Underwritten by: American Access Casualty Company

TEXAS
PERSONAL AUTOMOBILE INSURANCE POLICY

PLEASE READ YOUR POLICY CAREFULLY

IF YOU HAVE ANY QUESTIONS,
PLEASE CONTACT YOUR LOCAL AGENT

NOTIFY THE COMPANY'S CLAIM OFFICE IN DOWNERS GROVE, ILLINOIS BY TELEPHONE OF EVERY ACCIDENT, HOWEVER SLIGHT, AS SOON AS PRACTICAL UPON ITS OCCURRENCE AT 630-645-7755 OR 1-888-663-5443.
# Part D Coverage for Damage to your Auto

- Insuring Agreement ......................................................... 20
- Transportation Expenses .................................................. 20
- Rental Reimbursement Coverage ........................................ 20
- Roadside Assistance Coverage ........................................... 21
- Additional Definitions Used ................................................ 21
- Exclusions ........................................................................ 22
- Limit of Liability ................................................................ 24
- Payment of Loss ................................................................ 24
- No Benefit to Bailee ......................................................... 25
- Other Insurance .................................................................. 25
- Appraisal ........................................................................... 25
- Loss Payable Clause ............................................................ 25

# Part E Duties After an Accident or Loss

- General Duties .................................................................... 26
- Additional Duties for Uninsured/Underinsured Motorist Coverage ........................................... 27
- Additional Duties for Damage to Your Auto ........................................... 27

# Part F General Provisions

- Bankruptcy ........................................................................ 27
- Changes ............................................................................. 27
- Fraud and Misrepresentation ................................................ 28
- Arbitration .......................................................................... 28
- Legal Action Against Us ...................................................... 29
- Our Right to Recover Payment ............................................. 29
- Policy Period and Territory .................................................... 29
- Termination ........................................................................ 29
- Transfer of Your Interest in this Policy .................................... 31
- Two or More Auto Policies ..................................................... 31
- Policy to Conform with Statutes ............................................ 31
- Named Driver Exclusion ...................................................... 31
Where you can get information or make a complaint

If you have a question or a problem with a claim or your premium, contact your insurance company first. You can also get information or file a complaint with the Texas Department of Insurance.

Kemper
To get information or file a complaint with your insurance company:
   Call: Underwriting Department at 630-645-7777
   Toll-free: 888-663-5443
   Online: https://www.aains.com/policy-holders/feedback/
   Email: aacwebfeedback@kemper.com
   Mail: 2211 Butterfield Rd Suite 200, Downers Grove, IL 60515

The Texas Department of Insurance
To get help with an insurance question, learn about your rights, or file a complaint with the state:
   Call: 1-800-252-3439
   Online: www.tdi.texas.gov
   Email: ConsumerProtection@tdi.texas.gov
   Mail: Consumer Protection, MC; CO-CP, Texas Department of Insurance, PO Box 12030, Austin, TX 78711-2030

To compare policies and prices
Visit HelpInsure.com to compare prices and coverages on home and auto insurance policies. The website is a service of the Texas Department of Insurance and the Office of Public Insurance Counsel.

Donde puede obtener información o presentar una queja
Si tiene una pregunta o un problema con una reclamación o con su prima de seguro, comuníquese primero con su compañía de seguros. Usted también puede obtener información o presentar una queja ante el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés).

Kemper
Para obtener información o para presentar una queja ante su compañía de seguros:
   Llame a: Departamento de Underwriting at 630-645-7777
   Teléfono gratuito: 888-663-5443
   En línea: https://www.aains.com/policy-holders/feedback/
   Correo electrónico: aacwebfeedback@kemper.com
   Dirección postal: 2211 Butterfield Rd Suite 200, Downers Grove, IL 60515

El Departamento de Seguros de Texas
Para obtener ayuda con una pregunta relacionada con los seguros, para conocer sus derechos o para presentar una queja ante el estado:
   Llame: 1-800-252-3439
   En línea: www.tdi.texas.gov
   Correo electrónico: ConsumerProtection@tdi.texas.gov
   Dirección postal: Consumer Protection, MC; CO-CP, Texas Department of Insurance, PO Box 12030, Austin, TX 78711-2030

Para comparar pólizas y precios
Visite HelpInsure.com para comparar precios y coberturas en pólizas de seguro para el hogar y automóvil. El sitio web es un servicio del Departamento de Seguros de Texas y de la Oficina del Asesor Público de Seguros (Office of Public Insurance Counsel, por su nombre en inglés).
AGREEMENT

This Personal Auto Policy is a binding contract between you and us. The contract includes the Declarations Page, endorsements, the application, the Personal Auto Policy, and all attachments. If your premium payment is paid, we will insure you subject to the terms of this policy. The Declarations Page shows a premium for each type of coverage purchased. The selected coverages in this policy apply only to occurrences while the policy is in force. This policy contains all of the agreements between you and us and any of our agents. The terms of this policy cannot be modified by any oral agreement. Any waiver or change of any provision of this policy must be in writing by us to be valid.

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

DEFINITIONS

The words and phrases listed below, unless defined differently elsewhere in this policy, have the following meanings when appearing in bold print:

A. Throughout this policy, “you” and “your” refer to:
   1. The named insured shown on the Declarations Page; and
   2. The spouse of the named insured if a resident of the same household.
B. “We”, “us” and “our” refer to the company providing this insurance shown on the Declarations Page.
C. “Accident” means a sudden and unexpected event causing bodily injury or property damage, arising 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.
D. “Additional auto” means an auto that you become the owner of, and that you acquire or purchase during the policy period in addition to any auto shown on the Declarations Page.
E. “Aftermarket crash parts” means replacement auto parts for any of the non-mechanical sheet metal or plastic parts that generally form the exterior of an auto including inner and outer panels.
F. “Application” means the form entitled “Texas Automobile Application” that contains statements, coverage options, and agreements that form a part of this policy.
G. “Auto” means any self-propelled land motor vehicle of the private passenger type with no less than four wheels and made for use upon public roads or streets. Auto also means a pickup, sport utility vehicle or van type motor vehicle with a GVWR no greater than 25,000 and not used for the delivery or transportation of goods, materials, or supplies, other than sample, unless:
   1. The delivery of the goods, materials, or supplies is not the primary use for which the vehicle is employed; or
   2. The vehicle is used for farming or ranching.
   Auto does not include motorcycles, midget cars, golf carts, any vehicle operated on rails or crawler treads, farm-type tractors, farm implements, any vehicle used as a residence or premises, or any equipment designed for use principally off public roads and streets.
H. “Automobile Business” means the business or occupation of selling, leasing, repairing, servicing, delivering, testing, road testing, towing, storing, or parking of autos or trailers.
I. “Bodily injury” means injury to the body, including sickness, disease, or death resulting therefrom.
J. “Business” means trade, profession, occupation, course of employment, job, or commercial use of any kind, and shall not include the use of your covered auto:

1. to carry tools and supplies between your home and job site; or
2. on an occasional or infrequent basis for a job-related purpose.

K. “Business day” means a day other than a Saturday, Sunday or holiday recognized by the state of Texas.

L. “Business use” means your use of your covered auto during and in the course and scope of your business, or at the direction of your employer.

M. “Declarations Page” means the document you receive from us listing the persons covered under this policy, the policy period, the types of coverage you have selected, the limit for each coverage, the cost for each coverage, deductibles for the specified autos covered by this policy, and other information applicable to this policy.

N. “Digital network” means any online-enabled application, software, website, or system offered or used by a transportation network company that enables a prearranged ride with a transportation network company driver.

