



Underwritten by: Redpoint County Mutual

TEXAS

PERSONAL AUTOMOBILE INSURANCE POLICY

PLEASE READ YOUR POLICY CAREFULLY

IF YOU HAVE ANY QUESTIONS,
PLEASE CONTACT YOUR LOCAL
AGENT

NOTIFY THE COMPANY'S CLAIM OFFICE IN CHICAGO, ILLINOIS BY TELEPHONE OF EVERY
ACCIDENT, HOWEVER SLIGHT, AS SOON AS PRACTICAL UPON ITS OCCURRENCE AT

773-572-0110 OR 1-800-972-5033.

YOUR TEXAS PERSONAL AUTO POLICY QUICK
REFERENCE

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Have a Complaint or need help?

If **you** have problem with a claim or **your** premium, call **your** insurance company first. If **you** can't work out the issue, the Texas Department of Insurance may be able to help.

Even if **you** file a complaint with the Texas Department of Insurance, **you** should also file a complaint or appeal through your insurance company. If **you** don't you may lose **your** right to appeal.

Redpoint County Mutual

To get information or file a complaint with your insurance company:

Call: Lamar Platinum MGA, LLC at 773-572-0110 or Toll-free at 833-305-2627

Email: marketing@lamaragency.com

Mail: PO Box 329, Portsmouth, NH 03802

The Texas Department of Insurance

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: Consumer Protection, MC: CO-CP, Texas Department Of Insurance, P.O. Box 12030, Austin, TX 78711-2030

To compare policies and prices

Visit **HelpInsure.com** to compare prices and coverages on home and auto insurance policies. The website is a service of the Texas Department of Insurance and the Office of Public Insurance Counsel.

¿Tiene una queja o necesita ayuda?

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguro. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros. Si no lo hace, podría perder su derecho para apelar.

Redpoint County Mutual

Para obtener información o para presentar una queja ante su compañía de seguros:

Llame a: Lamar Platinum MGA, LLC at Teléfono 773-572-0110 o Teléfono gratuito at 833-305-2627

Correo electrónico: marketing@lamaragency.com

Dirección postal: PO Box 329, Portsmouth, NH 03802

El Departamento de Seguros de Texas

Para obtener ayuda con una pregunta relacionada con los seguros, para conocer sus derechos o para presentar una queja ante el estado:

Llame: 1-800-252-3439

En línea: www.tdi.texas.gov

Correo electrónico: ConsumerProtection@tdi.texas.gov

Dirección postal: Consumer Protection, MC: CO-CP, Texas Department Of Insurance, P.O. Box 12030, Austin, TX 78711-2030

Para comparar pólizas y precios

Visite **HelpInsure.com** para comparar precios y coberturas en pólizas de seguro para el hogar y automóvil. El sitio web es un servicio del Departamento de Seguros de Texas y de la Oficina del Asesor Público de Seguros (Office of Public Insurance Counsel, por su nombre en inglés).

AGREEMENT

This Personal Auto Policy is a binding contract between **you** and **us**. The contract includes the **Declarations Page**, endorsements, the **application**, the Personal Auto Policy, and all attachments. If **your** premium payment is paid, **we** will insure **you** subject to the terms of this policy. The **Declarations Page** shows a premium for each type of coverage purchased. The selected coverages in this policy apply only to occurrences while the policy is in force. This policy contains all of the agreements between **you** and **us** and any of **our** agents. The terms of this policy cannot be modified by any oral agreement. Any waiver or change of any provision of this policy must be in writing by **us** to be valid.

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

DEFINITIONS

The words and phrases listed below, unless defined differently elsewhere in this policy, have the following meanings when appearing in bold print:

- A. Throughout this policy, **"you"** and **"your"** refer to:
 - 1. The named insured shown on the **Declarations Page**; and
 - 2. The spouse of the named insured if a resident of the same household during the policy period.
- B. **"We"**, **"us"** and **"our"** refer to the company providing this insurance shown on the **Declarations Page**.
- C. **"Accident"** means a sudden, unexpected, and unintended event causing **bodily injury** or **property damage**, arising out of the ownership, maintenance, or use of an **auto**.

All **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **accident**.
- D. **"Additional auto"** means an **auto** that **you** become the **owner** of, and that **you** acquire or purchase during the policy period in addition to any **auto** shown on the **Declarations Page**.
- E. **"Actual Cash Value"** means the fair market value of the stolen or damaged property at the time of loss.
- F. **"Aftermarket crash parts"** means replacement **auto** parts for any of the non-mechanical sheet metal or plastic parts that generally form the exterior of an **auto** including inner and outer panels.
- G. **"Application"** means the form entitled **"Texas Automobile Application"** that contains statements, coverage options, and agreements that form a part of this policy.
- H. **"Auto"** means any self-propelled land motor vehicle of the private passenger type with no less than four wheels and made for use upon public roads or streets. **Auto** also means a pickup, sport utility vehicle or van type motor vehicle with a GVWR no greater than US GVWR Class 3 (Max. GVWR 25,000) and not used in any **business** or for the delivery or transportation of goods, materials, or supplies, other than samples, unless:
 - 1. The delivery of the goods, materials, or supplies is not the primary use for which the vehicle is employed; or
 - 2. The vehicle is used for farming or ranching.

Auto does not include motorcycles, midget cars, golf carts, any vehicle operated on rails or crawler treads, farm-type tractors, farm implements, any vehicle while used as a residence or premises, or any equipment designed for use principally off public roads and streets.
- I. **"Automobile Business"** means the **business** of selling, leasing, repairing, servicing, delivering, testing, road testing, towing, storing, or parking of **autos** or **trailers**.

- J. **"Bodily injury"** means injury to the body, including sickness, disease, or death resulting therefrom. It does not include mental or emotional injury, suffering, or distress that does not result from physical injury to a person. **Bodily injury** does not include harm; sickness; disease or death arising out of:
1. The contraction of a medically defined sexually transmitted disease by any person; nor
 2. The exposure of such a disease by any person to any other person.
- K. **"Business"** means trade, profession, occupation, course of employment, job, or commercial use of any kind. It includes but is not limited to, travel between work locations or offices, whether or not such travel is compensated or reimbursed, and shall not include the use of **your covered auto**:
1. to carry tools and supplies between **your** home and job site; or
 2. on an occasional or infrequent basis for a job-related purpose.
- L. **"Business day"** means a day other than a Saturday, Sunday or holiday recognized by the state of Texas.
- M. **"Business use"** means **your** use of **your covered auto** during and in the course and scope of **your business**, or at the direction of **your** employer.
- N. **"Declarations Page"** means the document **you** receive from **us** listing the persons covered under this policy, the policy period, the types of coverage **you** have selected, the limit for each coverage, the cost for each coverage, deductibles for the specified **autos** covered by this policy, and other information applicable to this policy.
- O. **"Digital network"** means any online-enabled application, software, website, or system offered or used by a **transportation network company** that enables a **prearranged ride** with a **transportation network company driver**.
- P. **"Diminution of Value"** means the difference in the **actual cash value** of the **auto** immediately before a loss and after the repair of the **auto**.
- Q. **"Fee"** means a payment made or charge collected as compensation for labor, performance of a service, or as profit in the sale of goods. It does not mean a payment made only to reimburse an expense. A share-the-expense car pool does not involve a **fee**.
- R. **"Minimum statutory limits"** means the minimum policy limits for vehicle liability coverage required by the law in the state or territory.
- S. **"Non-Original Equipment Manufacturer"**, or **"Non-OEM"**, means an **aftermarket crash part** not made by the original equipment manufacturer of the **auto** or by a manufacturer authorized by the original equipment manufacturer to use its name or trademark.
- T. **"Non-Owned Auto"** means an **auto** not **owned** by, or furnished for the regular use of **you**, a **resident relative** or **resident**, other than a **temporary vehicle**, while said **auto** is in **your** possession or custody.
- U. **"Occupying"** means in, upon, entering into, or exiting from.
- V. **"Owned"** means to hold legal title to the **auto**, to have legal possession of the **auto** that is subject to a conditional sale agreement or mortgage, or to have legal possession of the **auto** leased to that person.
1. For purposes of this policy, an **auto** shall be deemed to be **owned** by a person if leased:
 - a. Under a written agreement to that person; and
 - b. For a continuous period of at least six months.
- W. **"Owner"** means any person who, with respect to an **auto**, holds legal title to the vehicle, has legal possession of the **auto** that is subject to a conditional sale agreement or mortgage, or has legal possession of an **auto** leased to that person.
- X. **"Personal vehicle"** means a vehicle that is used by a **transportation network company driver** and is:
1. **Owned**, leased, or otherwise authorized for use by the **TNC driver**; and

2. Not a taxicab, limousine, or similar for-hire vehicle.
- Y. **“Prearranged ride”** means transportation provided by a **transportation network company driver** to a **transportation network company rider**, beginning at the time the **TNC driver** accepts a ride requested by the **TNC rider** through a **digital network** controlled by a **transportation network company** and ending at the time the last requesting **TNC rider** departs from the **TNC driver’s personal vehicle**. The term does not include:
1. A shared-expense carpool or vanpool arrangement or service; or
 2. Transportation provided using a taxicab, limousine or similar for-hire vehicle.
- Z. **Property damage** means physical damage to tangible property, including destruction or loss of its use, caused by an **accident** covered under this policy and occurring while the policy is in force.
- AA. **“Racing”** means participating in any race, speed, demolition, stunt, or timed contest or activity. **Racing** includes preparation, competing in, practicing for any prearranged, organized or unorganized race or activity.
- BB. **“Replacement auto”** means an **auto** that **you** become the **owner** of and that **you** acquire or purchase during the policy period to take the place of an **auto** described on the **Declarations Page**.
- CC. **“Resident”** means a person living in **your** household, other than **you** or a **resident relative**.
- DD. **“Resident Relative”** means a person who is a **resident** of **your** household and related to **you** by blood, marriage or adoption. This definition includes a ward or foster child who is a **resident** of **your** household, and includes **your** spouse even when not a **resident** of **your** household during a period of separation in contemplation of divorce. **Resident relative** includes a minor under **your** guardianship who lives in **your** household.
- EE. **“Temporary Vehicle”** includes a vehicle that is loaned, provided, or rented to an insured by an automobile repair facility or a commercially licensed rental agency for the insured’s use while the insured’s vehicle is at the facility for service, repair, maintenance, or damage or to obtain an estimate and is:
1. in the lawful possession of the insured or **resident relative** of the insured;
 2. not owned by the insured, any **resident relative** of the insured, or any other person residing in the insured’s household; and
 3. operated by or in the possession of the insured or **resident relative** of the insured until the vehicle is returned to the repair facility.
- A **temporary vehicle** applies only to:
- a. a private passenger automobile; or
 - b. a pickup, utility vehicle, or van with a gross vehicle weight of 25,000 pounds or less that is not used for the delivery or transportation of goods, materials, or supplies, other than samples, unless:
 - (1) the delivery of the goods, materials, or supplies is not the primary use for which the vehicle is employed; or
 - (2) the vehicle is used for farming or ranching.
- FF. **“Trailer”** means a vehicle which is not self-propelled and designed to be pulled by an **auto**. It also means a farm wagon or farm implement while towed by an **auto**. A **trailer** does not refer to a vehicle:
1. Being used in the **automobile business** or for commercial purposes; or
 2. While functioning as a home, office store, display, or passenger trailer.
- GG. **“Transportation network company”** or **“TNC”** means a corporation, partnership, sole proprietorship, or other entity operating in this state that uses a **digital network** to connect a **transportation network company rider** to a **transportation network company driver** for a **prearranged ride**.
- HH. **“Transportation network company driver”** or **“TNC driver”** means an individual who:

