VIRGINIA COMMERCIAL AUTO POLICY

Underwritten by Catawba Insurance Company

P.O. Box 723128

Atlanta, GA 31139

In the event of an accident please call: 1-888-580-8134

All other calls: 1-888-952-2902

VACA Commercial Auto Policy (03/26)

The Definitions, Exclusions, Limits of Liability and other provisions in this contract and its endorsements define, describe, limit and restrict coverage. Please read all of these terms and **your** rights and duties.

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AGREEMENT

A. This Policy and all its forms are a legal contract, it contains all agreements and terms between **you** and **us**, and includes:
   1. The Application;
   2. **Declarations Page**;
   3. This Policy book;
   4. Endorsements issued by **us**; and
   5. Any coverage selection, election and rejections made by **you** at the time of application;
   as if all are physically attached together. This applies whether the form is issued on paper or electronically.

B. This Policy is issued, and if renewed, in reliance upon the truth and accuracy of the info provided in the Application for this insurance. The terms of this Policy impose duties on **you** and all **persons** seeking coverage under this Policy. **We** will provide this insurance subject to the terms, conditions and limitations set forth in this Policy if **you** have paid, when due, all of the premiums for the coverages **you** have chosen. **We** will only insure **you** for the coverages and the Limits of Liability for which a premium is shown on the **Declarations Page** of the Policy.

C. This Policy is issued by **us** on the condition that the first payment is made to **us** in cash or other form of valid and collectible payment. If the initial payment to **us** is in any non-cash method, this Policy is conditioned on that initial payment being honored by the financial institution.

D. **You** have a continuing duty to notify **us** of any changes relating to **autos**, **individuals** and organizations covered under this Policy.

DEFINITIONS USED THROUGHOUT THIS POLICY

The following words or phrases, when printed in boldfaced type, will have the following meaning throughout the Policy, whether in the singular, plural or possessive.

A. "**Accident**" and "**accidental**" means an unexpected and unintended event, or a continuous or repeated exposure to that event, that causes **bodily injury** or **property damage**, and arises out of the **ownership**, maintenance, or use of an **auto** or land motor vehicle covered by this Policy. **Accident** does not include continuous or repeated exposure to the same conditions causing **bodily injury** or **property damage**.

B. "**Actual cash value**" means the fair market value of the stolen or damaged property at the time of **loss**. To determine fair market value, the following factors affect that value: 1. age, mileage and physical condition of the property; and 2. **depreciation** and prior damage.

C. "**Additional auto**" means an **auto** that: **you** acquire in addition to the **auto**(s) shown on the **Declarations Page**, if these conditions are met:
   1. It must be similar in type and use as an **auto** shown on the **Declarations Page**;
   2. It must be eligible for coverage under **our** underwriting Rules;
   3. No other insurance applies to the acquired **auto**;
   4. Within seven (7) calendar days after **you** become the **owner** of the **additional auto**, **you** ask **us** to add the **additional auto** to **your** Policy;
   5. If the **auto** is used in **your** business, **we** already insure all **autos owned** by **you** that are used in **your** business; and
   6. If the **auto** is not used in **your** business, **we** already insure all **autos you own**.

If these conditions are met and **we** agree to insure it, the coverage **we** provide is as follows:

1. Until **you** ask **us** to insure an **additional auto**, it will have the broadest coverage **we** provide on any **auto** shown on the **Declarations Page** from the date **you** become the **owner** until the date **you** ask **us** to insure the **additional auto**, and **we** may charge premium for the **additional auto** from the date **you** acquire the **auto**.
2. Any increase of limits of liability or added coverage shall not begin until after:
   a. **We** agree to add the coverage or increase the limits; and
   b. **You** pay any additional premium when due.

With respect to PART II - COVERAGE FOR DAMAGE TO YOUR AUTO, if **we** provide coverage for an **additional auto** and it is:

1. A **private passenger auto**, until the date **you** ask **us** to insure the **additional auto we** will provide the broadest coverage **we** provide for any **auto** shown on the **Declarations Page**; or
2. Any **auto** other than a **private passenger auto**, and **you** have purchased Physical Damage coverage for at least one **auto** other than a **private passenger auto**, until the date **you** ask **us** to insure the **additional auto**, **we** will provide the broadest coverage for which the **additional auto** is eligible.

However, if **you** do not notify **us** within seven (7) calendar days after **you** become the **owner** of the **additional auto** no retroactive coverage exists for the **additional auto**. Instead, coverage will be effective from the time of notice to **us** and going forward.

D. "**Auto**" means a land motor vehicle with at least four (4) wheels designed for travel on public roads that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the **state** or province where it is licensed or usually garaged. **Auto** does not include **mobile equipment**. Self-propelled vehicles with the following types of permanently attached equipment are **autos**, not **mobile equipment**:
   1. Equipment designed and used primarily for:
      a. Snow removal;
      b. Road maintenance, but not construction or resurfacing;
      c. Street cleaning;
   2. Cherry pickers and similar devices mounted on **auto** or truck chassis and used to raise or lower workers; and
   3. Air compressors, pumps, generators, and spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

E. "**Bodily injury**" means bodily harm, sickness or disease, including death that results from such **bodily injury**, and arising out of an **auto accident**. **Bodily injury** does not include:
   1. Harm caused by discharge of a firearm or other use of any weapon; or
   2. Becoming pregnant; or
   3. Communicable disease or illness that results from human or animal contact or transmission.

F. "**Carry individuals for compensation or a fee**" or "**carrying individuals for compensation or a fee**" means to deliver, transport or carry **individuals**; for any form of money; salary; income; property; consideration; or any other thing of value, whether or not:
   1. Going to a pick-up or returning from a drop-off;
   2. The money or other thing of value is paid or given;
      a. By any passenger, recipient or other party on a per-trip basis; or
      b. In the course of, or as related to, any business activities of a **person** insured under this Policy; or

3. Any of the **individuals**; intended to be delivered or transported are actually in the **covered auto** at the time of the **accident** or **loss**.

G. "**Carry property for compensation or a fee**" or "**carrying property for compensation or a fee**" means to deliver, transport or carry products; goods; materials; property; animals; or livestock for any form of money; salary; income; property; consideration; or any other thing of value, whether or not:
   1. Going to a pick-up or returning from a drop-off;
   2. The money or other thing of value is paid or given;
      a. By any recipient or other party on a per-trip basis; or
      b. In the course of, or as related to, any business activities of a **person** insured under this Policy; or
   3. Any of the products; goods; materials; property; animals; or livestock intended to be delivered or transported are actually in the **covered auto** at the time of the **accident** or **loss**.

   To **carry property for compensation or a fee** includes, but is not limited to, the delivery of goods, either on a wholesale or retail basis, such as food, magazines, newspapers, or flowers.

H. "**Conversion**" means the act of converting or changing something from one form or use to another, or the unauthorized assumption of **ownership** over someone else's property.

I. "**Covered auto**" means:
   1. Any **auto** shown on the **Declarations Page**.
   2. An **additional auto** if the conditions are met.
   3. A **replacement auto**.
   4. If the **named insured** is an **individual**, any **auto** not **owned** by **you**, **your** spouse, child, parent, brother, sister, **relative**, or a listed driver shown on the **Declarations Page**, which is:
      a. Driven by **you**, a **relative** or listed driver shown on the **Declarations Page**; and
      b. Used on a temporary basis, no longer than thirty (30) days, as a substitute for a **covered auto** described on the **Declarations Page** that is out of service because of its:
         i. Breakdown;
         ii. Repair;
         iii. Servicing;
         iv. **Loss**; or
         v. Destruction.

      The **auto** being used as a temporary substitute must be eligible for coverage pursuant to **our** Rules and be similar in type and use as the listed **auto** that is out of service. Coverage under PART II will not apply to this **auto**.

   5. If the **named insured** is an **organization**, any **auto** not **owned** by:
      a. **You** or a listed driver shown on the **Declarations Page**;
      b. **Your** officer, partner, or principal;
      c. Any **employee** or **temporary employee** of an insured;
      d. Any fellow **employee** or fellow **temporary employee** of an insured; or
      e. Any spouse, child, parent, brother, sister or other **relative** of any of the above who is an **individual**;

      which is:

      a. Driven by **you** or a listed driver shown on the **Declarations Page**; and
      b. Used on a temporary basis, no longer than thirty (30) days, as a substitute for a **covered auto** described on the **Declarations Page** that is out of service because of its:
         i. Breakdown;
         ii. Repair;
         iii. Servicing;
         iv. **Loss**; or

v. Destruction.

The **auto** being used as a temporary substitute must be eligible for coverage pursuant to **our** Rules and be similar in type and use as the listed **auto** which is out of service.

J. “**Crime**” means any act or omission that is:
1. A **state** or federal felony in the United States, but only a felony within the **state** where the **covered auto** is garaged;
2. An attempt to flee or elude law enforcement or a **crime** scene; or
3. An illegal activity, trade or transportation; whether or not there is an arrest, charge or conviction.

Crime does not include:

1. Misdemeanor violations of the motor vehicle or traffic laws other than an attempt to:
   a. Flee or elude law enforcement; or
   b. Flee a **crime** scene;
2. Vehicular homicide; or
3. Driving under the influence of alcohol or an illegal substance.

K. “**Declarations Page**”, “**Declarations Page**” or “**declarations**” means the document prepared by **us** listing **your** Policy information which may include the types of coverage **you** have elected, the limit of each coverage, the cost of each coverage, the **autos** covered by this Policy, and the types of coverage for each described **auto**.

L. “**Depreciation**” means a decline in value due to wear and tear or obsolescence.

M. “**Derivative claims**” include, but are not limited to, damages for care, emotional injury or mental anguish, wrongful death, or **loss** of:
1. Service;
2. Consortium;
3. Society; or
4. Companionship;

that results from the **bodily injury**, and includes any mental anguish or emotional distress due to observing the **accident** or **bodily injury**.

N. "**Digital network**" means any system or service offered or utilized by a **Transportation Network Company** that enables **TNC** prearranged trips with drivers.

O. “**Diminution in value**” means the actual or perceived decrease in market or resale value by reason of the fact that the property has been damaged. This includes, but is not limited to, the perceived or actual decrease in market or resale value of property due to or because of:
1. An **accident** or **loss**;
2. Repairs or replaced parts; or
3. Alleged or real stigma or taint related or due to any **accident**, **loss**, repair or replaced parts.

P. “**Employee**” means anyone for which **you** will pay for services and have the authority to direct performance. **Employee** includes **leased workers** but does not include **temporary employees**.

Q. “**Hazardous materials**” means actual, alleged, or threatened migration; release; existence; contamination or presence of any:
1. Decomposing or disintegrating organic material or microorganism;
2. Mold, mildew, fungus or other microbes, or any by-products produced or released by any of these;
3. Spores; scents; toxins; mycotoxins; bacteria; viruses; or any other by-products produced or released by any mold, mildew, fungus, or other microbes;

4. Organic surface growth on moist, damp, or decaying matter;
5. Yeast or spore-bearing plant-like organism;
6. Class A or Class B explosives;
7. Poisonous gas, liquid gas or compressed gas;
8. Radioactive material or **nuclear exposure**; or
9. Pathogenic, poisonous, biological or toxic solid, liquid or gas.

R. "**Individual**" means a natural born human being.

S. "**Insured contract**" means:
1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within fifty (50) feet of a railroad;
4. An obligation required by law to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to **your** business (including indemnification of a municipality regarding work for a municipality) under which **you** assume the tort liability that is vicariously imposed on another for **your** negligence or that of **your employees** or agents; or
6. That part of any contract or agreement entered into as part of **your** business for the rental of a **covered auto**. Such contract or agreement shall not be deemed an **insured contract** to the extent that it obligates **you** or **your employees** to pay for **property damage** to an **auto** rented or leased to **you** or any of **your employees**.

An **insured contract** does not include that part of any contract or agreement:
1. That indemnifies a railroad for **bodily injury** or **property damage** arising out of construction or demolition operations within fifty (50) feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
2. That pertains to the loan, lease or rental of an **auto** to **you** or any of **your employees** or **temporary employees**, if the **auto** is loaned, leased or rented with a driver;
3. That holds a **person** engaged in the business of **carrying property for compensation or a fee** harmless for **your** use of a **covered auto** over a route that **person** is authorized to serve by public authority; or
4. That holds a **person** engaged in the business of **carrying individuals for compensation or a fee** harmless for **your** use of a **covered auto** over a route that **person** is authorized to serve by public authority.

T. "**Leased worker**" means a **person** leased to **you** by a labor leasing firm under an agreement between **you** and the labor leasing firm to perform duties related to the conduct of **your** business. A **leased worker** does not include any **temporary worker**.

U. "**Loss**" means a sudden, direct unexpected and unintended event, or a continuous or repeated exposure to that event, that causes **property damage**, including theft. **Loss** does not include **diminution in value**.

V. "**Mobile equipment**" means any of the following types of land vehicles, including any attached machinery and equipment:
1. Bulldozers, power shovels, cranes;
2. Rollers, booms, winches, shredders;
3. Graders, diggers, mixers;
4. Compressors, generators, drills, welders, pumps;
5. Farm implements and machinery;
6. Forklifts;
7. Street sweepers or other cleaners and other similar specialized equipment;
8. Vehicles designed for use principally off public roads;

9. Vehicles **you** use solely on a premises **you own** or rent and on accesses to public roads that adjoin these premises, unless described on the **Declarations Page** and not defined as **mobile equipment**;
10. Vehicles which do not require licensing in the **state** in which **you** live or **your** business is licensed;
11. Vehicles which travel on crawler treads;
12. Non self-propelled vehicles used primarily to provide mobility to the following permanently attached equipment:
    a. Air compressors; pumps and generators, and spraying, welding, cleaning, lighting, geophysical exploration and well servicing equipment;
    b. Cherry pickers and similar devices used to raise or lower workers;
    c. Snow removal equipment; or
    d. Road maintenance equipment;
13. Vehicles used primarily for purposes other than transportation of **persons** or cargo.

However, **mobile equipment** does not include:

a. Land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the **state** where it is licensed or principally garaged; or
b. Any items listed above as **mobile equipment** while attached to, or pulled by, a **covered auto** in transit on a public roadway.

Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered **autos**.

W. "**Motor vehicle business**" means, as related to any motor vehicle, the business of:
1. Selling;
2. Repairing;
3. Servicing;
4. Storing;
5. Parking;
6. Road testing;
7. Delivering;
8. Leasing or renting;
9. Washing; or
10. Valet parking.

X. "**Named insured**" means the **person(s)** designated as the **named insured**(s) on the **Declarations Page**.

Y. "**Nuclear exposure**" means and includes any type of contact or exposure to any nuclear: element, event, reaction, radiation or radioactive contamination, no matter how caused, and any event to which a nuclear energy liability insurance policy could apply.

Z. "**Occupying**" means in; upon; getting into, out of, on or off. An **individual** cannot be **occupying** more than one motor vehicle at a time.

AA. "**Organization**" means a business, company, corporation, limited liability corporation (LLC), partnership or other legal entity that is not a natural born human being . **Organization** does not include any entity designated as "doing business as" (DBA) or other similar fictitious business names or aliases.

BB. "**Own**", "**owned**", "**owner**", and "**ownership**", with respect to an **auto** or **trailer**, mean the **person** who:
1. Holds the legal title to the **auto** or **trailer**; or
2. Has legal possession of an **auto** or **trailer** that is:
    a. Subject to a written security agreement; or
    b. Leased to that **person** by a written agreement for a continuous period of six (6) months or longer.

CC. "**Permissive operator**" means any **individual** using a **covered auto** with **your** express or implied permission and within the scope of that permission, provided such **individual**:

1. Has a valid U.S. driver's license at the time of the **accident**; and
2. Is not an **undisclosed operator**.

DD. "**Person**(s)" means an **individual** or **organization**.

EE. "**Personal use**" means the use of a company **owned** vehicle or a business designated vehicle for non-business purposes, such as commuting, running errands or taking personal trips.

