of the same household during the policy period, coverage for that spouse will continue until the earlier of:

1. The end of 90 days following the spouse's change of residency;
2. The effective date of another policy listing the spouse as a named insured;
3. The end of the policy period; or
4. Cancellation of this policy.

B. *We*, *us*, and *our* refer to the Company named on *your Declarations Page* providing this insurance.

C. *Accident* means a sudden, unexpected, and unintended occurrence.

D. *Auto* means a four wheel private passenger car, van, pickup or jeep-type automobile designed for operation principally upon public roads with a gross vehicle weight (as determined by the manufacturer's specifications) of 10,000 pounds or less.

E. *Bodily injury* means bodily harm, sickness or disease, including death that results from bodily harm, sickness or disease.

F. *Business* means a trade, profession or occupation.

G. *Declarations Page* means the document from *us* listing:

1. The types of coverage *you* have elected;
2. The limit for each coverage;
3. The premium for each coverage;
4. The *autos* covered by this policy; and
5. Other policy information.

H. *Family member* means a person related to *you* by blood, marriage or adoption and who is a resident of *your* household. This includes a ward or foster child.

I. *Loss* means sudden, direct, and accidental damage.

J. *Newly acquired auto* means an *auto* that *you* become the *owner* of during the policy period if no other insurance policy provides coverage for the *auto*.

Coverage for a *newly acquired auto* is subject to the following conditions:

1. If a *newly acquired auto* is a vehicle type that is not insurable under *our* published company guidelines, no coverage will be provided for that vehicle under this policy regardless of *your* acquisition of *ownership* during the policy period or *your* request for *us* to provide coverage.

2. For coverage other than Comprehensive Coverage or Collision Coverage in **Part D**, a *newly acquired auto* will have the broadest coverage *we* currently provide for any *auto* shown on *your Declarations Page*. This coverage will begin:
 - a. On the date *you* become the *owner* if:
 - (1) *Your newly acquired auto* is in addition to the *autos* shown on *your Declarations Page*; and
 - (2) *You* ask *us* to add the *newly acquired auto* to this policy within 30 days after *you* become the *owner*; or
 - b. On the date *you* become the *owner* if it replaces an *auto* shown on *your Declarations Page*.

3. For Comprehensive Coverage and Collision Coverage under **Part D**, if a *newly acquired auto* replaces any *auto* shown on *your Declarations Page*, Comprehensive Coverage and/or Collision Coverage will be provided as follows:
 - a. The *newly acquired auto* will have the same Comprehensive Coverage and/or Collision Coverage, including the applicable deductible that applied to the *auto* it replaces, if *you* notify *us* within 30 days after *you* become the *owner* of the *newly acquired auto*.
 - b. Any coverage *you* ask *us* to add to the *newly acquired auto* that did not apply to the *auto* it replaced will begin at the time *you* ask *us* to add the coverage.

- c. If *you* do not notify *us* within 30 days after *you* become the *owner*, any coverage *you* ask *us* to apply to the *newly acquired auto* will begin at the time *you* ask *us* to add the coverage.
4. For Collision Coverage under **Part D**, if the *newly acquired auto* is in addition to any vehicle shown on *your Declarations Page*:
- a. Coverage will apply when *you* become the *owner* if an *auto* shown on *your Declarations Page* has Collision Coverage and *you* ask to provide Collision Coverage for the *newly acquired auto* within 30 days after *you* become the *owner*.
- b. Coverage will apply when *you* become the *owner* if no *auto* shown on *your Declarations Page* has Collision Coverage and *you* ask *us* to provide Collision Coverage within four days after *you* become the *owner*. If this Collision Coverage applies to a *loss* that occurs before *you* have asked *us* to insure the *auto*, a deductible of \$500 will apply to the *loss*.
- c. Coverage will apply at the time *you* ask *us* to provide Collision Coverage if neither of the conditions in 4.a. or b. above has been met and *we* agree to add this coverage for this *auto*.
5. For Comprehensive Coverage under **Part D**, if the *newly acquired auto* is in addition to any vehicle shown on *your Declarations Page*:
- a. Coverage will apply when *you* become the *owner* if an *auto* shown on *your Declarations Page* has Comprehensive Coverage and *you* ask *us* to provide Comprehensive Coverage within 30 days after *you* become the *owner*.
- b. Coverage will apply when *you* become the *owner* if no *auto* shown on *your Declarations Page* has Comprehensive Coverage and *you* ask *us* to provide Comprehensive Coverage within four days after *you* become the *owner*. If this Comprehensive Coverage applies to a *loss* that occurs before *you* have asked *us* to insure the *auto*, a deductible of \$500 will apply to the *loss*.
- c. Coverage will apply at the time *you* ask *us* to provide Comprehensive Coverage if neither of the conditions in 5.a. or b. above has been met and *we* agree to add this coverage for this *auto*.
- K. *Non-owned auto* means any *auto* that is not *owned* by *you*, a *family member*, or the named insured's non-resident spouse and not furnished or available for the regular use of *you* or any *family member*, while in the custody of or being operated by *you* or any *family member*.
- L. *Occupying* means:
1. In;
 2. Upon; or
 3. Getting in, on, out or off.
- M. *Owned* and *ownership* mean:
1. To hold legal title to the *auto* or *trailer*;
 2. To have legal possession of an *auto* or *trailer* subject to a lien or security agreement; or
 3. To have legal possession of an *auto* that is leased or rented to that person under a written contract for a continuous period of six months or more.
- N. *Owner* means the person who:
1. Holds legal title to the *auto* or *trailer*;
 2. Has legal possession of an *auto* or *trailer* subject to a lien or security agreement; or
 3. Has legal possession of an *auto* that is leased or rented to that person under a written contract for a continuous period of six months or more.
- O. *Property damage* means physical injury to, destruction of, or loss of use of tangible property.
- P. *Trailer* means a non-motorized device designed to be towed on public roads by an *auto*, provided the *trailer* is:
1. *Owned* by *you*;
 2. Being towed by *your covered auto*; or
 3. Shown on your *Declarations Page*;
- and the *trailer* is not used:
1. For commercial or *business* purposes;
 2. As a primary residence;
 3. As an office, store, or for commercial display purposes; or
 4. To transport passengers.
- Q. *Your covered auto* means:
1. Any *auto* shown on *your Declarations Page*;
 2. A *newly acquired auto*;
 3. Any *trailer you own*; or
 4. Any *auto* or *trailer you* do not *own* while used as a temporary substitute for any other *auto* or *trailer* described in this definition that is out of normal use due to:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. *Loss*; or
 - e. Destruction.
- This provision (Q.4.) does not apply to **Part D** of this policy.

YOUR DUTIES AFTER ACCIDENT OR LOSS

We have no duty to provide coverage under this policy unless *you* have paid the required premium when due and *we* have agreed to provide coverage. Coverage will not apply unless there is full compliance with the duties listed in this policy.

GENERAL DUTIES

A. After an *accident* or *loss*, an *insured* must notify *us* as soon as possible of the following *accident* or *loss* information:

1. The time it occurred;
2. The location where it occurred;
3. All facts and circumstances, including the driving conditions, who was involved, and all injury and witness information. Notice should include the names and addresses of any injured persons and witnesses; and
4. The license plate identification of all vehicles involved.

B. Anyone seeking coverage under this policy must:

1. Cooperate with *us* in the investigation, settlement, and defense of any claim or lawsuit.

2. Promptly send *us* copies of any notices or legal papers received in connection with the *accident* or *loss*.
3. Submit, as often as *we* reasonably require, at *our* expense:
 - a. To physical exams by physicians *we* select; and
 - b. To examinations under oath and sign the statements.
4. Authorize *us* to obtain:
 - a. Medical reports; and
 - b. Other pertinent records.
5. Submit proof of loss when required by *us*.
6. Authorize *us* to obtain any information on any device installed in a covered *auto* that records information that *we* determine to be relevant to the facts of the *accident* or *loss*.
7. Authorize *us* to move the damaged vehicle to a storage facility of *our* choice at *our* expense.