1. Receives connections to potential **transportation network company riders** and related services from a **transportation network company** in exchange for payment of a fee to the **TNC**; and
 2. Uses a **personal vehicle** to offer or provide a **prearranged ride** to a **transportation network company rider** on connection with the **TNC rider** through a **digital network** controlled by the **TNC** in exchange for compensation or payment of a fee.
- II. “**Transportation network company rider**” or “**TNC rider**” means an individual who uses a **transportation network company’s digital network** to connect with a **TNC driver** who provides a **prearranged ride** to the individual in the **TNC driver’s personal vehicle** between points chosen by the individual.
- JJ. “**Your covered auto**” means:
1. Any **auto** shown on the **Declarations Page** unless **you** have asked **us** to delete that **auto** from **your** policy.
 2. Any of the following types of vehicle on the date **you** became the **owner**:
 - a. An **additional auto** or a **replacement auto**; or
 - b. A pickup, utility vehicle or van with US GVWR of 25,000 or less, that is not used for the delivery of goods, materials or supplies, other than samples, unless:
 - (1) the delivery of goods, materials or supplies is not the primary usage of the vehicle; or
 - (2) used for farming or ranching.
- This provision (LL.2) applies only if **you**:
- a. Acquire the **auto** during the policy period; and
 - b. Notify **us** within 20 days after **you** become the **owner**. If the **auto you** acquire replaces one shown on the **Declarations Page**, it will have the same coverage as the **auto** it replaced. **You** must notify **us** of a **replacement auto** within 20 days only if **you** wish to:
 - (1) add coverage for damage to the **auto**; or
 - (2) continue existing coverage for damage to the **auto** after the 20-day period expires.

If the **auto you** acquire is an **additional auto**, it will have the broadest coverage provided for any **covered auto** shown on the **Declarations Page** for a period of 20 days after **you** become the **owner**. **We** will not provide coverage after this 20-day period, unless within this 20-day period **you** ask **us** to insure the **auto**.
3. Any **trailer you** own.
 4. A **temporary vehicle**.

PART A – LIABILITY COVERAGE

INSURING AGREEMENT

Subject to the Limits of Liability and all other terms and conditions under this Part A, **we** will pay for damages, other than punitive or exemplary damages, for which a **covered person** becomes legally responsible due to **bodily injury** or **property damage** arising out of the ownership, maintenance or use of **your covered auto** when involved in an **accident**. Damages include prejudgment interest awarded against the **covered person**.

We will settle or defend, as **we** consider appropriate and with counsel of **our** choice, any claim or action covered under the policy. In addition to **our** limit of liability, **we** will pay all defense costs **we** incur. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment of judgement or settlement. **We** have no duty to settle or defend any claim or action not covered under the policy. It is further

understood and agreed that **we** are not obligated to pay, and shall not pay, attorney fees for any legal or investigative work unless such attorneys are specifically selected by **us**.

SUPPLEMENTARY PAYMENTS

In addition to **our** limit of liability, **we** will pay on behalf of a **covered person**:

- A. Up to \$250 for the cost of bail bonds required because of an **accident** including related traffic law violations. The **accident** must result in **bodily injury** or **property damage** covered under this policy.
- B. Premiums on appeal bonds and bonds to release attachments in any suit **we** defend.
- C. Interest accruing after a judgment is entered in any suit **we** defend. **Our** duty to pay interest ends when **we** offer to pay that part of the judgment, which does not exceed **our** limit of liability for this coverage.
- D. Up to \$50 a day for loss of earnings, but not other income, because of attendance at hearing or trials at **our** request.
- E. Other reasonable expenses incurred at **our** request.

ADDITIONAL DEFINITIONS USED IN "Part A – Liability Coverage"

Covered person as used in this Part means:

- A. **You**, for the ownership, maintenance or use of **your covered auto** or **trailer**.
- B. Any **resident relative** or **resident** of **your** household for the ownership, maintenance or use of **your covered auto** or **trailer**.
- C. A person who is not a **resident relative** or **resident** of **your** household but is using **your covered auto** with **your** express or implied permission.

EXCLUSIONS

- A. **We** do not provide Liability Coverage for:
 - 1. Any person who intentionally causes **bodily injury** or **property damage**.
 - 2. Any person who at the direction of a **covered person** intentionally causes **bodily injury** or **property damage**.
 - 3. **Property damage** to property owned or being transported by a **covered person**.
 - 4. **Property damage**, including loss of use, to property:
 - a. Rented to;
 - b. Used by; or
 - c. In the care, custody or control of a **covered person**.

This exclusion does not apply to a **temporary vehicle**, **your** rented residence or **your** rented private garage. However, this exclusion does apply to **property damage** to an **auto** or **trailer** meeting the conditions of subparagraphs a. – c. of this exclusion or a **temporary vehicle** when that **property damage** is due to, or is a consequence of, the seizure of the **auto** or **trailer** by a federal or state law enforcement officer as evidence in a case against **you** under the Texas Controlled Substances Act or the Federal Controlled Substances Act if **you** are convicted in such a case.

- 5. **Bodily injury** to an employee or fellow employee of a **covered person** arising out of the course of employment.

This exclusion (A.5.) does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits, disability benefits, or similar benefits are required or available for that domestic

employee.

6. A **covered person's** liability arising out of the ownership, maintenance, or use of an **auto** or **trailer** while it is:
 - a. Used to transport persons for a **fee**;
 - b. Used to transport or deliver property for a **fee**. This does not apply to:
 - i. a **temporary vehicle** or;
 - ii. a **covered person** unless the primary use of the **covered auto** is to transport or deliver property for a **fee**;
 - c. Used in the **automobile business**;
 - d. Used in the course of any other **business** not previously described in this Exclusion 6.c. This exclusion (6.d) does not apply to a **temporary vehicle** or if **business use** of **your covered auto** is declared and an additional premium is paid for that **business use**; or
 - e. Rented or leased to a person not listed on the **Declarations Page** for a **fee**. This exclusion (6.e.) does not apply to the use of **your covered auto** for a:
 - i. shared-expense car pool;
 - ii. volunteer or charitable activity for which the **covered person** receives no compensation or is only reimbursed for operating expenses; or
 - iii. If **you** or any **resident relative** lends **your** covered auto to another person for reimbursement of operating expenses only.
7. Any person while employed or otherwise engaged in the **automobile business**.
8. Any person, other than a **covered person**, using **your covered auto** without **your** expressed or implied permission, or without a reasonable belief that the person is entitled to do so.
9. **Bodily injury** occurring during the course of employment if benefits are payable or available under a workers' compensation law or similar law.
10. **Bodily injury** resulting from the discharge of any firearm or weapon used in connection with any vehicle.
11. **Bodily injury** to **you** or a **resident relative**, except to the extent of the minimum limits of Liability Coverage required by Texas Transportation Code Chapter 601, entitled "Texas Motor Vehicle Safety Responsibility Act."

This exclusion applies regardless of whether demand is made or suit is brought against **you** by the injured person or by a third party seeking contribution or indemnity.

12. **Bodily injury** or **property damage** for which that person:
 - a. Is an insured under a nuclear energy liability policy; or
 - b. Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

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

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

B. **We** do not provide Liability Coverage for the ownership, maintenance or use of:

1. Any vehicle, other than **your covered auto**, which is:

- a. **Owned** by a **covered person**; or
 - b. Furnished or available for a **covered person's** regular use.
- 2. **Your covered auto** for snow removal.
- 3. Arising from the ownership, maintenance, or use of **your covered auto** while it is being operated in, or while in practice or preparation for, any **racing** event, hill climb, demonstration, speed contest or performance contest, regardless of whether or not such event is prearranged or organized.
- C. **We** do not provide Liability Coverage for any person for **bodily injury** or **property damage** assumed by or imposed on a **covered person** under any agreement, contract or bailment. However, this exclusion does not apply to coverage provided for a **temporary vehicle**.
- D. **We** do not provide Liability Coverage for **bodily injury** or **property damage** arising out of or in connection with a **covered person's** operation or use of a vehicle while engaged as a **TNC driver**. This exclusion applies while the **covered person** is logged on to a **TNC's digital network** as a **TNC driver** or is engaged in a **prearranged ride**. This exclusion does not apply to a share-the-expense car pool.
- E. **We** do not provide Liability Coverage for any **covered person** for **bodily injury** or **property damage** arising out of the ownership, maintenance or use of **your covered auto** or **trailer** that is:
 - 1. Expected by, directed by, or intended by the **covered person**; or
 - 2. So likely to result from a criminal act or criminal omission of the **covered person** that intent may be inferred as a matter of law. This exclusion (E.2.) does not apply to traffic violations or Driver Under The Influence (DUI); or
 - 3. Seized by law enforcement officers as evidence in a case against a **covered person** under the Texas Controlled Substances Act or the Federal Controlled Substances Act.
- F. **We** do not provide Liability Coverage for **bodily injury** or **property damage** caused by war (declared or undeclared), civil war, insurrection, rebellion and or revolution, or for which the United States Government is liable under the Federal Tort Claims Act.
- G. **We** do not provide Liability Coverage for punitive or exemplary damages.
- H. Any intentional discharge, dispersal, or release of radioactive, pathogenic, poisonous, or hazardous material for any purpose other than its safe and useful purpose.
- I. **Bodily injury** or **property damage** arising out of the ownership, maintenance, or use of a **covered auto** while it is parked and being **used**:
 - 1. As a residence or premises; or
 - 2. as premises for an office, store, or for display purposes.
- J. **Bodily injury** or **property damage** resulting from or arising out of the use of any **auto** by:
 - 1. An excluded driver.

LIMIT OF LIABILITY

- A. If separate limits of liability for **bodily injury** and **property damage** liability are on the **Declarations Page** for this coverage, the limit of liability for each person for **bodily injury** liability is **our** maximum limit of liability for all damages for **bodily injury** sustained by any one person in any one **accident**. Subject to this limit for each person, the limit of liability shown on the **Declarations Page** for each **accident** for **bodily injury** liability is **our** maximum limit for all damages for **bodily injury** resulting from any one **accident**. The limit of liability shown on the **Declarations Page** for each **accident** for **property damage** liability is **our** maximum limit of liability for all damages to all property resulting from any one **accident**. This is the most **we** will pay regardless of the number of:
 - 1. **Covered persons**;

2. Claims made;
3. Lawsuits filed;
4. Heirs or survivors of persons with **bodily injury**;
5. **Autos** or premiums shown on the **Declarations Page**; or
6. **Autos** involved in the **accident**.

We will apply the limit of liability to provide any separate limits required by law for **bodily injury** and **property damage** liability. However, this provision will not change **our** total limit of liability.