FF. "**Pollutant**" means any solid, liquid, gaseous or thermal irritant or contaminant, including:

1. Smoke;
2. Vapor;
3. Soot;
4. Fumes;
5. Acids;
6. Alkalis;
7. Chemicals; and
8. Waste. Waste includes materials to be recycled, reconditioned or reclaimed.

GG. "**Private passenger auto**" means a land motor vehicle:

1. Of the private passenger, pickup body, or cargo van type;
2. Designed for operation principally upon public roads;
3. With at least four wheels; and
4. With a manufacturer's gross vehicle weight rating of 12,000 pounds or less.

Private passenger auto does not include:

1. Step-vans;
2. Parcel delivery vans;
3. Cargo cutaway vans; or
4. Other vans with cabs separate from the cargo area.

HH. "**Property damage**" means physical damage to, destruction of, or **loss** of use of, tangible property, if caused solely by an **accident** covered under this Policy.

II. "**Punitive** or exemplary damages" means all damages that may be awarded, other than compensatory damages, to:

1. Punish or deter conduct; and/or
2. Fine, penalize or impose a statutory penalty due to conduct;

because the conduct is malicious, grossly negligent, wanton, willful, fraudulent or unlawful. This includes, but is not limited to, any damages that have been defined by law as **punitive** damages or exemplary damages, and any additional costs, attorney fees, other fees, costs or interest awarded because of such damages.

JJ. "**Racing**" means participating in, competing in, practicing for or preparing for any:

1. Parade performance;
2. Prearranged or organized **racing**, speed, demolition event, stunting contest;
3. Timed vehicle event or activity;
4. Unarranged or spontaneous street or off-road race or stunt;
5. **Racing** or speed contest or adventure;
6. Demonstration driving;
7. Driver or skills training (other than driver's education training to obtain a **state** driver's license or CDL);
8. High performance driving; or
9. Driving competition.

KK. "**Relatives**" means, if **you** are an **individual**:

1. An **individual** related to **you** by blood, marriage or adoption and who **resides** in **your** household; or

2. A minor child who **resides** in **your** household at the time of the **accident** or **loss**, and is in the legal custody of **you** or an **individual** related to **you** by blood, marriage or adoption.

Relatives includes **your** unmarried dependent children living temporarily away from home. The definition of **relative** only applies if **you** are listed on the **Declarations Page** as an **individual**.

LL. "**Replacement auto**" means an **auto** that is similar in type and use as an **auto** shown on the **Declarations Page** and is eligible for coverage under **our** underwriting Rules, that **you** acquire during the current Policy term that:
1. Has taken the place of an **auto** shown on the **Declarations Page** that **you** no longer **own** ; or
2. Replaces an **auto** shown on the **Declarations Page** due to mechanical breakdown of, deterioration of, or **loss** to the replaced **auto** that renders it permanently inoperable.

Any coverage **we** provide for a **replacement auto** is subject to the following terms:

1. No other insurance applies to the **replacement auto**, and **we** insure all **autos** that **you own**.
2. At the time **you** become the **owner** of a **replacement auto**, if coverage applies under this Policy, that **replacement auto** will have the same coverage as the **auto** shown on **your Declarations Page** that is being replaced.
3. The deductible that applies to a **replacement auto** shall be the same as the **auto** it replaced.
4. All coverage **we** provide for the **replacement auto** ends seven (7) calendar days after **you** become the **owner** if **you** do not ask **us** to insure it within those seven (7) calendar days.
5. Any coverage **you** ask **us** to add to the **replacement auto** or any increase of limits of liability shall not begin until after:
   a. **We** agree to add the coverage or increase the limits; and
   b. **You** pay any additional premium when due.

MM. "**Reside**", "**resides**", and "**residing**" mean to dwell within the household of the **named insured**'s primary and legal domicile if the **named insured** is an **individual**.

NN. "**State**" means any **state**, territory or possession of the United States, the District of Columbia and any province in Canada.

OO. "**Temporary employee**" means any **temporary worker**, independent contractors, or subcontractors, who perform work on **your** behalf.

PP. "**Temporary substitute auto**" means any **auto you** do not **own** while used with the permission of the **owner** as temporary substitute for a **covered auto** that has been withdrawn from normal use due to breakdown, repair, servicing, **loss** or destruction. However, a **temporary substitute auto** does not include any **auto** available for the regular or frequent use of **you**, a **relative**, or **your employees** unless that **auto** is insured under a separate policy of insurance that provides at least the minimum required limits of financial responsibility under the applicable **state** and federal laws.

QQ. "**Temporary worker**" means an **individual** who works for **you** to substitute for a permanent **employee** or to meet seasonal or short-term workload conditions including volunteers and day laborers who perform work on **your** behalf, whether or not for compensation.

RR. "**Trailer**" means a non-motorized vehicle, including a farm wagon or farm implement, designed to be pulled on public roads by an **auto** if the **trailer** is not being used:
1. As a residence, office, store, business or for display purposes; or
2. To transport passengers.

A **trailer** does not include a mobile home, a semi-**trailer**, **mobile equipment**, or any piece of equipment or non-motorized vehicle used pursuant to an interchange agreement in which **you** assume liability while it is in **your** possession.

SS. "**Transportation Network Company**" or "**TNC**" is a corporation, partnership, sole proprietorship, or other entity that is using a **digital network** to connect **Transportation Network Company** customers to **Transportation Network Company** drivers who provide **TNC** prearranged trips.

TT. "**TNC** prearranged trip" means the provision of transportation by a **Transportation Network Company** driver to a passenger or any goods or services through the use of a **TNC**'s **digital network**:

1. Beginning when a **TNC** driver accepts a request for a trip through a **digital network** controlled by a **Transportation Network Company**;
2. Continuing while the **TNC** driver transports the requesting passenger or goods or services; and
3. Ending when the last requesting passenger departs from the **TNC** vehicle, or the completion of the delivery of any goods or services.

UU. "**Undisclosed operator**" means:

1. An **individual** who is an operator of a **covered auto** and such **individual** is not listed as a driver on the **Declarations Page** of this Policy and has had access to operate a **covered auto** for more than 30 consecutive days;
2. An **individual** who is designated on the **Declarations Page** as a non-driver or excluded driver;
3. An **employee** or **temporary employee** who is hired prior to the Policy period and such **individual** is not listed as a driver on the **Declarations Page** of this Policy;
4. An **employee** or **temporary employee** hired during the Policy term and **you** have failed to notify **us** of the new **Individual** for more than fourteen (14) days after their date of hire or their date of becoming a driver;
5. If **you** are an **individual**, any **relative** or any other **individual** who **resides** in **your** household and has a driver's license but is not listed as a driver on the **Declarations Page** of this Policy or that is listed on the **Declarations Page** as a non-driver or excluded driver;
6. A **person** not disclosed on the Application or otherwise as a driver to be covered by this Policy in response to a relevant question or inquiry by **us**.

VV. "**We**," "**us**" and "**our**" mean the Company shown on the **Declarations Page** as providing this insurance.

WW. "**You**" and "**your**" mean the **person** shown on the **Declarations Page** as the **named insured**.

DUTIES BEFORE & AFTER AN ACCIDENT OR LOSS

GENERAL DUTIES

A. Premium Payment. **We** do not provide coverage under this Policy unless **you** have paid the required initial premium when due.

B. Notice & Cooperation. **We** may deny some or all coverage, and **we** may be relieved of any duty to investigate, settle or defend a claim, or pay any judgment, if there is a:

1. Failure to give **us** or law enforcement notice as required under any terms of this Policy .
2. Failure to comply with any of the duties or terms of this Policy.
3. Failure to cooperate with **us**.

C. Notice to Us. **We** must be notified promptly of how, when and where any and every **accident** and **loss** happened. **You** or the **person** seeking coverage must promptly report each **accident** and **loss** even if **you** or the **person** seeking coverage is not at fault. Notice to **us** or **our** authorized agent shall include the following:

1. All known facts and circumstances, and other facts and circumstances as they become known. This shall include all known names, addresses and telephone numbers of any injured **persons** and witnesses.
2. All known license plate information of vehicles involved and vehicle descriptions; and
3. All known driver's license and insurance information of **individuals** and business entities involved.
4. All known information about **bodily injury** and treatment to any **person** in the **accident**, without regard to whether they are making a claim covered by this Policy.

Notice of an **accident** or **loss** by **you** to any agent authorized by **us** with info sufficient to identify **you** as an insured is notice to **us**. **Your** failure to give any notice required by this Policy within the time specified does not invalidate a claim made by **you** if **you** can show that it was not reasonably possible to give **us** notice within the prescribed time and that notice was given as soon as reasonably possible.

D. Cooperation with Us. Any **person** claiming any coverage under this Policy must:
   1. Cooperate with **us** in the investigation, settlement or defense of any claim or lawsuit and assist **us**, or **our** authorized representative, in:
      a. Making settlements;
      b. Obtaining or authorizing **us** to obtain or secure evidence;
      c. Giving evidence;
      d. Obtaining the attendance of witnesses at hearings and depositions; and
      e. The conduct of lawsuits, arbitration, appraisal, mediation, depositions, and/or other proceedings, suits or actions.
   2. Promptly send **us** copies of any and all notices and legal papers filed or received in connection with any and every **accident** or **loss**. **We** will not pay for attorney fees or costs incurred by any insured or other **person** without **our** prior written consent.
   3. Agree to give **us** information and consent necessary for **us** to comply with any statutes or government regulations that apply including, but not limited to, the **individual**'s social security number.
   4. Submit, as often as **we** reasonably require, to medical or physical examinations by physicians **we** select. This shall be at a reasonable location selected or agreed to by **us**. **We** will pay for these examinations.
   5. Submit to examinations under oath by **us** or **our** representative as often as **we** reasonably require. These examinations will take place at a reasonable location selected or agreed to by **us**, and outside the presence of any witness, or **person** making a claim due to the same **accident** or **loss**, or any other **individual** other than that **person**'s attorney; or a parent or guardian if the **individual** being questioned is a minor or legally incompetent.

   We may:

      a. Also require an examination under oath from any **relative**, **employee** or **temporary employee**, who may be able to assist **us** in obtaining relevant information even if that **individual** is not claiming benefits under this Policy; and
      b. Make a video, audio, electronic or any other type of recording of an examination under oath.
   6. Give **us** written and recorded statements as often as **we** reasonably request.
   7. Give **us** written authorization to obtain:
      a. Medical records and reports, including current reports, notes and test results, records of prior medical history and treatment, therapy records and counseling records;
      b. Workers compensation investigative and claim records;
      c. Credit and financial records;
      d. Photographs;
      e. Telephone, including cellular, text messaging and all other telephonic communication records, including billing records;
      f. Global Positioning system data (GPS), video, or other data gathered via any telematics or data capturing device whether installed in the **covered auto** or as part of any device in the **covered auto** including cell phones and cameras;
      g. Bill of lading, trip ticket, invoice, job order, or similar forms pertaining to the use of the **covered auto**; and
      h. Other records **we** deem relevant in the investigation or settlement of a claim.
   8. Provide a sworn statement as proof of **loss** as **we** require.
   9. Not voluntarily assume any obligation to pay, make any payment or incur any expense for **bodily injury** or **property damage** arising out of an **accident**.
   10. Attend hearings and trials as **we** require.

11. Authorize **us** to get any information on any data, maintenance or event recorder or similar device installed in a **covered auto** as **we** deem relevant to the facts of the **accident** or **loss**.
12. Allow **us** to take any photographs and/or audio/video recordings **we** may require as a part of **our** investigation.
13. Convey title to and possession of the damaged, destroyed or stolen property to **us** if **our** payment is based on a total **loss** (unless **we** agree to allow **you** to retain salvage).
14. Authorize **us** access to **your** business or personal records as often as **we** may reasonably require.

ADDITIONAL DUTIES FOR COVERAGE FOR UNINSURED MOTORIST COVERAGE

Regardless of the type of Uninsured Motorist Coverage selected, anyone seeking coverage under either of the Uninsured Motorist Coverage Endorsements must also:

A. Notify the police within reasonable time after any **accident** not involving a hit-and-run or unknown driver.

B. Notify the police, within twenty-four (24) hours of an **accident** if hit-and-run or unidentified driver is involved.

C. Serve a copy of any legal action and all pleadings on **us** as required by law.

ADDITIONAL DUTIES FOR COVERAGE FOR DAMAGE TO YOUR AUTO

A **person** seeking coverage under PART II - COVERAGE FOR DAMAGE TO YOUR AUTO must also:

A. Promptly report, but no later than twenty-four (24) hours file a report with the police or other local law:
   1. Discovery, any **loss** that involves the theft or vandalism of any **auto**, or other property that might be covered under this Policy; or
   2. If the **owner** or operator of an at-fault vehicle involved in the **accident** cannot be identified.

B. Take reasonable steps after a **loss** to protect all property that might be covered under PART II - COVERAGE FOR DAMAGE TO YOUR AUTO from further **loss**. **We** will pay reasonable and necessary expenses incurred to provide that protection. Any further **loss** due to failure to protect will not be covered under this Policy. Keep a record of **your** expenses for consideration in the settlement of a claim.

C. Permit **us** to inspect and appraise all **loss** covered under PART II - COVERAGE FOR DAMAGE TO YOUR AUTO before its repair or disposal.

D. Authorize **us** to move the damaged **auto** or **trailer** to a storage facility of **our** choice at **our** expense. To reduce storage costs during the claims process, any **person** who accepts coverage for an **auto** gives permission to **us** to act as that **person**'s agent to move the **auto** to a secure storage facility if that **auto** is non-drivable and incurring storage or any additional **accident**-related expenses. **We** will notify **you** before the **auto** is to be moved. If **you** do not agree, **you** are then responsible for additional excess costs and fees incurred.

PART I - LIABILITY COVERAGE

INSURING AGREEMENT

A. Subject to the limit of liability shown on the **Declarations Page** and all Policy terms, if **you** pay **us** the premium for Liability Coverage, **we** will pay compensatory damages for which an insured is legally liable due to **bodily injury** or **property damage** caused by an **auto accident** that arises out of the **ownership**, maintenance or use of a **covered auto** under this PART I. Damages include prejudgment interest awarded against an insured subject to **our** limits of liability. **We** will not pay for **punitive** or exemplary damages.

B. IMPORTANT NOTICE: **Our** duty to settle or defend ends, and **we** have no duty of any kind to pay any claim or judgment, or settle or defend any lawsuit, after **our** limit of liability under this PART I has been:
   1. offered;
   2. exhausted by payment; or
   3. deposited with a court having jurisdiction.

C. If **we** defend, **we** will choose the counsel of **our** choice. Any cost **we** incur to defend a covered claim is in addition to **our** limits of liability. **We** have no duty to settle or defend a claim for **bodily injury** or **property damage** not covered under this Policy.

ADDITIONAL DEFINITIONS: PART I - LIABILITY COVERAGE

When used in this PART I:

A. The definition of **auto**, and as used in **covered auto** in this Part, shall also include:
   1. **Mobile equipment**, but only while being carried or towed by a **covered auto**; and
   2. **Trailer**s designed primarily for travel on public roads, but only while connected to a **covered auto** that is a power unit.

B. "Insured" means:
   1. **You** for the **ownership**, maintenance or use of a **covered auto**.
   2. Any additional driver listed on the **Declarations Page**, but only while using a **covered auto**.
   3. A **permissive operator**.
   4. For the use of a **covered auto**, any **person**, but only with respect to the legal liability for acts or omissions of a **person** in clause B.1, B.2, or B.3 above, for whom coverage is afforded under this PART I.
   5. An Additional Insured designated and shown on the **Declarations Page**, subject to the following limitations:
      a. Without any increase in **our** limit of liability, **we** will pay compensatory damages for which the Additional Insured is legally liable due to **bodily injury** or **property damage** caused by an **accident** arising out of the operation of a **covered auto**, but only if those damages arise out of the acts or omissions of an insured as defined in clause B.1, B.2, or B.3 above.
      b. Coverage provided for an Additional Insured is excess insurance over any other applicable insurance, self-insurance or bond.

