



United with you on the road • Unidos contigo en el camino

Millennium Policy

**Report Claims To:
Alliance United Insurance Company
P.O. Box 6042
Camarillo, CA 93011-6042
Phone (800) 508-5833**

Fraud Warning

Pursuant to California Insurance Code Section 1879.2, you are hereby notified that any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fine and confinement in state prison.

Warning – No Coverage In Mexico

This policy provides no coverages for accidents or losses that occur in Mexico. Unless you have automobile insurance written by a Mexican Insurance Company, you may spend many hours or days in jail, if you have an accident in Mexico. Insurance coverage should be secured from a company licensed under the laws of Mexico to write such insurance in order to avoid complications and some other penalties possible under the laws of Mexico, including the possible impoundment of your automobile.

Warning – Reduction in Coverage

There may be a Reduction in Coverage for some drivers of **covered vehicles**. See pages 7 and 8 of this policy.

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PLEASE REFER TO THE “GENERAL PROVISIONS” SECTION OF THIS POLICY AND READ THE FOLLOWING PROVISIONS CAREFULLY. THEY MAY AFFECT YOUR COVERAGE IN THE FUTURE:

**POLICY CHANGES
CANCELLATION
NONRENEWAL**

AGREEMENT

If **you** pay the exact premium as billed by the due date, **we** agree to provide this insurance, subject to all the terms and provisions of this policy, and up to the Limits of Liability described in this policy and shown on the **Declarations Page**.

POLICY PERIOD AND TERRITORY

This policy applies only to **accidents** and **losses** occurring during the policy period shown on the **Declarations Page** and which occur within any state, territory, or possession of the United States of America, or any province of Canada, or while a **covered vehicle, non-owned vehicle, or trailer** is being transported between their ports.

YOUR DUTIES IN CASE OF AN ACCIDENT OR LOSS

NOTICE OF ACCIDENT OR LOSS

If there is an accident or loss arising out of the ownership, maintenance or use of a vehicle, for which coverage may be provided under this policy, report it to us within twenty-four (24) hours or as soon as practicable by calling us at 1-800-508-5833.

You should report each accident or loss even if an insured person is not at fault.

The following information should be reported as it is obtained:

1. time;
2. place;
3. circumstances of the **accident** or **loss**;
4. names and addresses of any injured persons;
5. names and addresses of any witnesses; and
6. the license plate numbers of the vehicles involved.

You should also notify the police within twenty-four (24) hours or as soon as practicable if:

1. a hit-and-run vehicle is involved; or
2. theft or vandalism has occurred.

OTHER DUTIES

We have no duty to provide coverage under this policy unless there has been full compliance with all terms of this policy.

A person claiming coverage under this policy must:

1. cooperate with **us** in any matter concerning a claim or lawsuit;

2. provide any written proof of loss **we** may reasonably require;
3. allow **us** to take signed or recorded statements, including statements under oath, and answer all reasonable questions **we** may ask, when and as often as **we** may reasonably require;
4. promptly send **us** any and all legal papers relating to any claim or lawsuit;
5. attend hearings and trials as **we** require;
6. take reasonable steps after a **loss** to protect the **covered vehicle** or **non-owned vehicle** from further **loss**. **We** will pay reasonable expenses incurred in providing that protection. If **you** fail to do so, any further damages will not be covered under this policy;
7. allow **us** to inspect and appraise the damage to a **covered vehicle** or **non-owned vehicle** before its repair or disposal;
8. submit to medical examinations at **our** expense by doctors **we** select as often as **we** may reasonably require;
9. authorize **us** to obtain medical and other records; and
10. refuse to, except at **your** own expense, assume any obligation or incur any expense other than medical or surgical care imperative at the scene of the **accident** and at the time of **accident**.
11. allow **us** to extract samples and fluids from **your covered vehicle**, including, but not limited to, engine oil and transmission oil, and
- 12 – allow **us** to access and extract all data contained in **your covered vehicle's** event data recorder.

DISCLOSURE OF HOUSEHOLD MEMBERS

Unless all drivers **residing** with **you** or in **your** household are listed on **your** application and the **Declarations Page**, coverage will not be afforded for those individuals. If **you** desire coverage for drivers other than those disclosed on the application and listed on the **Declarations Page** at any time during the policy period, **you** must request **your** agent or **us** to amend **your** policy to add those drivers.

FRAUD OR MISREPRESENTATION

This policy was issued in reliance upon the information provided on **your** insurance application. By **your** acceptance of this policy, **you** agree that the facts and information contained in **your** application and in the **Declarations Page** of this policy are correct and accurate and that **you** have not failed to disclose any material facts relating to the risks insured under this policy. **We** may void this policy and/or deny coverage for an **accident** or **loss** if **you** or an **insured person** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, at the time application was made or at any time during the policy period.

We may void this policy or deny coverage for an **accident** or **loss** if **you** or any **insured person** has concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation, investigation processing or settlement of a claim. **You** or the **insured person** must then reimburse **us** for all claim payments, administrative costs or processing costs incurred by **us**. This will include any

legal or processing fees incurred during the collection of this reimbursement.

We may void this policy for fraud or misrepresentation even after the occurrence of an **accident** or **loss**. This means that **we** will not be liable for any claims or damages which would otherwise be covered.

GENERAL DEFINITIONS

Except as otherwise defined in this policy, terms appearing in boldface will have the following meaning:

1. “**Accident**” means a sudden, unexpected, and unintended occurrence that results in **bodily injury** and/or **property damage**.

2. “**Bodily injury**” means bodily harm, sickness, or disease, including death that results from bodily harm, sickness, or disease. **Bodily injury** does not include any bodily harm, sickness or disease which arises out of a medically defined sexually transmitted communicable disease contracted by any insured, nor the exposure of such a disease by any insured to any other person.

3. “**Business**” includes a trade, profession, commercial enterprise, occupation, job or any activity for compensation, but shall not include the use of **your covered vehicle** when used to carry tools or supplies between **your** home and workplace or job site

4. “**Covered vehicle**” means:

a. a **vehicle** expressly identified by make, model and serial number on the **Declarations Page**;

b. any additional **vehicle** on the date **you** become the **owner** if:

i. **you** acquire the **vehicle** during the policy period shown on the **Declarations Page**;

ii. **we** insure all vehicles **owned** by **you**; and

iii. no other insurance policy provides coverage for that **vehicle**.

For a **vehicle you** acquire in addition to any **vehicle** expressly identified on the **Declarations Page**, **we** will provide the broadest coverage **we** provide for any **covered vehicle** shown on the **Declarations Page**. **We** will provide coverage for a period of thirty (30) days after **you** become the **owner**. **We** will not provide coverage after this thirty (30) day period, unless within this period **you** ask **us** to insure the **vehicle**.

However for coverage to apply under Part IV – Damage To A Vehicle, **you** must have notified **us** of **your** intent to insure the additional **vehicle** prior to the **loss** for which coverage is applicable;

c. any replacement **vehicle** on the date **you** become the **owner** if:

-
-
- i. **you** acquire the **vehicle** during the policy period shown on the **Declarations Page**;
 - ii. the **vehicle** that **you** acquire replaces one shown on the **Declarations Page**, provided that **you** have transferred title and possession of the replaced **vehicle**; and
 - iii. no other insurance policy provides coverage for that **vehicle**.

If the **vehicle** that **you** acquire replaces one expressly identified on the **Declarations Page**, it will have the same coverage as the **covered vehicle** it replaces. All coverages for the **vehicle** being replaced end when you take delivery of the replacement **vehicle**. You must ask **us** to insure a replacement **vehicle** within thirty (30) days after **you** become the **owner** if **you** want to add or continue coverage under Part IV – Damage To A Vehicle; and

- d. any **trailer owned** by **you** while drawn by or attached to a **vehicle** described in a, b, or c above.
5. “**Declarations Page**” means the report from **us** listing:
 - a. the types of coverage **you** have elected;
 - b. the limit for each coverage;
 - c. the cost for each coverage;
 - d. the specified **vehicles** covered by this policy;
 - e. the types of coverage for each such **vehicle**; and
 - f. other information applicable to this policy.
 6. “**Loss**” means sudden, direct, and accidental loss or damage.
 7. “**Non-owned vehicle**” means any **vehicle** that:
 - a. is used with express permission of the **owner** of the **vehicle**;
 - b. is not **owned** by:
 - i. **you**;
 - ii. any person listed as a driver on the **Declaration Page**;
 - iii. an **insured person’s** employer;
 - iv. a **relative**;
 - v. **your** non-resident spouse;
 - vi. a person **residing** with **you**;
 - vii. a corporation or partnership in which the combined ownership interest of **you** and **your relatives** exceeds twenty percent; and
 - c. has never been **owned** by or registered to **you**, or any other person listed as a driver on the **Declarations Page**.
 8. “**Occupying**” means in, on, entering, or exiting.
 9. “**Owned**” means the person:
 - a. holds legal title to the **vehicle**;
 - b. has legal possession of the **vehicle** that is subject to a written security agreement with an original term of six (6) months or more; or
 - c. has legal possession of the **vehicle** that is leased to that person under a written agreement for a continuous period of six (6) months or more.

10. **“Owner”** means any person who, with respect to a **vehicle**:
 - a. holds legal title to the **vehicle**;
 - b. has legal possession of the **vehicle** that is subject to a written security agreement with an original term of six (6) months or more; or
 - c. has legal possession of the **vehicle** that is leased to that person under a written agreement for a continuous period of six (6) months or more.

11. **“Property damage”** means physical damage to, or destruction or loss of use of, tangible property.

12. **“Relative”** means a person **residing** in the same household as **you**, and related to **you** by blood, marriage, or adoption, including a ward, stepchild, or foster child. Unmarried dependent children temporarily away from home will be considered **residents** if:
 - a. they are under the age of twenty-five (25) years; and
 - b. they intend to continue to reside in **your** household.

13. **“Resident”** and **“Residing”** means a person living in the household in which **you** reside when the **accident** or **loss** occurs.

14. **“Trailer”** means a vehicle designed to be towed on public roads by a **vehicle**. It includes a farm wagon or farm implement while being towed by a **vehicle**. It does not include a mobile home, or a trailer used as an office, store, display, or passenger conveyance.

15. **“Vehicle”** means a land motor vehicle:
 - a. of the private passenger, pickup body, or sedan delivery type;
 - b. designed for operation principally upon public roads;
 - c. with at least four (4) wheels; and
 - d. with a gross vehicle weight of 10,000 pounds or less.

16. **“War”** means war, whether or not declared, civil war, civil commotion, insurrection, rebellion, revolution, riot, terrorism or any act or condition incident to the foregoing.

17. **“We”**, **“Us”**, and **“Our”** mean the company providing the insurance, as shown on the **Declarations Page**.

18. **“You”** and **“Your”** mean a person shown as a named insured on the **Declarations Page**, and that person’s spouse (not including common-law marriage) if **residing** in the same household and disclosed on the application for this policy.

