



PRIVATE PASSENGER AUTO POLICY

Underwritten by

Trexis Insurance Corporation

P.O. Box 682322 • Franklin, TN 37068-2322

(NAIC # 12188)

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Policy Agreement

In return for “your” payment of the premium and subject to all the terms of this policy, “we” agree to insure “you” for the coverages and the limits of liability shown on this policy’s “Declarations” subject to the following terms.

Policy Definitions

The following defined terms appear in quotation marks when used:

- A.** “You,” “your” and “yours” refer to the “named insured” shown in the “Declarations” and his or her spouse, if a resident of the same household at the time of loss.
- B.** “We,” “us” and “our” refer to the Company providing this insurance and all affiliated corporate entities.
- C.** For purposes of this policy, a private passenger type auto shall be deemed to be owned by a person if leased or rented to that person under a written agreement for a continuous term of at least 6 months.
- D.** “Accident” means an event which is neither expected nor intended from the standpoint of the “covered person” and in which the operation, maintenance or use of a motor vehicle directly and proximately results in “bodily injury” or “property damage” as defined by this policy.
- E.** “Bodily injury” means bodily harm, sickness, or disease, including death resulting from an auto “accident” for which coverage is provided under this policy.
- F.** “Business” includes any profession, legal trade, or occupation.
- G.** “Commercial Ridesharing Program” means: an arrangement or activity through which persons or property are transported for compensation, regardless of the amount or form of compensation charged or paid and includes the time:
 - 1. Commencing when a driver of a car is available to accept transportation request for passengers or property for compensation;
 - 2. Between the driver accepting a transportation request and the passengers or property entering into or being loaded upon the auto used for this request;
 - 3. Passengers or property are in or upon the auto used for this request; and
 - 4. Between the passengers or property exiting or unloading from the car and the driver is no longer available to accept transportation requests.
- H.** “Insured Vehicle” means:
 - 1. Any vehicle shown in the “Declarations”.
 - 2. A “newly acquired vehicle”.
 - 3. Any “trailer” “you” own while towed by or connected to “your” “Insured Vehicle” or any

private passenger type auto.

- 4. Any “temporary substitute auto” while operated by any person listed on the “Declarations”. This provision (**H.4.**) does not apply to Coverage for Damage to Your Auto.

- I.** “Declarations” means the document showing “your” coverages, limits of liability, “Insured Vehicles”, premium, and other policy related information.
- J.** “Family member” means a person related to “you” by blood, marriage, domestic partnership, or adoption who is a resident of “your” household. This includes a ward or foster child.
- K.** “Named insured” in this policy means the person or persons listed as “Named insured” on the “Declarations”.
- L.** “Newly acquired vehicle”:
 - 1. “Newly acquired vehicle” means any of the following types of vehicles “you” become the owner of during the policy period:
 - a.** a four wheeled private passenger motor vehicle; or
 - b.** a pickup or van, for which no other insurance policy provides coverage, that has a Gross Vehicle Weight Rating of 10,000 lbs. or less; that is not used in the “business” of any “covered person”.
 - 2. If the “newly acquired vehicle” is in addition to any shown in the “Declarations”, coverage for the “newly acquired vehicle” is provided as here described. For any “newly acquired vehicle” that is in addition to any shown in the “Declarations”, coverage shall apply for the first 30 (thirty) days after “you” acquire the vehicle, including the date of acquisition. Coverage shall be the broadest coverage “we” provide for any vehicle shown in the “Declarations.” This coverage applies only if:
 - a.** “You” acquire the additional vehicle during the policy period shown on the “Declarations”; and
 - b.** There is no other insurance policy that provides coverage for the additional vehicle.

If “you” wish to add or continue coverage “you” must ask “us” to insure the additional vehicle within 30 (thirty) days after “you” acquire the additional vehicle. Until “we” are notified of the additional vehicle, a deductible of \$1000 will be applicable to “collision” and “other than collision” (as defined under Part D of this policy) if they are shown in the “Declarations” for any listed vehicle. This 30 (thirty) days of coverage includes the date “you” acquire the vehicle.

For any “newly acquired vehicle” that replaces a vehicle shown in the “Declarations”, it shall be provided the coverages and limits for the vehicle it replaced. If those coverages include “collision”

and “other than collision”, those coverages are afforded for only 30 (thirty) days after acquisition unless “you” notify “us” of the replacement prior to the expiration of those 30 (thirty) days.

- M. “Occupying” and “Occupied” means in, upon, getting in, or getting out.
- N. “Personal Vehicle Sharing Program” means a legal entity engaged in the “business” of facilitating the sharing of private passenger cars, utility cars, or utility “trailers” for noncommercial use by individuals.
- O. “Property damage” means physical injury to, destruction of, or loss of use of tangible property.
- P. “Temporary substitute auto” means any private passenger type auto, pickup or van not owned by, or under a sale agreement to, “you” or any person listed on the “Declarations” or a rental vehicle used for up to 90 days while used as a temporary replacement for any other “Insured Vehicle” which is out of normal use because of its:
 1. breakdown;
 2. repair;
 3. servicing;
 4. loss; or
 5. destruction.
- Q. “Trailer” means a vehicle designed to be pulled by a:
 1. Private passenger auto; or
 2. Pickup or van.

The definition of “trailer” also includes a farm wagon or farm implement while towed by a vehicle listed in 1. or 2. above. It does not include:

 1. A mobile home; or
 2. A “trailer” used as an office, store, display, or passenger conveyance; or
 3. A cement mixer.
- R. “Regular operator” means any person who operates an “Insured Vehicle” six or more times during the three months preceding either your application for this insurance policy or any loss for which coverage is sought under this policy.
- S. “Regular use” means the operation of that vehicle six or more times during the last three months preceding either your application for this insurance policy or any loss for which coverage is sought under this policy.

Part A: Liability Coverage

Insuring Agreement

If “you” paid the premium for Liability Coverage, “we” will pay damages, other than punitive damages, exemplary damages or restitution orders; for “bodily injury” or “property damage” for which any “covered person” becomes legally responsible because of an auto “accident.” Damages include prejudgment interest and any court costs awarded or taxed against the “covered person.” “We” have the right to investigate, negotiate, defend against and settle any

claim or suit for damages as “we” consider appropriate. In addition to “our” limit of liability, “we” will pay all defense costs “we” incur. “Our” duty to settle or defend ends when the applicable limit of liability for this coverage has been exhausted by payment of any settlement, any judgment or any combination thereof. “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:

“Covered Person” means:

1. “you” for the ownership, maintenance, or use of any auto or “trailer.”
2. Any “family member” for the ownership, maintenance or use of an “insured vehicle” and for the use of any auto with the permission of its owner provided such use is within the scope of that permission.
3. Any person who is not insured under any other motor vehicle insurance policy, self-insurance program or financial responsibility bond while such person is operating an “insured vehicle” with the owner’s express permission provided such operation is within the scope of that permission.

“Covered Person” does not include any person while operating, “occupying” or using any auto that is available for hire or while using any auto that is part of a “Personal Vehicle Sharing Program”, “Commercial Ridesharing Program”, or a similar arrangement.

Supplementary Payments

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

1. Premiums on appeal bonds in any suit in which “we” elect to pursue and appeal. “We” have no duty to apply for or furnish bonds.
2. Post-judgment interest entered in any suit “we” defend. “Our” duty to pay interest ends when “we” offer to pay that part of the judgment which does not exceed the applicable limit of liability for this coverage.
3. Other necessary expenses incurred at “our” request.

However, “we” will not pay any costs or expenses, including attorney fees, incurred by any person or any “covered person” because of a declaratory judgment action between that person or “covered person” and “us”.

Exclusions

(1) The following exclusions apply to all claims presented under this coverage:

- A. “We” do not provide Liability Coverage to any “covered person”:
 1. Who intentionally causes “bodily injury” or

- “property damage”. This exclusion applies regardless of the theory of liability or whether the nature of the resulting injury is that which was intended or was otherwise foreseeable.
2. Who causes or is otherwise liable for “property damage” to property owned or being transported by “you”, any “family member”, or any “covered person.”
 3. While employed or otherwise engaged in the “business” of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;
 vehicles designed for use mainly on public highways. This includes road testing and delivery.
 4. Owning, operating, maintaining or otherwise using any vehicle while that “covered person” is employed or otherwise engaged in any “business” (other than farming or ranching) not described in exclusion **A3**.
 5. Operating, maintaining or otherwise using a vehicle without actual permission from the vehicle’s owner.
 6. Owning, operating, maintaining, or otherwise using any vehicle for the transportation of others pursuant to any rideshare network, “Personal Vehicle Sharing Program”, or transportation network company arrangement. This exclusion includes, but is not limited to, the period the operator of the vehicle is available for but not yet providing rideshare service.
- B. “We” do not provide Liability Coverage for the ownership, maintenance or use of:**
1. Any vehicle which:
 - a. has more or less than four wheels; or
 - b. is designed mainly for use off public roads.
 This exclusion (**B.1.**) does not apply to any “trailer”.
 2. Any vehicle operated by a resident of “your” household; age 15 or above, who is not listed on the application for the policy or endorsed onto the “Declarations” during the policy term but prior to the loss.
 3. Any vehicle, other than an “insured vehicle”, which is:
 - a. owned by “you”; or
 - b. furnished or available for “your” “regular use”.
 4. Any vehicle, other than an “insured vehicle”, which is:
 - a. owned by any “family member”; or
 - b. furnished or available for the “regular use” of any “family member”.
5. Any vehicle while:
 - a. competing in;
 - b. practicing or preparing for; or
 - c. located in a facility designed for the purpose of;
 - any prearranged or organized racing, speed, stunt driving, or demolition contest.
 6. Any vehicle while rented to others or 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; and all delivery services arranged through smart-phone or other mobile applications.
 7. Any vehicle utilized in the provision of rideshare transportation or arranged through any rideshare network, “Personal Vehicle Sharing Program”, transportation network company or similar service.
- C. “We” do not provide Liability Coverage for:**
1. Liability assumed under any contract or bailment.
 2. Any obligation for which the United States Government is liable under the Federal Tort Claims Act.
 3. “Bodily injury” or “property damage” due to war (declared or undeclared), civil war, insurrection, rebellion, revolution, nuclear reaction, radiation, or contamination or any consequence of any of these.
 4. “Bodily Injury” or “property damage” for run charges, scene cleanup, rescue fees or any other reimbursements to municipal, nonprofit, or public agencies for services in response to an “accident.” This exclusion does not apply to reasonable charges for ambulance transportation from the scene of an “accident” to the nearest qualified hospital.
 5. “Bodily injury” or “property damage” caused by or in any way arising out of the dumping, discharge, or escape of any irritants, pollutants or contaminants. This exclusion applies regardless of the theory of liability.
 6. “Bodily injury” or “property damage” caused by or in any way arising out of the use of explosives. This exclusion applies regardless of the theory of liability.
 7. “Bodily injury” or “property damage” caused by or in any way arising out of the operation, maintenance or use of a vehicle by a:
 - a. “family member”;
 - b. resident, age 15 or above, of “your” household;
 - c. person who does not possess a valid, in-force operator’s license; or
 - d. person who has “regular use” of an “insured vehicle”;
 unless that person is listed as a driver or

- resident on the application or endorsed onto the "Declarations" during the policy term but before the loss. This exclusion applies regardless of the theory of liability.
8. "Bodily injury" or "property damage" intentionally caused by or at the direction of a "covered person."
 9. Criminal restitution orders, punitive damages, exemplary damages or any form of damages other than compensatory damages for "bodily injury" and "property damage" as defined by this policy.
 10. "Bodily injury" or "property damage" resulting from or in any way arising out of the discharge of any firearm or weapon used in connection with any auto.
 11. "Bodily injury" or "property damage" caused by, reasonably expected to result from, or in any way arising out of, a criminal act or omission of that insured person. This exclusion applies regardless of whether the injury or damage is of the nature intended, and regardless of foreseeability.
 12. "Property damage" to property:
 - a. rented to;
 - b. used by; or
 - c. otherwise in the care, custody, or control of; "you", any "family member", any "covered person", or resident of "your" household.
 13. For "bodily injury" to an employee of any "covered person" occurring during the course of employment. This exclusion (C.13) does not apply to "bodily injury" to a domestic employee unless workers' compensation benefits are required or otherwise available for that domestic employee.
 14. For liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (C.14.) does not apply to a share-the-expense car pool.
 15. For "bodily injury" or "property damage" for which that "covered person":
 - a. is an insured under a nuclear energy liability policy; or
 - b. would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy includes, without limitation, a policy issued by any of the following or their successors:

 - a. American Nuclear Insurers;
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
 16. For "bodily injury" to "you", any person listed on

the "Declarations", a "family member", or any resident of a "covered person's" household. This exclusion (C.16.) does not apply to "bodily injury" claims made against a "Covered Person" for the wrongful death of a member of that person's family as defined by 5 U.S. Code Section 8701(d).