O. “Diminution of Value” means the difference in the actual cash value of the auto immediately before a loss and after the repair of the auto.

P. “Fee” means a payment made or charge collected as compensation for labor, performance of a service, or as profit in the sale of goods. It does not mean a payment made only to reimburse an expense. A share-the-expense car pool does not involve a fee.

Q. “Minimum statutory limits” means the minimum policy limits for vehicle liability coverage required by the law in the state or territory.

R. “Non-Original Equipment Manufacturer”, or “Non-OEM”, means an aftermarket crash part not made by the original equipment manufacturer of the auto or by a manufacturer authorized by the original equipment manufacturer to use its name or trademark.

S. “Non-Owned Auto” means an auto not owned by, or furnished for the regular use of you, a resident relative or resident, other than a temporary vehicle, while said auto is in your possession or custody.

T. “Occupying” means in, upon, entering into, or exiting from.

U. “ Owned” means to hold legal title to the auto, to have legal possession of the auto that is subject to a conditional sale agreement or mortgage, or to have legal possession of the auto leased to that person.

1. For purposes of this policy, an auto shall be deemed to be owned by a person if leased:
   a. Under a written agreement to that person; and
   b. For a continuous period of at least six months.

V. “Owner” means any person who, with respect to an auto, holds legal title to the vehicle, has legal possession of the auto that is subject to a conditional sale agreement or mortgage, or has legal possession of an auto leased to that person.

W. “Personal vehicle” means a vehicle that is used by a transportation network company driver and is:

1. Owned, leased, or otherwise authorized for use by the TNC driver; and
2. Not a taxicab, limousine, or similar for-hire vehicle.

X. “Prearranged ride” means transportation provided by a transportation network company driver to a transportation network company rider, beginning at the time the TNC driver accepts a ride requested by the TNC rider through a digital network controlled by a transportation network company and ending at the time the last requesting TNC rider departs from the TNC driver’s personal vehicle. The term does not include:
1. A shared-expense carpool or vanpool arrangement or service; or
2. Transportation provided using a taxicab, limousine or similar for-hire vehicle.

Y. “Property damage” means physical damage to tangible property, including destruction or loss of its use, caused by an accident covered under this policy and occurring while the policy is in force.

Z. “Racing” means participating in any race, speed, demolition, stunt, or timed contest or activity. Racing includes preparation, competing in, practicing for any prearranged, organized or unorganized race or activity.

AA. “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.

BB. “Resident” means a person living in your household, other than you or a resident relative.

CC. “Resident Relative” means a person who is a resident of your household and related to you by blood, marriage or adoption. This definition includes a ward or foster child who is a resident of your household, and includes your spouse even when not a resident of your household during a period of separation in contemplation of divorce. Resident relative includes a minor under your guardianship who lives in your household.

DD. “Temporary Vehicle” includes a vehicle that is loaned or provided to an insured by an automobile repair facility for the insured’s use while the insured’s vehicle is at the facility for service, repair, maintenance, or damage or to obtain an estimate and is:
   1. in the lawful possession of the insured or resident relative of the insured;
   2. not owned by the insured, any resident relative of the insured, or any other person residing in the insured’s household; and
   3. operated by or in the possession of the insured or resident relative of the insured until the vehicle is returned to the repair facility.

EE. “Trailer” means a vehicle which is not self-propelled and designed to be pulled by an auto. It also means a farm wagon or farm implement while towed by an auto. A trailer does not refer to a vehicle:
   1. Being used in the automobile business or for commercial purposes;
   2. Being used with an auto NOT shown on the Declarations Page; or
   3. Functioning as a home, office store, display or passenger trailer.

FF. “Transportation network company” or “TNC” means a corporation, partnership, sole proprietorship, or other entity operating in this state that uses a digital network to connect a transportation network company rider to a transportation network company driver for a prearranged ride.

GG. “Transportation network company driver” or “TNC driver” means an individual who:
   1. Receives connections to potential transportation network company riders and related services from a transportation network company in exchange for payment of a fee to the TNC; and
   2. Uses a personal vehicle to offer or provide a prearranged ride to a transportation network company rider on connection with the TNC rider through a digital network controlled by the TNC in exchange for compensation or payment of a fee.

HH. “Transportation network company rider” or “TNC rider” means an individual who uses a transportation network company’s digital network to connect with a TNC driver who provides a prearranged ride to the individual in the TNC driver’s personal vehicle between points chosen by the individual.

II. “Your covered auto” means:
1. Any auto shown on the Declarations Page unless you have asked us to delete that auto from your policy.

2. Any of the following types of vehicle on the date you became the owner:
   a. An additional auto or a replacement auto; or
   b. A pickup, utility vehicle or van with US GVWR of 25,000 or less, that is not used for the delivery of goods, materials or supplies, other than samples, unless:
      (1) the delivery of goods, materials or supplies is not the primary usage of the vehicle; or
      (2) used for farming or ranching.

   This provision (II.2) applies only if you:
      a. Acquire the auto during the policy period; and
      b. Notify us within 20 days after you become the owner. If the auto you acquire replaces one shown on the Declarations Page, it will have the same coverage as the auto it replaced. You must notify us of a replacement auto within 20 days only if you wish to:
         (1) add coverage for damage to the auto; or
         (2) continue existing coverage for damage to the auto after the 20 day period expires.

   If the auto you acquire is an additional auto, it will have the broadest coverage provided for any covered auto shown on the Declarations Page for a period of 20 days after you become the owner. We will not provide coverage after this 20-day period, unless within this 20-day period you ask us to insure the auto.

3. Any trailer you own.

4. A temporary vehicle.

PART A – LIABILITY COVERAGE

INSURING AGREEMENT

Subject to the Limits of Liability and all other terms and conditions under this Part A, if you pay the premium for Liability Coverage under this Part A, we will pay for damages, other than punitive or exemplary damages, for which a covered person becomes legally responsible due to bodily injury or property damage arising out of the ownership, maintenance or use of your covered auto when involved in an accident. Damages include prejudgment interest awarded against the covered person.

We will settle or defend, as we consider appropriate, any claim or action covered under the policy. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted by payment of judgement or settlement. We have no duty to settle or defend any claim or action not covered under the policy.

SUPPLEMENTARY PAYMENTS

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

A. Up to $250 for the cost of bail bonds required because of an accident including related traffic law violations. The accident must result in bodily injury or property damage covered under this policy.

B. Premiums on appeal bonds and bonds to release attachments in any suit we defend.

C. 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.
D. Up to $50 a day for loss of earnings, but not other income, because of attendance at hearing or trials at our request.

E. Other reasonable expenses incurred at our request.

ADDITIONAL DEFINITIONS USED IN "Part A – Liability Coverage"

Covered person as used in this Part means:
A. You, for the ownership, maintenance or use of your covered auto or trailer.
B. Any resident relative or resident of your household for the ownership, maintenance or use of your covered auto or trailer.
C. A person who is not a resident relative or resident of your household but is using your covered auto with your express or implied permission.

EXCLUSIONS

A. We do not provide Liability Coverage for:
1. Any person who intentionally causes bodily injury or property damage.
2. Any person who at the direction of a covered person intentionally causes bodily injury or property damage.
3. Property damage to property owned or being transported by a covered person.
4. Property damage, including loss of use, to property:
   a. Rented to;
   b. Used by; or
   c. In the care, custody or control of a covered person.

