



ALFA SPECIALTY INSURANCE CORPORATION
2108 East South Boulevard Montgomery, AL 36116
 (NAIC # 11004)

PRIVATE PASSENGER AUTO POLICY

KENTUCKY

14 PA KY PO (10/15)

This policy is a legal contract between **you** and **us**.

READ YOUR POLICY CAREFULLY. This cover sheet provides only a brief outline of some of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth, in detail, the rights and obligations of both you and your insurance company. **IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY.**

Your Quick Reference Guide

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Agreement

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

Definitions

- A. Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations.
 2. The spouse if a resident of the same household.
- B. "We", "us" and "our" refer to the Company providing the insurance.
- C. For the purposes of this policy, a private passenger type auto shall be deemed to be owned by a person if leased.
1. Under a written agreement to that person.
 2. For a continuous period of at least 6 months.
- Other words and phrases are defined terms wherever they appear. They are either boldfaced or in quotation marks when used.
- D. "Bodily injury" means bodily harm, sickness or disease including death that results.
- E. "Business" includes trade, profession or occupation.
- F. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child.
- G. "Occupying" means in, upon, getting in, on, out or off.
- H. "Property damage" means physical injury to, destruction of or loss of use of tangible property.
- I. "Trailer" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup or van.

It also means a farm wagon or farm implement while towed by a vehicle listed in 1. or 2. above.

- J. "Your covered auto" means:
1. Any vehicle shown in the Declarations.
 2. 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
 1. Has a gross vehicle weight of less than 10,000 lbs; and
 2. Is not used for the delivery or transportation of goods and materials.

This provision (J.2.) applies only if:

- a. You acquire the vehicle during the policy period.
- b. you ask us to insure it within 30 days after you become the owner; and
- c. no other insurance policy provides coverage for that vehicle.

If the vehicle you acquire replaces one shown in the Declarations, it will have the same coverage as the vehicle it replaced. You must ask us to insure a replacement vehicle within 30 days only if:

- a. you wish to add or continue Coverage for Damage to Your Auto; or
- b. it is used in any "business" other than farming or ranching.

If the vehicle you acquire is in addition to any shown in the Declarations the vehicle will be defined as a "newly acquired auto" and must follow the provisions defined herein under the definition of "newly acquired auto".

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3. Any "trailer" you own.
 4. Any auto or "trailer" you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:
 - a. breakdown;
 - b. repair;
 - c. servicing;
 - d. loss; or
 - e. destruction.
- K. "Newly acquired auto"
1. "Newly acquired auto" means any of the following types of vehicles that 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 policies provides coverage, that
 - (1) Is not used for the delivery or transportation of goods and materials unless such is:
 - a. Incidental to your business other than farming or ranching.
- This provision (K.1.) applies only if:
- a. you acquire the vehicle during the policy period.
 - b. you ask us to insure it within 14 days after you become the owner; and
 - c. no other insurance policy provides coverage for that vehicle.
- After the 14 day time period of the "newly acquired auto" has elapsed, any coverage we provide for the "newly acquired auto" will begin at the time you request the coverage.
- a. For any coverage provided in this policy except Coverage for Damage to your Auto, a "newly acquired auto" will have the broadest coverage we now provide for any vehicle shown in the Declarations. Coverage begins on the date you become the owner. However for this coverage to apply a "newly acquired auto" which is in addition to any vehicle shown in the Declarations, you must ask us to insure within 14 days after you become the owner.
 - b. Collision coverage for a "newly acquired auto" begins at the date in which ask us to insure your auto. Collision coverage will not be extended for the 14 days after you become the owner unless,
 - a. The Declarations indicate that Collision coverage applies to at least one auto. In this case you will have the broadest coverage we now provide for any auto shown on the Declarations. After the fourteen (14) day time period lapses, any coverage we provide for the "newly acquired auto" will begin at the time you request the coverage.

L. "Collision" means the upset of "your covered auto" or a "non-owned auto" or their impact with another vehicle or object. Loss caused by the following is considered other than "collision".

1. Missiles or falling objects;
2. Fire.
3. Theft or larceny.
4. Explosion or earthquake.
5. Windstorm.
6. Hail, water or flood.
7. Malicious mischief or vandalism.
8. Riot or civil commotion.

9. Contact with a bird or animal; or
 10. Breakage of glass.
If breakage of glass is caused by "collision", you may elect to have it considered a loss caused by "collision".
- M. "Innocent co-insured" means an "insured" who did not cooperate in or contribute to the creation of the loss.
- N. "Diminution in value" means the actual or perceived loss in the market or resale value, which results from a direct or accidental loss.
 - O. "Punitive or Exemplary Damages" means any extra or additional sum of money that a judge or jury may award as a means of punishing a person for highly objectionable behavior.
 - P. "Derivative claims" means loss of society, loss of companionship or care, loss of consortium and/or wrongful death, loss of services.

Part A: Liability Coverage

Insuring Agreement

- A. We will pay for damages, other than punitive or exemplary, for "bodily injury" or "property damage" for which any "insured" becomes legally responsible because of an auto accident. Damages include prejudgment interest awarded against the "insured". We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for "bodily injury" or "property damage" not covered under this policy.
- B. "Insured" as used in this Part means:
1. You or any "family member" for the ownership, maintenance or use of any auto or "trailer".
 2. Any person using "your covered auto" with the owner's permission and provided such use is within the scope of that permission.
 3. For "your covered auto", any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this Part.
 4. For any auto or "trailer", other than "your covered auto", any other person or organization but only with respect to legal responsibility for acts or omissions of you or any "family member" for whom coverage is afforded under this Part. This provision (B.4.) applies only if the person or organization does not own or hire the auto or "trailer".

Supplementary Payments

In addition to our limit of liability, we will pay on behalf of an "insured".

1. Premiums on appeal bonds and bonds to release attachments in any suit we defend. We have no duty to purchase bonds in an amount exceeding our limit of liability, and we have no duty to apply for or furnish these bonds.
2. Interest accruing after a judgment is entered in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.
3. Other reasonable expenses incurred at our request.

Exclusions

- A. To the extent that the limits of liability for this coverage exceed the limits of liability required by the Kentucky Motor Vehicle Reparations

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Act, we do not provide Liability Coverage for any "insured".

1. Who intentionally causes "bodily injury" or "property damage".
2. For "property damage" to property owned or being transported by that "insured".
3. For "property damage" to property.
 - a. rented to;
 - b. used by; orthat "insured".
 - c. in the care of;
This exclusion (A.3.) does not apply to "property damage" to a residence or private garage.
4. For "bodily injury" to an employee of that "insured" occurring during the course of employment. This exclusion (A.4.) does not apply to "bodily injury" to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. For that "insured's" liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (A.5.) does not apply to a share-the-expense car pool.
6. 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 the public highways. This includes road testing and delivery. This exclusion (A.6.) does not apply to the ownership, maintenance or use of "your covered auto" by:
 - a. you;
 - b. any "family member", or
 - c. any partner, agent or employee of you or any "family member".
7. Maintaining or using any vehicle while that "insured" is employed or otherwise engaged in any "business" (other than farming or ranching) not described in exclusion A.6. This exclusion (A.7.) does not apply to the maintenance or use of a:
 - a. private passenger auto; or
 - b. pickup or van that;
 - c. "trailer" used with a vehicle described in a. or b. above.
8. Using a vehicle without a reasonable belief that "insured" is entitled to do so. This Exclusion (A.8.) does not apply to a "family member" using "your covered auto" which is owned by you.
9. For "bodily injury" or "property damage" for which that "insured":
 - a. is an insured under a nuclear energy liability policy. or
 - b. would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.A nuclear energy liability policy is a policy issued by any of the following or their successors.
 - a. Nuclear Energy Liability Insurance Association.
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
10. For the ownership, maintenance or use of 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.
11. For the ownership, maintenance or use of any vehicle when

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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, pizza, other types of food, or any other products. This exclusion (A.11.) does not apply to shared expense car pools.