PART A - LIABILITY COVERAGE

INSURING AGREEMENT

Subject to the limit of liability stated on *your Declarations Page*, if *you* pay the premium for Liability Coverage, *we* will pay damages for which an *insured* becomes legally liable due to *bodily injury* or *property damage* caused by an *accident* arising out of the ownership, maintenance, or use of an *auto* for which coverage under this **Part A** applies. Subject to the limit of liability, the amount *we* pay will include prejudgment interest awarded in a judgment against the *insured*. However, *we* will not pay for punitive or exemplary damages. *We* may settle or defend any claim or lawsuit as *we* deem appropriate.

In addition to the limit of liability, *we* will pay all defense costs *we* incur. *Our* duty to settle or defend ends when *our* limit of liability has been exhausted by payment of judgments or settlements. *We* have no duty to defend any lawsuit or settle any claim for *bodily injury* or *property damage* not covered under this policy.

ADDITIONAL DEFINITION FOR PART A - LIABILITY COVERAGE

Insured, when shown in *boldface italics* typeface in **Part A**, is defined as follows:

- A.** *You* or any *family member* for the *ownership*, maintenance or use of any *your covered auto*, *non-owned auto* or *trailer*.
- B.** Any person using *your covered auto* with *your* permission.

- C.** Any person or organization vicariously liable for the use of a covered *auto* by a person covered under this **Part A**.
- D.** Any person or organization vicariously liable for the use of a *non-owned auto* or *trailer* by *you* or a *family member* covered under this **Part A**. This provision (**D**) applies only if the person or organization does not *own* or hire the *auto* or *trailer*.

SUPPLEMENTARY PAYMENTS

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

- A.** Up to \$250 for the cost of bail bonds required because of an *accident*, including related traffic law violations. However:
 1. *We* will not pay the cost of a bail bond if no *bodily injury* or *property damage* resulted from the *accident*; and
 2. *We* are not required to apply for or provide these bonds.
- B.** Premiums on appeal bonds and bonds to release attachments in any lawsuit *we* defend. *We* are not required to apply for or provide these bonds. *We* also are not required to purchase a bond in an amount that is greater than *our* limit of liability.

- C. Interest accruing after a judgment is entered in any lawsuit *we* defend. *Our* duty to pay interest ends when *we* offer to pay that part of the judgment that does not exceed *our* limit of liability.
- D. Up to \$200 a day for loss of wages or salary, but no other income, because of attendance at hearings or trials at *our* request.
- E. Other reasonable expenses incurred at *our* request.

EXCLUSIONS THAT APPLY TO PART A - LIABILITY COVERAGE

If an exclusion below applies, coverage will not be provided under **Part A** of this policy.

A. *We* do not provide Liability Coverage for, nor have a duty to defend, any *insured*:

1. Who intentionally causes or directs another to cause *bodily injury* or *property damage*.
2. For *bodily injury* or *property damage* that results, or may reasonably be expected to result, from the intentional or criminal acts of an *insured*.
3. For *property damage* to property:
 - a. *Owned* by;
 - b. Rented to;
 - c. Used by;
 - d. Transported by; or
 - e. In the care of;
 that *insured*.

This Exclusion (A.3.) does not apply to *property damage* to a rented residence or rented private garage caused by *your covered auto*.

4. For *bodily injury* to an employee of that *insured* during the course of employment. This Exclusion (A.4.) does not apply to *bodily injury* to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. For any liability arising out of the *ownership* or operation of a vehicle while it is being used to carry persons or property for a fee or any compensation, or while it is available for public hire. This Exclusion (A.5.) applies to, but is not limited to, delivery of goods to customers either on a wholesale or retail basis such as food, newspapers or flowers. It does not apply to a share-the-expense car pool.
6. While employed or otherwise engaged in the *business* of:
 - a. Selling;
 - b. Leasing;
 - c. Testing;

- d. Repairing;
- e. Servicing;
- f. Washing;
- g. Delivering;
- h. Storing; or
- i. Parking;

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

- a. *You*;
- b. Any *family member*; or
- c. Any partner, agent or employee of *you* or any *family member*.

7. Using a vehicle without a reasonable belief that that *insured* is entitled to do so. This Exclusion (A.7.) does not apply to a *family member* using *your covered auto* which is *owned* by *you*.
8. For *bodily injury* or *property damage* for which that *insured*:
 - a. Is an insured under a nuclear energy liability policy; or
 - b. Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

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

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

9. For *bodily injury* or *property damage* resulting from the operation of a vehicle as an employee of the United States government and acting within the scope of that employment. This exclusion applies when the provisions of the Federal Tort Claims Act apply.

B. *We* do not provide Liability Coverage for, nor have a duty to defend, any insured for a *loss* arising from the *ownership*, maintenance or use of:

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

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

- a. While such vehicle is being used by an *insured* in a medical emergency; or
- b. To any *trailer*:

2. **ANY VEHICLE, OTHER THAN YOUR COVERED AUTO, THAT IS:**
 - a. **OWNED BY YOU; OR**
 - b. **FURNISHED OR AVAILABLE FOR YOUR REGULAR USE.**
3. **ANY VEHICLE, OTHER THAN YOUR COVERED AUTO, THAT IS:**
 - a. **OWNED BY ANY FAMILY MEMBER; OR**
 - b. **FURNISHED OR AVAILABLE FOR THE REGULAR USE OF ANY FAMILY MEMBER.**

HOWEVER, THIS EXCLUSION (B.3.) DOES NOT APPLY TO YOU WHILE YOU ARE MAINTAINING OR OCCUPYING A VEHICLE THAT IS:

- a. **OWNED BY A FAMILY MEMBER; OR**
 - b. **FURNISHED OR AVAILABLE FOR THE REGULAR USE OF A FAMILY MEMBER.**
4. Any vehicle, located inside a facility designed for racing, for the purpose of:
 - a. Competing in; or
 - b. Practicing or preparing for;
 - a prearranged or organized racing or speed contest.
 5. *Your covered auto* while leased or rented to others.

C. If a court with proper jurisdiction finds any exclusion under **Part A** unenforceable or inapplicable under the laws of the State of Nevada, the exclusion:

1. Will not apply to the extent that the damages are within the minimum limits of liability coverage required by the financial responsibility law of the State of Nevada;
2. Will apply to that portion of the damages resulting from an *accident* that exceeds the minimum limits required by the financial responsibility law of the State of Nevada.

LIABILITY COVERAGE LIMIT(S) OF LIABILITY

A. Each Person/Each Accident Limits of Liability

If the limit of liability for Bodily Injury Liability Coverage shown on *your Declarations Page* for a vehicle consists of one limit for each person and another limit for each *accident*, the limit of liability shown for each person is the maximum *we* will pay for all damages arising out of *bodily injury* sustained by any one person in any one *accident*. The each person limit includes all claims or lawsuits of others derived from the *bodily injury* of the injured person. This includes, but is not limited to, claims or lawsuits for emotional distress or mental anguish as a result of observing another person sustain *bodily injury*. It also includes:

1. Loss of society;
2. Loss of companionship;
3. Loss of services;
4. Loss of consortium; and
5. Wrongful death.

Subject to this limit of liability for each person, the limit of liability shown on *your Declarations Page* for each *accident* for Bodily Injury Liability Coverage is the maximum *we* will pay for all damages for *bodily injury* resulting from any one *accident*.

THE LIMIT OF LIABILITY SHOWN ON YOUR *DECLARATIONS PAGE* FOR EACH *ACCIDENT* FOR PROPERTY DAMAGE LIABILITY IS THE MAXIMUM LIMIT OF LIABILITY WE WILL PAY FOR ALL *PROPERTY DAMAGE* RESULTING FROM ANY ONE *ACCIDENT*.

THE LIMITS OF LIABILITY FOR *BODILY INJURY* AND *PROPERTY DAMAGE* ARE THE MOST WE WILL PAY REGARDLESS OF THE NUMBER OF:

1. *INSUREDS*;
2. *HEIRS*;
3. *SURVIVORS*;
4. *CLAIMANTS*;
5. *CLAIMS*;
6. *CLAIMS MADE*;
7. *LAWSUITS FILED*;
8. *VEHICLES OR PREMIUMS SHOWN ON THE DECLARATIONS PAGE*; OR
9. *VEHICLES, INCLUDING ANY ATTACHED TRAILERS, INVOLVED IN THE AUTO ACCIDENT*.