   The following are not insureds under this PART I:

   1. The United States of America or any of its territories or possessions, or agencies.
   2. Any **person** with respect to **bodily injury** or **property damage** resulting from the operation of an **auto** by that **person** as an **employee** or **temporary employee** of the United States Government. This applies only if the provisions of 28 U.S.C. §2679 as amended, require the Attorney General of the United States to defend that **person** in any civil action brought for the **bodily injury** or **property damage**.
   3. Any **person** while working in a **motor vehicle business** unless that is **your** business and is shown as **your** occupation on the **Declarations Page**.
   4. Any **person**, other than one of **your employees** or **temporary employees** listed on the **Declarations Page**, while moving property to or from a **covered auto**.
   5. The **owner** or anyone else from whom **you** hire or borrow a **covered auto** or **trailer**.
   6. Any **individual** who is specifically excluded from coverage under this Policy.
   7. Any **individual** who is an **undisclosed operator**. Any **individual** driving an **auto owned**, leased, rented, hired or borrowed by **you** unless that **auto** is specifically listed on the **Declarations Page** as a **covered auto**.

CERTIFICATE OF INSURANCE

If **we** make a filing or submit a certificate of insurance on **your** behalf with a regulatory or governmental agency, the term "insured" as used in such filing or certificate, and in any related endorsement, refers only to the **person** named on such filing, certificate or endorsement.

SUPPLEMENTARY PAYMENTS

Any supplemental payment, as listed here below in this Part I, is in addition to the limit of liability for this coverage shown on the **Declarations Page**. When coverage under Part I applies to the damages sustained in an **accident**, **we** will also pay to or on behalf of an insured for (as applicable):

A. Premiums on appeal bonds and attachment bonds required in any lawsuit **we** defend and choose to appeal. **We** have no duty to:
   1. Apply for or furnish any bond; or
   2. Pay the premium on any bond with a principal amount that is more than **our** limit of liability.

B. Interest accruing after a judgment is entered in any lawsuit **we** defend on that portion of the judgment that is within **our** limit of liability. This payment does not apply if **we** have not been given notice of suit or the opportunity to defend an insured. **Our** duty to pay interest ends when **we** offer to pay that part of the judgment which does not exceed **our** limits of liability for this coverage; whether this is through a payment, offer in writing, or deposit in court of that part of the judgment which does not exceed **our** Limit of Liability.

C. At the insured's request, up to $250 for the cost of bail bonds required because of an **accident we** cover (including bonds for related traffic law violations). **We** have no duty to apply for or furnish these bonds.

D. Other reasonable expenses, up to $250 per **accident**, incurred by an insured at **our** request. This includes, if requested by the insured, **loss** of actual wages or salary (but no other income) incurred by that insured, helping **us** settle or defend any claim or action upon **our** request. Verifiable proof of employment and/or lost wage or salary must be given to **us**. **We** have no duty to pay for lost wages or salary that cannot be verified.

E. All court costs taxed against the insured in any lawsuit" against the insured that **we** defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

EXCLUSIONS

PLEASE READ EXCLUSIONS CAREFULLY. IF ANY EXCLUSION APPLIES, THIS COVERAGE WILL NOT BE PROVIDED FOR AN ACCIDENT OR LOSS THAT OTHERWISE MIGHT BE COVERED UNDER THIS POLICY.

A. **We** do not provide Liability Coverage, nor do **we** have a duty to defend, for:
   1. **Bodily injury** or **property damage**:
      a. Caused intentionally by, or at the direction of, any insured;
      b. If the **accident** or its consequences were intended by any insured; or
      c. That is, or should be, reasonably expected to result from an intentional act of any insured;

      even if the actual **bodily injury** or **property damage** that results is different than that which was intended, or is sustained by a different **person** than intended.
   2. **Property damage** to property:
      a. **Owned** by;
      b. Rented to;
      c. Used by;
      d. Being transported by; or
      e. In the care, custody, or control of;

   you, a **relative** or an insured, including damage to **autos** being operated or towed by the insured.
   3. **Bodily injury** to:
      a. **You**;
      b. Any **owner**, officer or principal if **you** are an **organization**;
      c. Any **employee** or **temporary employee** of an insured;

d. Any fellow **employee** or fellow **temporary employee** of an insured;
e. Any **permissive operator**;
f. Any **undisclosed operator**;

arising out of:

a. the course of their employment;
b. while performing duties related to the conduct of **your** business; or
c. work performed on **your** behalf.

This exclusion applies whether the insured may be liable as an employer or in any other to pay damages because of the **bodily injury**. This exclusion does not apply to:

a. **Bodily injury** to a domestic **employee** or domestic **temporary employee** if benefits are neither paid nor required to be provided under any workers' compensation, disability benefits, or similar law. A domestic **employee** or domestic **temporary employee** is an **individual** engaged in household or domestic work performed in connection with **your** residential premises; or
b. Liability for **bodily injury** assumed by the insured under an **insured contract**. .

4. **Bodily injury** to any insured's spouse, child, parent, brother, sister or **relative**; when that **bodily injury** is caused by that insured.
5. **Bodily injury** or **property damage** arising out of the **ownership** or use of an **auto** while it is used by a **Transportation Network Company** driver who is logged onto a **Transportation Network Company**'s **digital network** but is not engaged in a **Transportation Network Company** prearranged trip or while the driver provides a **Transportation Network Company** prearranged trip.
6. Any obligation for which an insured or the insurer of that insured may be held liable under a worker's compensation, unemployment compensation, disability benefits law or any similar law.
7. **Bodily injury**, **property damage** or **loss** due to defects, deficiencies, inadequacies or dangerous conditions in **your** products or in work performed by **you** or on **your** behalf after it has been completed. This includes erroneous deliveries of materials, goods, or liquids into a wrong receptacle or to a wrong address and erroneous delivery of one product for another.

   This applies to guarantees or representations with respect to the fitness, quality, durability, or performance of **your** products or work performed.

   Your work will be deemed completed at the earliest of:

   a. When all of the work called for in **your** contract has been completed;
   b. When all of the work to be done at a specific site has been completed if **your** contract calls for work at more than one site; or
   c. When that part of the work done at a job site has been put to its intended use by any **person** other than another contractor or subcontractor working on the same project;

   even if the work needs service, maintenance, correction, repair, or replacement.

8. **Bodily injury** or **property damage** that occurs while any **person** is using an **auto** without the **owner**'s express or implied permission, or beyond the scope of the **owner**'s express or implied permission.
9. **Bodily injury** or **property damage** resulting from:
   a. The loading of property before it has been placed in or on a **covered auto**;
   b. The unloading of property after it has been taken off of or out of a **covered auto** once the property is no longer in physical contact with a **covered auto**;
   c. The loading or unloading of property by any device that is attached to a **covered auto**; or
   d. The loading or unloading of property by anyone who is not **you**, **your employee**, or **your temporary employee** listed on the **Declarations Page**.

10. **Bodily injury** or **property damage** resulting from:
    a. The loading of passengers before they have entered a **covered auto**;
    b. The unloading of passengers after exiting a **covered auto** once the passenger is no longer in physical contact with a **covered auto**;
    c. Moving of or assisting to move any **individual** not physically in contact with a **covered auto**; or
    d. The loading or unloading of passengers by anyone who is not **you**, **your employee**, or **your temporary employee** listed on the **Declarations Page**.
11. **Bodily injury** or **property damage** that arises out of, or is due to:
    a. The **ownership** or use of a **covered auto** or **mobile equipment** while transporting any **hazardous materials**; or
    b. **Hazardous materials**.
12. **Bodily injury** or **property damage** arising out of the **ownership**, maintenance or use of any vehicle while **racing**.
13. Any obligation for which the United States Government is held responsible under the Federal Tort Claims Act.
14. Any liability assumed by an insured under any contract or agreement unless the agreement is an **insured contract** that was executed prior to the occurrence of any **bodily injury** or **property damage**.
15. **Bodily injury** or **property damage** to any **person** that results from an **accident** that occurs while the insured is committing a **crime**.
16. **Bodily injury** or **property damage** caused by, or any consequence of:
    a. War, whether declared or undeclared;
    b. Civil war;
    c. Insurrection;
    d. Rebellion or revolution; or
    e. **Nuclear exposure**.
17. **Bodily injury** or **property damage** arising out of the **ownership**, maintenance or use of a **covered auto** as a residence or premises.
18. Court ordered criminal restitution.
19. **Bodily injury** or **property damage** resulting from the use or discharge of any firearm or weapon (whether or not in connection with the **ownership**, maintenance or use of any **auto**).
20. **Bodily injury** or **property damage** caused by or through the **ownership**, maintenance or use of any **mobile equipment** or other apparatus attached to, or pulled by, a **covered auto** except while a **covered auto** is in transit on a public roadway.
21. **Bodily injury** or **property damage** resulting from the explosion or discharge of Class A and B explosives, poisonous gas, liquid gas, compressed gas, or radioactive material and all other materials and/or commodities as listed in the Motor Carrier Act (49 CFR 173, 172.101, 173.389, 171.389, 171.8) which are manufactured, sold, transported, handled or distributed by an insured.
22. **Bodily injury** or **property damage** arising from the operation of any equipment including but not limited to:
    a. Air compressors;
    b. Pumps;
    c. Generators;
    d. Spraying equipment;
    e. Welding equipment;
    f. Cleaning equipment;
    g. Lighting equipment;
    h. Geophysical exploration equipment;
    i. Well servicing equipment;
    j. Cherry pickers or other devices used to raise or lower workers;
    k. Snow removal equipment; or

l. Road maintenance equipment;

whether or not the equipment is part of, or attached to, a **covered auto**.

23. **Bodily injury** or **property damage** if a **covered auto** is attached to a **trailer** not listed on the **Declarations Page** and the **trailer**:
    a. Is more than twelve (12) feet in length; or
    b. Has a load capacity of 2,000 lbs. or more; and
    c. Is **owned** by **you**, **your employee** or **temporary employee** or has been hired or borrowed by **you**, **your employee** or **temporary employee** for more than thirty (30) consecutive calendar days.
24. **Bodily injury** or **property damage** arising out of the actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of **pollutants** or hazardous material from a **covered auto** or any attached **trailer**, or from **mobile equipment**, or due to or from any other cause:
    a. That are contained in any property that is:
        i. Being transported or towed by, or handled for movement into, onto or from a **covered auto**;
        ii. Otherwise being transported by or on behalf of the insured; or
        iii. Being stored, disposed of, treated or processed in or upon a **covered auto**;
    b. Before the **pollutants** are moved from the place where they are accepted by the insured for movement into or onto a **covered auto**; or
    c. After the **pollutants** are moved from a **covered auto** to the place where they are delivered, disposed of or abandoned by the insured.

    This does not apply to fuels, lubricants, fluids or similar **pollutants** designed for and used for the customary and normal electrical, hydraulic or mechanical functioning of the **covered auto** if the **bodily injury** or **property damage** does not arise out of the operation of any **mobile equipment**.

25. Any damage, cost or expense arising out of any governmental direction or request that **you** test for, monitor, mitigate clean up, remove, contain, treat, detoxify, or neutralize **pollutants** or hazardous material.
26. **Bodily injury** or property arising out of, or is due to **Nuclear exposure**.
27. **Bodily injury** or **property damage** involving an **auto** while being used or maintained by any **person** when employed or engaged in **motor vehicle business**, unless that is **your** business, and it was so represented in **your** application.
28. Any liability imposed upon an insured by statute arising from the insured's sponsorship of a minor for an operator's license.
29. **Bodily injury** or **property damage** resulting from or caused by the movement of property by a mechanical device not permanently attached to a **covered auto**.
30. That occurs while any **individual**, who is specifically excluded from coverage under PART I - LIABILITY COVERAGE pursuant to a Named Driver Exclusion Endorsement or under any other provision of this Policy, is operating an **auto**.
31. For charges, fees, and administrative expenses for services performed by law enforcement and municipal personnel while responding to a motor vehicle **accident** or **loss**.
32. Liability arising out of the **ownership**, maintenance or use of a vehicle while it is being used to **carry individuals for compensation or a fee** or as a public or livery conveyance, unless **you** have indicated to **us** in **your** application that a **covered auto** is used for this purpose. This exclusion does not apply to a share-the-expense car pool whose members are on the way to or from the same place of employment.
33. Liability arising out of the **ownership**, maintenance or use of a vehicle while it is being used to **carry property for compensation or a fee**. This includes but is not limited to the pickup, transportation or delivery of food, magazines, newspapers or flowers. This exclusion does not apply if **you** have indicated on the application or **we** have received notice in writing that **your** business is a for-hire business transporting property.

34. **Bodily injury** or **property damage** resulting from the use of any **auto** by any **person** with a revoked or suspended driver's license or permit.

B. **We** do not provide Liability Coverage for, nor do **we** have a duty to defend, any insured for **bodily injury** or **property damage** arising out of the **ownership**, maintenance, or use of:
   1. Any vehicle which has less than four wheels, or which is designed for use mainly off public roads, including but not limited to any motorcycle, motorized bicycle, motorbike, trike, all-terrain or quad vehicle, dune buggy, go-kart, or golf cart. This exclusion does not apply to a **trailer** shown on the **Declarations Page**.
   2. Any vehicle, other than a **covered auto** that is:
      a. **Owned** by **you** or a **relative** ; or
      b. Furnished or available for use by **you** or a **relative**.
   3. Any vehicle, other than a **covered auto** that is:
      a. **Owned** by any **owner**, officer, principal, partner, **employee**, or **temporary employee** of **you**; or
      b. Furnished or available for the regular use of any **owner**, officer, principal, partner, **employee**, or **your temporary employee**.
   4. A **covered auto** that:
      a. Is being rented or leased, subleased, loaned or given by **you** or a **relative** to another party in exchange for money, value, goods, services, compensation or reimbursement;
      b. Has been given in exchange for compensation;
      c. Is under a conditional sales agreement by **you** to another; or
      d. Has been entrusted to anyone other than **you** or a **relative** for consignment; sale; promoting sale; subleasing; leasing; renting; or selling, and is no longer in **your** possession.
   5. Any **covered auto** rated as a commercial **auto** while it is operated or being used for **personal use** unless the **personal use** endorsement shows on the **Declarations Page**.
   6. Any **covered auto** or other vehicle that:
      a. Requires an MCS-90 filing; or
      b. Is used for transportation of goods or passengers.
   7. Any **covered auto** involved in a criminal act or omission of an insured person, regardless if the insured person is actually charged with, or convicted of, a **crime**. Traffic violations are not considered a criminal act in this exclusion.

LIMIT OF LIABILITY

A. The **Bodily Injury** limit of liability shown on the **Declarations Page** for "each **person**" or "per **person**" is the most **we** will pay for all covered damages, including **derivative claims**, arising out of and due to **bodily injury** sustained by any one **person** in any one **accident**. That limit of liability applies to all damages, including **derivative claims**, and shall constitute a single claim.

B. Subject to the limit for "each **person**" or "per **person**", the **Bodily Injury** limit of liability shown on the **Declarations Page** for "each **accident**" or "per **accident**" is the most **we** will pay for all covered damages, including **derivative claims**, arising out of and due to **bodily injury** resulting from any one **accident**.

C. The Property Damage limit of liability shown on the **Declarations Page** for "each **accident**" or "per **accident**" is the most **we** will pay for all covered damages due to **property damage** sustained in any one **accident**.

D. If the **Declarations Page** shows that a combined single limit ("CSL") applies, the limit of liability shown is the most **we** will pay for the total of all covered damages, including **derivative claims**, arising out of and due to **bodily injury** and/or **property damage** resulting from any one **accident**. Without changing this total CSL limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

E. There will be no adding, stacking or combining of coverage afforded to more than one **auto** or insured under this Policy. The limits of liability for **Bodily Injury** and Property Damage coverage shown on the **Declarations Page** are the most **we** will pay as a result of any one **accident** without regard to the number of:
   1. Insureds, heirs, survivors or wrongful death beneficiaries;
   2. Claimants;
   3. Claims made;
   4. Lawsuits filed;
   5. Vehicles or **trailers** insured under this Policy;
   6. Separate premiums paid or shown on the **Declarations Page**; or
   7. Vehicles involved in the **accident**.