12. Who causes "bodily injury" or "property damage" during the commission of a felony or while fleeing from law enforcement.
 13. For any liability assumed under any contract or bailment.
 14. For "bodily injury" or "property damage" caused by nuclear reaction, radiation or contamination.
 15. For "bodily injury" or "property damage" caused by the dumping, discharge or escape of any irritants, pollutants or contaminants other than the fluids necessary for the operation of "your covered auto".
 16. For "bodily injury" or "property damage" caused by explosives, other than the fluids necessary for the operation of "your covered auto".
 17. For punitive or exemplary damages or any damages other than compensatory which exceeds the limits of liability required by the Kentucky Motor Vehicle Reparations Act.
- B. We do not provide Liability Coverage for the ownership, maintenance or use of:
1. Any motorized vehicle having more or less than four wheels or that is designed mainly for use off public roads. This exclusion does not apply:
 - a. while such vehicle is being used by an "insured" in a medical emergency.
 - b. To any trailer; or
 - c. to any motorized vehicle having more or less than four (4) wheels if:
 - (1.) Such vehicle is loaned by a person, firm or corporation engaged in the "business" of selling, repairing and servicing motor vehicles;
 - (2.) Such vehicle is used as a temporary substitute for "your covered auto" which is out of normal use because of its breakdown, repair or servicing; and
 - (3.) The "bodily injury" or "property damage" results from an auto accident caused by the negligence of you or any "family member" or
 2. Any vehicle, other than "your covered auto" which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
 3. Any vehicle, other than "your covered auto", which is:
 - a. owned by any "family member"; or
 - b. furnished or available for the regular use of any "family member".
- C. We do not provide Liability Coverage for any "insured":
1. For "property damage" to property owned by that insured.
 2. Using a vehicle without a reasonable belief that that "insured" is entitled to do so. This exclusion (C.2.) does not apply to a "family member" using "your covered auto" which is owned by you.
 3. For punitive and exemplary damages.

Limit of Liability

- A. The limit of liability shown in the Declarations for each person for Bodily Injury Liability 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 auto accident, including damages for derivative claims, which are

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considered part of the underlying "bodily injury" and does not give rise to a separate each person claim. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Bodily Injury Liability is our maximum limit of liability for all damages for "bodily injury" resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all "property damage" resulting from any one auto accident.

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

1. "Insureds";
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the auto accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B, Part C, Underinsured Motorists Coverage or Personal Injury Protection Coverage of this policy.

Out of State Coverage

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

- A. If the state or province has one of the following.
1. A financial responsibility law 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 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.

Financial Responsibility

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required. You must reimburse us if we make a payment that we would not have made if this policy was not certified as proof of financial responsibility.

Other Insurance

If there is other applicable liability insurance 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. 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 shall be primary for "property damage".

1. Such vehicle is loaned by a person, firm or corporation engaged in the "business" of selling, repairing and servicing motor vehicles;
2. Such vehicle is used as a temporary substitute for "your covered auto" which is out of normal use because of its breakdown, repair or servicing; and
3. The "bodily injury" or property damage" results from an auto accident caused by the negligence of you or any "family member".

Additional Interest

Liability coverage shall also apply to each additional interest named in the Declarations with respect to the "your covered auto" 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.

Part B: Medical Payments Coverage

Insuring Agreement

A. We will pay the usual and customary charge for reasonable expenses incurred for necessary medical and funeral services because of "bodily injury".

1. Caused by accident; and
2. Sustained by an "insured".

We will pay only those expenses incurred for services rendered within 3 years from the date of the accident.

B. "Insured" as used in this Part means:

1. You or any "family member":
 - a. while "occupying"; or
 - b. as a pedestrian when struck by a motor vehicle designed for use mainly on public roads or a trailer of any type.
2. Any other person while "occupying" "your covered auto".

Exclusions

We do not provide Medical Payments Coverage for any "insured" for "bodily injury".

1. Sustained while "occupying" any motorized vehicle having more or less than four wheels.
2. Sustained while "occupying" "your covered auto" when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to:
 - a. "Bodily injury" sustained by a passenger who is not charged a fee; or
 - b. A share-the-expense car pool.
3. Sustained while "occupying" any vehicle located for use as a residence or premises.
4. Occurring during the course of employment if workers' compensation benefits are required or available for the bodily injury.
5. Sustained while "occupying" or when struck by any vehicle, other than your covered auto, which is:
 - a. Owned by you; or
 - b. Furnished or available for your regular use.
6. Sustained while "occupying" or when struck by any vehicle, other than "your covered auto", which is:
 - a. Owned by any "family member"; or
 - b. Furnished or available for the regular use of any "family member".
7. Sustained while "occupying" a vehicle without a reasonable belief that that person is entitled to do so.
8. Sustained while "occupying" a vehicle when it is being used in the "business" of an "insured". This exclusion (8.) 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.
9. Caused by or as a consequence of:

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- a. Discharge of a nuclear weapon (even if accidental);
 - b. War (declared or undeclared);
 - c. Civil war.
 - d. Insurrection; or
 - e. Rebellion or revolution.
10. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
- a. Nuclear reaction
 - b. Radiation; or
 - c. Radioactive contamination.
11. Sustained while "occupying" a vehicle without a reasonable belief that that "insured" is entitled to do so. Without limiting this exclusion, any "insured" 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 that vehicle.
12. Sustained 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.
13. Sustained 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, newspapers, pizza, other types of food, or any other products. This exclusion (13.) does not apply to shared expense car pools.
14. For which the United States Government is liable under the Federal Tort Claims Act.
15. Resulting from the intentional or criminal acts of an insured. This exclusion (15.) does not apply to the ownership interests of an "innocent co-insured" if:
- a. the loss arose out of a pattern of domestic violence and abuse; and
 - b. the perpetrator of the loss is criminally prosecuted for the act causing the loss.
16. Caused by explosives, other than the fluids necessary for the operation of "your covered auto".

Limit of Liability

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each "insured" injured in any one accident. 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 accident.

Any amounts otherwise payable for expenses under this coverage shall be reduced by any amounts paid or payable for the same expenses under Part A, Part C, Underinsured Motorists Coverage or Personal Injury Protection Coverage. No payment will be made under this coverage unless the "insured" or his legal representative agrees in writing that any payment shall be applied toward any settlement or judgment that person receives under Part A, Part C or Underinsured Motorists Coverage of this policy.

In no event will an "insured" be entitled to receive duplicate payments for the same element of loss.

Other Insurance

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

Part C: Uninsured Motorists Coverage

Insuring Agreement

A. We will pay for damages, other than punitive or exemplary, which an "insured" 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 "bodily injury".

1. Sustained by an "insured"; and
2. Caused by an accident.

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.

B. "Insured" as used in this Part means:

1. You or any "family member".
2. Any other person "occupying" "your covered auto".
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. "Uninsured motor vehicle" means a land motor vehicle or trailer of any type.

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident. In this case its limit for bodily injury liability must be less than the minimum limit for bodily injury liability specified by the financial responsibility law of the state in which "your covered auto" is principally garaged.
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. "your covered auto".
 - d. an intermediate vehicle, which in turn strikes a person or vehicle identified in (a), (b), or (c) above in an unbroken chain of events:

provided that "you", or someone on "your" behalf reports the accident to the police or civil authority within 24 hours or as soon as practicable after the accident.