PART I – LIABILITY TO OTHERS

INSURING AGREEMENT – BODILY INJURY

INSURING AGREEMENT – PROPERTY DAMAGE

Subject to the Limits of Liability, if **you** pay a premium for **bodily injury** and **property damage** liability coverages, **we** will pay damages, other than punitive or exemplary damages, for **bodily injury** and/or **property damage** for which an **insured person**

becomes legally responsible because of an **accident** arising out of the ownership, maintenance, or use of a **vehicle**.

We will defend any lawsuit for damages which are payable under this policy Part I, or settle any claim for those damages as **we** think appropriate. **We** have no duty to settle or defend any lawsuit or make any additional payments after **we** have paid or offered to pay the Limit of Liability for this coverage. If, in the defense of any claim, an **insured person** is entitled by law to independent counsel, and has not waived that right in writing, **we** will provide such counsel. The **insured person** may choose independent counsel provided that such counsel has the following minimum qualifications:

1. at least five (5) years of experience in civil litigation, including substantial defense experience in the subject at issue in the action; and
2. errors and omissions coverage.

We are not obligated to pay the fees of such counsel until the **insured person** provides **us** with reasonable written proof that the counsel chosen possesses these minimum qualifications. In no event are **we** obligated to pay fees in excess of the rate actually paid by **us** to an attorney in the ordinary course of business in the defense of a similar action in the community in which the claim arose or is being defended.

We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

ADDITIONAL DEFINITIONS

When used in this Part I, “**insured person**” or “**insured persons**” means:

1. **you** with respect to an **accident** arising out of the ownership, maintenance, or use of a **covered vehicle**;
2. a **relative** with respect to an **accident** arising out of the ownership, maintenance, or use of a **covered vehicle**;
3. any person with respect to an **accident** arising out of that person’s use of a **covered vehicle** with **your** express permission and within the scope of **your** permission, so long as that person was not a **resident** of your household unless disclosed on the application for this policy or added by endorsement. Such person must hold a valid driver’s license or permit at the time of **accident** or **loss**, unless the person is listed on the **Declarations Page** as a driver;
4. a **relative** listed as a driver on the **Declarations Page** with respect to an **accident** arising out of the use of a **non-owned vehicle** with the express or implied permission of the **owner** of the **vehicle**;
5. **you** with respect to an **accident** arising out of the maintenance or use of any **vehicle** with the express or implied permission of the **owner** of the **vehicle**.

ADDITIONAL PAYMENTS

In addition to our Limit of Liability, **we** will pay for an **insured person**:

1. **all expenses** that **we** incur in the settlement of any claim or defense of any lawsuit;

2. interest accruing after entry of judgment, until **we** have paid or tendered that portion of the judgment which does not exceed **our** Limit of Liability. This does not apply if **we** have not been given notice of suit or the opportunity to defend an **insured person**;
3. premiums on appeal bonds or attachment bonds required in any lawsuit **we** defend. **We** have no duty to purchase bonds in an amount exceeding **our** Limit of Liability, and **we** have no duty to apply for or furnish these bonds;
4. up to \$100 for a bail bond required because of an **accident** arising out of the ownership, maintenance, or use of a **covered vehicle** or **non-owned vehicle**. **We** have no duty to apply for or furnish this bond; and
5. reasonable expenses, including loss of earnings up to \$50 a day, incurred at **our** request.

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

Coverage under this Part I, including **our** duty to defend, does not apply to:

1. **bodily injury** or **property damage** arising out of the ownership, maintenance, or use of a **vehicle** while being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to shared-expense car pools;
2. any liability assumed by an **insured person** under any oral or written contract or agreement;
3. **bodily injury** to an employee of an **insured person** arising out of and in the course and scope of employment. Coverage does apply to a domestic employee unless benefits are payable or are required to be provided under any workers' compensation, disability benefits or other similar law;
4. **bodily injury** or **property damage** arising out of an **accident** involving a **vehicle** while being used by an **insured person** while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles;
5. **bodily injury** or **property damage** due to nuclear reaction or radiation;
6. **bodily injury** or **property damage** for which insurance is afforded under a nuclear energy liability insurance contract. This exclusion applies even if the limits of the nuclear energy liability insurance are exhausted;
7. **bodily injury** or **property damage** caused by an intentional act of the **insured person** against whom the claim is made or at the direction of such **insured person**;
8. **property damage** to any property owned by, rented to, being transported by, used by, or in the charge of an **insured person**. However, this exclusion does not apply to a rented residence or a rented garage damaged by a **covered vehicle**;
9. **bodily injury** to:
 - a. an **insured person**;
 - b. any person listed as a driver on the **Declarations Page**; or
 - c. any person **residing** with you;

10. **bodily injury** or **property damage** resulting from a **relative's** operation or use of a vehicle, other than a **covered vehicle, owned** by a person who resides with **you**;
11. **bodily injury** or **property damage** resulting from **your** operation or use of a vehicle **owned** by **you**, other than a **covered vehicle**;
12. **bodily injury** to **you**, a **relative** or any other person insured under this policy whenever the ultimate benefits of that indemnification accrue directly or indirectly to **you**, a **relative** or any other **insured person**;
13. **bodily injury** or **property damage** caused by any person using a **vehicle** without the express or implied permission of the **owner** or person having lawful possession, or any person who exceeds the scope of the permission granted;
14. any obligation for which the **United States** Government is liable under the Federal Tort Claims Act;
15. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **vehicle** used by an **insured person**, while employed or otherwise engaged in **business**;
16. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any motorized **vehicle** with less than four (4) wheels or more than four (4) wheels. Any **vehicle** with more than four (4) wheels must have a load capacity of one (1) ton or less and be listed on the **Declarations Page**;
17. **bodily injury** or **property damage** arising out of the loading or unloading of a **vehicle**. This exclusion does not apply if the loading or unloading is performed by **you**, a **relative**, or a lessee or bailee of the **vehicle**;
18. **bodily injury** or **property damage** occurring outside the **United States** or any province of Canada;
19. benefits payable under the no-fault laws of any state;
20. **bodily injury** or **property damage** when a **covered vehicle** is used without a reasonable belief that the driver or operator is entitled to do so. Without limiting this exclusion, any person or **insured person** operating a motor vehicle without a valid, in-force operator's license or permit cannot reasonably believe that he or she is entitled to operate a motor vehicle;
21. **bodily injury** or **property damage** occurring while **your covered vehicle** is being operated by a person excluded from coverage under a Named Driver Exclusion Endorsement;
22. **bodily injury** or **property damage** occurring while **your covered vehicle** is rented or leased to others; or
23. **bodily injury** or **property damage** caused by **war** or any consequence of **war**.

LIMITS OF LIABILITY

The Limit of Liability shown on the **Declarations Page** is the most **we** will pay regardless of the number of:

1. claims made;
2. **covered vehicles**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in an **accident**; or
6. premiums paid.

The Limits of Liability shown in **your Declarations Page** for Part I are subject to the following:

1. the **bodily injury** liability limit for “each person” is the maximum **we** will pay for all damages from **bodily injury** sustained by one (1) person in any one (1) **accident**;
2. the **bodily injury** liability limit for “each **accident**” is the maximum **we** will pay for **bodily injury** sustained by two (2) or more persons in any one (1) **accident**, subject to the **bodily injury** liability limit for “each person”; and
3. the **property damage** liability limit for “each **accident**” is the maximum **we** will pay for **property damage** in any one (1) **accident**.

The **bodily injury** limit for “each person” includes the aggregate of claims made for such **bodily injury** and claims derived from such **bodily injury**, including, but not limited to, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

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

Any payment to a person under this Part I shall be reduced by any payment to that person under Part III– Uninsured/Underinsured Motorist Coverage.

A **vehicle** and attached **trailer** are considered one (1) **vehicle**. Therefore, the Limits of Liability will not be increased for an **accident** involving a **vehicle** which has an attached **trailer**.

REDUCTION IN COVERAGE

The Limits of Liability shown on the **Declarations Page** for coverage provided under this Part I are amended and reduced to the minimum limits required by the applicable Financial Responsibility Law of the State of California for any coverage provided to a person other than:

1. **you**; or
2. an agent or employee of **you** or a **relative**.

FINANCIAL RESPONSIBILITY LAWS

When **we** certify this policy as proof of financial responsibility, this policy will comply with the law to the extent required. **You** must reimburse **us** if **we** make a payment that **we** would not have made if this policy was not certified as Proof of Financial Responsibility.

OTHER INSURANCE

If there is other applicable liability insurance or bond, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** Limit of Liability bears to the total of all applicable limits. Any insurance **we** provide for a **vehicle**, other than a **covered vehicle**, will be excess over any other collectible insurance, self-insurance, or bond.

DUTIES

In addition to fulfilling the required duties set forth in the Your Duties In Case Of An Accident Or Loss section of this policy, any **insured person** must cooperate with **us** and at **our** request attend hearings and trials and assist in making settlements, in securing and giving evidence, in obtaining the attendance of witnesses and in the conduct of suits.

Insured persons shall not, except at their own cost make any payment, assume any obligation or incur any expense.

No attorney fees or costs incurred by or on behalf of any **insured person** prior to the date notice is given to **us** of a lawsuit shall be payable under this policy. No other costs incurred by or on behalf of any **insured person** prior to the date notice is given to **us** shall be payable under this policy.

If a claim is made or lawsuit is brought against any **insured person**, any papers, including legal papers received by any insured relating to such claim or lawsuit, must be sent to **us** immediately.

PART II – MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

Subject to the Limit of Liability shown on the **Declarations Page** and the Right of Reimbursement provision under this Part II, if **you** pay a premium for medical payments coverage, **we** will pay the **usual and customary charge** for reasonable and necessary **medical expenses**, incurred within one (1) year from the date of an **accident**, for medical and funeral services because of **bodily injury**:

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

ADDITIONAL DEFINITIONS

When used in this Part II:

1. “**Insured person**” and “**insured persons**” mean:
 - a. **you** or any **relative** while **occupying a covered vehicle** or **non-owned vehicle**, or when struck by a motor vehicle or trailer while not **occupying** a motor vehicle; and
 - b. any other person while **occupying a covered vehicle**.
2. “**Medical expenses**” means reasonable and necessary medical, surgical, dental, x-ray, ambulance, hospital expenses and funeral services, and includes the cost of pharmaceuticals, orthopedics, and prosthetic devices.
3. “**Usual and customary charge**” means an amount which **we** determine represents a customary charge for services in the geographical area in which the service is rendered. **We** shall determine this customary charge through the use of independent sources of **our** choice. Please note that the “**Usual and customary charge**” for chiropractic treatment is capped at \$1,500.