   This exclusion does not apply to a temporary vehicle, your residence or your private garage. However, this exclusion does apply to property damage to an auto or trailer meeting the conditions of subparagraphs a. - c. of this exclusion when that property damage is due to, or is a consequence of, the seizure of the auto or trailer by a federal or state law enforcement officer as evidence in a case against you under the Texas Controlled Substances Act or the Federal Controlled Substances Act if you are convicted in such a case.

5. Bodily injury to an employee or fellow employee of a covered person arising out of the course of employment.

   This exclusion (A.5.) 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.

6. A covered person’s liability arising out of the ownership, maintenance, or use of an auto or trailer while it is:
   a. Used to transport persons for a fee;
   b. Used to transport or deliver property for a fee. This does not apply to:
      i. a temporary vehicle or;
      ii. a covered person unless the primary use of the covered auto is to transport or deliver property for a fee;
   c. Used in the automobile business;
d. Used in the course of any other business or occupation not previously described in this Exclusion 6.c. This exclusion (6.d) does not apply to a temporary vehicle or if business use of your covered auto is declared and an additional premium is paid for that business use; or

e. Rented or leased to a person not listed on the Declarations Page for a fee.

This exclusion (6.e.) does not apply to the use of your covered auto for a:

i. shared-expense car pool; or

ii. volunteer or charitable activity for which the covered person receives no compensation or is only reimbursed for operating expenses.

7. Any person while employed or otherwise engaged in the automobile business.

8. Any person, other than a covered person, using your covered auto without your expressed or implied permission, or without a reasonable belief that the person is entitled to do so.

9. Bodily injury occurring during the course of employment if benefits are payable or available under a workers’ compensation law or similar law.

10. Bodily injury resulting from the discharge of any firearm or weapon used in connection with any vehicle.

11. Bodily injury or property damage for which that person:

   a. Is an insured under a nuclear energy liability policy; or

   b. Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy is a policy issued by any of the following or their successors:

   a. American Nuclear Insurers;

   b. Mutual Atomic Energy Liability Underwriters; or


B. We do not provide Liability Coverage for the ownership, maintenance or use of:

1. Any vehicle, other than your covered auto, which is:

   a. Owned by a covered person; or

   b. Furnished or available for a covered person’s regular use.

2. Your covered auto for snow removal.

3. Arising from the ownership, maintenance, or use of your covered auto while it is being operated in, or while in practice or preparation for, any racing event, hill climb, demonstration, speed contest or performance contest, regardless of whether or not such event is prearranged or organized.

C. We do not provide Liability Coverage for any person for bodily injury or property damage assumed by or imposed on a covered person under any agreement, contract or bailment. However, this exclusion does not prevent coverage for a covered person’s use of a temporary vehicle.

D. We do not provide Liability Coverage for bodily injury or property damage arising out of or in connection with a covered person’s operation or use of a vehicle while engaged as a TNC driver. This exclusion applies while the covered person is logged on to a TNC’s digital network as a TNC driver or is engaged in a prearranged ride. This exclusion does not apply to a share-the-expense car pool.

E. We do not provide Liability Coverage for any covered person for bodily injury or property damage arising out of the ownership, maintenance or use of your covered auto or trailer that is:

1. Expected by, directed by, or intended by the covered person; or
2. So likely to result from a criminal act or criminal omission of the covered person that intent may be inferred as a matter of law; or
3. Seized by law enforcement officers as evidence in a case against a covered person under the Texas Controlled Substances Act or the Federal Controlled Substances Act.

F. We do not provide Liability Coverage for bodily injury or property damage caused by war (declared or undeclared), civil war, insurrection, rebellion and or revolution, or for which the United States Government is liable under the Federal Tort Claims Act.

G. We do not provide Liability Coverage for punitive or exemplary damages.

LIMIT OF LIABILITY

A. If separate limits of liability for bodily injury and property damage liability are on the Declarations Page for this coverage, the limit of liability for each person for bodily injury liability is our maximum limit of liability for all damages for bodily injury sustained by any one person in any one accident. Subject to this limit for each person, the limit of liability shown on the Declarations Page for each accident for bodily injury liability is our maximum limit for all damages for bodily injury resulting from any one accident. The limit of liability shown on the Declarations Page for each accident for property damage liability is our maximum limit of liability for all damages to all property resulting from any one accident. This is the most we will pay regardless of the number of:
   1. Covered persons;
   2. Claims made;
   3. Autos or premiums shown on the Declarations Page; or
   4. Autos involved in the accident.

   We will apply the limit of liability to provide any separate limits required by law for bodily injury and property damage liability. However, this provision will not change our total limit of liability.

B. Any payment under Uninsured/Underinsured Motorists Coverage or Personal Injury Protection Coverage of this policy to or for a covered person will reduce any amount that person is entitled to recover under this coverage.

C. An auto and attached trailer are considered one vehicle. Therefore, the limits of liability are not increased for an accident involving an auto with an attached trailer.

OUT OF STATE COVERAGE

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

A. This policy will not serve as proof of financial responsibility to satisfy the financial responsibility law of any state other than Texas.

B. If the state or province requires minimum statutory limits of liability for bodily injury or property damage higher than the limits shown in the Declarations Page, and it is required by law that this policy conform to those higher limits, your policy will provide the higher specified limit of liability for bodily injury and property damage.

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

D. All terms, conditions, exclusions, notification changes, rejections, and endorsements shall apply as written and shall be interpreted under the laws of Texas. Our performance of the terms and conditions of this contract shall be in accordance with Texas law.

NOTICE: You must notify us promptly if you should move to another state or province and your covered
**auto** is no longer principally garaged in Texas.

**FINANCIAL RESPONSIBILITY REQUIRED**

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law of the State of Texas to the extent required.

*You* must reimburse *us* for any payment made by *us* that, in the absence of certification of this policy as proof, *we* would not have been obligated to make under the terms of this policy.

**OTHER INSURANCE**

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

**PART B1 – MEDICAL PAYMENTS COVERAGE**

**INSURING AGREEMENT**

If the Declarations Page shows a premium charged for this coverage, *we* will pay medical expenses, subject to the terms, conditions and exclusions of this policy, not exceeding the limits shown on the Declarations Page, incurred as a result of **bodily injury** caused by an accident and sustained by an **insured person**.

*We* will pay only those expenses incurred for services rendered and submitted to the Company within three years from the date of an accident for an **insured person** while **occupying**:

A. **Your covered auto**, while being used by a **covered person**; or

B. **A non-owned auto**, if the **bodily injury** results from its operation by an **insured person**.

No such payment shall be made unless the person to whom, or for whom, such payment is made has executed a written agreement that the amount of such payment shall be applied toward the settlement of any claim, or the satisfaction of any judgement for damages entered in their favor, against any insured under this policy because of **bodily injury** arising out of an accident to which “Part A – Liability Coverage” applies.

**DEFINITIONS**

The definitions under “Part A – Liability Coverage” and “Part D - Coverage For Damage to Your Auto” apply to “Part B1 - Medical Payments Coverage”.

**ADDITIONAL DEFINITIONS USED** IN “Part B1 – Medical Payments Coverage”

As used in this part:

A. **“Medical expenses”** means usual and customary charges incurred for reasonable and necessary services rendered to or on behalf of an **insured person** within three years from the date of the accident for: medical, surgical, x-ray, and dental services when performed by a licensed medical professional; pharmaceuticals; prosthetic devices; eye glasses; necessary ambulance, hospital, and professional nursing services when prescribed by a licensed medical professional; and funeral services.
1. Reasonable medical expenses do not include expenses:
   a. For treatment, services, products or procedures that are:
      i. Experimental in nature, for research, or not primarily designed to serve a medical purpose; or
      ii. Not commonly and customarily recognized throughout the United States or Canada as appropriate for the treatment of the bodily injury; or
   b. Incurred for:
      i. The use of thermography or other related procedures of a similar nature;
      ii. The use of acupuncture or other related procedures of a similar nature; or
      iii. The purchase or rental of equipment not primarily designed to serve a medical purpose.

