

TEXAS PERSONAL AUTO PROGRAM

REDPOINT COUNTY MUTUAL INSURANCE COMPANY

Underwritten by

QUANTUM ALLIANCE

Your Quick Reference Guide

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IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact your managing general agent at the following toll-free number:

1-855-935-1233

You may call Redpoint County Mutual Insurance Company's toll-free telephone number for Information or to make a complaint at:

1-800-234-8242

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771

Web: <http://www.tdi.texas.gov>

E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Puede comunicarse con su agente general al siguiente numero de telefono gratis:

1-855-935-1233

Usled puede llamar al numero de telefono gratis de Redpoint County Mutual Insurance Company's para informacion o para someter una queja al:

1-800-234-8242

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771

Web: <http://www.tdi.texas.gov>
E-mail: ConsumerProtection@tdi.tx.us

DISPUTAS SOBRE PRIMAS o RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condition del documento adjunto.

AGREEMENT

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

DEFINITIONS

The following definitions apply throughout the policy. Defined terms are printed in boldface type and have the same meaning whether in the singular, plural or any other form.

- A. **Accident** means a sudden, unexpected, and unintended event causing **bodily injury** or **property damage**. The **accident** must arise out of the **ownership**, maintenance, or use of an **auto**. All **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **accident**.
- B. **Additional Auto** means an **auto** that you become the owner of, and that you acquire or purchase during the policy period, and under this policy we insure all the **autos** you own or lease for a term of at least six months. To qualify as an **additional auto** under this policy, any newly acquired **auto** must be an acceptable risk to us under our underwriting guidelines.
- C. **Auto** means a licensed and registered motorized four-wheel land vehicle. It is private passenger type intended for use on public roads. **Auto** includes a pickup, a van or sports utility vehicle with a load capacity of 1,500 lbs. or less. It is not used in any business other than farming or ranching. **Auto** does not include motorcycles, midget cars, golf carts, tractors, or farm machinery. It does not operate on rails or crawler treads. It is not used as a residence or premises.
- D. **Betterment** means a deduction for making an item better or adding value thereto.
- E. **Bodily injury** means injury to the body. It includes sickness or disease that results in impairment of physical condition. This could include death that is caused solely by an **auto accident** covered under this policy. The auto accident must occur while the policy is in force.
- F. **Family member** means a person who is a resident of your household and related to you by blood, marriage or adoption. It includes a ward,

step child, foster child, who lives in your household. **Family member** includes a minor under your guardianship who lives in your household.

- G. **Hazardous properties** include radioactive, toxic, or explosive properties.
- H. **Nuclear material** means source material, special nuclear material or byproduct material.
- I. **Occupying** means in, upon, entering into or exiting from.
- J. **Owned** or **Ownership** means to:
 - a. hold actual legal title to the vehicle;
 - b. have legal possession of the vehicle that is subject to a conditional sale agreement or mortgage; or
 - c. have legal possession of the vehicle that is leased to that person. Any **auto** leased under a written agreement for a continuous period of at least six (6) months shall be deemed to be **owned**;
 - d. have insurance interest.
- K. **Pollutant** means any solid, liquid, gaseous, or thermal irritant or contaminant. This includes smoke, vapor, soot, fumes, acids, alkaloids, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
- L. **Property damage** means physical damage to tangible property, including destruction or loss of its use. Must be caused solely by an **auto accident** covered under this policy and occur while the policy is in force.
- M. **Punitive** or **Exemplary Damage** means damages assessed by a court specifically to punish the wrongdoer or make an example of a wrongdoer.
- N. **Regular Operator** means any person not listed on the Declarations Page who has or had care, custody or control of the **covered auto** for more than twenty-four (24) hours. The twenty-four (24) hours may be consecutive or cumulative.
- O. **Replacement Auto** means an **auto** that you become the owner of and that you acquire or purchase during the policy period to take the place of an **auto** described on the Declarations Page because of:
 - a. termination of your interest in an **auto** described on the Declarations Page; or
 - b. mechanical breakdown, theft, deterioration, or total loss of an **auto** described on the

Declarations Page, rendering it permanently inoperable.

To qualify as a **replacement auto** under this policy, any newly acquired **auto** must be an acceptable risk to us under our underwriting guidelines.

- P. **Resident** means any person living in your household, other than you or a **family member**. Any **resident** must be listed on the **application** or endorsed on the policy prior to a **loss** or **accident**.
- Q. **Trailer** means a vehicle that is not self-propelled and is designed to be pulled by a:
- private passenger **auto**; or
 - pickup, panel truck or van-type truck.
- It also means a farm wagon, farm implement while towed by a vehicle listed in a. or b. above. It does not include a mobile home, a trailer used as an office, store, display or passenger conveyance or a cement mixer.
- R. "We", "us" and "our" refers to the Company providing this insurance.
- S. "You" and "your" refer to a person shown as a named insured on the Declarations Page; and the spouse of a named insured, if living in the same household.
- T. **Your covered auto** means:
- any **auto** shown in the Declarations Page.
 - A **replacement auto**. You must notify us within 20 days of your acquisition of the **replacement auto** for it to be considered **your covered auto**. The **replacement auto** will have the broadest coverage we now provide for the **auto** being replaced. If the **auto** being replaced does not have coverage under Part D, we will add this coverage for the **replacement auto** effective after you ask us to do so. All insurance for the **auto** being replaced ends when you take delivery of the **replacement auto**.
 - an **additional auto**. You must notify us within 14 days of your acquisition of the **additional auto** for it to be considered **your covered auto**. These provisions apply only if on the date you acquire the **additional auto**, we insure all vehicles you own and you ask us to insure the **additional auto** within 14 days of the date

you acquire it. The **additional auto** will have the broadest coverage we now provide on your policy. If no **auto** listed on the Declarations Page has coverage under Part D – Coverage for Damage to Your Auto, we will add this coverage for the **additional auto** effective after you ask us to do so.

- 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 breakdown, repair, servicing, loss or destruction. This provision does not apply to Coverage for Damage to Your Auto.
- any **trailer** you **own** while it is attached to **your covered auto**. For coverage to be provided under Part D – Coverage for Damage to Your Auto of this policy, the **trailer** must be listed on the Declarations Page and a premium must be paid.
- For purposes of this policy, any **auto** leased by you under a written agreement for a continuous period of at least six (6) months shall be deemed to be **owned** by you.