4. 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.

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 "bodily injury" sustained by any "insured":

1. If the "insured" or the legal representative settles the "bodily injury" claim and such settlement prejudices our right to recover payment.
2. While "occupying" "your covered auto" when it is being used to carry persons or property for a fee. This exclusion (A.2.) does not apply to a share-the-expense car pool.
3. Using a vehicle without a reasonable belief that that "insured" is entitled to do so. This Exclusion (A.3.) does not apply to a "family member" using "your covered auto" which is owned by you.

B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar laws.

1. Workers' compensation law; or
2. Disability benefits law.

C. We do not provide Uninsured Motorists Coverage for punitive or exemplary damages or any damages other than compensatory.

Limit of Liability

A. The limit of liability shown in the Declarations for each person for Uninsured Motorists Coverage 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 person in any one accident. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Uninsured Motorists Coverage is our maximum limit of liability for all damages for "bodily injury" resulting from any one accident.

The maximum limit of liability is the most we will pay regardless of the number of:

1. "Insureds";
2. Claims made; or
3. 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 and Part B of this policy or any Underinsured Motorists Coverage or Personal Injury Protection Coverage provided by this policy.

C. 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.

D. We will not pay under this coverage for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:

1. Workers' compensation law; or
2. Disability benefits law.

Other Insurance

If there is other applicable similar insurance, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle:

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- a. You do not own, including any vehicle while used as a temporary substitute for "your covered auto"; or
- b. Owned by you or any "family member" which is not insured for this coverage under this policy;
Shall be excess over any other collectible insurance similar to the insurance provided by this endorsement.

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"family member". or

- 2. Any auto or "trailer" you do not own while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
 - a. breakdown;
 - b. repair;
 - c. servicing;
 - d. loss; or
 - e. destruction.

Arbitration

If we and an "insured" do not agree:

- 1. Whether that person is legally entitled to recover damages under Part C; or
 - 2. As to the amount of damages which are recoverable by that "insured";
- from the owner or operator of an "insured motor vehicle" then the matter may be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

Each party will:

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

Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedures and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

Part D: Coverage for Damage to Your Auto

Insuring Agreement

- A. We will pay for direct and accidental loss to "your covered auto" or any "non-owned auto" including their equipment, minus any applicable deductible shown in the Declarations. If loss to more than one "your covered auto" or "non-owned auto" results from the same "collision", only the highest applicable deductible will apply. We will pay for loss to "your covered auto" caused by:
 - 1. Other than "collision" only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
 - 2. "Collision" only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is loss to a "non-owned auto", we will provide the broadest coverage applicable to any "your covered auto" shown in the Declarations.

- B. "Collision" means the upset of "your covered auto" or a "non-owned auto" or their impact with another vehicle or object. Loss caused by the following is considered other than "collision".

1. Missiles or falling objects;	7. Malicious mischief or
2. Fire.	vandalism.
3. Theft or larceny.	8. Riot or civil commotion.
4. Explosion or earthquake.	9. Contact with a bird or
5. Windstorm.	animal; or
6. Hail, water or flood.	10. Breakage of glass.

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

- C. "Non-owned auto" means:
 - 1. Any private passenger auto, pickup, van or "trailer" not owned by or furnished or available for the regular use of you or any "family member" while in the custody of or being operated by you or any

Rental Reimbursement

We will pay, without application of a deductible, up to the limit shown in the Declarations as applicable to that vehicle, for:

- 1. Temporary transportation expenses incurred by you in the event of a loss to "your covered auto". We will pay for such expenses if the loss is caused by:
 - a. Other than "collision" only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
 - b. "Collision" only if the Declarations indicate that Collision Coverage is provided for that auto.
- 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. Other than "collision" only if the Declarations indicate that Other Than Collision Coverage is provided for any "your covered auto".
 - b. "Collision" only if the Declarations indicate that Collision Coverage is provided for any "your covered auto".

In addition, we will pay, up to the limit shown in the Declarations as applicable to that vehicle, for transportation expenses incurred by you. This applies only if the loss is caused by a total theft of "your covered auto", we will pay only expenses incurred during the period.

- 1. Beginning 48 hours after the theft; and
- 2. Ending when "your covered auto" is returned to use or we pay for its loss.

If the loss is caused by other than theft of a "your covered auto" or a "non-owned auto", we will pay only expenses beginning when the auto is withdrawn from use for more than 24 hours.

Our payment will be limited to that period of time reasonably required to repair or replace the "your covered auto" or the "non-owned auto".

Towing and Labor

We will pay towing and labor costs incurred each time "your covered auto" or any "non-owned auto" is disabled, up to the amount shown in the Declarations as applicable to that vehicle. If a "non-owned auto" is disabled, we will provide the broadest towing and labor costs coverage applicable to any "your covered auto" shown in the Declarations. We will only pay for labor performed at the place of disablement.

Exclusions

We will not pay for:

- 1. Loss to "your covered auto" or any non-owned auto which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.
- 2. Damage due and confined to:
 - a. Wear and tear;
 - b. Freezing.
 - c. Mechanical or electrical breakdown or failure.
 - d. Road damage to tires.
 - e. Prior loss or damage; or
 - f. Manufacturer's defects.
 - g. Improper repair

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This exclusion (2.) does not apply if the damage results from the total theft of "your covered auto" or any "non-owned auto".

3. Loss due to or as a consequence of:
 - a. Radioactive contamination;
 - b. Discharge of any nuclear weapon (even if accidental).
 - c. War (declared or undeclared).
 - d. Civil war.
 - e. Insurrection; or
 - f. Rebellion or revolution.
4. Loss to:
 - a. Any electronic equipment designed for the reproduction of sound, including, but not limited to:
 - (1.) radios, stereos, receivers, amplifiers;
 - (2.) tape players;
 - (3.) compact disc player; or
 - (4.) speakers.

This exclusion (4.) does not apply to equipment designed solely for the reproduction of sound and accessories used with such equipment, provided:

- (1.) The equipment is permanently installed in "your covered auto" or any "non-owned auto" in the opening of the dash or console normally used by the manufacturer for the installation of a radio; or
- (2.) the equipment is:
 - a. removable from a housing unit which is permanently installed in the auto in the opening of the dash or console normally used by the manufacturer for the installation of a radio
 - b. designed to be solely operated by use of the power from the auto's electrical system; and
 - c. in or upon "your covered auto" or any "non-owned auto" at the time of the loss.

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

5. 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
 - c. Two-way mobile radios
 - d. Scanning monitor receivers
 - e. Television monitor receivers
 - f. Video cassette recorders
 - g. Audio cassette recorders
 - h. Personal computers
 - i. Fax Machines

This exclusion (5.) 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.

6. Loss to tapes, records, discs or other media used with equipment described in exclusions 4 and 5.
7. A total loss to "your covered auto" or any "non-owned auto" due to destruction or confiscation by governmental or civil authorities.
8. Loss to:
 - a. a "trailer", camper body, or motor home which is not shown in the Declarations; or

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- 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.
9. Loss to any "non-owned auto" when used by you or any "family member" without a reasonable belief that you or that "family member" are entitled to do so.
10. Loss to equipment designed or used for the detection or location of radar or laser.
11. Loss to any custom furnishings or equipment in or upon any auto, pickup, or van. Custom furnishings or equipment include, but are not limited to:
 - a. special carpeting and 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; or
 - k. saps or shells
12. 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 or "your covered auto" or a "non-owned auto".
 - j. the value in excess of \$500 for covered equipment designed solely for the reproduction of sound and accessories used with such equipment.

