



NEVADA AUTO POLICY

Important: Please read this Policy carefully. It contains language which may restrict or limit coverage. It addresses who may use an **insured auto**. It also contains information on which **autos** are covered and when **you** must notify **us** about changes in **autos** or drivers in **your** household before coverage will be afforded. If **you** have questions regarding coverage, please let **us** know.



Table of Contents

TABLE OF CONTENTS	1
AGREEMENT	3
POLICY DEFINITIONS	3
PART I - LIABILITY TO OTHERS	6
INSURING AGREEMENT	6
ADDITIONAL DEFINITIONS	7
SUPPLEMENTAL PAYMENTS	7
EXCLUSIONS	8
LIMITS OF LIABILITY	10
OTHER INSURANCE	11
PART II - MEDICAL PAYMENTS COVERAGE	11
INSURING AGREEMENT	11
ADDITIONAL DEFINITION	12
LIMITS OF LIABILITY	14
PART III - UNINSURED/UNDERINSURED MOTORIST COVERAGE	14
INSURING AGREEMENT	14
ADDITIONAL DEFINITIONS	14
LIMITS OF LIABILITY	16
EXCLUSIONS	17
OTHER INSURANCE	18
TRUST AGREEMENT	18
PART IV - PHYSICAL DAMAGE COVERAGE	19
INSURING AGREEMENT	19
TEMPORARY TRANSPORTATION COVERAGE	19
SPECIAL EQUIPMENT COVERAGE	19
TOWING AND LABOR COVERAGE	20
RENTAL REIMBURSEMENT COVERAGE	20
ADDITIONAL DEFINITIONS	20
LIMITS OF LIABILITY	21
EXCLUSIONS	23
PAYMENT OF LOSS	24
LOSS PAYEE (LIENHOLDER) CLAUSE	25
NO BENEFIT TO BAILEE	25
OTHER SOURCES OF RECOVERY	25
APPRAISAL	25
PART V - DUTIES IN CASE OF AN ACCIDENT OR LOSS	25
PART VI - GENERAL PROVISIONS	26

POLICY PERIOD AND TERRITORY	26
CHANGES	27
DUTY TO REPORT CHANGES	27
SETTLEMENT OF CLAIMS	27
TERMS OF POLICY CONFORMED TO STATUTES	27
TWO OR MORE AUTOS	28
TRANSFER OF INTEREST	28
FRAUD OR MISREPRESENTATION	28
PAYMENT OF PREMIUM AND FEES	28
PREMIUM REFUND	29
CANCELLATION	29
CANCELLATION REFUND	29
NONRENEWAL	30
AUTOMATIC TERMINATION	30
LEGAL ACTION AGAINST US	30
OUR RIGHTS TO RECOVER PAYMENT	30
JOINT AND INDIVIDUAL INTERESTS	31
BANKRUPTCY	31

AGREEMENT

This Auto Policy is part of a binding legal contract between **you** and **us**. **Our** agreement to provide this insurance is conditioned upon the information **you** provided to **us** in **your Application** being truthful and accurate. The contract includes the **Declarations Page**, endorsements issued by **us**, the **Application**, coverage election and rejection forms, and this policy.

We will provide the coverage **you** have selected, subject to the terms of this policy, if **you** paid when due, the premium and any applicable fees or charges shown on your **Declarations Page** or on any billing notice. Premium and other charges are deemed paid when:

1. paid in cash to **us** or **our** agent; or
2. payment is honored by **your** financial institution if the payment is made by a non-cash method such as check, ACH or credit card.

It is important for **you** to read the entire policy, so **you** know:

1. what is and what is not covered;
2. the limits on what **we** will pay;
3. the duties imposed on **you** and other persons insured when there is an accident or loss; and
4. what **you** must do when there is a change in the information, **we** use to set your premium or coverage.

POLICY DEFINITIONS

Words and phrases listed below have the following meaning when shown in bold print. These meanings will apply whether they appear in the singular, possessive or plural forms.

1. **"Accident"** means an unexpected and unintended event that causes **bodily injury or property damage** which arises out of the ownership, maintenance, or use of a motor vehicle designed for regular use on public roads.
2. **"Actual cash value"** means the fair market value of the stolen or damaged property at the time of the **accident or loss**.
When determining fair market value:
 - a. the age, mileage and physical condition of the property may reduce its value; and
 - b. the value may be reduced by depreciation and prior damage.
3. **"Additional acquired auto"** is an **auto you** become the owner of during the policy period, other than a **replacement auto**, if:
 - a. **you** ask **us** to insure the auto within 4 days after **you** became the owner;
 - b. **we** agree to add that **auto** to this policy;
 - c. **we** insure all **autos owned** by **you** on the date **you** take possession of the acquired auto; and
 - d. **you** pay any additional premium due.

An **additional acquired auto** will have the same coverage as the **auto** shown on the **Declarations Page** with the broadest coverage. No coverage rejected from this policy will be added to this **auto** unless requested in writing and agreed to by **us**. If **you** ask **us** to add coverage or increase limits for that **auto**, no added coverage or increased limits will apply to this **auto** until after **we** agree to add the coverage or increase the limits. If **you** do not ask **us** to insure the **auto** within 4 days after **you** become the **owner**, no insurance applies to that **auto** until after **you** ask **us** to insure it and we agree to ensure that **auto**.

4. **"Application"** means the form(s) titled Application, including but not limited to any supplemental Application from **us**, any named driver exclusion election, any forms we provide for coverage selection, coverage rejection or lower limit election, and all other written agreements and documents or forms **we** request or require from **you** to determine:
 - a. if **we** will insure **you**;
 - b. the coverage **we** agree to provide under this policy; and
 - c. the premium **we** charge **you** for this policy.
5. **"Auto"** means a registered four-wheel land motor vehicle of the private passenger type designed for regular use on public roads **"Auto"** also includes a pickup truck, van, or sport utility vehicle, with a gross vehicle weight rating of 12,000 pounds

or less (as determined by the manufacturer). **“Auto”** does not include any:

- a. motorcycle, dirt bike or all-terrain vehicle (ATVs);
- b. golf cart;
- c. tractor;
- d. farm machinery;
- e. step-vans, parcel delivery vans, or cargo cutaway vans or other vans with cabs separate from the cargo area;
- f. vehicles operated on rails or crawler treads; or
- g. vehicles while used:
 - (i) As a residence or premises; or
 - (ii) For office, store or display purposes.

6. **“Auto business”** means the occupation, profession, business or trade of:

- a. selling;
- b. renting;
- c. leasing;
- d. repairing;
- e. servicing;
- f. delivering;
- g. testing;
- h. road testing;
- i. towing;
- j. transporting;
- k. storing;
- l. parking; or
- m. washing;

vehicles or trailers designed for use on the public roads.

7. **“Bodily injury”** means harm to the body, including any sickness, disease or death resulting from that harm, which is caused solely by an **accident** insured by this policy, that occurs during the policy period.

8. **“Business”** means:

- a. a trade;
- b. a profession;
- c. occupation;
- d. employment;
- e. job; or
- f. commercial activity of any kind; but shall not include transporting tools or supplies in an **auto** between the place you reside and your job site.

9. **“Crime”** means:

- a. any felony; and
- b. any attempt to elude law enforcement personnel;
- c. without regard to whether there has been a conviction.

“Crime” does not include any other misdemeanor violations of the motor vehicle or traffic code.

10. **“Declarations Page”** means the document for this policy issued by **us** to the named insured that shows:

- a. the types of coverage selected;
- b. the limits provided;
- c. the applicable deductibles;
- d. the premiums charged;
- e. the **autos** insured;
- f. drivers **you** have disclosed to **us**;
- g. the policy period; and
- h. other policy information.

11. **“Family member”** means:
- any person related to **you** by blood, marriage or adoption who **resides** in **your** household and is not a **List Only Driver**;
 - Your** ward or foster child, who resides in **your** household;
 - Your** dependent child under the age of 23 who is a listed driver and does not dwell with **you** because that child is temporarily away at school, but who intends to **reside** with **you**.

If the named insured is a legal entity and is not a person, no one will be considered a **Family Member**.

12. **“Insured auto”** means:
- Autos owned** by **you** that **you** have asked **us** to insure and are shown on the **Declarations Page**;
 - any **replacement auto** when acquired by **you** during the policy period if **you** give **us** actual notice within 4 days after **you** become the owner of that **auto**; and
 - any **additional acquired auto** when acquired by **you** during the policy period if **you** give **us** actual notice within 4 days after **you** become the **owner** of that **auto** and **we** agree to add it to the policy.
13. **“List Only Driver”** means a person **you** have designated in **your Application** or in any Endorsement to this policy as not being entitled to any of the insurance coverages afforded by this policy.
14. **“Loss”** means sudden, direct and accidental loss of or physical damage to property.
15. **“Minimum limits”** means the minimum amount of liability insurance required by the motor vehicle financial responsibility laws of the state in which **you** reside, as shown in **our** records.
16. **“Non-owned auto”** means any **auto** used by **you**, or a **Family Member**, with the express or implied permission of the auto’s owner, and which is not **owned**, furnished or available for its regular use by **you**, a **Family Member** or a resident. **Non-owned auto** does not include an **auto** rented for more than 30 days.
17. **“Occupying”** means in, on, entering or exiting.
18. **“Owned”** and **“own”** mean to:
- hold legal title to the vehicle;
 - have legal possession of the vehicle subject to a written conditional sales agreement; or
 - have legal possession of the vehicle under a lease agreement of six months or longer.
19. **“Owner”** means the person or entity who:
- holds legal title to the vehicle;
 - has legal possession of the vehicle subject to a written conditional sales agreement; or
 - has legal possession of the vehicle under a lease agreement of six months or longer.
20. **“Personal vehicle sharing program”** means a system or process, operated by a business, organization, network, group or individual, that facilitates the sharing of private passenger motor vehicles for use by individuals, business, or other entities.
21. **“Property damage”** means physical injury to, or destruction of, tangible property, and any resulting loss of use of that property, which is caused solely by an **accident** insured under this policy that occurs while this policy is in effect.
22. **“Punitive and exemplary damages”** include damages which are referred to under the applicable law as punitive damages or exemplary damages, and any statutory multiple damages and any damages intended or awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty beyond damages which are compensatory, for **bodily injury** or **property damage**.
23. **“Racing”** means:
- preparing or participating in any race, speed, demolition, stunt, or timed contest or activity, whether organized or not; or
 - operating an **auto** on a track or course designed or used for racing or high-performance driving or participating in a high-speed contest on a street or other public road.
24. **“Replacement auto”** is an **auto you** become the **owner** of during the policy period if:
- You** ask **us** to insure the **replacement auto** as a replacement for an **auto you** no longer own but which is listed on **your** policy; and
 - We** agree to add that **auto** to this policy.