17. Run charges or other reimbursement of fire, police or other first responders for the cost associated with or arising out of travel to, scene management at or clean up at the scene of any auto "accident" for which coverage is sought under the policy.
18. For any "accident" that occurs while "your" "insured vehicle" or any auto is being used in a "Personal Vehicle Sharing Program", a "Commercial Ridesharing Program" or similar arrangement.
19. "Bodily injury" or "property damage" in any way arising out of or caused by the operation of "your" "insured vehicle" by a person who is not identified as a principal driver on the "Declarations" in-force on the date of loss, if that person is insured under any other motor vehicle insurance policy, self-insurance program or financial responsibility bond. This exclusion applies to all claims for such "bodily injury" or "property damage" regardless of the theory of liability.

Limit of Liability

WARNING: This policy provides only those limits of liability required by law for any person who qualifies as a "covered person" solely on the basis of permission to operate or possess an "insured vehicle." Those limits may be less than those listed in the Declarations.

The Liability coverage Bodily Injury limit of liability as listed on the "Declarations" for Each Person is "our" maximum limit of liability for all damages, including, but not limited to, damages for treatment and care, loss of services (including loss of consortium and wrongful death), physical injury, emotional or psychological injury, pain, suffering and death, arising out of or in any manner caused by "bodily injury" sustained by any one person in any one auto "accident." Lower limits may apply in certain events.

Subject to this limit for Each Person, the Liability coverage Bodily Injury limit of liability as listed on the "Declarations" for Each "Accident" is "our" maximum limit of liability for all damages for "bodily injury" resulting from any one auto "accident." Lower limits may apply in certain events.

The Liability coverage Property Damage limit of liability as listed on the "Declarations" for Each "Accident" is "our" maximum limit of liability for all "property damage" (including, but not limited to,

physical injury to, destruction of, loss of use of, and diminution in value) resulting from any one auto "accident." Lower limits may apply in certain events.

This is the most we will pay regardless of the number of:

1. "Insureds";
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the auto "accident."
- Lower limits may apply in certain events.

No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C of this policy.

Regardless of the limits of liability listed in the "Declarations", the limit of liability applicable to the operation of any motor vehicle by any "Covered Person" not listed by name in the "Declarations" shall not exceed the greater of the minimum financial responsibility limits required by AR ST s 27-22-104, as proof of financial responsibility or the minimum financial responsibility limits applicable to the operation of a motor vehicle in the state or province in which the auto "accident" occurred.

Out of State Coverage

If an auto "accident" to which Part A of this policy applies occurs within the policy territory, but not within the state in which "your" policy was issued, "we" will apply "your" policy as follows for that "accident":

- A. If the state, territory or province has:
 1. A financial responsibility or similar law specifying limits of liability for "bodily injury" or "property damage" greater than the limit shown in the "Declarations" and applicable to nonresidents, "your" policy will provide that greater specified limit.
 2. A compulsory insurance or similar law requiring a nonresident to maintain an automobile liability insurance whenever the nonresident uses a vehicle in that state, territory, or province, "your" policy will provide the required minimum amounts and types of coverage or the limits listed in the "Declarations", whichever is greater.
- B. No one will be entitled to duplicate payments for the same elements of loss.

Financial Responsibility

If "we" certified this policy as future proof of financial responsibility, this policy shall comply with the law to the extent required. "You" and any other "covered person" 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:

1. Any insurance "we" provide for a vehicle "you" do not own shall be excess over any other collectible insurance. However, any insurance "we" provide for a vehicle "you" do not own will be primary insurance if:
 - a. the vehicle is insured under a policy affording coverage to a "named insured" engaged in the "business" of:
 - (1) selling;
 - (2) repairing;
 - (3) servicing;
 - (4) delivering;
 - (5) testing;
 - (6) road testing;
 - (7) parking; or
 - (8) storing;
 motor vehicles.

This applies only if the person using the vehicle:

 - (1) is operating the vehicle with the permission of the owner; and
 - (2) is neither the person engaged in such "business" or that person's employee or agent; or
 - b. the vehicle is leased by "you" under a written lease agreement and "you" have agreed to provide coverage for the operation of the vehicle.
2. Any insurance "we" provide for a vehicle "you" own shall be excess to that of a person engaged in the "business" of
 - a. storing;
 - b. parking;
 - c. servicing; or
 - d. repairing;
 motor vehicles, if the "accident" occurs while the vehicle is in that person's possession, custody or control.
3. "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.

Additional Interest

Liability Coverage shall also apply to each additional interest named in the "Declarations" with respect to the "insured vehicle" identified with that interest. Coverage afforded to an additional interest is excess over any other valid and collectible insurance. The designation of an additional interest shall not operate to increase "our" limits of liability and provides the additional interest with no greater rights than those of the "covered person".

Part B: Medical Payments

Insuring Agreement

"We" will pay the usual and customary charge for reasonable expenses incurred for necessary medical

and funeral services because of "bodily injury" from a covered loss:

1. Sustained by a "covered person" and;
2. Caused by a motor vehicle "accident" which occurred within the policy territory.

"We" will pay only those expenses incurred for services rendered within three years from the date of the "accident."

"Our" liability under this coverage shall be excess over any other valid and collectible medical payments insurance, no-fault motor vehicle insurance, medical or hospitalization insurance, health or accident insurance, or any benefits payable pursuant to a workers' compensation statute or similar law.

Additional Definitions

When used in this Part:

"Covered Person" includes:

1. "You" or any "family member":
 - a. while "occupying"; or
 - b. while not "occupying" but struck by; a motor vehicle designed for use mainly on public roads or a "trailer" of any type.
2. Any other person while "occupying" an "insured vehicle."

However, "Covered Person" does not include: Any person while operating, "occupying" or using any auto that is available for hire or while using any auto that is part of a "Personal Vehicle Sharing Program", "Commercial Ridesharing Program", or a similar arrangement.

Exclusions

The following exclusions apply to all claims presented under this coverage:

"We" do not provide Medical Payments Coverage to any "covered person" for "bodily injury":

1. Caused intentionally by or at the direction of "you", a "family member" or any other "covered person". This exclusion applies regardless of whether the nature of the resulting injury is that which was intended or was otherwise foreseeable.
2. Sustained while "occupying" any vehicle located for use as a residence or premises.
3. Sustained while employed or otherwise engaged in the "business" of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;
 vehicles designed for use mainly on public highways. This includes road testing and delivery.
4. Sustained when struck by, or while "occupying" or otherwise using any vehicle while that "covered

person" is employed or otherwise engaged in any "business" (other than farming or ranching) not described in exclusion 3. Without limiting the scope of this exclusion, if workers compensation benefits are available to a "covered person," that "covered person" shall be considered to have been engaged in "business" at the time of loss.

5. Sustained while "occupying" or otherwise using a vehicle without the express permission of the vehicle owner.
6. Sustained while operating any motor vehicle without a valid, in-force operator's license.
7. Sustained while "occupying" or otherwise using any vehicle for the transportation of others pursuant to any rideshare network or transportation network company arrangement. This exclusion includes, but is not limited to, the period the operator of the vehicle is available for but not yet providing rideshare service.
8. Sustained while "occupying" or otherwise using any vehicle which:
 - a. has more or less than four wheels; or
 - b. is designed mainly for use off public roads. This exclusion does not apply to any "trailer" attached to a private passenger automobile.
9. Caused by a resident of "your" household; age 15 or above, who is not listed on the application for the policy or endorsed onto the "Declarations" during the policy term but prior to the loss.
10. Sustained when struck by, or while "occupying" or otherwise using any vehicle, other than an "insured vehicle," which is:
 - a. owned by "you";
 - b. furnished or available for "your" "regular use".
 - c. owned by any "family member" or resident of "your" household; or
 - d. furnished or available for the "regular use" of any "family member" or resident of "your" household.
11. Sustained while:
 - a. competing in;
 - b. practicing or preparing for; or
 - c. "occupying" or otherwise using any vehicle located in a facility designed for the purpose of; any prearranged or organized racing, speed, stunt driving, or demolition contest.
12. Sustained while "occupying" or otherwise using any vehicle while such vehicle is being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food delivery, or any other products; and all delivery services arranged through smart-phone or other mobile applications.
13. Sustained while "occupying" any vehicle utilized in the provision of rideshare transportation or arranged through any rideshare network, transportation network company or similar

service.

14. For which the United States Government is liable under the Federal Tort Claims Act.
15. Sustained while "occupying" or when struck by any "insured vehicle" listed on the "Declarations" during the time it is rented to others.
16. Due to war (declared or undeclared), civil war, insurrection, rebellion, revolution, nuclear reaction, radiation, or contamination or any consequence of any of these.
17. Caused by or in any way arising out of the dumping, discharge, or escape of any irritants, pollutants or contaminants.
18. Caused by or in any way arising out of the use of explosives.
19. Sustained while "occupying" an "insured vehicle" while that vehicle is being operated by a:
 - a. "family member";
 - b. resident, age 15 or above, of "your" household;
 - c. person who does not possess a valid, in-force operator's license; or
 - d. person who has "regular use" of an "insured vehicle";
 unless that operator is listed as a driver or resident on the application or endorsed onto the "Declarations" during the policy term but before the loss.
20. Which is the subject of any criminal restitution order.
21. Sustained during the commission of a criminal act or omission; or during participation in any criminal enterprise. This exclusion applies only to the "covered person" committing the criminal act or omission; or participating in the criminal enterprise.
22. Sustained during the course of employment. This exclusion does not apply to "bodily injury" to a domestic employee of the "named insured" unless workers' compensation benefits are required or otherwise available for that domestic employee. Without limiting the scope of this exclusion, if workers compensation benefits are available to a "covered person" for any portion of the loss, that "covered person" shall be considered to have sustained "bodily injury" during the course of employment.
23. Sustained while "occupying" an "insured vehicle" while it is being used as a public or livery conveyance.
24. When ultimate benefit of such indemnification accrues directly or indirectly to any insurance carrier or self-insured.
25. For any "accident" that occurs while "your" "insured vehicle" or any auto is being used in a "Personal Vehicle Sharing Program", a "Commercial Ridesharing Program" or a similar arrangement.