This exclusion (12.) does not apply to additional equipment specifically identified and declared on the application with a premium shown on the Declarations

13. Loss to any "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.
14. Loss to any "non-owned auto" being maintained or used by any person while employed or otherwise engaged in any "business" not described in exclusion 13. This exclusion (14.) does not apply to the maintenance or use by you or any "family member" of a "non-owned auto" which is a private passenger auto or "trailer".
15. Loss to "your covered auto" or any "non-owned auto" while:

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- a. competing in; or
- 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

16. 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.

17. Loss intentionally caused by or at the direction of you or a "family member", or any listed driver on your policy. This exclusion (16.) does not apply to the ownership interests of an "innocent co-insured" if:

- a. the loss arose out of a pattern of domestic violence and abuse.
And
- b. the perpetrator of the loss is criminally prosecuted for the act causing the loss.

Payment to the co-insured will be limited to his or her ownership interests in the property as reduced by any payments to a mortgage or other secured interest.

18. Loss to any "your covered auto" 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, pizza, other types of food, or any other products. This exclusion (18.) does not apply to a share-the-expense car pool.

19. Loss to personal effects or personal property including, but not limited to, clothes, luggage, tools, tapes, compact discs, and sports equipment.

20. Loss caused by explosives, other than the fluids necessary for the operation of a motor vehicle.

21. Loss to "your covered auto" or a "non-owned auto" caused by a:

- a. "family member"
- b. resident of your household
- c. person who is not licensed to operate a motor vehicle; or
- d. person who operates "your covered auto" or the "non-owned auto" on a regular basis;
- e. 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.

22. Loss to "your covered auto" or a "non-owned auto" resulting from the illegal activities of an "insured".

23. Loss to "your covered auto" or any "non-owned auto" due to "diminution in value".

24. Loss caused by the wrongful conversion, embezzlement, or secretion by the purchaser, mortgagor, or lessee in possession of "your covered auto" under mortgage, conditional sale contract, lease agreement, or other contract.

Limit of Liability

A. Our limit of liability for loss will be the lesser of the:

1. Amount shown in the Declarations;
2. Actual cash value of the stolen or damaged property. or
3. The amount necessary to repair or replace the property with other property of like kind and quality.

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

Our payment for loss will be reduced by any applicable deductible shown in the Declarations. If loss to more than one "your covered

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auto" or "non-owned auto" results from the same "collision", only the highest applicable deductible will apply.

B. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of loss.

C. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

Payment of Loss

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

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

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

We may make payment for a loss to you, the owner of the property or the lien holder. Payment for loss is only required if you have fully complied with all the terms and conditions of this policy.

No Benefit to Bailee

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

Other Insurance

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

1. Any coverage provided by the owner of the "non-owned auto";
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

However, any insurance we provide with respect to a loss to a "non-owned auto" caused by "collision shall be primary if:

1. Such vehicle is loaned by a person, firm or corporation engaged in the "business" of selling, repairing and servicing motor vehicles;
2. Such vehicle is used as a temporary substitute for "your covered auto" which is out of normal use because of breakdown, repair or servicing; and
3. The loss results from an auto accident caused by the negligence of you or any "family member".

Appraisal

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

1. Pay its chosen appraiser; and
2. Bear the expenses of the appraisal and umpire equally.

B. We do not waive any of our rights under this policy by agreeing to an appraisal.

Loss Payable Clause

We will pay loss or damage due under this policy according to your interest, and that of any loss payee if one is shown in the Declarations.

We may at our option, make separate payments according to those interests.

We reserve the right to cancel the policy as permitted by policy terms and the cancellation shall terminate this agreement as to the loss payee's interest. We will give the same advance notice of cancellation to the loss payee as we give to the named insured shown in the Declarations.

In the event the loss payee makes a claim under this Policy, the loss payee shall be required to abide by all terms and conditions of this Policy applicable to you. The loss payee has no greater rights under this policy than the "insured". Where coverage is denied to the "insured" coverage is also denied to 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. This entire "Loss Payable Clause" is voidable by us if a lien holder is not listed on the Policy Declarations Page.

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 notified promptly of how, when and where an accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 3. Submit, as often as we may reasonably require:
 - a. to physical exams by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe to the same.
 4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
 5. Submit a proof of loss when required by us.
 6. Submit, as often as we reasonably require, to examinations under oath and subscribe to same.
- C. A person seeking Uninsured Motorists Coverage must also:
 1. Promptly notify the police if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
 1. Take reasonable steps after loss to protect "your covered auto" or any "non-owned auto" and their equipment from further loss. We will pay reasonable expenses incurred to do this.
 2. Promptly notify the police if "your covered auto" or any "non-owned auto" is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

Part F: General Provisions

Bankruptcy

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

Changes

This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us. If a change requires a premium adjustment, we will adjust the premium as of the effective date of the change. We may revise this policy form to provide more coverage without additional premium charge. If we do this your policy will automatically provide the additional coverage as of the date the revision is effective in your state.

Fraud

The statement made by you in the application are deemed to be your representations. A misrepresentation, omission, concealment of fact, or incorrect statement may prevent recovery under this policy if:

1. The misrepresentation, omission, concealment or statement is fraudulent or is material either to our acceptance of the risk or to the hazard assumed by us. or
2. If the true facts had been known by us, we in good faith would not have issued the policy, would not have issued it at the same premium, would not have issued a policy in as large of an amount, or would not have provided the coverage with respect to the hazard resulting in the loss.

We will not provide coverage in excess of the minimum limits required by the financial responsibility laws of your State for any insured who has made fraudulent statements, who has misrepresented, or concealed material information in connection with any accident or loss for which coverage is sought under this policy.

Legal Action against Us

- A. We may not be sued unless there is full compliance with all the terms of this policy.
- B. We may not be sued for payment under Part A – Liability Coverage until the obligation of a named insured under Part A to pay is finally determined either by a judgment after trial against that insured or by written agreement of the named insured, the claimant and us. No one will have the right to make us a party to a lawsuit to determine the liability of a named insured.
- C. If we retain salvage, we have no duty to preserve or otherwise retain the salvage for any purpose, including evidence for any civil or criminal proceeding.

Our Right To Recover Payment

Paragraph A. of this provision does not apply to Underinsured Motorists Coverage.

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:
 1. Whatever is necessary to enable us to exercise our rights; and
 2. Nothing after loss to prejudice them.However, our rights in this paragraph (A.) do not apply under Part D, against any person using "your covered auto" with a reasonable belief that that person is entitled to do so.
- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that

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person shall:

1. Hold in trust for us the proceeds of the recovery. and
2. Reimburse us to the extent of our payment.

Policy Period And Territory

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

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

Termination

A. **Cancellation.** This policy may be canceled during the policy period as follows.

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written notice of the date cancellation is to take effect.
2. If this policy has been in effect for less than 60 days and this is not a renewal or continuation policy, we may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy at least 14 days notice.
3. If this policy has been in effect for 60 days or more, or if this is a renewal or continuation policy, we may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy.
 - a. at least 14 days notice if cancellation is for nonpayment of premium; or
 - b. at least 20 days notice in all other cases.
4. After this policy is in effect for 60 days, or if this is a renewal or continuation policy, we will cancel only:
 - a. for nonpayment of premium; or
 - b. if your driver's license or that of:
 - (1.) any driver who lives with you; or
 - (2.) any driver who customarily uses "your covered auto"; has been suspended or revoked. This must have occurred:
 - (1.) during the policy period; or
 - (2.) since the last anniversary of the original effective date if the policy period is other than one year.
 - (3.) If the policy was obtained through material misrepresentation

B. **Nonrenewal.** If we decide not to renew or continue this policy, we will mail notice to the named insured shown in the Declarations at the address shown in the policy. Notice will be mailed at least 75 days before the end of the policy period. If the policy period is:

1. Less than 6 months, we will have the right not to renew or continue this policy every six months, beginning six months after its original effective date.
2. 6 months or longer, but less than one year, we have the right not to renew or continue this policy at the end of the policy period.
3. One year or longer, we will have the right not to renew or continue this policy at each annual anniversary of its original effective date.

