



PRIVATE PASSENGER AUTO POLICY

Underwritten by
Alfa Vision Insurance Corporation
2108 East South Boulevard • Montgomery, AL 36116
(NAIC # 12188)

TENNESSEE

11 PA TN PO (7/15)

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; and
2. The spouse if a resident of the same household.

If the spouse ceases to be a resident of the same household during the policy period or prior to the inception of this policy, the spouse will be considered "you" and "your" under this policy but only until the earlier of:

1. The end of 90 days following the spouse's change of residency;
2. The effective date of another policy listing the spouse as a named insured; or
3. The end of the policy period.

B. "We," "us" and "our" refer to the Company providing this insurance.

C. For purposes of this policy, a private passenger type auto shall be deemed to be owned by a person if leased or rented:

1. Under a written agreement to that person; and
2. For a continuous period of at least 6 months.

Other words and phrases are defined. They are 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.

It does not include:

1. A mobile home; or
2. A trailer used as an office, store, display, or passenger conveyance; or
3. A cement mixer.

J. "Your covered auto" means:

1. Any vehicle shown in the Declarations.
2. A "newly acquired auto".
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.

This provision (J.4.) does not apply to Coverage for Damage to Your Auto.

K. "Newly acquired auto":

1. "Newly acquired auto" means any of the following types of vehicles you become the owner of during the policy period:
 - a. a private passenger auto; or
 - b. a pickup or van, for which no other insurance policy provides coverage, that has a Gross Vehicle Weight of less than 10,000 lbs.; that is not used in the "business" of any "insured".
2. Coverage for a "newly acquired auto" is provided as described below. If you ask us to insure a "newly acquired auto" after a specified time period described below has elapsed, any coverage we provide for a "newly acquired auto" will begin at the time you request coverage or, if you mail the request to us, at 12:01 a.m. on the day following the postmark date.
 - 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, you must ask us to insure it within 30 days after you become the owner.

If a "newly acquired auto" replaces a vehicle shown in the Declarations, coverage is provided for this vehicle without your having to ask us to insure it.

b. Collision Coverage for a "newly acquired auto" begins on the date you become the owner. However, for this coverage to apply, you must ask us to insure it within 30 days after you become the owner.:

(1) If the Declarations indicate that Collision Coverage applies to at least one auto, the "newly acquired auto" will have the broadest coverage we now provide for any auto shown in the Declarations.

(2) If the Declarations do not indicate that Collision Coverage applies to at least one auto, and you comply with the 30 day requirement and a loss occurred before you asked us to insure the "newly acquired auto," a Collision deductible of \$500 will apply.

c. Other Than Collision Coverage for a "newly acquired auto" begins on the date you become the owner. However, for this coverage to apply, you must ask us to insure it within 30 days after you become the owner.

(1) If the Declarations indicate that Other Than Collision Coverage applies to at least one auto, the "newly acquired auto" will have the broadest coverage we now provide for any auto shown in the Declarations.

(2) If the Declarations do not indicate that Other Than Collision Coverage applies to at least one auto, and you comply with the 30 day requirement and a loss occurred before you asked us to insure the "newly acquired auto", an Other Than Collision deductible of \$500 will apply.

Part A: Liability Coverage**Insuring Agreement**

We will pay 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.

Additional Definitions

When used in this Part:

"Insured" 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 expressed permission and provided such use is within the scope of that permission.

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. However, we will not pay the premium for attachment bonds that are more than our limit of liability. We have no duty to apply for or furnish 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.

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

Exclusions

A. 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 an "insured."
3. For "property damage" to property:
 - a. rented to;
 - b. used by; or
 - c. in the care, custody, or control of; an "insured."
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 public highways. This includes road testing and delivery.
 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.
 8. Using a vehicle without a reasonable belief that that "insured" is entitled to do so.
 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. American Nuclear Insurers;
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
 10. For "bodily injury" to you or any "family member."
 11. For "bodily injury" to an "insured" whenever the ultimate benefits of such indemnification accrue directly or indirectly to an "insured."
- B. We do not provide Liability Coverage for the ownership, maintenance or use of:**
1. Any vehicle which:
 - a. has more or less than four wheels; or
 - b. is designed mainly for use off public roads.