Limit of Liability

- A. The limit of liability shown in the "Declarations" for Medical Payments Coverage is the maximum amount of total payments "we" will pay for each person injured in any one "accident", regardless of the number of:
 1. "Covered Persons";
 2. Vehicles involved in the "accident";
 3. Claims made;
 4. "Insured Vehicles" or premiums shown in the "Declarations";
 5. Vehicles involved in the "accident"; or
 6. Lawsuits.
- B. No amount will be paid until the limits of all other applicable medical payments coverage, no-fault motor vehicle insurance, medical or hospitalization insurance, health or "accident" insurance, or any workers' compensation or disability benefits have been paid in full.
- C. No "Covered Person" nor a legal representative of a "Covered Person" will be entitled to receive duplicate payments under this policy for the same elements of damages.

Medical Payments Arbitration

If a "Covered Person" incurs expenses for medical services that "we" deem to be unreasonable or unnecessary, "we" may refuse to pay for those expenses. If the "covered person" or anyone claiming on their behalf does not agree with "our" decision, the dispute shall be resolved through voluntary and non-binding arbitration. In this event, each party will select a competent and impartial arbitrator. The two arbitrators will state separately the usual and customary charge for reasonable expenses incurred for necessary medical and funeral services because of "bodily injury" from a covered loss. If they fail to agree, the two arbitrators will select an umpire. The arbitrators will submit their conclusions to the umpire for a selection of one of the conclusions.

Each party will:

1. Pay its chosen arbitrator; and
2. Bear the expenses of the arbitration and umpire equally.

Disputes as to coverage for any person, "accident" or loss event under this Part B: Medical Payments shall not be arbitrated.

Part C: Uninsured Motorists Coverage

Insuring Agreement

- A. "We" will pay compensatory damages which a "covered person" is legally entitled to recover from the owner or operator of an "uninsured motor vehicle" where such coverage is indicated as applicable in the "Declarations" because of:
 1. "Bodily injury" sustained by a "covered person" and caused by an "accident"; and

2. "Property damage" caused by an "accident" arising out of actual physical contact with an "insured vehicle".

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the "uninsured motor vehicle". Any judgment for damages arising out of a suit brought without "our" written consent is not binding on "us". If a duly licensed automobile dealer or rental company provides a vehicle to "you" or a "family member" for use as a temporary substitute for any other vehicle described in the definition of "insured vehicle" while it is out of normal use because of its breakdown, repair or servicing, coverage shall extend to such loaned vehicle only to the extent of the coverage provided, if any, to the automobile being repaired or serviced.

B. "Covered person" as used in this Part means:

1. "You" or any "family member".
2. Any other person "occupying" an "insured vehicle".

"Covered Person" does not include:

Any person while operating, "occupying" or using any auto that is available for hire or while using any auto that is part of a "Personal Vehicle Sharing Program", "Commercial Ridesharing Program", or a similar arrangement.

C. "Property damage" as used in this endorsement means injury to, destruction of, or loss of use of an "insured vehicle". However, "property damage" does not include:

1. Damage to personal property contained in an "insured vehicle".
2. Diminution in value of the "insured vehicle"

D. "Uninsured motor vehicle" means a land motor vehicle or trailer of any type:

1. To which no liability bond or policy applies at the time of the "accident".
2. To which a liability bond or policy applies at the time of the "accident". In this case its limit for liability must be less than the minimum limit for liability specified by the Arkansas Financial Responsibility Law.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits:
 - a. "you" or any "family member";
 - b. a vehicle which "you" or any "family member" are "occupying"; or
 - c. an "insured vehicle".
4. To which a liability bond or policy applies at the time of the "accident" but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "uninsured motor vehicle" does not include any vehicle or equipment:

1. Owned by or furnished or available for the

"regular use" of "you" or any "family member".

2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

Exclusions

A. "We" do not provide Uninsured Motorists Coverage for "property damage" or "bodily injury" sustained:

1. By a "covered person" while "occupying", or when struck by, any motor vehicle owned by that "covered person" which is not insured for this coverage under this policy. This includes a "trailer" of any type used with that vehicle.
2. By any "family member" while "occupying", or when struck by, any motor vehicle "you" own which is insured for this coverage on a primary basis under any other policy.
3. While an "insured vehicle" is operated by a "family member" or any other resident of "your" household who is not listed as a driver or operator on the application or in the "Declarations".

B. "We" do not provide Uninsured Motorists Coverage for "property damage" or "bodily injury" sustained by any "covered person":

1. If that "covered person" or the legal representative settles the "bodily injury" or "property damage" claim without "our" consent.
2. When an "insured vehicle" is being used as a public or livery conveyance. This exclusion **(B.2.)** does not apply to a share-the-expense car pool.
3. Using a vehicle without a reasonable belief that that "covered person" is entitled to do so. Without limiting this exclusion, any "covered 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.
4. For the first \$200 of the amount of "property damage" to each "insured vehicle" as the result of any one accident. This exclusion **(B.4.)** does not apply if:
 - a. "we" insure an "insured vehicle" for both Collision and Property Damage Uninsured Motorists Coverage; and
 - b. the operator of the "uninsured motor vehicle" is positively identified and is solely at fault.
5. While "occupying" any vehicle when rented to others or while being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, mail,

newspapers, pizza, other types of food, or any other product. This exclusion **(B.5.)** does not apply to share-the-expense car pools.

6. While "occupying" any motorized vehicle having more or less than four wheels.
 7. While "occupying" a vehicle located for use as a residence or premises.
 8. While "occupying" a vehicle when it is being used in the "business" of a "covered person". This exclusion **(B.8.)** does not apply to "bodily injury" sustained while "occupying":
 - a. a private passenger auto;
 - b. a pickup or van that "you" own; or
 - c. a "trailer" used with a vehicle described in a. or b. above.
 9. While "occupying" any vehicle located inside a facility designed for racing, for the purpose of:
 - a. competing in; or
 - b. practicing or preparing for;
 any prearranged or organized racing or speed contest.
 10. Which is caused by the spouse or a "family member" of the injured "covered person".
- C.** This coverage shall not apply directly or indirectly to benefit:
1. Any insurer or self-insurer under any of the following or similar law:
 - a. workers' compensation law; or
 - b. disability benefits law.
 2. Any insurer of property.
- D.** No payment will be made for loss paid or payable to the "covered person" under Part D of this policy.
- E.** We do not provide Uninsured Motorists Coverage for punitive or exemplary damages which are imposed to:
1. Punish a wrongdoer; and
 2. Deter others from similar conduct.

Limit of Liability

- A.** With respect to the Uninsured Motorists Coverage indicated as applicable in the "Declarations" for damages caused by an "accident" with an "uninsured motor vehicle":
1. The limit of Bodily Injury Liability shown for each person is our maximum limit of liability for all damages, including damages for care, loss of services or death, arising out of "bodily injury" sustained by any one person in any one "accident".
 2. Subject to this limit for each person, the limit of Bodily Injury Liability shown for each "accident" is "our" maximum limit of liability for all damages for "bodily injury" resulting from any one "accident".
 3. The limit of Property Damage Liability for all damages resulting from any one "accident" will be the lesser of:
 - a. the limit of liability shown in the "Declarations"; or
 - b. the actual cash value of the "insured

vehicle".

An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of loss. The limits of liability applicable to Uninsured Motorists Coverage are the most "we" will pay regardless of the number of:

1. "Covered persons";
 2. Claims made;
 3. Vehicles or premiums shown in the "Declarations"; or
 4. Vehicles involved in the "accident".
- B.** No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A, Part B, Part D, Underinsured Motorists Coverage or Personal Injury Protection Coverage of this policy.
- C.** "We" will not pay for any element of loss if a "covered person" is entitled to receive payment for the same element of loss under any of the following or similar laws:
1. workers' compensation law; or
 2. disability benefits law
- D.** "We" will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

Other Insurance

If there is other applicable insurance available under one or more policies or provisions of coverage:

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance "we" provide with respect to a vehicle "you" do not own shall be excess over any collectible insurance providing coverage on a primary basis.
3. If the coverage under this policy is provided:
 - a. on a primary basis, "we" will pay only "our" share of the loss that must be paid under insurance providing coverage on a primary basis. "Our" share is the proportion that "our" limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.
 - b. on an excess basis, "we" will pay only "our" share of the loss that must be paid under insurance providing coverage on an excess basis. "Our" share is the proportion that "our" limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis.
4. However, if a duly licensed automobile dealer provides a vehicle to "you" or a "family member":
 - a. for use as a temporary substitute while an "insured vehicle" is out of normal use

because of its breakdown, repair or servicing; or

- b. to demonstrate the vehicle; then "we" will provide primary insurance.

Arbitration

A. If "we" and a "covered person" do not agree:

1. Whether that "covered person" is legally entitled to recover damages; or
 2. As to the amount of damages which are recoverable by that "covered person";
- from the owner or operator of an "uninsured motor vehicle" then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated. Non-binding arbitration will take place only if both "we" and the "covered person" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

B. Any decision of the arbitrators will not be binding on either party.

C. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

D. Unless both parties agree otherwise, arbitration will take place in the county in which the "covered person" lives. Local rules of law as to procedure and evidence will apply.

Part D: Coverage for Damage to Your Auto

Insuring Agreement

If "you" pay the appropriate premium; "we" will pay, less any deductible, for sudden, direct, and accidental loss caused by "Collision" or "Other than Collision" to an "insured vehicle" or any "non-owned auto" as defined in this Part. Loss to a "non-owned auto" is only covered while operated by "you" or a "family member" with the permission of the owner of that "non-owned auto". If there is a loss to an "insured vehicle", "we" will only pay for loss caused by "Collision" if the "Declarations" list a premium for "Collision" coverage for that vehicle. If there is a loss to an "insured vehicle", "we" will only pay for loss caused by "Other than Collision" if the "Declarations" list a premium for "Other than Collision" coverage for that vehicle. If there is a loss to a "non-owned auto" operated by "you" or a "family member" with the permission of the owner, "we" will provide the broadest coverage listed on the "Declarations" for any "insured vehicle".

Insuring Agreement-Rental Reimbursement

A. "We" will pay, without application of a deductible, for:

1. The reimbursement of rental expense incurred by "you" in the event of a loss to "your" "insured vehicle", up to the limit shown in the "Declarations" as applicable to that vehicle. "We" will pay such reimbursement if the loss is caused by:

- a. "Collision" only if the "Declarations" indicate that "Collision" Coverage is provided for that vehicle.
- b. "Other than Collision" only if the "Declarations" indicate that "Other than Collision" is provided for that vehicle.

2. Loss of use expenses for which "you" become legally responsible in the event of loss to a "non-owned auto". "We" will pay for loss of use expenses if the loss is caused by:

- a. "Collision" only if the "Declarations" indicate that "Collision" Coverage is provided for any "insured vehicle."
- b. "Other than Collision" only if the "Declarations" indicate that "Other than Collision" Coverage is provided for any "insured vehicle."

B. If the loss is caused by a total theft of an "insured vehicle" or a "non-owned auto", "we" will pay only expenses incurred during the period:

1. beginning 48 hours after the theft, and
2. ending when the "insured vehicle" or "non-owned auto" is returned to use, when "we" offer to pay for its loss, or when the maximum limit as shown on the "Declarations" is exhausted.

C. "Our" payment will be limited to that period of time reasonably required to repair or replace the "insured vehicle" or the "non-owned auto." "We" will pay only the expenses beginning when the vehicle is withdrawn from use for more than 24 hours or, in the case of a total theft, for more than 48 hours.

