



**REDPOINT COUNTY MUTUAL INSURANCE COMPANY TEXAS PERSONAL AUTO POLICY  
FEATURES AND LIMITATIONS DISCLOSURE – ENDORSEMENTS**

This disclosure form is attached to Policy No. \_\_\_\_\_ issued to by **QUANTUM ALLIANCE** and is effective on \_\_\_\_\_ at 12:10 AM (SDT Time).

I understand that this is a summary and disclosure of changes and limitations to my Texas Personal Auto Policy and that no coverage is provided by this summary. I acknowledge that this summary and disclosure does not change and should not be construed to change any of the provisions of the insurance policy that is the subject of this disclosure. I understand that this disclosure contains only a summary of important policy changes and limitations and that I must refer to the insurance contract and its individual endorsements for complete coverage information. I understand that if there is a conflict between the policy and this summary, the provisions of the policy shall prevail.

I understand that my policy is a legal contract detailing the rights and obligations of both myself and the Company. Finally, I understand that, as allowed by legislation passed by the Texas Legislature on June 11, 2003, the policy contains coverage that is more limited than the Texas Standard Personal Auto Policy.

**SUMMARY OF YOUR REDPOINT COUNTY MUTUAL INSURANCE COMPANY TEXAS PERSONAL AUTO POLICY ENDORSEMENTS, CHANGES AND MODIFICATIONS:**

**Applicant: Please initial and sign only after the endorsements listed below and on your declarations page have been reviewed and explained.**

**\_\_\_\_\_ OACM.CrimeIntent.008 - CRIMINAL OR INTENTIONAL ACTS ENDORSEMENT**

The parties agree to the following amendments to the policy:  
The following Exclusion Provision is added to Part F – General Provisions:  
PART F – GENERAL PROVISIONS  
GENERAL EXCLUSIONS

- A. We do not provide any coverage for any person for bodily injury or property damage caused by or sustained:
1. In an incident caused by or at the direction of that person with the intent to injure person or property.
  2. While in the commission of a felony.
  3. While attempting to elude arrest by a law enforcement official.
- B. We will not pay for loss to **your covered auto** for damages sustained:
1. Due to or caused by a willful or intentional act by or at the direction of you, a **family member** or anyone with your express or implied permission.
  2. While in the commission of a felony.
  3. While attempting to elude arrest by a law enforcement official.

However, this exclusion does not apply to an insured who did not cooperate in or contribute to the creation of the loss if that insured has: (1) filed a police report; and (2) cooperated with law enforcement investigation or prosecution relating to any other insured causing the intentional loss. If we pay a claim pursuant to [the above paragraphs], our payment to the person insured is limited to their insurable interest in the property less any payments we first made to a mortgagee or other party with a secured interest in the policy. In no event will we pay more than the limit of liability. Exclusions B.2. and B.3. of this section apply only while **your covered auto** is being used by you, a **family member**, or anyone with your express or implied permission.

**\_\_\_\_\_ OACM.LoanPay.015 - OPTIONAL LOAN/LEASE PAYOFF COVERAGE**

- A. If your covered auto sustains damage as a result of a covered loss and is determined to be a total loss, we will pay the difference between:
1. The amount paid or payable under Part D – Coverage for Damage to Your Auto of this policy; and
  2. Any greater amount you are legally obligated to pay under a written loan or lease agreement to which **your covered auto** is subject at the time of the total loss, reduced by an:
    - a. Unpaid finance charges or refunds due to the **owner** for such charges;
    - b. Charges for extended warranties or refunds due to the **owner** for extended warranties;
    - c. Charges for Credit, Health, Accident or Disability insurance or refunds due to the **owner** for such insurance;
    - d. Past due payments and charges for past due payments, collection or repossession expenses;
    - e. Security deposits not refunded by lessor; and
    - f. Excess mileage charges or charges for wear and tear.

B. However, our payment shall not exceed 25% of the actual cash value of **your covered auto** at the time of total loss and will be further reduced by any applicable deductible shown in the Declarations. This coverage applies to **your covered auto** only where a premium charge is shown in the Declarations for Optional Loan/Lease Payoff Coverage. The following Definition is added as applied to this endorsement:

DEFINITION: "**Owner**" means the person or organization that holds legal title to the auto or trailer.

**\_\_\_\_\_ OACM.PhysDam.001 – PHYSICAL DAMAGE ENDORSEMENT**

- The Company will pay the cost to restore your covered auto to its pre-loss condition. The amount we pay may be based upon the cost of the aftermarket or recycled use parts, at the Company's option. If you choose a more expensive part, you may be responsible for the difference in cost.
- There is no coverage under Part D - Coverage for Damage to Your Auto, for any equipment on or in your covered auto that was not installed at the factory unless coverage is shown for the equipment in the Declarations Page.
- If repair or replacement of your covered auto or part of your covered auto results in betterment of the vehicle or the part, you will be required to pay the difference in or der to get your auto repaired or replaced.