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

Coverage under this Part II does not apply to:

1. **bodily injury** sustained while **occupying** a **covered vehicle** while being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to shared-expense car pools;
2. **bodily injury** sustained while **occupying** any **vehicle** used as a residence or premises;
3. **bodily injury** if workers' compensation benefits are available for the **bodily injury**;
4. **bodily injury** arising out of an **accident** involving a **vehicle** while being used by an **insured person** while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles. However, this exclusion does not apply to **you**, a **relative**, or an agent or employee of **you** or a **relative**, when using a **covered vehicle**;
5. **bodily injury** resulting from any pre-arranged or organized racing, speed or demolition contest, stunting activity, or in practice or preparation for any such contest or activity;
6. **bodily injury** due to nuclear reaction or radiation;
7. **bodily injury** for which insurance is afforded under a nuclear energy liability insurance contract. This exclusion applies even if the limits of the nuclear energy liability insurance are exhausted;
8. **bodily injury** for which the United States Government is liable under the Federal Tort Claims Act;
9. **bodily injury** sustained by any person while **occupying** a **covered vehicle** without the express or implied permission of **you** or a **relative**;
10. **bodily injury** sustained by **you** or a **relative** while **occupying** a **non-owned vehicle** without the express or implied permission of the **owner**;
11. medical or funeral expenses paid, payable, or eligible for payment under any:
 - a. motor vehicle or premises insurance affording benefits for medical or funeral expenses;
 - b. individual, blanket, or group accident, disability, health or hospitalization insurance;
 - c. medical, surgical, hospital or funeral service, benefits or reimbursement plan; or
 - d. workers' compensation or disability benefits law, or any similar law;
12. **bodily injury** sustained while any **insured person** is occupying any motorized **vehicle** with less than four (4) wheels or more than four (4) wheels. Any **vehicle** with more than four (4) wheels must have a load capacity of one (1) ton or less and be listed on the **Declarations Page**;
13. **bodily injury** caused by **war** or any consequence of **war**;
14. **bodily injury** occurring outside the **United States** or any province of Canada;
15. **bodily injury** occurring while **your covered vehicle** is rented or leased to others;
16. **bodily injury** sustained while **your covered vehicle** is

being operated by a person excluded from coverage under this policy under a Named Driver Exclusion Endorsement;

17. **bodily injury** sustained while an **insured person** commits or attempts to commit or is fleeing a felony, or by the **insured persons** involvement in an illegal occupation; or

18. **bodily injury** sustained by the **owner** of any **non-owned vehicle**.

LIMIT OF LIABILITY

The Medical Payments Limit of Liability shown on the **Declarations Page** is the most **we** will pay for each **insured person** injured in any one (1) **accident**, regardless of the number of:

1. claims made;
2. **covered vehicles**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in an **accident**; or
6. premiums paid.

PLEASE NOTE: Subject to the Medical Payments Limit of Liability shown on the Declarations Page, the maximum we will pay for any and all chiropractic treatment is \$1,500.

Any amounts payable to an **insured person** under this Part II will be reduced by any amounts paid or payable for the same expense under Part I – Liability To Others or Part III – Uninsured/Underinsured Motorist Coverage.

RIGHT OF REIMBURSEMENT

If payment is made by **us** to or on behalf of an **insured person** under this Part II, the **insured person** shall reimburse **us** from the proceeds of any sums received from any other sources for such medical and funeral expenses. Any amount recovered by the **insured person** shall be held by the **insured person** in trust for **us** and reimbursed to **us** within 30 days of receipt of such proceeds to the extent of **our** payments made under this Part II. This includes reimbursement to **us** out of any:

1. sums paid by or on behalf of any persons or organizations who may be legally responsible; and
2. sums paid under the provisions of any:
 - a. motor vehicle or premises insurance affording benefits for medical expenses;
 - b. individual, blanket, or group accident, disability, health or hospitalization insurance;
 - c. medical, surgical, hospital or funeral service, benefits or reimbursement plan; and
 - d. workers' compensation or disability benefits law, or any similar law.

In order to protect **our** right of reimbursement, **we** may notify persons or organizations who may be legally responsible for payment of medical or funeral expenses to or on behalf of the **insured person**.

OTHER INSURANCE

If there is other applicable insurance or self-insurance providing coverage for medical or funeral expenses, any insurance **we** provide shall be excess over the other applicable insurance or self-insurance. If there is other applicable excess insurance or self-insurance, **we** will pay only **our** share of the excess expenses. **Our** share is the proportion that **our** Limit of Liability bears to the total of all applicable excess limits.

OTHER PAYMENT

If an **insured person** recovers any or all of their **medical expenses** from any source other than from **us** prior to an **insured person** bringing a claim under this Part, the **insured person** will have no right to recover that amount recovered for **medical expenses** under this Part II.

PAYMENT OF CLAIMS

We may pay **you** or any other person making a claim under this policy Part II or any person or organization rendering medical or funeral services. The total amount available under this Part shall be reduced by any payment made by **us** under this Part. Payment by **us** shall not constitute an admission that the medical or funeral expenses were reasonable, necessary or otherwise covered under this Part.

PART III– UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT – UNINSURED/UNDERINSURED MOTORIST BODILY INJURY COVERAGE

Subject to the Limits of Liability, if **you** pay a premium for Uninsured/Underinsured Motorist Bodily Injury Coverage, **we** will pay for damages, other than punitive or exemplary damages, which an **insured person** is legally entitled to recover from the **owner** or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** because of **bodily injury**:

1. sustained by an **insured person**;
2. caused by **accident**; and
3. arising out of the ownership, maintenance, or use of an **uninsured motor vehicle** or **underinsured motor vehicle**.

We will pay for damages which an **insured person** is legally entitled to recover for **bodily injury** from the **owner** or operator of an **underinsured motor vehicle** only after the limits of liability under all applicable **bodily injury** liability bonds or policies have been exhausted by payment of judgment or settlements.

INSURING AGREEMENT – UNINSURED MOTORIST PROPERTY DAMAGE COVERAGE

Subject to the Limits of Liability, if **you** pay a premium for Uninsured Motorist Property Damage Coverage, **we** will pay for damages, other than punitive or exemplary damages, which an **insured person** is legally entitled to recover from the **owner** or operator of an **uninsured motor vehicle** due to **property damage**:

1. caused by **accident**; and
2. arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

You, or someone on **your** behalf, must notify **us**, or one of **our** agents, of any **accident** resulting in **property damage** within ten (10) business days from the date of the **accident**.

ADDITIONAL DEFINITIONS

When used in this Part III:

1. **“Insured person”** and **“insured persons”** mean:
 - a. **you** or a **relative**;
 - b. any person **occupying a covered vehicle**;
 - c. any person **occupying a non-owned vehicle** while it is being operated by **you**; and
 - d. any person who is entitled to recover damages covered by this Part III because of **bodily injury** sustained by a person described in a, b, or c above.
2. **“Property damage”** means physical damage to, or destruction of, a **covered vehicle**. It does not include loss of use of the **covered vehicle**.
3. **“Underinsured motor vehicle”** means a land motor **vehicle** to which a **bodily injury** liability bond, policy, cash deposit, or self-insurance certificate applies at the time of the **accident**, but the sum of all such bonds, policies, deposits or self-insurance is less than the coverage limit for Underinsured Motorist Coverage shown on the **Declarations Page**.

An **underinsured motor vehicle** does not include any vehicle or equipment:

- a. **owned** by **you** or a **relative**;
 - b. **owned** by any governmental unit or agency;
 - c. operated on rails or crawler treads;
 - d. designed mainly for use off public roads, while not on public roads;
 - e. while used as a residence or premises;
 - f. expressly identified by make, model and serial number on the **Declarations Page** of this policy; or
 - g. not required to be registered as a motor vehicle.
4. **“Uninsured motor vehicle”** means a land motor **vehicle** or trailer of any type:
 - a. to which no liability bond or policy applies at the time of the **accident**;
 - b. to which a liability bond or policy applies at the time of the **accident**, but the bonding or insuring company:
 - i. denies coverage or refuses to admit coverage thereunder except conditionally or with reservation; or
 - ii. is or becomes insolvent within two (2) years of the **accident**; or
 - c. that is a hit-and-run vehicle whose operator or **owner** cannot be identified and which causes **bodily injury** by physically contacting:
 - i. **you** or a **relative**; or

ii. a **vehicle** that an **insured person** is **occupying**; provided that the **insured person**, or someone on his or her behalf, reports the **accident** to the police or civil authority within twenty-four (24) hours or as soon as practicable after the **accident**. Within thirty (30) days of the **accident** the **insured person**, or someone on his or her behalf, must also provide **us** with a statement under oath that the **insured person**, or his or her legal representative, has a cause of action against the **owner** or operator of a vehicle who cannot be identified. The statement must set forth facts supporting the claim. At **our** request, the **insured person** must make available for inspection the **vehicle** which the **insured person** was occupying at the time of the **accident**.

An **uninsured motor vehicle** does not include any vehicle or equipment:

- a. **owned** by **you** or a **relative**;
- b. **owned** or operated by a self-insurer under any applicable vehicle law, except a self-insurer that is or becomes insolvent;
- c. **owned** by any governmental unit or agency;
- d. operated on rails or crawler treads;
- e. designed mainly for use off public roads, while not on public roads;
- f. while used as a residence or premises;
- g. expressly identified by make, model and serial number on the **Declarations Page** of this policy; or
- h. not required to be registered as a motor vehicle.

5. “**You**” and “**Your**” mean a person shown as a named insured on the **Declarations Page** and that person’s spouse.

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

Coverage under this Part III does not apply to:

1. **bodily injury** sustained by any person while **occupying** your **covered vehicle** while being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to shared-expense car pools;
2. **property damage** sustained while a **covered vehicle** is being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to shared-expense car pools;
3. **bodily injury** sustained by any person while using or **occupying** a **covered vehicle** without the express permission of **you** or a **relative**;
4. **bodily injury** sustained by any person while using or **occupying** a **non-owned vehicle** without the express or implied permission of the **owner**;
5. **bodily injury** sustained by any person while using or **occupying** a **vehicle owned** by **you** or a **relative**, other than a **covered vehicle**;

