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Elite/Deluxe Motor Vehicle—Maine

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Agreement

We will pay claims and provide coverage as described in this policy if you pay the premiums and comply with everything outlined in this policy. The Coverage Summary and the Policy Index forms a part of the contract between you and us. Acceptance of this policy means that you agree that the limits and deductibles shown in the Coverage Summary and in the policy accurately reflect the limits and deductibles you have chosen.

Deductibles

The deductibles in the Coverage Summary are the amount you are responsible for in each loss. If more than one category of property is damaged in the same loss, only the highest deductible will be applied.

Coverage Summary

When we refer to the Coverage Summary in this policy, we mean the **"MOTOR VEHICLE"** section of the Coverage Summary, which details or lists the applicable coverages limits and deductibles for this policy. Loss settlement for a covered exposure will only be applicable to the policy for which coverage was purchased.

Definitions

In this policy, certain words and phrases are italicized, which identifies them as having specific meaning for this policy. The meaning of each italicized word or phrase is provided in the **Definitions** below.

"You" and **"your"** refer to the person shown as the "Named Insured" in the Coverage Summary and his or her spouse if a resident of the same household. **"We"** and **"us"** and **"our"** refer to the Company providing this insurance.

1. **Accident** means an event that unexpectedly, unintentionally, and instantly causes ***bodily injury*** or ***property damage*** during the policy period.
2. **Automobile** means:
 - a. A private passenger car;
 - b. A pickup or van that:
 - (1) Has a Gross Vehicle Weight of less than 10,000 lbs; and
 - (2) Is not used for the delivery or transportation of goods and materials unless such use is:
 - (a) Incidental to your business of installing, maintaining or repairing furnishings or equipment; or
 - (b) For farming or ranching.

The term ***automobile*** does not include a motor home.

3. **Bodily Injury** means bodily harm, sickness or disease, including death resulting therefrom. ***Bodily Injury*** does not include any communicable disease, such as:
 - a. Any venereal disease;
 - b. Herpes;
 - c. Acquired Immune Deficiency Syndrome (AIDS);
 - d. AIDS Related Complex (ARC);

- e. Human Immunodeficiency Virus (HIV);
- or any resulting or related symptom, effect, condition, disease or illness.

4. **Business** includes trade, profession or occupation.
5. **Collision** means the upset or contact of a covered ***motor vehicle*** or ***non-owned automobile*** with another vehicle or object.

If breakage of glass is caused by a ***collision***, the ***covered person*** may elect to have it considered a loss caused by ***collision***.

6. **Comprehensive** means loss caused by other than ***collision***, to a covered ***motor vehicle*** or ***non-owned automobile***.

For example, loss caused by the following is considered ***comprehensive***:

- a. Missiles or falling objects;
- b. Fire;
- c. ***Theft*** or larceny;
- d. Explosion or earthquake;
- e. Windstorm;
- f. Hail, water or flood;
- g. Malicious mischief or vandalism;
- h. Riot or civil commotion;
- i. Contact with bird or animal; or
- j. Breakage of glass.

7. Covered Person(s):

- a. Under ***Personal Liability—Motor Vehicle*** means:
 - (1) You and any ***family member*** for the ownership, maintenance or use of any covered ***motor vehicle***.
 - (2) Any other person ***occupying*** or using any covered ***motor vehicle*** with permission from you or a ***family member***.
 - (3) With respect to a covered ***motor vehicle*** that you own or that is shown on the Coverage Summary, any person or organization legally responsible but only for acts or omissions of any person included in 7(a)(1) above.
 - (4) With respect to any covered ***motor vehicle***, other than one described in 7(a)(3) above, any person or organization legally responsible but only for acts or omissions of any person included in 7(a)(1) above. This provision applies only if the person or organization does not own or hire the ***motor vehicle***.
- b. Under ***Medical Expense—Motor Vehicle*** means:
 - (1) You or any ***family member***:
 - (a) While ***occupying***;
 - (b) As a pedestrian when struck by;
a motor vehicle.
 - (2) Any other person while ***occupying***:
 - (a) A ***motor vehicle*** shown in the Coverage Summary or any trailer that you own;

- (b) An additional **motor vehicle** when you ask us to insure it within the 30 day period after you become the owner and coverage has been agreed to by us;
- (c) A **motor vehicle** that replaces one shown in the Coverage Summary when you ask us to insure it within the 30 day period after you become the owner and coverage has been agreed to by us; or
- (d) Any **motor vehicle** used as a temporary substitute for a covered **motor vehicle** of the same type shown on the Coverage Summary which is out of normal use because of its:
 - (i) Breakdown;
 - (ii) Repair;
 - (iii) Servicing;
 - (iv) Loss; or
 - (v) Destruction.

8. Custom means features and equipment not normally installed at the factory, including but not limited to:

- a. Special carpeting and insulation, furniture or bars;
- b. Facilities for cooking and sleeping;
- c. Height-extending roofs;
- d. Custom murals, paintings or other decals or graphics.

9. Family Member means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child.

For the purposes of this definition, to be considered a resident of your household when evaluating coverage for a loss a person must have been actually residing in your household on the date the loss occurred.

However, your:

- a. Son;
- b. Daughter;
- c. Ward; or
- d. Foster child;

In the United States military or away at school will be considered a resident of your household unless he or she has demonstrated an intent to reside elsewhere permanently.

10. Medical Expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services.

11. Motor Vehicle means:

- a. An **automobile**.
- b. Any other motorized land vehicle designed for travel on public roads and subject to private passenger motor vehicle registration.