C. **Automatic Termination.** If we offer to renew or continue and you or

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your representative does not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

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

D. Other Termination Provisions.

1. If the law in effect in your state at the time this policy is issued, renewed or continued.
 - a. Requires a longer notice period.
 - b. Requires a special form of or procedure for giving notice; or
 - c. Modifies any of the stated termination reasons; we will comply with those requirements.
2. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
3. If a policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals. However, making or offering to make the refund is not a condition of cancellation.
4. The effective date of cancellation stated in the notice shall become the end of the policy period.
5. 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

A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations. and
2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use "your covered auto".

B. Coverage will only be provided until the end of the policy period.

Two or More Auto Policies

This provision does not apply to Uninsured Motorists Coverage and Underinsured Motorists Coverage. However, no one will be entitled to receive duplicate payments for the same elements of loss under Uninsured Motorists Coverage and Uninsured Motorists Coverage. 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.

Kentucky Motor Vehicle Repairs Act

If any exclusion attached to this policy extends Liability Coverage Exclusions Section A, such amended exclusion applies only to the extent that the limit of liability for Liability Coverage exceed the limits of liability required by the Kentucky Vehicle Repairs Act.

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, verification, or acknowledgement is attached to or logically associated with the signature of record.

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

Underinsured Motorists Coverage

14 PA KY UI (1/05).

This endorsement applies only when the Declarations indicate Underinsured Motorist Coverage is in effect.

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

Insuring Agreement

A. We will pay for damages, other than punitive or exemplary, which an "insured" is legally entitled to recover from the owner or operator of an "underinsured motor vehicle" when such coverage is indicated as applicable in the Declarations because of "bodily injury".

1. Sustained by an "insured"; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the "underinsured motor vehicle".

B. "Insured" as used in this endorsement means:

1. You or any "family member".
2. Any other person "occupying" "your covered auto".
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 the bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as compensatory 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 the state in which "your covered auto" is principally garaged.
2. Owned by or furnished or available for the regular use of you or any "family member".
3. Operated on rails or crawler treads.
4. Designed mainly for use off public roads while not upon public roads.
5. While located for use as a residence or premises.
6. Owned or operated by a person qualifying as a self-insurer under any applicable motor vehicle law.
7. 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

- A. We do not provide Underinsured Motorists Coverage for "bodily injury" sustained by any person.
1. While "occupying" "your covered auto" when it is being used to carry persons or property for a fee. This exclusion (A.1.) does not apply to a share-the-expense car pool.
 2. Using a vehicle without a reasonable belief that that person is entitled to do so.
- B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar laws.
1. Workers' compensation law; or
 2. Disability benefits law.
- C. We do not provide Underinsured Motorists Coverage for punitive or exemplary damages or any damages other than compensatory.

Limit of Liability

A. The limit of liability shown in the Declarations for each person for Underinsured Motorists Coverage 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 person in any one accident. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Underinsured Motorists Coverage is our maximum limit of liability for all damages for "bodily injury" resulting from any one accident.

The maximum limit of liability 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 accident.

The maximum limit of liability is the most we will pay regardless of the number of:

1. "Insureds";
2. Claims made; or
3. 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 Personal Injury Protection Coverage of this policy.

C. 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.

D. We will reduce the "insured's" total damages by any amount available to that "insured", under any bodily injury liability bonds or policies applicable to the "underinsured motor vehicle", that such "insured" did not recover as a result of settlement between the "insured" and the insurer of an "underinsured motor vehicle". However, any reduction of the "insured's" total damages will not reduce the limit of liability for this coverage.

This paragraph (D.) shall not apply if we advance payment to the "insured" in an amount equal to the tentative settlement with the insurer of the "underinsured motor vehicle".

E. We will not pay under this coverage for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law.

1. Workers' compensation law; or
2. Disability benefits law.

Other Insurance

If there is other applicable similar insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle.

- a. You do not own, including any vehicle while used as a temporary substitute for "your covered auto"; or
- b. Owned by you or any "family member" which is not insured for this coverage under this policy;

Shall be excess over any other collectible insurance similar to the insurance provided by this endorsement.

Arbitration

If we and an "insured" do not agree:

1. Whether that person is legally entitled to recover damages under Underinsured Motorists Coverage. or
 2. As to the amount of damages;
- the parties may agree to arbitration. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. 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.

Each party will:

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

Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedures and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

1. Whether the "insured" is legally entitled to recover damages; and
2. The amount of damages, unless the amount of damages agreed to by arbitrators exceeds the limits of Underinsured Motorists Coverage. If the amount exceeds that limit, either party may request the right to trial within 60 days of arbitrators' decision.

Additional Duty

Any person seeking coverage under this endorsement must also promptly:

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

Part F: General Provisions

Part F is amended as follows.

- A. The following is added to the **Our Right To Recover Payment** Provision:

Our rights do not apply under Paragraph A. with respect to Underinsured Motorists Coverage if we:

1. Have been given prompt written notice by certified or registered mail of a tentative settlement between an "insured" and the insurer of an "underinsured motor vehicle", and
2. Fail to advance payment to the "Insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the "insured" in an amount equal to the

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tentative settlement within 30 days after receipt of notification.

1. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
 2. We also have a right to recover the advanced payment.
- B. The following is added to the **Two or More Auto Policies** Provision.
1. This provision does not apply to Underinsured Motorists Coverage.
 2. No one will be entitled to receive duplicate payments for the same elements of loss under Underinsured Motorists Coverage.

THE FOLLOWING ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Basic Personal Injury Protection (Kentucky)

14 PA KY PI (1/05).

This endorsement applies only when the Declarations indicate Personal Injury Protection Coverage is in effect.

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

I. Definitions

The **Definitions** section is amended as follows.

- A. The following definitions are replaced:

1. "Family member" means the spouse and any person related to the "named insured" by blood, marriage or adoption, including a minor in the custody of:
 - a. the "named insured";
 - b. the "named insured's" spouse; or
 - c. any related person;who is a resident of the "named insured's" household or who is temporarily residing elsewhere.

However, "family member" does not include any such person who is the named insured under any other policy providing the security required by the Kentucky Motor Vehicle Reparations Act.

2. "Occupying" means in or upon, entering into or alighting from.
3. "Your covered auto" means a "motor vehicle".
 - a. to which the bodily injury liability coverage of this policy applies and for which a specific premium is charged; and
 - b. for which the "named insured" is required by the Kentucky Motor Vehicle Reparations Act to maintain security.

- B. The following definitions are added:

1. "Motor vehicle" means a vehicle as defined in the Kentucky Motor Vehicle Reparations Act to maintain security.
2. "Named insured" means the person named in the Declarations.
3. "Pedestrian" means a person who is not "occupying" a "motor vehicle" at the time injury occurs.
4. "Survivor" means a person identified in the Kentucky Revised Statutes as one entitled to receive benefits due to the death of another person.

- C. "Insured" as used in this endorsement means:

1. The "named insured" or any "family member" while:
 - a. "occupying"; or
 - b. a "pedestrian" struck by; any "motor vehicle".
2. Any other person while:

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- a. "occupying"; or
- b. a "pedestrian" struck by;
"your covered auto".