PART A: LIABILITY COVERAGE

INSURING AGREEMENT

Subject to the exclusions hereinafter stated, we will pay damages, for which any **covered person** becomes legally responsible because of **bodily injury** or **property damage** arising out of the **ownership, maintenance or use of a covered auto or trailer**. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. Our duty to settle or defend ends when the limit of liability has been exhausted by the payment of a judgment or settlement. We have no duty to defend any suit, settle any claim or pay any judgment that is not covered by this policy.

It is further understood and agreed that we are not obligated to pay attorney's fees for any legal or investigative work unless such attorneys are selected by us.

Additional Definitions:

When used in this Part:

Covered Person means:

1. You or any **family member** for the **ownership**, maintenance, or use of any **covered auto** or **trailer**. Any **family member** must be listed on the Declarations Page or added by endorsement during the policy term and prior to the date of the loss.
2. Any person using **your covered auto** with your express permission.
3. For **your covered auto**, any person or organization with respect to legal responsibility for acts or omissions of a person where coverage is afforded under this Part.
4. For any **auto** or trailer, other than your covered **auto**, any person or organization. This is only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision applies only if the person or organization does not own or hire the **auto** or **trailer**.

SUPPLEMENTARY PAYMENTS

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

1. Up to \$250 for the cost of bail bonds required because of an **accident**. The **auto accident** must result in **bodily injury** or **property damage** covered under this policy.
2. Premiums on appeal bonds and bonds to release attachments in any suit we choose to appeal. We have no duty to purchase a bond in an amount exceeding our limit of liability. We have no duty to apply for or furnish these bonds.
3. For damages covered under this policy, 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.
4. Reasonable **loss** of wages, up to fifty dollars (\$50) per day, but not other income, because of attendance at hearings, proceedings, or trials at our request.
5. Other reasonable expenses incurred at our request other than loss of earnings.

EXCLUSIONS

Read the following exclusions carefully. If an exclusion

applies, coverage will not be afforded under this Part A. We do not provide coverage for:

1. **Bodily injury** or **property damage** caused intentionally by or at the direction of a **covered person**.
2. **Property damage** to property **owned by**, or being transported by, a **covered person**.
3. **Property damage** to any property **owned by**, rented to, or being transported by, used by; or in the care or custody of a **covered person**.
4. Any person for **bodily injury** to an employee of that person during the course of employment. This exclusion does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits, disability benefits, or similar benefits are required or available for that domestic employee.
5. Any person's liability arising out of the **ownership** or operation of a vehicle while it is being used to carry persons or property for a fee. This exclusion does not apply to a share-the-expense car pool.
6. Any person while employed or otherwise engaged in the business of selling, repairing, servicing, storing or parking vehicles designed for use mainly on public highways. This includes road testing and delivery. This exclusion does not apply to the **ownership**, maintenance, or use of **your covered auto** by you, any **family member** or partner, agent, or employee of you or any **family member**.
7. Any person maintaining or using any vehicle while that person is employed or otherwise engaged in any **business** or occupation not described in Exclusion 6. Regardless of the amount or type of use made of such vehicle.
8. Any person for **bodily injury** or **property damage** for which that person is an insured under a nuclear energy liability policy. Policies are issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured but for its termination upon exhaustion of its limits of liability.
9. To **bodily injury** or **property damage** for immediate medical or surgical relief (first aid) incurred with respect to bodily injury, sickness,

- disease, death or destruction resulting from the **hazardous properties of nuclear material** and arising out of the operation of nuclear facility by any person or organization.
10. The **ownership**, maintenance or use of any vehicle, other than **your covered auto** which is **owned** by you or furnished or available for the regular use of you, any **family member** or **resident**.
 11. Any person's liability arising out of the **ownership** or operation of a vehicle while it is being used in any organized or pre-arranged racing event, speed contest or exhibition.
 12. **Bodily injury** or **property damage** that results from the maintenance or use of **your covered auto** without your permission or not within the scope of such permission.
 13. **Bodily Injury** or **property damage** that result from a **covered person's** maintenance or use of any auto without the **owner's** express permission.
 14. Any person's liability arising out of the **ownership** or operation of a vehicle while it is being rented or leased to or for others.
 15. Any person's liability arising out of any contract bailment or agreement, or to any obligation under the Federal Torts Claims Act.
 16. **Bodily injury** to you or any **family member** or **resident**.
 17. **Bodily injury** sustained while **occupying** any motorcycle or vehicle having more or less than four wheels.
 18. Any **bodily Injury** or **property damage** caused by a **covered person** or **your covered auto** while in the commission of a crime, other than a traffic violation.
 19. **Bodily injury** or **property damage** caused by **your covered auto** when it is driven by a person who you know:
 20. **Bodily injury** or **property damage** arising out of actual, alleged or threatened discharge, dispersal, release, or escape of any **pollutant**. Unless such discharge, dispersal, release, or escape is sudden and accidental and arises directly from **collision** or upset of **your covered auto**.
 21. **Bodily injury** or **property damage** resulting from the use of an **auto** for snow removal.
 22. **Bodily injury** or **property damage** arising out of the manufacturing, storage, distribution,

handling, or removal of asbestos or products containing asbestos.

23. **Bodily injury** or **property damage** resulting from the use of any **auto** by a person or persons specifically excluded by endorsement.
24. Liability coverage for any **covered person** for **bodily injury** to you or any **family member**, except to the extent of the minimum liability coverage required by Texas Civil Statutes, Article 6701h, entitled "Texas Motor Vehicle Safety - Responsibility Act".
25. **Punitive** or **exemplary damages**.
26. **Bodily injury** or **property damage** to any person while in the commission of a felony.
27. **Bodily injury** or **property damage** to any person while attempting to elude arrest by law enforcement.
28. From war (declared or undeclared), civil war, insurrection, rebellion or revolution, or any consequence of any of these.