- B. The "per person" limit of liability applies to:
 1. the total of all claims made for **bodily injury** to a person and all claims of others derived from the **bodily injury**, including but not limited to:
 - a. loss of consortium;
 - b. loss of services;
 - c. loss of society;
 - d. loss of companionship; and
 - e. wrongful death;
 2. all claims and lawsuits for emotional distress and mental anguish due to witnessing the occurrence of the **accident** or **bodily injury**.
- C. Any payment under Uninsured/Underinsured Motorists Coverage or Personal Injury Protection Coverage of this policy to or for a **covered person** will reduce any amount that person is entitled to recover under this coverage.
- D. An **auto** and attached **trailer** are considered one vehicle. Therefore, the limits of liability are not increased for an **accident** involving an **auto** with an attached **trailer**.
- E. No one will be entitled to duplicate payments for any elements of damages under this policy or any other source.

OUT OF STATE COVERAGE

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

- A. This policy will not serve as proof of financial responsibility to satisfy the financial responsibility law of any state other than Texas.
- B. If the state or province requires **minimum statutory limits** of liability for **bodily injury** or **property damage** higher than the limits shown in the **Declarations Page**, and it is required by law that this policy conform to those higher limits, **your** policy will provide the higher specified limit of liability for **bodily injury** and **property damage**.
- C. All terms, conditions, exclusions, notification changes, rejections, and endorsements shall apply as written and shall be interpreted under the laws of Texas. **Our** performance of the terms and conditions of this contract shall be in accordance with Texas law.
- D. If the state or province has a compulsory insurance or similar law requiring a non-**resident** to maintain insurance whenever the non-**resident** uses an **auto** in that state, province, territory or possession, this policy will provide the greater of:
 - a. The required minimum amounts and types of coverage; or
 - b. The limit of liability under this policy

- E. If **we** make any payment under this policy beyond the terms, conditions, notification changes, exclusions, endorsements and limits included on this Policy and stated on **your Declarations Page** resulting from an **accident** occurring outside of the State of Texas, then **you** agree to reimburse **us** for any such payment.

NOTICE: **You** must notify **us** promptly if **you** should move to another state or province and **your covered auto** is no longer principally garaged in Texas.

FINANCIAL RESPONSIBILITY REQUIRED

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law of the State of Texas to the extent required.

You must reimburse **us** for any payment made by **us** that, in the absence of certification of this policy as proof, **we** would not have been obligated to make under the terms of this policy.

OTHER INSURANCE

If there is other applicable liability insurance or bond, **we** will pay only **our** share of the loss. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any liability insurance **we** provide to a **covered person** for the maintenance or use of an **auto you** do not own, other than a **temporary vehicle**, shall be excess over any other applicable liability insurance. Any liability insurance **we** provide to a **covered person** for the maintenance or use of a **temporary vehicle** shall be primary.

PART B1 – MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

If the **Declarations Page** shows a premium charged for this coverage, **we** will pay **medical expenses**, subject to the terms, conditions, and exclusions of this policy, not exceeding the limits shown on the **Declarations Page**, incurred as a result of **bodily injury** caused by an **accident** and sustained by an **insured person**.

We will pay only those expenses incurred for services rendered and submitted to the Company within one year from the date of an **accident** for an **insured person** when struck by a motor vehicle or **trailer** or while **occupying**:

- A. **Your covered auto**, while being used by a **covered person**; or
- B. A **non-owned auto**, if the **bodily injury** results from its operation by an **insured person**.

No such payment shall be made unless the person to whom, or for whom, such payment is made has executed a written agreement that the amount of such payment shall be applied toward the settlement of any claim, or the satisfaction of any judgement for damages entered in their favor, against any insured under this policy because of **bodily injury** arising out of an **accident** to which "Part A – Liability Coverage" applies.

DEFINITIONS

The definitions under "Part A – Liability Coverage" and "Part D – Coverage For Damage to Your Auto" apply to "Part B1 – Medical Payments Coverage".

ADDITIONAL DEFINITIONS USED in "Part B1 – Medical Payments Coverage":

- A. "**Medical expenses**" means usual and customary charges incurred for reasonable and necessary services rendered to or on behalf of an **insured person** within one year from the date of the **accident** for: medical, surgical, x-ray, and dental services when performed by a licensed medical professional; pharmaceuticals; prosthetic devices; eyeglasses; necessary ambulance, hospital, and professional nursing services when

prescribed by a licensed medical professional; and funeral services.

1. Reasonable **medical expenses** do not include expenses:
 - a. For treatment, services, products or procedures that are:
 - i. Experimental in nature, for research, or not primarily designed to serve a medical purpose; or
 - ii. Not commonly and customarily recognized throughout the United States or Canada as appropriate for the treatment of the **bodily injury**; or
 - b. Incurred for:
 - i. The use of thermography or other related procedures of a similar nature;
 - ii. The use of acupuncture or other related procedures of a similar nature; or
 - iii. The purchase or rental of equipment not primarily designed to serve a medical purpose.
- B. "**Medical services**" is defined as those **medical services** provided by or under the supervision of a licensed **physician**.
- C. "**Physician**" means an individual licensed by a State or territory of the United States or Canada in the practice of medicine.
- D. "**Insured person**" means:
 1. **You**, any **resident relative**, or a listed non-resident driver while **occupying** or when struck by a motor vehicle or **trailer**; or
 2. Any other person using **your covered auto** with **your** express or implied permission to do so.
 3. Any occupants of **your covered auto** while a person is operating the vehicle authorized under this definition.

EXCLUSIONS

This policy does not apply and does not provide coverage under "Part B1 – Medical Payments Coverage" for any person for **bodily injury**:

- A. Sustained while **occupying**:
 1. An **auto** used for a delivery purpose during the course of **business**. This does not apply to an **insured person** unless the primary use of the **covered auto** is to carry property for a **fee**; or
 2. Any **auto** while located for use as a residence or premises;
- B. Sustained while **occupying** or when struck by any vehicle (other than **your covered auto**) which is:
 1. **Owned** by **you**; or
 2. Furnished or available for **your** regular use.
- C. Sustained while **occupying** or when struck by any vehicle (other than **your covered auto**) which is:
 1. **Owned** by a **resident relative**; or
 2. Furnished or available for the regular use of a **resident relative**.
- D. Sustained by any person other than an **insured person** resulting from use of:
 1. A **non-owned auto** while used in the **automobile business**; or
 2. A **non-owned auto** in any other **business** except operation or occupancy of a private passenger automobile by **you** or by **your** private chauffeur or domestic servant, or a **trailer** used therewith or with **your covered auto**.
- E. Sustained while occupying your **covered auto** or any **non-owned auto** when it is:

1. Being used to transport persons for a **fee**;
 - i. This exclusion (E.1.) does not apply to the use of **your covered auto** for a shared-expense car pool;
2. Being used to transport or deliver property for a **fee**;

This does not apply to an **insured person** unless the primary use of the **covered auto** is to transport or deliver property for a **fee**;
3. Being used in the **automobile business**;
4. Being used in the course of any **business** not described in exclusion E.3 unless **you** have paid a specific premium for **business use** coverage; or
5. Rented or leased to another person not listed on the **Declarations Page** for a **fee**.

This exclusion (E.5.) does not apply to the use of **your covered auto** for a:

 - i. shared-expense car pool; or
 - ii. volunteer or charitable activity for which the **insured person** receives no compensation or is only reimbursed for operating expenses.
 - iii. If **you** or any **resident relative** lends **your** covered auto to another person for reimbursement of operating expenses only.
- F. Sustained by any person that occurs in the course of employment if benefits therefore are in whole or in part either payable or required to be provided under any worker's compensation law;
- G. From loss due to war, discharge of a nuclear weapon, civil war, insurrection, rebellion, revolution or riot;
- H. Resulting from the hazardous properties of nuclear material or arising out of the operation of a nuclear facility by any person or organization, however caused.
- I. Resulting from the ownership, maintenance or use of any **auto** while it is being operated in, or in practice or preparation of, any **racing** event, hill climb, demonstration, speed contest or demonstration contest, regardless of whether or not such event is prearranged or organized.
- J. Incurred by any person while operating or **occupying** any **auto** without a reasonable belief that he or she is entitled to do so. This does not apply to **you** or a **resident relative** when using or **occupying a covered auto**.
- K. Arising out of the operation, occupation or use of an **auto** during or in connection with the commission of a felony or while attempting to elude police.
- L. Arising out of the operation, occupation or use of an **auto** in such circumstances where **bodily injury** is expected or intended by an **insured person**, even if the actual **bodily injury** that results is different than that which was intended.
- M. Sustained while **occupying a covered auto** when it is being used or operated by a **TNC driver** for a **TNC**. This exclusion applies while the **TNC driver** is logged on to a **TNC's digital network** as a **TNC driver** or is engaged in a **prearranged ride**. This exclusion does not apply to a share-the-expense carpool.
- N. Resulting from the discharge of any firearm or weapon in connection with the ownership, maintenance or use of any **auto**.
- O. Resulting from the use of any **auto** by:
 1. An excluded driver.

LIMIT OF LIABILITY

The limit of liability for this Medical Payments Coverage as stated on the **Declarations Page** is the maximum limit of the Company's liability for all expenses incurred by or on behalf of each person who sustains **bodily injury** as the result of any one **accident**. Therefore, this limit of liability for this Medical Payments Coverage is

the most the Company will pay under this coverage regardless of the number of:

- A. **Insured persons**;
- B. Claims made or suits resulting from **bodily injury**;
- C. **Autos** or separated itemizations of premium stated on the **Declarations Page**; or
- D. **Autos** involved in the **accident**.

Any amounts otherwise payable for expenses under this coverage are reduced by any amounts paid or payable for the same expenses under any Liability Coverage or Uninsured/Underinsured Motorists Coverage provided by this policy.

No payment will be made unless the injured person or that person's legal representative agrees in writing that any payment shall be applied toward any settlement or judgment that person receives under any Liability Coverage or Uninsured/Underinsured Motorists Coverage provided by this policy.

OTHER INSURANCE

If there is other applicable **auto** medical payments insurance against a loss covered by "Part B1 – Medical Payments Coverage" of this policy, the Company shall not be liable under this policy for a greater proportion of such loss than the applicable limit of liability stated on the **Declarations Page** bears to the highest applicable limit of liability of any valid and collectible automobile medical payments insurance; provided, however, the insurance with respect to a **temporary vehicle** or **non-owned auto** shall be excess insurance over any other valid and collectible automobile insurance providing for medical payments or funeral expenses.

ASSIGNMENT OF BENEFITS

Payments of **medical expenses** will be paid directly to a **physician** or other health care provider if **we** receive a written assignment signed by the **insured person** to whom such benefits are payable. If **we** pay benefits directly to a health care provider, **we** have no further duty or liability to pay those same benefits to an **insured person** or to any other person or entity.

PART B2 – PERSONAL INJURY PROTECTION COVERAGE

INSURING AGREEMENT

We will pay, in accordance with the Texas Insurance Code, Personal Injury Protection benefits subject to the terms, conditions and exclusions of this policy and the Limits of Liability.

- A. **We** will pay Personal Injury Protection benefits because of **bodily injury**:

- 1. Resulting from an **accident**; and
- 2. Sustained by a **covered person**.

Our payment will only be for losses or expenses incurred within three years from the date of **accident**.

- B. Personal Injury Protection benefits consist of:

- 1. Reasonable and necessary expenses incurred for necessary medical and funeral services.
- 2. Loss of Income.
 - a. Eighty percent of a **covered person's** loss of income from employment.