Insuring Agreement-Towing and Labor

"We" will pay reasonable towing and necessary site of disablement labor costs incurred when "your" "insured vehicle" or a "non-owned auto" becomes disabled at a location other than the garaging and mailing addresses listed on the "Declarations". If an "insured vehicle" becomes disabled, "we" will pay up to the amount shown in the "Declarations" as applicable to that vehicle. If a "non-owned auto" becomes disabled, "we" will provide the broadest towing and labor costs coverage shown in the "Declarations" as applicable to any "insured vehicle". "We" will pay only for labor performed at the place of disablement. Locksmith service is **NOT** a disablement for which towing and labor coverage will be provided. Additional charges for safety or other inspections, covering or securing a vehicle and logging or disposing of materials are not payable.

Additional Definitions

When used in this part:

- A.** "Collision" means physical damage to an "insured vehicle" or a "non-owned auto" resulting from direct impact with another vehicle or object.
- B.** "Other than Collision" means physical damage to an "insured vehicle" or a "non-owned auto" resulting from:
1. Breakage of glass;
 2. Contact with bird or animal;
 3. Explosion or earthquake;
 4. Fire;
 5. Hail, water or flood;
 6. Lightning
 7. Malicious mischief or vandalism;
 8. Missiles or falling objects;
 9. Riot or civil commotion;
 10. Theft or larceny; or
 11. Windstorm
- Breakage of glass caused by impact with another vehicle or object may be considered loss by "collision" at "your" option.
- C.** "Non-owned auto" means a four wheeled private passenger motor vehicle or "trailer" that is not an "insured vehicle", not owned by or furnished or available for the "regular use" of "you" or any resident of "your" household; while in the custody of or being operated by "you" or any "family member". A vehicle rented from a commercial automobile rental company for no more than 30 days is considered a "non-owned auto."
- D.** "Diminution of value" means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

Exclusions

The following exclusions apply to all claims presented under this coverage:

"We" will not pay for:

1. Damage due to and arising out of:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical breakdown or electrical failure;
 - d. prior loss or damage;
 - e. manufacturer's defects;
 - f. road damage to tires; or
 - g. improper repair or maintenance.

This exclusion (1.) does not apply if the damage results from the total theft of an "insured vehicle" or any "non-owned auto" by a person other than "you", a "family member", a resident of "your" household, or other person listed on the "Declarations".

2. Loss due to or as a consequence of:
 - a. Contamination by or from radioactive material or weapon of mass destruction (even if accidental);
 - b. Discharge of any nuclear weapon (even if

- accidental);
- c. War (declared or undeclared);
- d. Civil war;
- e. Insurrection;
- f. Rebellion or revolution; or
- g. Terrorism or terrorist attack.

3. A total loss to any "insured vehicle" or any "non-owned auto" due to destruction or confiscation by governmental or civil authorities.
4. Loss caused by explosives, other than the fluids necessary for the operation of a motor vehicle.
5. Loss to any electronic, audio, video, communication or navigation equipment designed for the reproduction or transmission of sound or video, and any accessories used with such equipment. This includes, but is not limited to:
 - a. Radios, stereos, receivers, and amplifiers;
 - b. Tape decks;
 - c. Compact disc players;
 - d. Speakers or sub-woofers;
 - e. Digital media devices; or
 - f. Cellular, wireless and wifi devices.

This exclusion (5.) does not apply to equipment designed solely for the reproduction of sound or video, and accessories used with such equipment, provided the equipment is permanently installed in any "insured vehicle" or any "non-owned auto" in the opening of the dash or console normally used by the manufacturer for the installation of such equipment and designed to be solely operated by use of the power from the auto's electrical system.

However, unless separately listed as additional equipment with a separate premium paid, the most "we" will pay for any such equipment is \$500.

6. Loss to any electronic equipment that receives or transmits audio, visual or data signals and any accessories used with such equipment. This includes but is not limited to:
 - a. Citizens band radios;
 - b. Telephones (cellular, satellite or other);
 - c. Two-way mobile radios;
 - d. Scanning monitors and receivers;
 - e. Television monitors and receivers;
 - f. Video cassette recorders;
 - g. Audio cassette recorders;
 - h. Personal computers;
 - i. Fax machines;
 - j. Satellite navigation or global positioning systems (GPS); or
 - k. Wireless and wifi devices.

This exclusion (6.) does not apply to any electronic equipment that is necessary for the normal operation of the auto or the monitoring of the auto's operating systems. However, unless

separately listed as additional equipment with a separate premium paid, the most "we" will pay for any such equipment is \$500.

7. Loss to tapes, records, discs or other media used with equipment described in exclusions (5.) and (6.).
8. Loss to equipment designed or used for the detection or location of radar, laser or speed detection devices.
9. Loss to:
 - a. A "trailer", camper body, or motor home which is not shown in the "Declarations".
 - b. Facilities or equipment used with such "trailer", camper body or motor home. Facilities or equipment include, but are not limited to:
 - (1) cooking, dining, plumbing or refrigeration facilities;
 - (2) awnings or cabanas; or
 - (3) any other facilities or equipment used with a "trailer", camper body or motor home.
 - c. Equipment designed to create additional living facilities.
10. Loss to any after-market or custom furnishings or equipment in or upon any auto, pickup or van. After-market or custom furnishings or equipment include, but are not limited to:
 - a. Special carpeting, seats or insulation;
 - b. Running boards, special windows;
 - c. Furniture or bars;
 - d. Control panels or consoles;
 - e. Wood trim;
 - f. Drapes, blinds or shades;
 - g. Television receivers;
 - h. Facilities for cooking and sleeping;
 - i. Height-extending roofs;
 - j. Custom murals, paintings, or other decals or graphics;
 - k. Caps or shells;
 - l. Steering devices; or
 - m. Gauges, dials, and sensors.

This exclusion does not apply to parts or equipment of the same type and design as those originally installed on the vehicle by the original manufacturer of the vehicle. However, "our" payment of the loss will be the lesser of the cost of the custom equipment and any equivalent equipment provided by the manufacturer.
11. Loss to additional equipment. Additional equipment includes, but is not limited to:
 - a. Non-factory installed wheels;
 - b. Special wide-tread tires or slicks;
 - c. Custom paint, striping, murals, decals or graphics;
 - d. Non-factory-installed sun or moon roofs, T-bar roofs, height extending roofs or special windows;

- e. Customized engines;
- f. Modified suspension;
- g. Special lighting;
- h. Winches, plows, utility and/or tool boxes; or
- i. Any other custom changes which alter the use or appearance of any "insured vehicle" or a "non-owned auto."
- j. The value in excess of \$500 for covered equipment designed solely for the reproduction of sound or video, and accessories used with such equipment.

This exclusion (11.) does not apply to additional equipment specifically identified and declared on the application with a premium shown on the "Declarations" page. This exclusion (11.) does not apply to additional equipment of the same type and design as those originally installed on the vehicle by the original manufacturer of the vehicle. However, "our" payment of the loss will be the lesser of the cost of the custom equipment and any equivalent equipment provided by the manufacturer.

12. Loss to personal effects or personal property including, but not limited to, clothes, cash, cash equivalent, luggage, tools, tapes, personal electronic devices, compact discs, digital media storage, cellular or satellite telephones, portable refrigeration devices and sports equipment.
13. Loss to any "insured vehicle" or "non-owned auto" which occurs while that vehicle is being used as a public or livery conveyance.
14. Loss to any "insured vehicle" or "non-owned auto" occurring while rented to others or while being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food delivery, or any other products.
15. Loss to any "insured vehicle" or "non-owned auto" occurring while that vehicle is being operated, used, possessed or "occupied" as part of or pursuant to a "Commercial Rideshare Program," "Personal Vehicle Sharing Program", or similar program.
16. Loss to any "insured vehicle" or "non-owned auto" being maintained or used by any person while employed or otherwise engaged in the "business" of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.
17. Loss to any "insured vehicle" or "non-owned auto" being maintained or used by any person while employed or otherwise engaged in any "business" not described in exclusion (16.) This

- exclusion (17) does not apply to the maintenance or use by “you” or any “family member” of a private passenger type auto if this policy has been endorsed with and an additional premium paid for an endorsement specifically authorizing limited “business” use. Coverage under the Part D: Coverage for Your Auto shall be subject to all terms, conditions, provisions and exclusions in such “business” use endorsement.
18. Loss to, or loss of use of, a “non-owned auto” rented by:
 - a. “You”; or
 - b. Any “family member”;
 if a rental vehicle company is precluded from recovering such loss or loss of use from “you” or that “family member”, pursuant to the provisions of any applicable rental agreement or state law.
 19. Loss to any “non-owned auto” while operated by or in the care, custody or control of any person not possessing actual permission to do so from the vehicle owner. This exclusion (19) does not apply if the damage results from the total theft of the “non-owned auto” by a person other than “you”, a “family member”, a resident of “your” household, or other person listed on the “Declarations”.
 20. Loss to any “insured vehicle” or any “non-owned auto” while:
 - a. Competing in;
 - b. Practicing or preparing for; or
 - c. Located in a facility designed for the purpose of;
 any prearranged or organized racing, speed, stunt driving, or demolition contest.
 21. Loss caused intentionally by or at the direction of “you”, a “family member”, a resident of “your” household, or any other person listed on the “Declarations”. This exclusion applies regardless of whether the nature of the resulting damage is that which was intended or was otherwise foreseeable.
 22. Loss to any “insured vehicle” or “non-owned auto” caused by a:
 - a. “family member”;
 - b. resident of “your” household;
 - c. person who does not possess a valid, in-force operator’s license or learner’s permit authorizing the person to operate a motor vehicle upon public roadways within the policy territory; or
 - d. person who has “regular use” of any “insured vehicle” or “non-owned auto”;
 unless that person is listed as a driver or resident on the application or endorsed onto the policy during the policy term but before the loss. This exclusion (22) does not apply if the damage results from the total theft of the “insured vehicle” or “non-owned auto” by a person other than
 - “you”, a “family member”, a resident of “your” household, or other person listed on the “Declarations”.
 23. Loss to any “insured vehicle” or “non-owned auto” while operated by or otherwise under the physical control of any person (other than “you” or any person listed as a driver or resident on the application or endorsed onto the policy during the policy term but before the loss) whose ability to operate a motor vehicle is at the time impaired by the influence of any illegal or controlled substance as defined by federal law. This exclusion (23) does not apply if the damage occurs during the total theft of that “insured vehicle” or “non-owned auto” by a person other than “you”, a “family member”, resident of “your” household or other person listed on the “Declarations”.
 24. Loss to any “insured vehicle” or “non-owned auto” while operated by or otherwise under the physical control of any driver (other than “you” or any person listed as a driver or resident on the application or endorsed onto the policy during the policy term but before the loss) with a blood alcohol content in excess of that permitted by state law for persons operating a motor vehicle. This exclusion (24) does not apply if the damage occurs during the total theft of that “insured vehicle” or “non-owned auto” by a person other than “you”, a “family member”, a resident of “your” household, or other person listed on the “Declarations”.
 25. Loss to any “insured vehicle” or “non-owned auto” while operated or otherwise used in any illegal commerce or activity; including, but not limited to, flight from law enforcement personnel or other civilian authority. This exclusion (25.) does not apply if the damage occurs during the total theft of that “insured vehicle” or “non-owned auto” by a person other than “you”, a “family member”, a resident of “your” household, or other person listed on the “Declarations”.
 26. Loss caused by the wrongful conversion, embezzlement, or secretion by “you”, a “family member”, the purchaser, a mortgagor, or any lessee in possession of the “insured vehicle” or a “non-owned auto” under any mortgage, conditional sale contract, lease agreement, or other contract.
 27. Loss to any “insured vehicle” or any “non-owned auto” due to “diminution in value.”
 28. Loss that occurs while the operator of “your” “covered auto” is texting, keying or typing on any portable electronic device, including but not limited to a mobile phone, tablet, computer or similar device.
 29. Charges associated for safety inspections, or relocating or re-securing a vehicle within a repair

facility.