**REDPOINT COUNTY MUTUAL INSURANCE COMPANY TEXAS PERSONAL AUTO POLICY  
FEATURES AND LIMITATIONS DISCLOSURE – ENDORSEMENTS**

**OACM.YCA.002 – NEWLY ACQUIRED AUTOMOBILE ENDORSEMENT**

**DEFINITIONS**

G.1. "Your covered auto" means:

- a. Any vehicle shown in the Declarations;
- b. A "newly acquired auto".
- c. Any "trailer" you own.
- d. 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:
  1. breakdown; 2. repair; 3. servicing; 4. loss; or 5. destruction

This provision (G.1.d.) does not apply to Part D – Coverage for Damage to Your Auto of this policy.

G.2. "Newly acquired auto":

a. "Newly acquired auto" means: (i) a private passenger auto; or (ii) pickup, utility vehicle or van with a gross vehicle weight (as determined by the manufacturer's specifications) of 25,000 lbs. or less; and is not used for the delivery or transportation of goods, materials or supplies other than samples, unless:

- a. the delivery of goods, materials or supplies is not the primary use for which the vehicle is employed; or
- b. the vehicle is used for farming or ranching.

G. 3. Coverage for a newly acquired auto that replaces a covered vehicle shown in the Declarations will have the same coverage we now provide for the vehicle being replaced. You must notify us of a replacement vehicle on or before the 20th day after the date on which you become the owner only if you wish to: (i) continue the existing coverage for damage to your newly acquired auto beyond such 20 day period; or (ii) add coverage for damage to your newly acquired auto.

G. 4. Coverage for a newly acquired auto that is acquired during the policy term in addition to the covered vehicles shown in the Declarations will have the broadest coverage we now provide for any auto shown in the Declarations provided you notify us of the newly acquired auto on or before the 20th day after the date on which you become the owner.

The following Definition is added as applied to this endorsement:

**DEFINITION**

"Owner" means the person who:

- a. Holds legal title to the auto or trailer;
- b. Has legal possession of an auto or trailer subject to a lien or security agreement; or
- c. Has legal possession of a private passenger type auto or pickup or van that is leased or rented to that person under a written agreement for a continuous period of at least six months.

**RCM SE 2016 – STORAGE ENDORSEMENT**

In the event that your covered auto requires storage following an accident, you must authorize us to have it moved to a facility of our choice at our expense.

This endorsement adds the following provision to subparagraph B in the GENERAL DUTIES Section of **PART E - DUTIES AFTER AN ACCIDENT OR LOSS** of your Texas

Personal Auto Policy: 6. Authorize us to move a damaged vehicle at our expense to a storage facility of our choice

**OACM.DelFee.005 – DELIVERY OF PERSONS AND PROPERTY FOR A FEE ENDORSEMENT**

The policy no longer provides coverage for liability or physical damage if your covered auto or any auto that you are operating is being used to carry, transport or deliver people, property or goods for a fee. This includes, among other things, delivering food, newspapers or flowers. If you engage in the activity of carrying, transporting or delivering items or people in exchange for compensation, you must disclose this on your application for insurance.

**RCM CLEE 2016 – CONTRACTUAL LIABILITY EXCLUSION ENDORSEMENT**

There is no coverage under Part A -Liability Coverage where liability for the loss is imputed or assumed solely because you signed a contract that references your automobile liability policy. If you rent an auto, you should notify the rental company of this change to your policy, as there may be optional coverage that you can purchase from such a company. This endorsement adds the following provision to subsection A to the EXCLUSIONS section in **PART A - LIABILITY COVERAGE** of your Texas Personal Auto Policy:

- 9. For liabilities assumed solely under a contract

**OACM.AutoTerm.007 – AUTOMATIC TERMINATION ENDORSEMENT**

If someone other than you and your family member becomes the owner of the auto, then coverage for that auto will automatically terminate at the time possession, title or right of control is passed on to the new owner.