- b. These benefits apply only if, at the time of the **accident**, the **covered person**:
 - i. Was an income producer; and
 - ii. Was in an occupational status.
 - c. Loss of income is the difference between:
 - i. Income which would have been earned had the **covered person** not been injured; and
 - ii. The amount of income actually received from employment during the disability.
 - d. If the income earned as of the date of **accident** is a salary or fixed remuneration, it shall be used in determining the amount of income that would have been earned. Otherwise, the average monthly income earned during the period (not more than 12 months) preceding the **accident** shall be used.
 - e. These benefits do not apply to any loss after the **covered person** dies.
 - f. As a condition of receiving Loss of Income benefits, the **covered person** must provide **us** with reasonable medical proof of his or her **bodily injury** causing loss of income.
3. Essential Services.
- a. Reimbursement of necessary and reasonable expenses incurred for essential services ordinarily performed by the injured **covered person**, without pay, for care and maintenance of the family or family household.
 - b. These benefits apply only if, at the time of the **accident**, the **covered person**:
 - i. Was not an income producer; and
 - ii. Was not in an occupational status.
 - c. These benefits do not apply to any loss after the **covered person** dies.

DEFINITIONS USED IN "Part B2 – Personal Injury Protection Coverage" ONLY

"Covered person" as used in this Part, means:

A. **You** or any **resident relative**:

- 1. While **occupying**; or
- 2. When struck by;

Motor vehicles designed for use mainly on public roads or a **trailer** of any type.

B. Any other person while **occupying your covered auto** with **your** permission.

"Bodily Injury" as used in this Part, means:

- A. Injury to the body, including sickness, disease, or death resulting therefrom. It does not include mental or emotional injury, suffering, or distress that does not result from physical injury to a person.

EXCLUSIONS

We do not provide Personal Injury Protection Coverage for any person for **bodily injury** sustained:

- A. In an **accident** caused intentionally by that person.
- B. By that person while in the commission of a felony.
- C. By that person while attempting to elude arrest by a law enforcement official.
- D. While **occupying** or when struck by any motor vehicle (other than **your covered auto**) owned by **you**.

- E. By a **resident relative** while **occupying** or when struck by any motor vehicle (other than **your covered auto**) which is **owned** by a **resident relative** or **resident**.
- F. While **occupying** or when struck by a **covered auto** when it is being used or operated by a **TNC driver** for a **TNC**. This exclusion applies while the **TNC driver** is logged on to a **TNC's digital network** as a **TNC driver** or is engaged in a **prearranged ride**. This exclusion does not apply to a share-the-expense car pool.

LIMIT OF LIABILITY

The limit of liability shown on the **Declarations Page** for this coverage is **our** maximum limit of liability for each person injured in any one **accident**. This is the most **we** will pay regardless of the number of:

- A. **Covered persons**;
- B. Claims made;
- C. **Autos** or premiums shown on the **Declarations Page**; or
- D. Vehicles involved in the **accident**.

OTHER INSURANCE

If there is other Personal Injury Protection insurance, **we** will pay only **our** share. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide with respect to a vehicle **you** do not own shall be excess over any other collectible Personal Injury Protection insurance.

OTHER PROVISIONS

- A. Payment of Benefits.

Benefits payable under this Part B2 shall be paid as claims for such benefits arise, but not later than the 30th day after the date **we** receive satisfactory proof of a claim, and not more frequently than every two weeks.

- 1. Original proof of loss with respect to a claim for benefits must be presented to **us** within six months after the date of an **accident**.
- 2. **We** may require reasonable medical proof of an alleged recurrence of an injury for which an original claim for benefits was made if a lapse occurs in the period of total disability or in the medical treatment of an injured person who:
 - a. Has received benefits under this Part B2; and
 - b. Subsequently claims additional benefits based on the alleged recurrence.
- B. **We** shall have the right of subrogation and a claim against a person causing or contributing to an **accident** if, on the date of loss, financial responsibility has not been established for a motor vehicle involved in the **accident** and operated by that person.
- C. Modification. The General Provision part of this policy entitled "Our Right to Recover Payment" does not apply to this coverage.

ASSIGNMENT OF BENEFITS

Payments for Personal Injury Protection benefits will be paid directly to a health care provider if **we** receive a written assignment signed by the **covered person** to whom such benefits are payable.

PART C – UNINSURED/UNDERINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

We will pay applicable uninsured/underinsured motorist claims in accordance with the Texas Insurance Code subject to the terms, conditions and exclusions of this policy, and the Limits of Liability.

We will pay damages, other than punitive or exemplary damages, that a **covered person** is legally entitled to recover from the **owner** or operator of an **uninsured/underinsured motor vehicle** because of **bodily injury** sustained by a **covered person**, or **property damage** less the deductible for this coverage listed on the **Declarations Page**, caused by an **accident**. The **owner** or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured/underinsured motor vehicle**. If there is a disagreement about whether or not a vehicle is uninsured or underinsured, the burden of proof as to that issue shall be on **us**.

ADDITIONAL TERMS AND DUTIES

- A. If coverage applies under this Part C, **we** will pay only after the limits of liability under all other applicable liability bonds and policies have been exhausted by payment of judgments or settlements. This shall not apply, however, if **we** and the **covered person** agree, without arbitration:
 - 1. that the **covered person** has suffered **bodily injury** or **property damage** as the result of the negligent ownership, maintenance, or use of the **uninsured motor vehicle** or **underinsured motor vehicle**; and
 - 2. as to the amount of damages that, within the Limits of Liability that apply, the **covered person** is legally entitled to collect under this Part C.
- B. If a settlement offer has been made to a **covered person** by or on behalf of the **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle**, **we** must be given:
 - 1. not less than 30 days written notice of the offer; and
 - 2. the opportunity to advance payment to the **covered person** in an amount equal to the offer within the 30-day period after **we** receive notice.
- C. **We** may require a **covered person** to file a legal action against the **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle**, before **we** negotiate a claim under this Part C. If a legal action is filed at **our** request, **we** will advance all court costs, jury **fees**, and sheriff's **fees** arising from the action.
- D. If a lawsuit is filed without prior notice to **us**, **we** are not bound by any judgment that arises out of that lawsuit as to:
 - 1. the liability of an **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle**; or
 - 2. the amount of damages arising from an **accident**.
- E. If a settlement is entered into with the **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle**, but without **our** written consent, **we** are not bound by that settlement.
- F. Any lawsuit or arbitration against **us** concerning Uninsured Motorist Bodily Injury Coverage or Uninsured Motorist Property Damage Coverage under this Part C must be initiated within two years from the date of the **accident**. Any lawsuit or arbitration against **us** concerning Underinsured Motorist Bodily Injury Coverage under this Part C must be initiated within two years from the date of the settlement or judgment against the **owner** or operator of the **underinsured motor vehicle**.

ADDITIONAL DEFINITIONS USED IN "Part C – Uninsured/Underinsured Motorists Coverage"

- A. "**Bodily Injury**" as used in this Part, means:
 - 1. Injury to the body, including sickness, disease, or death resulting therefrom. It does not include mental or emotional injury, suffering, or distress that does not result from physical injury to a person.
- B. "**Covered person**" as used in this Part means:

1. **You**, or any **resident relative**;
 2. Any other person **occupying your covered auto with your permission**, if being operated within the scope of that permission; or
 3. Any person that is entitled to recover because of **bodily injury** to which this coverage applies sustained by a person described in (A.1.) above.
- C. **"Property damage"** as used in this Part means injury, destruction or loss of use of:
1. **Your covered auto**;
 2. Any property **owned** by a person listed in (B.1.) or (B.2.) while **occupying your covered auto**: or
- D. **"Uninsured/Underinsured motor vehicle"** means a land motor vehicle or **trailer** of any type:
1. To which no liability bond or policy applies at the time of the **accident**;
 2. Which is a hit and run vehicle whose operator or **owner** cannot be identified and which makes actual physical contact with:
 - a. A **covered person**;
 - b. An **auto** which a **covered person** is **occupying**; or
 - c. **Your covered auto**.
 3. To which a liability bond or policy applies at the time of the **accident** but the bonding or insuring company:
 - a. Denies coverage; or
 - b. Is unable, due to insolvency, to make payment with respect to the legal liability of its insured within the limits specified in the bond or policy.
 4. On which a liability bond or policy applies at the time of the **accident** but its limit of liability either:
 - a. Is not enough to pay the full amount the **covered person** is legally entitled to recover as damages; or
 - b. Has been reduced by payment of claims to an amount which is not enough to pay the full amount the **covered person** is legally entitled to recover as damages.
 5. The **uninsured/underinsured motor vehicle**, however, does not include any vehicle or equipment:
 - a. **Owned** by or furnished or available for the regular use of **you** or any **resident relative**.
 - b. **Owned** or operated by a self-insurer under any applicable motor vehicle law.
 - c. **Owned** by any governmental body unless:
 - i. The operator of the vehicle is uninsured; and
 - ii. There is no statute imposing liability for damage because of **bodily injury** or **property damage** on the governmental body for an amount not less than the limit of liability for this coverage.
 - d. Operated on rails or crawler treads.
 - e. Designed mainly for use off public roads while not on public roads.
 - f. While located for use as a residence or premises.

EXCLUSIONS

- A. **We** do not provide Uninsured/Underinsured Motorists Coverage for any person:
1. For **bodily injury** sustained while **occupying**, or when struck by, any motor vehicle or **trailer** of any type **owned** by **you** or any **resident relative** not insured for this coverage under this policy.

2. If that person or the legal representative settles the claim without **our** written consent.
3. While **your covered auto** is:
 - a. Being used to transport persons for a **fee**.
 - i. This exclusion (3.a.) does not apply to the use of **your covered auto** for a shared-expense car pool;
 - b. Being used to transport or deliver property for a **fee**. This does not apply to a **covered person** unless the primary use of **your covered auto** is to carry property for a **fee**.
 - c. Being used in the **automobile business**. This does not apply to the use of **your covered auto** by **you**, a **resident relative**, or an agent or employee of **you** or a **resident relative**.
 - d. Rented or leased to another person not listed on the **Declarations Page** for a **fee**.
This exclusion (3.d.) does not apply to the use of **your covered auto** for a:
 - i. shared-expense car pool; or
 - ii. volunteer or charitable activity for which the **insured person** receives no compensation or is only reimbursed for operating expenses.
 - iii. If **you** or any **resident relative** lends **your covered auto** to another person for reimbursement of operating expenses only.
4. Using a vehicle without express or implied permission, or without a reasonable belief that the person is entitled to do so. This exclusion (A.4.) does not apply to a **covered person** while using **your covered auto**.
5. For **bodily injury** or **property damage** resulting from the intentional acts of that **covered person**.
6. Resulting from the ownership, maintenance or use of any vehicle while it is being operated by a **covered person** seeking benefits under this section in or in practice or preparation of any **racing** event, hill climb, demonstration, speed contest or demonstration contest regardless of whether such event is prearranged or organized.
7. While **occupying** or when struck by a **covered auto** while it is being used or operated by a **TNC driver** for a **TNC**. This exclusion applies while the **TNC driver** is logged on to a **TNC's digital network** as a **TNC driver** or is engaged in a **prearranged ride**. This exclusion does not apply to a share-the-expense car pool.
8. For **bodily injury** or **Property damage** not arising from or not caused by actual physical contact with the **uninsured motor vehicle**.
9. For the first \$250 of the amount of damage to the property of that person as the result of any one **accident**.
- B. This coverage shall not apply directly or indirectly to benefit:
 1. Any insurer or self-insurer under any workers' compensation, disability benefits or similar law; or
 2. Any insurer of property.
- C. **We** do not provide Uninsured/Underinsured Motorist Coverage for punitive or exemplary damages.