- 30.** Towing charges above the reasonable market rate for the locality in which the tow began.

Limit of Liability

- A.** Subject to any lesser specified amount, "our" limit of liability for any loss under this Part D will be the lesser of:
1. The amount shown in the "Declarations",
 2. The amount necessary to repair or replace the property with other property of like kind and quality, or
 3. The actual cash value of the stolen or damaged property.
- "Our" payment for loss will be reduced by any applicable deductible shown in the "Declarations".
- B.** The most "we" will pay for loss to any "trailer" which "you" do not own is \$500.
- C.** An adjustment for depreciation and physical condition will be applied in calculating actual cash value at the time of loss.
- D.** "We" will not pay for the amount of the betterment if a repair or replacement results in better than like kind or quality.
- E.** In the repair of any "insured vehicle" or "non-owned auto" under this Part D, "we" may require or specify the use of motor vehicle parts not made by the original manufacturer. These parts are required to be at least equal in terms of quality, performance, and warranty to the original manufacturer part they replace.

Payment of Loss

"We" may at "our" option:

1. pay for the loss in money; or
2. repair or replace the damaged or stolen property.

Payment to a licensed auto repair facility shall be considered payment to "you" and the loss payee. At "our" expense, "we" may return any recovered stolen property to "you" or to the current garaging address utilized to rate your policy, with payment for any damage resulting from the theft. "We" may keep all or part of the property at an agreed or appraised value. "We" may settle any loss with "you", the owner of or the lienholder of the property.

No Benefit to Bailee

The insurance provided under this Part D shall not directly or indirectly benefit any insurance company or other bailee for hire.

Other Sources of Recovery

If other sources of recovery also cover the loss, "we" will pay "our" share of the loss. "Our" share is the proportion that "our" limit of liability bears to the total of all applicable limits. However, any insurance "we" provide with respect to a "non-owned auto", "temporary substitute auto" or "newly acquired vehicle" shall be excess over any other collectible

source of recovery including, but not limited to:

1. Any coverage provided by the owner of the property;
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

Appraisal

- A.** If "we" and "you" do not agree on the amount of loss, either party may make a written demand for appraisal. However, both parties must agree to utilize the appraisal option as this option is non-binding and voluntary. In the event both parties agree to the appraisal option, each party will select an appraiser within 20 days. The two appraisers will select an umpire within 15 days. The appraisers will state separately the actual cash value of the property and the amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire will make an award within 30 days after the umpire receives the appraiser's submissions of their differences. Subject to policy limits, the decision reached by any two shall be the amount of the non-binding award. Each party will:
1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B.** "We" do not waive any of "our" rights under this policy by agreeing to an appraisal.
- C.** No dispute as to coverage under this Part D shall be subject to appraisal.

Additional Duties after an "Accident" or Loss

- A.** A person seeking coverage under this Part D must also:
1. Permit "us" to inspect and appraise the damaged property before its repair or disposal.
 2. Subject to the forgoing inspection requirement, take reasonable steps after loss to protect the property from further damage.
- B.** For any loss payable under this Part D, "you", the owner of the damaged or stolen vehicle, and any person operating that vehicle with permission from "you" or the vehicle owner must attend any Examination Under Oath requested by "us". The failure of any person to attend such an Examination Under Oath shall invalidate all coverage under this Part D as to all persons for that loss.

Loss Payable Clause

If a Loss Payee is shown on the "Declarations" for an "insured vehicle" any amount paid under this Part D for loss or damage to that vehicle shall be paid, as interest may appear, to "you", and that Loss Payee. However, payment to a licensed auto repair facility shall be considered payment to "you" and the loss payee. Any amount payable under this Part D for loss or damage to a "non-owned auto" shall be paid

to the vehicle owner. The Loss Payee has no greater rights under this policy than “you” or the vehicle owner. Where coverage is denied to “you” or the vehicle owner, coverage is also denied to the Loss Payee.

“We” reserve the right to cancel the policy as permitted by policy terms and the cancellation shall terminate this agreement as to the loss payee’s interest. “We” will attempt to give the same advance notice of cancellation “we” give to the named insured to any Loss Payee shown on the “Declarations”. However, the failure of the Loss Payee to receive that notice, for any reason, shall not invalidate the cancellation as to “you” or the Loss Payee.

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 laws of “your” state, the state in which this policy was issued, or the state in which any loss payable under this Part D has occurred, requires payment to the Loss Payee in excess of that specified by the terms of this Part D, “you” agree to reimburse “us” to the extent of such payment.

Notwithstanding the deductible amount shown in the Declarations, the applicable deductible for any loss for which payment is made to the loss payee who has repossessed and obtained title to your “covered auto” shall not exceed \$250. Upon payment of such loss you will pay us the difference between that \$250 and the deductible amount shown in the Declarations.

Part E: Duties after an “Accident” or Loss

“We” have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- A.** “We” must be given prompt notice of any loss; including how, when, and where the loss or “accident” occurred. The names, addresses, and telephone numbers of any “covered persons”, injured persons and of any witnesses should also be included in the notification.
- B.** If “you” or the person seeking coverage cannot identify the owner or operator of a vehicle involved in the “accident”, or if theft or vandalism has occurred, “you” or the person seeking coverage must notify the police within 24 hours or as soon as practicable. In the case of a total theft of a vehicle, when requested by “us”, “you” and any other person seeking payment under this Part D must complete, sign, have notarized and return to “us” an affidavit of theft of “our” selection. The unreasonable failure to do so within sixty (60) days of “our” request shall invalidate and bar all claims under this Part D; including, but not limited to, the claims of any lien holder or loss payee.

- C.** A person seeking any coverage under this policy must:
 - 1.** Cooperate with “us” in any matter related to any claim or lawsuit.
 - 2.** Allow “us” to take signed and recorded statements, including sworn statements and examinations under oath, which “we” may conduct outside the presence of “you” or any other person seeking coverage, and answer all reasonable questions “we” may ask as often as “we” may reasonably require. These examinations shall take place within the same county as the address listed on the “Declarations.”
 - 3.** Provide proof of loss in writing that “we” may reasonably require.
 - 4.** Promptly provide “us” any demands, notices, or other legal papers received by “you” or any person seeking coverage under this policy.
 - 5.** Any person seeking uninsured motorist coverage under this policy must promptly send “us” copies of all legal papers if a suit is brought.
 - 6.** Submit, as often as “we” reasonably require to physical and psychological examinations by physicians “we” select. “We” will pay for these examinations.
 - 7.** Authorize “us” to obtain medical reports and any other pertinent records “we” request.
- D.** A person seeking Personal Injury Protection Coverage must also:
 - 1.** Give “us” written proof of claim, under oath if required. The proof of claim must include complete details of the nature and extent of the injuries and treatment received and contemplated; along with any other information which may assist “us” in determining the amount due and payable.
 - 2.** At “our” request, furnish “us” with a sworn statement of earnings for the “covered person” since the date of the “accident” and for a reasonable time before the “accident.”
 - 3.** Promptly send “us” copies of the summons, complaint and all other legal papers served in connection with any legal action taken, to recover damages for “bodily injury”, against a person or organization who is or may be legally liable.

Part F: General Provisions

Policy Period and Territory

This policy applies only to “accidents” and losses occurring during the policy period shown on the “Declarations” that occur within a state, territory, or possession of the United States of America, or Canada. This policy also applies to loss to or “accidents” involving an “insured vehicle” while being transport between their ports.

Bankruptcy

Bankruptcy or insolvency of a “covered person” shall not relieve “us” of any obligations under Part A of this policy.

Affirmative Duties

By acceptance of this policy, “you” affirm and agree that:

1. This insurance policy is issued in reliance upon “your” statements made in the insurance application;
2. “Your” statements made in the insurance application are true and complete;
3. “Your” statements made in the insurance application are incorporated into and form a part of this insurance policy;
4. “Your” statements as reflected on the “Declarations” and all endorsements, are incorporated into and form a part of this insurance policy;
5. The insurance application, “Declarations” and all endorsements, are incorporated into and form a part of this policy;
6. Any material misrepresentation on “your” part shall render this insurance policy null and void from inception; and
7. This insurance policy embodies all agreements existing between “you” and “us”.
8. “You” have the affirmative duty to advise “us” in writing of any change in circumstance or in the information “you” supplied to “us” on “your” application within thirty (30) days of that change.

The failure to do so may invalidate coverage if that undisclosed change has a material impact upon a risk insured by this policy.

Changes

This insurance policy contains all the agreements between “you” and “us”. Its terms may not be changed or waived except by endorsement issued by “us”. Any changes to the information used to calculate the insurance policy premium, may result in an adjustment to “your” premium. Examples of changes made during the policy period that may affect “your” premium include, but are not limited to:

1. The place of principal garaging of “insured vehicles”;
2. The number, type or use classification of “insured vehicles”;
3. Operators using “insured vehicles”;

“We” reserve the right to adjust premium in accordance with “our” filed rates and rules based upon information obtained from “you” or others. If “we” broaden coverage under this edition of “your” policy without additional premium charge, it will automatically apply to “your” policy as of the date “we” implement the change in “your” state.

Fraud

“We” do not provide coverage for any person seeking coverage who has made false or fraudulent statements or engaged in fraudulent conduct in connection with:

1. The application for this insurance policy,
2. Any renewal of this insurance policy,
3. Any endorsement to this insurance policy,
4. Any reinstatement of this insurance policy, or
5. Any claim, “accident” or loss for which coverage is sought under this insurance policy.

“We” do not pay for any injury, loss or damage which results from an act committed by or at the direction of “you,” a “family member” or any “covered person” with the intent to cause any injury, loss or damages; even if such injury, loss or damage materially differs from that intended. A denial of payment under this provision also results in a denial of payment to any lienholder, additional interest, fractional owner or joint owner; regardless of whether that person or organization is listed on the “Declarations”.

Legal Action Against Us

Legal action may not be brought against “us” without full compliance with all terms of this insurance policy. Furthermore, legal action may not be brought against “us” under Part A: Liability Coverage until a court has determined that the “covered person” has an obligation to pay and the amount of that obligation has been determined by judgment. No person or organization has the right to file legal action against “us” prior to a court finding a “covered person” liable for damages. Any legal action against “us” must be brought in the state in which this insurance policy was issued. Any legal action against “us” shall be governed by the laws of the state in which this policy was issued.

Our Right to Recover Payment

Each “covered person” must assign to or hold in trust for “us” all rights of recovery against any person or organization after “we” have made payment to any “covered person”. No “covered person” shall prejudice “our” rights to recover against another person or organization. When “we” request, a “covered person” shall do whatever is necessary to enable “us” to exercise “our” rights to recover.

If a “covered person” recovers from anyone without “our” written consent, the “covered person’s” right to payment under any applicable coverage will no longer exist. If a “covered person” recovers from another and from “us”, the amount recovered from another will be reimbursed to “us” to the extent of “our” payment. “We” may pursue legal action to recover that amount from the “covered person” if “we” are not reimbursed. If “we” certified this policy as future proof of financial responsibility, this policy shall comply with the law to the extent required.

“You” and any other “covered person” 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. “We” are entitled to recovery only after “you” and any other “covered person” has been fully compensated for the loss sustained.