LIMIT OF LIABILITY

Regardless of the number of **covered persons**, claims made, **autos** or premiums shown in the Declarations Page, **autos** involved in the **accident** or suits brought, we will pay the limits of liability shown in the Declarations Page to the following:

1. The limit for each person is the maximum we will pay for damages sustained by any one person in any one **accident**. This includes all derivative claims.
2. Subject to the **bodily injury** limit for "each person", the limit for "each **accident**" is the maximum we will pay for **bodily injury** sustained by two or more persons in any one **accident** and includes all **derivative claims**.
3. The **property damage** liability limit for "each occurrence" is the maximum we will pay for all **property damage** in one **accident**.

Any amount payable under this coverage to or for an injured person will be reduced by any payment made to that person under Part B1 – Medical Payments and Part B2 - Personal Injury Protection Coverage and Part C – Uninsured Motorist Coverage.

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:

1. A financial responsibility or similar law requiring limits of liability for **bodily injury** or **property damage** higher than the limit shown on the Declarations Page, your policy will provide the higher specified limit.
2. A compulsory insurance or similar law requiring a non-**resident** to maintain insurance whenever the non-**resident** uses an **auto** in that state or province, your policy will provide at least the required minimum amounts and types of coverage.

FINANCIAL RESPONSIBILITY REQUIRED

When we certify this policy as proof of financial responsibility, it will comply with the law to the extent of the coverage required by the law.

OTHER INSURANCE

If there is other applicable insurance, 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 liability insurance we provide to a **covered person** for the maintenance or use of a vehicle you do not own shall be excess over any other applicable liability insurance.

PART B1: MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

Subject to the exclusions hereinafter, we will pay reasonable expenses incurred for necessary medical and funeral services because of **bodily injury** caused by an **accident** and sustained by a **covered person**. We will pay only those medical expenses incurred within three (3) years from the date of the **accident**.

Additional Definitions:

When used in this Part:

Covered Person as used in Part means

1. You or any **family member** while **occupying**, or 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 person for **bodily injury**:

1. Sustained while **occupying** any vehicle having more or less than four wheels.
2. Sustained while **occupying your covered auto** when it is being used to carry persons or property for a fee. The exclusion does not apply to a share-the-expense carpool.
3. Incurred while the **covered auto** is being leased or rented to others.
4. Sustained while **occupying** any vehicle located for use as a residence or premises.
5. Occurring during the course of employment if workers' compensation benefits are required or available for the **bodily injury**.
6. Sustained while **occupying** or when struck by any vehicle (other than **your covered auto**) which is **owned** by you or furnished or available for your regular use, regardless of the amount or type of use made of such vehicle.
7. Sustained while **occupying** or when struck by any vehicle (other than **your covered auto**) which is **owned** by or furnished or available for the regular use of any **family member** or listed driver.
8. Sustained by any person while **occupying the covered auto** without your permission or not within the scope of such permission.
9. Sustained by a **covered person** while **occupying** any **auto** without the permission of the **owner**, or not within the scope of such permission.
10. Sustained while **occupying** a vehicle when it is being used in the **business** or occupation of a **covered person**.
11. Caused by discharge or a nuclear weapon (even if accidental),
12. For immediate medical or surgical relief (first aid) incurred with respect to bodily injury, sickness, disease, death or destruction resulting from the **hazardous properties of nuclear material** and arising out of the operation of nuclear facility by any person or organization.
13. From war (declared or undeclared), civil war, insurrection, rebellion or revolution, or any consequence of any of these.
14. From any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.

15. That amount of any medical expenses which are paid or payable to or on behalf of the injured person under the provision of any:
 - a. Automobile or premises insurance affording benefits for medical expenses;
 - b. Individual blanket or group **accident** insurance, disability or hospitalization insurance;
 - c. Medical or surgical reimbursement plans; or
 - d. Workers' compensation or disability law or any similar law.
16. Arising out of the operation of any **auto** insured under this policy which is designed for racing while being tested, repaired or serviced, or while used, operated, manipulated or maintained in any prearranged or organized race or speed test, including "hot rod" or "stock" racing.
17. Sustained by any person as a result of the use of any vehicle by a person or persons specifically excluded by endorsement.
18. To a **covered person** that is caused intentionally by, or at the direction of, that **covered person**.
19. Caused by dumping discharge or escape of any irritants, **pollutants** or contaminants, other than the fluids necessary for the operation of **your covered auto**.
20. Sustained in the commission of a crime or felony, other than a traffic **accident**.
21. By a person while attempting to elude arrest by law enforcement.
22. Arising out of the manufacturing, storage, distribution, handling, or removal of asbestos or products containing asbestos.

LIMIT OF LIABILITY

The limit of liability shown on the Declarations Page for this coverage is our maximum limit of liability for any one person injured in any one **accident**. It also is the most we will pay regardless of the number of **covered persons**, claims made, **autos** or premium shown on the Declarations Page, or number of vehicles involved in the **accident**. Any amounts otherwise payable for expenses under this coverage shall be reduced by any amounts paid or payable for the same expenses under any **auto** Liability or Uninsured/Underinsured Motorist Coverage provided by this policy.

No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C or any Uninsured/Underinsured Motorist Coverage provided by this policy.

OTHER INSURANCE

If there is other applicable **auto** medical payments insurance, we will pay only our share. 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 any vehicle you do not **own** shall be excess over any other collectible **auto** insurance providing payments for medical expenses and funeral expenses, and any other insurance on the motor vehicle involved in the **accident** shall be considered primary.

ASSIGNMENT OF BENEFITS

Payments for medical expenses will be paid directly to a physician or other health care provider if we receive a written assignment signed by the **covered person** to whom such benefits are payable.

PART B2: PERSONAL INJURY PROTECTION

INSURING AGREEMENT

Subject to the exclusions hereinafter, we will pay Personal Injury Protection benefits because of **bodily injury** caused by an **accident** and sustained by a **covered person**. We will pay only those expenses incurred within three (3) years from the date of the **accident**.

Personal Injury Protection benefits consist of:

1. Reasonable expenses incurred for necessary medical and funeral services.
2. I. Eighty percent of a covered person's loss of income from employment. These benefits apply only if, at the time of accident, the **covered person** was an income producer; and was in an occupational status. These benefits do not apply to any loss after the **covered person** dies.
 - II. Loss of income is the difference between
 - a. income which would have been earned had the covered person not been injured; and
 - b. the amount of income actually received from employment during the disability.