LIMIT OF LIABILITY

- A. If separate limits of liability for **bodily injury** and **property damage** liability are on the **Declarations Page** for this coverage, the limit of liability for each person for **bodily injury** liability is **our** maximum limit of liability for all damages for **bodily injury** sustained by any one person in any one **accident**. Subject to this limit for each person, the limit of liability shown on the **Declarations Page** for each **accident** for **bodily injury** liability is **our** maximum limit for all damages for **bodily injury** resulting from any one **accident**. The limit of

liability shown on the **Declarations Page** for each **accident** for **property damage** liability is **our** maximum limit of liability for all damages to all property resulting from any one **accident**. This is the most **we** will pay regardless of the number of:

1. **Covered persons**;
 2. Claims made;
 3. Policies or bonds applicable;
 4. **Autos** or premiums shown on the **Declarations Page**; or
 5. **Autos** involved in the **accident**.
- B. Subject to this maximum, **our** limit of liability will be the lesser of:
1. All amounts that a **covered person** is legally entitled to recover as damages from **owners** or operators of the **uninsured/underinsured motor vehicle** because of **bodily injury** or **property damage**, reduced by any amount recoverable from the insurer of the **uninsured/underinsured motor vehicle**; and
 2. The applicable limit of liability for this coverage.
- C. In order to avoid insurance benefits payments in excess of actual damages sustained, subject only to the limits set out on the **Declarations Page** and other applicable provisions of this coverage, **we** will not pay damages paid or payable under any workers' compensation law, disability benefits law, any similar law, automobile medical expense coverage or similar coverage, or personal injury protection coverage or similar coverage.
- D. Any payment under this coverage to or for a **covered person** will reduce any amount that person is entitled to recover for the same damages under the Liability Coverage of this policy.

OTHER INSURANCE

- A. **We** will not pay more than **our** share of the loss. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide with respect to a vehicle **you** do not own shall be excess over any other collectible insurance.
1. When this Part C applies on a primary basis, **our** share is the proportion that the limit that applies to this Part C bears to the total of all applicable limits for insurance that is provided on a primary basis.
 2. When this Part C applies on an excess basis, **our** share is the proportion that the limit that applies to this Part C bears to the total of all applicable limits for insurance that is provided on an excess basis.
- B. For any **property damage** to which both collision coverage (under this or any other policy) and **property damage** under this Part C apply, **you** may choose the coverage from which the **property damage** will be paid. If neither the collision coverage nor the **property damage** coverage under this Part C is sufficient alone to cover all **property damage** from a single **accident**, **you** may recover under both coverages. If recovering under both coverages, **you** must designate one coverage as the primary coverage and pay the deductible for that coverage. The primary coverage must be exhausted before any recovery is made under the secondary coverage. If both the primary and secondary coverages are used to pay **property damage** from a single **accident**, **you** will not be required to pay the deductible applicable to the secondary coverage when the amount of the deductible for the secondary coverage is the same as, or less than, the deductible for the primary coverage. If both coverages are used to pay **property damage** from a single **accident**, and the deductible applicable to the secondary coverage is greater than the deductible for the primary coverage then, with respect to the secondary coverage, **you** must pay the difference between the amounts of the two deductibles. **You** may not recover under both the primary and secondary coverages more than the actual **property damage** suffered.

We will not pay for any damages that would duplicate any payment made for damages under other insurance for the same elements of loss.

PART D – COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. Subject to all of the terms, conditions, exclusions, and limits of liability that apply, **we** will pay for direct and accidental loss to **your covered auto** caused by **collision**, including its equipment, less any applicable deductible shown on the **Declarations Page**. However, **we** will pay for **loss** caused by **collision** only if the **Declarations Page** indicates that Collision Coverage applies and **you** have paid the premium for that coverage. **Collision** damage coverage will be available to a **temporary vehicle** in any amount not to exceed the **actual cash value** of **your covered auto** and subject to the same conditions and terms of this policy.
- B. Subject to all of the terms, conditions, exclusions, and limits of liability that apply, **we** will pay for direct and accidental damage to **your covered auto** caused by a **comprehensive loss**, less any applicable deductible shown on the **Declarations Page**. This includes any damage to **your covered auto's** equipment, unless otherwise excluded under this Part D. However, **we** will pay for damage caused by a **comprehensive loss** only if the **Declarations Page** indicates that Comprehensive Coverage applies and **you** have paid the premium for that coverage.

If breakage of glass is caused by a **collision**, or if **loss** caused by contact with a bird or animal occurs, **you** may elect to have it considered a loss caused by **collision**.

TRANSPORTATION EXPENSES

In addition, **we** will pay up to \$10 per day, to a maximum of \$200, for transportation expenses incurred by **you**. This applies only in the event of a covered **loss** for the total theft of **your covered auto**. **We** will only pay transportation expenses incurred during the period:

- A. Beginning 72 hours after notifying **us** and law enforcement officials of the theft; and
- B. Ending when **your covered auto** is returned to use or **we** pay for its **loss**.

RENTAL REIMBURSEMENT COVERAGE

Subject to the "each day" and "each occurrence" limit shown on the **Declarations Page** for this coverage, if **you** pay the premium for Rental Reimbursement Coverage, **we** will reimburse rental charges incurred when **you** rent an **auto** from a commercially licensed rental agency or licensed auto repair shop due to a **loss**:

- A. to **your covered auto** for which Rental Reimbursement Coverage has been purchased as shown on the **declarations page**; and
- B. for which Comprehensive Coverage or Collision Coverage applies.

Our limits of liability for this coverage are the "each day" and "each occurrence" limit shown on the **declarations page**. If Rental Reimbursement Coverage applies, no other coverage under this policy for rental expenses shall apply. Rental charges will be reimbursed beginning 24 hours after **your covered auto** is withdrawn from use, if timely reported by **you**.

Reimbursement for rental charges will end when **our** Limit of Liability for this coverage has been reached or, if earlier, when **your covered auto** has been:

- A. returned to **you**;
- B. repaired;
- C. replaced; or

- D. if **your covered auto** is deemed by **us** to be a total **loss**, 72 hours after **we** make an offer to pay the applicable Limit of Liability under this Part D.

You must provide **us** written proof of **your** rental charges. Duplicate recovery for any expense or charge is not permitted under this policy.

Daily rental charges shall not include the cost of:

- A. Insurance related to the rental of the auto;
- B. Refueling the rental auto;
- C. Mileage fees;
- D. Navigation devices;
- E. Collision damage waiver; or
- F. Tollway charges.

TOWING AND LABOR COVERAGE

If **you** pay the premium for Towing and Labor Coverage for **your covered auto** as shown on the **declarations page** then, subject to the per occurrence limit shown on the **declarations page**, **we** will pay the reasonable cost as determined by **us**, for up to three occurrences per **covered auto** while being operated by **you** per policy period for the following emergency roadside assistance services necessitated by the disablement of **your covered auto**:

- A. towing and labor costs for towing **your covered auto** to the nearest point at which the disablement can be remedied;
- B. costs for a tire change;
- C. costs for a battery jump start;
- D. costs for key lockout services; and
- E. costs for delivery of gas or oil.

You will not be entitled to receive duplicate payment under this coverage for reasonable costs you incur, and which are covered elsewhere under this Policy.

We will only provide Towing and Labor Coverage within the policy territory as defined in the GENERAL PROVISIONS of this Policy.

No coverage is afforded for claims not made within 30 days of the emergency roadside assistance services or validated using receipts which detail the nature of the service, the paid status, or cannot be validated by an identifiable service facility.

CUSTOMIZED EQUIPMENT AND PARTS COVERAGE

- A. Subject to the limits shown on the **Declarations Page**, if **you** pay **us** the premium for **Customized Equipment and Parts** Coverage for **your covered auto**, **we** will pay for **loss** to the **customized equipment and parts** in or on that **your covered auto** that results from a **loss**. All payments for **loss** to such **customized equipment and parts** shall be reduced by the applicable deductible, but only one deductible shall be applied for any one **loss** under this Part D.
- B. **Customized Equipment and Parts Coverage** applies only if:
 - 1. **You** have purchased **Collision** and Comprehensive Coverage for **your covered auto** containing the **customized equipment and parts** and the **loss** falls under that coverage.
- C. The limit of liability for **loss** to **customized equipment and parts** under this coverage is the lowest of:
 - 1. The **actual cash value** of such **customized equipment and parts**, reduced by the applicable

- deductible and by its salvage value if **you** or the owner retain the salvage;
2. The amount necessary to repair the **customized equipment and parts**, reduced by the applicable deductible;
 3. The amount necessary to replace the **customized equipment and parts**, reduced by the applicable deductible and reduced by its salvage value if you or the owner retain the salvage; or
 4. The limit of liability for Customized Equipment and Parts Coverage shown in the **Declarations Page**.
- D. Coverage for **customized equipment and parts** shall not cause our limit of liability for **loss** to an **auto** under this Part D to be increased to an amount in excess of:
1. The **actual cash value** of the **auto**, including its **customized equipment and parts** covered under this coverage; or
 2. Any applicable limits or stated amount elected by **you** shown on the **Declarations Page** for this coverage.
- E. Any amount payable under this coverage shall be reduced to the extent any expense is payable under any other coverage under this Policy.
- F. There shall be no duplicate recovery for the same elements of **loss** or expense under this coverage and any other coverage provided by this Policy.

ADDITIONAL DEFINITIONS USED

In "Part D – Coverage for Damage to Your Auto"

- A. "**Collision**" means the upset or overturn of **your covered auto**, or **collision** of **your covered auto** with another object.
- B. "**Comprehensive loss**" means **loss** to **your covered auto** caused by an event other than **collision**. **Comprehensive loss** includes, but is not limited to, **loss** caused by:
1. Missiles or falling objects;
 2. Fire;
 3. Theft or larceny;
 4. Explosion or earthquake;
 5. Volcanic activity;
 6. Windstorm;
 7. Hail, water or flood;
 8. Malicious mischief or vandalism;
 9. Riot or civil commotion;
 10. Contact with a bird or animal; or
 11. Breakage of glass.
- If breakage of glass results from **collision**, **you** may elect to have it treated as **loss** caused by **collision**.
- C. "**Covered person**" as used in this Part means the following persons while operating the **covered auto** or while the **covered auto** is in their care, custody or control:
1. **You**;
 2. Any **resident relative** or **resident** of **your** household;

3. A person who is not a **resident relative** or **resident** of **your** household but is using **your covered auto** with **your** express or implied permission.
- D. "**Loss**" means sudden, direct, and accidental damages to, or theft of, **your covered auto**, including its original optional equipment installed permanently at the factory by the vehicle manufacturer or authorized dealer. Custom equipment or additional equipment installed, or alterations made by conversion facilities, to an **auto** or camper are not standard or original optional equipment.
- E. "**Customized equipment and parts**" mean equipment, devices, accessories, changes and enhancements, other than those installed by the original manufacturer, which alter the appearance or performance of an **auto**. This includes, but is not limited to, such items as: body or suspension alterations; custom or special wheels or tires; side exhausts; roll bars; light bars; spoilers; ground effects; bedliners; side exhausts; utility boxes; custom windows; custom painting; murals; or decals or graphics. **Customized equipment and parts** also include, but is not limited to, such items as any electronic equipment; antennas; and other devices used exclusively to send or receive audio, visual or data signals, or play back recorded media. The **customized equipment and parts** must be permanently installed in a **covered auto** using bolts, brackets, or slide-out brackets. **Customized equipment and parts** do not include snowplows or snow removal equipment.
- F. "**Original equipment manufacturer**" and "**OEM**" mean parts or items:
 1. Produced and/or installed by the manufacturer of the **auto**; or
 2. Produced by a vendor or the manufacturer of the **auto** that the manufacturer intends as part of the **auto** or manufacturer's option when new.