However, "insured" does not include:

1. The "named insured" or any "family member" who has rejected the limitation upon his tort rights pursuant to the Kentucky Motor Vehicle Repairs Act, unless personal injury protection benefits have subsequently been purchased under this policy for that person.
2. Any other person who has rejected the limitation upon his tort rights pursuant to the Kentucky Motor Vehicle Repairs Act.

Any rejection of tort limitations applicable only to motorcycles shall not affect the status of any person as an "insured" with respect to any "motor vehicle" other than a motorcycle.

II. Personal Injury Protection Coverage

Insuring Agreement.

We will pay, in accordance with the Kentucky Motor Vehicle Repairs Act, personal injury protection benefits to or for an "insured" who sustains "bodily injury". The "bodily injury" must be caused by an accident arising out of the operation, maintenance or use of a "motor vehicle" as a vehicle.

Subject to the limits shown in the Declarations, personal injury protection benefits consist of the following:

A. Medical expenses. Reasonable charges incurred for reasonably needed products, services and accommodations including those for:

1. Medical care, physical rehabilitation, rehabilitative occupational training, licensed ambulance services and other remedial treatment and care;
2. Any non-medical remedial treatment rendered in accordance with a recognized religious method of healing; and
3. Any healing arts profession of a type licensed by Kentucky.

Medical expenses do not include that portion of a charge for a room in a:

1. Hospital, clinic, convalescent or nursing home; or
2. Any other institution engaged in providing nursing care and related services;

in excess of a reasonable and customary charge for semi-private accommodations, unless intensive care is medically required.

B. Funeral expenses. Reasonable charges incurred for expenses which are in any way related to a funeral, cremation or burial.

C. Work loss.

1. Loss of income from work an "insured" would probably have performed had he not sustained "bodily injury".
2. Expenses reasonably incurred by an "insured" in obtaining services instead of those he would have performed for income.

Work loss shall be reduced by any income from substitute work actually performed by the "insured".

D. Replacement services loss. Expenses reasonably incurred in obtaining ordinary and necessary services instead of those an "insured" would have performed, not for income, but for his or his family's benefit had he not sustained "bodily injury".

E. Survivor's economic loss. Loss after an "insured's" death of contributions of things of economic value to his "survivors". Survivor's economic loss.

1. Shall be reduced by any expenses of the "survivors" which are avoided due to the "insured's" death.
2. Does not include services the "survivors" would have received from the "insured" had he not died.

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F. Survivor's replacement services loss. Expenses reasonably incurred by "survivors" after an "insured's" death in obtaining ordinary and necessary services instead of those the "insured" would have performed for their benefit had he not died. Such expenses shall be reduced by any expenses of the "survivors" which are avoided due to the "insured's" death which were not subtracted in calculating survivor's economic loss.

Exclusions.

A. We do not provide Personal Injury Protection Coverage for "bodily injury" sustained by:

1. Any "insured" if such injury arises from that "insured's" conduct within the course of a business of:

- a. repairing;
- b. servicing; or
- c. otherwise maintaining;

"motor vehicles". This Exclusion (A.1.) does not apply if such conduct occurs off the business premises.

2. Any "insured" arising from conduct in the course of loading or unloading any "motor vehicle". This Exclusion (A.2.) does not apply if such conduct occurs while "occupying" that "motor vehicle".

3. Any "insured":

- a. intentionally causing; or
- b. attempting to cause;

"bodily injury". If that "insured" dies as a result of such "bodily injury", his "survivors" are not entitled to survivor's economic loss or survivor's replacement services loss.

4. Any "pedestrian", other than the "named insured" or any "family member", outside of Kentucky.

5. Any "insured", other than the "named insured" or any "family member", while "occupying" a "motor vehicle" which is:

- a. regularly used in the course of the business of transporting persons or property; and
- b. one of five or more "motor vehicles" under common ownership;

if the accident occurs outside of Kentucky.

However, this Exclusion (A.5.) does not apply if:

- a. the "insured" is a Kentucky resident;
- b. the "motor vehicle" the "insured" is "occupying" at the time of the accident is a bus which:
 - (1) is secured as required by the Kentucky Motor Vehicle Repairs Act; and
 - (2) is registered in Kentucky; and
- c. the "insured" boarded the bus in Kentucky.

6. Any "insured", other than the "named insured" or any "family member", while "occupying" a "motor vehicle" owned by a government, other than the Kentucky state government or its:

- a. political subdivisions.
- b. municipal corporations; or
- c. public agencies;

if the accident occurs outside of Kentucky.

7. Any "insured" arising out of the use of any "motor vehicle" while located as a residence or premises.

8. Any "insured" while "occupying" a "motorcycle".

B. We do not provide Personal Injury Protection Coverage for "bodily injury":

1. Due to:

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- a. war (declared or undeclared);
 - b. civil war.
 - c. insurrection.
 - d. rebellion or revolution; or
 - e. any act or condition incident to any of the above.
2. Resulting from the:
- a. radioactive.
 - b. toxic.
 - c. explosive; or
 - d. other hazardous; properties of nuclear material.
- C. We do not provide personal injury protection benefits for "bodily injury" sustained by:
1. The "named insured" or any "family member", who has not rejected his tort limitation pursuant to the Kentucky Motor Vehicle Reparations Act, while:
 - a. "occupying"; or
 - b. a "pedestrian" struck by; any "motor vehicle", other than "your covered auto", for which the security required by the Kentucky Motor Vehicle Reparations Act is in effect. This Exclusion (C.1.) does not apply if the provider of such security fails to make payment for loss within 30 days of reasonable proof of the fact and the amount of loss sustained.
 2. Any "insured", other than the "named insured" or any "family member", which arises from the maintenance or use of a "motor vehicle" without a good faith belief that he is legally entitled to do so.

Limits of Liability.

- A. The limits of liability shown in the Declarations are the most we will pay to or for each "insured" injured in any one "motor vehicle" accident, regardless of the number of:
1. "Insureds";
 2. Policies or approved self-insurance plans applicable;
 3. Claims made; or
 4. "Your covered autos".
- B. Any amounts payable under this coverage shall be reduced by any applicable deductible shown in the Declarations. Such deductible shall be applicable only to the "named insured" or any "family member".
- If the deductible is applicable to two or more persons who sustain "bodily injury" in the same "motor vehicle" accident, the amount of the deductible shall be pro rated equally among them.
- The "named insured" or any "family member" is entitled to receive under this coverage, the difference between the deductible shown in the Declarations and a larger personal injury protection coverage deductible under another policy.
- C. The maximum limit of liability for the total of work loss, replacement services loss, and survivor's replacement services loss is \$200 per week, which shall be pro rated for any period less than one week. If an "insured's" earnings or work are seasonal or irregular, the maximum limit of liability shall be equitably adjusted on an annual basis.
- D. The maximum limit of liability for funeral expense is \$1,000.
- E. In calculating the loss or expenses for which personal injury protection benefits are payable under this coverage, we will reduce such loss or expenses by:
1. All benefits or advantages a person receives or is entitled to receive under workers' compensation, unless these benefits or

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- advantages have not been received before personal injury protection benefits are overdue or the claim is paid.
2. Any income tax saving resulting from benefits or advantages received for loss of income under:
- a. this coverage; or
 - b. workers' compensation;
- which are not considered taxable income. The maximum reduction shall not exceed 15% of loss of income and shall be less if the person making a claim provides us with reasonable proof of a lower value of the income tax advantage.

Other Insurance.

- A. No one will be entitled to receive duplicate payments for the same elements of loss under this or any similar insurance, including approved self-insurance plans.
- B. If there is other applicable insurance, including approved self-insurance plans, the maximum recovery under all such insurance shall not exceed the amount which would have been payable under the insurance with the highest limit of liability.
- C. We will pay only the proportion of the loss that our limit of liability bears to the sum of all applicable limits.