B. Combined Single Limit of Liability

If the limit of liability for Bodily Injury Liability Coverage shown on *your Declarations Page* for a vehicle is a Combined Single Limit (CSL), that limit is the most *we* will pay for all damages resulting from any one *accident*. The Combined Single Limit includes all claims of others derived from the *bodily injury* of an injured person, including, but not limited to, emotional distress or mental anguish as a result of observing another person sustain *bodily injury*. It also includes:

1. Loss of society;
2. Loss of companionship;
3. Loss of services;
4. Loss of consortium; and
5. Wrongful death.

THE COMBINED SINGLE LIMIT IS THE MOST WE WILL PAY REGARDLESS OF THE NUMBER OF:

1. **INSUREDS;**
2. **HEIRS;**
3. **SURVIVORS;**
4. **CLAIMANTS;**
5. **CLAIMS;**
6. **CLAIMS MADE;**
7. **LAWSUITS FILED;**
8. **VEHICLES OR PREMIUMS SHOWN ON YOUR DECLARATIONS PAGE; OR**
9. **VEHICLES, INCLUDING ANY ATTACHED TRAILERS, INVOLVED IN THE AUTO ACCIDENT.**

C. If *bodily injury* or *property damage* that is not otherwise excluded results from:

1. Racing;
2. Drag racing;
3. Speed or demolition contests;
4. Stunting activities; or
5. The practice or preparation for such contests or activities;

then the limit of liability for such coverage shall be limited to the minimum statutory limits notwithstanding the limits for *bodily injury* and *property damage* liability coverage shown on the *Declarations Page*.

D. No one will be entitled to receive duplicate payments from this policy or from any source for the same elements of *bodily injury*, *property damage* or *loss*.

OUT OF STATE COVERAGE

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

If the state or province has:

- A.** A financial responsibility or similar law requiring a nonresident to maintain limits of liability for *bodily injury* or *property damage* higher than the limit(s) shown on the *Declarations Page*, *your* policy will provide the higher required limit(s).
- B.** A mandatory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in the state or province, *your* policy will provide the greater of:
 1. The required minimum limits and types of coverage; or
 2. The limits of liability provided under *your* policy.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall provide coverage in accordance with and subject to Chapter 485 of the Nevada revised Statutes, as amended.

OTHER INSURANCE

If there is other applicable liability insurance or bond, *we* will pay only *our* share of the *loss*. *Our* share of the *loss* is the proportion that *our* Liability Coverage limit liability bears to the total of all applicable limits. However, any insurance *we* provide for a vehicle that is not *your covered auto* shall be excess over any other collectible insurance or bond except a policy affording Liability Coverage to the *owner* of a *non-owned auto* rented to *you* or a *family member* if the rental agreement requires the insurance under this policy to provide primary Liability Coverage. If the rental agreement does require this, *we* will provide coverage to *you* or any *family member* on a primary basis for the permissive use of the rented *non-owned auto* up to the minimum limits required by the Nevada financial responsibility law.

PART B - MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

A. Subject to the Medical Payment Coverage limit of liability stated on *your Declarations Page*, if *you* pay the premium for Medical Payments Coverage, *we* will pay the reasonable and necessary medical expenses and funeral expenses incurred because of *bodily injury*:

1. Caused by an *accident* arising out of the *ownership*, maintenance or use of an *auto* or *trailer*, and
2. Sustained by an *insured*.

We will pay only those expenses incurred for services rendered within 18 months from the date of the *accident*.

B. Covered expenses must be incurred for:

1. Medical services performed, medical supplies, medication, or drugs prescribed by a medical provider licensed by the state to provide the specific medical services; and
2. Funeral services.

C. *We* have the right to review the medical expenses to determine if they are reasonable and necessary for diagnosis and treatment of the *bodily injury*. *We* may use independent sources of information selected by *us* to determine if any medical expense is reasonable and necessary. These sources may include, but are not limited to:

1. Physical exams by doctors *we* select. *We* will pay for these exams;
 2. Review of medical files;
 3. Computer databases; or
 4. Published sources of medical expense information.
- D. *We* may refuse to pay for any medical expense that is unreasonable because the fee for the service is greater than the fee which is usual and customary for the geographic location in which the service is rendered. *We* may also refuse to pay for any medical expense because the service rendered is unnecessary for the treatment of *bodily injury* sustained.

If *we* refuse to pay for any medical expense because the fee is unreasonable or the service is unnecessary and the *insured* is sued for payment of this expense, *we* will defend the *insured* with an attorney of *our* choice. *We* will pay defense costs and any judgment against the *insured* up to *our* limit of liability. The *insured* must cooperate with *us* in the defense of the lawsuit and attend hearings or trials at *our* request. *We* will pay the *insured* up to \$200 per day for lost wages or salary due to attendance at a hearing or trial. *We* will also pay other reasonable expenses the *insured* incurs at *our* request as a result of a lawsuit.

ADDITIONAL DEFINITIONS FOR PART B - MEDICAL PAYMENTS COVERAGE

The terms appearing below, when shown in *boldface italics* type in **Part B**, are defined as follows:

- A. *Insured* means:
1. *You* or any *family member*;
 - a. While *occupying*; or
 - b. As a pedestrian when struck by;

a motor vehicle designed for use mainly on public roads or a *trailer* of any type.
 2. Any other person while *occupying your covered auto* or while *occupying a trailer* attached to *your covered auto* or shown on *your Declarations Page*.
- B. *Non-owned auto* means any *auto* that is not *owned* by *you* or a *family member*.
- C. *Trailer* means a non-motorized attachment, including a farm wagon or farm implement, designed to be towed on public roads by an *auto* provided the *trailer* is not used:
1. For commercial or *business* purposes;
 2. As a primary residence;
 3. As an office, store, or for commercial display purposes; or
 4. To transport passengers.

EXCLUSIONS THAT APPLY TO PART B - MEDICAL PAYMENTS COVERAGE

If an exclusion below applies, coverage will not be provided under **Part B** of this policy.

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

- A. Sustained while *occupying* any motorized vehicle having fewer than four wheels.
- B. Sustained while *occupying your covered auto* when it is being used to carry persons or property for a fee or any compensation or while it is available for public hire. This exclusion (B.) applies to, but is not limited to, delivery of goods to customers either on a wholesale or retail basis such as food, newspapers, or flowers. It does not apply to a share-the-expense car pool.
- C. Sustained while *occupying* any vehicle or *trailer* being used as a residence or premises.
- D. Occurring during the course of employment if workers' compensation benefits are required or available for the *bodily injury*.
- E. **SUSTAINED WHILE OCCUPYING OR WHEN STRUCK BY ANY VEHICLE, OTHER THAN YOUR COVERED AUTO, THAT IS:**
 1. *OWNED BY YOU*; OR
 2. *FURNISHED OR AVAILABLE FOR YOUR REGULAR USE*.
- F. **SUSTAINED WHILE OCCUPYING OR WHEN STRUCK BY ANY VEHICLE, OTHER THAN YOUR COVERED AUTO, THAT IS:**
 1. *OWNED BY ANY FAMILY MEMBER*; OR
 2. *FURNISHED OR AVAILABLE FOR THE REGULAR USE OF ANY FAMILY MEMBER*.

HOWEVER, THIS EXCLUSION (F.) DOES NOT APPLY TO YOU.
- G. Sustained by any person while *occupying* a covered *auto* or *trailer* without the express or implied permission of *you* or a *family member*. This Exclusion (G.) does not apply to a *family member* using *your covered auto* that is *owned* by *you*.
- H. Sustained by *you* or a *family member* while *occupying* a *non-owned auto* without the express or implied permission of the *owner*.
- I. Caused by or as a consequence of:
 1. Nuclear reaction or radioactive contamination;
 2. Discharge of a nuclear weapon (even if accidental);
 3. War;
 4. Civil war;
 5. Insurrection;
 6. Rebellion or revolution.