EXCLUSIONS

We will not pay for **loss** or damage, including **collision** or **comprehensive loss**:

A. While **your covered auto** or any **non-owned auto** is:

1. Being used to carry persons for a **fee**.
 - a. This exclusion (A.1.) does not apply to the use of **your covered auto** for a shared-expense car pool;
2. Being used to carry or deliver property for a **fee** This does not apply to a **covered person** unless the primary use of the **covered auto** is to carry property for a **fee**.
3. Being used in the **automobile business**.
4. Being used in the course of any **business** not described in A.3, unless **you** have paid a specific premium for **business use** coverage.
5. Rented or leased to another person that is not listed on the **Declarations Page** for a **fee**.

This exclusion (5.) does not apply to the use of **your covered auto** for a:

- a. shared-expense car pool; or
- b. volunteer or charitable activity when there is no compensation made or compensation is limited only to reimbursement of operating expenses.
- c. If **you** or any **resident relative** lends **your** covered auto to another person for reimbursement of operating expenses only.
6. Being used to transport hazardous material, explosive substances, or flammable liquid other than chemicals used to maintain the vehicle or common household chemicals.
7. While being operated in, or while in practice or preparations for, any **racing** event, hill climb, demonstration, speed contest or performance contest, regardless of whether such event is prearranged or organized.
8. While being driven, operated, or used by a person who is specifically excluded by endorsement.
9. Being used by a **TNC driver** for a **TNC**. This exclusion applies while the **TNC driver** is logged on to a

TNC's digital network as a **TNC driver** or is engaged in a **prearranged ride**. This exclusion does not apply to a share-the-expense car pool.

B. **Loss** to a **non-owned auto**, or any vehicle used as a temporary substitute for **your covered auto**, when used by **you**, a **resident relative**, or a **resident** of **your** household without a reasonable belief that **you** or such other person are entitled to do so.

C. Damage due and confined to:

1. Wear and tear;
2. Freezing;
3. Mechanical, electronic or electrical breakdown or failure;
4. Deterioration, rust or corrosion; or
5. Road damage to tires.

This exclusion (C.) does not apply if the damage results from the total theft of **your covered auto**.

D. **Loss** due to or as a consequence of:

1. Radioactive contamination;
2. Discharge of any nuclear weapon (even if accidental);
3. War (declared or undeclared);
4. Civil war;
5. Insurrection.

E. **Loss** to stereos, radios, and other sound reproducing equipment. This exclusion (E.) does not apply if the original manufacturer installs the equipment permanently in **your covered auto**.

F. **Loss** to tapes, records or other devices for use with equipment designed for the reproduction of sound.

G. **Loss** to the **covered auto** for **diminution of value**.

H. **Loss** due and confined to:

1. Prior **loss** or damage. However, the reduction for unrepaired prior damage does not apply if the **loss** would require the labor, parts, and materials, regardless of any prior damage;
2. Manufacturer's defects or faulty materials; and
3. **Your** lack of routine and/or proper maintenance as prescribed by the manufacturer.

I. **Loss** to a camper body or **trailer** not shown in the **Declarations Page**.

This exclusion (H.) does not apply to a camper body or **trailer you**:

1. Acquire during the policy period; and
2. Notify **us** within 20 days after **you** become the **owner**.

J. When in or upon any **trailer**, **loss** to:

1. TV antennas;
2. Awnings or cabanas; or
3. Equipment designed to create additional living facilities.

K. **Loss** to any:

1. Vehicle rented to **you** or anyone else, other than a **temporary vehicle**;
2. **Trailer** rented to **you** or anyone else; or

3. Other **property damage** to that rental property.

L. **Loss** to any of the following or their accessories:

1. Citizens band radio;
2. Two-way mobile radio;
3. Telephone;
4. Scanning monitor receiver;
5. Any device or instrument used for detection of radar or other speed measuring equipment; or
6. All electronics, computers and computerized equipment not essential to the normal operation of the motor vehicle.

This exclusion (L.) does not apply to equipment permanently installed in **your covered auto** or a **non-owned auto** by the auto manufacturer, including such equipment previously repaired or replaced.

M. **Loss** to any **Non-OEM** custom furnishings or equipment in or upon any **auto**. Custom furnishings or equipment or **Non-OEM** items include but are not limited to:

1. Special carpeting and insulation, furniture, bars or television receivers;
2. Facilities for cooking and sleeping;
3. Height extending roofs; or
4. Custom murals, paintings or other decals or graphics.

N. As a consequence of a seizure of **your covered auto** by law enforcement officers as evidence in a case against **you** by the Texas Controlled Substances Act or Federal Controlled Substances Act if **you** are convicted in such a case.

O. **Loss** to **your covered auto** due to forfeiture ordered by the courts or destruction or confiscation by governmental or civil authorities or by repossession by an unknown rightful **owner**. This exclusion does not apply to the interests of loss payees in **your covered auto**.

P. **Loss** to any **non-owned auto** while used or driven by a person while employed or engaged in the **automobile business**.

Q. **Loss** to **your covered auto** arising out of or in connection with its operation or use by a person while engaged as a **TNC driver**. This exclusion applies while the person is logged on to a **TNC's digital network** as a **TNC driver** or is engaged in a **prearranged ride**. This exclusion does not apply to a share- the-expense car pool.

R. **Loss** to **your covered auto** caused by an intentional act of a **covered person** or at the direction of a **covered person** listed on the **Declarations Page**.

S. **Loss** due to theft or conversion of **your covered auto**:

1. By a **covered person** listed on the **Declarations Page**;
2. By a person to whom **you** have voluntarily entrusted **your covered auto**, unless you contact the police and file a report as soon as practicable.
3. Prior to its delivery to a **covered person** listed on the **Declarations Page**.

T. **Loss** to a **covered auto** due to abandonment.

U. **Loss** that occurs to a **covered auto** while being located or used as a primary residence.

V. **Loss** to a **covered auto** that results from, or occurs in the course of, a criminal act or criminal omission of **you**, a **relative**, or anyone using the **covered auto**, or while attempting to elude law enforcement. This includes, but is not limited to, **loss** that results from, or that occurs in the course of, leaving the scene of a crime. For purposes of this exclusion, "crime" does not include a traffic violation.

- W. To a **covered auto** caused directly by mold, mildew or fungus, including any type or form of:
1. decomposing or disintegrating organic material or micro-organism;
 2. organic surface growth on moist, damp, or decaying matter;
 3. yeast or spore-bearing plant-like organism; or
 4. spores, scents, toxins, bacteria, viruses, or any other by-products produced or released by any mold, mildew, fungus, or other microbes.
- This exclusion does not apply to mold, mildew, fungus or other microbes that ensue from a covered loss.

- X. Amounts incurred for:
1. Mileage;
 2. Fuel;
 3. Collision damage waiver;
 4. Navigation devices;
 5. Insurance; or
 6. Tolls.

Coverage for breakage of glass shall be excess if other insurance is afforded for such breakage. **We** have no duty under this Part D to pay for or replace any insignia, stickers, decals, logos, trademarks, or decorative markings on windshields or other glass that is replaced as a result of a covered **loss**.

LIMIT OF LIABILITY

Our limit of liability for **loss** will be the lesser of the:

- A. **Actual cash value** of the stolen or damaged property.
- B. Amount necessary to repair the property to its pre-loss condition or to replace the property with other of like kind and quality.
- C. Payments for **loss** covered under this Part D are subject to the following provisions:
 1. **Our** payment shall not include the amount of the applicable deductible shown on the **declarations page**.
 2. If **loss** occurs to more than one **covered auto** in the same **accident**, a separate deductible shall apply to each **covered auto**.
 3. If **loss** to a **covered auto** is the result of more than one **accident** or **loss**, a separate deductible shall apply to each **accident** or **loss**.
 4. Any deductible that applies to a loss payee or lienholder shall not reduce any deductible that applies to **you**.
 5. Stated amount shown on the **Declarations Page**, if any.

However, our limit of liability under this PART D may never exceed \$1000 for **customized equipment and parts** unless you purchase Additional Customized Equipment and Parts Coverage.

- D. No one will be entitled to duplicate payments for any elements of damages under this policy or any other source. Any amount paid or payable for a **loss** under this Part D shall reduce, or be reduced by, any amount paid or payable for that **loss** under Part A or Part C of this policy.
- E. In the event of a total **loss** to an **auto** listed on the **Declarations Page**, **you**, or someone on **your** behalf, must provide **us** the key to such **auto** at **our** request. If **we** are not provided the key to such **auto**, **we** will reduce any amount payable to **you** by \$250 because of:

1. The cost in duplicating the key; or
2. The **loss** in salvage value.

This provision will not apply if **you** retain the salvage.

- F. After an **accident** to which Part D applies, **we** will pay reasonable charges, as determined by **us**, for transporting and storing a **covered auto** or **temporary vehicle** to a repair facility near the location of **loss**.

PAYMENT OF LOSS

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

1. **You**; or
2. The address shown in this policy.

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

We may make payment for a **loss** to **you**, the **owner** of the property or the lienholder.

If **we** make a payment for theft or total **loss** of an **auto**, **you** or the **owner** must transfer the title of that **auto** to **us** at or before the time of payment, unless **you** or the **owner** keep the salvage of a totaled **auto**.

A party with an additional interest in a **covered auto** shall have no greater rights than **your** rights to recover for a **loss**.

NO BENEFIT TO BAILEE

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

OTHER INSURANCE

- A. If other insurance also covers the **loss**, **we** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits.
- B. For any **loss** to which Uninsured/Underinsured Motorists Coverage (from this or any other policy) and this coverage both apply, **you** may choose the coverage from which damages will be paid.

You may recover under both coverages, but only if:

1. Neither one by itself is sufficient to cover the **loss**;
 2. **You** pay the higher deductible amount (but **you** do not have to pay both deductibles); and
 3. **You** will not recover more than the actual damages.
- C. Any insurance **we** provide under this Part D for a **temporary vehicle** shall be excess over all other collectible insurance, self-insurance, or bonds applicable to that **auto**.

APPRAISAL

If **you** and **we** do not agree on the amount of **loss**, either party may demand an appraisal of the **loss** and shall abide by the terms, definitions, and conditions of the policy. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the **actual cash value** and the amount of the **loss**. If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

- A. Pay its chosen appraiser; and

B. Bear the expenses of the appraisal and umpire equally.

We do not waive any of **our** rights under this policy by agreeing to an appraisal. No appraiser or umpire shall have authority to hear or decide class or representative claims.