- c. A trailer type vehicle designed to be pulled by a private passenger **motor vehicle**. This includes a farm wagon or farm implement while towed by a vehicle classified in a. above.
- d. A motorized golf cart, snowmobile or other motorized land vehicle owned by you or any **covered person** and designed for recreational use off public roads.
- e. Any vehicle while being towed by or carried on a vehicle included in 11.a., 11.b., 11.c. or 11.d.

For purposes of this policy, a **motor vehicle** shall be deemed to be owned by a person if leased under a written agreement to that person for a continuous period of at least six months.

12. Non-owned automobile means:

- a. Any **automobile** or trailer not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**;
- b. Any **motor vehicle** used as a temporary substitute for a covered **motor vehicle** of the same type shown on the Coverage Summary which is out of normal use because of its:
 - (1) Breakdown;
 - (2) Repair;
 - (3) Servicing;
 - (4) Loss; or
 - (5) Destruction.

13. Occupying means in, upon, or getting in, out, on, or off.

14. Property Damage means physical injury to or destruction of property including loss of use of the property.

15. Theft refers to property which has been stolen, attempted theft and the loss of property from a known location where it is likely that the property has been stolen.

Personal Liability—Motor Vehicle Insuring Agreement

If a claim or suit is brought against you or any **covered person** for:

1. **Bodily Injury**; or
2. **Property Damage**;

caused by a **motor vehicle accident**, we will pay, except as excluded by the provisions listed in the **Personal Liability—Losses We Do Not Cover**, on your behalf damages for which you or any **covered person** are legally liable up to our limit of liability.

Limit Of Liability

1. **Personal Liability**—The limit of liability shown in the Coverage Summary for “Bodily Injury Each Person” is our total limit of liability for damages because of **bodily injury** sustained by any one person in any

one **motor vehicle accident**, including damages sustained by anyone else as a result of that **bodily injury**.

Subject to this limit for each person, the limit of liability shown in the Coverage Summary for "Bodily Injury Each Accident" is our total limit of liability for all damages for **bodily injury** sustained by two or more persons in any one **motor vehicle accident**.

The limit of liability shown in the Coverage Summary for "Property Damage Each Accident" is our total limit of liability for all **property damage** resulting from any one vehicle **accident**.

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

- a. **Covered persons;**
- b. Claims or suits made;
- c. Vehicles involved in an **accident** or shown in the Coverage Summary;
- d. Persons who sustain injury or damage;
- e. Vehicles insured by this or any other policy issued by us or others; or
- f. Premiums paid for this coverage.

2. Motorcycle Guest Passenger Liability—This limit of liability will apply for any person **occupying**, as a passenger, a covered motorcycle.

The limit of liability shown in the Coverage Summary for each person for "Motorcycle Guest Passenger Liability, Bodily Injury Each Person" is our total limit of liability for all damages because of **bodily injury** sustained by any one person in any one **motor vehicle accident**, including damages sustained by anyone else as a result of that **bodily injury**.

Subject to this limit for each person, the limit of liability shown in the Coverage Summary for "Motorcycle Guest Passenger Liability, Bodily Injury Each Accident" is our total limit of liability for all damages for **bodily injury** sustained by two or more persons in any one **motor vehicle accident**.

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

- a. **Covered Persons;**
- b. Claims or suits made;
- c. Vehicles involved in an **accident** or shown in the Coverage Summary;
- d. Persons who sustain injury or damage;
- e. Vehicles insured by this or any other policy issued by us or others; or
- f. Premiums paid for this coverage.

We will defend or settle any claim or suit as we decide is appropriate even if the claim or suit is groundless, false or fraudulent. Our obligation to defend any claim or suit ends when the amount we pay for damages for settlement or judgment equals our limit of liability. We have no duty to defend any suit or

settle any claim for **bodily injury** or **property damage** not covered under this **"MOTOR VEHICLE"** policy.

No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:

1. Medical Expense coverage; or
2. Uninsured/Underinsured Motorists coverage;

provided by this policy.

Other Payments We Make

In addition to the limit of liability shown in the Coverage Summary, we pay on behalf of the **covered person**:

1. Up to \$250 for the cost of bail bonds required because of an **accident**, including related traffic law violations. The **accident** must result in a **bodily injury** or **property damage** loss which is covered under this **"MOTOR VEHICLE"** policy.
2. The expenses described below for a claim or suit we are obligated to defend:
 - a. Defense costs incurred at our discretion;
 - b. Premiums on appeal bonds and bonds to release attachments in any suit we defend; we have no obligation to secure or provide bonds;
 - c. Up to \$100 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request;
 - d. Other reasonable expenses (other than loss of earnings) incurred at our request;
 - e. Expenses incurred by us and costs taxed against any **covered person** in any suit we defend.
 - f. For first aid administered to others at the scene of a **motor vehicle accident**.
3. Interest accruing after a judgment is entered and before the loss is paid 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. Prejudgment interest awarded against the **covered person** on that part of the judgment we pay.

We are not obligated to defend suits brought against a **covered person** in any country where we are prevented from defending because of laws or other reasons. However, we will pay any expense incurred with our written consent for the **covered person's** defense.

Our obligation to pay the above costs ends when our limit of liability has been exhausted.

Losses We Do Not Cover

We do not provide **Personal Liability—Motor Vehicle Coverage** for:

1. **Bodily injury or property damage** involving intentional acts or omissions of or at the direction of one or more **covered persons**, if the loss that occurs:

- a. May reasonably be expected to result from such acts; or
- b. Is the intended result of such acts.

