

# Qualitas Insurance Company

## Auto Liability Insurance Policy in USA and Canada (Except Alaska & Hawaii) for Vehicles Registered in Mexico.

This Policy is a legal contract between you and us. This Policy, declarations Page, Application (if attached) and Endorsements contains the full terms of the agreement.



*This is your new Personal Auto Insurance Policy. The policy is written in simplified language you can understand. PLEASE READ YOUR POLICY CAREFULLY – it contains the full terms of our agreements. If there is any question concerning your policy, please call your producer or Company.*

**THESE POLICY PROVISIONS WITH THE DECLARATIONS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THIS POLICY.**

### **IMPORTANT NOTICE**

The insured has made **Qualitas Insurance Company** (hereinafter called the Company) a written application incorporated by reference. Each and every statement of fact contained in the application, or any subsequent application or endorsement, is hereby represented by the insured to be true. The application and the particulars and statements contained therein are hereby agreed to be the basis of this policy, and any renewals of this policy, and shall any of these statements be - 1. fraudulent and 2. material either to the acceptance of the risk, or to the hazard assumed by the Company and 3. such that the Company in good faith would either not have issued the policy, or would not have issued a policy in as large an amount, or would not have provided coverage with respect to the hazard resulting in the loss, if the true facts had been made known to the Company as required either by the application for the policy or otherwise - this policy may be declared void from its inception date by the Company. However, Liability coverage equal to the Financial Responsibility minimums of the State shall not be cancelled by any agreement between the insurer and the insured after the occurrence of any injury, death or damage for which the insured may be liable.

# Auto Liability Insurance Policy in USA and Canada (Except Alaska & Hawaii) for Vehicles Registered in Mexico.

## AUTO LIABILITY INSURANCE POLICY IN USA & CANADA FOR VEHICLES REGISTERED IN MEXICO AGREEMENT

Your policy consists of the policy contract, **your** insurance application, the **Declarations**, and all endorsements to this policy. In reliance upon the statements of fact made in the application for this insurance, which statements of fact **you** represent are true to the best of **your** knowledge, and in return for the payment of the premium, **we** agree with **you**, for the coverages shown in the **Declarations** and subject to all the terms and conditions of the policy, as follows:

### GENERAL DEFINITIONS

Certain words and phrases are defined by using boldface type. The defined terms have the same meaning whether in the singular, plural, or any other form. They are defined as follows:

1. **You** and **your** refer to:
  - a. The **named insured** shown in the **Declarations**; and
  - b. The spouse or **registered domestic partner** of the **named insured** shown in the **Declarations**, if a **resident** of the same household.
2. **We, us** and **our** refer to the insurance company providing this insurance, as shown in the **Declarations**.
3. **Accident** means a sudden, unexpected and unintended event causing **bodily injury** or **property damage**, that arises out of the ownership, maintenance, or use of an **auto**. Coverage under this policy shall not apply if the **accident** or its consequences were either intended by the insured, or could have reasonably been expected from the viewpoint of the insured. All **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **accident**.
4. **Application** means the form entitled Application for Insurance signed, dated and time by the insured that contains statements, coverage options, and agreements that form a part of this policy.
5. **Auto** means a licensed and registered motorized four-wheel land vehicle of the private passenger type intended for use on public roads. **Auto** includes a pickup, van, or sport utility vehicle, with a load capacity of 1500 lbs. or less, that is not used in any business other than farming or ranching. **Auto** does not include motorcycles, midget cars, golf carts, tractors, farm machinery, any vehicle operated on rails or crawler treads, or any vehicle used as a residence or premises.
6. **Auto business** means the business of selling, leasing, repairing, servicing, delivering, testing, road testing, towing, storing, or parking vehicles or trailers
7. **Bodily injury** means bodily harm, sickness or disease, including death resulting from bodily harm, sickness or disease, which is caused solely by an **accident** covered under this policy and occurring while the policy is in force.
8. **Business** means any full or part-time profession, occupation, course of employment, job, or commercial use of any kind, and shall not include the use of **your covered auto** to carry tools and supplies between **your** home and job site.
9. **Crime** means any felony under the law of the state in which the act is committed. **Crime** also includes any attempt to elude law enforcement personnel which may be a misdemeanor.
10. **Declarations** means the Personal Auto Policy Declarations that lists the **named insured**, the **autos** to be covered by this policy, the coverages that apply under this policy, the limits of liability, the policy period, and other information pertinent to **your** policy of insurance when purchased from **us**.
11. **Deductible** es la suma mencionada en las **Declaraciones**, la cual será deducida de la **pérdida**.
12. **Family member** means a person related to **you** by blood, marriage or adoption who is a **resident** of **your** household, including a ward or foster child. **Family members** include **your** unmarried dependent children living temporarily away from home.
13. **Loss** means sudden, direct, and accidental damage to, or theft of, **your covered auto**, including its original equipment, which is permanently installed at the factory by the vehicle manufacturer at time of original purchase of the vehicle.
14. **Minimum statutory limits** means the minimum policy limits for vehicle liability coverage required by the law of the state.
15. **Named insured** means the person or persons listed in the **Declarations** as the named insured.
16. **Occupying** means in, upon, getting in, on, out or off.
17. **Owned** means, with respect to a private passenger type **auto**, the person:
  - a. Who holds legal title; or
  - b. Holds legal title to the vehicle, has legal possession of the vehicle that is subject to a conditional sale agreement or has legal possession of the vehicle that is leased to that person.
18. **Premium payment** means the actual receipt of funds by us.
19. **Property damage** means physical injury to or destruction of tangible property, including any loss of use, which is caused solely by an **accident** covered under this policy and occurring while the policy is in force.
20. **Race** or **racing** means participating in any race, speed, demolition, stunt, or timed contest or activity, whether organized or not. **Racing** includes preparation for the contest or activity.
21. **Regular operator** is any person not listed on the **Declarations** who has or had care, custody, or control of **your covered auto** for more than twenty-four (24) hours at any time during the policy term as shown on the **Declarations**. The twenty-four (24) hours may be consecutive or cumulative.
22. **Resident** means domiciled and actually living in the household in which **you** reside.
23. **State** means any State of the United States of America and Canada.
24. **Your covered auto** means:
  - a. Any **auto** shown in the **Declarations** for the coverages applicable to that **auto**;

## PART A -- LIABILITY COVERAGE INSURING AGREEMENT

If the **Declarations** shows a premium charged for this coverage, **we** will pay damages for **bodily injury** and **property damage** for which an **insured person** is legally liable because of an **accident** up to the policy limits stated on the **Declarations**. **We** will not cover punitive or exemplary damages. **We** will settle or defend, as **we** consider appropriate, any claim or action which is covered under the policy. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by payment of judgment or settlement. **We** have no duty to settle or defend any claim or action that is not covered under the policy.

## SUPPLEMENTARY PAYMENTS

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

1. **We** will pay costs **we** incur to investigate the **accident**.
2. **We** will pay costs **we** incur to arrange for the settlement of any claim or action.
3. As **we** deem appropriate, **we** will defend the **insured person**, hire and pay a lawyer, and pay all defense costs. **We** have no duty to defend any claim or action not covered under this policy.
4. As **we** deem appropriate, **we** will pay costs **we** incur to investigate and settle any claim or action.
5. **We** will pay the interest that accrues after judgment is entered against an **insured person** and before **we** have offered to pay or deposited into court sums that are not more than **our** limit of liability, on damages awarded in a suit **we** defend.
6. **We** will pay premiums on appeal and attachment bonds if required in an action **we** defend. **We** will neither apply for nor obtain bonds, nor pay the premium on any bond that exceeds **our** limit of liability.
7. **We** will reimburse any other reasonable costs an **insured person** incurs at our request. To receive an additional benefit under this section, **you** must submit a claim and provide proof of entitlement.

## ADDITIONAL DEFINITIONS

When used in this Part A:

1. **Insured person** means:
  - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations** with respect to an **accident** arising out of the ownership, maintenance or use of **your covered auto**;
  - b. Any person with respect to an **accident** arising out of that person's maintenance or use of **your covered auto** with **your** express or implied permission; and

HOWEVER, FOR A PERMISSIVE DRIVER, **WE** WILL ONLY PROVIDE LIMITS UP TO THE MINIMUM FINANCIAL RESPONSIBILITY LAWS OF THE STATE IN WHICH THE **ACCIDENT** OCCURS. THE LIABILITY LIMITS FOR A PERMISSIVE DRIVER MAY BE LESS THAN THE LIABILITY LIMITS FOR OTHER INSURED PERSON (5).