B. "Medical services" is defined as those medical services provided by or under the supervision of a licensed physician.

C. "Physician" means an individual licensed by a State or territory of the United States or Canada to dispense drugs in the practice of medicine.

D. "Insured person" means:
   1. You, any resident relative or resident or a listed non-resident driver while occupying or when struck by a motor vehicle or trailer; or
   2. Any other person using your covered auto with your express or implied permission to do so.
   3. Any occupants of your covered auto while a person is operating the vehicle authorized under this definition.

EXCLUSIONS

This policy does not apply and does not provide coverage under "Part B1 - Medical Payments Coverage" for any person for bodily injury:

A. Sustained while occupying:
   1. An auto used for a delivery purpose, during the course of business, or for other commercial purpose. This does not apply to an insured person unless the primary use of the covered auto is to carry property for a fee; or
   2. Any auto while located for use as a residence or premises;

B. Sustained while occupying or when struck by any vehicle (other than your covered auto) which is:
   1. Owned by you; or
   2. Furnished or available for your regular use.

C. Sustained while occupying or when struck by any vehicle (other than your covered auto) which is:
   1. Owned by a resident relative or resident; or
   2. Furnished or available for the regular use of a resident relative or resident.

D. Sustained by any person other than an insured person resulting from use of:
   1. A non-owned auto while used in the automobile business; or
   2. A non-owned auto in any other business or occupation except operation or occupancy of a private passenger automobile by you or by your private chauffer or domestic servant, or a trailer used
therewith or with your covered auto.

E. Sustained while occupying your covered auto or any non-owned auto when it is:
   1. Being used to transport persons for a fee;
   2. Being used to transport or deliver property for a fee;
      This does not apply to an insured person unless the primary use of the covered auto is to transport or deliver property for a fee;
   3. Being used in the automobile business;
   4. Being used in the course of any business or occupation not described in exclusion E.3 unless you have paid a specific premium for business use coverage; or
   5. Rented or leased to another person not listed on the Declarations Page for a fee.
      This exclusion (E.5.) does not apply to the use of your covered auto for a:
      i. shared-expense car pool; or
      ii. volunteer or charitable activity for which the insured person receives no compensation or is only reimbursed for operating expenses.

F. Sustained by any person that occurs in the course of employment if benefits therefore are in whole or in part either payable or required to be provided under any worker’s compensation law;

G. From loss due to war, discharge of a nuclear weapon, civil war, insurrection, rebellion, revolution or riot;

H. Resulting from the hazardous properties of nuclear material, or arising out of the operation of a nuclear facility by any person or organization, however caused.

I. Resulting from the ownership, maintenance or use of any auto while it is being operated in, or in practice or preparation of, any racing event, hill climb, demonstration, speed contest or demonstration contest, regardless of whether or not such event is prearranged or organized.

J. Incurred by any person while operating or occupying any auto without a reasonable belief that he or she is entitled to do so. However, this exclusion does not apply to you, a resident relative, or resident with regard to the operation of your covered auto.

K. Arising out of the operation, occupation or use of an auto during or in connection with the commission of a felony or while attempting to elude police.

L. Arising out of the operation, occupation or use of an auto in such circumstances where bodily injury is expected or intended by an insured person.

M. Sustained while occupying a covered auto when it is being used or operated by a TNC driver for a TNC. This exclusion applies while the TNC driver is logged on to a TNC’s digital network as a TNC driver or is engaged in a prearranged ride. This exclusion does not apply to a share-the-expense car pool.

LIMIT OF LIABILITY

The limit of liability for this Medical Payments Coverage as stated on the Declarations Page is the maximum limit of the Company’s liability for all expenses incurred by or on behalf of each person who sustains bodily injury as the result of any one accident. Therefore, this limit of liability for this Medical Payments Coverage is the most the Company will pay under this coverage regardless of the number of:

A. Insured persons;
B. Claims made or suits resulting from bodily injury;
C. Autos or separated itemizations of premium stated on the Declarations Page; or
D. **Autos involved in the accident.**

Any amounts otherwise payable for expenses under this coverage are reduced by any amounts paid or payable for the same expenses under any Liability Coverage or Uninsured/Underinsured Motorists Coverage provided by this policy.

No payment will be made unless the injured person or that person's legal representative agrees in writing that any payment shall be applied toward any settlement or judgment that person receives under any Liability Coverage or Uninsured/Underinsured Motorists Coverage provided by this policy.

**OTHER INSURANCE**

If there is other applicable auto medical payments insurance against a loss covered by “Part B1 – Medical Payments Coverage” of this policy, the Company shall not be liable under this policy for a greater proportion of such loss than the applicable limit of liability stated on the Declarations Page bears to the highest applicable limit of liability of any valid and collectible automobile medical payments insurance; provided, however, the insurance with respect to a temporary vehicle or non-owned auto shall be excess insurance over any other valid and collectible automobile insurance providing for medical payments or funeral expenses.

**ASSIGNMENT OF BENEFITS**

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

**PART B2 – PERSONAL INJURY PROTECTION COVERAGE**

**INSURING AGREEMENT**

**We** will pay, in accordance with the Texas Insurance Code, Personal Injury Protection benefits subject to the terms, conditions and exclusions of this policy and the Limits of Liability.

A. **We** will pay Personal Injury Protection benefits because of bodily injury:

1. Resulting from an accident; and
2. Sustained by a covered person.

Our payment will only be for losses or expenses incurred within three years from the date of accident.

B. Personal Injury Protection benefits consist of:

1. Reasonable and necessary expenses incurred for necessary medical and funeral services.
2. Loss of Income.
   a. Eighty percent of a covered person’s loss of income from employment.
   b. These benefits apply only if, at the time of the accident, the covered person:
      i. Was an income producer; and
      ii. Was in an occupational status.
   c. Loss of income is the difference between:
      i. Income which would have been earned had the covered person not been injured; and
      ii. The amount of income actually received from employment during the disability.
d. If the income earned as of the date of accident is a salary or fixed remuneration, it shall be used in determining the amount of income that would have been earned. Otherwise, the average monthly income earned during the period (not more than 12 months) preceding the accident shall be used.

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

f. As a condition of receiving Loss of Income benefits, the covered person must provide us with reasonable medical proof of his or her bodily injury causing loss of income.


a. Reimbursement of necessary and reasonable expenses incurred for essential services ordinarily performed by the injured covered person, without pay, for care and maintenance of the family or family household.

b. These benefits apply only if, at the time of the accident, the covered person:
   i. Was not an income producer; and
   ii. Was not in an occupational status.

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

DEFINITIONS USED IN "Part B2 – Personal Injury Protection Coverage" ONLY

"Covered person" as used in this Part, means:

A. You or any resident relative or resident:
   1. While occupying; or
   2. When struck by;
      Motor vehicles designed for use mainly on public roads or a trailer of any type.

B. Any other person while occupying your covered auto with your permission.

EXCLUSIONS

We do not provide Personal Injury Protection Coverage for any person for bodily injury sustained:

A. In an accident caused intentionally by that person.

B. By that person while in the commission of a felony.

C. By that person while attempting to elude arrest by a law enforcement official.

D. While occupying or when struck by any motor vehicle (other than your covered auto) owned by you.

E. By a resident relative or resident while occupying or when struck by any motor vehicle (other than your covered auto) which is owned by a resident relative or resident.