- J. For which insurance is available under a nuclear energy liability insurance contract.
- K. Sustained while *occupying* any vehicle while participating in:
 1. Racing;
 2. Drag racing;
 3. Speed or demolition contests;
 4. Stunting activities; or
 5. The practice or preparation for such contests or activities.
- L. Sustained while *occupying* any vehicle on a driving track in a facility designed for racing vehicles.
- M. That is self-inflicted by the *insured* or inflicted on an *insured* at the request of that *insured*.

MEDICAL PAYMENTS COVERAGE LIMIT OF LIABILITY

- A. **THE LIMIT OF LIABILITY FOR THIS COVERAGE SHOWN ON *YOUR DECLARATIONS PAGE* FOR A VEHICLE IS THE MAXIMUM *WE* WILL PAY FOR EACH PERSON INJURED IN ANY ONE *AUTO ACCIDENT*. THIS IS THE MOST *WE* WILL PAY REGARDLESS OF THE NUMBER OF:**
 1. *INSUREDS*;
 2. **CLAIMS MADE;**

- 3. **VEHICLES OR PREMIUMS SHOWN ON *YOUR DECLARATIONS PAGE*; OR**
- 4. **VEHICLES, INCLUDING ANY ATTACHED *TRAILERS*, INVOLVED IN THE *AUTO ACCIDENT*.**
- B. No one will be entitled to receive duplicate payments for the same elements of *loss* under **Part B** of this policy and:
 1. **Part A;** or
 2. **Part C;**
 of this policy.
- C. **IF *YOU* HAVE MORE THAN ONE *AUTO* INSURED BY *US*, *WE* WILL NOT PAY ANY *INSURED* MORE THAN THE SINGLE LIMIT OF THE MEDICAL PAYMENTS COVERAGE *WE* PROVIDE ON ONE *AUTO* FOR AN *ACCIDENT*. MEDICAL PAYMENTS COVERAGE ON MORE THAN ONE *AUTO* CANNOT BE ADDED, COMBINED OR STACKED TOGETHER.**

OTHER INSURANCE

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

PART C - UNINSURED/UNDERINSURED MOTORISTS COVERAGE

UNINSURED/UNDERINSURED MOTORISTS BODILY INJURY COVERAGE INSURING AGREEMENT

Subject to the Uninsured/Underinsured Motorists Bodily Injury Coverage limit of liability stated on *your Declarations Page*, if *you* pay the premium for Uninsured/Underinsured Motorists Bodily Injury Coverage, *we* will pay compensatory damages that an *insured* is legally entitled to recover from the *owner* or operator of an *uninsured motor vehicle* or *underinsured motor vehicle* because of *bodily injury*:

- A. Sustained by an *insured*; and
- B. Caused by an *auto accident* with an *uninsured motor vehicle* or an *underinsured motor vehicle*.

Any judgment for damages arising out of a lawsuit brought without *our* written consent is not binding on *us* unless *you* give *us* written notice at the commencement of all legal actions against a liable party, and *we* have had the opportunity to appear and defend *our* interests.

ADDITIONAL DEFINITIONS FOR PART C - UNINSURED/UNDERINSURED MOTORISTS COVERAGE

The terms appearing below, when shown in *boldface italics* type in **Part C**, are defined as follows:

- A. *Insured* means:
 1. *You* or any *family member*, except when *occupying* a vehicle, other than *your covered auto*, without the express or implied permission from the *owner* of that vehicle;
 2. Any other person *occupying your covered auto* with express or implied permission from *you* or a *family member*; and
 3. Any person entitled to recover damages for *bodily injury* covered under **Part C** of this policy sustained by a person meeting the definition of *insured* in **A.1.** or **2.** above.

B. *Underinsured motor vehicle* means a land motor vehicle or trailer of any type for which one or more *bodily injury* liability bonds or policies apply at the time of the *accident* but all limits available under any bonds or policies for *bodily injury* liability coverage are less than the damages an *insured* is entitled to recover from the *owner* or operator of the motor vehicle for *bodily injury*.

However, *underinsured motor vehicle* does not include any vehicle or trailer:

1. For which there is a policy or bond providing *bodily injury* liability coverage or protection at the time of the *accident* but the limit for *bodily injury* liability is less than the minimum limit for *bodily injury* liability specified by the financial responsibility law of the state in which *your covered auto* is principally garaged.
2. That is *owned* by, furnished to, or available for the regular use of *you* or any *family member*;
3. That is operated on rails or crawler treads.
4. That is not required to be registered as a motor vehicle.
5. While located for use or being used as a residence or premises.
6. That is designed mainly for use off public roads while not on public roads.
7. For which there is a policy or bond providing *bodily injury* liability coverage or protection at the time of the *accident* but the insurance or bonding company:
 - a. Legally denies coverage; or
 - b. Is or becomes insolvent.
8. That is an *uninsured motor vehicle*.

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

1. For which there is no policy or bond providing *bodily injury* liability coverage at the time of the *accident*.
2. For which a *bodily injury* liability policy or bond applies at the time of the *accident* but its limit for *bodily injury* liability is less than the minimum limit required by the financial responsibility law of the state in which *your covered auto* is principally garaged.
3. For which a *bodily injury* liability policy or bond applies at the time of the *accident* but the insurance or bonding company:
 - a. Legally denies coverage; or
 - b. Is or becomes insolvent.
4. That is a hit-and-run vehicle whose operator or *owner* cannot be identified and that has physical contact with:
 - a. *You* or a *family member*;
 - b. A vehicle that *you* or a *family member* are *occupying*; or
 - c. *Your covered auto*.

However, *uninsured motor vehicle* does not include any land motor vehicle, trailer, or equipment of any type:

- a. That is *owned* by, furnished to, or available for the regular use of *you* or any *family member*.
- b. That is *owned* or operated by a self-insured under any motor vehicle law, except a self-insured who is or becomes insolvent.
- c. That is *owned* by any governmental unit or agency.
- d. That is operated on rails or crawler treads.
- e. That is not required to be registered as a motor vehicle.
- f. While located for use or being used as a residence or premises.
- g. That is designed mainly for use off public roads while not on public roads.
- h. That is an *underinsured motor vehicle*.

ADDITIONAL DUTIES FOR PART C - UNINSURED/UNDERINSURED MOTORISTS COVERAGE

A person seeking Uninsured/Underinsured Motorists Coverage must also:

- A. Notify the police within 24 hours or as soon as practical after the *accident* if a hit-and-run driver is involved, and *you* must report the *accident* to *us* within 30 days of the *accident*.
- B. Send *us* copies of the legal papers if a lawsuit is commenced;
- C. Notify *us* in writing of an offer of settlement between the *insured* and the insurer of the *underinsured motor vehicle*; and
- D. Allow *us* 30 days after notice of an offer of settlement to advance payment to that *insured* in an amount equal to the offer in order to preserve all rights against the insurer, *owner*, and operator of such *underinsured motor vehicle*.

EXCLUSIONS THAT APPLY TO PART C - UNINSURED/UNDERINSURED MOTORISTS COVERAGE

If an exclusion below applies, coverage will not be provided under **Part C** of this policy.

- A. *We* do not provide Uninsured/Underinsured Motorists Coverage for *bodily injury* sustained:
 1. By an *insured* while *occupying*, or when struck by, any motor vehicle *owned* by that *insured* if that vehicle is not insured for coverage under **Part C**. This exclusion applies to the use of a *trailer* of any type used with that vehicle.

2. By any *family member* while *occupying*, or when struck by, any motor vehicle *you own* that is insured for Uninsured/Underinsured Motorists Coverage on a primary basis under any other policy.

However, this exclusion applies only to the extent that the limits of liability for this coverage exceed the limits of liability required by the financial responsibility law of the State of Nevada.

- B. We do not provide Uninsured/Underinsured Motorists Coverage for *bodily injury* sustained by an *insured*:
 1. If that *insured* or legal representative of that *insured* settles the *bodily injury* claim without *our* consent.
 2. While *occupying your covered auto* when it is being used to carry persons or property for a fee or any compensation, or while it is available for public hire. This exclusion (B.2.) applies to, but is not limited to, delivery of goods to customers either on a wholesale or retail basis such as food, newspapers or flowers. It does not apply to:
 - a. A share-the-expense car pool; or
 - b. That portion of the damages that are within the minimum limits of liability coverage required by the financial responsibility law of the State of Nevada.
- C. This coverage shall not apply directly or indirectly to benefit any insurer or self-insured under any of the following or similar laws:
 1. Workers' compensation law; or
 2. Disability benefits law.
- D. We do not provide Uninsured/Underinsured Motorists Coverage for punitive or exemplary damages.