This exclusion (B.1.) does not apply to any "trailer".
 2. Any vehicle, 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."
 4. Any vehicle while:
 - a. competing in;
 - b. practicing or preparing for; or
 - c. located in a facility designed for the purpose of; any prearranged or organized racing, speed, stunt driving, or demolition contest.
 5. 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 (B.5.) does not apply to a share-the-expense car pool.
- C. We do not provide Liability Coverage for:**
1. Any liability assumed under any contract or bailment.
 2. "Bodily injury" or "property damage" due to nuclear reaction, radiation, or contamination.
 3. Any obligation for which the United States Government is liable under the Federal Tort Claims Act.
 4. "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."
 5. "Bodily injury" or "property damage" caused by explosives, other than the fluids necessary for the operation of "your covered auto."
 6. "Bodily injury" or "property damage" 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" on a regular basis; 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.

8. "Bodily injury" or "property damage" caused by or at the direction of an "insured."
9. 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 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. 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:

1. Part B or Part C of this policy.
2. Any Underinsured Motorists Coverage provided by 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:

1. A financial responsibility or similar law specifying limits of liability for "bodily injury" or "property damage" higher than the limit shown in the Declarations, your policy will provide the higher specified limit if applicable to nonresidents.
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:

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

motor vehicles. This applies only if the person using the vehicle:

 - (1) is operating the vehicle with the permission of the owner; and
 - (2) is neither the person engaged in such business or that person's employee or agent; or
 - b. the vehicle is leased by you under a written lease agreement and you have agreed to provide coverage for the operation of the vehicle.
2. Any insurance we provide for a vehicle you own shall be excess to that of a person engaged in the business of:
 - a. storing;
 - b. parking;
 - c. servicing; or

- d. repairing; motor vehicles, if the accident occurs while the vehicle is in that person's possession, custody or control.
3. We will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

Additional Interest

Liability coverage shall also apply to each additional interest named in the Declarations with respect to the "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 and provides the additional interest with no greater rights than those of the "insured".

Part B: Medical Payments

Insuring Agreement

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

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.

Additional Definitions

When used in this Part:

"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 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 "insured" is entitled to do so.
8. Sustained while "occupying" a vehicle when it is being used in the "business" of an "insured."
9. Caused by or as a consequence of:
 - 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" any vehicle while:

- a. competing in;
 - b. practicing or preparing for; or
 - c. located inside a facility designed for the purpose of: any prearranged or organized racing, speed, stunt driving, or demolition contest.
12. Sustained while "occupying" "your covered auto" without the express or implied permission of you or a "family member."
13. Sustained by you or a "family member" while "occupying" any auto or "trailer," other than "your covered auto," without the express or implied permission of the owner.
14. 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 (14.) does not apply to shared expense car pools
15. Sustained 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" on a regular basis; 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.
16. For which the United States Government is liable under the Federal Tort Claims Act.
17. 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."
18. Caused by explosives, other than the fluids necessary for the operation of "your covered auto."
19. Caused by or at the direction of an "insured."
20. Resulting from the felony criminal acts of an "insured" or from an "insured's" involvement in an illegal occupation.

Limit of Liability

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
1. "Insureds";
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
1. Part A or Part C of this policy; or
 2. Any Underinsured Motorists Coverage provided by this policy.

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

We will pay compensatory damages which an "insured" is legally entitled to recover from the owner or operator of an "uninsured motor vehicle" because of:

1. "Bodily injury" sustained by an insured and caused by an accident; and
2. "Property damage" caused by an accident if the Declarations indicate that both bodily injury and property damage Uninsured Motorists Coverage applies.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the "uninsured motor vehicle". With respect to coverage under Section 2. of the definition of "uninsured motor vehicle", we will pay under this coverage only if 1. or 2. below applies:

1. The limits of liability under any bodily injury liability bonds or policies applicable to the "uninsured motor vehicle" have been exhausted by payment of judgments or settlements; or
2. A tentative settlement has been made between an "insured" and the insurer, owner, or operator of the "Uninsured motor vehicle" and we:
 - a. have been given written notice of such tentative settlement sent certified mail return receipt requested or by some other method with written

verification; and

- b. advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of the written notification required by this Part.

Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

Additional Definitions

When used in this Part:

A. "Insured" means:

1. You or any "family member".
2. Any other person using "your covered auto" with permission. However, the limit of our liability for individuals who become insureds solely because of this subparagraph, will be the minimum limits of uninsured motorist insurance coverage specified by the uninsured motorist law or financial responsibility law applicable to the accident, regardless of the limit stated in the Declarations.

B. "Property damage" means injury to or destruction of:

1. "Your covered auto".
2. Any property owned by a person listed in 1. or 2. of an "insured" while contained in "your covered auto".

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

1. To which no liability bond or policy applies at the time of the accident.
2. For which the sum of the limits of liability available for payment to an "insured" under all policies, bonds and securities applicable at the time of the accident:
 - a. is less than the limit of liability for this coverage; or
 - b. has been reduced by payment to persons other than the "insured" to an amount which is less than the limit of liability for this coverage.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits, or which causes an accident resulting in "bodily injury" or "property damage" without hitting:
 - a. you or any "family member";
 - b. a vehicle which you or any "family member" are "occupying"; or
 - c. "your covered auto."

If there is no physical contact with the hit-and-run vehicle, the facts of the accident must be proven by clear and convincing evidence. We will only accept competent evidence other than evidence provided by an occupant of:

- a. "your covered auto", if "your covered auto" is involved in the accident.
 - b. the vehicle you or any "family member" are "occupying", if you or any "family member" are "occupying" a vehicle other than "your covered auto" at the time of the accident.
4. To which a liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a. legally 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. Designed mainly for use off public roads while not on public roads.
4. While located for use as a residence or premises.

Exclusions

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

1. By an "insured" while "occupying," or when struck by, any motor vehicle owned by that "insured" which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
2. By any "family member" while "occupying", or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.

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

1. If that "insured" or the legal representative settles the "bodily injury" or "property damage" claim without our consent. This exclusion (B.1.) does not apply to a settlement made with the insurer of a vehicle described in Section 2. of the definition of "uninsured motor vehicle".
2. When "your covered auto" is being used as a public or livery conveyance. This exclusion (B.2.) does not apply to a share-the-expense car pool.
3. Using a vehicle without a reasonable belief that that "insured" is entitled to do so. Without limiting this exclusion, a person without a valid, in-force driver's

license cannot reasonably believe that he or she is entitled to operate the vehicle.

4. For the first \$200 of the amount of "property damage" to the property of each "insured" as the result of any one accident. This exclusion (B.4.) does not apply if:

- a. we insure "your covered auto" for both collision and uninsured motorists property damage coverage; and
- b. the operator of the "uninsured motor vehicle" is positively identified and is solely at fault.

5. If the property is contained in or struck by a motor vehicle (other than "your covered auto") owned by you or any "family member".

C. This coverage shall not apply directly or indirectly to benefit:

1. Any insurer or self-insurer under any of the following or similar law:
 - a. worker's compensation law; or
 - b. disability benefits law.
2. Any insurer of property.

D. We do not provide Uninsured Motorists Coverage for punitive or exemplary damages.

Limit of Liability

A. The limit of Bodily Injury 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 one person in any one accident. Subject to this limit for each person, the limit of Bodily Injury 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 limit of Property Damage Liability shown in the Declarations for each accident for Uninsured Motorists Coverage is our maximum limit of liability for all "property damage" resulting from 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.

B. The limit of liability shall be reduced by all sums:

1. Paid because of the "bodily injury" or "property damage" by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part A of the policy; and
2. Paid or payable because of "bodily injury" under any of the following or similar law:
 - a. workers' compensation law; or
 - b. disability benefits law.