F. While occupying or when struck by a covered auto when it is being used or operated by a TNC driver for a TNC. This exclusion applies while the TNC driver is logged on to a TNC’s digital network as a TNC driver or is engaged in a prearranged ride. This exclusion does not apply to a share-the-expense car pool.

LIMIT OF LIABILITY

The limit of liability shown on the Declarations Page for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
A. Covered persons;
B. Claims made;
C. Autos or premiums shown on the Declarations Page; or
D. Vehicles involved in the accident.

OTHER INSURANCE

If there is other Personal Injury Protection 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 a vehicle you do not own shall be excess over any other collectible Personal Injury Protection insurance.

OTHER PROVISIONS

A. Payment of Benefits.

Benefits payable under this Part B2 shall be paid as claims for such benefits arise, but not later than the 30th day after the date we receive satisfactory proof of a claim, and not more frequently than every two weeks.

1. Original proof of loss with respect to a claim for benefits must be presented to us within six months after the date of an accident.

2. We may require reasonable medical proof of an alleged recurrence of an injury for which an original claim for benefits was made if a lapse occurs in the period of total disability or in the medical treatment of an injured person who:
   a. Has received benefits under this Part B2; and
   b. Subsequently claims additional benefits based on the alleged recurrence.

B. We shall have the right of subrogation and a claim against a person causing or contributing to an accident if, on the date of loss, financial responsibility has not been established for a motor vehicle involved in the accident and operated by that person.

C. Modification. The General Provision part of this policy entitled "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

We will pay applicable uninsured/ underinsured motorist claims in accordance with the Texas Insurance Code subject to the terms, conditions and exclusions of this policy, and the Limits of Liability.

We will pay damages, other than punitive or exemplary damages, that a covered person is legally entitled to recover from the owner or operator of an uninsured/underinsured motor vehicle because of bodily injury sustained by a covered person, or property damage less the deductible for this coverage listed on the Declarations Page, caused by an accident. The owner or operator's liability for these damages must arise out of the ownership, maintenance or use of the uninsured/underinsured motor vehicle. Any
judgment for damages arising out of a suit brought without our consent is not binding on us. If you and we do not agree as to whether or not a vehicle is actually uninsured, the burden of proof as to that issue shall be on us.

ADDITIONAL DEFINITIONS USED IN "Part C – Uninsured/Underinsured Motorists Coverage"

A. "Covered person" as used in this Part means:
   1. You, any resident relative or resident;
   2. Any other person occupying your covered auto; or
   3. Any person that is entitled to recover because of bodily injury to which this coverage applies sustained by a person described in (A.1.) or (A.2.) above.

B. "Property damage" as used in this Part means injury, destruction or loss of use of:
   1. Your covered auto;
   2. Any property owned by a person listed in (A.1.) or (A.2.) while occupying your covered auto; or
   3. Any property owned by a covered person while contained in any auto not owned, but being operated, by a covered person.

C. "Uninsured/Underinsured motor vehicle" means a land motor vehicle or trailer of any type:
   1. To which no liability bond or policy applies at the time of the accident;
   2. Which is a hit and run vehicle whose operator or owner cannot be identified and which makes actual physical contact with:
      a. A covered person;
      b. An auto which a covered person is occupying; or
      c. Your covered auto.
   3. To which a liability bond or policy applies at the time of the accident but the bonding or insuring company:
      a. Denies coverage; or
      b. Is unable, due to insolvency, to make payment with respect to the legal liability of its insured within the limits specified in the bond or policy.
   4. On 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.
   5. The uninsured/underinsured motor vehicle, however, does not include any vehicle or equipment:
      a. Owned by or furnished or available for the regular use of a covered person.
      b. Owned or operated by a self-insurer under any applicable motor vehicle law.
      c. Owned by any governmental body unless:
         i. The operator of the vehicle is uninsured; and
         ii. There is no statute imposing liability for damage because of bodily injury or property damage on the governmental body for an amount not less than the limit of liability for this coverage.
d. Operated on rails or crawler treads.
e. Designed mainly for use off public roads while not on public roads.
f. While located for use as a residence or premises.

EXCLUSIONS

A. **We** do not provide Uninsured/Underinsured Motorists Coverage for any person:

1. For **bodily injury** sustained while **occupying**, or when struck by, any motor vehicle or **trailer** of any type **owned** by a **covered person** not insured for this coverage under this policy.
2. If that person or the legal representative settles the claim without **our** written consent.
3. While **your covered auto** is:
   a. Being used to transport persons for a **fee**.
   b. Being used to transport or deliver property for a **fee**. This does not apply to a **covered person** unless the primary use of **your covered auto** is to carry property for a **fee**.
   c. Being used in the **automobile business**. This does not apply to the use of **your covered auto** by **you**, a **resident relative**, or an agent or employee of **you** or a **resident relative**.
   d. Rented or leased to another person not listed on the Declarations Page for a **fee**. This exclusion (3.d.) does not apply to the use of **your covered auto** for a:
      i. shared-expense car pool; or
      ii. volunteer or charitable activity for which the **insured person** receives no compensation or is only reimbursed for operating expenses.
4. Using a vehicle without express or implied permission, or without a reasonable belief that the person is entitled to do so. This exclusion (A.4.) does not apply to a **covered person** while using **your covered auto**.
5. For **bodily injury** or **property damage** resulting from the intentional acts of the **covered person**. However, an innocent spouse or innocent named insured will be provided coverage under the policy.
6. Resulting from the ownership, maintenance or use of any vehicle while it is being operated by a **covered person** seeking benefits under this section in or in practice or preparation of any **racing** event, hill climb, demonstration, speed contest or demonstration contest regardless of whether such event is prearranged or organized.
7. While **occupying** or when struck by a **covered auto** while it is being used or operated by a **TNC driver** for a **TNC**. This exclusion applies while the **TNC driver** is logged on to a **TNC’s digital network** as a **TNC driver** or is engaged in a **prearranged ride**. This exclusion does not apply to a share-the-expense car pool.

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

1. Any insurer or self-insurer under any workers’ compensation, disability benefits or similar law; or
2. Any insurer of property.

C. **We** do not provide Uninsured/Underinsured Motorist Coverage for punitive or exemplary damages.

LIMIT OF LIABILITY
A. If separate limits of liability for bodily injury and property damage liability are on the Declarations Page for this coverage, the limit of liability for each person for bodily injury liability is our maximum limit of liability for all damages for bodily injury sustained by any one person in any one accident. Subject to this limit for each person, the limit of liability shown on the Declarations Page for each accident for bodily injury liability is our maximum limit for all damages for bodily injury resulting from any one accident. The limit of liability shown on the Declarations Page for each accident for property damage liability is our maximum limit of liability for all damages to all property resulting from any one accident. This is the most we will pay regardless of the number of:

1. Covered persons;
2. Claims made;
3. Policies or bonds applicable;
4. Autos or premiums shown on the Declarations Page; or
5. Autos involved in the accident.

B. Subject to this maximum, our limit of liability will be the lesser of:

1. All amounts that a covered person is legally entitled to recover as damages from owners or operators of the uninsured/underinsured motor vehicle because of bodily injury or property damage, reduced by any amount recoverable from the insurer of the uninsured/underinsured motor vehicle; and
2. The applicable limit of liability for this coverage.