**RCM FME 2016 – FRAUD OR MISREPRESENTATION ENDORSEMENT**

This policy includes the Declarations Page and the amendments. This policy also includes the application and the endorsements. The statements that you made while you were applying for coverage are representations. To determine your premium and eligibility for coverage under this policy, we relied on the representations that you made when you applied for coverage. If you omitted material facts or made material misrepresentations that are fraudulent, false, misleading or affect the acceptance of the risk by us, we may void this policy. We may void this policy if you engaged in fraudulent conduct while applying for coverage under this policy in accordance with Texas Insurance Code Chapter 705, Subchapter A. Even following an accident or loss, we may still void this policy for fraud or where there was a material misrepresentation of fact by you while you were applying for any coverage under this policy, or through any notice of change that you gave under this policy in accordance with Texas Insurance Code Chapter 705, Subchapter A. In such a case, we will not be liable for any claims that would otherwise be covered in the absence of the fraud or material misrepresentation. If we are not allowed to void this policy, any first-party claims will be reduced by the amount of any other premium owed to us. We reserve the right to recover from you any payments made as a result of your fraud. Any statements you made or will make in a notification of change to your policy are also considered representations and are subject to the provisions set out above. **This endorsement** : (1) Adds the following provision to subparagraph A to the TERMINATION section in **PART F - GENERAL PROVISIONS** of your Texas Personal Auto Policy:

- 5. We may terminate your policy and void your coverage in the event of your fraud or material misrepresentation of fact(s) in establishing, amending or renewing the policy or in relation to the adjustment of a claim.

(2) Adds the following provision to the OUR RIGHT TO RECOVER PAYMENT section in **PART F - GENERAL PROVISIONS** of your Texas Personal Auto Policy:

- C. We may recover from you any claim payment made to you where the claim was paid as a result of your fraud or material misrepresentation of fact(s) in establishing, amending or renewing the policy or in relation to the adjustment of a claim.



REDPOINT COUNTY MUTUAL INSURANCE COMPANY TEXAS PERSONAL AUTO POLICY
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OACM.CrimeIntentRentProp.010 CRIMINAL OR INTENTIONAL ACTS – RENTED PROPERTY AND NON-OWNED ENDORSEMENT

Criminal or intentional acts -Rented property and non-owned auto endorsement: No coverage is provided for any person or your covered auto or any non-owned auto for damages related to: intent to injure person or property; a willful or intentional act by or at the direction of you, a family member or anyone with your express or implied permission.

No coverage is provided during the commission of a felony or during the act of eluding arrest.

OACM.RentProp.011 – RENTED PROPERTY AND NON-OWNED ENDORSEMENT

A. We do not provide Liability Coverage for any person:

- I. For damage to property;
a. rented to;
b. used by; or
c. in the care, custody or control of that person.

II. This exclusion (A. 3.I) does not apply to damage to a rented residence or rented private garage caused by your covered auto. The Insuring Agreement provision of Part D – Coverage for Damage to Your Auto of this policy is deleted and replaced by the following:

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 the equipment less any applicable deductible shown in the Declarations. We will pay for loss caused by collision only if the Declarations indicate that Collision Coverage was provided. If there is a loss to a non-owned auto, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

B. "Collision" means the upset or collision with another object of your covered auto or non-owned auto. However, loss caused by the following are not considered "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 bird or animal; or
10. Breakage of glass

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

C. "Non-owned auto" means:

- 1. Any private passenger auto, pick-up, van or trailer, including a rental vehicle, 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 with the express or implied permission of the owner. As used in this part (C.1.) the term "rental vehicle" means an auto rented or hired for a term of 30 days or less.
2. Any private passenger auto, pick-up, van or trailer, including a rental vehicle 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 As used in this part (C.2.), the term "rental vehicle" means an auto rented or hired for the period of time reasonably required to repair or replace Your covered auto. Any insurance we provide with respect to a non-owned auto is subject to the terms, provisions and exclusions set forth in Part D – Coverage for Damage to Your Auto, unless otherwise specified. Exclusion 7 of Part D – Coverage for Damage to Your Auto of this policy is deleted. The Other Insurance Provision of Part D – Coverage for Damage to Your Auto of this policy is amended by adding C.:

PART D – COVERAGE FOR DAMAGE TO YOUR AUTO OTHER INSURANCE

C. Any insurance we provide with respect to a non-owned auto will be excess over any other 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.

RCM OSCE 2016 – OUT OF STATE COVERAGE ENDORSEMENT

If you are involved in an accident in a state or providence that has compulsory insurance laws for non-residents, we will honor that province or state's requirements as to liability coverage. However, we will not automatically provide first party coverage or increased limits for first party coverage in states that have no-fault or similar insurance laws. This endorsement amends the OUT OF STATE COVERAGE section of PART A - LIABILITY COVERAGE of your Texas Personal Auto Policy by adding the following provision:

- C. Your policy will satisfy the compulsory insurance laws for non-residents in other states or provinces as to liability coverage, but not as to first party coverage, such as no fault, that may be required by the other state or province.