Cancellation

The “named insured” may cancel this insurance policy by giving “us” advanced written notice of his or her desire to cancel the insurance policy and the future date on which the cancellation is to take effect.

If this insurance policy has been in effect for less than 60 days and is not a renewal policy, “we” may cancel this policy for any reason not prohibited by law by issuing a notice of cancellation to the “named insured” shown on the “Declarations” at the last known address appearing in “our” records. “We” will provide at least 10 days notice during this period. If this insurance policy has been in effect for 60 days or more, or this is a renewal or continuation policy, “we” may cancel by issuing a notice of cancellation to the “named insured” shown on the “Declarations” at the last known address appearing in “our” records. “We” will provide at least 10 days notice of cancellation if the insurance policy is cancelled for nonpayment of premium or 20 days notice for all other cancellations.

After this insurance policy is in effect for 60 days, or if this is a renewal or continuation policy, “we” may cancel only for one or more of the following reasons:

1. for nonpayment of premium; or
2. loss of driving privileges during the policy period, through suspension or revocation of an operator’s license issued to “you”, a resident of your household or any “regular operator”.
3. material misrepresentation or fraud in the procurement or renewal of this insurance policy, or in the submission of any claim under this insurance policy.
4. any other reason permitted by law.

Nonrenewal

“We” may non-renew for any reason not prohibited by law. If “we” decide not to renew or continue this policy, “we” will mail notice of nonrenewal to the “named insured” shown on the “Declarations” at the last known address listed in “our” records. Notice will be mailed at least 30 days prior the end of the policy period. If the policy period is other than 1 year, or written without a fixed expiration date, we

will have the right not to renew or continue it only at each annual anniversary of its original effective date.

County Farm Bureau Membership

If you purchased this policy through an Arkansas Farm Bureau Agency, you must make application to be a member of and maintain your membership in the applicable local county Farm Bureau agricultural organization and affiliated state Farm Bureau agricultural organization (hereinafter collectively “Farm Bureau Federation”). Your failure to apply for membership and maintain your membership with the applicable Farm Bureau Federation, including but not limited to your failure to pay the required membership dues to said Farm Bureau Federation, shall require the cancellation or non-renewal of your policy by us. Dues payable to Farm Bureau Federation are in consideration of membership in the Farm Bureau Federation, and are not premiums; and are not consideration of coverage under this policy; and are not payable to us.

Automatic Termination

If “we” offer to renew and “you” or “your” representative do not accept, this policy will automatically terminate at the end of the current policy period. A failure to pay the required renewal premium when due shall mean that “you” have not accepted “our” offer to renew. If “you” obtain other insurance on an “insured vehicle”, any insurance provided by this policy will terminate as to that “insured vehicle” on the effective date of the other insurance.

Other Termination Provisions

If the law in effect in “your” state at the time this policy is issued, renewed, or continued permits, “we” may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice. If this policy is canceled, “you” may be entitled to a premium refund. If so, “we” will send “you” the refund. Refunds of less than \$5.00 will be waived unless requested in writing by the “named insured”. Premium refunds are calculated on a pro rata basis. The effective date of cancellation stated in the notice shall become the end of the policy period. If “your” policy cancels, for any reason, partial payment(s) will not reinstate or extend “your” policy coverage beyond the effective date of the cancellation. If “your” policy has expired and a renewal has been offered “we” will not accept partial payment(s) for said renewal to extend coverage.

Transfer of Your Interest in This Policy

No person may transfer or assign their rights or duties under this policy without “our” written consent. If the “named insured” dies, coverage will be

provided to a surviving spouse if a resident of the "named insured's" household at the time of the "named insured's" death. Coverage will also apply for the operation of an "insured vehicle" by the legal representative of the "named insured" while acting as such. Coverage will terminate at the end of the policy term.

Two or More Auto Policies

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

Our Right to Recompute Premium

We established the premium for this policy based on the statements you made in the application for insurance. We have the right to recompute the premium if we later obtain information which affect the premium development.

Electronic Signatures

"You" and "we" agree that electronic signatures may be used and will satisfy any regulatory or other requirement for written signatures. When a law requires a signature or letter to be notarized, verified or acknowledged or made under oath, the electronic signature will satisfy this requirement if the signature of the person authorized to perform the service notarizing, verifying, or acknowledging is attached to or logically associated with the signature of record.

Part G: Underinsured Motorists Coverage

Insuring Agreement

A. "We" will pay compensatory damages which a "covered person" is legally entitled to recover from the owner or operator of an "underinsured motor vehicle" where such coverage is indicated as applicable in the "Declarations" because of "bodily injury";

1. Sustained by a "covered person"; and
2. Caused by an "accident".

"We" will pay under this coverage only if 1. or 2. below applies:

1. The limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgements or settlements; or
2. A tentative settlement has been made between a "covered person" and the insurer of the "underinsured motor vehicle" and "we":
 - a. have been given prompt written notice by certified mail, return receipt requested, of such tentative settlement; and
 - b. advance payment to the "covered person" in an amount equal to the

tentative settlement within 30 days after receipt of notification.

However, if the owner or operator of the "underinsured motor vehicle" is insured by "us" for liability coverage, this provision (2.) shall not apply, and a "covered person" may proceed with his or her claim for damages under this coverage any time after settlement of that "covered person's" claim for damages under the liability coverage applicable to the owner or operator of the "underinsured motor vehicle". If a duly licensed automobile dealer or rental company provides a vehicle to "you" or a "family member" for use as a temporary substitute for any other vehicle described in the definition of "insured vehicle" while it is out of normal use because of its breakdown, repair or servicing, coverage shall extend to such loaned vehicle only to the extent of the coverage provided, if any, to the automobile being repaired or serviced.

- B. "Covered person" as used in this endorsement means:
 1. "you" or any "family member".
 2. any other person "occupying" an "insured vehicle".
 3. any person for damages that person is entitled to recover because of "bodily injury" to which this coverage applies sustained by a person described in 1. or 2. above.
- C. "Underinsured motor vehicle" means a land motor vehicle or trailer of any type to which a bodily injury liability bond or policy applies at the time of the "accident" but the amount paid for "bodily injury" under that bond or policy to a "covered person" is not enough to pay the full amount the "covered person" is legally entitled to recover as damages. However, "underinsured motor vehicle" does not include any vehicle or equipment:
 1. To which a bodily injury liability bond or policy applies at the time of the "accident" but its limit for bodily injury liability is less than the minimum limit for bodily injury liability specified by the financial responsibility law of Arkansas.
 2. Owned by or furnished or available for the "regular use" of "you" or any "family member".
 3. Owned by any governmental unit or agency.
 4. Operated on rails or crawler treads.
 5. Designed mainly for use off public roads while not on public roads.
 6. While located for use as a residence or premises.
 7. Owned or operated by a person qualifying as a self-insurer under any applicable motor vehicle law.
 8. To which a bodily injury liability bond or policy applies at the time of the "accident" but the bonding or insuring company:

- a. denies coverage; or
- b. is or becomes insolvent

Exclusions

The following exclusions apply to all claims presented under this coverage:

- A.** “We” do not provide Underinsured Motorists Coverage for “bodily injury” sustained:
1. By a “covered person” while “occupying”, or when struck by, any motor vehicle owned by that “covered person” which is not insured for this coverage under this policy. This includes a “trailer” of any type used with that vehicle.
 2. By any “family member” while “occupying”, or when struck by, any motor vehicle “you” own which is insured for this coverage on a primary basis under any other policy.
 3. While an “insured vehicle” is operated by a “family member” or any other resident of “your” household who is not listed as a driver or operator on the application or in the “Declarations”.
- B.** “We” do not provide Underinsured Motorists Coverage for “bodily injury” sustained by any “covered person”:
1. While “occupying” an “insured vehicle” when it is being used as a public or livery conveyance. This exclusion (**B.1.**) does not apply to a share-the-expense car pool.
 2. Using a vehicle without a reasonable belief that that “covered person” is entitled to do so. Without limiting this exclusion, any “covered 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.
 3. While “occupying” any vehicle when rented to others or while being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, mail, newspapers, pizza, other types of food, or any other products. This exclusion (**B.3.**) does not apply to share-the-expense car pools.
 4. While “occupying” any motorized vehicle having more or less than four wheels.
 5. While “occupying” any vehicle located for use as a residence or premises.
 6. While “occupying” a vehicle when it is being used in the “business” of a “covered person”. This exclusion (**B.6.**) does not apply to “bodily injury” sustained while “occupying”:
 - a. a private passenger auto;
 - b. a pickup or van that “you” own; or
 - c. a “trailer” used with a vehicle described in a. or b. above.
 7. While “occupying” any vehicle located inside a facility designed for racing, for the purpose of:
 - a. competing in; or

- b. practicing or preparing for; any prearranged or organized racing or speed contest.

8. Which is caused by the spouse or a “family member” of the injured “covered person”.
- C.** This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
1. Workers’ compensation law; or
 2. Disability benefits law.
- D.** “We” do not provide Underinsured Motorists Coverage for punitive or exemplary damages which are imposed to:
1. Punish a wrongdoer; and
 2. Deter others from similar conduct.

Limit of Liability

- A.** With respect to the Underinsured Motorists Coverage indicated as applicable in the “Declarations” for damages caused by an “accident” with an “underinsured motor vehicle”:
1. The limit of Bodily Injury Liability shown for each person is “our” maximum limit of liability for all damages, including damages for care, loss of services or death, arising out of “bodily injury” sustained by any one person in any one “accident”.
 2. Subject to this limit for each person, the limit of Bodily Injury Liability shown for each “accident” is “our” maximum limit of liability for all damages for “bodily injury” resulting from any one “accident”.
- The limits of liability applicable to Underinsured Motorists Coverage are the most “we” will pay regardless of the number of:
1. “Covered persons”;
 2. Claims made;
 3. Vehicles or premiums shown in the “Declarations”; or
 4. Vehicles involved in the “accident”.
- B.** No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A, Part B, Part C or Part H of this policy.
- C.** “We” will not pay for any element of loss if a “covered person” is entitled to receive payment for the same element of loss under any of the following or similar laws:
1. Workers’ compensation law; or
 2. Disability benefits law
- D.** “We” will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

Other Insurance

If there is other applicable insurance available under one or more policies or provisions of coverage:

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance "we" provide with respect to a vehicle "you" do not own shall be excess over any collectible insurance providing coverage on a primary basis.
3. If the coverage under this policy is provided:
 - a. on a primary basis, "we" will pay only "our" share of the loss that must be paid under insurance providing coverage on a primary basis. "Our" share is the proportion that "our" limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.
 - b. on an excess basis, "we" will pay only "our" share of the loss that must be paid under insurance providing coverage on an excess basis. "Our" share is the proportion that "our" limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis.
4. However, if a duly licensed automobile dealer provides a vehicle to "you" or a "family member":
 - a. for use as a temporary substitute while an "insured vehicle" is out of normal use because of its breakdown, repair or servicing; or
 - b. to demonstrate the vehicle; then "we" will provide primary insurance.

Arbitration

- A. If "we" and a "covered person" do not agree:
 1. Whether that "covered person" is legally entitled to recover damages; or
 2. As to the amount of damages which are recoverable by that "covered person"; from the owner or operator of an "uninsured motor vehicle" then the matter may be arbitrated.

However, disputes concerning coverage under this Part may not be arbitrated. Non-binding arbitration will take place only if both we and the "covered person" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Any decision of the arbitrators will not be binding on either party.
- C. Each party will:
 1. Pay the expenses it incurs; and

2. Bear the expenses of the third arbitrator equally.

- D. Unless both parties agree otherwise, arbitration will take place in the county in which the "covered person" lives. Local rules of law as to procedure and evidence will apply.