As used in this Part, a **permissive driver** means an **insured person** other than **you** who is using **your covered auto** with **your** express or implied permission to do so and within the scope of **your** permission.

Coverage is not afforded to excluded drivers.

## EXCLUSIONS THAT APPLY TO PART A – LIABILITY COVERAGE

**We** do not provide Liability Coverage and **we** have no duty to settle or defend any claim or lawsuit:

1. For **bodily injury** or **property damage** caused intentionally by or at the direction of an **insured person**. Coverage under this Part shall not apply if the **accident** or its consequences were either intended by the insured, or could have reasonably been expected from the viewpoint of the insured;
2. For **property damage** to property owned or being used by an **insured person**.
3. For **bodily injury** to an employee of an **insured person** during the course of employment. This exclusion does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits, disability benefits or similar benefits are required or available for that domestic employee.
4. For **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion also applies to transportation network companies, real-time ridesharing, or ridesourcing. Examples include but aren't limited to:
  - a. Uber
  - b. Lyft
  - c. Sidecar
  - d. Wingz
  - e. Summon, and
  - f. Taxi
  - g. Livery

This exclusion does not apply to a share-the-expense car pool, or to a **covered auto** that has been designated as business use on the **Declarations**, and to which a premium has been paid.

5. For **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any vehicle by a person who is employed or otherwise engaged in the **business** of:
  - a. Selling;
  - b. Repairing;
  - c. Servicing;
  - d. Storing; or
  - e. Parking;
  - f. Artisanvehicles. This includes road testing and delivery.
6. For **bodily injury** or **property damage** arising out of the maintenance or use of any vehicle while an **insured person** is

employed or otherwise engaged in any business not described in exclusion 5. This exclusion 6 does not apply to the maintenance or use of a:

- a. Private passenger auto;
  - b. Pickup or van that:
    - (1) **You** own; or
    - (2) **You** do not **own** while used as a temporary substitute for **your covered auto** which is out of its normal use because of its breakdown, loss, repair destruction or servicing; or
  - c. **Trailer** used with a vehicle described in a. or b. above
7. For **bodily injury** or **property damage** arising out of any person's use of a vehicle without the owner's express or implied permission.
  8. For **bodily injury** or **property damage** for which an **insured person**:
    - a. Is an insured under a nuclear energy liability policy; or
    - b. Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability. A nuclear energy liability policy is a policy issued by any of the following or their successors:
      - c. American Nuclear Insurers;
      - d. Mutual Atomic Energy Liability Underwriters; or
      - e. Nuclear Insurance Association of Canada.
  9. For **bodily injury** to **you** or any **family member**, including whenever the ultimate benefits of that indemnification accrue directly or indirectly to **you** or a **family member**.
  10. For punitive, exemplary, multiple damages, fines, penalties, or restitution.
  11. For liability assumed by an **insured person** under any contract or agreement.
  12. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto** which is:
    - a. **Owned by you**; or
    - b. Furnished or available for **your** regular use.
  13. Arising out of the ownership, maintenance or use of any vehicle, other than **your covered auto**, which is:
    - a. **Owned by any family member** or any person specifically listed as an additional driver in the **Declarations**; or
    - b. Furnished or available for the regular use of any **family member** or any person specifically listed as an additional driver in the **Declarations**.
  14. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a **crime**.
  15. For **bodily injury** or **property damage** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or **crime** scene.
  16. For any obligation for which the United States Government is liable under the Federal Tort Claims Act.
  17. Arising out of the ownership, maintenance or use of **your covered auto** while it is rented to or leased to another.
  18. Arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
  19. For charges, fees and administrative expenses for services performed by law enforcement and municipal personnel when responding to a motor vehicle **accident** or **loss**.
  20. For **bodily injury** or **property damage** resulting from the ownership, maintenance or use of a vehicle or **trailer** including wholesale or retail delivery.
  21. For **bodily injury** or **property damage** arising out of an **insured person's** ownership, maintenance, or use of any vehicle other than one with four wheels.
  22. For **bodily injury** or **property damage** arising out of an **insured person's** ownership, maintenance, or use of any vehicle designed mainly for use off public roads.
  23. For **bodily injury** or **property damage** resulting from the ownership, maintenance, or use of any vehicle other than **your covered auto**, which is owned by, furnished or available for the regular use of **you**, a **family member**, or a **resident**.
  24. For **bodily injury** or **property damage** resulting from the ownership, maintenance, or use of a vehicle in any **racing** event.
  25. For **bodily injury** or **property damage** assumed by or imposed on an insured person under any agreement, contract or bailment.
  26. For **bodily injury** or **property damage** that results from nuclear reactions, radiation, or fallout.
  27. For **bodily injury** or **property damage** resulting from the use of a vehicle for snow removal.
  28. For **bodily injury** or **property damage** caused by war (declared or undeclared), civil war, insurrection, rebellion, revolution, or riot
  29. For **bodily injury** or **property damage** sustained by an **insured person** while **occupying** any vehicle located for use or being used as a residence or premises.
  30. For **bodily injury** or **property damage** incurred while any vehicle is used for towing a **trailer** not designed for use with that vehicle.
  31. For **bodily injury** or **property damage** resulting from the use of any vehicle by a person or persons specifically excluded by endorsement.
  32. For **bodily injury** or **property damage** arising out of the ownership, maintenance, use, loading or unloading of any haul away, tank truck, or tank trailer.
  33. For benefits payable under the "No Fault Laws" of the following states: Arkansas, Delaware, Washington DC, Florida, Hawaii, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New York, North Dakota, Oregon, Texas, Utah, and Washington.
  34. For **bodily injury** or **property damage** resulting from the ownership, maintenance, or use of a vehicle with a load capacity in excess of 1,500 pounds.
  35. Coverage under this Part does not extend to:
    - a. Any **auto** or **trailer** that is rented; or
  36. While operating a vehicle while that insured is under the influence of:
    - a. Alcohol; or
    - b. A controlled substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs.