III. Part E: Duties after an Accident or Loss

Duties A. and B. are replaced by the following:

- A. In the event of an accident, prompt written notice must be given to us or our authorized agent. Such notice shall include:
1. Sufficient details to identify the "insured"; and
 2. Reasonably obtainable information regarding how, when and where the accident happened.
- B. A person seeking Personal Injury Protection Coverage must:
1. Promptly give us written proof of claim, under oath if required. Such proof shall include:
 - a. full details of the nature and extent of the "bodily injury" and treatment and rehabilitation received and contemplated; and
 - b. any other information which may assist us in determining the amount due and payable.
 2. Submit, as often as we may reasonable require, to examination under oath and subscribe to the same.
 3. Submit, when required by order of a court, to a physical or mental exam by a physician specified in the court order.

IV. Part F: General Provisions

Part F is amended as follows.

- A. The **Our Right To Recover Payment** Provision is replaced by the following.
- Our Right To Recover Payment.**
- If we make a payment under this coverage and the person to or for whom payment was made has a right to recover damages from another, we shall be subrogated to that right, to the extent of our payment. That person shall:
1. Execute and deliver the instruments and papers and do whatever else is necessary to secure such rights; and
 2. Do nothing after loss to prejudice these rights.
- Our rights in this provision are subject to the provisions of the Kentucky Motor Vehicle Reparations Act.
- B. Paragraph B. of the **Policy Period and Territory** Provision is replaced by the following.
- Policy Period and Territory.**
- B. The policy territory is:

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

C. The following provisions are added:

Coordination of Coverage.

In consideration of the coverage provided under this endorsement and the adjustment of applicable premiums, any amounts payable under Part B or Part C of this policy shall be excess over any personal injury protection benefits paid or payable, but for the application of a deductible, under this or any other automobile insurance policy.

Constitutionality Clause.

The premium for and the coverages of this policy have been established in reliance upon the Kentucky Motor Vehicle Repairs Act. If a court of competent jurisdiction declares or enters a judgment which renders the provisions of these statutes invalid or unenforceable, in whole or in part, we shall have the right to:

1. Recompute the premium payable for this policy; and
2. At our option, void or amend the provisions of this endorsement.

Notice to Policyholders

Acceptance of the coverage described in the Kentucky Motor Vehicle Repairs Act places some limitations on your right to bring suit for bodily injury. The Kentucky Motor Vehicle Repairs Act reads in part:

“(1.) Any person who registers, operates, maintains or uses a motor vehicle on the public roadways of this Commonwealth shall, as a condition of such registration, operation, maintenance or use of such motor vehicle and use of the public roadways, be deemed to have accepted the provisions of this act, and in particular those provisions which are contained in this section.

“(2.)(a.) Tort liability with respect to accidents occurring in this Commonwealth and arising from the ownership, maintenance, or use of a motor vehicle is abolished for damages because of bodily injury, sickness or disease to the extent the basic reparations benefits provided in this Act are payable therefore, or that would be payable but for any deductible authorized by this Act, under any insurance policy or other method of security complying with the requirements of this Act, except to the extent non-economic detriment qualifies under subsection (2.)(b.) hereof.

“(2)(b.) In any action of tort brought against the owner, registrant, operator or occupant of a motor vehicle. With respect to which security has been provided as required in this Act. Or against; any person or organization, legally responsible for his acts or omissions, a plaintiff may recover damages in tort for pain, suffering, mental anguish and inconvenience because of bodily injury, sickness or disease arising out of the ownership, maintenance, operation or use of such motor vehicle. Only in the event that the benefits which are payable for such injury as medical expense or which would be payable but for any exclusion or deductible authorized by this Act. Exceed \$1,000.00 or the injury or disease consists in whole or in part of permanent disfigurement, a fracture to a bone, a compound, comminuted, displaced or compressed fracture, loss of a body member, permanent injury within reasonable medical probability, permanent loss of bodily function or death. Any person who is entitled to receive free medical and surgical benefits, shall be deemed in compliance with the requirements of this subsection. Upon showing that the medical treatment received has an

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equivalent value of at least \$1,000.

“(2.)(c.) Tort liability is not so limited for injury to a person who is not an owner, operator, maintainer or user of a motor vehicle within subsection (1.) of this section.

“(3.) Any person may refuse to consent to the limitations of his tort rights and liabilities as contained in this section. Such rejection must be in writing in a form to be prescribed by the Department of Insurance. Also must have been executed and filed with the Department at a time prior to any motor vehicle accident for which such rejection is to apply.

These are some of the exceptions to the limitations on your right to sue. But are not intended to comprise a complete enumeration of all circumstances under which suit may be brought for bodily injury.

THE FOLLOWING ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Additional Personal Injury Protection (Kentucky)

14 PA KY PL (1/05).

This endorsement applies only when the Declarations indicate that 14 PA KY PL applies.

With respect to coverage provided by this endorsement, the provisions of the Personal Injury Protection Coverage Kentucky endorsement apply unless modified by the endorsement.

I. Definitions

The definition of “insured” in Paragraph C. is replaced by the following.

C. “Insured” as used in this endorsement means the following.

The “named insured” or any “family member” while:

1. “Occupying”; or
2. A “pedestrian” struck by; any “motor vehicle”.

However, “insured” does not include the “named insured” or any “family member” who has rejected the limitation upon his tort rights pursuant to the Kentucky Motor Vehicle Repairs Act. Unless personal injury protection benefits have subsequently been purchased under this policy for that person.

Any rejection of tort limitations applicable only to motorcycles shall not affect the status of any person as an “insured” with respect to any “motor vehicle” other than a motorcycle.

II. Added Personal Injury Protection Coverage

The introductory paragraph of the Insuring Agreement is replaced by the following.

Insuring Agreement.

- A. We will pay added personal injury protection benefits, in addition to any amounts paid or payable for benefits under the Personal Injury Protection Coverage endorsement. To or for the “named insured” or any “family member” who sustains “bodily injury”. The “bodily injury” must be caused by an accident arising out of the operation, maintenance or use of a “motor vehicle” as a vehicle.
- B. Subject to the limits of liability shown in the Declarations, added personal injury protection benefits consist of the following.
 1. Medical expenses.
 2. Funeral expenses.
 3. Work loss.
 4. Replacement services loss.
 5. Survivor’s economic loss.

- 6. Survivor's replacement services loss.

Exclusions.

Personal Injury Protection Coverage Exclusion C. does not apply.

Limits of Liability.

A. Paragraph A. is replaced by the following.

The limits of liability shown in the Declarations for Added Personal Injury Protection Coverage are the most we will pay to or for the "named insured" or any one "family member" injured in any one "motor vehicle" accident.

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

- 1. "Insureds";
- 2. Policies or approved self-insurance plans applicable;
- 3. Claims made; or

Other Insurance.

The Other Insurance Provision is replaced by the following.

- A. No one will be entitled to receive duplicate payments for the same elements of loss under this or any other similar insurance, including approved self-insurance plans.
- B. Any coverage we provide under this endorsement shall be excess over any applicable personal injury protection coverage provided in accordance with the Kentucky Motor Vehicle Reparations Act.
- C. If work loss, replacement services loss, survivor's economic loss, survivor's replacement services loss or funeral expenses are payable under more than one policy or approved self-insurance plan. The maximum recovery under all such insurance shall not exceed the amount which would have been payable under the insurance with the highest limit of liability.
- D. If there is other applicable similar insurance, including approved self-insurance plans, 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.