C. No payment will be made for loss paid or payable to the "insured" under Part D of the policy.

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

E. 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.

F. We will not pay 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. Worker's compensation law; or
2. Disability benefits law.

Other Insurance

A. If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the policy, any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any one policy or provision of coverage.

B. Subject to Paragraph A., with respect to "bodily injury" to an "insured":

1. While not "occupying" a vehicle, only the policy or provision, under which the injured person is an "insured", that provides the highest limit of liability of Uninsured Motorists Coverage, will apply. No other policies or provisions of coverage with lesser limits of liability will apply. If two or more policies or provisions of coverage provide the highest limit of liability, they will share the loss equally.
2. While "occupying" a vehicle owned by that "insured", only the Uninsured Motorists Coverage applicable to that vehicle will apply, and no other policies or provisions of coverage will apply.
3. While "occupying" a vehicle not owned by that "insured", the following will be

the priorities of recovery:

First Priority. The Uninsured Motorists Coverage applicable to the vehicle the "insured" was occupying at the time of the accident.

Second Priority. If the first priority is exhausted, only the policy or provision, applicable to a vehicle under which the "insured" is a named insured, that provides the highest limit of liability of Uninsured Motorists Coverage.

Third Priority. If the first and second priorities are exhausted, only the policy or provision, applicable to a vehicle under which the "insured" is other than a named insured, that provides the highest limit of liability of Uninsured Motorists Coverage.

If two or more policies or provisions of coverage in the second or third priority provide the highest limit of liability, they will equally share the loss applicable to that priority. No policies or provisions of coverage with lesser limits of liability will apply to the second or third priority.

Arbitration in the Event of Our Consent to a Full Limits Settlement Offer from a Liable Party

The following provision applies with respect to arbitration proceedings that are subject to the requirements of the Tennessee Uninsured Motorists Coverage statute regarding a full limits settlement offer from a liable party:

A. If a tentative settlement is made between an "insured" and the insurer, owner or operator of the "uninsured motor vehicle" for the full limits of all liability policies or bonds available to the party on whose behalf the tentative settlement is made, and:

1. We receive written notice from the "insured", sent certified mail return receipt requested or by some other method with written verification, of the "insured's":
 - a. intent to accept the offer thereby releasing the party on whose behalf the offer is made; and
 - b. agreement to submit the uninsured motorists claim to binding arbitration;
2. We receive written notice from the insurer of the "uninsured motor vehicle", sent certified mail return receipt requested or by some other method with written verification, of the offer, and such insurer:
 - a. provides verification of coverage upon request; and
 - b. confirms to us that the owner or operator of the "uninsured motor vehicle" agrees to cooperate in connection with the arbitration of the uninsured motorists claim; and
3. We consent to the tentative settlement in writing, sent certified mail return receipt requested or by some other method with written verification, within 30 days from receipt of both notices described in Paragraphs 1. and 2. above, thereby waiving our right to recover payment from the owner or operator of an "uninsured motor vehicle" in exchange for their written agreement to cooperate in connection with the arbitration;

then all issues of tort liability and damages arising out of the ownership, maintenance or use of the "uninsured motor vehicle" shall be arbitrated. However, if the settlement does not release all parties alleged to be liable to the "insured", arbitration of the uninsured motorist claim shall not be conducted until all such parties have been fully and finally disposed by settlement, final judgment or otherwise.

Disputes concerning coverage under this Part may not be arbitrated and shall be decided by a court of competent jurisdiction.

- B. An arbitrator shall be selected by agreement of the parties. If they cannot agree on an arbitrator, either party may request a judge of a court of record in the county in which the arbitration is pending to designate three potential arbitrators. The parties shall then agree upon one of the three arbitrators so designated.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Rules of law as to procedure and evidence applicable to the state courts where the arbitration is being conducted will apply.
- D. Expenses will be paid as follows:
 1. Except for the arbitrator's fee, each party will pay for the expenses it incurs.
 2. If the arbitrator's award is:
 - a. less than or equal to the total amount collected by the "insured" by way of settlements or judgments plus the amount of any settlement offer made by us at least 15 days prior to the arbitration, the "insured" will pay the arbitrator's fee.
 - b. greater than the total amount collected by the "insured" by way of settlements or judgments plus the amount of any settlement offer made by us at least 15 days prior to the arbitration, the "insured" will pay the arbitrator's fee.
- E. Any decision made by the arbitrator will be binding.