UNINSURED/UNDERINSURED MOTORISTS COVERAGE - LIMIT(S) OF LIABILITY

A. Each person/Each Accident Limits of Liability

If the limit of liability for Uninsured/Underinsured Motorists Coverage shown on *your Declarations Page* for a vehicle consists of one limit for each person and another limit for each *accident*, the limit of liability shown for each person is the maximum *we* will pay for all damages arising out of *bodily injury* sustained by any one person in any one auto *accident*. The each person limit includes all claims or lawsuits of others derived from the *bodily injury* of the *insured*. This includes, but is not limited to, claims or lawsuits for emotional distress or mental anguish as a result of observing another sustain *bodily injury*. It also includes:

1. Loss of society;
2. Loss of companionship;
3. Loss of services;
4. Loss of consortium; and
5. Wrongful death.

SUBJECT TO THIS LIMIT OF LIABILITY FOR EACH PERSON, THE LIMIT OF LIABILITY SHOWN ON YOUR DECLARATIONS PAGE FOR EACH ACCIDENT FOR UNINSURED/UNDERINSURED MOTORISTS COVERAGE IS THE MAXIMUM WE WILL PAY FOR ALL DAMAGES FOR BODILY INJURY RESULTING FROM ANY ONE AUTO ACCIDENT.

THESE LIMITS OF LIABILITY ARE THE MOST WE WILL PAY REGARDLESS OF THE NUMBER OF:

1. *INSUREDS*;
2. **CLAIMS MADE**;
3. **LAWSUITS FILED**;
4. **VEHICLES OR PREMIUMS SHOWN ON YOUR DECLARATIONS PAGE**; OR
5. **VEHICLES, INCLUDING ANY ATTACHED TRAILERS, INVOLVED IN THE AUTO ACCIDENT.**

B. Combined Single Limit Of Liability

If the limit of liability for Uninsured/Underinsured Motorists Coverage shown on *your Declarations Page* is a Combined Single Limit (CSL), that limit is the most *we* will pay for all damages arising out of any one auto *accident*. The Combined Single Limit includes all claims of others derived from the *bodily injury* of an injured person, including, but not limited to, emotional distress or mental anguish as a result of observing another sustain *bodily injury*. It also includes:

1. Loss of society;
2. Loss of companionship;
3. Loss of services;
4. Loss of consortium; and
5. Wrongful death.

THIS LIMIT IS THE MOST WE WILL PAY REGARDLESS OF THE NUMBER OF:

1. *INSUREDS*;
2. **CLAIMS MADE**;
3. **LAWSUITS FILED**;
4. **VEHICLES OR PREMIUMS SHOWN ON YOUR DECLARATIONS PAGE**; OR
5. **VEHICLES, INCLUDING ANY ATTACHED TRAILERS, INVOLVED IN THE AUTO ACCIDENT.**

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

1. **Part A**; or
 2. **Part B**;
- of this policy.

- D. We will not make a duplicate payment under **Part C** of this policy for any element of *loss* for which payment has been made by or on behalf of persons or organizations who may be legally responsible for the *loss*.
- E. We will not pay for any element of *loss* if a person is entitled to receive payment for the same element of *loss* under any of the following or similar laws:
 1. Workers' compensation law;
 2. Disability benefits law; or
 3. Private disability insurance.
- F. **IF YOU HAVE MORE THAN ONE AUTO INSURED BY US, WE WILL NOT PAY ANY INSURED MORE THAN THE SINGLE HIGHEST LIMIT OF THE UNINSURED/UNDERINSURED MOTORISTS COVERAGE WE PROVIDE ON ANY ONE AUTO FOR AN ACCIDENT. UNINSURED/UNDERINSURED MOTORISTS COVERAGE ON MORE THAN ONE AUTO CANNOT BE ADDED, COMBINED OR STACKED TOGETHER.**
- G. Subject to the Limits of Liability under this **Part C** the maximum amount we will pay for damages caused by the *owner* or operator of an *underinsured motor vehicle* shall be no more than the amount by which the *bodily injury* damages exceed the sum of the amounts of coverage of all liability bonds or policies available to the *owner* and operator of the *underinsured motor vehicle*.
- H. If an *insured* enters into a settlement agreement for an amount less than the sum of the limits of liability under all applicable bodily injury liability bonds and policies, *our* limit of liability for Coverage under **Part C** shall not exceed the difference between the damages sustained by the *insured* and the sum of the applicable bodily injury liability limits.

- I. If an *insured* is limited in the recovery of damages under **Part C** due to the limitations on the legal liability of a governmental unit or agency under NRS § 41.035, the *insured* shall be entitled to recover under **Part C**. The *insured's* recovery will be limited to the actual damages the *insured* would be entitled to recovered under **Part C** for *bodily injury* if NRS § 41.035 did not apply. The *insured's* recovery shall not exceed the limits of liability set forth in **Part C**.

OTHER INSURANCE

If there is other applicable Uninsured Motorists Coverage or Underinsured Motorists Coverage insurance, or similar insurance, available under one or more policies, we will pay only *our* share of the *loss*. *Our* share of the *loss* is the proportion that *our* limit of coverage under this **Part C** bears to the total of all applicable limits on either a primary or excess basis, whichever is applicable. However:

- A. **THE TOTAL RECOVERY UNDER ALL SUCH POLICIES OR COVERAGE MAY NOT EXCEED THE HIGHEST APPLICABLE LIMIT FOR ANYONE VEHICLE UNDER SUCH INSURANCE PROVIDING COVERAGE ON EITHER A PRIMARY OR EXCESS BASIS.**
- B. Any insurance we provide with respect to a vehicle that is not *your covered auto* shall be excess over any collectible insurance providing such coverage on a primary basis.

PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

COLLISION COVERAGE INSURING AGREEMENT

- A. Subject to the limits of liability provisions contained in **Part D** of this policy, if *you* pay the premium for Collision Coverage, we will pay for direct and *accidental loss* to:
 1. *Your covered auto* for which Collision Coverage has been purchased, as stated on *your Declarations Page*;
 2. A *non-owned auto*; or
 3. A *trailer*; if it overturns or is in a *collision* with another object.

If *loss* to more than one *auto* to which coverage under this **Part D** applies results from the same *collision*, only the highest applicable deductible will apply.
- B. If there is a *loss* to a *non-owned auto*, we will provide the broadest Collision Coverage applicable to any of *your covered autos* shown on *your Declarations Page*.

COMPREHENSIVE COVERAGE INSURING AGREEMENT

- A. Subject to the limits of liability provisions contained in **Part D** of this policy, if *you* pay the premium for Comprehensive Coverage, we will pay for *loss* to:
 1. *Your covered auto* for which Comprehensive Coverage has been purchased, as stated on *your Declarations Page*;
 2. A *non-owned auto*; or
 3. A *trailer*.
- B. Comprehensive Coverage applies to a *loss* caused by any of the following:
 1. Missiles or falling objects;
 2. Fire;
 3. Theft or larceny;
 4. Explosion or earthquake;
 5. Windstorm;

6. Hail, water or flood;
7. Malicious mischief or vandalism;
8. Riot or civil commotion;
9. Contact with bird or animal; or
10. Breakage of glass.

If breakage of glass is caused by a *collision*, *you* may elect to have it considered a *loss* caused by *collision*.

- C. If there is a *loss* to a *non-owned auto*, *we* will provide the broadest Comprehensive Coverage applicable to *your covered auto* shown on *your Declarations Page*.

TRANSPORTATION EXPENSE COVERAGE

- A. If *you* pay the premium for Comprehensive Coverage under this policy, *we* will repay *you* up to the greater of:

1. Fifteen dollars each day for up to 30 days, to a maximum of \$450; or
2. Any higher limit of liability purchased by *you* as Increased Transportation Expense Coverage shown on *your Declarations Page*;

for:

1. Transportation expenses incurred by *you* if *your covered auto* to which Comprehensive Coverage applies is stolen; or
2. Loss of use damages *you* are legally liable to pay if a *non-owned auto* is stolen.