C. In order to avoid insurance benefits payments in excess of actual damages sustained, subject only to the limits set out on the Declarations Page and other applicable provisions of this coverage, we will not pay damages paid or payable under any workers’ compensation law, disability benefits law, any similar law, automobile medical expense coverage or similar coverage, or personal injury protection coverage or similar coverage.

D. Any payment under this coverage to or for a covered person will reduce any amount that person is entitled to recover for the same damages under the Liability Coverage of this policy.

OTHER INSURANCE

A. We will not pay more than 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.

1. When this Part C applies on a primary basis, our share is the proportion that the limit that applies to this Part C bears to the total of all applicable limits for insurance that is provided on a primary basis.
2. When this Part C applies on an excess basis, our share is the proportion that the limit that applies to this Part C bears to the total of all applicable limits for insurance that is provided on an excess basis.

B. For any property damage to which both collision coverage (under this or any other policy) and property damage under this Part C apply, you may choose the coverage from which the property damage will be paid. If neither the collision coverage nor the property damage coverage under this Part C is sufficient alone to cover all property damage from a single accident, you may recover under both coverages. If recovering under both coverages, you must designate one coverage as the primary coverage and pay the deductible for that coverage. The primary coverage must be exhausted before any recovery is made under the secondary coverage. If both the primary and secondary coverages are used to pay property damage from a single accident, you will not be required to pay the deductible applicable to the secondary coverage when the amount of the deductible for the secondary coverage
is the same as, or less than, the deductible for the primary coverage. If both coverages are used to pay property damage from a single accident, and the deductible applicable to the secondary coverage is greater than the deductible for the primary coverage then, with respect to the secondary coverage, you must pay the difference between the amounts of the two deductibles. You may not recover under both the primary and secondary coverages more than the actual property damage suffered.

We will not pay for any damages that would duplicate any payment made for damages under other insurance for the same elements of loss.

PART D – COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

A. Subject to all of the terms, conditions, exclusions, and limits of liability that apply, we will pay for direct and accidental loss to your covered auto caused by collision, including its equipment, less any applicable deductible shown on the Declarations Page. However, we will pay for loss caused by collision only if the Declarations Page indicates that Collision Coverage applies and you have paid the premium for that coverage. Collision damage coverage will be available to a temporary vehicle in any amount not to exceed the actual cash value of your covered auto and subject to the same conditions and terms of this policy.

B. Subject to all of the terms, conditions, exclusions, and limits of liability that apply, we will pay for direct and accidental damage to your covered auto caused by a comprehensive loss, less any applicable deductible shown on the Declarations Page. This includes any damage to your covered auto’s equipment, unless otherwise excluded under this Part D. However, we will pay for damage caused by a comprehensive loss only if the Declarations Page indicates that Comprehensive Coverage applies and you have paid the premium for that coverage.

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

TRANSPORTATION EXPENSES

In addition, we will pay up to $20 per day, to a maximum of $600, for transportation expenses incurred by you. This applies only in the event of a covered loss for the total theft of your covered auto. We will only pay transportation expenses incurred during the period:

A. Beginning 48 hours after notifying us and law enforcement officials of the theft; and

B. Ending when your covered auto is returned to use or we pay for its loss.

RENTAL REIMBURSEMENT COVERAGE

No deductible applies to this coverage. When there is a loss to your covered auto described on the Declarations Page for which a specific premium charge indicates that Rental Reimbursement Coverage applies:

We will reimburse you for any reasonable and necessary transportation expenses you incur to rent a temporary vehicle. We will pay up to the maximum of the limits described on the Declarations Page. This coverage applies only if:

A. Your covered auto is withdrawn from use for more than 24 hours, and

B. The loss to your covered auto is covered under “Part D – Coverage For Damage To Your Auto” of this policy.

C. In the event of theft, you report the loss to the police as soon as practicable. Rental Reimbursement
Coverage will terminate when your covered auto is returned to you for use or when we pay the loss.

When there is a total theft of the auto, the limit of $20 per Day (maximum of $600) provided under “Part D – Coverage For Damage To Your Auto” will be supplemented to the extent the limits in the Declarations Page exceeds that $20 per day limit. Our payment will be limited to that period of time reasonably required to repair or replace your covered auto.

This provision is subject to such exclusions, conditions, and other terms of the policy that are applicable to “Part D – Coverage For Damage To Your Auto”.

ROADSIDE ASSISTANCE COVERAGE

The Company will pay for the following emergency roadside assistance services necessitated by the disablement of an owned auto listed on the Declarations Page as carrying this Coverage, but only to the extent of the limits of this Coverage as stated on the Declarations Page and only two (2) occurrences per auto per policy period.

A. Reasonable towing and labor costs to the nearest point at which the disablement can be remedied;
B. Tire change;
C. Battery jump start;
D. Key lockout service; and
E. Fuel, oil and water delivery service limited to the amounts of fuel, oil and water necessary for your covered auto to travel to the nearest point where fuel and oil is available for purchase by the covered person’s listed on the Declarations Page of your policy for your covered auto with Roadside Assistance Coverage purchased.

We will only pay for labor performed at the place of disablement.

ADDITIONAL DEFINITIONS USED IN “Part D – Coverage for Damage to Your Auto”

A. “Collision” means the upset or overturn of your covered auto, or collision of your covered auto with another object.
B. “Comprehensive loss” means loss to your covered auto caused by an event other than collision. Comprehensive loss includes, but is not limited to, loss caused by:
   1. Missiles or falling objects;
   2. Fire;
   3. Theft or larceny;
   4. Explosion or earthquake;
   5. Volcanic activity;
   6. Windstorm;
   7. Hail, water or flood;
   8. Malicious mischief or vandalism;
   9. Riot or civil commotion;
   10. Contact with a bird or animal; or

If breakage of glass results from collision, you may elect to have it treated as loss caused by collision.
C. “Covered person” as used in this Part means the following persons while operating the covered auto or while the covered auto is in their care, custody or control:

1. You;
2. Any resident relative or resident of your household;
3. A person who is not a resident relative or resident of your household but is using your covered auto with your express or implied permission.

D. “Loss” means sudden, direct, and accidental damages to, or theft of, your covered auto, including its original optional equipment installed permanently at the factory by the vehicle manufacturer or authorized dealer. Custom equipment or additional equipment installed, or alterations made by conversion facilities, to an auto or camper are not standard or original optional equipment.

EXCLUSIONS

We will not pay for loss or damage, including collision or comprehensive loss:

A. While your covered auto or any non-owned auto is:

1. Being used to carry persons for a fee;
2. Being used to carry or deliver property for a fee. This does not apply to a covered person unless the primary use of the covered auto is to carry property for a fee;
3. Being used in the automobile business;
4. Being used in the course of any business or occupation not described in A.3, unless you have paid a specific premium for business use coverage;
5. Rented or leased to another person that is not listed on the Declarations Page for a fee.
   This exclusion (5.) does not apply to the use of your covered auto for a:
   a. shared-expense car pool; or
   b. volunteer or charitable activity when there is no compensation made or compensation is limited only to reimbursement of operating expenses.
6. Being used to transport hazardous material, explosive substances, or flammable liquid other than chemicals used to maintain the vehicle or common household chemicals;
7. While being operated in, or while in practice or preparations for, any racing event, hill climb, demonstration, speed contest or performance contest, regardless of whether such event is prearranged or organized;
8. While being driven, operated, or used by a person who is specifically excluded by endorsement.
9. Being used by a TNC driver for a TNC. This exclusion applies while the TNC driver is logged on to a TNC’s digital network as a TNC driver or is engaged in a prearranged ride. This exclusion does not apply to a share-the-expense car pool.