F. A **covered auto** with an attached **trailer** is considered one **auto**. A **covered auto** that carries or tows **mobile equipment** is considered one **auto**. Therefore, the limit of liability will not be increased for an **accident** involving an **auto** with an attached **trailer**(s) or **mobile equipment**.

G. Any payment under PART I - LIABILITY COVERAGE will be reduced by any payment made to that **person** under the VIRGINIA MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT, or the UNINSURED MOTORIST COVERAGE ENDORSEMENT.

H. No one will be entitled to receive duplicate payments for the same element of **loss** or damages under PART I for which payment has been made:
   1. Under any other coverage provided by this Policy;
   2. By or on behalf of the **person** that may be legally responsible; or
   3. Under any other insurance including but not limited to, worker's compensation, disability or health coverage, or any other source of recovery.

I. For the purpose of determining **our** Limit of Liability, all **bodily injury** or **property damage** resulting from continuous or repeated exposure to substantially the same event, shall be considered as resulting from one **accident**.

J. If **we** have filed a certificate of insurance on **your** behalf with any regulatory or governmental agency, and:
   1. **We** are required to pay any judgment entered against **you**; or
   2. **We** agree to settle a claim or lawsuit;

   for **bodily injury** or **property damage** arising out of an **accident** or **loss** otherwise not covered under the terms of this Policy solely because of such certificate of insurance, **we** will be obligated to pay no more than the minimum amount required by that agency or applicable law. If any payment is based solely on such certificate, **you** must reimburse **us** in full for **our** payment, including legal fees and costs **we** incurred, whether the payment is made as a result of judgment or settlement.

OUT OF STATE COVERAGE

A. If an **accident** to which this Policy applies occurs in any **state** or province other than the one in which a **covered auto** is principally garaged (as show by the garaging address on the **Declarations Page** for that **auto**), **we** will interpret **your** Policy for that **accident** as follows: If the **state** or province has:
   1. A financial responsibility or similar law requiring a nonresident driver to maintain insurance with limits of liability for **bodily injury** or **property damage** higher than the limits shown on the **Declarations Page**, the limits of liability under this Policy that apply to that **accident** will be the minimum Liability Coverage limits required by the law in that **state** or province. However, **we** will not provide any Liability Coverage for an **accident** if the **Declarations Page** does not show **you** have purchased that Liability Coverage unless that **state** or province has a financial responsibility or similar law that requires **us** to do so; or
   2. A compulsory insurance or similar law requiring a non-resident to maintain insurance whenever the non-resident uses an **auto** in that **state** or province, this Policy will provide the greater of:

a. The required minimum limits and types of coverage; or
b. The applicable limits of liability provided for that insured under this Policy.

B. This extension does not apply to the limit or limits specified by any law governing commercial carriers of passengers or property.

C. **We** will not modify the coverage under this Policy if the **accident** involves a **covered auto** which is registered in or operated in a **state**, other than the **state** in which this Policy is issued, for thirty (30) days or more within the calendar year in which the **accident** occurred.

D. **We** will not pay anyone more than once for the same elements of **loss** because of this extension.

FINANCIAL RESPONSIBILITY REQUIRED

When this Policy is certified as proof of financial responsibility, this Policy will comply with the law of the **state** in which the Policy is written to the extent required. If **we** make a payment for an **accident** which is not covered under the terms of this Policy but which **we** paid solely to comply with the terms of a financial responsibility certification, **you** must reimburse **us** to the extent of such payment. **We** will be obligated to pay no more than the minimum amount required by any regulatory or governmental agency or applicable law.

OTHER INSURANCE

A. For any **covered auto** that is described on the **Declarations Page**, this Policy provides primary coverage unless that **auto** is hired or borrowed from **you**. For any **covered auto** that is described on the **Declarations Page** and is hired or borrowed from **you** and or used for someone else's business, even if it is operated by **you** or any of **your employees**, **temporary employees**, or **relatives**, coverage under this Policy will be excess over any and all other valid and collectible insurance, whether primary, excess or contingent. For any **covered auto** which is not described on the **Declarations Page**, coverage under this Policy will be excess over any and all other valid and collectible insurance, whether primary, excess or contingent. If coverage under more than one Policy applies on the same basis, either excess or primary, **we** will pay only **our** proportionate share. **Our** proportionate share is the proportion that the Limit of Liability of this Policy bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

B. If the other insurer refuses to defend, **we**:
   1. Will continue to defend where required by law;
   2. Shall be subrogated to the insured's rights against the other insurer;
   3. Reserve **our** rights against such insurer; and
   4. Do not waive any of **our** rights against the other insurer by continuing to defend.

C. Coverage for a **trailer** shown on the **Declarations Page** will be primary only if the **trailer** is attached to a **covered auto** is a power unit **you own** that is shown on the **Declarations Page** and for which coverage applies. Except in that instance coverage will be excess to all other insurance, self-insurance and bonds.

D. If any applicable insurance other than this Policy is issued by **us** and is applicable to a covered **accident**, the total amount payable among all such policies shall not exceed the limits provided by the single Policy with the highest limit of liability.

E. When two policies providing liability insurance apply to an **auto** and;
   1. One provides coverage to a Named Insured engaged in the **motor vehicle business**; and
   2. The other provides coverage to a **person** not engaged in the **motor vehicle business**; and

   the insurance applicable to the **motor vehicle business** shall be primary if permitted by law, and coverage under the other insurance shall be excess.

F. Nothing in this "Other Insurance" section creates, implies or expands coverage that does not already exist under the terms of this Policy.

PART II - COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

Subject to the limits of liability and all Policy terms, if **you** pay **us** the premium for this coverage for the **covered auto** and its permanently attached equipment which has been installed by the factory, dealer or retailer, **we** will pay for **loss** caused by:

A. **Collision** only if the **Declarations Page** shows that **Collision** Coverage is provided for that **auto**; or

B. **Comprehensive** only if the **Declarations Page** shows that **Comprehensive** Coverage is provided for that **auto**; or

C. **Fire and Theft with Combined Additional Coverage** only if the **Declarations Page** shows that **Fire and Theft with Combined Additional Coverage** is provided for that **auto**.

Our payment will be reduced by the applicable deductible shown on the **Declarations Page**.

Notwithstanding any of the foregoing, if a Stated Amount is shown on the **Declarations Page** for the **covered auto** and its permanently attached equipment which has been installed by the factory, dealer or retailer, **we** will not pay a **loss** under PART II for that **covered auto** in excess of the Stated Amount.

No coverage under this Part will apply to any **additional auto** or **replacement auto** at any time if such **auto** or its use is not an acceptable risk under **our** Rules in effect at the time the **auto** is added to the Policy. No coverage under this Part will apply to any temporary substitute or other **auto** not described here.

ADDITIONAL EQUIPMENT AND PARTS COVERAGE

A. If **you** pay **us** the premium for Additional Equipment and Parts Coverage and it is shown on the **Declarations Page** or on the applicable schedule, the limit of liability for **loss** to the additional equipment and parts specifically listed on the Application or on the applicable schedule will be the lowest of:
   1. The **actual cash value** of such additional equipment and parts reduced by the applicable deductible shown on the **Declarations Page** and its salvage value if **you** or the **owner** retain the salvage.
   2. The amount shown as the declared value of the additional equipment and parts on the Application or applicable schedule reduced by the applicable deductible shown on the **Declarations Page** and its salvage value if **you** or the **owner** retain the salvage.
   3. The amount necessary to repair the additional equipment and parts, reduced by the applicable deductible shown on the **Declarations Page**.
   4. The amount necessary to replace the additional equipment and parts, reduced by the applicable deductible shown on the **Declarations Page** and reduced by its salvage value if **you** or the **owner** retain the salvage.

B. **Additional Equipment and Parts** Coverage applies only if:
   1. **You** have purchased **Collision** Coverage for the **covered auto** containing the **additional equipment and parts** and the **loss** falls under that coverage;
   2. **You** have purchased **Comprehensive** Coverage for the **covered auto** containing the **additional equipment and parts** and the **loss** falls under that coverage; or
   3. **You** have purchased **Fire and Theft with Combined Additional Coverage** for the **covered auto** containing the **additional equipment and parts** and the **loss** falls under that coverage.

SUPPLEMENTARY PAYMENTS

In addition to **our** limit of liability, **we** will pay:

A. Towing expenses which **we** consider reasonable, not to exceed $500 per **loss**, to remove a **covered auto** that is non-drivable from the site of a covered **accident** or **loss** and transport it to a repair facility. This applies only when **Collision** Coverage, **Comprehensive** Coverage or **Fire and Theft with Combined Additional Coverage** applies to that **covered auto** for that **loss**.

B. Storage expenses up to $25 per day, not to exceed $250 per **loss** (including all fees), for storage charges. This applies only if **Collision** Coverage, **Comprehensive** Coverage or **Fire and Theft with Combined Additional Coverage** applies to that **covered auto** for that **loss**.

ADDITIONAL DEFINITIONS: PART II - COVERAGE FOR DAMAGE TO YOUR AUTO

When used in this PART II

A. "**Collision**" means when a **covered auto** collides with another object or is hit, overturns, rolls, flips or is otherwise upset and damaged.

B. "**Comprehensive**" and "**Other Than Collision**" includes, but is not limited to, **loss** caused by:
   1. Missiles or falling objects;
   2. Fire or lightning;
   3. Theft or larceny;
   4. Explosion or earthquake;
   5. Windstorm;
   6. Hail, flood or rising water;
   7. Malicious mischief or vandalism;
   8. Riot or civil commotion;
   9. Impact with a bird or animal; or
   10. Breakage of glass, except breakage of glass caused by a collision.

C. "**Additional equipment and parts**" means installed equipment, devices, accessories, changes and enhancements, other than those installed by the original manufacturer, which alter the appearance, function or performance of an **auto**. This includes, but is not limited to, such items as:
   1. Bedliners;
   2. Body or suspension alterations;
   3. Custom or special wheels or tires;
   4. Custom painting;
   5. Custom windows;
   6. Graphics;
   7. Ground effects;
   8. Light bars;
   9. Murals;
   10. Roll bars;
   11. Side exhausts;
   12. Spoilers; or..
   13. Utility boxes; .

   Additional equipment and parts also includes, but is not limited to, such items as any electronic equipment; antennas; and other devices used exclusively to send or receive audio, visual or data signals or play back recorded media.

   Additional equipment and parts does not include:

   1. Booms, drill rigs, welders, winches or hazard lights not permanently attached to a **covered auto**.
   2. Chains, tarpaulins, binders, cargo securing devices.
   3. Lifts and removable sides that are not permanently installed.
   4. Custom paint work or body work, including lettering, decals and vehicle wraps.

D. "**Finance agreement**" means a written lease or loan contract, entered into, as a part of **your** business pertaining to the lease or purchase by **you** of a **covered auto** and subject to a valid promissory note or written payment obligation contained in a lease, and security agreement or other written agreement establishing a security interest, executed concurrently with the purchase or lease of the **covered auto**.

E. "**Fire and Theft with Combined Additional Coverage**" means **loss** caused by:
   1. Fire or lightning;
   2. Smoke or smudge due to a sudden, unusual, and faulty operation of any fixed heating equipment serving the premises on which a **covered auto** is located;
   3. The stranding, sinking, burning, collision, or derailment of any conveyance in or upon which a **covered auto** is being transported;
   4. Windstorm, hail, earthquake, explosion, flood or rising waters;
   5. The forced landing or falling of any aircraft or its parts or equipment;
   6. External discharge or leakage of water except **loss** resulting from rain, snow, sleet, whether or not wind-driven;
   7. Malicious mischief or vandalism;
   8. Theft, larceny, robbery, or pilferage; or
   9. Impact with a bird or animal.

   No **loss** other than those specifically described above will be covered under **Fire and Theft with Combined Additional Coverage**.

   F. "**Original equipment manufacturer**" and "**OEM**" mean parts or items for an **auto**:
      1. Produced and/or installed by the manufacturer of the **auto**; or
      2. Produced by a vendor of the manufacturer of the **auto** that the manufacturer intends as a part of the **auto** or manufacturer's option when the **auto** is new.

EXCLUSIONS

PLEASE READ EXCLUSIONS CAREFULLY. IF ANY EXCLUSION APPLIES, THIS COVERAGE WILL NOT BE PROVIDED FOR AN ACCIDENT OR LOSS THAT OTHERWISE MIGHT BE COVERED UNDER THIS POLICY.

A. **We** will not pay for:
   1. **Loss**:
      a. Caused intentionally by, or at the direction of, **you** or any **relative**; or
      b. That is, or should be, reasonably expected to result from an intentional act of **you** or any **relative**;

      even if the actual **loss** or damage is different than that which was intended.
   2. **Loss** arising out of the **ownership**, maintenance or use of a vehicle while it is being used to **carry individuals for compensation or a fee** or as a public or livery conveyance, unless **you** have indicated to **us** in **your** Application that a **covered auto** is used for this purpose. This exclusion does not apply to a shared-expense car pool whose members are on the way to or from the same place of employment.
   3. **Loss** arising out of the **ownership**, maintenance or use of a vehicle while it is being used to **carry property for compensation or a fee**, unless **you** have indicated to **us** in **your** Application that a **covered auto** is used for this purpose.
   4. **Loss** to portable equipment, sound equipment, video equipment, transmitting equipment, other electronic devices, accessories that are not permanently installed and declared and for which any additional premium due has been paid. This includes, but is not limited to:
      a. Personal computers, telephones, DVD players, two-way mobile radios, communication devices and televisions;
      b. Any other accessories used with electronic equipment designed to receive or transmit audio, visual or data signals; and
      c. Telematic, navigation and GPS devices

5. **Loss** to equipment designed or used for the detection or location of radar, laser or other speed measuring equipment or its transmission.
6. **Loss** to camper units or other detachable living quarter units.
7. **Loss** to pickup covers, caps or shells not permanently attached to a **covered auto**.
8. **Loss** to equipment such as booms, drill rigs, welders, winches or hazard lights not permanently attached to a **covered auto**.
9. **Loss** to chains, tarpaulins, binders, cargo securing devices, lifts or removable sides that are not permanently installed.
10. **Loss** to any custom paint work or body work, including lettering and decals and vehicle wraps.
11. **Loss** to booms, drill rigs, welders, winches or hazard lights not permanently attached to a **covered auto**.
12. **Loss** to equipment designed or used to jam or disrupt any speed measuring equipment.
13. Damage due and confined to:
    a. Wear and tear;
    b. Freezing;
    c. Mechanical, electronic or electrical breakdown or failure;
    d. Deterioration, rust or corrosion; or
    e. Blowouts, punctures or other road damage to tires.
    f. Engine or other component damage resulting from the addition of improper fuel, diesel exhaust fluid or other fluid.