- B. Coverage for transportation expenses and loss of use damages begins 48 hours after *you* report the theft to *us* and ends the earliest of:

1. When *your covered auto* or *non-owned auto* has been recovered and returned to *you* or its *owner*;
2. When *your covered auto* or *non-owned auto* has been recovered and repaired;
3. When *your covered auto* or *non-owned auto* has been replaced; or
4. 72 hours after *we* make an offer to pay the applicable limit of liability under this **Part D** if *your covered auto* or *non-owned auto* is deemed by *us* to be a total loss or unrecoverable.

Our payment will be limited to the period of time reasonably required to repair or replace *your covered auto*.

- C. In order to receive reimbursement for *your* transportation expenses, *you* must provide *us* with written proof of *your* transportation expenses and loss of use damages.
- D. If transportation costs are payable under both Transportation Expense Coverage and Increased Transportation Expense Coverage, *we* will pay only under the one coverage in which *you* collect the most.

INCREASED TRANSPORTATION EXPENSE COVERAGE

- A. Subject to the limits of liability stated on *your Declarations Page*, if *you* pay the premium for Increased Transportation Expense Coverage *we* will reimburse rental charges incurred when *you* rent an *auto* from a rental agency or garage due to a *loss* to *your covered auto* for which:

1. Increased Transportation Expense Coverage has been purchased; and
2. Collision Coverage and Comprehensive Coverage apply.

- B. *Our* liability is limited to the amount incurred up to the daily amount and the number of days shown on *your Declarations Page*.

- C. Rental charges will be reimbursed beginning:

1. When *your covered auto* cannot be driven due to a *loss*; or
2. If *your covered auto* can be driven, when *you* deliver *your covered auto* to a vehicle repair shop for repairs due to the *loss*.

- D. Rental charge reimbursement will end at the earliest of the following:

1. When *your covered auto* has been returned to *you*;
2. When *your covered auto* has been repaired or after a reasonable period of time in which *your covered auto* could have been repaired;
3. When *your covered auto* has been replaced; or
4. If *your covered auto* is deemed by *us* to be a total loss, 72 hours after *we* make an offer to pay the applicable limit of liability under this **Part D**.

- E. In order to receive reimbursement under Increased Transportation Expense Coverage, *you* must provide *us* with written proof of *your* transportation expenses and loss of use damages.

- F. If rental charges are payable under both Increased Transportation Expense Coverage and Transportation Expense Coverage, *we* will pay only under the one coverage in which *you* collect the most.

ADDITIONAL EQUIPMENT COVERAGE

- A. Subject to the limits of liability stated below, if *you* pay the premium for Collision Coverage or Comprehensive Coverage, *we* will pay for *loss* to *your additional equipment* resulting from direct and accidental *loss* for which *you* have purchased coverage. All payments for *loss* to *additional equipment* shall be reduced by the applicable deductible, but only one deductible shall be applied to any one *loss* under this **Part D**. For *additional equipment* coverage in excess of the limit of liability, *you* may purchase Increased Additional Equipment Coverage as described below.

B. The limit of liability for *loss* to *additional equipment* is the lowest of:

1. The actual cash value of such *additional equipment*, reduced by the applicable deductible, and by its salvage value if *you* or the *owner* retain the salvage;
2. The amount necessary to repair such *additional equipment*, reduced by the applicable deductible;
3. The amount necessary to replace such *additional equipment*, reduced by the applicable deductible and reduced by its salvage value if *you* or the *owner* retain the salvage; or
4. The limit of:
 - a. \$1000 if *you* have not purchased Increased Additional Equipment Coverage; or
 - b. If *you* have purchased Increased Additional Equipment Coverage ("IAEC"), \$1,000 added to the amount of IAEC *you* purchased, but not to exceed the declared value of all *additional equipment* on *your covered auto*, reduced by the applicable deductible, and by its salvage value if *you* or the *owner* retains the salvage.

C. Coverage for *additional equipment* shall not cause *our* limit of liability for *loss* to an *auto* under this **Part D** to be increased to an amount in excess of:

1. The actual cash value of the *auto*, including its *additional equipment*; or
2. Any applicable limits of liability or Stated Amount Vehicle Coverage elected by *you*.

TOWING AND LABOR COSTS COVERAGE

Subject to the Towing And Labor Costs Coverage limit of liability stated on *your Declarations Page* for that vehicle, if *you* pay the premium for Towing And Labor Costs Coverage, *we* will pay for towing and labor costs each time *your covered auto* or any *non-owned auto* is disabled. If a *non-owned auto* is disabled, *we* will provide the broadest towing and labor costs coverage applicable to *your covered auto* shown on *your Declarations Page*. *We* will only pay for labor performed at the place of disablement.

ADDITIONAL DEFINITIONS FOR PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

The terms appears below, when shown in *boldface italics* type in **Part D**, are defined as follows:

A. *Additional equipment* means any enhancement, equipment, devices, accessories and changes to an *auto* that are permanently installed or attached and alter the appearance or performance of a vehicle and were not original manufacturer or factory installed.

Additional equipment includes any electronic equipment designed for the reproduction of sound or to transmit or receive audio, visual, or data signals. It includes, but is not limited to, the following items when they are not considered standard or optional equipment from the *auto* manufacturer:

1. Citizen band radios;
2. Telephones;
3. Two-way mobile radios;
4. Radios;
5. Stereos;
6. Tape decks;
7. Compact disk systems;
8. Navigation systems;
9. Internet access systems;
10. Personal computers;
11. Video entertainment systems;
12. Televisions; and
13. Scanners.

Additional equipment also includes, but is not limited to, the following custom furnishings or equipment when they are not considered standard or optional equipment from the *auto* manufacturer:

1. Custom paint;
2. Murals;
3. Decals or graphics;
4. Custom seats;
5. Custom wheels;
6. Custom tires;
7. Covers;
8. Camper body;
9. Height-extending roofs;
10. Winches;
11. Roll bars;
12. Running boards; and
13. Handicap equipment.

B. *Collision* means the upset of *your covered auto* or a *non-owned auto* or their impact with another vehicle or object.

C. *Diminution in value* means the actual or perceived loss in market or resale value that results from a direct and *accidental loss*.

D. *Non-owned auto* means:

1. Any *auto* that is not *owned* by *you* or a *family member* and not furnished or available for the regular use of *you* or any *family member* while in the custody of or being operated by *you* or any *family member*; or

2. Any *auto* or *trailer you* do not *own* while used as a temporary substitute for *your covered auto* that is out of normal use because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. *Loss*; or
 - e. Destruction.

ADDITIONAL DUTIES FOR PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

A person seeking Coverage For Damage To Your Auto must also promptly:

- A. Take reasonable steps after *loss* to protect *your covered auto* or any *non-owned auto* and its equipment from further *loss*. *We* will pay reasonable expenses incurred to do this.
- B. Notify the police within 24 hours or as soon as practicable if *your covered auto* or any *non-owned auto* is stolen.
- C. Permit *us* to inspect and appraise the damaged property before it is repaired or disposed of.

EXCLUSIONS THAT APPLY TO PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

If an exclusion below applies, coverage will not be provided under **Part D** of this policy.

We will not pay for:

- A. *Loss* to *your covered auto* or any *non-owned auto* that occurs while it is being used to carry persons or property for a fee or any compensation or while it is available for public hire. This Exclusion (A.) applies to, but is not limited to, delivery of goods to customers either on a wholesale or retail basis such as food, newspapers or flowers. It does not apply to a share-the-expense car pool.
- B. Damage due and confined to:
 1. Wear and tear;
 2. Freezing;
 3. Mechanical or electrical breakdown or failure; or
 4. Road damage to tires.

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

- C. *Loss* caused by or as a consequence of:
 1. Nuclear reaction or radioactive contamination (whether controlled or uncontrolled);
 2. Discharge of any nuclear weapon (even if accidental);
 3. War (declared or undeclared);
 4. Civil war;
 5. Insurrection; or
 6. Rebellion or revolution.