- III. If the income being earned as of the date of accident is a salary or fixed remuneration, it shall be used in determining the amount of income which would have been earned. Otherwise, the average monthly income earned during the period (not more than 12 months) preceding the accident shall be used.
3. Reasonable expenses incurred for obtaining services. These services must replace those a **covered person** would normally have performed:
 - a. without pay;
 - b. during a period of disability; and
 - c. for the care and maintenance of the family or household.

These benefits apply only if, at the time of the accident, the covered person:

- a. was not an income producer; and
- b. was not in an occupational status.

The benefits do not apply to any loss after the covered person dies.

Covered Person as used in Part means

1. You or any **family member** while **occupying**, or 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 Personal Injury Protection Coverage for any person for **bodily injury**:

1. In an accident caused intentionally by that person.
2. By a person in the commission of a felony.
3. By a person while attempting to elude arrest by law enforcement.
4. While **occupying** or being struck by, a motor vehicle (other than **your covered auto**) which is owned by you.
5. By a **family member** while **occupying**, or when struck by any motor vehicle (other than **your covered auto**) which is **owned** by a **family member**.
6. Caused by discharge or a nuclear weapon (even if accidental),
7. For immediate medical or surgical relief (first aid) incurred with respect to bodily injury, sickness,

disease, death or destruction resulting from the **hazardous properties of nuclear material** and arising out of the operation of nuclear facility by any person or organization.

8. From war (declared or undeclared), civil war, insurrection, rebellion or revolution, or any consequence of any of these.
9. From any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
10. Arising out of the manufacturing, storage, distribution, handling, or removal of asbestos or products containing asbestos.
11. Caused by dumping discharge or escape of any irritants, **pollutants** or contaminants, other than the fluids necessary for the operation of **your covered auto**.

LIMIT OF LIABILITY

The limit of liability shown on the Declarations Page for this coverage is our maximum limit of liability for any one person injured in any one **accident**. It also is the most we will pay regardless of the number of **covered persons**, claims made, **autos** or premium shown on the Declarations Page, or number of vehicles involved in the **accident**.

OTHER INSURANCE

If there is other Personal Injury Protection coverage, we will pay only our share. 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 any vehicle you do not **own** shall be excess over any other collectible **auto** insurance providing payments for Personal Injury Protection.

OTHER PROVISIONS

- A. Loss Payment Benefits are payable:
 1. Not more frequently than every two weeks: and
 2. Within 30 days after satisfactory proof of a claim is received.
- B. Modifications: The General Provision part of this policy labeled "Our Right to Recover Payment" does not apply to this coverage.

ASSIGNMENT OF BENEFITS

Payments for medical expenses will be paid directly to

a physician or other health care provider if we receive a written assignment signed by the **covered person** to whom such benefits are payable.

PART C: UNINSURED/UNDERINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

Subject to the exclusions hereinafter stated, we will pay compensatory damages, which a **covered person** is legally entitled to recover from the **owner** or operator of an **uninsured motor** vehicle because of:

1. **Bodily injury** sustained by a **covered person** and caused by an **accident**; and
2. **Property damage** caused by an **accident** if the Declarations Page indicated that both **bodily injury** and **property damage** Uninsured Motorist Coverage applies.

The **owner's** liability for these damages must arise out of the **ownership**, maintenance or use of an **uninsured motor** vehicle.

Any judgment for damages arising out of a suit brought without notice and service of a summons upon us as required by law is in no way binding on us.

Additional Definitions:

When used in this Part:

1. **Covered Person** as used in this part means:
 - a. You or any **family member**;
 - b. any other person **occupying your covered auto**.
2. **Property Damage** means injury to or destruction of:
 - a. **Your Covered Auto**, not including a temporary substitute auto;
 - b. Any property owned by a **covered person**.
3. **Uninsured motor vehicle** means a land motor vehicle licensed and designed for use primarily on public roads and highways or a **trailer**.
 - a. To which no liability bond or policy applies at the time of the **accident**.
 - b. For which the sum of the limits of liability available for payment to a **covered person** under all policies, bonds and securities applicable at the time of the **accident**:
 - i. is less than the limit of liability for this coverage;

- ii. has been reduced by payment to persons other than the covered person to an amount which is less than the limit of liability for this coverage.
- c. Which is a hit-and-run vehicle whose owner or operator cannot be identified and which makes actual physical contact between such hit-and-run vehicle and;
 - i. You or any family member;
 - ii. A vehicle which you or any **family member** are **occupying**; or
 - iii. **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. You or someone on your behalf must report the **accident** within 24 hours to the police and must within 10 days advise us that you have a cause or causes of action for damages caused by a person or persons whose identity is unascertainable.

- d. To which a **bodily injury** and **property damage** liability bond or policy applies at the time of the **accident** but bonding or insuring company denies coverage; or is declared insolvent.
4. **Underinsured motor vehicle** is one to which a liability bond or policy applies at the time of the accident but its limit of liability either:
 - a. is not enough to pay the full amount the covered person is legally entitled to recover as damages; or
 - b. has been reduced by payment of claims to an amount which is not enough to pay the full amount the covered person is legally entitled to recover as damages.

Uninsured/Underinsured Motor Vehicle does not include any vehicle:

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;
3. With more or less than four wheels;
4. Designed mainly for use off public roads while not on public roads; or

5. While located for use as a residence or premises.

EXCLUSIONS

We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** and/or **property damage**.

1. Incurred while **occupying your covered auto** when it is being used to carry persons or property for a fee. This exclusion does not apply to a share-the-expenses carpool.
2. Sustained by any person while **occupying** or when struck by any **auto owned** by you, any **family member** or any **resident** which is not insured for this coverage under this policy.
3. For any person using **your covered auto**, without your permission or not within the scope of your permission.
4. Resulting from the use of **your covered auto** by any person(s) specifically excluded by endorsement.
5. So as to directly or indirectly benefit any insurer or self-insurer under any workers' or workers' compensation, disability benefits or similar law.
6. When this **bodily injury** or **property damage** was sustained in the commission of a crime, other than a traffic violation.
7. Punitive or exemplary damages.
8. 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.
9. For the first \$250 of the amount of property damage to the property of each covered person as the result of any one accident.