    This exclusion does not apply if the damage results from the total theft of a **covered auto** to which **Comprehensive** Coverage or **Fire and Theft with Combined Additional Coverage** under this Policy applies.
14. **Loss** to a **covered auto** being maintained or used by any **person** while employed or otherwise engaged in any **motor vehicle business** unless that business is yours and it was disclosed to **us** by **you** in **your** Application.
15. **Loss** to wearing apparel, tools or personal effects.
16. **Loss** that occurs while a **covered auto** is being used in any illicit trade or transportation or in the course of committing a **crime**. This does not apply to **loss** that occurs when the **covered auto** has been stolen.
17. **Loss** due to the use of a **covered auto** for transportation of any explosive substance, flammable liquid, or **hazardous materials**.
18. **Loss** to a **covered auto** while such **auto** is engaged in **racing**.
19. **Loss** to a **covered auto** while it is subject to any bailment lease, mortgage or other encumbrance not specifically declared and described in this Policy.
20. **Loss** to a **trailer you own** that is not shown on the **Declarations Page**.
21. **Loss** to a **covered auto** while in anyone else's possession under a written **trailer** exchange agreement. If **we** are compelled by law or otherwise to pay a **Loss** Payee or lienholder, **you** must reimburse **us** for payment.
22. **Loss** due to theft, larceny or **conversion** of a **covered auto** or its equipment:
    a. By **you**, a **relative**, any other **individuals** listed as a driver on the **Declarations Page** or an **employee** or **temporary employee**;
    b. Where there is no visible sign of forced entry into the **covered auto**; or
    c. Prior to its delivery to **you**.
23. **Loss** to a **covered auto** due to or as a consequence of:
    a. Destruction, seizure or confiscation by government or civil authorities for any reason; or
    b. Repossession by any entity acting on behalf of the **owner** of the **covered auto**. If **we** are compelled by law or otherwise to pay a **Loss** Payee or lienholder, **you** must reimburse **us** for that payment.
24. Damage caused directly or indirectly by any of the following:
    a. Water leakage or seepage;
    b. Wet or dry rot;
    c. Rust or corrosion;

   d. Dampness of atmosphere or extremes of temperature;
   e. Deterioration or disintegration; or
   f. Delamination; unless caused by any other **loss** covered under this PART II.
25. **Loss** arising out of or resulting from, in whole or in part, any actual, alleged, or threatened migration; release; existence; or presence of, or actual, alleged, or threatened exposure to, **hazardous materials**.
26. **Loss** caused directly or indirectly by or as any consequence of:
   a. War, whether declared or undeclared;
   b. Warlike action by a military force, including action hindering or defending against an actual or expected attack, action or activity by any government, sovereign, **organization** or other authority using military personnel or similar agents;
   c. Civil war;
   d. Civil unrest, attempts to usurp governmental power, or action taken by governmental authority to hinder or defend against any of these;
   e. Insurrection;
   f. Rebellion or revolution; or
   g. **Nuclear exposure**.
27. **Loss** to a **covered auto** while being used in any manner by an **undisclosed operator**.
28. **Loss** to a **covered auto** while being used in any manner by any **individual** who is specifically excluded from coverage under this Policy by the **named insured**, if the **named insured** is an **individual**, or by an authorized representative if the **named insured** is an **organization**.
29. **Loss** to a **covered auto** or its equipment prior to its delivery to **you**.
30. Damage due and confined to:
   a. Prior **loss** or damage;
   b. Manufacturer's defects or faulty materials; or
   c. **Your** lack of routine and/or proper maintenance as prescribed by the manufacturer.
31. **Loss** resulting from the purchase of a **covered auto** from any **person** other than the **auto**'s rightful **owner**.
32. Amounts incurred for:
   a. Mileage;
   b. Fuel;
   c. Collision damage waiver;
   d. Navigation devices;
   e. Insurance; or
   f. Tolls.
33. **Loss** arising out of the operation of a **covered auto** by any driver who at the time of the **accident** does not possess the correct class of license for the **covered auto** being operated.
34. **Diminution in value.**
35. **Loss** arising out of the **ownership** or use of an **auto** while it is used by a **Transportation Network Company** driver who is logged onto a transportation network company's **digital network** but is not engaged in a **Transportation Network Company** prearranged trip or while the driver provides a **Transportation Network Company** prearranged trip.
36. **Loss** to a commercial **auto** when used as **personal use**, unless the **personal use** endorsement shows on the **Declarations Page**.

B. **We** do not provide coverage under this Part for **loss** arising out of the **ownership**, maintenance or use of:
   1. Any vehicle that has less than four wheels or which is designed for use mainly off public roads including but not limited to any motorcycle, motorized bicycle, motor bike, trike, all-terrain or quad vehicle, dune buggy, go-kart, or golf cart.

2. A **covered auto** that:
   a. Has been rented, leased, subleased, loaned or given by **you** or a **relative** to another party in exchange for money, value, goods, services, compensation or reimbursement;
   b. Has been given in exchange for compensation;
   c. Is under a conditional sales agreement by **you** to another; or
   d. Has been entrusted to anyone other than **you** or a **relative** for consignment; sale; promoting sale; subleasing; leasing; renting; or selling and is no longer in **your** possession.

LIMIT OF LIABILITY

A. **Our** limit of liability for **loss** shall not exceed the lowest of the:
   1. Actual cash value reduced by:
      a. The applicable deductible shown on the **Declarations Page**; and
      b. Its salvage value if **you** or the **owner** keep the salvage;
   2. Amount necessary to replace the stolen or damaged property, or its parts if the **loss** is limited to parts, reduced by:
      a. The applicable deductible shown on the **Declarations Page**; and
      b. Its salvage value if **you** or the **owner** keep the salvage;
   3. Amount necessary to repair the physical damage to the **covered auto**, or its parts if the **loss** is limited to parts, to return it to its pre-**loss** physical condition, reduced by the applicable deductible shown on the **Declarations Page**; or
   4. Stated Amount, if one is shown on the **Declarations Page**, reduced by:
      a. The applicable deductible shown on the **Declarations Page**; and
      b. Its salvage value if **you** or the **owner** keep the salvage.

   However, if there is a finance agreement in place for the **covered auto**, subject to the Stated Amount shown on the **Declarations Page**, the most **we** will pay for a total **loss** where a finance agreement exists and the Stated Amount is equal to or greater than the outstanding financial obligation, is the greater of:

   a. The outstanding financial obligation under the finance agreement for the **covered auto**; or
   b. The **actual cash value** at the time of the **loss**.

   In no event will **we** pay more than the Stated Amount shown on the **Declarations Page**.

B. A deduction for **depreciation** and betterment will be made from the amount **we** will pay for repair or replacement of the damaged or stolen property, or any part thereof, if the repair or replacement results in better property or in a better part with regard to:
   1. Its market value;
   2. The useful life of the part; or
   3. The improvement of the condition of the **auto** considering wear and tear and damage that existed prior to the **loss**.

   Our adjustment to the amount payable by **us** due to betterment or **depreciation** on parts replaced includes, but is not limited to:

   1. Batteries;
   2. Tires;
   3. Engines;
   4. Transmissions; and
   5. Any other parts that wear out over time or have a finite useful life or duration shorter than the life of the **auto** as a whole. This does not include external crash parts, wheels, windshields or other glass.

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

D. In repairing damaged property, **we** may specify the use of mechanical, non-safety related automobile parts not made by the original manufacturer (i.e., non-**OEM** parts). These parts will be at least equal in terms of fit, quality, performance and warranty to the original manufacturer parts they replace. Warranties applicable to non-**OEM** parts may be provided by the manufacturer or distributor of these parts rather than the manufacturer of the **covered auto**. If **we** specify the use of non-**OEM** parts, **we** will identify each such part on **your** repair estimate.

E. In determining the amount necessary to repair the damaged parts, **we** will not pay more than the prevailing competitive labor rates charged in the area in which the property is to be repaired. **We** will also not pay more than the cost of repair or replacement parts as reasonably determined by **us**. **Our** liability for the cost of repairing damaged property is limited to the amount needed to perform physical repairs to the stolen or damaged property.

F. In the event of a total **loss** to an **auto** listed on the **Declarations Page**, **you**, or someone on **your** behalf, must give **us** the key or fob to that **auto** at **our** request. If **we** are not given the key or fob to that **auto**, **we** will reduce any amount payable to **you** by $250 because of:
   1. The cost in duplicating the key or fob; or
   2. The **loss** in salvage value. This provision will not apply if **you** or the **owner** keep the salvage.

G. Payments for **loss** covered under this PART II are subject to the terms set forth here:
   1. If a **loss** involves multiple **covered autos**, the applicable deductible shown on the **Declarations Page** for each **covered auto** shall apply.
   2. In determining the amount necessary to repair damaged property to its pre-**loss** physical condition, the amount to be paid by **us** will be based on the cost of repair or on the cost of replacement parts and equipment which may be new, reconditioned, remanufactured or used including, but not limited to:
      a. **Original manufacturer parts** or equipment (**OEM**); and
      b. Non-**OEM** parts or equipment.
   3. The **actual cash value** is determined by the market value, age and condition of the vehicle at the time the **loss** occurs.
   4. Duplicate recovery for the same elements of **loss** is not permitted. No one will be entitled to receive duplicate payments for the same elements of **loss** under this coverage and:
      a. Any other coverage provided by this Policy; or
      b. Under any other insurance or source of recovery.
   5. If **your covered auto** is an **additional auto** that **you** have requested to be added to **your** Policy within seven (7) days of **your** acquisition of the **auto**, and no deductible has been designated for the **additional auto** prior to the **loss**, then **we** will apply the highest deductible listed for any one **auto** shown on the **Declarations Page** to that **additional auto**.
   6. If **your covered auto** is a **replacement auto** that **you** have requested to be on **your** Policy within seven (7) days of **your** acquisition of the **auto**, and no deductible has been designated for the **replacement auto** prior to the **loss**, then **we** will apply the deductible that was listed on the **Declarations Page** for the replaced **auto** to that **replacement auto**.
   7. No deductible will apply to a **loss** to window safety glass.

H. If **we** pay **your** financial obligation under a finance agreement, **we** will not pay:
   1. Overdue finance agreement payments including any type of late fees or penalties;
   2. Financial penalties imposed under a finance agreement for excessive use, abnormal wear and tear, or high mileage;
   3. Security deposits not normally refunded by the lessor or lender;

4. Cost of finance agreement related products such as, but not limited to, Credit Life Insurance, Health, **Accident** or Disability Insurance purchased by **you**;
5. Carry-over balances from previous finance agreement or other amounts not associated with the **covered auto**; or
6. Unpaid principal included in the outstanding finance agreement balance that was not used by **you** to purchase the **covered auto**.

I. For any **loss** to which Uninsured Motorist Coverage (from this or any other policy) and coverage under this Part II both apply, **you** may choose the coverage from which damages will be paid. **You** may recover under both coverages, but only if:
   1. Neither one by itself is sufficient to cover the **loss**;
   2. **You** pay the higher applicable deductible amounts (but **you** do not have to pay both deductibles); and
   3. **You** will not recover more than the actual damages.

PAYMENT OF LOSS

A. At **our** option and subject to all Policy terms and the Limits of Liability, **we** may:
   1. Pay for, repair or replace damaged or stolen property;
   2. Return the stolen property to **you** or to the address last known by **us** at **our** expense. **We** will pay for direct physical damage to a **covered auto** resulting from the theft if covered per the terms of this Part II; or
   3. Keep all or part of the damaged or stolen property at the agreed or appraised value, but there shall be no abandonment to **us**.

B. **We** may make payment for a **loss** to **you**, the **owner** of the property, the repair facility or to any designated lienholder and/or **Loss** Payee. Payment for a **loss** is required only if **you** have fully complied with the Policy provisions.

C. When **we** make a payment of any amount due under this PART II to **you**, the lienholder and/or **Loss** Payee, or to anyone on **your** behalf, if the Policy has cancelled or expired, **we** may deduct from the payment any premium or fees that are due and unpaid under the Policy.

D. If **we** make a payment for theft or total **loss** of an **auto**, **you** or the **owner** must transfer the title of that **auto** to **us** at or before **we** will make payment, unless **you** or the **owner** keep the salvage of a totaled **auto**.

E. A party with an additional interest in a **covered auto**, a **Loss** Payee or lienholder shall have no greater rights than **your** rights to recover for a **loss**.

F. Regardless of the damage to a **covered auto**, no vehicle may be abandoned with **us**.

G. In the repair of any **covered auto**, **we** may specify the use of parts not made by the original manufacturer (non-OEM).

H. For a covered total **loss** to a **covered auto**, **our** payment also will include: 1. sales tax imposed; and 2. license, title, transfer of **ownership** and/or registration fees; when required by **state** law.

PERMISSION TO RELEASE VEHICLE

This Policy allows **us** to act as an agent on **your** behalf in the event a **covered auto** is non-drivable and incurring storage and/or any additional **accident** or **loss** related expenses; thus conferring authority for **us** to move the **covered auto** to a secure, storage free inspection facility.

SALVAGE

If **we** pay the **actual cash value** of **your covered auto** less the deductible, or if **we** pay the amount necessary to replace **your covered auto** less the deductible, **we** are entitled to all salvage. If **your covered auto** is a total loss and **we** pay the applicable Limit of Liability or Stated Amount as shown on the **Declarations Page** less the deductible, **we** are entitled to the same percent of salvage as **our** payment bears to the **actual cash value** of **your covered auto**.

NO BENEFIT TO BAILEE

This insurance shall not in any way benefit directly or indirectly any **person** or other bailee caring for or handling property for a fee.

OTHER INSURANCE OR SOURCES OF RECOVERY

If other insurance 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 limits of all applicable limits. Any applicable deductible of this Policy will be taken in a proportionate share based on the applicable deductibles of each policy.

Nothing in this "Other Insurance or Sources of Recovery" section creates or expands coverage that does not already exist under the terms of this Policy.

APPRAISAL

A. 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, licensed, and impartial appraiser and notify the other of the appraiser selected within twenty (20) days of such demand. The two appraisers will select an umpire.

   If the appraisers are unable to agree upon an umpire within fifteen (15) days, **we** or **you** may request that a judge of a court of record, in the county in which the property covered is located, select an umpire. The appraisers shall then appraise the **loss**, stating separately the **actual cash value** and **loss** to each item; and, failing to agree, shall submit their differences, only, to the umpire. An award in writing, so itemized, of any two when filed with **us** shall determine the amount of **actual cash value** and **loss**. Each party will:

   1. Pay its chosen appraiser; and
   2. Bear the expenses of the appraisal and umpire equally.

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

C. Appraisers have authority only to decide the amount of the **loss**. The appraisers have no authority to:
   1. Make any coverage decisions under the Policy; or
   2. Award any fees, interest or costs.

LOSS PAYABLE CLAUSE

A. Subject to all the terms of this Policy, **loss** or damage shall be paid, as interest may appear, to the **named insured** and/or the **Loss** Payee shown on the **Declarations Page**, both jointly or separately, at **our** discretion.

B. The **Loss** Payee's interest will not be protected if the **loss** results from **your** fraudulent acts or omissions, **conversion**, secretion or embezzlement of a **covered auto** or if the **loss** is not payable to **you** under the terms of this Policy.

C. **We** reserve the right to cancel or non-renew this Policy as permitted by Policy terms and **state** law. The cancellation or nonrenewal shall terminate this agreement as to the **Loss** Payee's interest. If **we** are required by law or regulation to give the **Loss** Payee notice of cancellation, **we** will give such notice in accordance to such law or regulation. In addition, any continuance of coverage protecting the **Loss** Payee's interest shall terminate when this Policy is cancelled, nonrenewed, rescinded or otherwise terminated, or on the effective date of a policy contract or insurance binder for similar coverage issued by another insurance carrier.

D. In the event the **Loss** Payee makes a claim under this Policy, the **Loss** Payee is required to abide by all terms, duties and conditions of this Policy that apply to **you**, and **Loss** Payee has no greater rights than **you** to receive payment.

E. When **we** pay the **Loss** Payee, **we** shall, to the extent of payment, be subrogated to the **Loss** Payee's rights of recovery.

F. This clause creates no rights for a **Loss** Payee or lienholder that is not designated as a **Loss** Payee and shown on the **Declarations Page** for that **covered auto**.

GENERAL PROVISIONS

ADDITIONAL DEFINITIONS USED IN THIS SECTION

The following words or phrases, whether or not printed in boldfaced type, will have the following meaning throughout these General Provisions:

A. "Mail", "mailing" or "mailed" means delivery or transmittal by **us** using:
   1. United States Postal Service;
   2. Public or private mail carrier;
   3. Electronic transmission, if not prohibited by **state** law, including but not limited to email; or
   4. Any other communication method allowed by law.

B. "Proof of mailing" means sufficient evidence that a correspondence or notice has been presented to the United States Postal Service for mailing. Proof of mailing includes, but is not limited to, any form of certificate of mailing or certificate of bulk mailing issued by the United States Postal Service, including a Certificate of Bulk Mail or any other form allowed by **state** law.

BANKRUPTCY

Bankruptcy or insolvency of the insured shall not relieve **us** of any obligations under this Policy. If execution of a judgment against an insured is returned unsatisfied because of the bankruptcy or insolvency of the insured, a **person** claiming damages under PART I - LIABILITY COVERAGE may maintain an action against **us** for the amount of the judgment, subject to the terms and conditions of this Policy and not exceeding **our** Limits of Liability under PART I.