37. While operating a vehicle without a valid driver's license or permit.
38. While maintaining or using **your covered auto** while the insured is employed or otherwise engaged in any **business** (other than farming or ranching) not described in Exclusion 5.
39. For damage to property an **insured person** rents, uses, or has charge of, except a residence or private garage.
40. For **bodily injury** or **property damage** for any amount in excess of the **minimum statutory limits** of the state where the accident occurs, while the insured **auto** or any other vehicle is used in the commission of a **crime**.
41. For **bodily injury** or **property damage** for any amount in excess of the minimum financial responsibility laws of the state where the accident occurs, when a permissive driver is legally liable.

#### LIMIT OF LIABILITY

The bodily injury liability limit for "each person" as shown in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the bodily injury liability limit for "each person", the bodily injury liability limit for "each **accident**" as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

The property damage liability limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for all **property damage** arising out of any one **accident**.

The limit of liability shown in the **Declarations** is the most **we** will pay regardless of the number of vehicles involved in the **accident**, **insured persons**, claims made, lawsuits brought, premiums paid, or the number of vehicles or premiums shown in the **Declarations**.

If an **insured person** is operating an **auto** in a **state** which requires minimum financial responsibility limits for nonresidents, **we** will increase the policy limits to the required minimum limits of that **state**. We will not provide any coverage under the no-fault law or any other similar law of any other **state**.

No one is entitled to duplicate payments for the same element of damages. Any amount payable under Part A-Liability Coverage to a person for **bodily injury** shall be reduced by all sums paid to that person, or for their benefit, under Part B – Medical Payments Coverage and Part C – Uninsured Motorist Coverage.

#### FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required. If, due to certification as future proof of financial responsibility **we** are required to pay a claim that would otherwise have not been covered under this Part, **you** agree to reimburse **us** to the extent of that payment.

#### OTHER INSURANCE

Any insurance **we** provide under Part A shall be excess over any other collectible insurance, self-insurance, protection and/or any other source of recovery, except for the insurance **we** provide for the ownership, maintenance and use of **your covered auto**. If other insurance, self-insurance, protection and/or other source of recovery with the same priority applies, **we** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable insurance limits, self-insurance amounts or limits, and/or other sources of recovery.