Additional Duties

A person seeking coverage under this Part must also promptly:

1. Send "us" copies of the legal papers if a suit is brought; and
2. Notify "us" in writing by certified mail, return receipt requested, of a tentative settlement between the "covered person" and the insurer of the "underinsured motor vehicle" and allow "us" 30 days to advance payment to that "covered person" in an amount equal to the tentative settlement to preserve "our" rights against the insurer, owner or operator of such "underinsured motor vehicle".

However, if the owner or operator of the "underinsured motor vehicle" is insured by "us" for liability coverage, this provision (2.) shall not apply, and a "covered person" may proceed with his or her claim for damages under this coverage anytime after settlement of that "covered person's" claim for damages under this coverage anytime after settlement of that "covered person's" claim for damages under the liability coverage applicable to the owner or operator of the "underinsured motor vehicle". Written notice of a tentative settlement must include;

- a. written documentation of monetary losses incurred, including copies of all medical bills;
- b. written authorization or a court order authorizing us to obtain medical reports from all employers and medical providers; and
- c. written confirmation from the insurer of the "underinsured motor vehicle" of the Liability Coverage limits of the owner or operator of the "underinsured motor vehicle".

Part H: Personal Injury Protection Coverage**Insuring Agreement**

- A. "We" will pay personal injury protection benefits to or for a "covered person" who sustains "bodily injury". The "bodily injury" must:
 1. Be caused by an "accident"; and
 2. Arise out of the maintenance or use of a "motor vehicle" as a "motor vehicle".

"We" will only pay those benefits for which either the word included, or a specific premium, is shown in the "Declarations". If a duly licensed automobile dealer or rental company provides a "motor vehicle" to the "named insured" or a "family member" for use as a temporary substitute for any

other "insured vehicle" while it is out of normal use because of its:

1. Breakdown;
2. Repair; or
3. Servicing;

personal injury protection benefits shall extend to such loaned "motor vehicle" only to the extent of the coverage provided, if any, to the "insured vehicle" being repaired or serviced.

- B.** Subject to the limits shown in the "Declarations", personal injury protection benefits consist of the following:

- 1. Medical payments.** All reasonable and necessary expenses incurred within 2 years from the date of the "accident" for:
- a. Medical, hospital, x-ray, professional nursing, dental, surgical, ambulance, prosthetic and funeral expenses; and
 - b. Any non-medical remedial care and treatment rendered in accordance with a recognized religious method of healing.

Medical payments do not include expenses in excess of those required for a semi-private room, unless more intensive care is required.

2. Work loss.

- a. If a "covered person" is an income earner, loss of income from work that "covered person" would have performed had he not sustained "bodily injury".
- b. If a "covered person" is a non-income earner, expenses reasonably incurred in obtaining ordinary and necessary services instead of those that "covered person" would have performed, without income and for the benefit of himself or his family, had he not sustained "bodily injury".

Work loss applies only to the period beginning 8 days after the date of the "accident" and not exceeding 52 weeks. However, work loss does not include any loss or expenses after the death of a "covered person".

- 3. Accidental death.** A death benefit paid if "bodily injury" resulting from the "accident" causes the death of a "covered person" within 1 year from the date of the "accident". The "bodily injury" must be the sole cause of death.

Definitions

The following definitions are used in this Part only:

1. "Occupying" means:
 - a. in or upon
 - b. entering into; or
 - c. alighting from.
2. With respect to medical payments "insured vehicle" means a "motor vehicle" shown in the "Declarations" to which medical payments apply. This includes:
 - a. a "private passenger auto" not owned by the

"named insured" while used as a temporary substitute for an "insured vehicle" which is out of normal use because of its:

- (1) Breakdown;
- (2) Repair;
- (3) Servicing;
- (4) Loss; or
- (5) Destruction.

- b. a "trailer" designed for use with a "private passenger auto" provided such "trailer" is not being used for "business" purposes with another type vehicle.
3. With respect to work loss and accidental death, "insured vehicle" means a "private passenger motor vehicle" shown in the "Declarations" to which work loss or accidental death applies. This includes:
 - a. A "private passenger auto" not owned by the "named insured" while used as a temporary substitute for an "insured vehicle" which is out of normal use because of its:
 - (1) Breakdown;
 - (2) Repair;
 - (3) Servicing;
 - (4) Loss; or
 - (5) Destruction.
 - b. a "trailer" designed for use with a "private passenger auto" provided such "trailer" is not being used for "business" purposes with another type vehicle.
4. "Motor vehicle" means a land "motor vehicle", trailer or semi trailer. However, motor vehicle does not include a:
 - a. Farm tractor or other equipment, designed for use mainly off public roads, while not upon public roads.
 - b. Vehicle operated upon rails or crawler treads; or
 - c. Vehicle located for use as a residence or premises.
5. "Named insured" means the person named in the Declarations.
6. "Pedestrian" means any person who is not "occupying" any vehicle other than a:
 - a. motorcycle; or
 - b. vehicle operated by human or animal power.
7. "Private passenger auto" means a "motor vehicle" which is a:
 - a. private passenger;
 - b. station wagon; or
 - c. jeep type; automobile.
8. "Private passenger motor vehicle" means a "motor vehicle" which is a:
 - a. "private passenger auto".
 - b. pickup or van not customarily used for:
 - (1) occupational;
 - (2) professional; or

(3) business purposes, other than farming or ranching.

c. motorcycle.

However, "private passenger motor vehicle" does not include a "motor vehicle" used as a public livery conveyance for passengers.

9. "Covered person" means:

a. the "named insured" or any "family member" who sustains "bodily injury" while:

(1) "occupying"; or

(2) a "pedestrian" struck by:

a. "motor vehicle".

b. any other person who sustains "bodily injury":

(1) while:

(a) "occupying"; or

(b) a "pedestrian" struck by an "insured vehicle".

(2) while "occupying" a "motor vehicle" other than an "insured vehicle". The "bodily injury" must result from the:

(a) use of such "motor vehicle" by the "named insured";

(b) operation of such "motor vehicle" by the "named insured's" private chauffeur or domestic servant on behalf of the "named insured"; or

(c) use of such "motor vehicle" by any "family member" if the "motor vehicle" is a "private passenger auto" or "trailer".

However, this provision (b.(2)) does not apply to work loss or accidental death.

Exclusions

A. "We" will not provide Personal Injury Protection Coverage for "bodily injury":

1. Sustained by any "covered person" while:

a. operating an "insured vehicle" without the "named insured's" express or implied consent; or

b. not in lawful possession of an "insured vehicle".

2. Due to:

a. war (declared or undeclared);

b. civil war;

c. insurrection; any of the above.

d. rebellion or revolution; or

e. any act or condition incident to;

3. Resulting from the:

a. radioactive;

b. toxic;

c. explosive; or

d. other hazardous;

properties of nuclear material.

4. Sustained while "occupying" any "motor vehicle" having more or less than four wheels.

5. Sustained while "occupying" any vehicle located

for use as a residence or premises.

6. Sustained while "occupying" any "motor vehicle" located inside a facility designed for racing, for the purpose of:

a. competing in; or

b. practicing or preparing for;

any prearranged or organized racing or speed contest.

7. Sustained while "occupying" any "motor vehicle" when rented to others or while being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, mail, newspapers, pizza, other types of food, or any other products. This exclusion (A.7.) does not apply to shared expense car pools.

8. Resulting from the intentional or criminal acts of a "covered person".

9. Caused by explosives, other than the fluids necessary for the operation of an "insured vehicle".

10. Sustained while "occupying" an "insured vehicle" when operated by a "family member" or any other resident of your household who is not listed as a driver or operator on the application or in the "Declarations".

B. "We" do not provide coverage for medical payments or work loss for "bodily injury" sustained by any "covered person" to the extent that benefits are, in whole or in part, paid or payable under any of the following or similar law:

1. Worker's compensation law; or

2. Employer's disability law.

C. "We" do not provide coverage for work loss or accidental death sustained by:

1. The "named insured" while "occupying" any "private passenger motor vehicle" other than an "insured vehicle" which is:

a. owned by; or

b. furnished or available for the regular use of; the "named insured".

2. Any "family member" while "occupying" any "private passenger motor vehicle", other than an "insured vehicle", which is:

a. owned by; or

b. furnished or available for the "regular use" of; the "named insured" or that "family member".

3. Any "family member" entitled to similar coverage as a named insured under another policy which provides personal injury protection benefits equal to or greater than those required by the Arkansas statutes.

4. Any "covered person", other than the "named insured" or any "family member", entitled to similar coverage as a named insured or family member under another policy which provides personal injury protection benefits equal to or

greater than those required by the Arkansas statutes.

- D.** “We” will not provide coverage for medical payments for “bodily injury” sustained by:
- 1.** The “named insured” while “occupying” any “motor vehicle”, other than an “insured vehicle” which is:
 - a.** owned by; or
 - b.** furnished or available for the “regular use” of; the “named insured”.
 - 2.** Any “family member” while “occupying” any “motor vehicle”, other than an “insured vehicle”, which is:
 - a.** owned by; or
 - b.** furnished or available for the “regular use” of; the “named insured” or that “family member”.
 - 3.** Any “covered person”, other than the “named insured” or any “family member”, while “occupying” any “motor vehicle” other than an “insured vehicle” which is:
 - a.** owned by; or
 - b.** furnished or available for the “regular use” of; the “named insured” or any “family member”.
 - 4.** Any “covered person” while “occupying” an “insured vehicle” when it is being used as a public or livery conveyance unless such use is stated in the “Declarations”.
 - 5.** Any “covered person” other than the “named insured” or any “family member”, while “occupying” any “motor vehicle” other than an “insured vehicle” when it is being used as a public or livery conveyance.
 - 6.** Any “covered person” other than the “named insured” or any “family member”:
 - a.** while “occupying” any “motor vehicle”, other than an “insured vehicle”, while employed or otherwise engaged in the “business” or occupation of:
 - (1)** selling;
 - (2)** repairing;
 - (3)** servicing;
 - (4)** storing; or
 - (5)** parking;
 “motor vehicles”.
 - b.** Arising out of the maintenance or use of any “motor vehicle”, other than an “insured vehicle” or a motorcycle by that “covered person” while employed or otherwise engaged in any “business” or occupation not described in **6.a.** This exclusion (**6.b.**) does not apply to “bodily injury” resulting from the operation or occupancy of a:
 - (1)** “private passenger auto”; or
 - (2)** “trailer” used with such “private passenger auto” or an “insured

vehicle”;

By the “named insured” or his private chauffeur or domestic servant.

- 7.** Any “covered person” while “occupying” any “motor vehicle”, other than an “insured vehicle”, unless that “covered person” has, or reasonably believes he has, the permission of the owner to use such “motor vehicle”. Without limiting this exclusion, any “covered 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.

Payment of Benefits

“We” may pay medical payments or work loss to a “covered person” or any person or organization rendering the services. Such payment shall reduce the amount payable under this coverage for “bodily injury” sustained by that “covered person”.

Coordination of Coverage

Any coverage provided by this endorsement for medical payments will replace any coverage afforded under Part B of this policy with respect to an “insured vehicle” which is registered or principally garaged in Arkansas.

Limit of Liability

The limits of liability shown in the “Declarations” for Personal Injury Protection Coverage are the most “we” will pay each “covered person” injured in any one “motor vehicle” “accident”, regardless of the number of:

- 1.** “Covered persons”;
- 2.** Policies or bonds applicable;
- 3.** Claims made; or
- 4.** “Insured vehicles”.