Arbitration of Other Disputes between an "Insured" and Us

The following provisions apply with respect to arbitration proceedings that are NOT subject to the requirements of the Tennessee Uninsured Motorists Coverage statute regarding a full limits settlement offer from a liable party:

- A. If we and an "insured" do not agree:
 1. Whether that "insured" is legally entitled to recover damages; or
 2. As to the amount of damages which are recoverable by that "insured";
 from the owner or operator of an "uninsured motor vehicle" then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

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.
- B. Each party will:
 1. Pay the expenses it incurs; and
 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure 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. This applies only if the amount does not exceed the minimum limit for liability specified by the financial responsibility law of Tennessee. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

Additional Duties after an Accident or Loss

- A. 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.
- B. A person seeking Uninsured Motorists Coverage under Section 2. of the definition of "uninsured motor vehicle" must also promptly notify us in writing of a tentative settlement between the "insured" and the insurer, owner or operator of the "uninsured motor vehicle".

We have 30 days after we have received such notification and any other written notification required by the insurer of the "uninsured motor vehicle" to either:

 1. Consent in writing to the settlement thereby waiving our rights against the insurer, owner or operator of the "uninsured motor vehicle" and requiring arbitration of all issues of tort liability and damages arising out of the ownership, maintenance or use of the "uninsured motor vehicle"; or
 2. Advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such "uninsured motor vehicle".

Part D: Coverage for Damage to Your Auto

Insuring Agreement

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

Additional Definitions

When used in this Part:

- A. "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; | 6. Hail, water, or flood; |
| 2. Fire; | 7. Malicious mischief or vandalism; |
| 3. Theft or larceny; | 8. Riot or civil commotion; |
| 4. Explosion or earthquake; | 9. Contact with bird or animal; or |
| 5. Windstorm; | 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."

- B. "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 "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.
- C. "Diminution in value" means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

Rental Reimbursement

- A. 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."
- B. If the loss is caused by:
1. A total theft of "your covered auto" or a "non-owned auto," we will pay only expenses incurred during the period:
 - a. beginning 48 hours after the theft; and
 - b. ending when "your covered auto" or the "non-owned auto" is returned to use or we pay for its loss.
 2. Other than theft of a "your covered auto" or a "non-owned auto," we will pay only the expenses beginning when the auto is withdrawn from use for more than 24 hours.
- C. 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 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;
 - f. Manufacturer's defects; or
 - g. Improper repair.

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 any electronic equipment designed for the reproduction of sound and any accessories used with such equipment. This includes but is not limited to:
 - a. Radios, stereos, receivers, or amplifiers;
 - b. Tape decks;
 - c. Compact disc players; or

- d. Speakers.

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

- a. 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
- b. The equipment is:
 - (1) 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;
 - (2) designed to be solely operated by use of the power from the auto's electrical system; and
 - (3) 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; or
 - 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.
 - 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 or insulation;
 - b. Furniture or bars;
 - c. Height-extending roofs;
 - d. Custom murals, paintings, or other decals or graphics;
 - e. Running boards, special windows;
 - f. Control panels or consoles;
 - g. Wood trim;
 - h. Drapes, blinds or shades;
 - i. Television receivers;
 - j. Facilities for cooking and sleeping; or
 - k. Caps 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 of "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 page.