B. Loss to a non-owned auto, or any vehicle used as a temporary substitute for your covered auto, when used by you, a resident relative, or a resident of your household without a reasonable belief that you or such other person are entitled to do so.

C. Damage due and confined to:

1. Wear and tear;
2. Freezing;
3. Mechanical or electrical breakdown or failure; or
4. Road damage to tires.
   This exclusion (C.) does not apply if the damage results from the total theft of your covered auto.

D. Loss due to or as a consequence of:
   1. Radioactive contamination;
   2. Discharge of any nuclear weapon (even if accidental);
   3. War (declared or undeclared);
   4. Civil war;
   5. Insurrection.

E. Loss to stereos, radios, and other sound reproducing equipment. This exclusion (E.) does not apply if the original manufacturer installs the equipment permanently in your covered auto.

F. Loss to tapes, records or other devices for use with equipment designed for the reproduction of sound.

G. Loss to the covered auto for diminution of value.

H. Loss to a camper body or trailer not shown in the Declarations Page.
   This exclusion (H.) does not apply to a camper body or trailer you:
   1. Acquire during the policy period; and
   2. Notify us within 20 days after you become the owner.

I. When in or upon any trailer, loss to:
   1. TV antennas;
   2. Awnings or cabanas; or
   3. Equipment designed to create additional living facilities.

J. Loss to any:
   1. Vehicle rented to you or anyone else;
   2. Trailer rented to you or anyone else; or
   3. Other property damage to that rental property.

K. Loss to any of the following or their accessories:
   1. Citizens band radio;
   2. Two-way mobile radio;
   3. Telephone;
   4. Scanning monitor receiver;
   5. Any device or instrument used for detection of radar or other speed measuring equipment; or
   6. All electronics, computers and computerized equipment not essential to the normal operation of the motor vehicle.

   This exclusion (K.) does not apply to equipment permanently installed in your covered auto or a non-owned auto by the auto manufacturer, including such equipment previously repaired or replaced.

L. Loss to any Non-OEM custom furnishings or equipment in or upon any auto. Custom furnishings or equipment or Non-OEM items include but are not limited to:
   1. Special carpeting and insulation, furniture, bars or television receivers;
2. Facilities for cooking and sleeping;
3. Height extending roofs; or
4. Custom murals, paintings or other decals or graphics.

M. As a consequence of a seizure of your covered auto by law enforcement officers as evidence in a case against you by the Texas Controlled Substances Act or Federal Controlled Substances Act if you are convicted in such a case.

N. Loss to your covered auto due to forfeiture ordered by the courts or destruction or confiscation by governmental or civil authorities or by repossession by an unknown rightful owner. This exclusion does not apply to the interests of loss payees in your covered auto.

O. Loss to any non-owned auto while used or driven by a person while employed or engaged in the automobile business.

P. Loss to your covered auto arising out of or in connection with its operation or use by a person while engaged as a TNC driver. This exclusion applies while the person is logged on to a TNC’s digital network as a TNC driver or is engaged in a prearranged ride. This exclusion does not apply to a share-the-expense car pool.

Q. Loss to your covered auto caused by an intentional act of a covered person or at the direction of a covered person listed on the Declarations Page.

R. Loss due to theft or conversion of your covered auto:
   1. By a covered person listed on the Declarations Page;
   2. By a person to whom you have voluntarily entrusted your covered auto; or
   3. Prior to its delivery to a covered person listed on the Declarations Page.

LIMIT OF LIABILITY

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

A. Actual cash value of the stolen or damaged property;

B. Amount necessary to repair the property to its pre-loss condition or to replace the property with other of like kind and quality; or

C. Amount stated on the Declarations Page of this policy. The most we will pay for the loss to equipment listed in exclusion A.5 is $1,500. Our payment for loss will be reduced by any applicable deductible shown on the Declarations Page.

PAYMENT OF LOSS

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

A. You; or

B. The address shown in this policy.

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

NO BENEFIT TO BAILEE

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

A. If other insurance also covers the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

B. For any loss to which Uninsured/Underinsured Motorists Coverage (from this or any other 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:

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

APPRAISAL

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

A. Pay its chosen appraiser; and
B. Bear the expenses of the appraisal and umpire equally.

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

LOSS PAYABLE CLAUSE

Loss or damage under "Part D – Coverage for Damage to Your Auto" shall be paid as interest may appear to you and the loss payee shown on the Declarations Page. This insurance covering 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 covered auto. 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 to the loss payee as we give the named insured shown on the Declarations Page. When we pay the loss payee we shall, to the extent of the payment, be subrogated to the loss payee’s rights of recovery.
PART E DUTIES AFTER AN ACCIDENT OR LOSS

GENERAL DUTIES

A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses, if known. If we show that your failure to provide notice prejudices our defense, there is no liability coverage under this policy.

B. A person seeking any coverage must:
   1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
   2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
   3. Submit, as often as we reasonably require, to physical exams by physicians we select. We will pay for these exams.
   4. Authorize us to obtain:
      a. Medical records which are reasonably related to the injury or damage asserted to;
      b. Any information or data collected or stored on any device including but not limited to an Event Data Recorder (EDR) installed or contained in your covered auto; and
      c. Other pertinent records in accordance with applicable law.
   5. When required by us:
      a. Submit a sworn proof of loss;
      b. Submit to examination under oath.
         i. Minors may have a parent or guardian present during an examination under oath.

NOTICE: If we determine and can show that your failure to comply with terms in “PART E – Duties After An Accident Or Loss”, Section (B.) materially resulted in prejudice to our loss adjustment or investigation, it may result in denial of coverage.

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 Section (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 reasons for denying your claim; or
   2. Give the reasons we require more time to process your claim. We must either approve or deny your claim within 45 days after 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 settlement.

I. If a claim is made or suit is brought against you, you shall immediately forward to us every demand, notice, summons or other process received by you or your agent or representative. We will not be obligated to pay, and shall not pay under “Part A – Liability Coverage” unless we receive actual notice of a lawsuit before a judgement has been entered in said suit.

ADDITIONAL DUTIES FOR UNINSURED/ UNDERINSURED MOTORISTS COVERAGE

A person seeking Uninsured/Underinsured Motorist Coverage must also:

A. Promptly notify the appropriate law enforcement officials if a hit and run driver is involved;

B. Promptly send us copies of the legal papers if a suit is brought;

C. Take reasonable steps after loss, at our expense, to protect damaged property from further loss; and

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

ADDITIONAL DUTIES FOR COVERAGE FOR DAMAGE TO YOUR AUTO

A person seeking Coverage for Damage to Your Auto must also:

A. Take reasonable steps after loss to protect your covered auto and its equipment from further loss. We will pay reasonable expenses incurred to do this.

B. Promptly notify the appropriate law enforcement officials within 48 hours of discovery, or as soon as practical, if your covered auto is stolen.

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

PART F - GENERAL PROVISIONS

BANKRUPTCY

Bankruptcy or insolvency of the covered person 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 requires a premium adjustment, we will adjust the premium as of the effective date of the change in accordance with rules prescribed by the Texas Department of Insurance or its successor. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:

1. The number, type or use classification of your covered autos;
2. Operators using your covered autos;
3. The place of principal garaging of your covered autos; and
4. Coverage, deductible, or limits.

C. If this policy form is revised to provide more coverage without additional premium charge, we will automatically provide the additional coverage as of the date the revision is effective.