LIMIT OF LIABILITY

- A. The limit of **bodily injury** liability shown in the Declarations Page is the most we will pay for all damages. This includes damages for care, loss of services or death, arising out of **bodily injury** sustained by one person in any one **accident**. Subject to this limit for "each person" the most we will pay for all damages resulting from **bodily injury** caused by any one **accident** is the limit shown in the Declarations Page for "each **accident**". The maximum **property damage** we

will pay is:

1. the actual cash value of **your covered auto** or,
2. the cost of repairs to **your covered auto**, or
3. the amount listed on the Declarations Page as the Limit of Liability afforded under the **Uninsured Motorist Property Damage** coverage resulting from one accident.

This is the most we will pay regardless of the number of insureds, claims made, bonds or policy applicable, vehicles or premiums shown in the declarations page, or vehicles involved in the accident.

- B. Any amounts otherwise payable for **damages** under this coverage shall be the lesser of:
 1. The difference between the amount of an insured's damages for **bodily injury** or **property damage** and the amount paid or payable to that insured for such damages by or on behalf of persons or organizations who may be legally responsible; and
 2. the applicable limit of liability.
- C. 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, auto medical expense or personal injury protection coverage.
- D. Any payment under this coverage to or for a **covered person** will reduce any amount that person is entitled to recover under Part A- Liability Coverage of this Policy.

OTHER INSURANCE

- A. If there is other applicable similar insurance, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.
- B. For any property damage to which the Coverage for Damage to Your Auto of this policy (or similar coverage from another policy) and this coverage both apply, you may choose the coverage from which damages will be paid. You may recover under both coverages, but only if:

1. Neither one by itself is sufficient to cover the loss;
2. You pay the higher deductible amount (but you do not have to pay both deductibles) and
3. You will not recover more than the actual damages.

PART D: COVERAGE FOR DAMAGE TO YOUR VEHICLE

INSURING AGREEMENT

We will pay for direct and accidental **loss** to **your covered auto** or any **non-owned auto**, less any applicable deductible shown in the Declarations Page. We will pay for losses to **your covered auto** caused by:

1. **Other than Collision** only if the Declarations Page indicates that **Other than collision** coverage is provided for that auto.
2. **Collision** only if the Declarations Page indicates 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 Page.

Additional Definitions:

When used in this Part:

- A. **Covered Person** means:
 1. You, a family member, or resident;
 2. Any other person listed on the application or added by endorsement during the policy term prior to a **loss**;
 3. Any other person, other than a **regular operator**, who has your express permission to use the **covered auto** and who holds a valid driver's license at the time of the **loss**.
- B. **Collision** means the upset, or **collision** with another object of **your covered auto** subject to the exceptions and exclusions stated below.
- C. **Other than collision** means **loss** caused by missiles, falling objects, fire, theft or larceny, explosion, earthquake, windstorm, hail, water, flood, malicious mischief or vandalism or civil commotion, contact with bird or animal or breakage of glass. If breakage of glass is caused by a **collision**, you may elect to have it considered a **loss** caused by **collision** if there is a **loss** to a **non-owned auto**, we will provide **collision**

coverage applicable to **your covered auto** shown in the Declarations Page.

- D. **Diminution in Value** means the actual or perceived decrease of market or resale value of an **automobile** or part thereof measured after repair of physical **damage**.
- E. **Damage** means physical damage to tangible property and does not include intangible economic **loss**, such as **diminution in value**.
- F. **Loss** means direct and accidental physical **damage** to the **automobile** or its parts.
- G. **Non-owned auto** means any private passenger **auto** or **trailer** not **owned** by you or any **family member**. It cannot be 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**. However, **non-owned auto** does not include any vehicle used as a temporary substitute for a vehicle you **own** which is out of normal use because of its breakdown, repair, servicing, **loss** or destruction.

TOWING AND STORAGE CHARGES

In addition, after an **auto accident**, we will pay reasonable towing and storage charges you or any **family member** is legally responsible for in transporting and storing **your covered auto** up to a maximum of two hundred dollars (\$200). This coverage applies only if the Declarations Page indicates that **Collision** or **Other than collision** is provided for that **auto**.

ADDITIONAL TRANSPORTATION EXPENSES

We will pay up to fifteen dollars (\$15) per day, to a maximum of four hundred and fifty dollars (\$450), for transportation expenses incurred by you because of the total theft of **your covered auto**. This applies only if the **Declarations Page** indicates that **Other than collision** is provided for **your covered auto**. We will pay for transportation expenses incurred during the period beginning forty-eight (48) hours after the theft has been reported to us and to the police. Coverage ends when **your covered auto** is found (limited by the \$450 maximum) or we offer to pay for its **loss**. This Transportation Expense will not apply if you have purchased Rental Reimbursement Coverage.

RENTAL REIMBURSEMENT

- A. We will pay, without application of a deductible,

up to the amount shown in the Declarations Page 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 Page** indicates that **Other than collision** coverage is provided for that auto.
 - b. Collision only if the Declarations Page indicates 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 vehicle**. We will pay for loss of use expenses if the loss is caused by:
 - a. **Other than collision** only if the Declarations Page indicates that **Other than collision** coverage is provided for any **covered auto**.
 - b. Collision only if the Declarations Page indicates that Collision coverage is provided for any **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 **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 **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for loss or damage:

1. To **your covered auto** which occurs while it is being used to carry persons or property for a fee. This exclusion does not apply to a share-the-expense car pool.
2. Due and confined to wear and tear, freezing,

mechanical or electrical breakdown, or failure or road **damage** to tires, prior loss or damage, manufacturer's defects or improper repair. This exclusion does not apply if the damage results from the total theft of **your covered auto**.