2. Use of a **motor vehicle** without a reasonable belief that the **covered person** is entitled to do so.

3. Any **covered person** for **property damage** to property owned or being transported by any **covered person**.

4. **Property damage** to property:

- a. Rented to;
- b. Used by; or
- c. In the care of;

any **covered person**.

This exclusion does not apply to **property damage** to a residence or private garage.

5. Liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion does not apply to a share-the-expense car pool.

6. Any **covered person** while employed or otherwise engaged in the **business** of:

- a. Selling;
- b. Repairing;
- c. Servicing;
- d. Storing; or
- e. Parking;

motor vehicles designed for use mainly on public highways. This includes testing and delivery. This exclusion does not apply to the ownership, maintenance or use of a covered **motor vehicle** by:

- a. You;
- b. Any **family member**; or
- c. Any partner, agent or employee of you or any **family member**.

7. The maintenance or use of any vehicle while a **covered person** is employed or otherwise engaged in any **business** (other than farming or ranching) not described in exclusion 6. This exclusion (7.) does not apply to the maintenance or use of a:

- a. **Automobile**;
- b. Trailer used with a vehicle described in 7.a.

8. The ownership, maintenance or use of any **motor vehicle** other than:

- a. A **motor vehicle** shown in the Coverage Summary or any trailer that you own.
- b. An additional **motor vehicle** for 30 days after you become the owner and coverage has been agreed to by us.

If there is a loss to an additional **motor vehicle** we will provide the broadest coverage applicable to any **motor vehicle** shown in the Coverage Summary.

c. A **motor vehicle** that replaces one shown in the Coverage Summary.

The replacement vehicle will have the same coverage as the vehicle it replaced.

d. Any **motor vehicle** used as a temporary substitute for a covered **motor vehicle** of the same type shown on the Coverage Summary which is out of normal use because of its:

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

e. Only for you or a **family member** and **automobile** or trailer not owned by or furnished or available for the regular use of you or any **family member**.

f. A **motor vehicle** you maintain or use which is:

- (1) Owned by a **family member** and not shown in the Coverage Summary; or
- (2) Furnished or available for the regular use of any **family member**.

9. The liability of:

- a. Any person(s); or
- b. Anyone while maintaining or using vehicle(s);

excluded from coverage by endorsements attached to this policy.

10. The ownership, maintenance or use of any vehicle located inside a facility designed for racing, for the purpose of:

- a. Competing in; or
- b. Practicing or preparing for;

any prearranged or organized racing or speed contest.

11. **Bodily injury or property damage** for which any **covered person**:

- a. Is also an insured under a nuclear energy liability policy; or
- b. Would be an insured under that policy but for its termination upon the exhaustion of its limit of liability.

A nuclear energy liability policy is one issued by:

- a. American Nuclear Insurers;
- b. Mutual Atomic Energy Liability Underwriters;
- c. Nuclear Insurance Association of Canada;

or any of their successors.

12. Liability from or as a consequence of the following whether controlled or uncontrolled or however caused:

- a. Nuclear reaction;

- b. Radiation; or
- c. Radioactive contamination.

13. Resulting from criminal acts or omissions of or at the direction of one or more covered persons.

This exclusion applies even if:

- a. Such **covered person** lacks the mental capacity to govern his or her conduct;
- b. Such **covered person** is not actually charged with or convicted of a crime.

However, this exclusion does not apply to a criminal act or omission that is a violation of a traffic law or motor vehicle law.

Medical Expense—Motor Vehicle Insuring Agreement

We will pay *medical expenses* incurred or medically ascertained within three years from the date of **accident** except as excluded by the provisions listed in the **Medical Expense—Losses We Do Not Cover. Medical Expense—Motor Vehicles** applies to **bodily injury** caused by a vehicle **accident** and sustained by a **covered person**.

Limit Of Liability

1. The limit of liability shown in the Coverage Summary for “Medical Expense” is our maximum limit of liability for each person injured in any one **accident**. This is the most we will pay regardless of the number of:
 - a. **Covered persons**;
 - b. Claims or suits made;
 - c. Vehicles shown in the Coverage Summary;
 - d. Vehicles involved in the **accident**; or
 - e. Vehicles insured by this or any other policy issued by us or others.
2. Within the provisions of **Medical Expense—Motor Vehicle**, we cover funeral service expenses, as follows. If an injured person dies as the result of a covered vehicle **accident**, we will pay the lesser of the following as a funeral service expenses benefit:
 - a. \$2,000; or
 - b. The “Medical Expense” limit of liability stated on the Coverage Summary; or
 - c. The remaining portion of the “Medical Expense” limit of liability not expended for other covered **medical expenses**.

This funeral service expenses benefit does not increase, and will not be paid in addition to, the limits of liability stated on the Coverage Summary for “Medical Expense”. This benefit is payable to the deceased injured person’s spouse if a resident of the same household at the time of the **accident**. However, if the deceased is a minor, the benefit is payable to any parent who is a resident of the same household at the time of the **accident**. In all the cases, the benefit is payable to the deceased injured person’s estate.