All coverage that applied to the **auto** replaced will apply to the **replacement auto** effective the day the **replacement auto** is **owned** by **you**, if **you** give **us** adequate notice within 4 days after **you** become the **owner**. No coverage rejected from this policy will apply to this **auto** unless requested in writing and agreed to by **us**. If **you** ask **us** to insure a **replacement**

auto more than 4 days after **you** become the **owner**, no insurance under this policy will apply with respect to that **auto** until after:

- a. **You** ask us to ensure that **auto**; and
 - b. **We** agree to add that **auto** to the policy. If **you** ask **us** to insure a **replacement auto**, **you** agree to pay the additional premium when due.
25. **“Ride-sharing activity”** means the use of any vehicle to provide transportation of persons or property in connection with a **transportation network company** from the time a user logs on to, or signs in to, any online-enabled application, software, website or system until the time the user logs out, or signs off of, any such online-enabled application, software, website or system, whether or not the user has accepted any passenger(s) or delivery assignment, including the time the user is on the way to pick up any passenger(s) or property, or is transporting any passenger(s) or property.
26. **“Reside”** or **“resides”** mean to dwell permanently, as the person's primary and legal domicile.
27. **“Resident”** and **“residents”** mean any person or persons who **reside** in the named insured's household.
28. **“Trailer”** means a device or vehicle which is not self-propelled and is designed to be pulled by an **auto** on the public roads. This includes a farm wagon or farm implement while being towed by an **auto**. **“Trailer”** does not include any device or vehicle while used:
- a. for commercial purposes;
 - b. as a passenger conveyance;
 - c. as a residence or premises; or
 - d. for office, store or display purposes.
29. **“Transportation network company”** means a corporation, partnership, sole proprietorship, or other entity that uses any online-enabled application, software, website or system to connect services with clients for compensation or a fee.
30. **“We”, “us”, and “our”** mean the company that provides this insurance, as shown on the **Declarations Page**.
31. **“You”** and **“your”** mean:
- a. the person(s) shown on the **Declarations Page** as the named insured; and
 - b. that named insured's:
 - (i) Spouse; or
 - (ii) Domestic partner who is registered pursuant to a registered domestic partner or civil union law;if a **resident** in the household of the named insured.

PART I – LIABILITY TO OTHERS

INSURING AGREEMENT

If you paid the premium for this coverage, **we** will pay compensatory damages, up to the limits of liability shown on the **Declarations Page**, for which an **insured person** is legally responsible because of **bodily injury** or **property damage** resulting from an accident.

In addition to **our** limit of liability, **we** will pay all defense costs **we** incur. **We** will defend, with an attorney of our choice, any suit brought against the **insured person** or settle claims for damage covered by this policy, as **we** deem appropriate. **Our** duty to settle or defend ends when **we** offer to pay **our** limit of liability for payment of a judgment or settlement. **We** have no duty to settle or defend any claim that is not covered by this policy. **We** will settle or defend, at **our** option, any claim for damages covered by this Part I. Damages include prejudgment interest on compensatory damages awarded against an **insured person**.

ADDITIONAL DEFINITIONS

“Insured person” means, when used in this Part I:

1. **You** or any **Family Member** for the ownership, maintenance or use of any:
 - a. **Insured auto**;
 - b. a **non-owned auto**; or
 - c. a trailer being pulled by a **non-owned auto** or an **insured auto** to which this coverage applies.
2. Any other person with a valid driver's license or driver's permit who is using an **insured auto** with the permission from **you**

or a **Family member** to do so, provided that such permission for the care, custody or control of the **insured auto** does not

extend for more than 24 hours during the policy term as shown on the **Declarations Page**. The 24 hours referred to in this definition may be consecutive or cumulative

3. For use of an **insured auto**, any person or organization with respect to legal responsibility for acts or omissions of a person for whom Liability Coverage is provided under clause 1 or clause 2 above.
4. Any "Additional Insured" listed on the **Declarations Page** with respect to use of an **insured auto**.

HOWEVER, INCLUSION OF PERSONS UNDER CLAUSE 2 AND 3 ABOVE SHALL NOT INCREASE OUR LIMIT OF LIABILITY IN ANY ACCIDENT TO AN AMOUNT GREATER THAN THE LIMIT THAT APPLIES TO THE PERSON FOR WHOM LIABILITY COVERAGE IS PROVIDED UNDER CLAUSE 1 OR 2 ABOVE. ANY COVERAGE PROVIDED UNDER CLAUSE 2 OR 3 SHALL END WHEN OUR LIMIT OF LIABILITY IS EXHAUSTED OR WHEN THE LIABILITY OF INSURED PERSONS LISTED UNDER CLAUSE 1 OR 2 DOES NOT EXIST OR IS RELEASED, DISMISSED OR SATISFIED.

SUPPLEMENTAL PAYMENTS

In addition to the applicable limits of liability, at your request we will pay the following expenses:

1. Up to \$250 for the cost of any bail bond required of an **insured person** because of a traffic violation or **accident** which results in **bodily injury** or **property damage** covered by this Part I. **We** are not obligated to apply for or furnish any bond.
2. The premiums on:
 - a. appeal bonds in any lawsuit **we** defend; and
 - b. bonds to release property attached in a lawsuit, but only for that portion of the bond within **our** limit of liability. **We** have no duty to purchase a bond in an amount exceeding our limit of liability. This does not apply if **we** have not been given notice of suit or the opportunity to defend an **insured person**.
3. Interest accruing after entry of judgment, until **we** have paid, offered to pay, or deposited in court, that portion of the judgment which does not exceed **our** limit of liability. This does not apply if **we** have not been given notice of suit or the opportunity to defend an **insured person**.
4. Up to \$50 a day for lost wages or salary due to attendance at hearings or trials at **our** request.

Other expenses the **insured person** incurs at **our** request.

EXCLUSIONS

READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART I.

We do not provide coverage or a defense to any lawsuit for:

1. Bodily injury or property damage caused by an intentional act by or at the direction of an insured person, even if the resulting bodily injury or property damage is not intended.
2. Property damage to property:
 - a. rented to;
 - b. transported by;
 - c. owned by; or
 - d. in the care of; the insured person.

This exclusion does not apply to property damage to a residence or private garage not owned by an insured person, you or a family member, that is rented by you.

3. Bodily injury to an employee or co-worker of the insured person that occurs arising out of or within the course of employment. This exclusion does not apply to bodily injury to a domestic employee of the insured person unless workers' compensation benefits are required or available for that domestic employee.
4. Bodily injury or property damage that arises out of the use of any auto or trailer for ride-sharing activity. This exclusion does not apply to a share-the-expense carpool.
5. Bodily injury or property damage liability that arises out of the use of any auto or trailer for the wholesale or retail delivery of products or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, pizza or other food.
6. Bodily injury or property damage arising out of an accident involving any auto while being maintained or used by any

insured person while employed or otherwise engaged in any auto business. This does not apply to you or a family member using an insured auto while:

- a. engaged in farming or ranching
 - b. commuting to or from your principle place of employment or business other than a business described in clause c, below;
 - c. on an occasional errand in the course of employment in a business if not part of your usual job responsibilities;
 - d. commuting to or from business or a work site while:
 - (1) Carrying tools and supplies between your residence and any job site;
 - (2) Acting as a sales or service representative; or
 - (3) In the scope of employment as your domestic employees (e.g. maids, chauffeurs, nannies);if you paid us the business use surcharge; or
 - e. performing your duties as a real estate or insurance agent, lawyer, doctor, accountant, or other professional who travels to more than one location in the course of business, if you paid us the business use surcharge.
7. Bodily injury or property damage for which a person is insured under a nuclear energy liability insurance policy or would be afforded under a nuclear energy liability insurance contract but for its termination upon exhaustion of its limit of liability.
 8. Bodily injury or property damage resulting from radioactive, pathogenic, poisonous, biological, toxic, explosive or other hazardous materials.
 9. Bodily injury or property damage resulting from or due to:
 - a. War (declared or undeclared);
 - b. Civil war;
 - c. Insurrection;
 - d. Rebellion;
 - e. Riot;
 - f. Revolution; or
 - g. Nuclear reaction or radiation.
 10. Bodily injury or property damage that arises out of any person's liability for the ownership, maintenance or use of an insured auto when it:
 - a. is being rented or leased to others or given in exchange for any compensation, including while being used in connection with a ride sharing activity;
 - b. has been sold to another; or
 - c. is under a conditional sales agreement by you to another and is no longer in your possession.
 11. Bodily injury or property damage that arises out the maintenance or use of an auto while it is involved in any racing.
 12. Bodily injury or property damage that arises out of any liability assumed by an insured person under any contract or agreement.
 13. Bodily injury or property damage for any obligation for which the United States Government is liable under the Federal Tort Claims Act.
 14. Bodily injury or property damage caused by the intentional act of the insured person, or at the direction of that insured person, even if the actual injury or damage is different than that which was intended or expected.
 15. Property damage to any property owned by, rented to, being transported by, used by, or in the charge of that insured person. This exclusion does not apply to a rented residence or a rented garage.
 16. Bodily injury or property damage that arises out of the use of an auto in the commission of a crime. This exclusion applies regardless of whether that insured person is actually charged with, or convicted of, a crime. For purposes of this exclusion, criminal acts do not include traffic violations.
 17. Bodily injury or property damage arising out of your or a Family Member's use of a vehicle, other than an insured auto, without the permission of the owner of the vehicle or the person in lawful possession of the vehicle.
 18. Bodily injury or property damage arising out of the use of an insured auto while leased or rented to others or given in exchange for any compensation, including while being used in connection with a personal vehicle sharing program. This exclusion does not apply to the operation of an insured auto by you or a Family Member other than if being rented, leased or used in connection with a personal vehicle sharing program.