### PART B -- MEDICAL PAYMENTS COVERAGE

#### INSURING AGREEMENT

If the **Declarations** shows a premium charged for this coverage, **we** will pay medical expenses not exceeding the limits shown on the **Declarations**, incurred as a result of **bodily injury** caused by an **accident** and sustained by an **insured person**. Coverage under this Part shall not apply if the **accident** or its consequences were either intended by the **insured person**, or could have reasonably been expected from the viewpoint of the **insured person**. **We** will pay only for those expenses incurred for services rendered within one year from the date of the **accident**.

#### ADDITIONAL DEFINITIONS

When used in this Part B:

1. **Accident**, as used in this Part, shall also mean an occurrence involving an **insured person** and must involve the actual physical impact of the vehicle or the **insured person** with another object in order for coverage under this Part to apply.
2. **Insured person** means:
  - a. **You**, any **family member** or any driver:
    - i. While **occupying** any **auto**.
    - b. Any other person while **occupying your covered auto**.
3. **Medical expenses** means **usual and customary charges** incurred for reasonable and necessary services rendered to or on behalf of an **insured person** within one year from the date of the **accident** for: medical, surgical, x-ray, and dental services when performed by a licensed medical professional; pharmaceuticals; prosthetic devices; eye glasses; necessary ambulance, hospital, and professional nursing services when prescribed by a licensed medical professional; and funeral services. **Medical expenses** do not include expenses:
  - a. For treatment, services, products or procedures that are:
    - i. Experimental in nature, for research, or not primarily designed to serve a medical purpose; or
    - ii. Not commonly and customarily recognized throughout the medical profession and within the United States as appropriate for the treatment of the **bodily injury**; or
  - b. Incurred for the purchase or rental of equipment not primarily designed to serve a medical purpose.

**Medical expenses** include **usual and customary charges** for reasonable and necessary services performed by a licensed

chiropractor, a licensed practitioner of acupuncture, or a licensed thermographer, only within three months from the date of the **accident**.

4. **Usual and customary charge** means an amount that **we** determine that represents a customary charge for services in the geographical area in which service is rendered. **We** shall determine the customary charge through the use of independent sources of **our** choice.

#### **EXCLUSIONS THAT APPLY TO PART B – MEDICAL PAYMENTS COVERAGE**

**We** do not provide Medical Payments Coverage for any **insured person** for **bodily injury**:

1. Arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food.
2. Sustained while **occupying** any vehicle while being used as a residence or premises.
3. Arising out of the ownership, maintenance or use of any vehicle by a person who is employed or otherwise engaged in the **business** of:
  - a. Selling;
  - b. Repairing;
  - c. Servicing;
  - d. Storing; or
  - e. Parking;vehicles. This includes road testing and delivery.
4. Arising out of the maintenance or use of any vehicle while an **insured person** is employed or otherwise engaged in any business not described in exclusion 3. This exclusion 4 does not apply to the maintenance or use of a:
  - a. Private passenger auto;
  - b. Pickup or van that:
    - i. **You own**; or
    - ii. **You** do not **own** while used as a temporary substitute for **your covered auto** which is out of its normal use because of its breakdown, loss, repair destruction or servicing; or
  - c. **Trailer** used with a vehicle described in a. or b. above.
5. Occurring during the course and scope of employment if workers' compensation or disability benefits are required or available for the **bodily injury**.
6. Sustained while **occupying** or when struck by any vehicle other than **your covered auto** which is:
  - a. **Owned by you**; or
  - b. Furnished or available for **your** regular use.
7. Sustained while **occupying** or when struck by any vehicle other than **your covered auto** which is:
  - a. **Owned** by any **family member** or any person specifically listed as an additional driver in the **Declarations**; or
  - b. Furnished or available for the regular use of any **family member** or any person specifically listed as an additional driver in the **Declarations**.
8. That results from the maintenance or use of any vehicle without the express or implied permission of the **owner** or outside the scope of that express or implied permission.
9. Sustained while **occupying** a vehicle operated by any person who has had their driving privileges permanently revoked.
10. Caused by or as a consequence of:
  - a. Discharge of a nuclear weapon (even if accidental);
  - b. War (declared or undeclared) or civil war;
  - c. Insurrection, rebellion or revolution.
11. From, or as a consequence of the following, whether controlled or uncontrolled or however caused:
  - a. Nuclear reaction;
  - b. Radiation; or
  - c. Radioactive contamination.
12. While **occupying** any vehicle that is being used in any racing, speed, or demolition event or contest or stunting activity or preparation for such an event, contest, or activity. This exclusion applies regardless of whether the event, contest, or activity is pre-arranged or not.
13. While **occupying** any vehicle while being used to flee a law enforcement agent or a crime scene.
14. Caused intentionally by, or at the direction of, any **insured person**, even if the actual injury or damage is different than that which was intended or expected.
15. Arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a crime.
16. For which the United States Government is liable under the Federal Tort Claims Act.
17. Arising out of the ownership, maintenance or use of **your covered auto** while it is rented to or leased to another.
18. Arising out of the ownership, maintenance or use of any vehicle that is principally designed for use off public roads.
19. For which an **insured person**:
  - a. Is an insured under a nuclear energy liability policy; or
  - b. Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability. A nuclear energy liability policy is a policy issued by any of the following or their successors:
    - a. American Nuclear Insurers;
    - b. Mutual Atomic Energy Liability Underwriters; or
    - c. Nuclear Insurance Association of Canada.
20. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
21. Sustained while operating a vehicle while that insured is under the influence of alcohol or a controlled substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs.
22. Resulting from any **auto business**.