Other Insurance

- A.** Any insurance “we” provide for medical payments:
- 1.** With respect to “bodily injury” sustained by any “family member”, shall be excess over any other collectible insurance available to that “family member” as a named insured under another motor vehicle insurance policy providing direct benefits without regard to fault.
 - 2.** With respect to “bodily injury” sustained by a “covered person”, other than the “named insured” or any “family member”, shall be excess over any other collectible similar insurance available to that “covered person” as a named insured or family member under another “motor vehicle” insurance policy providing direct benefits without regard to fault.
- B.** Except as provided in **A.** above, if there is other similar collectible insurance which provides coverage for medical payments, “we” will pay only “our” share of the loss. “Our” share is the

proportion that “our” limit of liability bears to the total of all applicable limits. However, if a duly licensed automobile dealer provides a “motor vehicle” to the “named insured” or a “family member”:

1. For use as a temporary substitute while an “insured vehicle” is out of normal use because of its breakdown, repair or servicing; or
 2. To demonstrate the “motor vehicle”; then “we” will provide primary insurance.
- C.** No one shall be entitled to recover duplicate payments for medical payments for the same elements of loss.
- D.** Any insurance “we” provide for work loss or accidental death shall be excess over any other collectible insurance available to:
1. A “covered person”, other than the “named insured” or any “family member”, under another motor vehicle insurance policy. In this event, “our” maximum limit of liability will be the amount by which the applicable limit of liability shown in the “Declarations” exceeds the applicable limits of liability of all other insurance.
 2. The “named insured” or any “family member” under any other “motor vehicle” insurance policy. In this event:
 - a. the maximum recovery under all policies shall not exceed the highest limit of liability under any one policy.
 - b. “we” will pay only “our” share of the loss. “Our” share is the proportion that our limit of liability bears to the total of all applicable limits.

However, if a duly licensed automobile dealer provides a “motor vehicle” to the “named insured” or a “family member”:

1. For use as a temporary substitute for any other “insured vehicle” while it is out of normal use because of its breakdown, repair or servicing; or
2. To demonstrate the “motor vehicle”; then “we” will provide primary insurance.

**THIS ENDORSEMENT CHANGES THE POLICY.
PLEASE READ IT CAREFULLY.**

Named Operator Endorsement

11 PA AR NO (9/17)

This endorsement applies only if Form 11 PA AR NO is indicated on the “Declarations” page.

Coverage applies only to vehicles not owned by the “named insured”. Coverage only applies to these vehicles when operated by the “named insured”.

With respect to the individuals and coverages listed in the “Declarations”, the provisions of the policy apply unless modified by this endorsement.

I. Definitions. The definitions section is amended as

follows:

- A.** “You” or “your” refers to the individual named in the “Declarations”.
- B.** The definition of “insured vehicle” is replaced by the following:
“insured vehicle” means any of the following types of vehicles on the date “you” become the owner:

- a. a private passenger auto; or
- b. a pickup or van that has a Gross Vehicle Weight of less than 10,000 pounds; that is not used in the “business” of any “covered person”.

This provision applies only:

- a. if “you” acquire the vehicle during the policy period; and
- b. for 30 days after “you” become the owner.

This insurance does not apply if other insurance applies with respect to the “newly acquired vehicle”.

II. Part A: Liability Coverage. Part A is amended as follows:

- A.** Paragraph 1. Of the definition of “covered person” is amended to “You” for:
- a. the ownership, maintenance, or use of an “insured vehicle”, or
 - b. the operation of a private passenger auto, pick-up or van not owned by “you”.
- B.** Paragraph 2. of the definition of “covered person” is deleted in its entirety.
- C.** The **Exclusions** Section is amended as follows:
1. Exclusions **A.3.** and **A.4.** are replaced by the following:
“We” do not provide Liability Coverage for any “covered person” maintaining or using any vehicle in the “business” of that “covered person”.
 2. Exclusion **B.3.** is replaced by the following:
“We” do not provide Liability Coverage for the ownership, maintenance or use of any vehicle, other than an “insured vehicle”, which is owned by “you”.

The **Out of State Coverage** Provision is replaced by the following:

Out of State Coverage

If an auto “accident” to which this policy applies occurs in any state or province other than where “you” reside, “we” will interpret “your” policy for that “accident” as follows:

- A.** If the state or province has:
1. A financial responsibility or similar law specifying limits of liability for “bodily injury” or “property damage” higher than the limit shown in the “Declarations”, “your” policy will provide the higher specified limit.
 2. A compulsory insurance or similar law requiring a nonresident to maintain

automobile liability insurance whenever the nonresident uses a vehicle in that state or province, "your" policy will provide at least the required minimum amounts and types of coverage.

- B.** No one will be entitled to duplicate payments for the same elements of loss.

III. Part B: Medical Payments Coverage. Part B is amended as follows:

- A.** Paragraph **1.** of the definition of "covered person" is amended by deleting reference to "family member".

- B.** The **Exclusions** Section is amended as follows:
Exclusion **10.** is replaced by the following:
"We" do not provide Medical Payments Coverage for any "covered person" for "bodily injury" sustained while "occupying", or when struck by, any vehicle (other than an "insured vehicle") which is owned by "you".

IV. Part C: Uninsured Motorists Coverage. Part **C** is amended as follows:

- A.** Paragraph **B.1.** of the definition of "covered person" is amended by deleting reference to "family member".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Business Use Endorsement

11 PA AR BU (9/17)

This endorsement applies only if Form 11 PA AR BU is indicated on the "Declarations" page.

With respect to coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

- A.** Paragraph **1.** of definition **K.** in the Definitions section is replaced by the following:
- 1.** "Newly acquired auto" means any of the following types of vehicles "you" become the owner of during the policy period:
 - a.** a private passenger auto; or
 - b.** a pickup or van, for which no other insurance policy provides coverage, that has a Gross Vehicle Weight of less than 10,000 pounds; that is not used for the delivery or transportation of goods and materials unless such use is:
 - a.** incidental to "your" "business" of installing, maintaining or repairing furnishings or equipment; or
 - b.** for farming or ranching.
- B.** Exclusion **A.4.** of Part **A,** Liability Coverage, is replaced by the following:
- 7.** Maintaining or using any vehicle while that "covered person" is employed or otherwise engaged in any "business" (other than farming or ranching) not described in exclusion **A.3.**

This exclusion (**A.4.**) does not apply to the maintenance or use of a:

- a.** private passenger auto;
 - b.** pickup or van that:
 - (1)** "you" own; or
 - (2)** "you" do not own while used as a temporary substitute for an "insured vehicle" which is out of normal use because of its:
 - (a)** breakdown;
 - (b)** repair;
 - (c)** servicing;
 - (d)** loss; or
 - (e)** destruction; or
 - c.** "trailer" used with a vehicle described in **a.** or **b.** above.
- C.** Exclusion **4.** of Part **B,** Medical Payments Coverage, is replaced by the following:
- 4.** Sustained while "occupying" a vehicle when it is being used in the "business" of that "covered person." This exclusion (**4.**) does not apply to "bodily injury" sustained while "occupying" a:
 - a.** private passenger auto;
 - b.** pickup or van that "you" own; or
 - c.** "trailer" used with a vehicle described in **a.** or **b.** above.

Accidental Death Benefit Endorsement

11 PA AR AD (9/17)

This endorsement applies only if Form 11 PA AR AD is indicated on the "Declarations" page.

"We" agree with "you", subject to all provisions of this endorsement and to all of the provisions and definitions of this policy, except as modified herein, as follows.

Definitions

When used in reference to this coverage:

- A.** "Acceptable proof of loss" means a certified copy of an official death certificate listing the official cause of "death".
- B.** "Eligible injured person" means the "named insured" while "occupying" any motor vehicle.
- C.** "Motor vehicle" means a vehicle having more than three load bearing wheels of a kind required to be registered under the laws of this State relative to motor vehicles; designed primarily for operation upon the public streets, roads and highways and is driven by power other than muscular power. Also includes a "trailer" drawn by or attached to such vehicle.
- D.** "Death" means loss of life; including the disappearance of the "eligible injured person" if:
 - a.** the body of the "eligible injured person" has not been located and identified within one year after an "accident" involving a "motor vehicle" "occupied" by the "eligible injured

- person” at the time of the accident.
- b. the “eligible injured person”_disappears from the scene of the accident immediately following the “accident”; and
 - c. the policy would have covered injury resulting from the “accident.”

Accidental Death Benefit

“We” will pay the limit of liability shown on the “Declarations” in the event of “death” of an “eligible injured person” which results proximately and directly from “bodily injury” caused by “accident” and result from the maintenance or use of a motor vehicle as a motor vehicle, if the “death” occurs within one year from the date of the “accident.” No payment is due until “we” receive “acceptable proof of loss” in the form of a certified copy of an official death certificate listing the cause of “death”.

Exclusions

This policy does not cover any loss resulting directly, from:

- a. Intentionally self-inflicted injury, suicide or attempted suicide, whether sane or insane.
- b. War or act of war, whether declared or undeclared, or any aggression by armed forces, or where nuclear weapons are used.
- c. Injury sustained while in the armed forces of any country or international authority.
- d. Injury sustained while voluntarily taking drugs, sedatives, narcotics, barbiturates, amphetamines or hallucinogens, unless prescribed for and administered by a licensed physician; or
- e. Injury sustained while legally intoxicated from the use of alcohol while operating a motor vehicle.

Principle Sum

The principal sum amount shall be stated on the “Declarations”.

Payment of Loss

All policy proceeds will be paid, upon “our” receipt of “acceptable proof of loss” of the “eligible injured person”, to the survivors, in equal shares, in the first of the following classes to have a survivor as of the date of “death”.

- a. Spouse,
- b. Children,
- c. Parents, or
- d. Brothers and Sisters.

If there is no survivor in these classes, payment will be made to the estate of the “eligible injured person”.

Limit of Liability

Regardless of the number of “covered persons”, “eligible injured persons”, policies or bonds applicable, claims made, or “insured vehicles” to

which this coverage applies, the limit of “our” liability under Accidental Death Benefit is limit of liability shown in the “Declarations”.

Notice of Claims, Medical Reports, Proof of Loss

As soon as possible, “we” must be given written notice of the claim; including “acceptable proof of loss”. It must include all details “we” may need to determine if benefits are payable and to whom. Failure to furnish such “acceptable proof of loss” within the time required shall invalidate any claim if it was reasonably possible to give “acceptable proof of loss” within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the case of legal incapacity, later than one year from the date of “death”.

IMPORTANT NOTICE:

Calculation of Premium Refunds

11 PA AR RF (9/17)

If your policy is cancelled for any reason, we will refund to you in full the unearned portion of the premium paid by you.

IMPORTANT NOTICE:

Privacy Notice

11 AR US PN (7/08)

Trexis Insurance Corporation

We obtain most of our information from the application you complete and from your other transactions with us, our affiliates, or other agencies. We may get additional information from your motor vehicle records, a consumer credit bureau, insurance claims and other loss information reports, or medical reports. We may require additional information on your insured property, such as photographs. We do not disclose any non-public personal information about our customers or former customers, except as permitted by law. We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. Our employees are instructed on their responsibilities and the importance of the confidentiality of personal information. We maintain physical, electronic and procedural safeguards that comply with state and federal regulations to guard your personal information.

Consumer Information Section:

“Policyholders have the right to file a complaint with the Arkansas Insurance Department (AID). You may call AID to request a complaint form at (800) 852-5494 or (501) 371-2640 or write the Department at:” Arkansas Insurance Department
Consumer Services Division
1 Commerce Way, Suite 102
Little Rock, AR 72202