19. Bodily injury or property damage if it arises out of the operation of any auto while the insured person is:
 - a. intoxicated; or
 - b. driving while under the influence of alcohol or a controlled substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, as amended. Controlled substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. This exclusion does not apply to the lawful use of prescription drugs by a person following the orders of a licensed physician; or
 - c. texting; or
 - d. using a Cellular phone or any other communication device in other than a hands-free mode.

This exclusion does not apply to the portion of damages that is less than or equal to the minimum limits of liability coverage required by the Nevada Motor Vehicle Insurance and Financial Responsibility Act.
20. Punitive and exemplary damages.

If a court with proper jurisdiction rules that an exclusion is invalid and/or unenforceable because the exclusion fails to meet the mandates of Nevada Motor Vehicle Insurance law or Financial Responsibility Act, that exclusion shall be deemed revised so as to not to apply to the portion of damages that is less than or equal to the minimum limits of liability coverage required by the Nevada Motor Vehicle Insurance and Financial Responsibility Act; and to apply and be enforceable as to all other damages.

LIMITS OF LIABILITY

THE LIMIT OF LIABILITY SHOWN ON THE DECLARATIONS PAGE FOR LIABILITY COVERAGE IS THE MOST WE WILL PAY REGARDLESS OF THE NUMBER OF:

1. CLAIMS MADE;
2. COVERED AUTOS;
3. INSURED PERSONS;
4. LAWSUITS BROUGHT;
5. POLICIES ISSUED BY US
5. VEHICLES INVOLVED IN THE ACCIDENT; OR
6. PREMIUMS PAID.

LIABILITY COVERAGE ON AUTOS INSURED BY US CANNOT BE ADDED, COMBINED OR STACKED TOGETHER.

1. **IMPORTANT:** Unless limited by the definition of “insured person” above, the limit shown on the **Declarations Page** for each person is the most we will pay for all damages due to **bodily injury** to one person.
2. Unless limited by the definition of “insured person” above, and subject to the “each person” limit, the limit shown on the **Declarations Page** for “each accident” is the most we will pay for all damages due to **bodily injury** sustained by two or more persons in any one **accident**.
3. Unless limited by the definition of “insured person” above, the limit shown on the **Declarations Page** for **property damage** is the most we will pay for **property damage** resulting from any one **accident**.
4. **THERE WILL BE NO STACKING OR COMBINING OF COVERAGE AFFORDED TO MORE THAN ONE AUTO OR INSURED PERSON UNDER THIS POLICY.**
5. The “each person” limit of liability includes:
 - a. The total of all claims made for **bodily injury** to a person and all claims of others derived from that **bodily injury**, including, but not limited to any claims allowed by law for:
 - (1) loss of consortium;
 - (2) loss of services;
 - (3) loss of society;
 - (4) loss of companionship; and
 - (5) wrongful death; and
 - b. Claims allowed by law for emotional distress and mental anguish as a result of observing the **accident** or **bodily injury**.

6. No one will be entitled to payment under this coverage for any elements of emotional distress damages arising out of **property damage** only.
7. No one will be entitled to duplicate payments under this coverage for any element of damages that has been paid by:
 - a. any other coverage under this policy;
 - b. workers' compensation or any similar insurance; or
 - c. any other source.
8. Any payment to a person under this Liability Coverage shall be reduced by any payments to that person under Uninsured Motorist Coverage and Underinsured Motorist Coverage.
9. An **auto** with an attached **trailer** is deemed one **auto**. The limit of liability that applies to the **auto** will not be increased for an **accident** because a **trailer** is attached to the **auto**.

IMPORTANT: IF WE HAVE ISSUED MORE THAN ONE POLICY TO YOU, WE WILL PAY NO MORE THAN THE HIGHEST LIMIT OF LIABILITY FOR LIABILITY COVERAGE APPLICABLE UNDER ONE POLICY.

OTHER INSURANCE

IMPORTANT: IF THERE IS OTHER APPLICABLE LIABILITY INSURANCE, BONDS OR SELF-INSURANCE, WE WILL PAY ONLY OUR SHARE OF THE DAMAGES. OUR SHARE IS THE PROPORTION THAT OUR LIMIT OF LIABILITY COVERAGE BEARS TO THE TOTAL OF ALL APPLICABLE LIMITS.

However, any insurance **we** provide for an **auto** other than your **insured auto**, or a trailer other than a trailer being towed by an **insured auto**, will be excess over all other insurance, self-insurance and bonds except as to:

1. Liability coverage or benefits of or issued to the **owner** of a **non-owned auto** rented to **you** or a **Family Member**, but only if the rental agreement requires the insurance under this policy to provide primary Liability Coverage, in which case **we** will provide Liability Coverage to **you** or any **Family Member** on a primary basis for the portion of damages that is less than or equal to the minimum limits of liability coverage required by the Nevada Motor Vehicle Insurance and Financial Responsibility Act for the permissive use of the rented **non-owned auto**. However, any liability insurance policy **you** or a **Family Member** buy from a short-term lessor of a motor vehicle shall be deemed to provide primary coverage, and any other policy of liability insurance, including this policy issued by **us**, shall be deemed to provide excess coverage.
2. Any Liability Coverage **we** provide for a **non-owned auto** that is:
 - a. loaned to **you** or a **Family Member** by a garage man engaged in the business of repairing or servicing motor vehicles; and
 - b. to be used during the time required to complete repairs or service of an **insured auto** in the bailment of that garage man;
 but only if the garage man has given express notice to **you** or a **Family Member** that **your** insurance on the **insured auto** is primary coverage while **you** or a **Family Member** are operating that **non-owned auto**.

PART II – MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

If **you** paid the premium for this coverage, **we** will pay the **usual and customary charge** for reasonable expenses, up to **our** limit of liability, for necessary expenses for **medical services** incurred because of **bodily injury**:

1. caused by an **accident**; and
2. sustained by an **insured person**.

This coverage is subject to the following rights and restrictions:

1. **We** will only pay those expenses for **medical services** incurred within one year from the date of the **accident**.
2. **We** have the right to review the expenses for **medical services** incurred to determine if they are reasonable and necessary for diagnosis and treatment of the **bodily injury**.
3. **We** may refuse to pay for any portion of an expense for **medical services** that is unreasonable because the fee for the

service is greater than the fee that is the **usual and customary charge**.

4. **We** may refuse to pay for any expenses for **medical services** that are not provided and prescribed by a state licensed medical or health care provider acting within the scope of that license.
5. **We** may also refuse to pay for any expense for **medical services** because the service rendered is unnecessary for the treatment of the **bodily injury**.
6. **We** may also refuse to pay for any expense for **medical services** because the service rendered is for the treatment of a **bodily injury** that was not caused by the **accident**.
7. **Insured persons** must submit to medical exams and tests at **our** expense by physicians **we** select as often as **we** reasonably require.
8. **We** may use other sources of information selected by **us** to determine if any expense for **medical services** is reasonable and necessary and caused by an **accident**. These sources may include:
 - a. exams by physicians **we** select. **We** will pay for these exams;
 - b. review of medical records and test results by persons and services selected by **us**;
 - c. computerized programs for analysis of medical treatment and expenses; and
 - d. published sources of medical expense information.

We will defend the **insured person** with an attorney of **our** choice if the insured person is sued for payment of any medical expense that **we** have refused to pay because the fee is unreasonable, or the service is unnecessary. **We** will choose the counsel. **We** will also pay defense costs and any judgment against the **insured person** up to the limit of liability for this coverage.

The **insured person** may not sue **us** for expenses for **medical services** **we** deem to be unreasonable or unnecessary unless the **insured person** paid the entire disputed amount to the medical service provider or the medical service provider has initiated collection activity against the **insured person** for the unreasonable or unnecessary expenses.

ADDITIONAL DEFINITIONS

When used in this Part II:

1. "**Insured person**" means:
 - a. **You** or any **Family Member**
 - (1) while **occupying** an:
 - (i) **Insured auto**; or
 - (ii) **Non-owned auto**; or
 - (2) when struck by a motor vehicle designed for use on public roads while not **occupying** a motor vehicle.
However, "**insured person**" does not include a **Family Member** who is a **List Only Driver**.
 - b. Any other person **occupying** an **insured auto**:
 - (1) with express permission from **you** or a **Family Member**; and
 - (2) within the scope of that permission. However, "**insured person**" does not include a **List Only Driver** or any person operating an **insured auto** without a valid driver's license or valid driver's permit.
2. "**Usual and customary charge**" means an amount which **we** determine represents a customary charge for services in the geographic area in which the service is rendered. **We** shall determine the usual and customary charge through the use of sources of our choice
3. "**Medical Services**" means medical, surgical, dental, x-ray, ambulance, hospital, professional nursing, and funeral services, and includes the cost of eyeglasses, hearing aids, pharmaceuticals, orthopedics and prosthetic devices.

EXCLUSIONS – READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART II.

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

1. caused intentionally or caused by an intentional act by or at the direction of an **insured person**.
2. sustained while **occupying** any vehicle located for use as a residence or premises.
3. occurring in the course of employment if workers' compensation benefits are required, available, payable or paid for that person, even if reimbursed to the entity paying those workers' compensation benefits from any third-party recovery made by an **insured person**.