CHANGES

A. This Policy, along with the **Declarations Page**, as amended, and Application, which are incorporated into and made part of this Policy as if attached hereto, and any endorsements issued by **us**, contain all the agreements between **you** and **us**. Its terms may not be changed or waived except in writing by **us**.

B. The premium for each **covered auto** is based on information **we** have received from **you** or other sources. **You** agree:
   1. That if any of this information material to **our** determination of the Policy premium is incorrect, incomplete or changed and not communicated to **us** as required by this Policy, **we** may adjust the premium accordingly during the Policy period or take other action permitted by law.
   2. To cooperate with **us** in determining if this information is correct and complete.
   3. That **you** have a continuing duty to report and advise **us** of any changes including the following which **we** deem material to **our** determination of the Policy premium:
      a. The number or types of **covered autos** including when **you** acquire, sell or dispose of an **auto**;
      b. The driver(s) or operator(s) using the **autos** insured under **your** Policy;
      c. People **residing** in **your** household;
      d. **Your** mailing or business address;
      e. The principal place where **you** garage each of the **covered autos**;
      f. The use of the **covered autos**;
      g. **You**, a **relative** or a **permissive operator** obtains a driver's license or operator's permit or has a driver's license revoked, suspended or reinstated;
      h. The marital status of **you**, a **relative** or any regular operator;
      i. Coverages, coverage limits or deductibles;
      j. Eligibility for discounts or surcharges or other premium credits or debits; or
      k. Other factors permitted by law.

C. Any change of **your** premium will be made using **our** rules in effect at the time of the change. Changes that may affect the Policy premium include, but are not limited to, changes in:

1. **Autos** and **trailers** insured under the Policy;
2. The type of customary use of any **covered auto**;
3. Regular or frequent drivers of a **covered auto**;
4. Coverages or coverage limits;
5. Principal place where **you** garage any of the **covered autos**;
6. Eligibility for discounts or surcharges or other premium credits or debits;
7. Marital status of a regular or frequent drivers or a driver **residing** in **your** household; or
8. Other factors permitted by law.

D. **We** may revise **your** Policy coverages to provide more protection without additional premium charge. If **we** do this and **you** have the coverage which is changed, **your** Policy will automatically provide the additional coverage as of the date the revision is effective in **your state**. This does not apply to changes made with a general program revision that includes both broadening and restrictions in coverage, whether that general program revision is made through introduction of a subsequent edition of **your** Policy or an amendatory endorsement.

E. If **you** ask **us** to delete an **auto** from coverage, no coverage will apply as of the date and time **you** ask **us** to delete such **auto**.

F. If **we** make a change to this Policy during the Policy period that broadens any coverage without an additional premium charge, **you** will have the broadened coverage if that coverage is in effect on the date of change. The effective date of a change will be the date **we** implement that change in the **state** in which the Policy is written.

G. Notice to any agent or knowledge possessed by an agent or other **person** shall not change, effect or waive any portion of this Policy nor stop **us** from asserting any of **our** rights under this Policy.

H. Nothing contained in this section will limit **our** right to rescind or void this Policy due to fraud, misrepresentation or concealment of any material fact by **you**, or anyone acting on **your** behalf.

CONTINUING DUTY TO REPORT CHANGES

A. **You** have a continuing duty to report to **us** all changes, including additions and deletions, in Policy information. This includes, but is not limited to, changes in:
   1. **Your** mailing address or **your** residence address;
   2. The principal garaging address of any **covered auto**;
   3. The residents in **your** household;
   4. The **individuals** of legal driving age **residing** in **your** household;
   5. The **individual**(s) who regularly or frequently operate a **covered auto**;
   6. An operator's marital status; or
   7. The driver's license or operator's permit status of **you**, a **relative**, or a regular operator .
   8. The use of the **autos** insured under the Policy, this includes the use of the vehicle to carry **persons** or property for compensation or a fee, **TNC** prearranged trips, limousine, or taxi service, livery conveyance, including not-for-hire livery, or for retail or wholesale delivery, including but not limited to, the pick-up, transport, or delivery of magazines, newspapers, mail, or food.

B. All new **employees** must be added to the Policy within thirty (30) days of their hire date.

LEGAL ACTION AGAINST US

A. No legal action may be brought against **us** until there has been full compliance with all the terms of this Policy. In addition, under PART I - LIABILITY COVERAGE, no legal action may be brought against **us** unless:
   1. **We** agree in writing that the insured has an obligation to pay for damages due to a covered **accident**; or
   2. The amount of that obligation has been finally determined by judgment after trial.

B. No **person** has any right under this Policy to bring legal action against **us** or to make **us** a party to any legal proceeding to determine the liability of an insured.

C. If **we** pay the **actual cash value** of a **covered auto**, less deductible, **we** are entitled to all or part of the salvage at the agreed or appraised value. If **we** retain salvage, **we** have no duty to preserve or otherwise retain the salvage for any purpose, including as evidence for a legal proceeding absent any specific and formal written request to do so. **You** do not have the right to abandon salvage to **us**.

D. Except as provided for in this Policy, any lawsuit against **us** for benefits under any part of this Policy, or any lawsuit filed against **us** by an insured following an **accident**, must be commenced within the time period set forth in the **bodily injury** statute of limitations in the law of the **state** where the **accident** occurred.

OUR RIGHT TO RECOVER PAYMENT (SUBROGATION / REIMBURSEMENT)

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 to the extent allowed by law. That **person** shall:
   1. Do whatever is necessary to enable **us** to exercise **our** rights;
   2. Do nothing after an **accident** or **loss** to prejudice **our** rights;
   3. Deliver to **us** any legal papers relating to that recovery;
   4. Take the necessary or appropriate action, through a representative designated by **us**, to recover payment as damages from the responsible **person**. If there is a recovery, then **we** shall be reimbursed out of the recovery for expenses, costs and attorney's fees incurred in connection with this recovery; and
   5. Execute and deliver to **us** any legal instruments or papers necessary to secure the rights and obligations of the insured and **us** as established here.

   However, **our** rights under this paragraph A. do not apply under PART II of this Policy against any **person** using a **covered auto** with the **owner**'s express or implied permission and within the scope of that permission.

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 to the extent allowed by law:
   a. Hold in trust for **us** the proceeds of the recovery; and
   b. Reimburse **us** to the extent of **our** payment. In the event recovery has already been made from the responsible party, any rights to recovery by the **person(s)** claiming coverage under this Policy no longer exist.

C. If **we** pursue recovery for **property damage**, or **loss** under PART II, from a liable party:
   a. **You** permit **us** to seek recovery of any deductible that may apply, but **we** have no duty to do so. **We** will notify **you** if **we** do not intend to collect the deductible.
   b. **We** reserve the right to compromise or settle the deductible and **property damage** claims against the responsible parties for less than the full amount. For those sums, **you** agree to be bound by:
      i. A settlement agreement entered into by **us** and the liable party; or
      ii. The outcome of appraisal or arbitration.
   c. If the total recovery is less than the total of **our** payment and the deductible, **we** will reduce reimbursement of the deductible to **you** based on the proportion that the actual recovery bears to the total of **our** payment and the deductible.
   d. Any reimbursement to **you** by **us** will be reduced by a proportionate share of expenses and attorney fees incurred due to the recovery.

D. If **we** make payment under PART II:
   a. If an insured has prosecuted to judgment any suit against any **person** responsible, **we** will be entitled to an assignment of the judgment to the extent of payment made under this insurance. **We** will pay **our** proportionate part of any reasonable costs and expenses incurred for any recovery, including reasonable attorneys' fees; and

   b. **We** reserve the right to retain an attorney of **our** choice to pursue a claim instead of payment of attorneys' fees.

E. If **we** make a payment to, or on behalf of, anyone insured under this Policy which is not covered by this Policy but is compelled by law then, to the extent allowed by law, **you** must reimburse **us** to the full extent of all **loss** or damages paid by **us** and **our** claims adjustment expenses.

F. **We** will not assert **our** recovery rights against any **person** using a **covered auto** with **your** permission for any payment made under PART II – COVERAGE FOR DAMAGE TO YOUR AUTO.

POLICY PERIOD AND TERRITORY

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

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

   This Policy also applies to covered accidents or covered **losses** while the **covered auto** under this Policy is being transported between the ports of these locations.

PREMIUM DUE ON POLICIES

A. An affiliate or business partner of ours may provide **you** with special offers that may be applied toward the premium to purchase a Policy issued by **us**. **We** may also provide **you** with special offers that may be applied toward the purchase of products offered by an affiliate or business partner of ours.

B. In addition, **our** affiliate or business partner may:
   1. Provide **you** with special offers toward the purchase of a product or service provided through or by **our** affiliate or business partner;
   2. Make a contribution on **your** behalf to an educational or charitable fund under a program sponsored through or by **our** affiliate or business partner; or
   3. Make a contribution toward any educational or charitable fund of **your** choice.

POLICY TERMINATION

A. Cancellation
   1. This Policy may be cancelled during the Policy period as follows:
      a. **You** may cancel by:
         i. Returning this Policy to **us**; or
         ii. Giving **us**, or **our** authorized representative, advance notice of the date cancellation is to take effect. The effective date of the cancellation shall be either the date **we** receive such notice or the date specified in the notice, whichever is later.
            a) **We** may, at **our** option, waive the requirement that the notice **state** a future date for cancellation and cancel the Policy as of the effective date shown in the notice.
            b) If **we** have made a filing or submitted a certificate of insurance on **your** behalf with a regulatory or governmental agency, **we** may require that any cancellations be made effective with a future date to comply with notice of cancellation requirements of that regulatory or governmental agency.
      b. **We** may cancel this Policy by mailing a notice of cancellation to the **named insured** at the address last known by **us**:
         i. At least fifteen (15) days' notice if cancellation is for nonpayment of premium; or
         ii. At least fifteen (15) days' notice if cancellation is mailed during the first ninety (90) days of the initial Policy term; or

        iii. At least thirty (30) days' notice if cancellation is for any other reasons.
2. When this Policy has been in effect for less than ninety (90) days, **we** may cancel this Policy for any lawful reason.
3. After this Policy is in effect for ninety (90) days, or if this is a renewal or continuation Policy, **we** will cancel only for one or more of the following reasons:
    a. Nonpayment of premium;
    b. If there has been any other substantial change in the risk assumed, except to the extent that **we** should have reasonably foreseen the change or contemplated the risk in writing this Policy;
    c. If **you** have substantially breached a contractual duty, or condition; or
    d. If this Policy was obtained through material misrepresentation, a fraudulent statement, omission or concealment of a fact material to the acceptance of the risk or the hazard assumed by **us**;
    e. A willful or negligent act or omission by **you** has substantially increased the hazard insured against;
    f. **Loss** of driving privileges through suspension or revocation of **your** operator's license or that of a principal operator of a **covered auto**;
    g. The **named insured** presented a claim based on fraud or material misrepresentation;
    h. Reasonable cause; or
    i. Any other reason allowed by law.

Nonrenewal

If **we** decide not to renew or continue this Policy, **we** will mail notice to the **named insured** at the address last known by **us**. Notice will be mailed at least forty five (45) days before the end of the Policy period.

B. Automatic Termination
1. If **we** offer to renew or continue **your** Policy and **you** or **your** representative do not accept, this Policy will automatically terminate, lapse and expire 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.
2. If other insurance is obtained on a **covered auto**, any similar insurance provided by this Policy will terminate as to that **auto** on the effective date of the other insurance.
3. If a **covered auto** is sold or transferred to someone other than **you**, or if **you** are an **individual**, a **relative**, insurance provided by this Policy will terminate as to that **auto** immediately upon the sale, gift, assignment or transfer.
4. If neither **you** nor, if **you** are an **individual**, a **relative**, have an insurable interest in a **covered auto**, any insurance **we** provide with respect to that **auto** shall terminate.
5. Nothing in this POLICY TERMINATION section shall waive **our** rights to void this Policy, if permitted by law.

Payment Of Premium

1. If **you** pay **your** initial premium for any new Policy by any remittance other than cash, the coverage offered by this Policy is conditioned on that remittance being honored upon presentment by the financial institution. If the remittance is not honored, then **we** shall be deemed not to have accepted the payment and this Policy, if allowed by law, shall be void from inception. If the Policy is void from inception, it will not be subject to the Cancellation provisions of this Policy. This means that **we** will not be liable under this Policy for any claims or damages which would otherwise be covered if the remittance had been honored upon presentment. If **we** are required by law to make any payment after **we** void this Policy, **you** must pay **us** for all expenses incurred and payments made. **Our** right to void this Policy will not be affected if **we** submit the remittance for payment more than once.
2. If **you** make a premium payment for a renewal of **your** Policy using an uncollectible instrument, **our** offer of Policy renewal is deemed rejected by **you** and the Policy terminated without renewal. **Our** right to void this Policy will not be affected if **we** submit the remittance for payment more than once.

3. Examples of an uncollectible instrument and payment not being honored upon presentment include, but are not limited to:
    a. Checks dishonored or refused due to insufficient funds;
    b. Checks drawn from closed accounts;
    c. Invalid credit cards or credit card charges dishonored or refused by the issuing financial institution; and
    d. Electronic Funds Transfer (EFT) or Automated Clearing House (ACH) transfers or payments from a financial institution or similar account that are refused, dishonored or rejected.
4. If any of these acts or events occur at initial application or at any time during the Policy period, it shall be deemed to be nonpayment of premium.

Other Termination Provisions

1. If the law in effect at the time this Policy is issued, renewed or continued:
    a. Requires a longer notice period;
    b. Requires a special form of, or procedure for, giving notice; or
    c. Modifies any of the stated termination reasons; **we** will comply with those requirements.
2. If not prohibited by **state** law, **we** may deliver any notice in **person** instead of mailing it.
3. Proof of mailing of any notice shall be sufficient proof of notice.
4. If this Policy is canceled or terminated, the premium refund, if any, will be computed on a pro-rata basis. If this Policy is cancelled at the request of a premium finance company that has financed this Policy under a premium finance agreement the premium refund, if any, will be calculated on a pro-rata basis. If the Policy is canceled at **your** request, the refund, if any, will be calculated on a pro-rata basis. However, making or offering to make the refund is not a condition of cancellation.
5. Any notice stating the Policy has ended shall terminate all coverages under this Policy as of the effective date in the notice.

Reinstatement Of Coverage

1. Policies that have been canceled, terminated, nonrenewed or expired may be eligible, at **our** discretion, for reinstatement of coverage. Reinstatement is conditioned on:
    a. No **accident** or **loss** occurred during the canceled, terminated, nonrenewed or expired period that would have otherwise come under the Policy coverage; and
    b. **We** have received all money due to **us** from **you**.
2. If there was an **accident** or **loss** against the Policy during the canceled, terminated, nonrenewed or expired period, then the reinstatement will be voided, except if prohibited by law, and the Policy will remain canceled, terminated, nonrenewed or expired.
3. If the Policy is reinstated and the payment received is not honored for any reason, the reinstatement will be voided, except if prohibited by law, and the Policy will remain canceled, terminated, nonrenewed or expired.

TRANSFER OF YOUR INTEREST IN THIS POLICY

Your rights and duties under this Policy may not be assigned without **our** written consent; unless allowed by the terms of this Policy for assignment of benefits under Medical Payments Coverage. However, upon the death of the **named insured**, if an **individual**, coverage will be provided until the end of the Policy period or cancellation date, whichever is earlier, for:

1. The **named insured**'s surviving spouse, if such **individual resides** in the **named insured**'s household at the time of the **named insured**'s death. Coverage applies to the spouse as if a **named insured** shown on the **Declarations Page**.
2. The legal representative of the deceased **individual** while acting within the scope of the duties of a legal representative. This applies only with respect to the representative's legal responsibility to maintain or use a **covered auto**.

3. Any **person** having proper custody of a **covered auto** until a legal representative is appointed but in no event for more than thirty (30) days after the date of such death.