- D. *Loss* for which insurance is available under a nuclear energy liability insurance contract.
- E. *Loss* caused by fungus or mold regardless of the factors causing or contributing to its growth, including hail, water, moisture or flood damage.
- F. *Loss* to any electronic equipment, devices, accessories, and any other personal effects that are not permanently installed in *your covered auto* or any *non-owned auto*. This includes but is not limited to:

1. Radios;
2. Stereos;
3. Tape decks;
4. Compact disc systems;
5. Audio cassette recorders;
6. Tapes;
7. Compact discs;
8. Cassettes;
9. VHS tapes;
10. DVDs, and other recording or recorded media;
11. Any equipment designed or used for the detection or location of radar or laser;
12. Citizen band radios;
13. Telephones;
14. Two-way mobile radios;
15. Tele-visions;
16. Personal computers;
17. Video entertainment systems;
18. Digital video device players; and
19. Navigation systems.

This Exclusion (F.) does not apply to:

1. Any electronic equipment that is necessary for the normal operation of the *auto* or the monitoring of the *auto's* operating systems;
2. A permanently installed telephone designed to be operated by use of the power from the *auto's* electrical system and any accessories used with the telephone;
3. Permanently installed equipment designed to be solely operated by use of the power from the *auto's* electrical system; and
4. Equipment removable from a housing unit that is permanently installed in the *auto*.

- G. *Loss* to *your covered auto*, any *non-owned auto*, or *trailer* due to destruction or confiscation by governmental or civil authorities.

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

H. Loss to:

1. A **trailer**, camper body, or motor home, that is not shown on **your Declarations Page**; or
2. Facilities or equipment used with such **trailer**, camper body or motor home. Facilities or equipment include but are not limited to:
 - a. Cooking;
 - b. Dining;
 - c. Plumbing;
 - d. Refrigeration facilities;
 - e. Awnings;
 - f. Cabanas; and
 - g. Any other facilities or equipment used with a **trailer**, camper body, or motor home.

This Exclusion (**H.**) does not apply to a:

1. **Trailer**, and its facilities or equipment, that **you** do not **own**; or
 2. **Trailer**, camper body, or the facilities or equipment in or attached to the **trailer** or camper body, that **you**:
 - a. Acquire during the policy period; and
 - b. Ask **us** to insure within 30 days after **you** become the **owner**.
- I.** **Loss** to any **non-owned auto** when used by **you** or any **family member** without a reasonable belief that **you** or that **family member** is entitled to do so.
- J.** **Loss** to **your covered auto**, a **non-owned auto**, or **trailer** caused by an intentional act by **you**, a **family member**, or the **owner** of **your covered auto**, **non-owned auto**, or **trailer**. However, this exclusion does not apply to a **loss** to **your covered auto** to the extent of the legal interest of **you** or a **family member** who:
1. Sustains the **loss** as the result of family violence by:
 - a. **You**;
 - b. A **family member**;
 - c. A former spouse; or
 - d. Any person who resides in or has resided in **your** household;
 2. Did not direct, participate in, or consent to the intentional act causing the **loss**; and
 3. Filed a family violence complaint against the person who caused the violence resulting in the **loss**.
- K.** **Loss** to any **additional equipment** in or upon any **auto** in excess of the applicable limits of liability.

This Exclusion (**K.**) does not apply to a cap, cover or bed liner in or upon **your covered auto** if it is a pickup truck.

L. Loss to **your covered auto** or any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:

1. Selling;
2. Leasing;
3. Testing;
4. Repairing;
5. Servicing;
6. Washing;
7. Delivering;
8. Storing; or
9. Parking; vehicles designed for use on public highways.

M. Loss to **your covered auto**, any **non-owned auto** or **trailer** resulting from:

1. Racing;
2. Drag racing;
3. Speed or demolition contests;
4. Stunting activities; or
5. The practice or preparation for such contests or activities.

N. Loss to **your covered auto**, any **non-owned auto**, or **trailer** resulting from operation on a driving track in a facility designed for racing vehicles.

O. Loss to, or loss of use of, a **non-owned auto** rented by:

1. **You**; or
2. Any **family member**;

if a rental vehicle company is precluded from recovering such **loss** or loss of use, from **you** or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.

P. Loss to **your covered auto** or **trailer** while it is leased to or rented to others.

Q. Loss due to theft or conversion of **your covered auto**, a **non-owned auto**, or **trailer**:

1. By **you**, a **family member**, or any resident of **your** household;
2. Prior to its delivery to **you** or a **family member**, or
3. While in the care, custody, or control of anyone engaged in the **business** of selling the **auto** or **trailer**.

R. Loss to **your covered auto**, **non-owned auto**, or **trailer** due to **diminution in value**.

DAMAGE TO YOUR AUTO - LIMIT OF LIABILITY

- A.** *Our* limit of liability for *loss* to *your covered auto*, a *non-owned auto*, or *trailer* will be the lowest of:
1. The actual cash value of the stolen or damaged property reduced by the applicable deductible shown on *your Declarations Page* and by its salvage value if *you* or the *owner* retain the salvage;
 2. The amount necessary to replace the property with other property of like kind and quality reduced by the applicable deductible shown on *your Declarations Page* and by its salvage value if *you* or the *owner* retain the salvage;
 3. The amount necessary to repair the damaged property to its pre-*loss* condition, reduced by the applicable deductible shown on *your Declarations Page*;
 4. The applicable limit of liability or Stated Amount Auto Coverage elected by *you*, reduced by its salvage value if *you* or the *owner* retains the salvage; or
 5. The applicable limit of liability for any of the following coverages if *you* have purchased such coverage:
 - a. Transportation Expense Coverage;
 - b. Increased Transportation Expense Coverage;
 - c. Additional Equipment Coverage; or
 - d. Increased Additional Equipment Coverage.

However, the most *we* will pay for *loss* to any *non-owned auto* that is a *trailer* is \$1,500.

- B.** An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss.
- C.** If a repair or replacement results in better than like kind or quality, *we* will not pay for the amount of the betterment. Betterment for which *you* will be responsible includes the value relating to the increase in useful life of replaced parts that have a limited useful life and the increase in value from the repair of prior damage.

PAYMENT OF LOSS

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

- A.** *You*; or
- B.** The address shown in this policy.

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

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

NO BENEFIT TO BAILEE

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

OTHER SOURCES OF RECOVERY

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

- A.** Any coverage provided by the *owner* of the *non-owned auto* or *trailer*;
- B.** Any other applicable physical damage insurance; or
- C.** Any other source of recovery applicable to the *loss*.

APPRAISAL

- A.** If *we* cannot agree with *you* on the amount of *loss*, then either *you* or *we* may demand an appraisal of the *loss*. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of *loss*. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B.** Neither *you* nor *we* waive any rights under this policy by agreeing to an appraisal.

LIENHOLDER

- A.** *Loss* or damage under this policy shall be paid, as interests may appear, to *you* and the lienholder shown on *your Declarations Page*. Payment for *loss* may be made separately to each interested party. The lienholder's interest will not be protected where a fraudulent act or material omission, misrepresentation, intentional damage, conversion, secretion and/or embezzlement has been committed by or at the direction of *you*, or any *family member*, or *your* representative.
- B.** When *we* pay the lienholder *we* shall, to the extent of the payment, be subrogated to the lienholder's rights of recovery.
- C.** In the event *your covered auto* is assessed as a total loss and is involuntarily or voluntarily repossessed by the lienholder after sustaining damage as outlined in this **Part D**, the deductible amount applicable to any *loss* adjusted and payable to the lienholder for its interest shall be \$250. The deductible amount otherwise applicable to *losses* payable to the insured shall be the deductible amount printed on *your Declarations Page*.
- D.** *We* may make payment for a partial *loss* directly to the repair facility with *your* consent.