6. **bodily injury** or **property damage** while **your covered vehicle** is being operated by a person excluded from coverage under this policy under a Named Driver Exclusion Endorsement;
7. **bodily injury** sustained by any person while using or **occupying** a motor **vehicle**, other than a **covered vehicle**, if the **owner** has insurance similar to that provided under this Part III;
8. **bodily injury** sustained by any person if that person or the legal representative of that person makes a settlement or prosecutes any action to judgment without **our** written consent;
9. **bodily injury** sustained while occupying a **vehicle** owned or leased (for at least 6 months) which is not a **covered vehicle**;
10. **bodily injury** or **property damage** occurring outside the **United States** or any province of Canada;
11. **property damage** resulting from any pre-arranged or organized racing, speed or demolition contest, stunting activity or in practice preparation for any such contest or activity;
12. **property damage** sustained while a **covered vehicle** is being used or driven by any person while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering or testing vehicles. However, this exclusion does not apply to **you**, a **relative**, or an agent or employee of **you** or a **relative** when using a **covered vehicle**;
13. **property damage** due to nuclear reaction or radiation;
14. **property damage** for which insurance is afforded under a nuclear energy liability insurance contract. This exclusion applies even if the limits of the nuclear energy liability insurance are exhausted;
15. **property damage** to a **trailer**;
16. **property damage** if there is no actual, direct physical contact between the **uninsured motor vehicle** and the **covered vehicle**;
17. **property damage** if the **owner** or operator of the **uninsured motor vehicle**, or the license plate number of the **uninsured motor vehicle**, cannot be identified;
18. a claim for diminution in value of **your covered vehicle**;
19. a claim for loss of use of **your covered vehicle**;
20. **loss** or damage to personal property contained within your **covered vehicle**, except a child passenger restraint system;
21. **property damage** to a **vehicle**, other than a **covered vehicle**;
22. **bodily injury** or **property damage** sustained while any **insured person** is occupying any motorized **vehicle** with less than four (4) wheels or more than four (4) wheels. Any **vehicle** with more than four (4) wheels must have a load capacity of one (1) ton or less and be listed on the **Declarations Page**;
23. **bodily injury** or **property damage** sustained while an **insured person** commits or attempts to commit or is fleeing a felony, or by the **insured persons** involvement in an illegal occupation;
24. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **vehicle** used by an **insured person**, while employed or otherwise engaged in **business**;

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25. **bodily injury** sustained by the **owner** of a **non-owned vehicle**; or
 26. any **bodily injury** or **property damage** claim due to the insurer of the **uninsured motor vehicle** or **underinsured motor vehicle** becoming insolvent more than two (2) years after the **accident**.
 27. **property damage** to **your covered vehicle**, when it is being operated by:
 - a. a person who is not licensed to operate a motor vehicle who is not listed on the **Declarations Page**;
 - b. a person who operates **your covered vehicle** on a regular basis; or
 - c. a person not listed on the **Declarations Page** who is a **resident** of **your** household.

Coverage under this Part III will not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar laws:

1. workers' compensation law; or
2. disability benefits law.

LIMITS OF LIABILITY

The Limit of Liability shown on the **Declarations Page** for the coverages under Part III is the most **we** will pay regardless of the number of:

1. claims made;
2. **covered vehicles**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in an **accident**; or
6. premiums paid.

The Limits of Liability shown in **your Declarations Page** for Part III are subject to the following:

1. the **bodily injury** liability limit for "each person" is the maximum **we** will pay for all damages from **bodily injury** sustained by one (1) person in any one (1) **accident**;
2. the **bodily injury** liability limit for "each **accident**" is the maximum **we** will pay for **bodily injury** sustained by two (2) or more persons in any one (1) **accident**, subject to the **bodily injury** liability limit for "each person"; and
3. the **property damage** liability limit for "each **accident**" is the maximum **we** will pay for **property damage** in any one (1) **accident**.

The **bodily injury** Limit of Liability under this Part III for "each person" includes the aggregate of claims made for such **bodily injury** and all claims derived from such **bodily injury**, including, but not limited to, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

The Limits of Liability under this Part III shall be reduced by all sums:

1. paid because of **bodily injury** by or on behalf of any persons or organizations who may be legally responsible, including, but not limited to, all sums paid under Part I – Liability To Others;

2. paid, and the present value of all amounts payable, because of **bodily injury** under any workers' compensation law; and
3. paid or payable under any valid collectible automobile medical payment insurance available to the **insured person** including, but not limited to, all sums paid or payable under Part II – Medical Payments Coverage.

Our Limit of Liability under this Part III for **property damage** to a **covered vehicle** arising out of one (1) **accident** is the lowest of:

1. the actual cash value of the **covered vehicle** at the time of the **accident** reduced by its salvage value if **you** retain the salvage;
2. the amount necessary to replace the **covered vehicle**;
3. the amount necessary to repair the **covered vehicle** to its pre-**loss** condition, reduced by depreciation or betterment; and
4. any Limit of Liability shown on the **Declarations Page** for "**property damage**" under this Part III reduced by the salvage value of the **covered vehicle** if **you** retain the salvage.

Payments for **property damage** under this Part III are subject to the following provision:

1. an adjustment for depreciation and physical condition will be made in determining the Limit of Liability at the time of the **accident**.

However, if **you** have paid a premium for collision coverage under Part IV – Damage To A Vehicle, **our** Limit of Liability under this Part III for **property damage** shall not exceed the amount of the deductible for collision coverage shown on the **Declarations Page**.

Any payment made to a person under this Part III shall reduce any amount that the person is entitled to recover under Part I – Liability To Others or Part IV – Damage To A Vehicle.

No one shall be entitled to duplicate payments for the same elements of damages.

Any judgment for damages against an operator or **owner** of an **uninsured motor vehicle** which arises out of a lawsuit brought without **our** written consent is not binding on **us**.

WAIVER OF COLLISION DEDUCTIBLE

If coverage under Part III – Uninsured Motorist is applicable to this policy and there is a **loss** to **your covered vehicle** that is insured for **collision** coverage, no deductible will apply if the **loss** is caused by an **uninsured motor vehicle**.

OTHER INSURANCE

If there is other applicable uninsured or underinsured motorist coverage, the damages which an **insured person** is entitled to recover under this Part III shall be deemed not to exceed the highest limit of any applicable coverage. **We** will pay only **our** share of the damages. **Our** share is the proportion that **our** Limit of Liability bears to the total of all available coverage limits. Any insurance **we** provide shall be excess over any other uninsured or

underinsured motorist coverage, except for **bodily injury to you or a relative when occupying a covered vehicle**.

We will not pay for any damages which would duplicate any payment made for damages under other insurance.

If any **insured person** is injured while not **occupying** a motor vehicle, the coverage provided under this policy shall be excess to any uninsured or underinsured motorist coverage provided by a policy under which that **insured person** is a named insured. If **you** are injured while not **occupying** a motor vehicle, and are also a named insured under any other policy, **our** coverage will pay the proportionate share that **our** limits bear to the total available uninsured or underinsured motorist coverage limits.

ARBITRATION

Determination of the liability of an **uninsured motor vehicle** or **underinsured motor vehicle** and the amount of damages an **insured person** is entitled to recover as damages from an **uninsured motor vehicle** or **underinsured motor vehicle** under this Part III will be made by agreement between the **insured person** and **us**. If no such agreement can be reached between **us** and the **insured person**, then the disagreement shall be submitted to binding arbitration upon written demand of either **us** or the **insured person**. If the **accident** involves an **uninsured motor vehicle**, any demand for arbitration must be made within two (2) years of the date of the **accident**. If the **accident** involves an **underinsured motor vehicle**, the demand must be made within one (1) year after all applicable **bodily injury** liability bonds or policies have been exhausted by payment of judgments or settlements. An **insured person** demanding arbitration must send written notice to **us**, or **our** agent for process, by certified mail, return receipt requested.

If a written demand for arbitration has been made, then arbitration shall be conducted by a single neutral arbitrator. An **insured person** demanding arbitration must send written notice to **us**, or **our** agent for process, by certified mail, return receipt requested, unless such requirement is waived by **us** in writing. The arbitrator will be jointly selected by the **insured person** and **us**.

The costs and fees of the arbitrator will be shared equally. Each party will pay the expenses and attorney fees it incurs.

Unless both parties agree otherwise, arbitration will take place in the county in which the **insured person** resides. Local rules of procedure and evidence will apply.

Any dispute between **us** and the **insured person** regarding coverage under this Part III is not subject to this arbitration provision and shall be resolved by judicial determination, unless otherwise agreed to by the **insured person** and **us**. If a coverage dispute exists between **us** and the **insured person**, the arbitration under this provision shall be stayed until the coverage issues are resolved.

A decision by the arbitrator will be binding as to whether the **insured person** is legally entitled to recover damages under the applicable liability law, and the amount of damages. The arbitrator

shall have no authority to award an amount in excess of the Limit of Liability.

PROOF OF CLAIM

Each **insured person** making claim under Part III must give **us** full details of the injuries sustained and treatment rendered. The burden is on the **insured person** to prove that the **accident** involved an **uninsured motor vehicle** or **underinsured motor vehicle**.

TRUST AGREEMENT

If **we** pay for a **loss** under this coverage:

1. **we** are entitled to recover from **you** an amount equal to such payment if there is a legal settlement made on **your** behalf against the person or organization legally responsible for the **bodily injury** or **property damage**;
2. **you** must hold in trust for **us** all rights to recover money which **you** have against the person or organization legally responsible for **bodily injury** and/or **property damage**;
3. **you** must do everything proper to secure **our** rights and do nothing to prejudice these rights;
4. if **we** ask **you** in writing, **you** will take necessary or appropriate action, through a representative designated by **us**, to recover payment as damages from the responsible person or organization; if there is a recovery, then **we** shall be reimbursed out of the recovery for expenses, costs and attorney's fees incurred in connection with this recovery; and
5. **you** must execute and deliver to **us** any legal instruments or papers necessary to secure the rights and obligations of **you** and **us** as established here.

PART IV – DAMAGE TO A VEHICLE

INSURING AGREEMENT – COLLISION

If **you** pay a premium for collision coverage, **we** will pay for **loss** to a **covered vehicle** when it collides with another object or overturns, subject to the Limits of Liability. **You** must report a **loss** to **us** within 12 months of the date of **loss**.

INSURING AGREEMENT – COMPREHENSIVE

If **you** pay a premium for comprehensive coverage, **we** will pay for comprehensive **loss** to a **covered vehicle**, subject to the Limits of Liability **You** must report a **loss** to **us** within 12 months of the date of **loss**.

Comprehensive coverage and collision coverage must be purchased together. They may not be purchased separately. The deductible for comprehensive coverage may not exceed the deductible for collision coverage.

A comprehensive **loss** is a **loss** to a **covered vehicle**, caused by any event other than collision, including, but not limited to, any of the following:

1. contact with an animal (including a bird);

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2. explosion or earthquake;
 3. fire;
 4. malicious mischief or vandalism;
 5. missiles or falling objects;
 6. riot or civil commotion;
 7. theft or larceny; or
 8. windstorm, hail, water, or flood.

If **you** pay a premium for comprehensive coverage under this policy, **we** will pay **you** up to \$10 per day, but not more than a total of \$300 per **loss**, for transportation expenses incurred by **you** if a **covered vehicle** is stolen.

Transportation expenses and loss of use damages coverage begins forty-eight (48) hours after **you** report the theft to **us**, and ends when the **covered vehicle** has been recovered and repaired, replaced, or if the **covered vehicle** is deemed by **us** to be a total loss or unrecoverable, forty-eight (48) hours after **we** make an offer to pay the lesser of the actual cash value of the **covered vehicle** or any Stated Amount Vehicle Coverage elected by **you**.

You must provide **us** written proof of **your** transportation expenses and loss of use damages.

Duplicate recovery for identical elements of damages is not permitted under this policy.

If **we** can pay the **loss** under either comprehensive or collision coverage, **we** will pay under the coverage where **you** collect the most.