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;
 - 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:
- a. Competing in;
 - b. Practicing or preparing for; or
 - c. Located in a facility designed for the purpose of; any prearranged or organized racing, speed, stunt driving, or demolition contest.
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 caused intentionally by or at the direction of you or a "family member."
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;
- 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 felony criminal acts of any "insured" or from an "insured's" involvement in an illegal occupation.
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. Actual cash value of the stolen or damaged property; or
 - 2. 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 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 in the event of a total 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.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

No Benefit to Bailee

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

Other Sources of Recovery

If other sources of recovery also cover the loss, we will pay our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a "non-owned auto" 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.

Appraisal

A. If we and you do not agree on the amount of loss, an appraisal of the loss will be made. 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 fail to 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.

Additional Duties after an Accident or Loss

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. Permit us to inspect and appraise the damaged property before its repair or disposal.

Loss Payable Clause

Loss or damage under this policy shall be paid, as interest may appear, to you and the loss payee shown in the Declarations. 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. However, this insurance with respect to the interest of the loss payee shall not become invalid because of your intentional or fraudulent acts or omissions.

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.

When we pay the loss payee we shall, to the extent of payment, be subrogated to the loss payee's rights of recovery.

Part E: Duties after an Accident or Loss

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

- A. We must be notified promptly of how, when, and where the accident or loss happened. This notice should also include:
- 1. Time and place of accident or loss;
 - 2. Circumstances of the accident or loss;
 - 3. Names and addresses of any injured persons;
 - 4. Names and addresses of any witnesses; and,
 - 5. The license plate numbers of all vehicles involved.
- 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 reasonably require:
 - a. to physical exams by physicians we select. We will pay for these exams.

- b. to examination under oath, while not in the presence of any other "insured," and subscribe to the same. This includes allowing us to take signed or recorded statements, including statements under oath, and to answer all reasonable questions we may ask, when and as often as we may reasonably require.
- 4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
- 5. Submit a proof of loss when required by us.
- 6. Attend hearings and trials as we require.
- C. You must notify the police within 24 hours, or as soon as practicable, if:
 - 1. A hit-and-run driver is involved;
 - 2. You cannot identify the owner or operator of a vehicle involved in the accident; or
 - 3. A theft or vandalism has occurred.
- D. You must send us copies of the legal papers within 24 hours, or as soon as practicable, if a suit is brought.

Part F: General Provisions

By acceptance of this policy, you agree:

- 1. That the statements in the Declarations and the application are your representations;
- 2. That this policy is issued in reliance upon the truth of those representations;
- 3. That the application forms a part of this policy; and
- 4. That this policy embodies all agreements existing between you and us or any of the agents relating to this policy.

Bankruptcy

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

Changes

- A. This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
- B. If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:
 - 1. The number, type, or use classification of insured vehicles;
 - 2. Operators using insured vehicles;
 - 3. The place of principal garaging of insured vehicles;
 - 4. Coverage, deductible, or limits.

If a change resulting from **A.** or **B.** requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.

- C. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (C.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:
 - 1. A subsequent edition of your policy; or
 - 2. An Amendatory Endorsement.

Fraud

We do not provide coverage for any "insured" who has made false or fraudulent statements or engaged in fraudulent conduct in connection with any accident or loss for which coverage is sought under this policy.

Legal Action against Us

- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
 - 1. We agree in writing that the "insured" has an obligation to pay; or
 - 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the liability of an "insured."

Our Right To Recover Payment

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:
 - 1. Whatever is necessary to enable us to exercise our rights; 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.

Our rights under Paragraph A. with respect to coverage under Section 2. of "uninsured motor vehicle" do not apply with respect to the insurer, owner or operator of an "uninsured motor vehicle" if we have been given prompt written notice of a tentative settlement between an "insured" and the insurer, owner or operator of an "uninsured motor vehicle", and we:

- 1. Consent to a settlement for the full limits of all liability insurance policies or bonds available to the owner or operator of an "uninsured motor vehicle" and we agree to arbitrate; or
- 2. Fail to advance payment to the "insured" in an amount equal to the tentative settlement,

within 30 days after receipt of the written notification required by this provision.

However, if we advance payment to the "insured" in an amount equal to the tentative settlement with 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 Uninsured Motorists Coverage; and
- 2. We also have a right to recover the advanced payment, unless judgment is rendered in favor of the owner or operator of an "uninsured motor vehicle".

- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
 - 1. Hold in trust for us the proceeds of the recovery; and
 - 2. Reimburse us to the extent of our payment.

We shall be entitled to recovery under Paragraph A. or B. only after the person has been fully compensated for damages.

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. We may cancel by mailing to the named insured shown in the Declarations at the address last known by us:
 - a. at least 10 days notice:
 - (1) if cancellation is for nonpayment of premium; or
 - (2) if notice is mailed during the first 60 days this policy is in effect and this is not a renewal or continuation policy; or
 - b. at least 20 days notice in all other cases.
 - 3. 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 second anniversary of the original effective date.
 - c. if the policy was obtained through material misrepresentation.
- B. **Non-renewal.** 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 this policy. Notice will be mailed at least 30 days before the end of the policy period. Subject to this notice requirement, if the policy period is:
 - 1. Less than 6 months, we will have the right not to renew or continue this policy every 6 months, beginning 6 months after its original effective date.
 - 2. 6 months or longer, but less than one year, we will have the right not to renew or continue this policy at the end of the policy period.
 - 3. 1 year or longer, we will have the right not to renew or continue this policy at

each anniversary of its original effective date.

C. Automatic Termination. If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

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. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is 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.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.

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 unless the policy terminates prior to that time.

Two or More Auto Policies

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

Our Right to Recompute Premium

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Non-Owner Coverage Endorsement

11 PA TN NO (3/05)

This endorsement applies only if Form 11 PA TN 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" or "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; or
- b. a pickup or van that has a Gross Vehicle Weight of less than 10,000 lbs.; that is in the "business" of any "insured".

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. Exclusions **A.6.** and **A.7.** are replaced by the following:
We do not provide Liability Coverage for any "insured" maintaining or

using any vehicle in the "business" of that "insured".

2. 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.
3. 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".

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

Out of State Coverage

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

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

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

- A.** Paragraph 1. of the definition of "insured" is amended by deleting reference to "family member".
- B.** The **Exclusions** Section is amended as follows:
Exclusion 5. is replaced by the following:
We do not provide Medical Payments Coverage for any "insured" for "bodily injury" sustained while "occupying", or when struck by, any vehicle (other than "your covered auto") which is owned by you.

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

- A.** Paragraph 1. of the definition of "insured" is amended by deleting reference to "family member".
- B.** The definition of "Uninsured motor vehicle" is amended as follows:
Paragraphs a. and b. of the hit-and-run vehicle section are amended by deleting reference to "family member".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Business Use Coverage

11 PA TN BU (3/05)

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

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

- A.** Paragraph 1. of definition **K.** in the Definitions section is replaced by the following:
 1. "Newly acquired auto" means any of the following types of vehicles you become the owner of during the policy period:
 - a. a private passenger auto; or
 - b. a pickup or van, for which no other insurance policy provides coverage, that has a Gross Vehicle Weight of less than 10,000 lbs.;
that is not used for the delivery or transportation of goods and materials unless such use is:
 - a. incidental to your "business" of installing, maintaining or repairing furnishings or equipment; or
 - b. for farming or ranching.
- B.** Exclusion **A.7.** of Part **A**, Liability Coverage, is replaced by the following:
 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;
 - b. pickup or van that:
 - (1) you own; or
 - (2) 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;
 - (d) loss; or

- (b) repair;
 - (c) servicing;
 - (e) destruction; 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 (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.

Accidental Death Benefit Endorsement

11 PA TN AD (7/15)

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:

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

11 PA TN RF (3/05)

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.

If you cancel your policy, we will calculate the unearned portion on a pro rata basis.

If the policy is canceled due to your nonpayment of premium, we will consider the policy to be canceled at the company's request, and we will compute the premium refund on a pro rata basis.

IMPORTANT NOTICE:

Privacy Notice

00 US AL PN (3/05)

Alfa Vision Insurance Corporation

The Vision Insurance Group

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