D. We must be notified promptly if you should move to another state or province and your covered auto is no longer principally garaged in Texas. This policy is void or voidable if a false statement was made in the application for this policy, or anywhere in this policy and it is shown at trial that the matter misrepresented:

1. Was material to the risk; or
2. Contributed to the contingency or event on which this policy became due and payable.

FRAUD AND MISREPRESENTATION - To the extent permitted by Texas Insurance Code sections 705.003 and 705.004:

A. This policy is void or voidable if a misrepresentation, including a false statement, was made in a proof of loss and it is shown at a trial that the misrepresentation:

1. Was fraudulently made;
2. Misrepresented a fact material to the question of our liability under the policy; and
3. Misled us and caused us to waive or lose a valid defense to the policy.

B. This policy is void or voidable if a false statement was made in the application for this policy, or anywhere in this policy, and it is shown at a trial that the matter misrepresented:

1. Was material to the risk; or
2. Contributed to the contingency or event on which this policy became due and payable.

ARBITRATION

If we and an insured person do not agree whether that insured person is legally entitled to recover damages, or if either party disagrees as to the amount of damages that are recoverable by the insured under "Part B1 – Medical Payments Coverage" or "Part B2 – Personal Injury Protection Coverage" or "Part C – Uninsured/Underinsured Motorist Coverage", then the matter may be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third arbitrator. If they cannot agree on a third arbitrator within 30 days, either may appear in a court of jurisdiction to request that the judge appoint a third arbitrator.

Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally. Unless both parties agree otherwise, the arbitration is to take place in the county in which the insured resides.

The amount of damages agreed to by the arbitrators shall be binding, subject to the limits shown on the Declarations Page. The arbitrators shall have no authority to determine coverage under the policy.

As a part of our claims handling procedures, we may use software designed to evaluate bodily injury under
“Part C – Uninsured/Underinsured Motorists Coverage”.

Any Claim for arbitration must be filed within two (2) years of the date of the accident, inclusive of the date of the accident.

LEGAL ACTION AGAINST US

We may not be sued unless there is full compliance with all terms of this policy. We may not be sued under Part A of this policy until the obligation of an insured to pay is finally determined by judgement against the insured or by written agreement of the insured, the claimant and us. No one shall have any right to make us a party to a suit to determine the liability of an insured. Any lawsuit brought against us under the policy must be commenced within 2 years and one day from the date the cause of action first accrues. A cause of action first accrues on the date of the initial breach of our contractual duties alleged in the action.

OUR RIGHT TO RECOVER PAYMENT

A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:
   1. Whatever is necessary to enable us to exercise our rights; and
   2. Nothing after loss to prejudice them. (A release of the insurer of an uninsured/underinsured motor vehicle does not prejudice our rights.)

However, our rights in this paragraph do not apply under “Part – D Coverage For Damage To Your Auto” against any covered person using your covered auto with a reasonable belief 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:
   1. Hold in trust for us the proceeds of the recovery; and
   2. Reimburse us to the extent of our payment. (However, we may not claim the amount recovered from an insurer of any uninsured/underinsured motor vehicle.)

POLICY PERIOD AND TERRITORY

A. This policy applies only to accidents and losses which occur:
   1. During the policy period as shown on the Declarations Page; and
   2. Within the policy territory.

B. The policy territory is:
   1. The United States of America, its territories or possessions; or
   2. Canada.

NOTICE: No Mexico Coverage. There is no 25-mile or any allowed distance for coverage into Mexico. An auto accident is a civil and criminal matter in Mexico. This policy provides no coverage in Mexico.

TERMINATION

A. Changes to Policy on Renewal: A change to a policy provision on renewal is not a nonrenewal or cancellation under this policy if we provide you with written notice of any material change between the policy offered to you on renewal and the policy held immediately before renewal. Notice of a material change will be provided to you not later than the 30th day before the renewal date.
Material change means a change to a policy that, with respect to a prior or existing policy:
1. Reduces coverage;
2. Changes conditions of coverage; or
3. Changes the duties of the insured.

B. Cancellation. This policy may be cancelled during the policy periods as follows:
1. The named insured shown on the Declarations Page may cancel by:
   a. Returning this policy to us; or
   b. Giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing at least 10 days’ notice to the named insured at the address shown on the Declarations Page.
3. Once this policy is in effect for 60 days, or if this is a renewal or continuation policy, we will cancel only:
   a. If you submit a fraudulent claim;
   b. For nonpayment of premium; or
   c. If your driver’s license or motor vehicle registration, or that of any other driver who resides in your household or who customarily operates your covered auto, is suspended or revoked.
      i. We will not cancel for this reason, however, if you consent to a change to this policy terminating coverage for the person whose license is suspended or revoked.
4. We may not cancel this policy based solely on the fact that you are an elected official.
5. We may cancel this policy effective on any 12-month anniversary of the original effective date of the policy by mailing written notice of cancellation to you. Notice will be mailed not later than the 30th day before the effective date of cancellation.

C. Non-renewal. If we decide not to renew or continue this policy, we will mail notice to the named insured at the address shown on the Declarations Page. Notice will be mailed at least 30 days before the end of the policy period. If the policy period is other than 1 year, we will have the right not to renew or continue it only at the anniversary date of the policy each anniversary of its original effective date. We will not refuse to renew because of a covered person’s age. We may not refuse to renew this policy based solely on the fact that you are an elected official.

Notwithstanding our failure to notify you under this paragraph, this policy terminates on the effective date of any replacement or succeeding personal automobile policy with another carrier with respect to you.

Notwithstanding the above, Texas law requires us to nonrenew your policy when you or any covered person fails or refuses to cooperate with us in an investigation, defense or settlement of a claim or action, including when we are unable to contact you or the covered person using reasonable efforts for those same purposes.

D. Automatic Termination. If, at any time, 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. 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.

E. Other Termination Provisions. If someone other than a covered person who is listed on the Declarations Page 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.
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. If so, **we** will send **you** the refund within 15 **business days** after the effective date of cancellation or termination of the policy. The premium refund, if any, will be computed pro rata. 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.

4. Any cancellation or restriction of coverage made without **your** consent will be of no effect except as provided for in this Termination provision under:
   a. Cancellation;
   b. Non-renewal;
   c. Automatic Termination; or
   d. Required by the Texas Department of Insurance.

**TRANSFER OF YOUR INTEREST IN THIS POLICY**

**A.** **Your** rights and duties under this policy may not be assigned without **our** written consent. However, if a named insured shown on the **Declarations Page** dies, coverage will be provided 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 on the **Declarations Page**; or
   2. The legal representative of the deceased person as if a named insured shown on the **Declarations Page**. This applies only with respect to the representative’s legal responsibility to maintain or use your covered auto.

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

**NOTE:** Refer to Medical Payments and/or Personal Injury Protection Coverage for Assignment of Benefits.

**TWO OR MORE AUTO POLICIES**

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

**POLICY TO CONFORM WITH STATUTES**

Any provision of this policy which conflicts with the statutes of the State of Texas shall be deemed amended to conform with such statutes to the extent required by law. Any provision of this policy, which may be deemed void or unenforceable, shall not affect the applicability of enforceability of the remaining provisions of the policy.

**NAMED DRIVER EXCLUSION**

If **you** have asked **us** to exclude any named person from coverage under this policy, then **we** will not provide coverage under this policy for any claim arising from an **accident** or **loss** involving a motorized vehicle being operated by that excluded person.
In Witness Whereof, the company has caused this policy to be signed by its authorized representatives, but this policy shall not be valid unless completed by the attachment hereto of a Declarations Page.

President

Secretary