3. **Medical Expense** benefits, other than funeral service expenses benefits, will be reduced by:
 - a. Amounts payable under any workers’ compensation law or similar law.
 - b. Amounts received from others, including their insurers, who may be legally responsible for the injuries. This reduction applies only to amounts that are a duplication of payment for the same loss.
 - c. Amounts of other similar, collectible vehicle medical insurance benefits available to the injured person.
4. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
 - a. Personal Liability coverage; or
 - b. Uninsured/Underinsured Motorists coverage;
 provided by this policy.

Unreasonable Or Unnecessary Medical Expenses

If the **covered person** incurs **medical expenses** which are unreasonable or unnecessary, we may refuse to pay those **medical expenses** and contest them. Unreasonable **medical expenses** are fees for medical services which are substantially higher than the usual and customary charges for those services.

Unnecessary **medical expenses** are fees for medical services which are not usually and customarily performed for treatment of the injury, including fees for an excessive number, amount or duration of medical services.

If the **covered person** is sued by a medical services provider because we refuse to pay contested **medical expenses**, we will pay all defense costs and any resulting judgment against the **covered person**. We will choose the counsel. The **covered person** must cooperate with us in the defense of any claim or lawsuit. If we ask the **covered person** to attend hearings or trials, we will provide the coverage described in 2.c. **Personal Liability—Motor Vehicle, Other Payments We Make**. We will also pay other reasonable expenses incurred at our request.

Losses We Do Not Cover

We do not provide **Medical Expense—Motor Vehicle Coverage** for **bodily injury**:

1. Involving intentional acts or omissions of or at the direction of one or more **covered persons**, if the loss that occurs:
 - a. May reasonably be expected to result from such acts; or
 - b. Is the intended result of such acts.
2. Sustained while using a vehicle without a reasonable belief that the **covered person** is entitled to do so.
3. Sustained while **occupying** a covered vehicle while it is being used as a public or livery conveyance. This exclusion does not apply to a share-the-expense car pool.

4. Sustained while **occupying** a vehicle when it is being used in the **business** of any **covered person**. This exclusion does not apply to **bodily injury** sustained while **occupying** a:
 - a. **Automobile**;
 - b. Trailer used with an **automobile**.
5. Sustained while **occupying** any vehicle located inside a facility designed for racing, for the purpose of:
 - a. Competing in; or
 - b. Practicing or preparing for;
 any prearranged or organized racing or speed contest.
6. Caused directly or indirectly by:
 - a. War, including undeclared war;
 - b. Civil war;
 - c. Insurrection;
 - d. Rebellion or revolution;
 - e. Warlike act by a military force or military personnel;
 - f. Destruction or seizure or use for a military purpose;
 - g. Discharge of a nuclear weapon, even if accidental,
 including any consequence of any of these.
7. Sustained while **occupying** any vehicle located for use as a residence or premises.
8. Sustained while **occupying**, or when struck by, any vehicle (other than a vehicle covered under **Personal Liability—Motor Vehicle**) which is:
 - a. Owned by you; or
 - b. Furnished or available for your regular use.
9. Sustained while **occupying**, or when struck by, any vehicle (other than a vehicle covered under **Personal Liability—Motor Vehicle**) which is:
 - a. Owned by any **family member**; or
 - b. Furnished or available for the regular use of any **family member**.
 However, this exclusion (9.) does not apply to you.
10. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. Nuclear reaction;
 - b. Radiation; or
 - c. Radioactive contamination.
11. Sustained by:
 - a. Any **covered person**; or
 - b. Anyone while **occupying** any vehicle;
 excluded from coverage by endorsements attached to this policy.
12. Resulting from criminal acts or omissions of or at the direction of one or more **covered persons**.
This exclusion applies even if:

- a. Such **covered person** lacks the mental capacity to govern his or her conduct;
- b. Such **covered person** is not actually charged with or convicted of a crime.

However, this exclusion does not apply to a criminal act or omission that is a violation of a traffic law or motor vehicle law.

How We Settle Personal Liability—Motor Vehicle And Medical Expense—Motor Vehicle Claims And What You Must Do

1. Your Duties After Loss

After an **accident**, you and any other **covered person** under this policy must make sure that all of the following are done. We have no duty to provide coverage under this policy unless there has been full compliance with these duties:

- a. Give us or our agent as soon as possible:
 - (1) All information you know on the time, place and circumstances of the **accident**, and in the case of a crime also tell the police.
 - (2) Identity of claimants, witnesses and **covered persons**.
- b. Forward to us all written material you receive regarding the **accident**.
- c. At our request, assist us in:
 - (1) Making settlement;
 - (2) Conducting of suits and attending hearings or trials;
 - (3) Securing and giving evidence;
 - (4) Enforcing any right of contribution or indemnity against any person or organization who may be liable to a **covered person**;
- d. You or any other **covered person** shall not, except at your own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others.
- e. Cooperate with us in the investigation, settlement or defense of any claim or suit.

2. Duties Of An Injured Person

The injured person shall:

- a. Give us written proof of claim;
- b. Authorize us to obtain medical information and other pertinent records;
- c. As often as we reasonably require:
 - (1) Submit to physical examination by a physician of our choice;
 - (2) Submit to examination under oath, while not in the presence of any other **covered person** and sign the same;
- d. Not construe payment of medical claims as an admission of liability.

3. Suit Against Us

No action can be brought against us unless there has been compliance with the policy provisions.

No action can be brought against us until the obligation of the **covered person** has been determined by final judgment or agreement signed by us.

No person or organization has any right under this policy to bring us into any action to determine the liability of a **covered person**.