4. that arises out of the use of an **auto** to transport or carry persons for compensation or a fee, including, but not limited to, for **ride-sharing activity**. This exclusion does not apply to:
 - a. a share-the-expense carpool; or
 - b. **Bodily injury** sustained by **you** or a **Family Member** while a passenger in a taxi, limousine or a public conveyance.
5. that arises out of the use of an **auto** for the wholesale or retail delivery of products or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, pizza or other food.
6. sustained by any person while **occupying** any vehicle, other than an **insured auto**, that is owned by **you** or any **family member**, or is furnished or available for the regular use of **you** or any **Family Member**.
7. sustained by a person other than **you** or a **Family Member** that arises out of the use of an **insured auto** while leased or rented to others, including, but limited to, while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of an **insured auto** by **you** or a **Family Member** other than if being rented, leased or used in connection with a **personal vehicle sharing program**.
8. sustained by any person while employed or otherwise engaged in an **auto business**. This exclusion does not apply to **you** or any **Family Member** when using your **insured auto**.
9. sustained while maintaining or using any vehicle while employed or otherwise engaged in any **business** other than an **auto business**. This does not apply to **you** or a **Family Member** for use of an **insured auto** while:
 - a. engaged in farming or ranching
 - b. commuting to or from **your** principal place of employment or **business** other than a **business** described in clause c, below;
 - c. on an occasional errand in the course of employment in a **business** if not part of **your** usual job responsibilities;
 - d. commuting to or from **business** or a work site while:
 - (i) carrying tools and supplies between **your** residence and any job site;
 - (ii) acting as a sales or service representative; or
 - (iii) in the scope of employment as **your** domestic employees (e.g. maids, chauffeurs, nannies); if you paid **us** the business use surcharge; or
 - e. performing **your** duties as a real estate or insurance agent, lawyer, doctor, accountant, or other professional who travels to more than one location in the course of **business**, if **you** paid **us** the business use surcharge.
10. caused by or as a consequence of:
 - a. War (declared or undeclared);
 - b. Civil war;
 - c. Insurrection;
 - d. Rebellion;
 - e. Riot;
 - f. Revolution; or
 - g. Radioactive contamination;
 - h. Nuclear reaction or radiation (whether controlled or uncontrolled or however caused);
 - i. Pathogenic, poisonous, biological or toxic substance; or
 - j. Explosive or other hazardous materials.
11. sustained while **occupying** any vehicle while it is involved in any racing activity, organized or unorganized.
12. for which the United States Government or any of its military services are required to provide similar services and benefits.
13. sustained while **occupying** any vehicle while that **insured person** is committing a crime.
14. sustained while the **insured person** is:
 - a. driving while intoxicated;
 - b. charged with driving while impaired or intoxicated; or
 - c. driving while under the influence of alcohol or a controlled substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. This exclusion does not apply to the lawful use of prescription drugs by a person following the orders of a licensed physician; or

- d. texting; or
 - e. using a Cellular phone or any other communication device in other than a hands-free mode.
15. sustained while **occupying** any vehicle being operated by a **List Only Driver**.

LIMITS OF LIABILITY

THE LIMIT OF LIABILITY SHOWN ON THE DECLARATIONS PAGE FOR MEDICAL PAYMENT COVERAGE IS THE MOST WE WILL PAY FOR EACH INSURED PERSON INJURED IN ANY ONE ACCIDENT, REGARDLESS OF THE NUMBER OF:

- 1. CLAIMS MADE;
- 2. COVERED AUTOS;
- 3. INSURED PERSONS;
- 4. LAWSUITS BROUGHT;
- 5. POLICIES ISSUED BY US
- 5. VEHICLES INVOLVED IN THE ACCIDENT; OR
- 6. PREMIUMS PAID.

IF YOU HAVE ANY MORE THAN ONE VEHICLE INSURED BY US, WE WILL NOT PAY ANY INSURED PERSON MORE THAN THE SINGLE HIGHEST LIMIT OF MEDICAL PAYMENTS COVERAGE WHICH WE PROVIDE ON ANY ONE VEHICLE FOR AN ACCIDENT OR LOSS. MEDICAL PAYMENTS COVERAGE ON VEHICLES INSURED CANNOT BE ADDED, COMBINED OR STACKED TOGETHER.

No one will be entitled to duplicate payments under this policy for the same elements of damages.

PART III - UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT

If **you** paid the premium for Uninsured and/or Underinsured Motorist Coverage and it is shown on the **Declarations Page**, we will pay compensatory damages, up to the limits of liability shown on the **Declarations Page**, which an **insured person** is legally entitled to recover from the **owner** or operator of an:

- 1. uninsured motor vehicle; or
- 2. underinsured motor vehicle; for **bodily injury** that is:
- 3. caused by an **accident**; and
- 4. sustained by an **insured person**.

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

Any judgment that arises out of a lawsuit or settlement for damages against the owner or operator of an uninsured motor vehicle or underinsured motor vehicle without **our** consent is not binding on **us** when an **insured person** or that person's legal representative:

- 1. enters into a settlement of a bodily injury claim without our written consent;
- 2. fails to give us written notice at the start of all legal actions against a liable party; and
- 3. provides us no opportunity to appear and defend our interests.

ADDITIONAL DEFINITIONS

The words and phrases listed below have the following meaning when shown in **bold** print in this Uninsured/Underinsured Motorist Coverage. These meanings will apply whether they appear in the singular, possessive or plural forms.

- 1. **Hit-and-run vehicle**" means a vehicle whose operator or owner cannot be identified, and which has physical contact with:
 - a. an **insured auto**;
 - b. an **insured person**; or
 - c. a vehicle an **insured person** is **occupying**; resulting in **bodily injury** to an **insured person**, provided the named

insured, or someone on his behalf, has reported the **accident** within the time required by Nevada law to the applicable police department, sheriff or state Highway Patrol.

2. **"Insured person"** means:
 - a. **You**, but not when using or **occupying** a vehicle, other than an **insured auto**, without the express or implied permission from the **owner** of that vehicle;
 - b. any **Family Member**, but not when using or **occupying** a vehicle, other than an **insured auto**, without the express or implied permission from the **owner** of that vehicle.
 - c. any other person while **occupying**, with the express permission and within the scope of that permission from **you** or its **owner**, an **insured auto**, but only up to the minimum limits; and
 - d. any person, for damages that person is legally entitled to recover because of **bodily injury** sustained by a person listed in a, b, or c above.

HOWEVER, THIS SHALL NOT INCREASE OUR LIMIT OF LIABILITY IN ANY ACCIDENT TO AN AMOUNT GREATER THAN THE LIMIT THAT APPLIES TO THE PERSON FOR WHOM UNINSURED- UNDERINSURED MOTORIST COVERAGE IS PROVIDED UNDER CLAUSE a, b or c ABOVE.

"Insured person" does not include any person who is occupying any vehicle while that person is committing a crime.

3. **"Underinsured motor vehicle"** means a land motor vehicle for which one or more **bodily injury** liability bonds or policies apply at the time of the **accident** and those bonds or policies collectively satisfy the minimum limits required under the financial responsibility law, but all limits available under all bonds and policies for **bodily injury** liability coverage are less than the damages an **insured person** is entitled to recover from the **owner** or operator of the motor vehicle for **bodily injury**.
4. **"Underinsured motor vehicle"** does not include any vehicle or equipment that is:
 - a. operated on rails or crawler treads
 - b. designed mainly for use off public roads, while not on public roads;
 - c. located for use as a residence or premises;
 - d. **Owned** by, or furnished or available for regular use to, **you** or any **family member**;
 - e. an **insured auto**; or
 - f. an **uninsured** motor vehicle.
5. **"Uninsured motor vehicle"** means a land motor vehicle:
 - a. not insured by a **bodily injury** liability policy or bond at the time of the **accident**;
 - b. to which a **bodily injury** liability policy or bond applies at the time of the **accident** but the limit of liability for **bodily injury** under that policy or bond is less than the **minimum limits** of liability for **bodily injury** specified by the financial responsibility laws of the state in which the **insured auto** is principally garaged;
 - c. which is a **hit-and-run vehicle** whose owner or operator cannot be identified, and which has physical contact with:
 - (i) **you** or a **Family Member**;
 - (ii) a vehicle that **you** or a **Family Member** are occupying; or
 - (iii) an **insured auto**;provided that the **insured person** or someone on his or her behalf, reports the accident to the police or civil authority within 24 hours or as soon as practicable after the accident.;
 - d. for which a **bodily injury** liability policy or bond applies at the time of the **accident**, but the bonding or insuring company denies coverage or is or becomes insolvent within two years after the date of the **accident**; or
 - e. for which there is not available at the department of motor vehicles within 60 days of the accident evidence of financial responsibility as required by Chapter 485 of the Nevada Revised Statutes.
 - f. **"Uninsured motor vehicle"** does not include any vehicle or equipment:
 - (i) owned by:
 - (1) The United States of America;
 - (2) Canada;
 - (3) a state;
 - (4) any other governmental entity or unit; or

- (5) an agency of (1), (2), (3), or (4) above;
- (ii) operated on rails or crawler treads;
- (iii) designed mainly for use off public roads, while not on public roads;
- (iv) located for use as a residence or premises;
- (v) **owned** or operated by a self-insured under any applicable motor vehicle law, except a self-insured that is or becomes insolvent;
- (vi) **owned** by, or furnished or available for regular use to, you or any family member;
- (vii) that is a **covered auto**, or
- (viii) an **underinsured motor vehicle**.

LIMITS OF LIABILITY

THE LIMIT OF LIABILITY SHOWN ON THE DECLARATIONS PAGE FOR UNINSURED/UNDERINSURED MOTORIST COVERAGE IS THE MOST WE WILL PAY FOR EACH INSURED PERSON INJURED IN ANY ONE ACCIDENT, REGARDLESS OF THE NUMBER OF:

1. CLAIMS MADE;
2. COVERED AUTOS;
3. INSURED PERSONS;
4. LAWSUITS BROUGHT;
5. POLICIES ISSUED BY US
5. VEHICLES INVOLVED IN THE ACCIDENT; OR
6. PREMIUMS PAID.

IF YOU HAVE ANY MORE THAN ONE VEHICLE INSURED BY US, WE WILL NOT PAY:

1. YOU OR A FAMILY MEMBER MORE THAN THE SINGLE HIGHEST LIMIT OF UNINSURED/UNDERINSURED MOTORIST COVERAGE WE PROVIDE ON ANY ONE VEHICLE FOR AN ACCIDENT OR LOSS; OR
2. ANY OTHER INSURED PERSON MORE THAN THE LIMIT OF LIABILITY SHOWN ON THE DECLARATIONS PAGE FOR THE COVERED AUTO OCCUPIED BY THAT PERSON AT THE TIME OF THE ACCIDENT.

UNINSURED/UNDERINSURED MOTORIST COVERAGE ON MORE THAN ONE VEHICLE CANNOT BE ADDED, COMBINED OR STACKED TOGETHER.