OACM.OEM.014 – OPTIONAL ORIGINAL EQUIPMENT MANUFACTURER PARTS

The parties agree to the following amendment to the policy: The Limit of Liability provision contained in Part D – Coverage for Damage to Your Auto of this policy is deleted and replaced by the following: PART D – COVERAGE FOR DAMAGE TO YOUR AUTO LIMIT OF LIABILITY our limit of liability for loss will be the lesser of the following:

- 1. Actual cash value of the stolen or damaged property;
2. Amount necessary to replace any non-repairable damaged motor vehicle parts comprising the visible exterior of the vehicle, including inner and outer body panels, with original equipment manufacturer (OEM) parts, but not including glass or mechanical parts; or
3. Amount stated in the Declarations of this policy. The most we will pay for loss to equipment listed in Exclusion 4. is \$1,500.00. Our payment for loss will be reduced by any applicable deductible shown in the Declarations. At the mutual agreement of you and us, we will not apply the applicable deductible for a glass loss if the glass is repaired rather than replaced. The following Definition is added as applied to this endorsement:

DEFINITIONS: "Original equipment manufacturer (OEM) parts" means new parts that are manufactured by or under the license of the original equipment manufacturer.



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OACM.DV.017 - DIMINUTION IN VALUE AND BETTERMENT ENDORSEMENT

The parties agree to the following amendment to the policy: The Limit of Liability provision contained in Part D – Coverage for Damage to Your Auto of this policy is deleted and replaced by the following: PART D – COVERAGE FOR DAMAGE TO YOUR AUTO LIMIT OF LIABILITY: Our limit of liability for loss will be the lesser of the:

- 1. Actual cash value of the stolen or damaged property;
2. Amount necessary to repair or replace the property with other of like kind and quality; or
3. Amount stated in the Declarations of this policy. The most we will pay for loss to equipment listed in Exclusion 4. is \$1,500. Our payment for loss will be reduced by any applicable deductible shown in the Declarations. Diminution in Value is not covered under Part D – Coverage for Damage to Your Auto. If a repair or replacement results in better than the like kind or quality, we will not pay for the amount of the betterment. At the mutual agreement of you and us, we will not apply the applicable deductible for a glass loss if the glass is repaired rather than replaced. The following Definitions are added as applied to this endorsement:

- DEFINITIONS: 1. "Diminution in Value" means the reduction in market or resale value that results from a loss.
2. "Betterment" means an improvement that results in greater value than before the loss occurred.

OACM.PunitiveDamages.001 - PUNITIVE DAMAGES EXCLUSION

The parties agree to the following amendment to the policy: Part A – Liability Coverage of this policy is amended by adding the following language as Part C of the Insuring Agreement provision: PART A – LIABILITY COVERAGE: INSURING AGREEMENT; C. This policy does not provide coverage for punitive or exemplary damages. As used in this part, "punitive or exemplary" damages are those damages assessed by a court specifically to punish a wrongdoer or make an example of a wrongdoer.

RCM BUE 2016-Business Use Exclusion

1. Amends your Texas Personal Auto Policy by replacing EXCLUSION A. 7 of PART A - LIABILITY COVERAGE of your Texas Auto Policy with the following provision:

- 7. Maintaining or using any vehicle for any business purpose. A business purpose includes but is not limited to:
a. transporting persons, equipment or tools of the trade to or from a job site; or
b. using any vehicle for employment purposes or while otherwise engaged in any business or occupation, including but not limited to the following occupations or services:
construction, or courier or delivery services, or landscaping, or painting, or carpentry, or masonry, or food services, or janitorial services, or any other trade-type service.

Exclusion A.7 a. does not apply to a share-the-expense car pool.

2. Adds the following provision to the EXCLUSIONS section in PART D - COVERAGE FOR DAMAGE TO YOUR AUTO of your Texas Personal Auto Policy:

- 12. Loss to your Covered Auto while it is being operated for any business purpose. A business purpose includes but is not limited to:
a. transporting persons, equipment or tools of the trade to or from a job site; or
b. using any vehicle for employment purposes or while otherwise engaged in any business or occupation, including but not limited to the following occupations or services:
construction, or courier or delivery services, or landscaping, or painting, or carpentry, or masonry, or food services, or janitorial services, or any other trade-type service.

Exclusion 12. a. does not apply to a share-the-expense car pool.

RCM UDE 2016 UNLISTED DRIVER ENDORSEMENT

The parties agree to the following amendment to the policy:

Part D-Coverage for Damage to your Auto is amended by adding the following to the Insuring Agreement:

If a covered collision loss occurs while your covered auto is being driven by a resident of your household other than you or a person listed on the Declarations page as a covered driver, the deductible applicable to that loss shall be \$2,500.

Please read your policy thoroughly

The policy changes and limitations outlined here have been fully explained to me by (Agent Name)

APPLICANT'S SIGNATURE-MUST BE SIGNED

Date

AGENT'S SIGNATURE-MUST BE SIGNED

Date