Physical Damage—Motor Vehicle Insuring Agreement

1. We will pay for direct physical loss to the **motor vehicles** shown in the Coverage Summary, including their equipment, less any applicable deductible shown in the Coverage Summary. We will pay for loss caused by:

- a. **Comprehensive** only if the Coverage Summary indicates that **Comprehensive** is provided for that **motor vehicle**; and
- b. **Collision** only if the Coverage Summary indicates that **Collision** is provided for that **motor vehicle**.

2. We will cover additional **motor vehicles** for 30 days after you become the owner, provided all the other **motor vehicles** owned by you are covered by us, unless excluded by endorsement.

If there is a loss to an additional **motor vehicle** we will provide the broadest coverage applicable to any **motor vehicle** shown in the Coverage Summary.

For coverage beyond the 30 days you must have asked us to insure the **motor vehicle** and we must have agreed to provide coverage. With respect to a newly acquired pickup or van, no other insurance policy may provide coverage for the vehicle.

3. We will cover **non-owned automobiles**. If there is a loss to a **non-owned automobile** we will provide the broadest coverage applicable to any **motor vehicle** shown in the Coverage Summary. However, the most we will pay for loss to a **non-owned automobile** which is a trailer, is \$500.

4. We will cover **motor vehicles** that replace one shown in the Coverage Summary. The replacement vehicle will have the same coverage as the vehicle it replaced. However, if:

- a. You wish to add or continue **Collision** or **Comprehensive** coverage for the replacement vehicle; or
- b. The replacement vehicle is a pickup or van used in any **business**, other than farming or ranching;

You must have asked us to insure it within 30 days after you become the owner and we must have agreed to provide coverage.

If loss to more than one covered **motor vehicle** or **non-owned automobile** results from the same covered loss, only the highest applicable deductible will apply.

Limit Of Liability

1. Our limit of liability for loss will be the lesser of the:
 - a. Actual cash value of the stolen or damaged **motor vehicle**, including its equipment; or
 - b. Amount necessary to repair or replace the **motor vehicle**, including its equipment.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in event of a total loss.

Additional Physical Damage Coverages

The following additional coverages are provided if the Coverage Summary indicates that "Comprehensive" coverage is provided for the vehicle involved in the loss.

Towing

We will pay, up to the amount shown for "Towing" in the Coverage Summary as applicable to that vehicle, costs incurred each time a covered **automobile** or **non-owned automobile** is disabled and it is towed and labor is performed at the place of disablement. The deductible does not apply.

Loss Of Use—Rental Non-Owned Automobiles

We will pay without application of a deductible, loss of use expenses which you become legally responsible in the event of loss to a **non-owned automobile**.

Extended Transportation Coverage

1. Rental Reimbursement

We will pay, without application of a deductible, up to the amount shown on the Coverage Summary for transportation expenses incurred by you resulting from a covered **Comprehensive** or **Collision** loss.

However:

- a. For covered losses other than total **theft**, we will pay only if the covered **automobile** is disabled more than 24 hours. Payment will be limited to that period of time reasonably required to repair or replace the **automobile**.
- b. For total **theft** losses that we covered, we will pay only transportation expenses incurred during the period:
 - (1) Beginning 48 hours after the **theft**; and
 - (2) Ending when the covered **automobile** or **non-owned automobile** is returned to use or we make an offer to pay for its loss,

2. Automobile Trip Interruption Coverage

We will pay up to the amount shown on the Coverage Summary for reasonable and necessary:

- (a) Food and lodging expenses; and
- (b) Expenses for substitute transportation to the intended or alternate destination;

When your covered **automobile** is damaged to the extent that it cannot be safely driven on the public way.

Payment under this coverage is subject to the following conditions:

- (a) The disablement must occur more than 100 miles from where the disabled vehicle is principally garaged;
- (b) The cause of disablement must result from a covered **Comprehensive** or **Collision** loss; and
- (c) You or any **family member** must be **occupying** the covered **automobile** at the time of the disablement.

We will pay no more than the limits shown in the Coverage Summary, regardless of the number of persons in the covered **automobile** at the time of loss.

3. Automobile Emergency Transportation

We will pay up to \$20 for the cost of substitute transportation, from the place of a covered loss to the covered **automobile** or **non-owned automobile**, to the **covered person's** intended or alternate destination.

Automobile Electronic Equipment Coverage

1. We will pay for direct and accidental loss to:

Any electronic equipment designed for the reproduction of sound, including, but not limited to:

- a. Radios and stereos;
- b. Tape decks; or
- c. Compact disc players.

Any other electronic equipment that receives or transmits audio, visual or data signals, including, but not limited to:

- a. Citizens band radios;
- b. Telephones;
- c. Two-way mobile radios;
- d. Scanning monitor receivers;
- e. Television monitor receivers;
- f. Video cassettes recorders;
- g. Audio cassette recorders; or
- h. Personal computers.

This coverage applies only if:

- a. The electronic equipment is permanently installed in the covered **automobile**, or motorhome, or **non-owned automobile**; or
- b. The equipment is:
 - (1) Removable from the housing unit which is permanently installed in the **automobile**, motorhome or **non-owned automobile**;

- (2) Designed to be solely operated by use of the power from the **automobile's** or motorhome's electrical system; and
- (3) In or upon the covered **automobile**, motorhome or **non-owned automobile**;

at the time of the loss.

We will also pay for direct and accidental loss to:

- a. Any other accessories used with equipment described above; and
- b. Tapes, records, discs, or other media if they are:
 - (1) You or your **family member's** property; and
 - (2) In the covered **automobile**, motorhome or **non-owned automobile**;

at the time of the loss.