23. Arising out of the operation of equipment or machinery not listed on the **Declarations**.
24. Resulting from the use of a vehicle for snow removal.
25. Incurred as a result of the use of a vehicle by a person or persons specifically excluded by endorsement.
26. Incurred from any source other than an **accident**.

#### LIMIT OF LIABILITY

**We** will pay no more than the limit of liability shown for this coverage on the **Declarations** to or for each **insured person** as the result of any one **accident**, regardless of the number of premiums or vehicles listed on the **Declarations**, **insured persons**, claims, claimants, policies, or vehicles involved in the **accident**. Any amount paid or payable under this coverage to or for an **insured person** will be reduced by any payment made to that person under Part A Liability Coverage or Part C Uninsured/Underinsured Motorists Coverage of this policy. **We** will make no payment under this Part of the policy unless the **insured person** or the **insured person's** legal representative agrees in writing that any payment shall be applied toward any settlement or judgment that person receives under the Liability, Uninsured Motorist, or Underinsured Motorist coverages of this policy. In no event will an **insured person** be entitled to receive duplicate payments for the same element of **loss**.

#### OTHER INSURANCE

Any payment **we** make under this Part to an **insured person** shall be excess over any:

1. Other available auto medical payments insurance;
2. Medical, surgical, hospital or funeral services benefit or reimbursement plan;
3. Individual, blanket or group accident, disability or hospitalization insurance; or
4. Premises medical payments insurance.

In no event will an **insured person** be entitled to receive duplicate payments for the same element of **loss**.

#### PART C – UNINSURED MOTORIST COVERAGE INSURING AGREEMENT – UNINSURED MOTORIST COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury** sustained by an **insured person**, caused by an **accident**, and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

#### INSURING AGREEMENT – UNINSURED MOTORIST PROPERTY DAMAGE COVERAGE

If **you** pay **us** the premium when due for this coverage, **we** will pay for damages an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** to a **your covered auto** caused by an **accident** and arising out of the ownership, maintenance or use of an **uninsured motor vehicle**. Only items 3.a. and 3.d. under the definition of **uninsured motor vehicle** apply to **property damage**. With respect to coverage for **property damage**, the **accident** must involve direct physical contact between **your covered auto** and the **uninsured motor vehicle** and the owner or operator of the **uninsured motor vehicle** must be identified or the **uninsured motor vehicle** must be identified by license number providing the **insured person** or someone on his behalf reports the **accident** to us within 10 business days.

**We** will pay under Part C only after the limits of liability under all liability policies applicable to an **uninsured motor vehicle** have been exhausted by payment of judgments or settlements.

Any judgment for damages arising out of a suit brought without **our** written consent is not binding on **us**.

An **insured person** must notify **us** in writing at least 30 days before entering into any settlement with the owner or operator of an **uninsured motor vehicle**, or that person's liability insurer. If, within 30 days after **we** receive notice of tentative settlement from the **insured person**, **we** notify the **insured person** that **we** refuse to consent to a proposed settlement, the **insured person** must protect and preserve **our** right of subrogation to the claim against the operator or **owner** of any **uninsured motor vehicle** who is liable for the **accident**.