BANKRUPTCY

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

CHANGES

- A.** This policy, including *your Declarations Page* and any amendments thereto, the application, and any endorsements, contains all the agreements between *you* and *us*. Its terms may not be changed or waived except by endorsement issued by *us*.
- B.** If there is a change in the information used by *us* to determine *your* policy premium, *we* may adjust *your* premium. Changes during the policy term or at renewal that may result in a premium increase or decrease include, but are not limited to, changes in or to:
1. The number or type of vehicles insured under *your* policy;
 2. The use classification of the vehicles insured under *your* policy;
 3. The operators using the vehicles insured under *your* policy (either additions or deletions);
 4. A family member obtaining a driver's license or operator's permit;
 5. *Your* address and/or the principal place where *you* garage any of the vehicles insured under *your* policy;
 6. The marital status of *you* or any operator;
 7. The coverage, coverage limits, or deductible amounts; and
 8. Qualification or eligibility for any premium discounts under the policy.
- C.** If a change resulting from **A.** or **B.** above requires a premium adjustment, *we* will make the premium adjustment in accordance with *our* manual rules.
- D.** If *we* make a change during the policy term that broadens any coverage without an additional premium charge, *you* will have the broadened coverage, provided that coverage is in effect when the change applies. The effective date of the change will be the date *we* implement the change in *your* state.

Any other change to the policy must be made by endorsement. Any change to *your* coverage will be made by using the rates, rules, and forms used by *us* in *your* state.

CONFORMITY WITH STATUTE

Any provision of this policy that conflicts with a statute of the state *you* listed on *your* application as *your* residence shall be changed to conform to such law.

MISREPRESENTATION OR FRAUD

To determine *your* eligibility for coverage under this policy and to determine *your* premium, *we* relied upon the statements and representations *you* provided to *us*. *We* may void this policy if *you* or any insured knowingly made any false statements or representations concerning a material fact or circumstance to *us* when applying for this policy or applying for any coverage under this policy, including, but not limited to, material misrepresentations regarding *your* license or driving history, or that of a *family member* or a person of driving age residing in *your* household; the description of the autos to be insured; the location of the principal place of garaging; or *your* place of residence. In addition, *we* may void this policy if *you* or any insured concealed or misrepresented any material fact or circumstance, or engaged in any fraudulent conduct, when applying for this policy. However, this shall not apply to coverage under **Part A - Liability Coverage** up to the minimum limits required by the financial responsibility law of the State of Nevada. If *we* provide coverage under **Part A** pursuant to this exception, *you* must reimburse *us* for any such payments *we* make. No payment will be made to any person who engages in fraudulent conduct affecting *our* interests.

LEGAL ACTION AGAINST US

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

OUR RIGHT TO RECOVER PAYMENT

- A.** If *we* make a payment under **Part C** for damages caused by the operator of an *uninsured motor vehicle*, *we* shall be subrogated to the right of the *insured* who received payment to recover such sums from the *owner* or operator of the *uninsured motor vehicle*. That *insured* shall do:
1. Whatever is necessary to enable *us* to exercise *our* rights; and
 2. Nothing after *loss* to prejudice *our* rights.
- B.** If *we* make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
1. Hold in trust for *us* the proceeds of the recovery; and
 2. Reimburse *us* to the extent of *our* payment.

- C. If the event of any payment under **Part C** Uninsured/Underinsured Motorists Coverage, *we* are entitled to the proceeds of any settlement or recovery from any person legally responsible for the ***bodily injury*** with respect to which payment was made, and to amounts recovered from the assets of the insolvent insurer of an ***uninsured motor vehicle***.

POLICY PERIOD AND TERRITORY

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

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

B. The policy territory is:

1. The United States of America, its territories or possessions;
2. Puerto Rico; or
3. Canada.

This policy also applies to ***loss*** to, or ***accidents*** involving, ***your covered auto*** while being transported between their ports.

PROOF OF NOTICE

Proof of mailing of any notice shall be sufficient proof of notice

TERMINATION

A. Cancellation

This policy may be cancelled during the policy as follows:

1. The named insured shown on ***your Declarations Page*** may cancel by:
 - a. Returning this policy to ***us*** or the named insured's agent;
 - b. Giving ***us*** or the named insured's agent advance written notice of the date cancellation is to take effect; or
 - c. Advanced notice to ***us*** by any other method ***we*** agree to accept.
2. ***We*** may cancel by mailing to the named insured shown on ***your Declarations Page*** at the last known address shown in ***our*** records:
 - a. At least 10 days notice:
 - (1) if cancellation is for nonpayment of premium; or
 - (2) if notice is mailed first class during the first 69 days this policy is in effect and this is not a renewal or continuation policy.
 - b. At least 30 days notice in all other cases.

3. During the first 69 days this policy is in effect, ***we*** may cancel for any reason.
4. After this policy is in effect for 70 days, or if this is a renewal or continuation policy, ***we*** may cancel only for one or more of the following reasons:
 - a. Non payment of premium;
 - b. If this policy was obtained by fraud or material misrepresentation;
 - c. If an insured under this policy filed or participated in filing a fraudulent or false claim;
 - d. If the named insured or any insured under this policy has been convicted of a crime arising out of acts increasing the hazard insured against;
 - e. ***We*** discover an act or omission, or violation of a condition of the policy, which occurred during the policy term which substantially and materially increases the hazard insured against by ***us***;
 - f. A material change in the nature or the extent of risk occurs during the policy period which causes the risk of ***accident*** or ***loss*** to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed; or
 - g. A determination by the Commissioner of Insurance that continuation of the policy would violate any provision of the Nevada Insurance Code, would jeopardize ***our*** solvency, or would be hazardous to the interest of policyholders, creditors or the public.

B. Nonrenewal

If ***we*** decide not to renew or continue this policy, ***we*** will mail notice to the named insured shown on ***your Declarations Page*** at the last known address shown in ***our*** records. Notice will be mailed at least 30 days before the end of the policy period. ***We*** have no duty to give any notice if ***you*** have obtained other insurance for ***you covered auto***. Subject to this notice requirement, if the policy period is:

1. Less than six months, ***we*** will have the right not to renew or continue this policy every six months, beginning six months after its original effective date;
2. Six months or longer, but less than one year, ***we*** will have the right not to renew or continue this policy at the end of the policy period; or
3. One year or longer, ***we*** will have the right not to renew or continue this policy at each anniversary of its original effective date.

C. Automatic Termination

1. If *we* offer to renew or continue *your* policy and *you* or *your* representative do not accept by making timely payment of the premium due, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that *you* have not accepted *our* offer.
2. If *you* obtain other insurance on *your covered auto*, any similar insurance provided by this policy will terminate as to that *auto* on the effective date of the other insurance.
3. If a person other than *you* or a *family member* becomes the *owner* of the *auto*, coverage for that *auto* will automatically terminate at the time possession is conveyed to the new *owner*.

D. Other Termination Provisions

1. *We* may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is cancelled, *you* may be entitled to a premium refund. If so, *we* will send *you* the refund. The premium refund, if any, will be computed according to *our* manuals. However, making or offering to make the refund is not a condition of cancellation.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.

PREMIUM PAYMENT

At the policy's inception, if *you* make a premium payment using a nonnegotiable instrument, the policy is considered null and void and is not subject to the Cancellation provisions of the policy. If *you* make a premium payment for a renewal of *your* policy using a nonnegotiable instrument, *our* offer of policy renewal is deemed rejected by *you* and the policy terminated without renewal.

Examples of nonnegotiable instruments include, but are not limited to:

1. Checks dishonored due to insufficient funds;
2. Checks drawn from closed accounts; and
3. Invalid credit cards.

TRANSFER OF YOUR INTEREST OF THIS POLICY

- A. *Your* rights and duties under this policy may not be assigned, without *our* written consent. However if a named insured shown on *your Declarations Page* dies, coverage will be provided for:
 1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if shown as named insured on *your Declarations Page*; and
 2. The legal representative of the deceased person as if shown as a named insured on *your Declarations Page*. This applies only with respect to the representative's legal responsibility to maintain or use *your covered auto*.
- B. Coverage will only be provided until the end of the policy period.
- C. The person or entity who receives assignment of the policy or its benefits is subject to all the terms and conditions of the policy.

TWO OR MORE AUTO POLICIES

IF THIS POLICY AND ANY OTHER AUTO INSURANCE POLICY ISSUED TO YOU BY US APPLY TO THE SAME ACCIDENT, THE MAXIMUM LIMIT OF OUR LIABILITY UNDER ALL THE POLICIES SHALL NOT EXCEED THE HIGHEST APPLICABLE LIMIT OF LIABILITY UNDER ANY ONE POLICY.