MISREPRESENTATION AND FRAUD

A. This Policy was issued in reliance on the information provided on **your** written, electronic or verbal insurance Application. **We** reserve the right to rescind and void this Policy from its inception if **you**:
   1. Made any false statements or representations to **us** with respect to any material fact or circumstance; or
   2. Concealed, omitted or misrepresented any material fact or circumstance or engaged in any fraudulent conduct;

   in the Application for this insurance or when renewing this Policy, making changes to the Policy, requesting reinstatement of this Policy or applying for any coverage under this Policy.

   A fact or circumstance will be deemed material if **we** would not have:
   1. Written this Policy;
   2. Agreed to insure the risk assumed; or
   3. Assumed the risk at the premium charged. This includes, but is not limited to, failing to disclose to **us** all **persons residing** in **your** household, the license or driving history of **you**, a **relative**, or any **individual** listed as a driver on the **Declarations Page**, regular operators of a **covered auto**, the description of the **autos** to be insured; or the location of the principal place of garaging.

B. If **we** void this Policy, the Policy will be void from its inception, and **we** will not be liable for any claims or damages that would otherwise be covered.

C. **We** may cancel or rescind this Policy and/or may not provide coverage under this Policy if **you**, a **relative** or anyone else seeking coverage under this Policy concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct in connection with the presentation or settlement of a claim. This includes, but is not limited to, misrepresentation concerning a **covered auto** or **your** interest in a **covered auto**.

D. **We** may void or rescind this Policy for fraud or misrepresentation even after the occurrence of an **accident** or **loss**.

E. If **we** make a payment under this Policy for a **loss** or **accident** to **you** or to a **person** seeking coverage under this Policy which **we** later discover was obtained through fraud, concealment or misrepresentation of a material fact by **you** or the **person** seeking coverage under this Policy, **we** reserve the right, at **our** sole discretion, to recover such payment made or incurred.

F. No **person** who engages in fraudulent conduct in connection with an **accident** or claim shall be entitled to receive any payment under this Policy.

G. If this Policy is rescinded and void **we** will not cover any claims, injury, **loss** or damages of any kind. **You** must reimburse **us** for any amounts **we** are required by law to pay if **we** rescind or void the Policy.

H. Any and all misrepresentation and/or fraud is prohibited and is a violation of the terms and conditions of this Policy.

INSPECTION AND AUDIT

A. **We** shall have the right to inspect **your** property and operations at any time. This includes, but is not limited to, the right to inspect and audit the maintenance of any **covered auto**, the identity of **your** drivers and their driving records, and **your** radius of operations. In doing so, **we** do not **state** that the property or operations are safe or healthful or are in compliance with any law, rule or regulation.

B. **We** shall also have the right to examine and audit **your** books and records at any time during the Policy period and any extensions of that period and within the statute of limitations after termination of the Policy, if those books and records relate to the subject matter of this insurance.

UNPAID PREMIUM AND FEES

If the Policy has cancelled, expired, or otherwise ended, then from any first party claim payment to be made by **us** from this Policy, **we** may deduct from that payment any premium or fees that are or were due and unpaid under the policy.

TWO OR MORE AUTO POLICIES

If this Policy and any other **auto** policy issued by **us**, or any company affiliated with **us**, apply to the same **accident** or **loss**, the total limit of **our** liability under all the policies shall not exceed the highest applicable limit of liability under any one policy. However, no one will be entitled to receive duplicate payments for the same elements of damage.

TERMS OF POLICY CONFORM TO LAW

If any provision of this Policy fails to conform to the statutes or laws of the **state** in which this Policy is written, the provision shall be deemed to conform to such statutes or laws. All other provisions shall be given full force and effect. Any disputes as to the coverages provided or the provisions of this Policy shall be governed by the law of the **state** in which this Policy is written.

PAYMENTS FOR UNDISCLOSED OPERATORS AND EXCLUDED DRIVERS

If **we** are required by any law, judgment, ruling, or regulation to provide any coverage or make any payment under **your** Policy as a result of an **accident** or **loss** in which a **covered auto** is being operated by an **undisclosed operator** or excluded driver then **we** will only be responsible to pay up to the minimum limit for **bodily injury** or **property damage** required by the compulsory or financial responsibility law in the **state** in which this Policy is issued regardless of the limits of liability shown on the **Declarations Page** for that coverage. Further, **you** will be responsible for any payments required by law, judgment, ruling, or regulation in excess of those minimum financial responsibility limits as well as for reimbursing **us** for any payment made on behalf of **you** or any insured that results from an **undisclosed operator** or excluded drivers' use of a **covered auto**.

JOINT AND INDIVIDUAL INTERESTS

You may change or cancel this Policy. **Your** action(s) shall be binding on all **persons** provided coverage under this Policy.

ELECTRONIC SIGNATURE & ELECTRONIC TRANSACTIONS

A. **You** and **we** agree that electronic signatures may be used and will satisfy any regulatory or other requirement for written signatures. When a law requires:
   1. A signature on any form or document; or
   2. A letter or document to be notarized, verified, acknowledged or made under oath; the electronic signatures will satisfy this requirement if the signature of the **individual** authorized to perform the service of notarizing, verification, or acknowledgment is attached or logically associated with the signature or electronic signatures of record.

B. **You** and **we** agree that electronic signatures shall include, but are not limited to, any assent; acceptance; agreement; election; selection and rejection sent via e-mail; internet; text message; or fax; or done as a recorded telephonic signature or assent, when done with the intent of the **person** to be bound, as if signed in writing.

C. **You** agree that electronic notices and forms may be used to transact this insurance (unless **you** have opted out in writing).

LIMITATION OF USE

You agree that the premium charged for the coverages shown on the **Declarations Page** is based on the commercial use of the **autos** described in the Policy. **You** also agree that the **autos** will be confined during the Policy period to the territory within the stated mile radius of the city or town where the **autos** are principally garaged as shown on the **Declarations**

Page. **Your** representations to **us** as to the commercial use and territory of the **covered autos** is material to **our** agreement to issue this Policy and to the determination of the Policy premium. **We** reserve the right to rescind this Policy if **you** have made a material misrepresentation of the commercial use or territory.

CHOICE OF LAW

By accepting this Policy, **you** agree that any dispute shall be governed by the laws of the **state** where **your** Policy was issued (as shown by **your** address on the **Declarations Page**) without regard to conflict of law provisions.

MEXICO - COVERAGE EXCLUSION WARNING

A. Accidents in Mexico are subject to laws of Mexico, not the laws of the United States. Under Mexico law, accidents are considered a criminal offense as well as civil matter.

B. This Policy does not provide coverage for any claim arising from an **accident** or **loss** involving a **covered auto**, or any other **auto**, or any **mobile equipment**, while in Mexico.

Important Notice: This Policy does not satisfy the laws of Mexico that require operators of motor vehicles in the Republic of Mexico to purchase Liability Coverage from an insurer licensed in the Republic of Mexico. **You** are required to buy that insurance to operate a motor vehicle in Mexico, but **we** cannot sell or give **you** that insurance.

In witness whereof, **we**, as officers of the Company, have caused this Commercial Automobile Policy to be executed and attested. If required by **state** law, this Policy shall not be valid unless countersigned by **our** authorized representative.

Signatures

President

Secretary

THE FOLLOWING EMPLOYER NON-OWNER LIABILITY COVERAGE ENDORSEMENT APPLIES ONLY IF FORM NUMBER VACA ADDINSD APPEARS IN YOUR DECLARATIONS PAGE.

ADDITIONAL INSURED

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement applies only when the form number shows on the **Declarations Page** of this policy. All the provisions of this Policy apply except as modified by this endorsement.

Any coverage afforded under PART I - LIABILITY COVERAGE of this Policy for a **covered auto** shall also apply to the **individual** or organization listed on the **Declarations Page** as an additional insured subject to the following provisions:

1. **We** will pay compensatory damages for which the additional insured is legally liable due to bodily injury or **property damage** caused by an **accident** arising out of the operation of an **auto** covered under PART I - LIABILITY COVERAGE. **We** will pay under this endorsement only if those damages arise out of the acts or omissions of an insured as defined under PART I and then only to the extent of that liability.
2. The designation of an additional insured on the **Declarations Page** shall not increase **our** limits of liability under PART I - LIABILITY COVERAGE.
3. Insurance provided by this agreement will be excess insurance over any other applicable insurance, self-insurance or bond.
4. The definition of **insured** in ADDITIONAL DEFINITIONS PART I - LIABILITY COVERAGE is deleted in its entirety and replaced with the following:
   2. "**Insured**" means:
      a. **You** for the **ownership**, maintenance or use of a **covered auto**.
      b. Any additional driver listed on the **Declarations Page**, but only while using a **covered auto**.
      c. For the use of a **covered auto**, any **person** or **organization**, but only with respect to the legal liability for acts or omissions of a **person** for whom coverage is afforded under this PART I - LIABILITY COVERAGE.

Named Insured: <name>
Policy Number: <xxx> **Liability Limits** <xxxx>

Additional Insured:
< additional insured name> <street address 1> <street address 2> <city>, <state> <zip code>
< additional insured name> <street address 1> <street address 2> <city>, <state> <zip code>
< additional insured name> <street address 1> <street address 2> <city>, <state> <zip code>
< additional insured name> <street address 1> <street address 2> <city>, <state> <zip code>

All other terms and provisions of the policy remain unchanged.

VACA ADDINSD (03/26)

THE FOLLOWING ANY AUTO COVERAGE ENDORSEMENT APPLIES ONLY IF FORM NUMBER VACA ANYAUTO APPEARS IN YOUR DECLARATIONS PAGE.

ANY AUTO LIABILITY COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. READ IT CAREFULLY.

This endorsement applies only when the form number and coverage show in the **declarations page** of this policy and premium paid. All provisions of this Policy apply except as modified by this endorsement.

PART I - LIABILITY COVERAGE

INSURING AGREEMENT

The following is added to the INSURING AGREEMENT:

If you pay us the premium for Any **Auto** Coverage, then the definition of "**covered auto**" under PART I - LIABILITY COVERAGE means any **auto** similar in type and use as a listed or scheduled **auto**(s) in the **declarations page**;

ADDITIONAL DEFINITIONS – PART I - LIABILITY COVERAGE

A. The definition of "**Insured**" under PART I - LIABILITY COVERAGE is deleted and replaced by the following:
"I**nsured**" means:

1. **You**, while using a **covered auto**.
2. A driver listed in the **declarations page** while using:
   a. Any **auto** described in the **declarations page** for which a premium charge is shown;
   b. Any **replacement auto**;
   c. Any **additional auto**;
   d. Any **temporary substitute auto**; or
   e. A **covered auto** within the scope of **your** business.
3. Anyone using a **covered auto** within the scope of **your** business and within the scope of **your** permission.

B. The definition for covered **auto** is deleted and replaced by the following:
"**Covered auto**" means:

1. **Hired auto**;
2. **Non-owned auto**; and
3. Any other **autos owned** by you:
   a. Only while used in **your** business operations; and
   b. That do not qualify as either **hired autos** or as **non-owned autos**.

However, this modification to the definition of a covered **auto** does not apply to any **auto** acquired prior to the current policy period. However, for an **auto** you acquire during the current policy period, this modification extends coverage to that **auto** during the remainder of the policy period.

C. The following definition is added and only applies to PART I - LIABILITY COVERAGE:
"**Temporary substitute auto**" means any **auto** not **owned** by you which is:

1. Driven by **you** or a listed driver; and

2. Used as a **temporary substitute auto** for any **auto** described in the **declarations page**, any **replacement auto**, or any **additional auto** which is out of service no longer than thirty (30) days because of its:
   a. Breakdown;
   b. Repair;
   c. Servicing;
   d. **Loss**; or
   e. Destruction.

   The **temporary substitute auto** must be similar in type and use as the listed or scheduled **auto**(s) in the **declarations page**.

D. The following definitions are added:
   1. "**Hired auto**" means an **auto**:
      a. **You** lease, hire, rent or borrow; or
      b. **Your employee** leases, hires or rents:
         i. Under a contract in that **individual employee**'s name;
         ii. At **your** direction and with **your** express permission; and
         iii. Only while being used to conduct **your** business operations.

      However, this does not include any **auto you** or an **employee** leases, hires, rents or borrows from any of **your employees**, partners (if **you** are a partnership), members (if **you** are a limited liability company), or member of their households.

   2. "**Non-owned auto**" means an **auto**:
      a. That you do not **own**;
      b. That is not a **hired auto**; and
      c. That is being used by you in connection with **your** business.

   This includes **autos owned** by **your employees**, partners (if **you** are a partnership), members (if **your** are a limited liability company), or members of their households, but only while such autos are used in **your** business.

LIMIT OF LIABILITY

The Limit of Liability under Part I - LIABILITY COVERAGE, the following section is deleted and replaced with:

A. There will be no adding, stacking or combining of coverage afforded to more than one **auto** or insured under this Policy. The limit of liability for **Bodily Injury** and Property Damage coverage shown on the **Declarations Page** for coverage provided by this endorsement is the most **we** will pay as a result of any one **accident** without regard to the number of:
   1. Insureds, heirs, survivors or wrongful death beneficiaries;
   2. Claimants;
   3. Claims made;
   4. Lawsuits filed;
   5. Vehicles or **trailers** insured under this Policy;
   6. Separate premiums paid or shown on the **Declarations Page**; or
   7. Vehicles involved in the **accident**.

VACA ANYAUTO (03/26)

THE FOLLOWING DRIVE OTHER CAR COVERAGE – BROADENED COVERAGE FOR NAMED INDIVIDUALS ENDORSEMENT APPLIES ONLY IF FORM NUMBER VACA DOC APPEARS IN YOUR DECLARATIONS PAGE.

DRIVE OTHER CAR COVERAGE – BROADENED COVERAGE FOR NAMED INDIVIDUALS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Except as specifically modified in this endorsement, all provisions of the Commercial **Auto** Policy apply.

We agree with **you** that the insurance provided under **your** Commercial **Auto** Policy is modified as follows:

A. Changes in Part I – LIABILITY COVERAGE

If the **declarations page** shows a premium for Liability Coverage, then:

1. Subsection ADDITIONAL DEFINITIONS: PART I - LIABILITY COVERAGE is deleted and replaced with:
   A. When used in PART I - LIABILITY COVERAGE, insured means:
      1. **You** with respect to a **covered auto**.
      2. Any **person** while using, with **your** permission and within the scope of that permission, a **covered auto** you **own**, hire, or borrow except:
         a. A **person** while he or she is working in a business of selling, leasing, repairing, parking, storing, servicing, delivering or testing autos, unless that business is **yours** and it was so represented in **your** application.
         b. A **person**, other than one of **your employees**, while he or she is moving property to or from a **covered auto**.
         c. The **owner** or anyone else from whom the **covered auto** is leased, hired, or borrowed. However, this exception does not apply if the **covered auto** is specifically described on the **declarations page**, but only for that **covered auto**.
         d. The **employees** or agents of an **owner** or anyone else from whom the **covered auto** is leased, hired, or borrowed. However, this exception does not apply if the **covered auto** is specifically described on the **declarations page**, but only for that **covered auto**.

         For purposes of this subsection A.2., in this endorsement, a **covered auto you own** includes any **auto** specifically described on the **declarations page**.
      3. Any **individual** named in the Schedule and his or her spouse, while a resident of the same household, while using any **covered auto you own**, hire, or borrow, with **your** permission and within the scope of that permission.
      4. Any other **person** or **organization**, but only with respect to the legal liability of that **person** or **organization** for acts or omissions of any **person** otherwise **covered** under this PART I - LIABILITY COVERAGE.

      If **we** make a filing or submit a certificate of insurance on **your** behalf with a regulatory or governmental agency, the term "**insured**" as used in such filing or certificate, and in any related endorsement, refers only to the **person** or **organization** named on such filing, certificate or endorsement.
2. When used in Part I - LIABILITY COVERAGE:

   Any **auto you** do not **own**, hire or borrow is a **covered auto** under this Part I while being used by any **individual** named in the Schedule or by his or her spouse, while a resident of the same household, except:

a. Any **auto owned** by the **individual** or by any member of his or her household.
b. Any **auto** used by that **individual** or his or her spouse, while working in a business of selling, servicing, repairing or parking autos.