LOSS PAYABLE CLAUSE

Loss or damage under “Part D – Coverage for Damage to Your Auto” shall be paid as interest may appear to **you** and the loss payee shown on the **Declarations Page**. This insurance covering the interest of the loss payee shall not become invalid because of **your** fraudulent acts or omissions, unless the **loss** results from **your** conversion, secretion or embezzlement of **your covered auto**. However, **we** reserve the right to cancel the policy as permitted by policy terms and the cancellation shall terminate this agreement as to the loss payee’s interest. **We** will give the same advance notice of cancellation to the loss payee as **we** give the named insured shown on the **Declarations Page**. When **we** pay the loss payee **we** shall, to the extent of the payment, be subrogated to the loss payee’s rights of recovery.

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

GENERAL DUTIES

- A. **We** must be notified promptly of how, when and where the **accident** or **loss** happened. Notice should also include the names and addresses of any injured persons and of any witnesses, if known.
- B. **We** do not provide coverage under this Policy unless **you** have paid the required premium. Failure to give notice as required may affect coverage provided under this Policy. Failure to comply with any of the duties in this Policy which prejudice **us** may result in denial of coverage and relieve **us** of all duties to investigate, settle, defend, pay any judgment, or otherwise honor any claims made by a **Covered Person** or against a **Covered Person**.
- C. A person seeking any coverage must:
 - 1. Cooperate with **us** in the investigation, settlement or defense of any claim or suit.
 - 2. Promptly send **us** copies of any notices or legal papers received in connection with the **accident** or **loss**.
 - 3. Submit, as often as **we** reasonably require, to physical exams by physicians **we** select. **We** will pay for these exams.
 - 4. Authorize **us** to obtain:
 - a. Medical records which are reasonably related to the injury or damage asserted to;
 - b. Any information or data collected or stored on any device including but not limited to an Event Data Recorder (EDR) installed or contained in **your covered auto**; and
 - c. Other pertinent records in accordance with applicable law. Pertinent records shall not include federal tax income records unless the loss is caused by fire.
 - 5. When required by **us**:
 - a. Submit a sworn proof of loss;
 - b. Submit to a recorded statement or examination under oath.
 - i. Minors may have a parent or guardian present during an examination under oath.

NOTICE: If **we** determine and can show that **your** failure to comply with terms in “PART E – Duties After An Accident Or Loss”, Section (B.) materially resulted in prejudice to **our** loss adjustment or investigation, it may result in denial of coverage.

D. Within 15 days after **we** receive **your** written notice of claim, **we** must:

1. Acknowledge receipt of the claim. If **our** acknowledgement of the claim is not in writing, **we** will keep a record of the date, method and content of **our** acknowledgement.
2. Begin any investigation of the claim.
3. Specify the information **you** must provide in accordance with Section (B.) above.

We may request more information, if during the investigation of the claim such additional information is necessary.

E. After **we** receive the information **we** request, **we** must notify **you** in writing whether the claim will be paid or has been denied or whether more information is needed:

1. Within 15 **business days**; or
2. Within 30 days if **we** have reason to believe the **loss** resulted from arson.

F. If **we** do not approve payment of **your** claim or require more time for processing **your** claim, **we** must.

1. Give the reasons for denying **your** claim; or
2. Give the reasons **we** require more time to process **your** claim. **We** must either approve or deny **your** claim within 45 days after requesting more time.

G. In the event of a weather-related catastrophe or major natural disaster, as defined by the Texas Department of Insurance, the claim-handling deadlines as stated above are extended for an additional 15 days.

H. Loss Payment

1. If **we** notify **you** that **we** will pay **your** claim, or part of **your** claim, **we** must pay within 5 **business days** after **we** notify **you**.
2. If payment of **your** claim or part of **your** claim requires the performance of an act by **you**, **we** must pay within 5 **business days** after the date **you** perform the act.

I. Notice of Settlement of Liability Claim

1. **We** will notify **you** in writing of any initial offer to compromise or settle a claim against **you** under the liability section of this policy. **We** will give **you** notice within 10 days after the date the offer is made.
2. **We** will notify **you** in writing of any settlement of a claim against **you** under the liability section of this policy. **We** will give **you** notice within 30 days after the date of settlement.

J. If a claim is made or suit is brought against **you**, **you** shall immediately forward to **us** every demand, notice, summons or other process received by **you** or **your** agent or representative. **We** will not be obligated to pay, and shall not pay under "Part A – Liability Coverage" unless **we** receive actual notice of a lawsuit before a judgement has been entered in said suit.

ADDITIONAL DUTIES FOR UNINSURED/UNDERINSURED MOTORISTS COVERAGE

A person seeking Uninsured/Underinsured Motorist Coverage must also:

- A. Promptly notify the appropriate law enforcement officials within 24 hours of discovery, or as soon as practical, if a hit and run driver is involved;
- B. Promptly send **us** copies of the legal papers if a suit is brought;
- C. Take reasonable steps after loss, at **our** expense, to protect damaged property from further loss; and
- D. Permit **us** to inspect and appraise the damaged property before its repair or disposal.

ADDITIONAL DUTIES FOR COVERAGE FOR DAMAGE TO YOUR AUTO

A person seeking Coverage for Damage to Your **Auto** must also:

- A. Take reasonable steps after **loss** to protect **your covered auto** and its equipment, or **your trailer**, from further **loss**. Any further loss due to your failure to reasonably protect the covered auto shall not be recoverable under this policy; **we** will pay reasonable expenses incurred to do this.
- B. Promptly notify the appropriate law enforcement officials within 24 hours of discovery, or as soon as practical, if **your covered auto** is stolen, vandalized, or involves damage due to fire unless fire damage is caused by wildfire.
- C. Permit **us** to photograph, inspect and appraise the damaged property before its repair or disposal.

PART F - GENERAL PROVISIONS

ADDITIONAL DEFINITIONS USED IN THIS SECTION

- A. “**Mail**”, “**Mailing**” or “**mailed**” means:
 - 1. Delivery by **us** to any of the following:
 - i. United States Postal Service; or
 - ii. Public or private mail carrier
 - 2. Sent by us through electronic transmissions, if not prohibited by state law; or
 - 3. Any other methods allowed by law.
- B. “**Proof of mailing**” means sufficient evidence that a correspondence or notice has been presented to the United States Postal Service for mailing. **Proof of mailing** includes, but is not limited to, any form of certificate of **mailing** or certificate of bulk **mailing** issued by the United States Postal Service, including a Certificate of Bulk **Mail** or any other form allowed by state law.

BANKRUPTCY

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

CHANGES

- A. This Policy contains all the agreements between **you** and **us**. Its terms may not be changed or waived except by endorsement by **us**.
- B. Any adjustment of **your** premium will be made using **our** rules in effect at the time of the change. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:
 - 1. The number, type or use classification of **your covered autos**;
 - 2. Operators using **your covered autos**;
 - 3. The place of principal garaging of **your covered autos**; and
 - 4. Coverage, deductible, or limits.
 - 5. People residing in your household;
 - 6. The use of **your covered auto** insured under **your** Policy;
 - 7. **You** or a **resident relative** obtain a driver's license or operator's permit or have a driver's license revoked, suspended or reinstated; or

8. The marital status of **you**, or a **resident relative**.
- C. If this policy form is revised to provide more coverage without additional premium charge, **we** will automatically provide the additional coverage as of the date the revision is effective.
- D. **We** must be notified promptly if **you** should move to another state or province and **your covered auto** is no longer principally garaged in Texas. This policy is void or voidable if a false statement was made in the application for this policy, or anywhere in this policy and it is shown at trial that the matter misrepresented was material to the risk.
- E. If **you** ask **us** to delete an **auto**, no coverage will apply as of the date and time **you** ask **us** to delete such **auto**.

FRAUD AND MISREPRESENTATION

To the extent permitted by Texas Insurance Code sections 705.003 and 705.004:

- A. **We** may void this policy or deny coverage for material misrepresentation or fraud in the **application** and/or endorsements if **you** have made false statements or concealed facts in connection with the **application** or any request for a change for this policy and **we** can show at trial that the matter misrepresented either:
1. Was material to the risk; or
 2. Contributed to the **accident** or **loss** on which this policy became due and payable.
- B. **We** have the right to void this policy from its inception or deny coverage, and may do so if:
1. **You** or any person who would otherwise be insured under this policy made a material misrepresentation, including a false statement, in a proof of **loss**, or any written or verbal statement in connection with any **accident** or **loss** for which coverage or benefits are sought under this policy; and
 2. **We** can show at trial that such misrepresentation:
 - a. Was fraudulently made;
 - b. Misrepresented a fact material to the question of our liability under this policy; and
 - c. Misled **us** and caused **us** to waive or lose a valid defense to the policy.
- C. If **we** void this contract:
1. It is as if the contract was never formed and this policy was never issued. There is no coverage for any **accident** or **loss**.
 - a. Any partial premium payment **we** have received from **you** will be refunded.
 - b. **You** must repay **us** for any amounts **we** paid to or on behalf of any insured person under any part of this policy.
- D. If **we** make a payment under this Policy for a **loss** or accident to **you** or to a person seeking coverage under this Policy which **we** later discover was obtained through fraud, concealment or misrepresentation by **you** or the person seeking coverage under this Policy, **we** reserve the right, at **our** sole discretion, to recover such payment made or incurred.

ARBITRATION

If **we** and an insured person do not agree whether that insured person is legally entitled to recover damages, or if either party disagrees as to the amount of damages that are recoverable by the insured under "Part B1 – Medical Payments Coverage" or "Part B2 – Personal Injury Protection Coverage" or "Part C – Uninsured/Underinsured Motorist Coverage", then the matter may be arbitrated

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third arbitrator. If they cannot agree on a third arbitrator within 30 days, either may appear in a court of jurisdiction to request that the judge appoint a third arbitrator.

Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally. Unless both parties agree otherwise, the arbitration is to take place in the county in which the insured resides and the American Arbitration Association rules as to procedure and evidence will apply. If the parties do not agree to be governed by the American Arbitration rules, local rules of law as to procedure and evidence will apply.

The amount of damages agreed to by the arbitrators shall be binding, subject to the limits shown on the **Declarations Page**. The arbitrators shall have no authority to:

1. Award an amount in excess of the limit of liability for the applicable BI, B2, or Part C coverage shown on the Declarations Page;
2. Award any amount as punitive or exemplary damages;
3. Award any costs or **fees**;
4. Award any amount as interest;
5. Decide any coverage issue; or
6. Decide any issues or resolve any dispute with respect to anything other than:
 - a. The legal liability of the **owner** or operator of an **uninsured motor vehicle**; and
 - b. The amount of compensatory damages that are recoverable by the **covered person**.

As a part of **our** claims handling procedures, **we** may use software designed to evaluate **bodily injury** under "Part C – Uninsured/Underinsured Motorists Coverage".

Any Claim for arbitration must be filed within two (2) years of the date of the **accident**, inclusive of the date of the **accident**.

SETTLEMENT OF CLAIMS

We may use estimating, appraisal, or injury evaluation systems or tools to determine any amounts to be paid under this Policy. These systems or tools may be developed by **us** or by third parties and may include computer software, databases, and special technology.