3. Due to radioactive contamination, discharge of any nuclear weapon (even if accidental),
4. From war (declared or undeclared), civil war, insurrection, rebellion, or revolution, or any consequences of any of these.
5. To any device or instrument designed for the recording, reproduction, receiving, or transmittal of sound, radio waves or television signals unless such device or instrument is factory installed in the dash or console opening specified by the manufacturer of the motor vehicle for the installation of such equipment.
6. To tapes, records, discs or other devices for use with equipment designed for the reproduction of sound.
7. To any instrument or device designed as a two-way mobile radio, citizens band radio or cellular telephone.
8. To equipment designed or used for the detection or location of radar.
9. To a **non-owned auto** if it is used by you or any **family member** without a reasonable belief that they were entitled to do so, which occurs while rented or leased by you to others.
10. Loss to, or loss of use of, a non-owned auto rented by you or a **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.
11. To any non-owned **auto** or **trailer** resulting from your business activity, including selling, repairing, servicing, storing, parking delivery, road testing or pickup of goods or services.
12. 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 11. This exclusion 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.
13. Caused by any **covered person** who intentionally causes or expects to cause **loss** or **damage**.

14. Loss caused by explosives, other than the fluids necessary for the operation of a motor vehicle.
15. To **your covered auto** which occurs while operated in any organized racing event, speed content or exhibition.
16. To **your covered auto**, due to confiscation or destruction by government or civil authorities.
17. To any custom furnishings or equipment in or upon any auto, pickup, or van. Custom furnishings or equipment include but are not limited to: custom carpeting, furniture or bars, height extending roofs, custom paint such as custom murals, graphics, running boards, special windows, control panels or consoles, wood trim, drapes, blinds or shades, television receivers, facilities for cooking and sleeping, caps and shells.
18. To custom wheels, special wide tread tires or slicks, sun or moon roof, t-bar roofs, height extending roofs or special windows, lift kits, customized engines, modified suspension, special lighting, winches, plows, utility and/or utility / tool boxes, any other custom changes - unless factory installed.
19. Loss to personal effects or personal property included by not limited to clothes, luggage, tools, tapes, compact discs and sports equipment.
20. To **your covered auto** while it is being operated by a person or persons specifically excluded by endorsement.
21. To **your covered auto** or **non-owned auto** while it is being operated by any **family member**, **regular operator** or **resident** who was not listed on the application or added by endorsement prior to the date of the **loss**.
22. Loss to **your covered auto** or **non-owned auto** due to diminution in value.
23. 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, lease agreement, or other contract.
24. With respect to a vehicle, **ownership** of which is acquired by the **covered person** during the policy period, unless the **covered person** has notified us in writing within the required amount of days as stated in Definition section for **replacement auto** or **additional auto**, they wish to add such vehicle to the policy.
25. To the **covered auto** while it is in the care, custody or control of a **covered person** other than you for the purpose of selling the **covered auto**.
26. Due to the theft under this coverage if evidence exists that forcible entry was not required to gain access to the **auto** or that evidence exists that keys were left in the **auto** while it was unattended, or that no evidence exists that ignition wires, steering column or starting mechanism were altered or defeated to operate the **auto** without keys.
27. To **your covered auto** or a non-owned auto resulting from criminal acts of any **covered person** involvement in an illegal occupation or used in the commission of a crime or felony.
28. To **your covered auto** or a non-owned auto while attempting to elude arrest by a law enforcement officer.
29. Loss to **your covered auto** while it is being operated by a person who is intoxicated. **Intoxicated** means: (A) not having the normal use of mental or physical faculties by reason of the introduction of alcohol, a controlled substance, a drug, a dangerous drug, a combination of two or more of those substances, or any other substance into the body; or (B) having an alcohol concentration of 0.08 or more. Tex. Penal Code 49.01.

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. An adjustment for depreciation and physical condition will be made in determining the actual cash value in the event of a total loss.
2. Amount necessary to repair or replace the property of other property of like kind and quality.
3. Amount stated in the Declarations Page. However, the most we will pay for loss to any **non-owned auto**, which is a trailer is \$500.

All claims submitted under Part D will be subject to any applicable deductible shown in the Declarations Page and reduced by any salvage value if you retain the salvage.

At the mutual agreement between you and us, we will

not apply the deductible for a glass loss if the glass is repaired rather than replaced.

PAYMENT OF LOSS

We may pay for the **loss** in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to you or to the address shown in this policy.

If we return stolen property, we will pay for any damage resulting from the theft. We may take all or part of the property at an agreed or appraised value, but there shall be no abandonment to the Company. 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

The insurance shall not directly or indirectly benefit any carrier or other Bailee for hire.

OTHER INSURANCE

If other similar insurance also covers the **loss**, we will pay only our share, unless the **loss** is to a **non-owned auto** or a temporary substitute **auto**. If the loss is to a **non-owned auto** or a temporary substitute **auto**, then we will not pay until any other valid and collectable insurance has paid for such **loss**. Any valid and collectable insurance on a vehicle other than the **covered auto** will be primary and any insurance afforded by this policy will be excess only.

APPRAISAL

If you and we fail to agree on the amount payable, then the dispute shall be decided by appraisal as described herein. Each party will appoint a competent and disinterested appraiser. A consensus of Actual Cash Value/**Damages** in writing by the two appraisers will be binding and will determine the amount payable subject to the terms of the policy. If a consensus cannot be reached, the two appraisers will appoint a third appraiser to reach an agreement. Each party will pay the expense of their chosen appraiser. Expenses for the cost of the third appraiser will be shared equally. We do not waive any of our rights 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.