1. The limit of liability shown on the **Declarations Page** for each person is the most **we** will pay for all damages due to **bodily injury** to one person when the injured person is **you** or a **Family Member**.
2. The most **we** will pay for damages due to **bodily injury** to any one insured person other than **you** or a **family member** is the **minimum limits** with respect to **bodily injury** to one person.
3. Subject to the applicable limit for **bodily injury** to one person set forth under the **minimum limits**, with respect to **bodily injury** sustained by two or more **insured persons** who are not **you** or a **Family Member**, **we** will not pay more than the “each accident” limit of liability set forth under the **minimum limits** for **bodily injury** sustained by two or more persons in any one **accident**.
4. Subject to the applicable limit for **bodily injury** to one person, the limit of liability shown on the **Declarations Page** for each **accident** is the most **we** will pay for all damages due to **bodily injury** to all **insured persons** in any one **accident**.
5. The applicable “each person” limit of liability includes:
 - a. the total of all claims made for **bodily injury** to a person and all claims of others derived from that bodily injury, including, but not limited to any claims allowed by law for:
 - (i) Loss of consortium;
 - (ii) Loss of services;
 - (iii) Loss of society;
 - (iv) Loss of companionship; and
 - (v) Wrongful death; and
 - (vi) Claims allowed by law for emotional distress and mental anguish as a result of observing the accident or bodily injury.

NO ONE WILL BE ENTITLED TO DUPLICATE PAYMENTS FOR THE SAME ELEMENTS OF DAMAGES UNDER THIS POLICY OR FROM ANY OTHER SOURCE.

6. The total damages an **insured person** is legally entitled to recover shall be reduced by any amount:
 - a. paid because of **bodily injury** by or on behalf of any persons or organizations that may be legally responsible, including, but not limited to, all sums paid under Liability Coverage provided by this policy;
 - b. paid or payable under Part II Medical Payments Coverage;
 - c. paid or payable because of **bodily injury** under any workers' compensation law, disability benefits law, or similar laws; and
 - d. paid or payable because of **bodily injury** covered under any private health or disability insurance.
7. Any payment made to a person under this coverage shall reduce any amount that the person is entitled to recover under Liability Coverage.
8. Subject to the limits of liability described above, the most we will pay for **bodily injury** damages to an **insured person** caused by the **owner** or operator of an **underinsured motor vehicle** will be no more than the amount by which the **bodily injury** damages exceed, as applicable:
 - a. the sum of the amounts of coverage of all liability bonds or policies available to the **owner** and operator of the **underinsured motor vehicle**. This applies even if that **insured person** 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.
 - b. the limitation on liability of a government unit or agency under NRS § 41.035, as amended. This applies even if that **insured person** enters into a settlement agreement for an amount less than the limitation on liability of a government unit or agency under NRS § 41.035, as amended.

EXCLUSIONS

Coverage under this Part III will not apply:

1. if that person or their legal representative:
 - a. makes a settlement of a **bodily injury** claim without our written consent;
 - b. fails to give **us** written notice at the start of all legal actions against a liable party; and
 - c. Provides **us** no opportunity to appear and defend **our** interests.
2. while occupying an **insured auto** while it is being used to transport or carry persons for compensation or a fee. This exclusion does not apply to:
 - a. a share-the-expense car pool; or
 - b. to that portion of the damages that are less than or equal to the minimum limits of liability coverage required by the financial responsibility law of the State of Nevada.
3. while **occupying** an **insured auto** while it is being used for wholesale or retail delivery of products or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, pizza or other food. This exclusion does not apply to that portion of the damages that are less than or equal to the minimum limits of liability coverage required by the financial responsibility law of the State of Nevada.
4. while using or **occupying** a motorized vehicle or device designed to be operated on the public roads, other than an **insured auto**, if the vehicle or device is owned by **you** or a **family member**. This exclusion does not apply to that portion of the damages that are less than or equal to the minimum limits of liability coverage required by the financial responsibility law of the State of Nevada.
5. to pay for **punitive and exemplary damages**;
6. to **bodily injury** arising out of the use of an **insured auto** while being used in connection with a **personal vehicle sharing program**. This exclusion does not apply to the operation of an **insured auto** by **you** or a **Family Member** other than if being rented, leased or used in connection with a **personal vehicle sharing program**.
7. directly or indirectly to benefit any insurer or self-insurer under any of the following or similar laws:
 - a. workers' compensation or disability benefits law or any similar law; or
 - b. private health or disability insurance.

OTHER INSURANCE

IF THERE IS OTHER APPLICABLE INSURANCE, WE WILL PAY ONLY OUR SHARE OF THE DAMAGES. OUR SHARE IS THE PROPORTION THAT OUR LIMIT OF LIABILITY COVERAGE BEARS TO THE TOTAL OF ALL APPLICABLE LIMITS.

However:

1. any insurance **we** provide while an **insured person** is **occupying** or using a vehicle you do not own will be excess over any other collectible insurance; and
2. **IMPORTANT: IF WE HAVE ISSUED MORE THAN ONE POLICY TO YOU, WE WILL PAY NO MORE THAN THE HIGHEST LIMIT OF LIABILITY APPLICABLE UNDER ONE POLICY.**

TRUST AGREEMENT

If **we** pay an **insured person** any amount under this coverage due to the liability of the **owner** or operator of an **uninsured motor vehicle**:

1. **We** are entitled to all the rights of recovery that the **insured person** to whom payment was made has against another.
2. if the **insured person** recovers from a liable person, entity, or organization, the amount recovered shall be held by the **insured person** in trust for **us** and reimbursed to **us** to the extent of **our** payment.
3. the **insured person** must:
 - a. do everything reasonable to secure **our** rights;
 - b. do nothing, either before or after an **accident**, to prejudice these rights; and
 - c. do whatever else is necessary to help us exercise those rights.
4. if requested by **us**, the **insured person** must take necessary action, through a representative designated by **us**, to recover payment of the sums paid by **us** from the responsible person or organization.
5. the **insured person** must execute and deliver to **us** any legal instruments or papers **we** deem necessary to secure **our** rights and recover the amounts owed to **us**.
6. **We** are entitled to the proceeds of any settlement or recovery from any person legally responsible for the **bodily injury** as to which payment was made, and to amounts recovered from the assets of any insolvent insurer of an **uninsured motor vehicle**.

PART IV - PHYSICAL DAMAGE COVERAGE

INSURING AGREEMENT

If **you** paid the premium for this coverage, **we** will pay for direct **loss** to an **insured auto**, including any original optional equipment permanently installed by the vehicle manufacturer or its authorized dealer at the time of original purchase. **Our** payment will be reduced by any deductible shown on the **Declarations Page** for that auto.

We will pay for:

1. **Loss** to an **insured auto** caused by a collision, if the **Declarations Page** shows that Collision Coverage has been purchased for that **auto**.
2. **Comprehensive loss** to an **insured auto**, if the **Declarations Page** shows that Comprehensive Coverage has been purchased for that **auto**.

Coverage does not apply for an **auto**, other than an **insured auto** for which the coverage has been purchased.

TEMPORARY TRANSPORTATION COVERAGE

1. Comprehensive Coverage includes payment of reasonable transportation expenses incurred by **you** if an **insured auto** to which Comprehensive Coverage applies is stolen, subject to a limit of the greater of:
 - a. \$15 each day for a maximum of \$450; or
 - b. any higher limit of liability for Rental Reimbursement Coverage shown on the **Declarations Page**.

2. **We** will not pay any benefits under this coverage that duplicates any other coverage or optional coverage provided by this policy.
3. Coverage for temporary transportation expenses begins 48 hours after **you** report the theft to **us**, and ends the earliest of:
 - a. when the **insured auto** has been returned to **you** or its **owner**;
 - b. when the **insured auto** has been recovered and repaired;
 - c. when the **insured auto** has been replaced;
 - d. when **you** have incurred the temporary transportation expense limit; or
 - e. when **we** make an offer to pay **our** limit of liability under Comprehensive Coverage for the **auto** if **we** declare the **auto** a **total loss** or unrecoverable.
4. **You** agree to provide us with receipts of transportation expenses.

SPECIAL EQUIPMENT COVERAGE

1. If **you** paid the premium for Special Equipment Coverage, we will pay for **loss** to any **Special equipment**, including any **Electronic equipment**, described on the application for this coverage. This coverage applies only if the described equipment is permanently installed in the **insured auto** at the time of loss and only if **you** have purchased both Comprehensive Coverage and Collision Coverage for that **insured auto** and the loss is covered under one of these coverages. This coverage does not apply to any **Special equipment**, **Electronic equipment** or other equipment, instrument, or device specifically covered or excluded elsewhere in this policy.
2. **Our** limit of liability for **Special equipment** is the lesser of:
 - a. the amount shown on the **Declarations Page** for Special Equipment Coverage, including **Electronic equipment**;
 - b. the **actual cash value** of the stolen or damaged property or equipment;
 - c. the amount necessary to replace the stolen or damaged property with like kind and quality, reduced by betterment; or
 - d. the amount necessary to repair the **Special equipment** to its pre-loss physical condition, reduced by depreciation or betterment (for which **you** are responsible), if the repair improves the condition of the **auto**.

TOWING AND LABOR COVERAGE

1. If **you** paid the premium for Towing and Labor Coverage, each time an **insured auto** is disabled, up to a maximum of two times during the term of the policy, **we** will pay up to the amount shown on the **Declarations Page** for the reasonable costs incurred for necessary:
 - a. towing an **insured auto**; and
 - b. mechanical labor performed on an **insured auto** at the place of disablement.
2. **We** will not pay for:
 - a. mechanical labor performed at your residence;
 - b. re-fueling;
 - c. the cost of fuel; or
 - d. emergency locksmith services.
3. **You** agree to provide **us** with receipts of any towing or labor charges incurred.

We will pay no more than one tow per disablement without **our** prior consent

RENTAL REIMBURSEMENT COVERAGE

1. If **you** paid the premium for Rental Reimbursement Coverage, **we** will pay up to the daily rental reimbursement limit shown on the **Declarations Page**, for up to 30 days, for reasonable and necessary transportation expense incurred due to loss of use of an **insured auto** because of a loss to the **insured auto** that:
 - a. is not a theft of the entire auto;
 - b. is covered under the Collision Coverage or Comprehensive Coverage of this policy; and
 - c. exceeds the deductible.
2. This coverage does not begin until the **insured auto** has been withdrawn from normal use for more than 24 hours.