III. Part F: General Provisions

A. The following is added to the Two or More Auto Policies Provision: **Two or More Auto Policies.**

This provision does not apply to the Maximum Limit of Liability for the Total of All Added Personal Injury Protection Benefits.

B. Paragraph (2)(a.) of the Notice to Policyholders does not apply.

THE FOLLOWING ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Full Glass Coverage (Kentucky)

14 PA KY GL (1/05).

Coverage for Damage to Your Auto

The provisions that apply to Part D. also apply to this endorsement except as modified by this endorsement.

The Insuring Agreement in Part D. is amended by the addition of the following:

Insuring Agreement

We will pay under Other Than Collision Coverage for the cost of repairing or replacing damaged "safety equipment" on "your covered auto" without a deductible. We will pay only if the Declarations indicates that Other Than Collision Coverage applies.

Additional Definitions

"Safety equipment" as used in this endorsement, and as required in Kentucky Revised Statutes, means the:

- 1. Glass used in windshields, windows and doors.
- 2. Glass, plastic or other material used in lights.

THE FOLLOWING ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Business Use Endorsement

14 PA KY BU (1/05).

This endorsement applies only if Form 14 PA KY 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 2. of Definition J. in the Definitions section is replaced by the following:
 - 2. 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:
 - (1) has a Gross Vehicle Weight of less than 10,000 lbs.; and
 - (2) 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.

This provision (J.2.) applies only if:

- a. you acquire the vehicle during the policy period;
- b. you ask us to insure it within 30 days after you become the owner; and
- c. no other insurance policy provides coverage for that vehicle.

If the vehicle you acquire replaces one shown in the Declarations, it will have the same coverage as the vehicle it replaced. You must ask us to insure a replacement vehicle within 30 days.

If the vehicle you acquire is in addition to any shown in the Declarations the vehicle will be defined as a "newly acquired auto" and must follow the provisions defined herein under definition (K) of "newly acquired auto".

B. Exclusion A.6. of Part A, Liability Coverage, is replaced by the following:

- 6. Maintaining or using any vehicle while that "insured" is employed or otherwise engaged in any "business" (other than farming or ranching) not described in exclusion A.5. This exclusion (A.6.) does not apply to the maintenance or use of a:
 - a. private passenger auto;
 - b. pickup or van; or
 - c. "trailer" used with a vehicle described in a. or b. above.
- C. Exclusion 8. of Part B, Medical Payments Coverage, is replaced by the following:
 - 8. Sustained while "occupying" a vehicle when it is being used in the "business" of an "insured". This exclusion (10.) does not apply to "bodily injury" sustained while "occupying" a:
 - a. private passenger auto;
 - b. pickup or van; or

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c. "trailer" used with a vehicle described in a. and b. above.

D. Exclusion 11. of Part D, Coverage for Damage to Your Auto, is replaced by the following:

11. Loss to any "non-owned auto" being maintained or used by any person while employed or otherwise engaged in any "business" not described in exclusion 10. This exclusion (11.) does not apply to the maintenance or use by you or any "family member" of a "non-owned auto" which is a private passenger auto or "trailer".

THE FOLLOWING ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Operator Coverage Endorsement

14 PA KY NO (11/10).

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

Coverage applies to non-owned vehicles used by the named insured only. Coverage does not apply to a vehicle owned by members of the household in which the named insured resides.

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" and "your" refers to the individual named in the Declarations.
- B. The definition of "your covered auto" is replaced by the following: "Your covered auto" means any of the following types of vehicles on the date you become the owner:
 - a. A private passenger auto.
 - b. A pickup or van that:
 - (1) Has a gross vehicle weight of less than 10,000 lbs.; and
 - (2) Is not used for the delivery or transportation of goods and materials unless such use is:
 - (a.) incidental to your "business" of maintaining or repairing furnishings or equipment; or
 - (b.) for farming or ranching.

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 newly acquired vehicles.

II. Part A: Liability Coverage.

Part A is amended as follows.

- A. Paragraph 1. of the definition of "insured" is amended by deleting reference to "family member".
- B. The Exclusions Section is amended as follows.
 - 1. The exception to Exclusion A.3. is replaced by the following: This exclusion (A.3.) does not apply to "property damage" to a residence or private garage caused by a private passenger auto which is insured under this endorsement.
 - 2. Exclusions A.6. and A.7. are replaced by the following: We do not provide Liability Coverage for any "insured"

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maintaining or using any vehicle in the "business" of that "insured". This exclusion does not apply to an auto operated or occupied by you.

3. Exclusion B.2. is replaced by the following:

We do not provide Liability Coverage for the ownership, maintenance or use of any vehicle, other than "your covered auto", which is owned by you.

4. 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 "your covered auto", which is owned by any "family member".

III. Part B: Medical Payments Coverage.

Part B. is amended as follows.

- A. Paragraph 1. of the definition of "insured" is amended by deleting reference to "family member".
- B. The Exclusions Section is amended as follows.
 - 1. Exclusion 8. is replaced by the following: We do not provide Medical Payments Coverage for any "insured" for "bodily injury" sustained while "occupying" any vehicle used in the "business" of that "insured". This exclusion (8.) does not apply to a vehicle operated or occupied by you.

IV. Part C: Uninsured Motorists Coverage.

Uninsured Motorists Coverage is amended as follows.

- A. Paragraph 1. of the definition of "insured" is amended by deleting reference to "family member".
- B. Item 3. in the definition of "uninsured motor vehicle" is amended as follows.
 - 3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits:
 - a. you;
 - b. a vehicle which you are "occupying"; or
 - c. "your covered auto".

V. Underinsured Motorists Coverage.

Underinsured Motorist Coverage is amended as follows.

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

VI. Basic Personal Injury Protection Endorsement.

Basic Personal Injury Protection Coverage is amended as follows.

- A. The definition of "insured" is amended by deleting reference to "family member".

VII. Additional Personal Injury Protection Endorsement.

Additional Personal Injury Protection Coverage is amended as follows.

- A. Paragraph 1. is amended by deleting reference to "family member".
- B. THE FOLLOWING ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THE FOLLOWING ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Accidental Death Benefit Endorsement

14 PA KY AD (10/15)

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:

"Acceptable proof of loss" means a certified copy of an official death certificate listing the official cause of death.

"Eligible injured person" means the named insured while occupying any motor vehicle.

"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.

"Disappearance" means you will be presumed to have suffered a loss of life;

- a. your body has not been found within a year after the "disappearance" of a conveyance in which you were an occupant at the time of the disappearance.
- b. the "disappearance" of the conveyance was due to its wreck; and
- c. the policy would of 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 directly and independently from all causes for 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 proof 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 due proof of death of the eligible injured person, to the survivors, in equal shares, in first of the following classes to have a survivor at your death.

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

If there is no survivor in these classes, payment will be made to your estate.

Physicians Exam

While a claim is pending, we have the right at our expense:

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1. to have the person who has a loss examined by a physician when and as often as we feel is necessary; and
2. to make an autopsy in case of death where it is not forbidden by law.

Limit of Liability

Regardless of the number of insured persons, eligible injured persons, policies or bonds applicable, claims made, or your covered autos 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 proof within the time required shall invalidate any claim if it was reasonably possible to give proof 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.

Duties After an Accident or Loss

As outlined in the Personal Auto Policy.

General Provisions

As outlined in the Personal Auto Policy.

IMPORTANT NOTICE:

Calculation of Premium Refunds

14 KY PA RF (1/09).

If we cancel your policy for any reason, we will refund to you in full the unearned portion of the premium. The unearned premium is the pro-rata portion based on how much time remains until the expiration date of your policy.