2. The limit of liability for loss of electronic equipment that receives or transmits audio, visual or data signals and any accessories used with this equipment will be the lesser of the:

- a. Amount Shown in the Coverage Summary For "Automobile Electronic Equipment Coverage";
- b. Actual cash value of the stolen or damaged property; and
- c. Amount necessary to repair or replace the property with other property of like kind and quality.

An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss.

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

Loss payment under this coverage is subject to the **comprehensive** deductible shown on the Coverage Summary for the covered **automobile** or motor home involved in the loss.

The lowest **comprehensive** deductible shown in the Coverage Summary applies if the loss occurs involving a **non-owned automobile** being used by you or a **family member**.

3. Under this **Additional Physical Damage Coverage** we will not pay for any electronic equipment that is:

- a. Necessary for the normal operation of the covered vehicle or the monitoring of the vehicle's operating systems; or
- b. Both:
 - (1) An integral part of the same unit housing any sound reproducing equipment designed solely for the reproduction of sound if the sound reproducing equipment is permanently installed in the covered **automobile**, motorhome or **non-owned automobile**; and
 - (2) Permanently installed in the opening of the dash or console of the covered **automobile**, motorhome or **non-owned automobile**. The opening must be normally used by the manufacturer for the installation of a radio.

4. Electronic equipment meeting the conditions of this provision is not considered **custom** equipment in or upon any pickup or van.

Witness Expense Reimbursement

We will pay your reasonable expenses and any lost wages you incur as a result of your appearance at a trial as a prosecution witness. This must result from a person being charged with committing an illegal act related to a covered **Physical Damage—Motor Vehicle** loss.

Reimbursement is subject to \$25 a day for reasonable expenses and \$50 a day for lost wages up to a maximum of \$300. The deductible does not apply.

Reward Coverage

We pay 10% of the amount of loss up to a maximum of \$1,000 to anyone providing information leading to the arrest and conviction of anyone:

1. Who perpetrates an arson loss to your covered **Motor Vehicle**; or
2. Who robs, steals or burglarizes your covered **Motor Vehicle**.

We also pay anyone providing assistance in the recovery of stolen property, 10% of the value of the recovered property, up to a maximum of \$1,000. The deductible does not apply.

Physical Damage Losses We Do Not Cover

We will not pay for:

1. Damage due and confined to:
 - a. Freezing;
 - b. Wear and tear;
 - c. Electrical or mechanical breakdown or failure; or
 - d. Road damage to tires.

This exclusion (1) does not apply if the damage results from the total **theft** of a covered **motor vehicle** or any **non-owned automobile**.
2. Loss or damage due to neglect, meaning neglect of you or a **family member** to use all reasonable means to save and preserve property at and after the time of a loss.
3. Loss to any **non-owned automobile** when used by you or a **family member** without permission from you.
4. Loss to any **non-owned automobile** being maintained or used by any person while employed or otherwise engaged in the **business** of:
 - a. Selling;
 - b. Repairing;
 - c. Servicing;
 - d. Storing; or
 - e. Parking;

vehicles designed for use on public highways. This includes road testing and delivery.

5. Loss to any **non-owned automobile** being maintained or used by any person while employed or otherwise engaged in any **business** not

described in exclusion 4. This exclusion (5.) does not apply to the maintenance or use by you or a **family member** of a **non-owned automobile** which is a private passenger automobile or trailer.

6. Loss to a covered **motor vehicle** or any **non-owned automobile** which occurs while it is being used as a public or livery conveyance. This exclusion does not apply to a share-the-expense car pool.
7. A total loss to a covered **motor vehicle** or a **non-owned automobile** due to destruction or confiscation by governmental or civil authorities. This exclusion (7.) does not apply to the interests of lienholders in a covered **motor vehicle**.
8. Loss or damage to any **custom** furnishings or equipment in or upon any pickup or van shown in the Coverage Summary, unless the Coverage Summary indicates that "Customization Coverage" is provided for that vehicle.
9. Loss to any electronic equipment, including their accessories, tapes, records, discs or other media, except as provided in **Additional Physical Damage Coverages, Automobile Electronic Equipment Coverages**.
10. Loss to equipment designed or used for the detection or location of law enforcement devices for monitoring speed.
11. Loss to any vehicle or any non-owned vehicle located inside a facility designed for racing, for the purpose of:
 - a. Competing in; or
 - b. Practicing or preparing for;any prearranged or organized racing or speed contest.
12. Loss caused directly or indirectly by:
 - a. War, including undeclared war;
 - b. Civil war;
 - c. Insurrection;
 - d. Rebellion or revolution;
 - e. Warlike act by a military force or military personnel;
 - f. Destruction or seizure or use for a military purpose;
 - g. Discharge of a nuclear weapon, even if accidental; or
 - h. Radioactive contamination;including any consequence of any of these.
13. Loss involving intentional acts or omissions of or at the direction of one or more **family members**, if the loss that occurs:
 - a. May reasonably be expected to result from such acts; or
 - b. Is the intended result of such acts.
14. Loss to, or loss of use of a **non-owned automobile** rented by:
 - a. You; or
 - b. Any **family member**;

If the 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.

15. Loss resulting from criminal acts or omissions of or at the direction of one or more **family members**. This exclusion applies even if:
- Such **family member** lacks the mental capacity to govern his or her conduct.
 - Such **family member** is not actually charged with or convicted of a crime.