PART E: DUTIES AFTER AN ACCIDENT OR LOSS

GENERAL DUTIES

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 of an **accident** or **loss** within fifteen (15) days of how, when and where the **accident** or **loss** happened. The 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.
 5. The license plate numbers of all vehicles involved.
- B. A person seeking coverage must:
 1. Cooperate with us in the investigation, settlement or defense of any claim or lawsuit.
 2. Promptly send us copies of any notices or legal papers received in connection with the **accident** or **loss**.
- C. Within 15 days after we receive your written notice of claim, we must:
 1. Acknowledge receipt of the claim. If our acknowledgement of the claim is not in writing, we will keep a record of the date, method and content of our acknowledgement.
 2. Begin any investigation of the claim.
 3. Specify the information you must provide in accordance with paragraph B. above. We may request more information, if during the investigation of the claim such additional information is necessary.
- D. After we receive the information we request, we must notify you in writing whether the claim will be paid or has been denied or whether more information is needed:
 1. within 15 business days; or

2. within 30 days if we have reason to believe the loss resulted from arson.
- E. If we do not approve payment of your claim or require more time for processing your claim, we must:
1. give the reason for denying your claim, or
 2. give the reasons we require more time to process your claim. But, we must either approve or deny your claim within 45 days after our requesting more time.
- F. In the event of a weather-related catastrophe or major natural disaster, as defined by the Texas Department of Insurance, the claim-handling deadlines as stated above are extended for an additional 15 days.
- G. Loss Payment
1. If we notify you that we will pay your claim, or part of your claim, we must pay within 5 business days after we notify you.
 2. If payment of your claim or part of your claim requires the performance of an act by you, we must pay within 5 business days after the date you perform the act.
- H. Notice of Settlement of Liability Claim
1. We will notify you in writing of any initial offer to compromise or settle a claim against you under the liability section of this policy. We will give you notice within 10 days after the date the offer is made.
 2. We will notify you in writing of any settlement of a claim against you under the liability section of this policy. We will give you notice within 30 days after the date of the settlement.

PART F: GENERAL PROVISIONS

By acceptance of this policy, you agree:

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

POLICY PERIOD AND TERRITORY

- A. This policy applies only to **accidents** and **losses**

which occur during the policy period as shown in the Declarations Page; and within the policy territory.

- B. The policy territory is the United States of America, its territories or possessions; or Puerto Rico; or Canada.

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

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 a change to the information used to develop the policy premium, we will adjust the premium as of the effective date of the change.
- C. If we make a change that broadens coverage under this policy without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

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 **covered person** 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 a **covered person**.

TERMS OF POLICY CONFORM TO STATUTES

If any provision of this policy fails to conform to the legal requirements of the State of Texas, the provisions shall be deemed amended to conform to such legal requirements. All other provisions shall be given full force and effect. The laws of the State of Texas shall govern any disputes as to the coverages provided or the provisions of this policy.

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. shall do nothing after **loss** to prejudice them. (A release of the insurer under underinsured motor vehicle does not prejudice our rights).

However, our rights in this paragraph (A.) do not apply under Part D, against any person using your **covered auto** with a reasonable belief that that person is entitled to do so.

- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall hold in trust for us the proceeds of the recovery and shall reimburse us to the extent of our payment. (However we may not claim the amount recovered from an insurer of any underinsured motor vehicle.)

TERMINATION

- A. Cancellation. This policy may be cancelled during the policy period as follows:
1. The named insured shown on the Declarations Page may cancel by returning this policy to us or giving us advance written notice of the date cancellation is to take effect.
 2. We may cancel by mailing to you at the address shown in this policy:
 - a. at least ten (10) days' notice
 1. if cancellation is for nonpayment of premium; or
 2. if cancellation is mailed during the first sixty (60) days the policy is in effect, and is not a renewal or continuation policy; or
 - b. at least twenty (20) days' notice in all other cases.
 3. We will not cancel this policy just because you are an elected official.
 4. After this policy is in effect for 60 days, or if this is a renewal or continuation policy, we will cancel only:

- a. For nonpayment of premium; or
- b. If the insured submits a fraudulent claim.
- c. If your driver's license or that of:
 1. Any driver who lives with you, or
 2. Any driver who customarily uses **your covered auto**.

has been suspended or revoked.

This must have occurred:

1. during the policy period; or
2. since the last anniversary of the original effective date if the policy period is other than 1 year.

However, in the event **you** or a driver you described in 4.c. above has had his or her driver's license suspended or revoked, before cancellation of this policy we will offer to continue the policy with a provision excluding coverage when the person who has had his or her driver's license suspended or revoked is operating **your covered auto**. If such offer is excepted by you, we will issue an endorsement to that effect; or

- d. If the Texas Department of Insurance determines that continuation of the policy would result in a violation of the Texas Insurance Code or any other law governing the business of insurance in Texas.
- 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 Page at the address shown in the policy. Notice will be mailed 30 days before the end of the policy period. We will have the right to renew or not continue the policy only at each 1-year 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 someone other than you or a family member who is listed in the Declarations becomes the

owner of the auto, coverage for that auto will automatically terminate. The termination will correspond with the time that possession or title is conveyed to the new owner.

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 cancelled, you may be entitled to a premium 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, upon the death of the named insured shown in the Declarations Page, coverage will be provided until the end of the policy for:

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

B. Coverage will only be provided until the end of the policy period unless the policy terminates prior to that time.

MISREPRESENTATION AND FRAUD

This policy was issued in reliance upon the information provided on your application. We may void this policy in accordance with Chapter 705, Subchapter A of the Texas Insurance Code, if any **covered person** has fraudulently concealed or

misrepresented any material fact or circumstance material to the risk or contributed to 'the contingency or event on which the policy became due and payable, or engaged in fraudulent conduct, at the time application was made or any time during the policy period. We may void this policy in accordance with Chapter 705, Subchapter A of the Texas Insurance Code, or deny coverage for an **accident** or loss if you or an insured have fraudulently misrepresented a fact material to the question of the insured's liability under the policy and mislead us, causing us to waive or lose a valid defense to the policy. We may void this policy in accordance with Chapter 705, Subchapter A of the Texas Insurance Code, or deny coverage for fraud or material misrepresentation as described above even after the occurrence of an accident or loss. This means we will not be liable for any claims or damages which would otherwise be covered. If we make a payment, we may request that you reimburse us. If so requested, you must reimburse us for any payments we may have already made.

TWO OR MORE AUTO POLICIES

With respect to any **accident** to which this and any other **auto** policy issued to you by us applies, the total limit of our liability under all the policies shall not exceed the highest applicable limit of liability under any one policy. No one will be entitled to receive duplicate payments for the same element of **loss**. You cannot stack any coverages or policies provided by us regardless of the number of covered vehicles or policies issued.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after proof of mailing that the cancellation notice has been mailed to the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

This policy is signed on behalf of Redpoint County Mutual Insurance Company by our President and Secretary, and is countersigned on the declarations page, if necessary, by our authorized representative.