3. **We** will reimburse **you** only for the length of time reasonably required to repair or replace the **insured auto**.
4. If an **insured auto** is being repaired after a loss, reimbursement for these covered expenses will begin after:
 - a. the **loss** has been reported to **us**;
 - b. **you** or **your** representative have signed the repair order; and
 - c. when the **insured auto** is delivered to an auto repair shop for repairs due to loss.
5. **Our** reimbursement for these covered expenses will end the earliest of:
 - a. in the event of a **total loss**, 48 hours after we offer to pay the amount, **we** determine is due under this coverage;
 - b. 30 days after the first transportation expense was incurred;
 - c. when repairs have been completed; or
 - d. when the **covered auto** has been returned to **you**.
6. **You** agree to provide **us** with receipts of any rental or transportation charges incurred.
7. Additional fees or charges for insurance, damage waivers, optional equipment, fuel or accessories are not covered.
8. If Rental Reimbursement Coverage applies, no other coverage under this policy for rental expenses will apply.

ADDITIONAL DEFINITIONS

The words and phrases listed below have the following meaning when shown in **bold** print in this Physical Damage Coverage. These meanings will apply whether they appear in the singular, possessive or plural forms.

1. **“Collision”** means the **insured auto**:
 - a. turns, rolls or flips over; or
 - b. hits, or is hit by, another vehicle or object. However, **“collision”** does not include physical contact with an animal, bird or falling objects.
2. **“Comprehensive loss”** means any loss other than when an **auto**:
 - a. turns, rolls or flips over; or
 - b. hits, or is hit by, another vehicle or object.

“Comprehensive loss” shall not include any **loss** covered as a collision.

A **Loss** caused by the following is considered a **“comprehensive loss”**:

- a. Missiles or falling objects;
 - b. Fire;
 - c. Theft or larceny;
 - d. Explosion or earthquake;
 - e. Windstorm;
 - f. Hail, water or flood;
 - g. Malicious mischief or vandalism;
 - h. Riot or civil commotion;
 - i. Physical contact with an animal, bird or falling object; or
 - j. Breakage of glass except as a result of **collision**.
3. **“Special equipment”** means equipment, other than electronic equipment, that is not provided by the original manufacturer or new car dealer of the **insured auto**, that is:
 - a. permanently installed in the **insured auto** by use of brackets, screws or bolts, including, but not limited to: ground effects; after-market lights; spoilers; carbon fiber panels or hoods; hydraulic lifts; custom exhaust equipment; aluminum, magnesium, chrome or alloy wheels; special or wide tires or slicks; sun roofs; moon roofs; T-bar roofs; height extending roofs; bubble domes or windows; refrigeration; cooking equipment; furnishings; and any equipment used for sleeping; and
 - b. custom paint; murals; decals; graphics; and special carpeting.
 4. **“Electronic equipment”** means audio, visual or data receiving, transmitting or reproducing electronic devices that are not provided by the original automobile manufacturer or new car dealer of the **insured auto**, that is:
 - a. permanently installed in the dashboard or console opening of an **insured auto** as original or optional equipment by the factory or dealer as specified by the manufacturer of the motor vehicle, including but not limited to: radios; stereos; tape decks; compact disk systems; MP3 devices; any other sound system; navigation systems; internet

- access systems; personal computers; DVD devices; VCR's; cameras; telephones; microphones; televisions, two-way mobile radios; scanners; or citizen-band radios; and
 - b. accessories to the devices listed in a. above.
5. **“Non-owned auto”** means an **auto** that is not owned by or furnished or available for the regular use of **you** or a **Family Member** while in the custody of or being operated by **you** or a **Family Member** with the permission of the owner of the **auto** or the person in lawful possession of the **auto**.

LIMITS OF LIABILITY

1. The limit of liability for a loss to an **insured auto**, **Special equipment**, **Electronic equipment** or a **non-owned auto**, will not exceed the lesser of:
- a. the actual cash value of the stolen or damaged property at the time of the loss, reduced by the applicable deductible;
 - b. the amount necessary to replace the stolen or damaged property reduced by the applicable deductible;
 - c. the amount necessary to repair the damaged property to its pre-loss condition, reduced by the applicable deductible; or
 - d. the Stated Amount shown on the **Declarations page** for that **insured auto**.

However, the most **we** will pay for loss to:

- a. **Special equipment** is \$500 unless **you** purchased Special Equipment Coverage Additional (“SECA”). If **you** purchased SECA, the most **we** will pay is \$500 plus the amount of SECA **you** purchased.
 - b. a **trailer** is the limit of liability shown on the **Declarations page** for that **trailer**. If the **trailer** is not shown on the **Declarations page**, the limit of liability is \$500.
2. Payments for loss to a **covered auto**, **non-owned auto**, **Special equipment**, or **Electronic equipment** are subject to the following provisions:
- a. if coverage applies to a **non-owned auto**, **we** will provide the broadest coverage applicable to any **covered auto** shown on the **declarations page**.
 - b. coverage for **Special equipment** will not cause **our** limit of liability for loss to an **auto** under this Part IV to be increased to an amount in excess of the actual cash value of the **auto**, including its **Special equipment**.
 - c. in determining the amount necessary to repair damaged property to its pre-loss condition, the amount to be paid by **us**:
 - (i) will not exceed the prevailing competitive labor rates charged in the area where the property is to be repaired and the cost of repair or replacement parts and equipment, as reasonably determined by **us**; and
 - (ii) will be based on the cost of repair or replacement parts and equipment which may be new, reconditioned, remanufactured or used, including, but not limited to:
 - (a) original manufacturer parts or equipment; and
 - (b) nonoriginal manufacturer parts or equipment.

However, if the **insured auto** that sustains a **loss**:

- (i) is the current year model; and
- (ii) has less than 12,000 miles of original odometer miles;

the amount **we** will pay under Physical Damage Coverage shall be based on the cost of new original manufacturer parts or equipment.

- d. To determine the amount necessary to repair or replace the damaged property as referred to in subsection 1., the total cost of necessary repair or replacement may be reduced by unrepaired prior damage. Unrepaired prior damage includes broken, cracked or missing parts; rust; dents; scrapes; gouges; and peeling paint. The reduction for unrepaired prior damage is the cost of labor, parts and materials necessary to repair or replace damage, deterioration, defects, or wear and tear on exterior body parts, windshields and other glass, wheels, and paint, that existed prior to the accident and that is eliminated as a result of the repair or replacement of property damaged in the loss.
- e. To determine the amount necessary to repair or replace the damaged property as referred to in subsection 1., an adjustment may be made for betterment or depreciation and physical condition on:

- (i) batteries;
- (ii) tires;
- (iii) engines and transmissions, if the engine has greater than 80,000 miles; and
- (iv) any other **mechanical parts** that are nonfunctioning or inoperative.

We will not make an adjustment for the labor costs associated with the replacement or repair of these parts.

- f. The **actual cash value** is determined by the market value, age, excess mileage and physical condition of the vehicle at the time the loss occurs.
3. No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.
 4. Duplicate recovery for the same elements of damages is not permitted.
 5. Physical Damage Coverage does not include any diminution of value or any other loss or reduction in market or resale value which may result from **loss** to property.
 6. The amount paid for an **insured auto** shall be reduced by the salvage value if **you** or the **owner** of the **insured auto** keeps the salvage.
 7. When **we** pay for storage of an **insured auto** after a **loss**, **we** will not pay more than:
 - a. \$10 per day; or
 - b. \$300 as the result of any one **loss**.

PHYSICAL DAMAGE EXCLUSIONS

Coverage under this Part IV will not apply for loss:

1. to an **auto** while it is being used:
 - a. to transport or carry persons for compensation or a fee;
 - b. for the wholesale or retail delivery of products or property for compensation or a fee, including, but not limited to, the pick-up, transport or delivery of magazines, newspapers, pizza or other food; or
 - c. for **ride-sharing activity**.

This exclusion does not apply to a share-the-expense carpool;
2. to an **auto** while employed or otherwise engaged in an **auto business**. This does not apply to **loss** to an **insured auto** that occurs while **you** or a **Family Member** is operating an **insured auto**.
3. to an **auto** involved in any **rac**ing, whether organized or unorganized.
4. to any **auto** for which insurance:
 - a. is afforded under a nuclear energy liability insurance contract; or
 - b. would be afforded under a nuclear energy liability insurance contract but for its termination upon exhaustion of its limit of liability;
5. to an **auto**, if the **loss** is intended by a willful act by **you**, a **Family Member**, or the **owner** of the **auto**, or at the direction of **you**, a **family member**, or the **owner** of the **auto**, even if the actual damage is different than that which was intended or expected. This exclusion will not apply to the extent of the legal interest of a **named insured** or that person's spouse who sustains the **loss** as the result of domestic violence by a **named insured** or that person's spouse, if:
 - a. the applicable state law protects that interest;
 - b. that person has not:
 - (i) participated in;
 - (ii) contributed to;
 - (iii) directed; or
 - (iv) consented to;

the intentional act causing the loss; and
 - c. a family violence complaint has been filed with the appropriate law enforcement authorities.
6. to an **auto** caused by, or reasonably expected to result from, a criminal act or omission by **you** or a **Family Member**, or the owner of the **non-owned auto**. This exclusion applies regardless of whether you, or the **Family Member**, or the owner of the **non-owned auto** is actually charged with, or convicted of, a crime. For purposes of this exclusion, criminal acts do not include traffic violations.
7. to an **insured auto** when the **accident** occurs while the person operating the **insured auto** is a List Only Driver.

8. to an **insured auto** while it is leased or rented to others or given in exchange for compensation, including while being used in connection with a **personal vehicle sharing program**;
9. to any vehicle that is due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical, electrical or electronic breakdown or failure; or
 - d. road damage to tires.