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

Coverage under this Part IV does not apply for **loss**:

1. to a **covered vehicle**, while being used to carry persons or property for compensation or a fee, including but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to shared-expense car pools;
2. to a **covered vehicle**, while being used or driven by a person while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles. However, this exclusion does not apply to **you**, a **relative**, or an agent or employee of **you** or a **relative**, when using a **covered vehicle**;
3. to a **covered vehicle** resulting from any pre-arranged or organized racing, speed or demolition contest, stunting activity, or in practice or preparation for any such contest or activity;
4. due to nuclear reaction or radiation;
5. to a **covered vehicle** resulting from:
 - a. voluntarily parting with the title and possession of the **covered vehicle**, if induced to do so by any trick, device, false pretense or other fraudulent scheme; or
 - b. embezzlement, conversion, secretion, theft, larceny, robbery, or pilferage committed by any person including

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- any employee, entrusted by **you** with either custody or possession of the **covered vehicle** under any circumstance, including, but not limited to a bailment lease, conditional sale, purchase agreement, mortgage or other encumbrance;
6. to a **covered vehicle**, for which insurance is afforded under a nuclear energy liability insurance contract. This exclusion applies even if the limits of the nuclear energy liability insurance are exhausted;
 7. to a **covered vehicle** due to defective or disputed title;
 8. due to destruction or confiscation by governmental or civil authorities of a **covered vehicle**;
 9. to a **covered vehicle**, caused by an intentional act of **you** or a **relative** or at the direction of **you** or a **relative**;
 10. to a **covered vehicle**, that is due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure;
 - d. road damage to tires;
 - e. deterioration; or
 - f. latent or inherent defects;
 11. due to theft or conversion of a **covered vehicle**:
 - a. by **you**, a **relative**, or any **resident** of **your** household;
 - b. prior to its delivery to **you** or a **relative**;
 - c. while in the care, custody, or control of anyone engaged in the **business** of selling the **vehicle** or **trailer**; or
 - d. by any person excluded from coverage under this policy;
 12. to tapes, compact discs, cassettes, and other recording or recorded media;
 13. to any case or other container designed for use in storing or carrying tapes, compact discs, cassettes, or other recording or recorded media;
 14. to any device used for the detection or location of radar, laser, or other speed measuring equipment or its transmissions;
 15. to a **covered vehicle** for diminution of value;
 16. to a **covered vehicle** when it is being operated by:
 - a. a person who is not licensed to operate a motor vehicle, who is not listed on the **Declaration's Page**;
 - b. a person who operates **your covered vehicle** on a regular basis; or
 - c. a person not listed on the **Declarations Page** who is a **resident** of **your** household;
 17. to any custom furnishings or equipment in or upon any **covered vehicle**. Custom furnishings or equipment include but are not limited to:
 - a. special carpeting and insulation, furniture, bars or television receivers;
 - b. facilities for cooking and sleeping;
 - c. height-extending roofs;
 - d. custom murals, paintings, or other decals or graphics;
 - e. custom car kits;
 - f. custom grills, louvers, scoops, continental kits and/or spoilers;
 - g. chrome, alloy, mag-type wheels or any custom wheel coverings or racing tires or tires wider than those installed as original factory equipment;
 - h. window film tinting;

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- i. alarms;
 - j. customized t-tops, sunroof, moon roof, convertible tops, and/or customized non-factory vinyl tops;
 - k. customized paint, including but not limited to lacquer paint and upholstery other than the original manufacturer;
 - l. ground effect kits;
 - m. modified and/or altered suspensions other than factory installed; or
 - n. special gauges, modified carburetor systems and/or engines;
18. to any of the following or the accessories not original manufacturer installed in or upon any **covered vehicle**, but not limited to:
- a. citizen band radio;
 - b. two-way radio;
 - c. telephone;
 - d. scanning monitor receiver;
 - e. antennas; or
 - f. devices used to exclusively send or receive audio, visual, or data signals;
19. to any obligation assumed by the **insured**, registered **owner** or legal **owner** for any of the following costs:
- a. estimating fees;
 - b. teardown charges;
 - c. handling fee;
 - d. negotiating charges;
 - e. administrative fees;
 - f. higher than reasonable, for the area, storage or towing fees; or
 - g. any other charges which are not part of the necessary cost of repairing the vehicle;
20. caused by **war** or any consequence of **war**;
21. due to any **loss** resulting from lack of lubricants, oil, transmission fluid, coolant, or **loss** resulting from seepage of water;
22. to personal property, except a child passenger restraint system;
23. occurring outside the **United States** or any province of Canada;
24. caused if the operator of the **covered vehicle** at the time of **loss** is committing or attempts to commit or is fleeing a felony, or by the operator's involvement in an illegal occupation;
25. caused if the operator of the **covered vehicle** at the time of **loss** is under the influence of an alcoholic beverage or of a drug;
26. to any rented, leased, or non-owned vehicle other than **your covered vehicle**;
27. to a **covered vehicle** while it is being operated by a person excluded from coverage under this policy under a Named Driver Exclusion Endorsement;
28. repaired before **our** authorized representative has viewed **your covered vehicle**. This requirement can be waived only by **us**;
29. to a **covered vehicle** while being used or driven by a person while employed or engaged in **business**; or
30. to damage to or discoloration(s) of paint as a result of smoke, smog, chemicals, tree sap, animal or bird droppings, unless such damage is a direct result of vandalism.
31. reported to **us** more than 12 months after the date of **loss**.

LIMITS OF LIABILITY

1. The Limit of Liability for **loss** to a **covered vehicle** will be the lowest of:
 - a. the actual cash value of the stolen or damaged property at the time of the **loss**, reduced by the applicable deductible shown on the **Declarations Page**, and by its salvage value if **you** retain the salvage;
 - b. the amount necessary to repair or replace the stolen or damaged property with other of like kind and quality less depreciation, reduced by the applicable deductible shown on the **Declarations Page**; or
 - c. any applicable Limit of Liability or Stated Amount Vehicle Coverage elected by **you**, reduced by its salvage value if you retain the salvage, or
 - d. \$50,000.

However, if the **loss** is to a **trailer**, the applicable Limit of Liability will be \$500.

2. Payments for **loss** covered under Collision and Comprehensive are subject to the following provisions:

- a. no more than one (1) deductible shall be applied to any one (1) covered **loss**;
- b. an adjustment for depreciation and physical condition will be made in determining the Limit of Liability at the time of **loss**;
- c. in determining the amount necessary to repair damaged property to its pre-**loss** condition, **our** estimate will be based on:
 - i. the prevailing competitive labor rates charged in the area where the property is to be repaired, as reasonably determined by **us**; and
 - ii. the cost of repair or replacement parts, which may be new, refurbished, restored, or used, including, but not limited to:
 - (a) original manufacturer parts or equipment; and
 - (b) non-original manufacturer parts or equipment;
- d. the actual cash value is determined by the market value, age and condition of the **vehicle** at the time the **loss** occurs; and
- e. any amount paid or payable to a person under this Part IV shall be reduced by any amount paid for **property damage** under Part III – Uninsured/Underinsured Motorist Coverage.

3. If more than one (1) **vehicle** is shown on **your Declarations Page**, coverage will be provided as specified on the **Declarations Page** as to each **vehicle**.

4. Our Limit of Liability for any covered after-market sound producing equipment and its components parts: including, but not limited to, radios, speakers, tape players, compact disc players and radio equalizers, is limited to \$350 for each **loss**. After-market sound equipment is equipment installed by someone other than the factory or authorized dealer of the manufacturer of the car.

5. **We** will pay no more than \$25 per day, to a maximum of \$250, for storage fees.

6. If **we** repair or replace the property, **we** shall not be responsible for any diminution in value of **your covered vehicle** caused by the **loss**.

7. **We** will pay no more than \$150 for all towing charges incurred as a result of a covered **loss**.

TOTAL LOSS

In the event that **we** determine **your covered vehicle** to be a total **loss**, **you** must allow **us** to move **your covered vehicle** to a storage free location of **our** choice. **We** will not pay for any storage or other charges incurred after **your** refusal to allow **us** to move **your covered vehicle** to a storage free location. **We** reserve the right to retain **your covered vehicle** and/or its salvage property after **we** determine that **your covered vehicle** is a total **loss**.

PAYMENT OF LOSS

At **our** expense, **we** may return any stolen property to **you** or to the address shown on the **Declarations Page**, with payment for any damage resulting from the theft. **We** may keep all or part of the property at the agreed or appraised value, but there shall be no abandonment of the property to **us**. **We** may settle any **loss** with **you** or the **owner** or lienholder of the property.

NO BENEFIT TO BAILEE

Coverage under this Part IV will not directly or indirectly benefit any carrier or other bailee for hire.

OTHER INSURANCE

If there is other applicable insurance **we** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** Limit of Liability bears to the total of all applicable limits of liability.

APPRAISAL

If **we** cannot agree with **you** on the amount of a **loss**, then **you** or **we** may demand an appraisal of the **loss**. If so, each party shall appoint a competent and impartial appraiser. The appraisers will determine the amount of **loss**. If they fail to agree, the disagreement will be submitted to a qualified and impartial umpire chosen by the appraisers. A decision agreed to by any two (2) will be binding. **You** will pay **your** appraiser's fees and expenses. **We** will pay **our** appraiser's fees and expenses. Payment of the umpire and all other expenses of the appraisal will be shared equally between **you** and **us**. Neither **you** nor **we** waive any rights under this policy by agreeing to an appraisal.

PART V – RENTAL REIMBURSEMENT COVERAGE

INSURING AGREEMENT – RENTAL REIMBURSEMENT COVERAGE

If **you** pay a premium for Rental Reimbursement Coverage, **we** will reimburse **you** up to \$20 per day when **you** rent a **vehicle** from a public automobile rental agency or garage due to a **loss** to a **covered vehicle** which would be payable under either Collision or Comprehensive coverage. **We** will not pay mileage or fuel charges. **We** will not pay collision damage waiver or other insurance charges.

Reimbursement will begin on:

1. the date the **covered vehicle** is delivered to a garage for repairs, if the **covered vehicle** is driveable; or
2. the date the **loss** is reported to **us**, if the **covered vehicle** is disabled or stolen.

Reimbursement ends:

1. when repairs to the **covered vehicle** are completed;
2. the day following the settlement offer, if **we** offer settlement in lieu of repairs; or
3. when **you** incur the policy maximum as listed on **your Declarations Page**; whichever occurs first.

Any reimbursement payable under Rental Reimbursement Coverage is reduced to the extent it is payable under Comprehensive or Collision coverage.

You must provide **us** written proof of **your** rental charges.

GENERAL PROVISIONS

POLICY CHANGES

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

The premium for each **vehicle** is based on information **we** have received from **you** or other sources. **You** agree to cooperate with **us** in determining if this information is correct and complete, and **you** will notify **us** if it changes during the policy period. If this information is incorrect, incomplete, or changes during the policy period, **we** may adjust **your** premium during the policy period, or take other appropriate action. To properly insure **your vehicle**, **you** must promptly notify **us** when:

1. **you** change **your** address;
2. any **resident** operators are added or deleted; or
3. **you** acquire an additional or replacement **vehicle**.