President

Secretary

ACCIDENTAL DEATH COVERAGE (TX101-AD)

THE FOLLOWING ENDORSEMENT APPLIES ONLY IF FORM NUMBER TX101-AD (0316) APPEARS ON YOUR POLICY DECLARATIONS.

INSURING AGREEMENT

In return for your premium payment, we agree with you as follows: we will pay the limit of liability shown on the Declarations Page in the event of the death of a **covered person**. Such death must result from **bodily injury** caused by an accident involving a vehicle. The death must occur within one year from the date of the accident.

Additional Definitions:

When used in this Part:

Covered Person means you, a relative or resident.

Vehicle means a motor vehicle having more than three load-bearing wheels. It must be of a kind requiring registration under the laws of the state. It also must be a motor vehicle designed primarily for operation upon the public streets, roads and highways, and driven by power other than muscular power. **Vehicle** includes a trailer drawn by or attached to such a motor vehicle.

EXCLUSIONS

We do not provide Accidental Death Benefits for any person who sustains an;

1. Accidental death while occupying a motorcycle, moped, motorized bicycle or similar two-wheeled vehicle, or all-terrain motorized **vehicle** having two, three, or four wheels.
2. Accidental death while occupying the insured **auto** when it is being used to carry persons or property for a fee, including rental of the insured auto to others This exclusion does not apply to a shared expense car pool.
3. Accidental death while occupying any **vehicle** used as a residence or premises.
4. Accidental death while operating any **vehicle** other than the insured auto, which is owned by or

furnished for regular use of any **covered person**.

5. Accidental death while occupying a **vehicle** without the express or implied permission of the owner.
6. Accidental death while occupying a **vehicle** when it is being used in the business of a **covered person**.
7. Accidental death while occupying a **vehicle** when it is being used in any **auto** business.
8. Accidental death caused by the discharge or a nuclear weapon (even if accidental),
9. Accidental death from war (declared or undeclared), civil war, insurrection, rebellion or revolution or any consequence of any of these.
10. Accidental death from any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
11. Accidental death while the **vehicle** is used for racing.
12. Accidental death where the accident occurs and arises out of the use of a motor **vehicle** while the **covered person** is in the commission of a crime.

LIMIT OF LIABILITY

Regardless of the number of **covered persons**, policies or bonds applicable, claims made or the insured **autos** to which this coverage applies, the limit of our liability under Accidental Death Benefit Coverage is the limit of liability shown on the Declarations page per **covered person**.

OTHER INSURANCE

When the accidental death is sustained by a relative or resident, benefits payable under this endorsement are reduced by any other similar valid and collectible insurance, including death benefits under any No-Fault law if issued by us for the **covered person**.

POLICY PROVISIONS

Part F - General Provisions applies to this coverage.

TOWING AND LABOR (TX102-TAL)

THE FOLLOWING ENDORSEMENT APPLIES ONLY IF FORM NUMBER DSIC TX102-TaL (0316) APPEARS ON YOUR POLICY DECLARATIONS.

Coverage is provided under this endorsement only when noted on the Declarations Page of this policy. All the provisions of this policy, including all

amendments thereto, apply to the coverage provided by this endorsement.

Insuring Agreement

If you pay a premium for towing and labor costs coverage, we will pay up to the amount shown on the Declarations Page. We will pay for towing and labor costs incurred, each time **your covered auto** is disabled, other than disablement due to a **loss** under **Collision** and **Other than collision** coverage. Coverage is provided under the conditions that: the labor must be performed at the place of disablement; and the disablement does not occur at your residence.

RENTAL REIMBURSEMENT (TX103-RR)

THE FOLLOWING ENDORSEMENT APPLIES ONLY IF FORM NUMBER DSIC TX103-RR (0316) APPEARS ON YOUR POLICY DECLARATIONS.

Coverage is provided under this endorsement only when noted on the Declarations Page of this policy. All the provisions of this policy apply to the coverage provided by this endorsement, except as modified herein.

We will reimburse you, or at our option, pay directly on your behalf, without application of a deductible, up to the daily limit and aggregate amount shown on the Declarations Page. We will pay for Rental Reimbursement Coverage, for rental expenses incurred by you when you rent an **auto** from a commercially licensed rental agency approved by us. Daily rental expenses shall not include cost of any insurance related to the rental of the **auto**, cost of refueling the rental **auto**, or mileage fees. This endorsement applies only if:

your covered auto is withdrawn from use for more than twenty-four (24) hours; and the **loss** is caused by an **auto accident**.

Our payment will be limited to the lesser of that period of time:

1. reasonably required to repair or replace your **auto**, or
2. forty-eight (48) hours of rental coverage extended, after an offer has been made, if **your covered auto** has been deemed a total **loss**, or
3. when we pay for the **loss**, or
4. thirty (30) days.

NAMED NON-OWNER (TX104-NNO)

THE FOLLOWING ENDORSEMENT APPLIES ONLY IF FORM NUMBER DSIC TX104-NNO (0316) APPEARS ON YOUR POLICY DECLARATIONS.

It is agreed that such insurance as is afforded by this policy for **bodily injury, property damage, medical payments, personal injury protection and uninsured motorist** applies, subject to the following provisions:

Under the definitions section of the policy, the definition of **you** and are deleted and replaced as follows: you and your means the person **named** on the Declarations Page only, specifically excluding the spouse of that individual. This coverage applies when you are personally in control as the driver of an **auto**, with the permission of that person having the right to grant such permission.

Coverage does not apply to:

1. Any losses resulting from the operation or use of a vehicle by any person other than you. Any provisions in the policy that give such coverage are eliminated.
2. **Bodily injury** or **property damage** arising out of the **ownership**, maintenance or use of a vehicle when used to carry a person or property for a fee.
3. Any **auto** you **own** or that is registered in your name.
4. **Bodily injury** or **property damage** arising out of **auto business** operations, including the selling, repairing, servicing, storing or parking of cars.
5. Any **auto owned** in full or in part or registered in the name of the individual named on the Declarations Page, his/her spouse or a **family member**.
6. Any **auto** furnished or available for your use.
7. Any insurance afforded by this policy is excess over any other collectible **auto** liability insurance.
8. All other terms, limits and provisions of this policy remain unchanged.