LEGAL ACTION AGAINST US

We may not be sued unless there is full compliance with all terms of this policy. **We** may not be sued under Part A of this policy until the obligation of an insured to pay is finally determined by judgement after trial against the insured or by written agreement of the insured, the claimant and **us**. No one shall have any right to make **us** a party to a suit to determine the liability of an insured. Any lawsuit brought against **us** under the policy must be commenced within 2 years and one day from the date the cause of action first accrues. A cause of action first accrues on the date of the initial breach of **our** contractual duties alleged in the action. If **we** retain salvage, **we** have no duty to preserve or otherwise retain the salvage for any purpose, including as evidence for a legal proceeding absent any specific and formal written request to do so and prior to the disposal or sale of salvage.

OUR RIGHT TO RECOVER PAYMENT

- A. If **we** make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another **we** shall be subrogated to that right.
That person shall do:
 1. Whatever is necessary to enable **us** to exercise **our** rights;
 2. Nothing after loss to prejudice them. (A release of the insurer of an **uninsured/underinsured motor**

vehicle does not prejudice **our** rights.)

3. Deliver to **us** any legal paper relating to that recovery; and
4. Take the necessary or appropriate action, through a representative designated by **us**, to recover payment as damages from the response person or organization. If there is a recovery, then **we** shall be reimbursed out of the recovery for expenses, costs and attorney fees incurred in connection with this recovery;

However, **our** rights in this paragraph do not apply under “Part – D Coverage For Damage To Your Auto” against any **covered person** using **your covered auto** with a reasonable belief that person is entitled to do so.

- B. If **we** make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
1. Hold in trust for **us** the proceeds of the recovery; and
 2. Reimburse **us** to the extent of **our** payment. (However, **we** may not claim the amount recovered from an insurer of any **uninsured/underinsured motor vehicle**.)

POLICY PERIOD AND TERRITORY

- A. This Policy applies only to **accidents** and **losses** which occur:
1. During the policy period as shown on the **Declarations Page**; and
 2. Within the policy territory.
- B. The Policy territory is:
1. The United States of America, its territories or possessions; or
 2. Canada.

NOTICE: No Mexico Coverage. There is no 25-mile or any allowed distance for coverage into Mexico. An **auto accident** is a civil and criminal matter in Mexico. This policy provides no coverage in Mexico.

TERMINATION

- A. **Changes to Policy on Renewal:** A change to a policy provision on renewal is not a nonrenewal or cancellation under this policy if **we** provide **you** with written notice of any **material change** between the policy offered to **you** on renewal and the policy held immediately before renewal. Notice of a **material change** will be provided to you not later than the 60th day before the renewal date. **Material change** means a change to a policy that, with respect to a prior or existing policy:
1. Reduces coverage;
 2. Changes conditions of coverage; or
 3. Changes the duties of the insured.
- B. **Cancellation.** This policy may be cancelled during the policy periods as follows:
1. The named insured shown on the **Declarations Page** may cancel by:
 - a. Returning this policy to **us**; or
 - b. Giving **us** advance written notice of the date cancellation is to take effect.
 2. **We** may cancel by **mailing** at least 10 days' notice to the named insured at the address shown on the **Declarations Page**.
 3. Once this policy is in effect for 60 days, or if this is a renewal or continuation policy, **we** will cancel only:
 - a. If **you** submit a fraudulent claim;

b. For nonpayment of premium; or

c. If **your** driver's license or motor vehicle registration, or that of any other driver who resides in **your** household or who customarily operates **your** covered auto, is suspended or revoked.

i. **We** will not cancel for this reason, however, if **you** consent to a change to this policy terminating coverage for the person whose license is suspended or revoked.

4. **We** may not cancel this policy based solely on the fact that **you** are an elected official.

5. **We** may cancel this policy effective on any 12-month anniversary of the original effective date of the policy by mailing written notice of cancellation to **you**. Notice will be mailed not later than the 60th day before the effective date of cancellation.

C. **Non-renewal.** If **we** decide not to renew or continue this policy, **we** will **mail** notice to the named insured at the address shown on the **Declarations Page**. Notice will be mailed at least 60 days before the end of the policy period. If the policy period is other than 1 year, **we** will have the right not to renew or continue it only at each anniversary of its original effective date.

We will not refuse to renew because of a **covered person's** age. **We** may not refuse to renew this policy based solely on the fact that **you** are an elected official.

Notwithstanding **our** failure to notify **you** under this paragraph, this policy terminates on the effective date of any replacement or succeeding personal automobile policy with another carrier with respect to **you**.

Texas law requires **us** to nonrenew **your** policy when **you** or any **covered person** fails or refuses to cooperate with **us** in the investigation, settlement, or defense of a third-party liability claim or **we** are unable to contact **you** or any **covered person** using reasonable efforts for those same purposes. **We** may not renew **your** policy if the insured fails or refuses to cooperate with **us** in the investigation, settlement, or defense of the third-party liability claim, regardless of the required notice or policy anniversary.

D. **Automatic Termination.**

1. If, at any time, **you** obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that **auto** on the effective date of the other insurance.
2. If **we** offer to renew or continue and **you** or **your** representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that **you** have not accepted **our** offer.

E. **Payment of Premium.**

1. If **you** make a premium payment for a renewal of **your** Policy using an uncollectible instrument, **our** offer of policy renewal is deemed rejected by **you** and the Policy terminated without renewal. **Our** right to nonrenew this Policy will not be affected if **we** submit the remittance for payment more than once.
2. Examples of an uncollectible instrument and payment not being honored upon presentment include, but are not limited to:
 - a. Checks dishonored or refused due to insufficient funds;
 - b. Checks drawn from closed accounts;
 - c. Invalid credit cards or credit card charges dishonored or refused by the issuing financial institution; and
 - d. Electronic Funds Transfer (EFT) or Automated Clearing House (ACH) transfers or

payments from a financial institution or similar account that are refused, dishonored, or rejected.

3. If any of these acts or events occur at initial **application** or at any time during the policy period, it shall be deemed to be nonpayment of premium.

F. **Other Termination Provisions.** If someone other than a **covered person** who is listed on the **Declarations Page** becomes the **owner** of the **auto**, coverage for that **auto** will automatically terminate. The termination will correspond with the time that possession or title is conveyed to the new **owner**.

1. **We** may deliver any notice instead of **mailing** it. Proof of **mailing** of any notice shall be sufficient proof of notice.
2. If this policy is cancelled, **you** may be entitled to a premium refund. If so, **we** will send **you** the refund within 15 **business days** after the effective date of cancellation or termination of the policy. The premium refund, if any, will be computed pro rata. However, making or offering to make the refund is not a condition of cancellation.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.
4. Any cancellation or restriction of coverage made without **your** consent will be of no effect except as provided for in this Termination provision under:
 - a. Cancellation;
 - b. Non-renewal;
 - c. Automatic Termination; or
 - d. Required by the Texas Department of Insurance.

TRANSFER OF YOUR INTEREST IN THIS POLICY

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

NOTE: Refer to Medical Payments and/or Personal Injury Protection Coverage for Assignment of Benefits.

TWO OR MORE AUTO POLICIES

If this policy and any other **auto** insurance policy issued to **you** by **us** apply to the same **accident**, the maximum limit of **our** liability under all the policies shall not exceed the highest applicable limit of liability under one policy, even when separate premiums have been paid.

POLICY TO CONFORM WITH STATUTES

Any provision of this policy which conflicts with the statutes of the State of Texas shall be deemed amended to conform with such statutes to the extent required by law. Any provision of this policy, which may be deemed void or unenforceable, shall not affect the applicability of enforceability of the remaining provisions of the policy.

NAMED DRIVER EXCLUSION

If **you** have asked **us** to exclude any named person from coverage under this policy, then **we** will not provide coverage under this policy for any claim arising from an **accident** or **loss** involving a motorized vehicle being operated by that excluded person.

JOINT AND INDIVIDUAL INTERESTS

You may change or cancel this Policy; however, **your** action(s) shall be binding on all persons provided coverage under this Policy.

NON-OWNER COVERAGE

If **you** have elected Non-Owner Coverage, this policy applies only to the permissive use by the **named insured** of an **auto** that is:

- A. not **owned** by or registered to **you**, a **relative**, or any person who resides in **your** household; and
- B. not furnished or made available for the regular use of **you**, any **relative**, or any resident of **your household**.

For purposes of this Non-Owner Coverage, the term “**named insured**” means the person shown as the named insured on the **declarations page**.

The following policy changes shall also apply:

- A. The general policy definitions of **you** and **your** are revised to mean only the **named insured**.
- B. No party or person other than the **named insured** is insured under this policy.
- C. The definition of **insured** is revised in all parts of the policy to mean and only cover the **named insured**. No party or person other than the **named insured** has any insurance under this policy.
- D. No coverage applies under the policy for use of any vehicle other than the use of an **auto** that is not:
 - 1. **owned** by or registered to **you**, a **relative**, or any person who resides in **your** household;
 - 2. furnished or made available for the **regular use** of **you**, a **relative**, or any person who resides in **your** household; or
 - 3. used for **business** purposes.
- E. No coverage applies under the policy for anyone other than the **named insured**.
- F. The Other Insurance clause in each part of this policy is deleted and provides in its place that any insurance **we** provide shall be excess over any other applicable insurance, self-insurance, or bond providing the same or similar insurance or benefits.
- G. No coverage applies under Part D of this policy.

ELECTRONIC SIGNATURE

- A. **You** and **we** agree that electronic signatures may be used and will satisfy any regulatory or other requirement for written signatures. When a law requires:
 - 1. A signature on any form or document; or
 - 2. A letter or document to be notarized, verified, acknowledged, or made under oath;

the electronic signatures will satisfy this requirement if the signature of the person authorized to perform the service of notarizing, verification, or acknowledgment is attached or logically associated with the signature or electronic signatures of record.

- B. **You** and **we** agree that electronic signatures shall include, but are not limited to, any assent; acceptance; agreement; election; selection; and rejection sent via e-mail; internet; text message; or fax, when done with the intent of the person to be bound, as if signed in writing.

SPECIAL PROVISIONS

This Company is licensed to operate under Chapter 912, Texas Insurance Code, and such statutes shall apply to and form a part of this policy the same as if written or printed upon, attached or appended hereto.

This policy is issued subject to the constitution and bylaws and all amendments thereto of the company, which shall form a part of this policy.

MUTUALS – MEMBERSHIP AND VOTING NOTICE – The insured is notified that by virtue of this policy, he is a member of the Redpoint County Mutual Insurance Company and is entitled to vote either in person or by proxy at any and all meetings of said Company. The Annual Meetings are held in its Home Office in Austin, Texas, on the first Tuesday of March in each year, at 10:00 o'clock A.M.

MUTUALS – PARTICIPATION CLAUSE WITHOUT CONTINGENT LIABILITY – No Contingent Liability: This policy is non-assessable. The policyholder is a member of the Company and shall participate, to the extent and upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined.

In **Witness Whereof**, the company has caused this policy to be signed by its authorized representatives, but this policy shall not be valid unless completed by the attachment hereto of a **Declarations Page**.

President

[Variable Signature]

Secretary

[Variable Signature]