Changes that may result in premium adjustment are contained in **our** rates and rules. These include, but are not limited to:

1. changes in the number, type, or use classification of **covered vehicles**;
2. changes in the operators using **covered vehicles**, their ages, or marital status;

3. a **relative** obtaining a driver's license or operator's permit;
4. changes in the place of principal garaging of any **covered vehicle**;
5. changes in coverage, deductibles, or limits of liability; or
6. changes in rating territory or discount eligibility.

Certain premium bearing endorsements may be subject to an endorsement fee, as per our underwriting guidelines.

ADDITIONAL PREMIUM DUE – LOSS SETTLEMENT

In the event of additional premium due to the incorrect rating of this policy, **we** shall have the right to correct the premium in accordance with **our** published rates and underwriting rules. If a **loss** occurs under the policy **we** shall have the option to deduct such additional premium from any loss settlement.

TERMS OF POLICY CONFORMED TO STATUTES

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

TRANSFER

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

TWO OR MORE VEHICLES INSURED

For any **accident** or **loss** to which this or any other policy issued by **us** applies, the total limit of **our** liability under all policies shall not exceed the highest applicable limit of liability under one policy. In no event shall the limit of liability for two (2) or more **vehicles** or two (2) or more policies be added together, combined, or stacked.

POLICY FEE AND/OR FILING FEE

A Policy Fee and Filing Fee, if any, as set forth under the **Declarations Page** of this policy, is fully earned upon issuance of the policy and is not refundable.

PAYMENT OF PREMIUM

If **your** initial premium payment is by check, draft, or any remittance other than cash, coverage under this policy is conditioned upon the check, draft, or remittance being honored upon presentment. If the check, draft, or remittance is not honored upon presentment, this policy may, at **our** option, be deemed void from its inception. This means that **we** will not be liable under this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

If **you** tender a check to **us** for any full or partial payment of **your** premium, other than **your** initial payment, and the check is returned to **us** because of insufficient funds, a closed account, or a stop payment, a service charge will be added to **your** account balance.

CANCELLATION

You may cancel this policy by mailing a written request for cancellation to the agent or **us**. Coverage shall cease and the policy period shall end on the latest date issued below:

1. 12:01 a.m. of the day specified by the named insured in the request for cancellation;
2. 12:01 a.m. of the day following the postmark date on the request for cancellation provided such date is legible and not a postage meter date; or
3. If neither 1 nor 2 above apply, the date and time the request is received by the Company or its agent.

We may cancel this policy by mailing a notice of cancellation to the named insured shown on the **Declarations Page** at the last known address appearing in **our** records. If cancellation is due to nonpayment of premium, or if cancellation is due to any reason during the first fifty-nine (59) days of the policy period, notice will be mailed at least ten (10) days before the effective date of cancellation. Once this policy has been in effect for more than fifty-nine (59) days, or if this is a renewal or continuation policy, and cancellation is due to any reason other than nonpayment of premium, notice will be mailed at least twenty (20) days before the effective date of cancellation.

We may cancel only for one (1) or more of the following reasons:

1. **you** do not pay the required premium for this policy when due;
2. fraud or material misrepresentation affecting the policy or insured; or
3. a substantial increase in the hazard insured against as defined by Section 2632.19 of the Regulations of the California Insurance Commissioner, as amended.

We will mail notice of cancellation to the named insured shown on the **Declarations Page** at the last known address for the named insured appearing in **our** records.

Coverage on a **covered vehicle** is terminated on the effective date of any other policy obtained by **you** or **your** representative listing the **vehicle**.

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

If this policy is cancelled, any refund due will be computed on a daily pro-rata basis. However, **we** shall retain a cancellation fee if this policy is cancelled at **your** request. The effective date of cancellation shown in a notice will be the end of the policy period. All policy fees are fully earned as soon as coverage goes into effect.

NONRENEWAL

If **we** decide not to renew or continue this policy, **we** will mail notice of nonrenewal to the named insured shown on the **Declarations Page** at the last known address appearing in **our** records. Notice will be mailed at least thirty (30) days before the end of the policy period. If the policy period is other than one (1) year, **we** will have the right not to renew or continue this policy only at each anniversary of its original effective date or earlier if permitted by state law.

AUTOMATIC TERMINATION

If **we** offer to renew or continue coverage 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. If **you** obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that **vehicle** on the effective date of the other insurance.

NOTICE OF LIMITS OF FUTURE COVERAGE

Pursuant to Section 11580.09 of the California Insurance Code, **you** are notified for the purpose of cancellation, refusal to renew or premium increase, that ALLIANCE UNITED INSURANCE COMPANY, shall state the reasons for this action which shall include, if applicable, but not limited to, the following:

1. **Accident** involvement by an **insured person**, and whether the **insured person** is at fault in the **accident**.
2. A change in, or an addition of, an **insured vehicle**.
3. A change in, or an addition of, an **insured person** under this policy.
4. A change in the location of garaging of an **insured vehicle**.
5. A change in the use of the **insured vehicle**.
6. Convictions for violating any provision of the Vehicle Code or the Penal Code relating to the operation of a motor vehicle.
7. The payment made by an insurer due to a claim filed by an insured or a third party.

Further be advised that some non-renewals and premium increases may result from reasons that are not specified above that are both lawful and not unfairly discriminatory.

PROOF OF NOTICE

Proof of mailing of any notice will be sufficient proof of notice.

COVERAGE CHANGES

If **we** make a change which broadens a coverage **you** have under this edition of **your** policy, without additional charge, **you** will receive broadened coverage. The broadened coverage applies on the date the coverage change is implemented in **your** state. This provision does not apply to a general program revision or **our** issuance of a subsequent edition of **your** policy. Otherwise, this policy can be changed only by endorsement issued by **us**.

LEGAL ACTION AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy. **We** may not be sued for payment under Part I – Liability To Others until the obligation of an **insured person** to pay is finally determined either by final judgment against that person or by written agreement of the **insured person**, the claimant, and **us**. No one will have any right to make **us** a party to a lawsuit to determine the liability of an **insured person**.

OUR RIGHTS TO RECOVER PAYMENT

In the event of any payment under this policy, other than a payment made under Part III – Uninsured/Underinsured Motorist Coverage for damages which an **insured person** is entitled to recover from the **owner** or operator of an **underinsured motor vehicle**, **we** are entitled to all the rights of recovery that the **insured person** to whom payment was made has against another.

That **insured person** must sign and deliver to **us** any legal papers relating to that recovery, do whatever else is necessary to help **us** exercise those rights, and do nothing after an **accident** or **loss** to prejudice **our** rights.

However, **we** may not assert rights of recovery against any person who was using a **covered vehicle** with **your** express permission for any payment made under Part IV – Damage To A Vehicle.

When an **insured person** has been paid by **us** under this policy and also recovers from another person, entity, or organization, the amount recovered will be held by the **insured person** in trust for **us** and reimbursed to **us** to the extent of **our** payment.

If an **insured person** under this policy makes recovery from a responsible party, other than the **owner** or operator of an **underinsured motor vehicle**, without **our** written consent, the **insured person's** right to payment under any affected coverage will no longer exist.

BANKRUPTCY

The bankruptcy or insolvency of an **insured person** will not relieve **us** of any obligations under this policy. If execution of a judgment against an **insured person** is returned unsatisfied because of the bankruptcy or insolvency of an **insured person**, a person claiming damages under Part I – Liability To Others may maintain an action against **us** for the amount of the judgment, subject to the terms and conditions of this policy and not exceeding **our** Limits of Liability under Part I.

CONSUMER AFFAIRS

If **you** need assistance at any time in resolving a problem concerning **your** insurance, **you** are invited to contact:

Your Alliance United Broker

OR

**Alliance United Insurance Company
Customer Service Department
PO Box 6042
Camarillo, CA 93011-6042
1-800-508-5833**

If **we** are unable to solve any problem related to this coverage to **your** satisfaction, **you** may call or write the California Department of Insurance at:

**California Department of Insurance
Consumer Communications Bureau
300 South Spring Street, South Tower
Los Angeles, CA 90013**

**Consumer Hotline
1-800-927-Help (4357) or
1-213-897-8921**

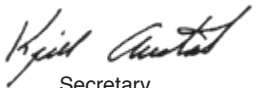
**TDD Number
1- 800-482-4TDD (4833)**

**Hotline hours are from
8:00 a.m. - 5:00 p.m.
Monday through Friday
(Except Holidays)**

This policy is signed, on behalf of Alliance United Insurance Company by **our** President and Secretary. It is countersigned on the **Declarations pages** by **our** authorized representative.



President and CEO



Secretary

POLICY ENDORSEMENTS

These endorsements only apply if the endorsement number is referenced on the Declarations Page.

MI 01 (05/11)

INFORMATION REGARDING PREMIUM DISCOUNTS

Discounts

Alliance United Insurance Company offers several discounts to their policyholders. If you qualify for any of the discounts listed below, the discount(s) should be reflected in the premium quoted. If you have any questions, please contact your producer (agent/broker) shown on the top of your Policy Declarations Page.

Multiple Car Discount

Discounts will apply for BI/PD, UM, Med pay and Physical Damage coverage. These discounts apply to each vehicle of a multi-car risk. All vehicles must be listed on the same auto policy and primarily garaged at the same location to receive the discount.

Renewal Discount

This discount applies to BI/PD, UM, Med Pay, and Physical Damage coverage on the annual anniversary renewal. The discount will automatically be applied to renewals that qualify. A discount will be available to the insured's that renew their policies with the Company after 12 months, 24 months and 36 months.

Good Driver Discount

A discount is automatically applied to all coverages for each driver qualifying for "good driver" status under Section 1861.025 of the California Insurance Code and Section 2632.13 of the California Code of Regulations. The Good Driver Discount qualification is defined as follows:

A person is qualified to purchase a Good Driver Discount policy if he or she meets the following criteria:

(a) He or she has been licensed to drive a motor vehicle for the previous three years in any jurisdiction.

(b) During the previous three years, he or she has not done any of the following:

(1) Had more than one violation point count determined as provided by subdivision (a), (b), (c), (d), (e), (g), or (h) of Section 12810 of the Vehicle Code, but subject to the following modifications:

(A) For the purposes of this section, the driver of a motor vehicle involved in an accident for which he or she was principally at fault that resulted only in damage to property shall receive one violation point count, in addition to any other violation points that may be imposed for this accident.

(B) If, under Section 488 or 488.5, an insurer is prohibited from increasing the premium on a policy on account of a violation, that violation shall not be included in determining the point count of the person.

(C) If a violation is required to be reported under Section 1816 of the Vehicle Code, or under Section 784 of the Welfare and Institutions Code, or any other provision requiring the reporting of a violation by a minor, the violation shall be included for the purposes of this section in determining the point count in the same manner as is applicable to adult violations.