However, this exclusion does not apply to a criminal act or omission that is a violation of a traffic law or motor vehicle law.

How We Settle Physical Damage Claims And What You Must Do

1. How We Pay Claims

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

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

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

2. Appraisal

If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event each party will select a competent appraiser within 20 days after receiving a written request from the other. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where you live. The appraisers will state separately the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- Pay its own appraiser; and
- Bear the other expenses of the appraisal and umpire equally.

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

3. Your Duties After Loss

You agree to see that the following things are done after a loss. We have no duty to provide coverage under this policy unless there has been full compliance with these duties:

- Give prompt notice to us or our agent.
- Notify the police in case of loss by **theft**.
- Protect the **motor vehicles** and their equipment from further damage. We will pay reasonable expenses incurred to do this.
- As often as we reasonably require:

- Permit us to inspect and appraise the damaged property before its repair or disposal;
 - Provide us with records and documents we request and permit us to make copies; and
 - Submit to examination under oath, while not in the presence of any other **covered person** and sign the same.
- e. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
- The time and cause of loss;
 - The interest of you, **family members** and all others in the property involved and all loss payees on the **motor vehicle**;
 - Other insurance which may cover the loss;
 - Specifications of damaged property and detailed repair estimates;
- f. A person seeking any coverage must cooperate with us in the investigation, settlement or defense of any claim or suit.

4. Who We Pay

We pay you unless another party is named in the policy or is legally entitled to receive payment.

5. No Benefit To Bailee

There is no coverage for anyone holding, storing or transporting property for a fee regardless of any other coverage afforded by this policy.

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

6. Suit Against Us

No action can be brought unless the policy provisions have been complied with and the action is started:

- Within two years after the date of loss; but
- Not until 30 days after the proof of loss has been filed and the amount of loss has been determined.

However, the one year period is extended by the number of days between the date the proof of loss is submitted and the date the claim is submitted in whole or in part.

7. Abandonment Of Property

We need not accept any property abandoned by a **covered person**.

8. Cost Of Preparing Proof Of Loss

We will pay for the reasonable expenses incurred by you or any **covered person**, for any outside services necessary to prepare proof of your loss or other exhibits required by this policy. This includes:

- Repair estimates;
- Accounting services;
- Appraisals; or

- d. Other necessary services performed for you or any **covered person**, by others.

For **Deluxe "AUTO" Segments**, we will pay \$250. For **Elite "AUTO" Segments**, we will pay \$2,000.

However, we will not pay for any legal services or the services of a public adjuster.

General Provisions—Motor Vehicle

1. Waiver Or Change Of Policy Provisions

A waiver or change of any policy provision must be in writing from us.

2. Liberalization Clause

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state.

This Liberalization Clause does not apply to changes implemented through introduction of a subsequent edition of our policy.

3. Termination

Cancellation

- a. You may cancel this policy at any time by returning it to us, or you may cancel this policy by letting us know in writing of the date cancellation is to take effect.
- b. We may cancel for the reasons and with the number of days notice stated below by letting you know in writing of the date. This cancellation may be delivered to you, or mailed to you at your mailing address shown in the Coverage Summary. A postal service certificate of mailing to the named insured shall be conclusive proof of receipt of the 5th calendar day after mailing.
- c. We may cancel:
 - (1) If you do not pay the premium, at any time by letting you know at least 10 days before the date cancellation takes effect.
 - (2) When this policy has been in effect for 60 days or less and is not a renewal with us, for any reason by letting you know at least 20 days before the date cancellation takes effect.
 - (3) When this policy has been in effect for more than 60 days or at any time if it is a renewal with us:
 - (a) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
 - (b) If the risk has changed substantially since the policy was issued.
 - (c) Your driver's license or that of:
 - (i) Any driver who lives with you; or
 - (ii) Any driver who customarily uses your covered **motor vehicle**;

has been suspended or revoked, during the policy term or, if the policy is a renewal, during its term on the 180 days immediately preceding its effective date. This must have occurred during the policy period.

This can be done by letting you know at least 20 days before the date cancellation takes effect.

Nonrenewal

- a. We may elect not to renew this policy, providing it is based upon a reason for which the policy could have been cancelled or unless it is based upon one or more of the grounds found in Maine Statutes 24-A subsection 2916-A grounds for nonrenewal. We may do so by delivering to you, or mailing to you at your mailing address shown in the Coverage Summary, written notice at least 30 days before the expiration date of this policy.
- b. A post-office department certificate of mailing to the named insured shall be conclusive proof of receipt on the 3rd calendar day after mailing.

If the policy period is:

- a. Less than 6 months, we will have the right not to renew or continue this policy on the annual anniversary date.
- b. 1 year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

Automatic Termination

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

If you obtain other insurance, any similar insurance provided by this policy will terminate on the effective date of the other insurance.

Other Termination Provisions

- a. If this policy is canceled, you may be entitled to a premium refund. If so, we will send the refund to you or your agent. 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.
- b. The effective date of cancellation stated in the notice shall become the end of the policy period for this policy.

4. Bankruptcy Of Any Covered Person

Bankruptcy or insolvency of you or any **covered person**, shall not relieve us of any of our obligations.