A. Changes in Virginia Medical Expense and Income Loss Benefits Endorsement and Uninsured Motorists Coverage Endorsement

If the **declarations page** shows a premium for these coverages, then for each such coverage:

The following is added to the definition of insured for each endorsement:

Insured also means any **individual** named in the schedule and his or her family members, while **occupying** or while a pedestrian when being struck by any **auto you** do not **own** except any **auto owned** by that **individual** or by one of his or her family members.

B. Changes in PART II - COVERAGE FOR DAMAGE TO YOUR AUTO
If the **declarations page** shows a premium for Comprehensive, Collision, or Fire and Theft with Combined Additional Coverage, then:

Any **private passenger auto you** do not **own**, hire or borrow is a **covered auto** while in the care, custody or control of any **individual** named in the Schedule or his or her spouse, while a resident of the same household, except:

1. Any **auto owned** by that **individual** or by any member of his or her household.
2. Any **auto** used by that **individual** or his or her spouse, while working in a business of selling, servicing, repairing or parking autos.

The broadest physical damage coverage on the policy will be applied to a **loss** for such non-**owned auto**. The applicable deductible will be the lowest deductible for any vehicle shown on the **declarations page**.

C. ADDITIONAL DEFINITIONS
As used in this endorsement:

1. "**Family member**" means a **person** related to the **individual** named in the Schedule by blood, marriage or adoption, and who is a resident of that **individual**'s household, including a ward or foster child.
2. "**Own**" or "**Owned**" means the **person**:
   a. Holds legal title to the vehicle;
   b. Has legal possession of the vehicle that is subject to a written security agreement with an original term of six (6) months or more;
   c. Has legal possession of the vehicle that is leased to that **person** under a written agreement for a continuous period of six (6) months or more; or
   d. Has legal possession of the vehicle pursuant to a bill of sale or other evidence of payment in consideration for the vehicle, whether or not title has been transferred.

ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.

VACA DOC (03/26)

THE FOLLOWING EMPLOYER NON-OWNER LIABILITY COVERAGE ENDORSEMENT APPLIES ONLY IF FORM NUMBER VACA EMPNOL APPEARS IN YOUR DECLARATIONS PAGE.

EMPLOYER NON-OWNED LIABILITY COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement applies only when the form number and coverage show in the **declarations page** of this policy and premium paid. All the provisions of this Policy apply except as modified by this endorsement.

PART I - LIABILITY COVERAGE

The INSURING AGREEMENT under PART I - LIABILITY COVERAGE is deleted and replaced with:

INSURING AGREEMENT

If **you** pay **us** the premium for Employer Non-Owned Liability Coverage, **we** agree with **you** that the insurance provided under PART I - LIABILITY COVERAGE section of **your** Policy for a **covered auto** applies to any **non-owned auto** used in **your** business by **you** or any of **your employees** subject to the following provisions:

ADDITIONAL DEFINITIONS – PART I - LIABILITY COVERAGE

The definition of insured under PART I - LIABILITY COVERAGE applies to the insurance provided by Employer Non-Owned Liability Coverage endorsement except that none of the following is an insured with respect to a **non-owned auto**:

1. The **owner** of a **non-owned auto** and any agent or **employee** of that **owner**; or
2. An executive officer of **yours** with respect to an **auto owned** by him or a member of his household.

The following definition is added:

"**Non-owned auto",** when used in this endorsement, means an **auto** which is not:

1. **Owned** by **you**;
2. Registered in **your** name;
3. Hired by **you**; or
4. Used under contract on **your** behalf.

The **non-owned auto** must be similar in type and use as a listed or scheduled **auto**(s) in the **declarations page**.

EXCLUSIONS

The following exclusion is added: The insurance provided by this endorsement does not apply to **bodily injury** and **property damage** arising out of the **ownership**, maintenance or use of a **non-owned auto** used in the conduct of any partnership or joint venture of which **you** are a partner or member and which is not shown as the **named insured** in the **declarations page**.

OTHER INSURANCE

The insurance provided by this endorsement is excess over any other valid and collectible insurance whether primary, excess or contingent.

ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.

VACA EMPNOL (03/26)

THE FOLLOWING HIRED AUTO COVERAGE ENDORSEMENT APPLIES ONLY IF FORM NUMBER VACA HIRED APPEARS IN YOUR DECLARATIONS PAGE.

HIRED AUTO COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement applies only if the form number and coverage show in the **declarations page** of this policy and premium paid. All the provisions of this Policy apply except as modified by this endorsement.

PART I - LIABILITY COVERAGE

ADDITIONAL DEFINITIONS – PART I - LIABILITY COVERAGE

The definition of "**Insured**" in PART I is deleted and replaced with:

"**Insured**", in PART I - LIABILITY COVERAGE, means:

a. **You**, as the renter of a **hired auto**, in the same manner as if you were the **owner**.
b. The **owner** of a hired **auto**.
c. Any lessee of whom you are a sub-lessee.
d. Any agent or **employee** of such **owner** or lessee, while the **hired auto** is being used in **your** business or by **you** for personal or pleasure purposes. However, the hired **auto**'s **owner**, or anyone else from whom it is rented or leased, is not an **insured** for liability resulting from defects or faulty workmanship.

The following definitions are added to PART I - LIABILITY COVERAGE.

"**Covered auto**" means **hired auto** for this PART I – LIABILITY COVERAGE only.

"**Hired auto**" means, in this endorsement, an **auto** which is not **owned** by you, registered in **your** name, or borrowed from **your employees** and which is obtained under a short-term rental agreement not to exceed thirty (30) days. The **hired auto** must be similar in type and use as a listed or scheduled **auto**(s) in the **declarations page**.

PREMIUM AGREEMENT

Premium for **Hired Auto** Coverage is based on the cost of hire and is subject to a minimum cost of hire. **We** may audit **your** cost of hire and adjust **your Hired Auto** Coverage endorsement premium based on **our** findings. Changes in the cost of hire and premium for this endorsement do not limit **our** rights under the General Provisions of this section of this policy.

OTHER INSURANCE

The insurance provided by this endorsement is excess over any other valid and collectible insurance whether primary, excess or contingent.

ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.

THE FOLLOWING PERSONAL USE COVERAGE ENDORSEMENT APPLIES ONLY IF FORM NUMBER VACA PERSONALUSE APPEARS IN YOUR DECLARATIONS PAGE.

PERSONAL USE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement applies only when the form number shows in the **Declarations Page** of this policy and premium paid. All the provisions of this Policy apply except as modified by this endorsement.

Personal use coverage is **auto** specific. **Personal use** selected on one **auto** does not extend **personal use** coverage to any other **auto** on the policy. Unless **personal use** is selected for the **auto** and shows in the **declarations page**, there is no **personal use** coverage for the **auto**.

PART I - LIABILITY COVERAGE

LIMIT OF LIABILITY

If liability coverage under PART I - LIABILITY COVERAGE is payable due to **bodily injury** or **property damage** arising out of the non-business use of a vehicle shown in the **declarations page** and has been rated without **personal use** or as business use only, then paragraphs A. through E. are deleted and replaced with:

A. The minimum limit of liability for **bodily injury** per **person** required by the **state** in which this Policy is issued is the most **we** will pay for all damages, including **derivative** claims, arising out of and due to **bodily injury** sustained by any one **person** in any one **accident**. For the purpose of such limit of liability, all damages, including **derivative** claims, shall constitute a single claim.

B. The minimum limit of liability for **bodily injury** per **accident** required by the **state** in which this Policy is issued is the most **we** will pay for all damages, including **derivative** claims arising out of and due to **bodily injury** resulting from any one **accident**. For the purpose of such limit of liability, all damages, including **derivative** claims, shall constitute a single claim.

C. The minimum limit of liability for **property damage** required by the **state** in which this Policy is issued is the most **we** will pay for all damages due to **property damage** sustained in any one **accident**.

D. If the **declarations page** indicates that combined single limits applies, the most **we** will pay for the aggregate of all damages resulting from any one **accident** is the minimum combined single limit of liability required by the **state** in which this Policy is issued. For the purpose of such limit of liability, all damages, including **derivative** claims, shall constitute a single claim.

E. There will be no adding, stacking or combining of coverage. The minimum limits of liability for **bodily injury** and **property damage** required by the **state** in which this Policy is issued is the most **we** will pay as the result of any one **accident** without regard to the number of:
   1. Insureds, heirs or survivors;
   2. Claimants;
   3. Claims made;
   4. Lawsuits filed;
   5. Vehicles shown in the **declarations page**;
   6. Premiums shown in the **declarations page**;
   7. Vehicles involved in the **accident**; or
   8. Premiums paid.

ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.

VACA PERSONALUSE (03/26)

THE FOLLOWING PERSONAL USE COVERAGE ENDORSEMENT APPLIES ONLY IF FORM NUMBER VACA RENTAL APPEARS IN YOUR DECLARATIONS PAGE.

RENTAL REIMBURSEMENT COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement applies only when the form number and coverage show in the **declarations page** of this policy and premium paid for that vehicle. All the provisions of this policy apply to the coverage provided by this endorsement except as modified herein.

Rental Reimbursement Coverage applies only to the **auto** for which the coverage and specific premium are shown in the **declarations page**.

A. Subject to the limits shown in the **declarations page**, if **you** pay us the premium for Rental Reimbursement Coverage, **we** will reimburse you or, at our option, pay directly on **your** behalf the daily rental charges incurred by **you** when you rent an **auto** pursuant to a written rental agreement with a commercially licensed rental agency. **Your** rental of an **auto** must be due to a covered **loss** to a **covered auto** that has Rental Reimbursement Coverage under this Policy. This coverage applies only if **you** have purchased Collision and Comprehensive coverages. **You** must provide **us** written proof of the rental charges for which **you** wish to be reimbursed.

B. The length of time for which this coverage will apply will be limited to the lesser of:
   1. The period of time reasonably required, as determined by **us**, to repair a **covered auto**; or
   2. Seventy-two (72) hours after **we** make an offer to pay the **actual cash value** of the **covered auto** in the event of a total **loss**.

C. **We** will pay the lesser of the daily limit shown in the **Declarations Page** up to a maximum of thirty (30) days or the rental cost.

D. Daily rental expenses shall not include the cost of:
   1. Insurance related to the rental of the **auto**;
   2. Refueling the rental **auto**;
   3. Mileage fees;
   4. Navigation devices;
   5. Collision damage waiver; or
   6. Tolls.

E. Rental Reimbursement Coverage applies only if the **covered auto** is withdrawn from use for more than twenty-four (24) hours.

F. If **you** purchase Rental Reimbursement Coverage with a limit lower than that provided for in the Transportation Expenses Coverage provision in PART II - Coverage For Damage To Your Covered Auto and the **loss** involves the total theft of a **covered auto**, then the limits and provisions applicable to transportation expenses under Transportation Expenses Coverage will apply.

G. Rental Reimbursement Coverage cannot be combined or stacked with the Transportation Expenses Coverage provided under PART II - Coverage For Damage To Your Covered Auto.

ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.

VACA RENTAL (03/26)

THE FOLLOWING TOWING AND LABOR COVERAGE ENDORSEMENT APPLIES ONLY IF FORM NUMBER VACA TOW APPEARS IN YOUR DECLARATIONS PAGE.

TOWING AND LABOR COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement applies only when the form number and coverage show in the **declarations page** of this policy. All the provisions of this policy apply to the coverage provided by this endorsement except as modified herein.

INSURING AGREEMENT

If you pay a premium for this coverage and it shows in the **declarations page**, **we** will pay up to the limit shown in the **declarations page** for the following services when necessary due to a coverage emergency.

1. Labor on a **covered disabled auto** at the place of disablement; and
2. Towing of a **covered disabled auto** to the nearest qualified repair facility.

If a **covered disabled auto** is towed to any place other than the nearest qualified repair facility, you will be responsible for any additional charges incurred.

ADDITIONAL DEFINITIONS

When used in this endorsement:

A. "**Covered disabled auto**" means a covered **auto** for which this coverage has been purchased that sustains a co**vered emergency**. **Covered disable**d **auto** includes a **trailer** that is attached to a **covered auto** for which this coverage has been purchased.

B. "**Covered emergency**" means a disablement that is a result of:
   a. Mechanical or electrical breakdown;
   b. Battery failure;
   c. Insufficient supply of fuel, oil, water, or other fluid;
   d. Flat tire;
   e. Lock-out; or
   f. Entrapment in snow, mud, water, or sand, within 50 feet of a public road or highway.

EXCLUSIONS – PLEASE READ CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE IS NOT AFFORDED UNDER THIS ENDORSEMENT.

Coverage under this endorsement will not apply to:

1. More than two (2) **covered emergencies** for any single **covered auto** in a six-month period;
2. The cost of purchasing parts, fluid, lubricants, fuel, or replacement keys, or the labor to make replacement keys;
3. Installation of products or material not related to the disablement;
4. Labor not related to the disablement;
5. Towing or storage related to the impoundment, abandonment, illegal parking, or other violations of the law;
6. Assistance with jacks, levelers, airbags, or awnings;
7. Towing from a service station, garage, or repair shop;
8. Labor or repair work performed at a service station, garage, or repair shop;
9. **Auto** storage charges;

10. A second service call or tow for a single disablement;
11. Disablement that occurs on roads not regularly maintained, sand beaches, open fields, or areas designated as not passable due to construction, weather or earth movement;
12. Disablement that occurs more than 50 feet from a public road;
13. Mounting or removing of snow tires or chains;
14. Tire repair;
15. Repeated service calls for a **covered disabled auto** in need of routine maintenance or repair; or
16. Disablement that results from an intentional or willful act or action by **you** or, if the **named insured** is a natural **person**, a **relative**, or by the operator of a **covered disabled auto**.

ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.

VACA TOW (03/26)

THE FOLLOWING PERMANENTLY ATTACHED ADDITIONAL EQUIPMENT ENDORSEMENT APPLIES ONLY IF FORM NUMBER VACA ADDEQUIP APPEARS IN YOUR DECLARATIONS PAGE.

SCHEDULE OF PERMANENTLY ATTACHED ADDITIONAL EQUIPMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Unless modified in this endorsement, all provisions of the Commercial Auto Policy apply.

A. If you pay us the premium for **Permanently Attached Equipment** Coverage and it is shown on the **Declarations Page** or on the applicable schedule, the limit of liability for loss to this equipment specifically listed on the Application or on the applicable schedule will be the lowest of:

1. The actual cash value of such customized equipment and parts reduced by the applicable deductible and its salvage value if you or the owner retain the salvage.
2. The amount shown as the declared value of the **permanently attached equipment** in the Application or applicable schedule reduced by the deductible and its salvage value if you or the owner retain the salvage.
3. The amount necessary to repair the **permanently attached equipment**, reduced by the deductible.
4. The amount necessary to replace the **permanently attached equipment**, reduced by the applicable deductible and reduced by its salvage value if you or the owner retain the salvage.

B. **Permanently Attached Equipment** Coverage applies only if:

1. You have listed the applicable **permanently attached equipment** on this form and purchased Collision and Comprehensive coverages for the covered auto containing the **permanently attached equipment** and the loss falls under that coverage for the auto;

"**Permanently Attached Equipment**" means equipment or customized equipment, devices, accessories, changes and enhancements, other than those installed by the original manufacturer, which alter the appearance or performance of an auto. This includes, but is not limited to, such items as: body or suspension alterations; custom or special wheels or tires; side exhausts; roll bars; light bars; spoilers; ground effects; bedliners; side exhausts; utility boxes; custom windows; custom painting; murals; decals or graphics. **Permanently attached equipment** also includes, but is not limited to, such items as any electronic equipment; antennas; and other devices used exclusively to send or receive audio, visual or data signals or play back recorded media. The **permanently attached equipment** must be permanently installed in a **covered auto** using bolts, brackets or slide-out brackets.

Our limit of liability for **permanently attached equipment** is the amount shown on the **Declarations Page**, less a $250 deductible.

Schedule of Permanently Attached Equipment

Vehicle #	Item Description	Dollar Value
<##>	<Description>	<Value>

<Insured Name> <Policy Number>

Named Insured Policy Number

Signature Date

ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.

VACA ADDLEQUIP (xx/xx)