This exclusion does not apply if the damage results from the theft of a vehicle;

10. to an **auto** due to destruction or confiscation by governmental authorities because of use in illegal activities, or the failure to bring the auto into compliance with legal requirements.
11. to an **auto** while maintained or used by any person while employed or otherwise engaged in any **business** other than an **auto business**. This does not apply to loss to any **insured auto** that occurs while **you** or a **family member** is:
 - a. engaged in farming or ranching;
 - b. commuting to or from **your** principle place of employment or business other than a **business** described in clause c, below;
 - c. on an occasional errand in the course of employment in a **business** if not part of your usual job responsibilities;
 - d. commuting to or from **business** or a work site while:
 - (i) carrying tools and supplies between your residence and any job site;
 - (ii) acting as a sales or service representative; or
 - (iii) in the scope of employment as **your** domestic employees (e.g. maids, chauffeurs, nannies);
 if **you** paid **us** the business use surcharge; or
 - e. Performing **your** duties as a real estate or insurance agent, lawyer, doctor, accountant, or other professional who travels to more than one location in the course of **business**, if **you** paid **us** the business use surcharge.
12. resulting from or due to damage resulting from radioactive, pathogenic, poisonous, biological, toxic, explosive or other hazardous materials;
13. to any **auto** for diminution of value;
14. to any **auto** resulting from, directly or indirectly:
 - a. War (declared or undeclared);
 - b. Civil war;
 - c. Insurrection;
 - d. Rebellion;
 - e. Riot;
 - f. Revolution; or
 - g. Nuclear reaction or radiation.
15. except to the limit of any applicable optional Special Equipment Coverage shown on the **Declarations Page**, to portable equipment, devices, accessories, and any other personal effects that are not permanently installed. This includes, but is not limited to:
 - a. tapes, compact discs, cassettes, DVDs, and other recording or recorded media;
 - b. any case or other container designed for use in storing or carrying tapes, compact discs, cassettes, DVDs, or other recording or recorded media;
 - c. any device used for the detection or location of radar, laser, or other speed measuring equipment or its transmissions; and
 - d. CB radios, telephones, two-way mobile radios, DVD players, personal computers, personal digital assistants, or televisions;
16. to wearing apparel, tools or other personal property that is not part of, and permanently attached to, the **insured auto** by the original **auto** manufacturer.
17. to any vehicle or its equipment resulting from recreational, off-road use when the vehicle is not specifically designed and recommended by the original manufacturer for such use.

PAYMENT OF LOSS

1. **We** may pay the **loss** in money or repair or replace the damaged or stolen property. **We** may make payment for a partial **loss** directly to **you** and the repair facility.
2. **We** may, at **our** expense, return any stolen property to **you** at the address shown on the **Declarations Page**. If **we** return stolen property, **we** will pay for any damage resulting from the theft.
3. **We** may keep all or part of the property at an agreed or appraised value. **You** do not have the right to abandon salvage to **us**. If **we** allow **you** or any other **owner** of property to retain salvage, **we** will reduce the amount to be paid by **us** by the agreed or appraised value of the salvage.
4. If **we** make a payment for:
 - a. theft of an **insured auto**; or
 - b. a total loss;the titled owner of that **auto** shall transfer and deliver the title and other requested documents to us.

LOSS PAYEE (LIENHOLDER) CLAUSE

1. **Loss** under this policy shall be paid, as interests may appear, to **you** and any Loss Payee shown in the **Declarations Page**. However, **we** may make payment for a partial **loss** to **you** and the repair facility.
2. Where fraud, misrepresentation, material omission, intentional damage, conversion, secretion or embezzlement contributing to the **loss** has been committed, by or at the direction of **you** or a **Family Member**, or where the **loss** is otherwise not covered or payable to **you** or a **Family Member** under the terms of this policy, the Loss Payee's interest will not be protected.
3. **We** reserve the right to cancel the policy as permitted by policy terms. Cancellation shall terminate this agreement as to the Loss Payee's interest. **We** will mail the Loss Payee written notice of cancellation as required by law.
4. If this policy is cancelled, nonrenewed or voided, the interest of any lienholder under this policy will also terminate.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any person or organization caring for or handling property for a fee or other compensation.

OTHER SOURCES OF RECOVERY

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

1. any coverage provided by the owner of the **non-owned auto** or **trailer**;
2. any other applicable physical damage insurance; and
3. any other source of recovery applicable to the loss.

APPRAISAL

If **we** and **you** do not agree on the amount of the **loss**, either party may demand an independent appraisal of the **loss**. Within 30 days of such agreement, each party shall appoint a competent appraiser and shall notify the other party of that appraiser's identity. The appraisers will determine the amount of loss. If they fail to agree, the disagreement will be submitted to a qualified umpire chosen by the appraisers. If the two appraisers are unable to agree upon an umpire within 15 days, **we** or **you** may request that a judge of a court of record, in the county where **you** reside, select an umpire. The appraisers and umpire will determine the amount of loss. The amount of loss agreed to by both appraisers, or by one appraiser and the umpire, will be binding. **You** will pay **your** appraiser's fees and expenses. **We** will pay **our** appraiser's fees and expenses. All other expenses of the appraisal, including payment of the umpire if one is selected, will be shared equally between **us** and **you**. Neither **we** nor **you** waive any rights under this policy by agreeing to an appraisal.

We do not waive any of **our** rights under this policy by agreeing to an appraisal of the amount of **loss**. Coverage under this policy

may not be determined by the Appraisers or umpire.

PART V - DUTIES IN CASE OF AN ACCIDENT OR LOSS

For coverage to apply under this policy, **you** or the person seeking coverage must promptly report each accident or loss even if **you** or the person seeking coverage is not at fault. **You** or the person seeking coverage must provide **us** with all accident or loss information, including time, place, and how the accident or loss happened. **You** or the person seeking coverage must also obtain and provide **us** the names and addresses of all persons involved in the accident or loss, the names and addresses of any witnesses, and the license plate numbers of the vehicles involved.

If **you** or the person seeking coverage cannot identify the owner or operator of a vehicle involved in the accident, or if theft or vandalism has occurred, **you** or the person seeking coverage must notify the police within 24 hours or as soon as practicable.

A person seeking coverage must:

1. cooperate with **us** in any matter concerning a claim or lawsuit;
2. provide any written proof of loss **we** may reasonably require;
3. allow **us** to take signed and recorded statements, including sworn statements and examinations under oath, which **we** may conduct outside the presence of **you** or any other person seeking coverage, and answer all reasonable questions **we** may ask as often as **we** may reasonably require;
4. promptly call to notify **us** about any claim or lawsuit and send **us** any and all legal papers relating to the claim or suit;
5. attend hearings and trials as **we** require;
6. take reasonable steps after a loss to protect the **insured auto**, or any other vehicle for which coverage is sought, from further loss. **We** will pay reasonable expenses incurred in providing that protection. If failure to provide such protection results in further loss, any additional damages will not be covered under this policy;
7. allow **us**, if the **insured auto** is not able to be driven safely, to move it to a storage facility of our choosing, at no cost to you. If you decline, then you will be responsible for all storage fees incurred after **we** notify you of the option to move it, at our cost, to a storage facility of our choosing;
8. allow **us** to have the damaged **insured auto**, or any other damaged vehicle for which coverage is sought, inspected and appraised before its repair or disposal;
9. submit to medical examinations at **our** expense by doctors **we** select as often as **we** may reasonably require; and
10. authorize **us** to obtain medical and other records, including, but not limited to, cell phone records, sales agreements, rental and financial documents, and vehicle forensic analysis.

For claims under Uninsured or Underinsured Motorist Coverage, **you** must also notify the police within 24 hours of the accident.

For claims under Collision Coverage or Comprehensive Coverage, **you** must report any theft or vandalism of the **insured auto** or its equipment to the police within 24 hours of discovering it.

PART VI - GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

This policy applies only to accidents and losses occurring during the policy period commencing on the date and time shown on the **Declarations Page**, and ending the earliest of:

1. the day after the named insured asks **us** to cancel the policy or any other future date **we** agree upon with the named insured;
2. the effective date of any notice of cancellation when **we** cancel the policy;
3. the end of the policy period stated on the **Declarations Page**; or
4. when any Automatic Termination event occurs.

and that occur within a state, territory or possession of the United States of America, or a province or territory of Canada, or while an **insured auto** is being transported between their ports.

CHANGES

This policy contract, **your** insurance application (which is made a part of this policy as if attached hereto), the **Declarations Page**, and all endorsements to this policy issued by **us**, contain all the agreements between **you** and **us**. Subject to the following, the terms of this policy may not be changed or waived except by an endorsement issued by **us**.

The premium for this policy is based on information **we** received from **you** and other sources. **You** agree to cooperate with **us** in determining if this information is correct and complete, and to promptly notify **us** if it changes during the policy period. If this information is determined by **us** to be incorrect, incomplete, or if it changes during the policy period, **you** agree that **we** may adjust **your** policy information and premium accordingly. Changes that may result in a premium adjustment are contained in **our** rates and rules. These include, but are not limited to, **you**, or a **Family Member** obtaining a driver's license or operator's permit, or changes in:

1. the number, type or use classification of **insured autos**;
2. the persons who regularly operate an **insured auto**;
3. the persons of legal driving age residing in **your** household;
4. the residents in **your** household;
5. an operator's marital or domestic partnership status;
6. **your** mailing address and **your** residence address;
7. the principal garaging address of any **insured auto**;
8. coverage, deductibles, or limits of liability; or
9. rating territory or discount eligibility.

The coverage provided in **your** policy may be changed only by the issuance of a new policy or an endorsement by **us**. However, if during the policy period **we** broaden any coverage afforded under the current edition of **your** policy without additional premium charge, that change will automatically apply to **your** policy as of the date the coverage change is implemented in **your** state.

If **you** ask **us** to delete a vehicle from this policy, no coverage will apply to that vehicle as of the date and time **you** ask **us** to delete it.

DUTY TO REPORT CHANGES

You must promptly report to **us** all changes, including additions and deletions, in policy information. This includes, but is not limited to, changes in:

1. **your** mailing address or **your** residence address;
2. the principal garaging address of any **insured auto**;
3. the residents in **your** household;
4. the persons of legal driving age residing in **your** household;
5. the persons who regularly operate an **insured auto**;
6. an operator's marital or domestic partnership status; or
7. the driver's license or operator's permit status of **you** or a **Family Member**.

SETTLEMENT OF CLAIMS

We may use estimating, appraisal, or injury evaluation systems to assist **us** in adjusting claims under this policy and to assist **us** in determining the amount of damages, expenses, or loss payable under this policy. Such systems may be developed by **us** or a third party and may include computer software, databases, and specialized technology.

TERMS OF POLICY CONFIRMED TO STATUTES

If any provision of this policy fails to conform to the statutes of the state listed on **your** application as **your** residence, the provision shall be deemed amended to conform to such statutes. All other provisions shall be given full force and effect. Any disputes as to the coverages provided or the provisions of this policy shall be governed by the law of the state listed on **your** application as **your** residence.

Two or More Autos

This policy is neither severable nor divisible. Any cancellation or other termination by **us** or by operation of law will be effective for all coverage for all persons and all **autos** under this policy.