(2) Had more than one dismissal pursuant to Section 1803.5 of the Vehicle Code that was not made confidential pursuant to Section 1808.7 of the Vehicle Code, in the 36-month period for violations that would have resulted in the imposition of more than one violation point count under paragraph (1) if the complaint had not been dismissed.

(3) Was the driver of a motor vehicle involved in an accident that resulted in bodily injury or in the death of any person and was principally at fault. The commissioner shall adopt regulations setting guidelines to be used by insurers for the determination of fault for the purposes of this paragraph and paragraph (1).

(c) During the period commencing on January 1, 1999, or the date 10 years prior to the date of application for the issuance or renewal of the Good Driver Discount policy, whichever is later, and ending on the date of the application for the issuance or renewal of the Good Driver Discount policy, he or she has not been convicted of a violation of Section 23140, 23152, or 23153 of the Vehicle Code, a felony violation of Section 23550 or 23566, or former Section 23175 or, as those sections read on January 1, 1999, of the Vehicle Code, or a violation of Section 191.5 or subdivision (a) of Section 192.5 of the Penal Code.

(d) Any person who claims that he or she meets the criteria of subdivisions (a), (b), and (c) based entirely or partially on a driver's license and driving experience acquired anywhere other than in the United States or Canada is rebuttably presumed to be qualified to purchase a Good Driver Discount policy if he or she has been licensed to drive in the United States or Canada for at least the previous 18 months and meets the criteria of subdivisions (a), (b), and (c) for that period.

(e) Any person who claims that he or she meets the criteria of subdivisions (a), (b), and (c) based entirely or partially on a driver's license and driving experience acquired anywhere other than in the United States or Canada, has not been licensed in US or Canada for the previous 18-months and meets the criteria of subdivisions (a), (b), and (c) for that period shall be qualified to purchase a Good Driver Discount Policy. The driver shall provide the company proof of continuous foreign licensing, which when combined with any US or Canada driving experience totals for 3 years or more and a copy of a foreign Motor Vehicle Report showing that they meet the qualifications of a Good Driver.

Defensive Driver Discount

A discount applies to all coverages if a listed driver who is 55 years of age or older provides proof of successful completion of a Defensive Driver Improvement Course approved by the California Department of Motor Vehicles.

The discount is good for 3 years from the date of course completion. The discount will be discontinued if the listed driver is at-fault in an accident or if the listed driver is convicted of a violation of Division 11 of the Vehicle Code, except Chapter 9 of that Division, or of a traffic-related offense involving alcohol or narcotics. The discount does not apply if the insured successfully completes the Defensive Driver Improvement Course pursuant to a court order.

Good Student Discount

A discount applies to all coverages if the driver is under age 24, is single, and a full-time high school, college or university student. The driver must either be in the upper 20% of the class scholastically, maintain a "B" average or its equivalent, no grade below a "B" if the grading system cannot be averaged or have at least a 3 in a 4 point numerical grade system.

MI 02 (05/11)

Auto Body Repair Consumer Bill of Rights

A CONSUMER IS ENTITLED TO:

- 1. SELECT THE AUTO BODY REPAIR SHOP TO REPAIR AUTO BODY DAMAGE COVERED BY THE INSURANCE COMPANY. AN INSURANCE COMPANY MAY NOT REQUIRE THE REPAIRS TO BE DONE AT A SPECIFIC AUTO BODY REPAIR SHOP.**
- 2. AN ITEMIZED WRITTEN ESTIMATE FOR AUTO BODY REPAIRS AND, UPON COMPLETION OF REPAIRS, A DETAILED INVOICE. THE ESTIMATE AND THE INVOICE MUST INCLUDE AN ITEMIZED LIST OF PARTS AND LABOR ALONG WITH THE TOTAL PRICE FOR THE WORK PERFORMED. THE ESTIMATE AND INVOICE MUST ALSO IDENTIFY ALL PARTS AS NEW, USED, AFTERMARKET, RECONDITIONED, OR REBUILT.**
- 3. BE INFORMED ABOUT COVERAGE FOR TOWING SERVICES. UNLESS THE INSURANCE COMPANY HAS PROVIDED AN INSURED WITH THE NAME OF A SPECIFIC TOWING COMPANY PRIOR TO THE INSURED'S USE OF ANOTHER TOWING COMPANY, THE INSURANCE COMPANY MUST PAY ALL REASONABLE TOWING CHARGES OF THE TOWING COMPANY USED BY THE INSURED.**
- 4. BE INFORMED ABOUT THE EXTENT OF COVERAGE, IF ANY, FOR A REPLACEMENT RENTAL VEHICLE WHILE A DAMAGED VEHICLE IS BEING REPAIRED.**

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5. **BE INFORMED OF WHERE TO REPORT SUSPECTED FRAUD OR OTHER COMPLAINTS AND CONCERNS ABOUT AUTO BODY REPAIRS.**
 6. **SEEK AND OBTAIN AN INDEPENDENT REPAIR ESTIMATE DIRECTLY FROM A REGISTERED AUTO BODY REPAIR SHOP, EVEN WHEN MAKING AN INSURANCE CLAIM.**

COMPLAINTS WITHIN THE JURISDICTION OF THE BUREAU OF AUTOMOTIVE REPAIR

Complaints concerning the repair of a vehicle by an auto body repair shop should be directed to:

**Toll Free (800) 952-5210
California Department of Consumer Affairs
Bureau of Automotive Repair
10240 Systems Parkway
Sacramento, CA 95827**

The Bureau of Automotive Repair can also accept complaints over its web site at: www.autorepair.ca.gov

COMPLAINTS WITHIN THE JURISDICTION OF THE CALIFORNIA INSURANCE COMMISSIONER

Any concerns regarding how an auto insurance claim is being handled should be submitted to the California Department of Insurance at:

**(800) 927-HELP or (213) 897-8921
California Department of Insurance
Consumer Services Division
300 South Spring Street
Los Angeles, CA 90013**

The California Department of Insurance can also accept complaints over its web site at: www.insurance.ca.gov
08-18-09

MI 03 (05/11)

LOSS PAYEE ENDORSEMENT

Loss or damage under this policy shall be paid as financial interest may appear to **you** and the loss payee shown on the **Declarations Page**.

If **you** surrender possession of the **covered vehicle** to the loss payee or the loss payee repossesses the **covered vehicle**, **we** will not pay the loss payee for **loss** occurring after the date the loss payee or its agents takes possession of the **covered vehicle**.

We will not pay the loss payee more than the Repair Costs of the **covered vehicle**, Actual Cash Value of the **covered vehicle** or the existing loan balance as of the date of **loss**, whichever is less and minus any applicable deductible. This insurance covering the interest of loss payee shall become invalid because of illegal or fraudulent acts or omissions committed by **you** or a **relative**. Additionally, **we** will not pay the loss payee for any **loss** caused by conversion, secretion, embezzlement, or concealment by **you**, a

relative, anyone acting on **your** behalf, or anyone acting on behalf of a **relative**.

When **we** pay the loss payee **we** shall, to the extent of payment, be subrogated to the loss payee's rights of recovery. If the **loss** is not covered under the policy, but payment is made to the loss payee **you** will reimburse **us** up to the amount of our payment.

If **we** are asked to pay the loss payee, **we** will apply a deductible shown on the **Declarations Page** for the interest of the loss payee only for Part IV – Damage To A Vehicle. This loss payee provision is extended, provided that when a **loss** occurs, the loss payee can show:

1. The named insured has defaulted in payment;
2. The loss payee has made all reasonable efforts to collect overdue payments; and
3. The interest of the loss payee has become impaired.

Nothing in this provision changes the amount of the deductible on the **Declarations Page** for the interest of the **named insured** nor for the loss payee.

We reserve the right to cancel the policy as permitted by the policy terms, and the cancellation shall terminate the policy and 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 to the **named insured** shown on the **Declarations Page**.

MI 04 (04/05)

ADDITIONAL INSURED ENDORSEMENT

In consideration of the premium charged, it is hereby agreed that such insurance as is afforded by this policy shall also apply to the additional insured(s) as listed in the policy declarations, but solely with respect to the ownership, maintenance or use of an **covered vehicle** insured under this policy. Nothing contained herein shall operate to increase the company's limit of liability as shown in the **Declarations Page**. All other terms and conditions remain unchanged.

MI 05 (04/05)

NAMED DRIVER EXCLUSION ENDORSEMENT

If **you** have asked **us** to exclude any person from coverage under this Policy, then **we** will not provide coverage for any claim arising from an **accident** or **loss** involving a **covered vehicle** or **non-owned vehicle** that occurs while it is being operated by the excluded person. THIS INCLUDES ANY CLAIM FOR DAMAGES MADE AGAINST **YOU**, A **RELATIVE**, OR ANY OTHER PERSON OR ORGANIZATION THAT IS VICARIOUSLY LIABLE FOR AN **ACCIDENT** ARISING OUT OF THE OPERATION OF A **COVERED VEHICLE** OR **NON-OWNED VEHICLE** BY THE EXCLUDED DRIVER.

**NAMED OPERATOR – NON-OWNED VEHICLE COVERAGE
ENDORSEMENT**

If **you** elect **Named Operator – Non-owned Vehicle Coverage**, **you** agree with **us** that this policy is amended as follows:

1. General Definitions:

a. The general policy definition of **“you”** and **“your”** is deleted and replaced by the following:

“You” and **“your”** mean the person shown as the named insured on the **Declarations Page**.

b. The general policy definitions of **“covered vehicle”** and **“non-owned vehicle”** are deleted and replaced by the following: **“Covered vehicle”** and **“non-owned vehicle”** mean any **vehicle** that:

i. is used with express permission of the **owner** of the **vehicle**;

ii. is not **owned** by:

(a) **you**;

(b) any person listed as a driver on the **Declarations Page**;

(c) an **insured person’s** employer;

(d) a **relative**;

(e) **your non-resident** spouse;

(f) a person residing with **you**; or

(g) a corporation or partnership in which the combined ownership interest of **you** and **your relatives** exceeds twenty percent; and

iii. has never been owned by or registered to **you**, or any other person listed as a driver on the **Declarations Page**.

However, if this policy is certified as proof of financial responsibility, **“covered vehicle”** and **“non-owned vehicle”** shall also mean any vehicle acquired by **you** during the policy period but only for the first ten (10) days from the date of purchase.

2. Part I – Liability To Others

a. Additional Definition: When used in Part I, the definition of **“insured person”** and **“insured persons”** is deleted and replaced by the following:

“Insured person” and **“insured persons”** mean:

i. **you**, when operating or using a **covered vehicle** or **non-owned vehicle** with the express or implied permission of the **owner**; and

ii. any person or organization with respect only to vicarious liability for an **accident** arising out of the use of a **covered vehicle** or **non-owned vehicle** by **you** with the express or implied permission of the **owner**.

b. Exclusions: The following exclusion is deleted from Part I:

Coverage under this Part I, including **our** duty to defend, does not apply to:

bodily injury or **property damage** arising out of an **accident** involving a **vehicle** while being used by a person while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles. However, this exclusion does not apply to **you**, a **relative**, or an agent or employee of **you** or a **relative**, when using a **covered vehicle**;

and replaced by the following:

Coverage under this Part I, including **our** duty to defend, does not apply to:

bodily injury or **property damage** arising out of an **accident** involving a **vehicle** while being used by a person while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles.