5. Other Insurance

When there is other applicable insurance, we will provide coverage as follows:

- a. In the first year of this policy, prior to the exposure's effective date shown in the Coverage Summary for this policy, we will pay all covered claims up to the limits you have purchased in excess of the total limits of all other policies.
- b. During the first and subsequent years of this policy for those exposures shown effective in the Coverage Summary, 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.
- c. Any insurance we provide with respect to a vehicle you do not own, or a covered corporately owned **automobile** shall be excess over any other collectible insurance or other source of recovery including, but not limited to:
 - (1) Any coverage provided by the owner of the vehicle;
 - (2) Any other applicable physical damage insurance; or
 - (3) Any other source of recovery applicable to the loss.
- d. No one will be entitled to any payment that duplicates payment under this policy or from any other source of recovery for the same element of loss.

6. Policy Period

Claims under this policy must be for:

- a. Loss under the property coverages; or
- b. Liability arising from an **accident**;

which occurs during the policy period shown on the Coverage Summary.

7. Territory

The policy territory is worldwide.

Except for **Personal Liability—Motor Vehicle Coverage** if the **accident** occurs in Mexico, the suit must be brought in the United States of America.

This policy applies to loss to, or **accidents** involving, a covered **motor vehicle** while being transported by sea to and between foreign ports, including Mexican ports.

IMPORTANT INFORMATION ABOUT PERSONAL LIABILITY COVERAGE FOR YOUR MOTOR VEHICLES

Motor Vehicle accidents in Mexico are subject to the laws of Mexico, not the laws of the United States. Under Mexican law, **motor vehicle accidents** are considered a criminal offense as well as a civil matter.

THE COVERAGE WE PROVIDE UNDER THIS MOTOR VEHICLE POLICY DOES NOT MEET MEXICAN MOTOR VEHICLE INSURANCE REQUIREMENTS.

Mexican law requires you to purchase liability insurance through a licensed Mexican insurance company if you are driving your **motor vehicle** into Mexico.

8. Recovered Property

If you recover any property that we have made payment on under this policy you must immediately notify us. If the recovery is made prior to the conclusion of the loss adjustment, you will have the option to retain the property and we will adjust the loss payment based on the value of the property.

9. Transfer Of Your Interest In This Policy

Your rights and duties under this policy may not be assigned without our written consent.

However, if any person named in the Coverage Summary dies, coverage will be provided for:

- a. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Coverage Summary; and
- b. The legal representative of the deceased person as if a named insured shown in the Coverage Summary. This applies only with respect to the representative's legal responsibility to maintain or use your covered vehicle.

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

10. Concealment Or Fraud

This insurance is based on your honest cooperation with us so the information you gave to us must be correct to the best of your knowledge.

Therefore:

- a. For **Personal Liability And Optional Excess Liability**, we do not provide coverage to one or more **covered persons** who whether before or after a loss has:
 - (1) Concealed or misrepresented any material fact or circumstance; or
 - (2) Engaged in fraudulent conduct; or
 - (3) Made false statements relating to this insurance;

whether as to eligibility or claim entitlement.

- b. For all other coverages, we do not provide coverage if whether before or after a loss one or more **covered persons** has:
 - (1) Concealed or misrepresented any material fact or circumstance; or
 - (2) Engaged in fraudulent conduct; or
 - (3) Made false statements relating to this insurance;

whether as to eligibility or claim entitlement.

11. Loss Payable Clause

Loss or damage under this policy shall be paid, as interest may appear, to you and the loss payee shown in the Coverage Summary. This insurance with respect to the interest of the loss payee, shall not become invalid because of your fraudulent acts or omissions unless the loss results from

your conversion, secretion or embezzlement of your **motor vehicle**. However, we reserve the right to cancel the policy as permitted by policy terms and the cancellation shall terminate this agreement as to the loss payee's interest. We will give the same advance notice of cancellation or nonrenewal to the loss payee as we give to the named insured shown in the Coverage Summary.

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

12. The Law

If anything in this policy conflicts with state or local laws, we agree to honor any claim or suit in conformity with the law.

If a **motor vehicle accident** to which this policy applies occurs in any state or province other than the one in which the **motor vehicle** is principally garaged, we will interpret your policy for that **accident** as follows:

- a. If a state or province has a compulsory insurance or similar law requiring a non-resident to maintain insurance whenever the non-resident uses a **motor vehicle** in that state or province, your policy will provide at least the required minimum amounts and types of coverage.
- b. If a state or province has a financial responsibility or similar law specifying limit(s) of liability for **bodily injury** or **property damage** higher than the limit(s) shown in the Coverage Summary, your policy will provide the higher specified limit(s).

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

When this policy is certified as future proof of financial responsibility, this policy complies with the law to the extent required.

13. Subrogation

We may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, a person to or for whom payment was made must sign and deliver all related papers and cooperate with us.

However, our rights under this provision do not apply under **Physical Damage—Motor Vehicle** against any person using a covered **motor vehicle** with permission from you.

With respect to any to which this **motor vehicle** policy applies, any person that we make payment to under this policy that recovers damages from another shall:

- a. Hold in trust for us any proceeds from the recovery; and
- b. Reimburse us to the extent of our payment.

14. Changes During The Policy Period

For all policy changes during the policy term, you must notify us within 30 days of the change. All premium adjustments as a result of the policy

change will be made effective on the date of change. Changes made during the last 30 days of the policy term will not be reflected in the current term, however, these changes must be reported to us in order for coverage to be provided.

If there is a change to the information used to develop the premium for this policy, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:

- a. The number, type or use classification of insured vehicles;
- b. Operators using insured vehicles;
- c. The place of principal garaging of insured vehicles;
- d. Coverage, deductible or limits.

If a change requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.

15. Two Or More Motor Vehicle Policies

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