TRANSFER OF INTEREST

The rights and duties under this policy may not be transferred to another person without **our** written consent. However, if a named insured shown on the **Declarations Page** dies, this policy will provide coverage until the end of the policy period for the legal representative of the named insured, while acting as such, and for persons covered under this policy on the date of the named insured's death.

FRAUD OR MISREPRESENTATION

This policy was issued in reliance upon the information provided on **your** insurance application. **We** may void this policy at any time, including after the occurrence of an accident or loss, if **you**:

1. made incorrect statements or representations to **us** with regard to any material fact or circumstance;
2. concealed or misrepresented any material fact or circumstance; or
3. engaged in fraudulent conduct;

at the time of application. This means that **we** will not be liable for any claims or damages that would otherwise be covered. However, if **we** void this policy, this shall not affect coverage under Part I—Liability To Others up to the minimum liability insurance limits required by the financial responsibility law of the state shown on **your** application as **your** residence if the accident occurs before **we** notify the named insured that the policy is void. No payment will be made to any person who engages in fraudulent conduct. If **we** void this policy, **you** must reimburse **us** if **we** make a payment. Any changes **we** make at **your** request to this policy after inception will be made in reliance upon information **you** provide. If **you**:

1. make incorrect statements or representations to **us** with regard to any material fact or circumstance;
2. conceal or misrepresent any material fact or circumstance; or
3. engage in fraudulent conduct;

in connection with a requested change **we** may void the policy or reform it as it existed immediately prior to the requested change. **We** may do this at any time, including after the occurrence of an accident or loss.

When **we** have not voided or reformed the policy, **we** may still deny coverage for an accident or loss if **you**, in connection with the policy application, in connection with any requested change, or at any time during the policy period, have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct and that concealment, misrepresentation, or fraudulent conduct was material to a risk **we** assumed.

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

PAYMENT OF PREMIUM AND FEES

If **your** initial premium payment is by check, draft, electronic funds transfer, or similar form of remittance, coverage under this policy is conditioned on payment to **us** by the financial institution. If the financial institution upon presentment does not honor the check, draft, electronic funds transfer, or similar form of remittance, this policy may, at **our** option, be deemed void from its inception. This means **we** will not be liable under this policy for any claims or damages that would otherwise be covered if the check, draft, electronic funds transfer, or similar form of remittance had been honored by the financial institution. Any action by **us** to present the remittance for payment more than once shall not affect **our** right to void this policy.

In addition to premium, fees may be charged on **your** policy. **We** may charge fees for various items, including, but not limited to, installment payments, late payments, SR22, and other transactions. Payments made on **your** policy will be applied first to fees, then to premium due.

PREMIUM REFUND

Upon cancellation, **you** may be entitled to a premium refund. However, **our** making or offering a refund is not a condition of cancellation.

If **we** cancel this policy for any reason other than nonpayment of premium, any refund due will be computed on a daily pro-rata basis. If **we** cancel this policy due to nonpayment of premium, the premium refund, if any, will be made pursuant to **our** rules and rates.

CANCELLATION

You may cancel this policy during the policy period by calling or writing **us** and stating the future date **you** wish the cancellation to be effective. **We** may cancel this policy during the policy period by mailing a notice of cancellation to the named insured shown on the **declarations page** at the last known address appearing in **our** records. **We** will give at least 10 days' notice of cancellation if:

1. **we** cancel during the first 69 days of the initial policy period; or
2. the policy is cancelled for nonpayment of premium.

We will give at least 30 days' notice of cancellation in all other cases.

We may cancel this policy for any reason if the notice is mailed within the first 69 days of the initial policy period.

After this policy is in effect for at least 70 days, or if this is a renewal or continuation policy, **we** may cancel only for one or more of the following reasons:

1. nonpayment of premium
2. material misrepresentation or fraud by **you** with respect to any material fact in the procurement, continuation, change or renewal of this policy;
3. material misrepresentation or fraud in the submission of a claim under this policy;
4. **your** place of residence or the state of registration or license of an **insured auto** is changed to a state or country in which **we** do not accept applications for the insurance provided by this policy;
5. the named insured shown on the **Declarations Page** is convicted of a crime arising out of acts increasing the hazard insured against;
6. **we** discover an act or omission, or a violation of a condition of the policy, that occurred during the policy period that substantially and materially increased the hazard insured against by **us**;
7. a material change in the nature or extent of the risk that occurred during the policy period that causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed; or
8. a determination by the Commissioner of Insurance that continuation of the policy would violate one or more provisions of the Nevada Insurance Code, would jeopardize **our** solvency, or would be hazardous to the interests of policyholders, creditors, or the public.

Proof of mailing will be sufficient proof of notice. If **you** have consented to the electronic transmission of policy documents, proof of notice will be established in **our** electronic records. If this policy is cancelled, coverage will not be provided as of the effective date and time shown in the notice of cancellation. For purposes of cancellation, this policy is neither severable nor divisible. Any cancellation will be effective for all coverages for all persons and all vehicles.

CANCELLATION REFUND

Upon cancellation, **you** may be entitled to a premium refund. However, **our** making or offering of a refund is not a condition of cancellation. If **you** request cancellation of this policy during the initial policy period, or if the policy is cancelled for nonpayment of premium during the initial policy period, any refund due will be computed on a 90 percent of a daily pro rata basis. This is a daily, accelerated method of calculating short-rate earned premium on cancellations. Earned premium is calculated on a daily basis. **We** will supply a copy of the table to **you** on request.

If **we** cancel this policy during the initial policy period for any reason other than nonpayment of premium, or if this policy is cancelled by either **you** or **us** during any renewal period, any refund due will be computed on a daily pro rata basis.

NONRENEWAL

If neither **we** nor one of **our** affiliates offers to renew or continue this policy, **we** will mail, notice of nonrenewal to the named insured shown on the **Declarations Page** at the last known address appearing in **our** records. Proof of mailing will be sufficient proof of notice. If **you** have elected to receive all of your policy documents electronically, we will transmit to **you** the notice of nonrenewal electronically. Notice will be mailed, or electronically transmitted, at least 30 days before the end of the policy period. However, **we** have no duty to provide notice of nonrenewal if **you** have obtained other insurance for the **insured auto** or have requested or agreed to nonrenewal.

AUTOMATIC TERMINATION

If **we** or an affiliate offers to renew or continue this policy and **you** or **your** representative does not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due will mean that **you** have not accepted **our** offer.

If **you** obtain other insurance on an **insured auto**, any similar insurance provided by this policy will terminate as to that **insured auto** on the effective date of the other insurance.

If the **insured auto** is sold, coverage will terminate as to that **auto** when the buyer takes possession of the **auto**. Coverage will not transfer or apply to the new **owner** upon sale or transfer to any person other than a **Family Member**

LEGAL ACTION AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy.

We may not be sued for payment under Part I—Liability To Others until the obligation of an insured person under Part I to pay is finally determined either by judgment after trial against that person or by written agreement of the insured person, the claimant, and **us**.

No one will have any right to make **us** a party to a lawsuit to determine the liability of an insured person.

If **we** retain salvage, **we** have no duty to preserve or otherwise retain the salvage for any purpose, including evidence for any civil or criminal proceeding.

Any award of interest imposed upon a judgment that arises out of a legal action against **us** by **you** or any person seeking recovery of damages of any kind or payment of benefits under this policy contract shall be calculated at a rate not to exceed 2% per annum.

OUR RIGHTS TO RECOVER PAYMENT

We are entitled to the rights of recovery that the insured person to whom payment was made has against another, to the extent of **our** payment. That insured person may be required to sign documents related to the recovery and must do whatever else **we** require to help **us** exercise those recovery rights and do nothing after an accident or loss to prejudice those rights. However, **we** may not exercise such rights of recovery for any payment made under:

1. Part II—Medical Payments Coverage; or
2. Part III—Uninsured/Underinsured Motorist Coverage for an accident involving an **underinsured motor vehicle**.

In the event of any payment under Part III—Uninsured/Underinsured Motorist Coverage for an accident involving an **uninsured motor vehicle**, **we** are entitled to the proceeds of any settlement or recovery from any person legally responsible for the **bodily injury** for which payment was made, and, if applicable, to amounts recoverable from the assets of an insolvent insurer of the other motor vehicle.

When an insured person has been paid by **us** and also recovers from another, the amount recovered will be held by the insured person in trust for **us** and reimbursed to **us** to the extent of **our** payment. **We** are entitled to reimbursement as provided in this section regardless of whether the total amount of the recovery of the insured person on account of the injury is less than the actual loss suffered by the insured person. If **we** are not reimbursed, **we** may pursue recovery of that amount directly against that insured person.

If an insured person recovers from another without **our** written consent, the insured person's right to payment under any affected coverage will no longer exist.

If **we** elect to exercise **our** rights of recovery against another, **we** will also attempt to recover any deductible incurred by an insured person under this policy unless **we** are specifically instructed by that person not to pursue the deductible. **We** have no obligation to pursue recovery against another for any loss not covered by this policy.

We reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. **We** also reserve the right to incur reasonable expenses and attorney fees in pursuit of the recovery.

If the total recovery is less than the total of **our** payment and the deductible, **we** will reduce reimbursement of the deductible based on the proportion that the actual recovery bears to the total of **our** payment and the deductible proportionate share of collection expenses and attorney fees incurred in connection with these recovery efforts will also reduce reimbursement of the deductible.

These provisions will be applied in accordance with state law.

JOINT AND INDIVIDUAL INTERESTS

If there is more than one named insured on this policy, any named insured may cancel or change this policy. The action of one named insured will be binding on all persons provided coverage under this policy.

BANKRUPTCY

Bankruptcy or insolvency of a person insured by this policy, or that person's estate, shall not relieve **us** of **our** obligations under this policy.

Endorsement

**The following endorsement changes your policy.
Please read this document carefully and keep it with your policy.**

CLARO Family Credit

This endorsement authorizes a premium credit to be applied to your policy. This premium credit is in response to the extraordinary circumstances surrounding the Covid-19 pandemic.

This premium credit is not guaranteed. We have sole discretion for determining the amount and frequency of the premium credit, if any. We will determine the method for the application of the premium credit.

Except as provided in this endorsement, all terms and conditions of the policy apply and remain unchanged.