3. Part III – Uninsured/Underinsured Motorist Coverage

If **you** pay a premium for Uninsured/Underinsured Motorist Coverage, and it is shown on the **Declarations Page**, the **Other Insurance** provision under this Part III is deleted and replaced by the following:

Other Insurance

If there is other applicable uninsured or underinsured motorist coverage, any insurance **we** provide shall be excess over any other collectible uninsured or underinsured motorist coverage.

We will not pay for any damages which would duplicate any payment made for damages under other insurance.

If **you** are injured while not **occupying** a motor vehicle, the coverage provided under this policy shall be excess to any uninsured or underinsured motorist coverage provided by a policy under which that **insured person** is a named insured.

MI 07 (04/05)

DELETION OF UNINSURED MOTORIST BODILY INJURY COVERAGE

The California Insurance Code requires an insurer to provide uninsured motorist coverage in each bodily injury liability insurance policy it issues covering liability arising out of ownership, maintenance, or use of a motor vehicle. Such section also permits the insurer and the applicant to delete this coverage completely or to delete such coverage when a motor vehicle is operated by a natural person or persons designated by name or agree to provide such coverage in an amount less than that required by subdivision (m) of Section 11580.2 of the Insurance code, but not less than the financial responsibility requirements. Uninsured motorist coverage insures the insured, his heirs, or legal representatives for all sums within limits established by law, which such person or persons are

legally entitled to recover as damages for bodily injury, including any resulting sickness, disease, or death, to him from the owner or operator of an uninsured motor vehicle not owned or operated by the insured or resident of the same household. An uninsured motor vehicle includes an underinsured motor vehicle as defined in subdivision (p) of Section 11580.2 of the Insurance Code.

This rejection shall be binding upon every insured to whom the policy applies while the policy is in force and shall continue to be so binding with respect to any continuation or renewal of the policy, or with respect to any other policy which extends, changes, supersedes, or replaces the policy issued to the named insured by the same insurer or with respect to reinstatement of the policy within thirty (30) days of any lapse thereof.

MI 08 (04/05)

DELETION OF UNINSURED MOTORIST PROPERTY DAMAGE COVERAGE

The California Insurance Code requires insurers to offer coverage for damage to the insured motor vehicle, to the extent that you are legally entitled to recover from the owner or operator of the uninsured motor vehicle, caused by an uninsured motor vehicle, that either:

1. pays the collision deductible on the insured motor vehicle when you have purchased collision coverage; or
2. pays for the damage to the insured motor vehicle and shall not exceed the smaller of the actual cash value of the motor vehicle or \$3,500.

This rejection shall be binding upon every insured to whom the policy applies while the policy is in force and shall continue to be so binding with respect to any continuation or renewal of the policy, or with respect to any other policy which extends, changes, supersedes, or replaces the policy issued to the named insured by the same insurer or with respect to reinstatement of the policy within thirty (30) days of any lapse thereof.

All other terms and conditions remain unchanged.

MI 09 (04/05)

BUSINESS USE ENDORSEMENT

It is understood and agreed that coverage for business use of a vehicle applies only to the vehicle listed with the Business Use Endorsement on the Declarations Page.

If **you** elect coverage for **business** use of a **covered vehicle** listed on your **Declarations Page**, and pay the additional premium as billed, **you** agree with **us** that this policy is amended as follows:

1. Part I – Liability To Others

- a. The following exclusion is deleted from Part I:

Coverage under this Part I, including **our** duty to defend, does not apply to:

bodily injury or **property damage** arising out of the ownership, maintenance or use of any **vehicle** used by an **insured person**, while employed or otherwise engaged in **business**;

and replaced by the following:

Coverage under this Part I, including **our** duty to defend, does not apply to:

bodily injury or **property damage** arising out of the ownership, maintenance or use of any **vehicle** used by an **insured person**, while employed or otherwise engaged in **business** if that **vehicle**:

- i. is used for the pick-up or delivery of goods (including, but not limited to, retail or wholesale delivery, magazines, newspapers, pizza, or other food items), limousine or taxi services, daycare, childcare, and livery or conveyance;
- ii. has a load capacity over one (1) ton; or
- iii. is equipped with racks.

2. Part III – Uninsured/Underinsured Motorist Coverage

a. The following exclusion is deleted from Part III:

Coverage under this Part III, does not apply to:

bodily injury or **property damage** arising out of the ownership, maintenance or use of any **vehicle** used by an **insured person**, while employed or otherwise engaged in **business**;

and replaced by the following:

Coverage under this Part III, does not apply to:

bodily injury or **property damage** arising out of the ownership, maintenance or use of any **vehicle** used by an **insured person**, while employed or otherwise engaged in **business** if that **vehicle**:

- i. is used for the pick-up or delivery of goods (including, but not limited to, retail or wholesale delivery, magazines, newspapers, pizza, or other food items), limousine or taxi services, daycare, childcare, and livery or conveyance;
- ii. has a load capacity over one (1) ton; or
- iii. is equipped with racks.

3. Part IV – Damage To A Vehicle

a. The following exclusion is deleted from Part IV:

Coverage under this Part IV does not apply for **loss**: to a **covered vehicle** while being used or driven by a person while employed or engaged in **business**;

and replaced by the following:

Coverage under this Part IV does not apply for **loss**: to a **covered vehicle** while being used or driven by a

person while employed or engaged in **business** if that **vehicle**:

- i. is used for the pick-up or delivery of goods (including, but not limited to, retail or wholesale delivery, magazines, newspapers, pizza, or other food items), limousine or taxi services, daycare, childcare, and livery or conveyance;
- ii. has a load capacity over one (1) ton; or
- iii. is equipped with racks.

MI 10 (05/11)

NAMED OPERATOR – PHYSICAL DAMAGE COVERAGE ENDORSEMENT

If **you** elect the Named Operator – Physical Damage Coverage Endorsement, **you** agree with **us** that this policy is amended as follows: The following exclusion is added to Part IV – Damage to Your Automobile:

Coverage under this Part IV – Damage to Your Automobile. We do not cover **loss** while a **covered vehicle** is operated by an operator who is not specifically named on the **Declarations Page**, or listed in the application for this policy, or added by endorsement. This exclusion applies whether or not **we** would have issued the policy had **we** known of this operator, or whether or not **we** would have charged a higher or lower premium. If, at the time of the **loss**, a **covered vehicle** is unoccupied and away from the garaging location stated in the **Declarations Page**, it will be deemed to be operated by the person who was the last operator.

PRIVACY NOTICE

Alliance United Insurance Company respects your right to privacy. We protect all personal data obtained in the course of doing business with you. We have physical, electronic, and procedural measures in place that comply with legal standards to protect your personal data. The only employees who have access to personal data are those who must have it to serve you. This notice explains how we collect and use your personal data.

Personal Data We Collect

Personal Data includes any identifying information about a consumer, such as:

- Name, residence address, e-mail address, phone number
- Age, marital status, occupation, social security number
- Driving record and claim history for you and any driver in your household
- Medical information, such as from an accident report
- Car make and model, license number, lender or lease agent
- Credit standing, credit score, policy payment history

We collect personal data from a variety of sources, such as:

- From you in person, by phone, or over the internet
- From others, including your agent and insurance data banks when we investigate claims or verify accident history
- From forms you submit to us, such as applications, claims, or policy updates

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- From your transactions with us, our affiliates or others such as claims, or policy updates
 - From a consumer reporting agency, such as a credit report to determine your credit standing and to offer payment plan options or a Motor Vehicle Report to verify driving record, auto title, or license status for each driver in your household

If you visit or use the Alliance United Insurance Company website, or one of our subsidiaries, we may use “cookies” (small files transferred from our website to your hard drive) to recognize repeat users, track usage and assist your access to and use of the site. We do not use “cookies” to gather personal data, and we do not link cookies to identifiable information, such as your policy number. The “cookies” only enable you to use our website more easily.

How We Use and Disclose Personal Data

We do not sell personal data or customer lists to anyone. We only disclose data about you as allowed or required by law. In those instances, we may disclose personal data without your prior consent. Our disclosures, may include any personal data that is necessary to help others provide an insurance service on our behalf, or to satisfy a lawful request.

We may disclose personal data we collect to:

- Consumer reporting agencies for the purposes of obtaining a credit report or a Motor Vehicle Report in order to determine eligibility for coverage or to process your requested transaction
- Service providers that assist us in underwriting, processing payments, or adjusting claims including your insurance agent
- Medical-care facilities or providers in order to process your claim and verify coverage
- Law enforcement or other government agency as required by law or to prevent fraud
- Research organizations to conduct studies regarding claims results and insurance practices provided that no individual is identified in any study or report
- Insurance and financial companies affiliated with us, as identified below, for processing or marketing of our insurance related products or services
- Group policyholders for the purpose of reporting claims experience or for audit purposes

When we use Service Providers to help us with the services shown above, we make every effort to use Service Providers that agree to keep your data private and not use it for any other purpose. We do not share with or sell consumer data to third parties for marketing. We do not share credit information with anyone for marketing, or for any other reason. We only use medical information to process, evaluate, or defend claims. We do not share medical information without your prior consent.

We share personal data with insurance data banks that collect information about claim history, accident fault, and amounts paid. Insurance data banks may retain personal data and disclose it to other insurance companies and others legally entitled to see it.

A list of our affiliated companies is shown below. When we share personal data with affiliates it is only the minimum necessary to contact you about new products or special offers. The law allows

us to share your data with our affiliates for marketing purposes. You cannot prevent those disclosures.

We send current customers a privacy notice each year. If we change our practices we will inform you promptly. We treat former customer data the same way as current customer data.

Your Right to Review and Correct Personal Data

If you wish to review your personal data, please send a written response to:

Alliance United Privacy Coordinator
P.O. Box 6042
Camarillo, CA 93011-6042

Include your full name, address, and policy number(s). Let us know what kind of data you want to see. We may charge a small fee to collect and send the data to you.

If you see any mistakes, let us know and we will review it. If we agree, we will correct our files and send the correction to anyone that you ask who received the incorrect data from us in the past two years. If we disagree, you may file a short statement of dispute with us. Your statement will be included with any data we disclose in the future. We will also send the statement to anyone you ask who received your data from us in the past two years.

Companies Affiliated with Alliance United

Alliance United Insurance Services
Platinum General Insurance Services

For More Information

Should you have further questions regarding our privacy policy, you may call us directly at 1 (800) 508-5833, you can e-mail us at info@au-ins.com or you can write to us at:

Alliance United Insurance Company
Consumer Affairs Department
P.O. Box 6042
Camarillo, CA 93011-6042

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