#### ADDITIONAL DEFINITIONS

When used in this Part C:

1. **Insured person** means:
  - a. **You**, any **family member** or any other person listed as an additional driver in the **Declarations**;
  - b. Any other person while occupying **your covered auto**, provided the actual use thereof is with the permission of the **named insured**;
  - c. Any person entitled to recover damages for **bodily injury** covered under Part C of this policy sustained by a person meeting the definition of an **insured person** in 1.a., 1.b. above.
2. **Property damage** means physical damage to, or destruction of **your covered auto**. It does not include loss of use of **your covered auto** or damage to personal property contained in **your covered auto**.
3. **Uninsured motor vehicle** means a land vehicle of any type which is:
  - a. Not insured by a liability bond or policy at the time of the **accident**.
  - b. Insured by a **bodily injury** liability bond or policy at the time of the **accident**, but the **bodily injury** liability limit is less than the minimum limit for liability required by the Financial Responsibility Law.
  - c. A hit-and-run or phantom vehicle whose operator or owner cannot be identified and which hits:
    - i. **You**, a **family member** or any **resident**; or
    - ii. An **auto** which **you**, a **family member** or any **resident** are occupying; or
    - iii. **Your covered auto**.

**Accidents** caused by a hit-and-run vehicle must be reported to the police within twenty-four (24) hours of their occurrence. Furthermore, the **insured person** or someone on his or her behalf must file with **us**, within thirty (30) days after the **accident** with the hit-and-run vehicle, a statement under oath, supported by facts, that the **insured person** or his or her legal representative has or the **insured person's** heirs have a cause of action for damages, arising out of the **accident**, against a person or persons whose identity is unascertainable.
  - d. Insured by a **bodily injury** liability bond or policy at the time of the **accident**, but the insurer denies coverage or

refuses to admit coverage except conditionally or with reservation or is or becomes insolvent within one (1) year after the **accident**.

- e. An underinsured motor vehicle.
- f. Used without the permission of the **owner** if there is no **bodily injury** liability insurance or bond applicable at the time of the **accident** with respect to the **owner** or operator.

With respect to coverage for property damage, **uninsured motor vehicle** means a land motor vehicle which is:

- a. Not insured by a **property damage** liability policy or bond at the time of the **accident**.
- b. Insured by a **property damage** liability bond or policy at the time of the **accident**, but the insurer denies coverage or refuses to admit coverage, except conditionally or with reservation, or is or becomes insolvent within one (1) year of the **accident**.
- c. Insured by a **property damage** liability policy or bond at the time of the **accident**, but the **property damage** liability limit is less than the minimum limit for liability required by the Financial Responsibility Law.

In addition, with respect to coverage for **property damage**:

- a. The **accident** must involve actual, direct physical contact between **your covered auto** and the uninsured motor vehicle; and
- b. The **owner** or operator of the **uninsured motor vehicle** must be identified or the **uninsured motor vehicle** must be identified by its license number; and
- c. The **insured person** or someone on his or her behalf must have reported the **accident** to **us** within ten (10) business days; and
- d. It is determined that the **insured person** is legally entitled to recover the amount of the payments for **property damage** from the **owner** or operator of the **uninsured motor vehicle**.

**Uninsured motor vehicle** does not include any vehicle or equipment:

- a. **Owned** by or furnished or available for the regular use of **you**, a **resident** or a **family member**;
- b. Operated on rails or crawler treads;
- c. Designed mainly for use off public roads;
- d. While located for use or being used as a residence or premises;
- e. **Owned** or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer that has become insolvent; or
- f. **Owned** by a governmental unit or agency.

#### EXCLUSIONS THAT APPLY TO PART C – UNINSURED MOTORIST COVERAGE

Coverage under Part C does not apply:

1. If the **insured person** or their legal representative settles or prosecutes to a judgment a claim for **bodily injury** or **property damage** without our consent.
2. To **bodily injury** or **property damage** arising out of the ownership, maintenance or operation of any vehicle while it is being used to carry persons or property for compensation or a fee, including but not limited to the pickup or delivery or return from a pick-up or delivery of products, documents, newspapers, or food. This exclusion also applies to transportation network companies, real-time ridesharing, or ridesourcing. Examples include but aren't limited to:
  - a. Uber
  - b. Lyft
  - c. Sidecar
  - d. Wingz
  - e. Summon, and
  - f. Taxi
  - g. Livery
3. To **bodily injury** or **property damage** when an **insured person** is using a vehicle without a reasonable belief that the person is entitled to do so.
4. To **property damage** sustained by any **insured person** while **occupying** or when struck by any motor vehicle owned by **you** or any **family member** which is not insured for this coverage under this policy.
5. So as to apply directly or indirectly to the benefit of any insurer or self-insurer under any worker's compensation law, disability law, or any similar law.
6. To any claim for punitive, exemplary, multiple damages, fines, penalties, or restitution.
7. Who does not report the **accident** to the police within twenty-four (24) hours if a hit-and-run vehicle is involved and if within thirty (30) days has failed to provide a statement under oath, supported by facts, that such person has a cause of action, arising out of the **accident**, for damages as against a person or persons whose identity is unascertainable.
8. Resulting from the use of **your covered auto** by a person specifically excluded by endorsement.
9. Who is a **regular operator** of **your covered auto** but is not disclosed to **us** prior to the **accident**, and listed on the **Declarations**.
10. For **bodily injury** or **property damage** resulting from the ownership, maintenance, or use of:
  - a. Any vehicle with more than four wheels;
  - b. Any vehicle designed mainly for use off public roads, except in a medical emergency;
  - c. Any vehicle, other than **your covered auto**, which is **owned by you** or available for **your** regular use; or
  - d. Any vehicle, other than **your covered auto**, which is owned by a **family member** or a **resident**, or regularly used by a **family member** or a **resident** or members of their immediate families.
11. For **diminution of value** of **your covered auto**.
12. Unless arbitration proceedings have been concluded within 5 years following the date an **insured person** has formally instituted arbitration proceedings.
13. For **bodily injury** arising out of the ownership or operation of any vehicle while it is being used to commit a felony or other criminal activity. The exclusion applies regardless of whether the **insured person** is actually charged with, or convicted of, a **crime**.
14. For **bodily injury** arising out of the ownership or operation of any vehicle while it is being used to flee a law enforcement agent or crime scene.
15. Resulting from the use of any vehicle for **racing**, or while **your covered auto** is used in, or in preparation for, any **race**, speed



- or performance contest, or while **your covered auto** is located inside a facility designed for such events.
16. For **bodily injury** sustained by any person while **occupying** or when struck by a **trailer** of any type used with a motor vehicle owned by **you** or any **family member** or any other person specifically listed as an additional driver listed in the **Declarations** which is not insured under this Part.

#### LIMIT OF LIABILITY

The limit of Uninsured Motorist Bodily Injury Liability or Uninsured Motorist Property Damage Liability shown in the Schedule or in the **Declarations** is the most **we** will pay regardless of the number of:

1. **Insured persons**;
2. Claims made;
3. Vehicles or premiums shown in the **Declarations**;
4. Vehicles involved in the **accident**; or
5. Premiums paid.

In no event shall the limit of liability for two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available as uninsured motorist coverage or underinsured motorist coverage benefits.

The Uninsured Motorist Bodily Injury limit for each person as shown in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by any one person in any one **accident**, including all derivative claims which include, but are not limited to, loss of consortium, loss of services, loss of companionship, or injury to any personal relationship. **Bodily injury** to any one **person** includes all injury and damages to others resulting from this **bodily injury**.

Subject to the Uninsured Motorist Bodily Injury limit for each person, the **bodily injury** limit for each **accident** as stated in the **Declarations** is the maximum **we** will pay for **bodily injury** sustained by two or more persons in any one **accident**.

**Our** maximum limit of liability for all damages for **property damage** resulting from any one **accident** will be the lesser of:

1. The limit of Uninsured Motorist Property Damage Liability shown in the **Declarations**;
2. The actual cash value of **your covered auto**, reduced by the salvage value if **you** or the owner of the property retain the salvage;
3. The amount of any deductible if there is valid and applicable collision coverage under any other policy; or
4. The amount to repair the vehicle; reduced by:
  - a. All sums paid for the **property damage** by or on behalf of any persons or organizations who may be legally liable;
  - b. Any amounts paid under this policy for the same elements of **property damage** or **loss**; and
  - c. If the **auto** is repaired, all sums that represents any increase in:
    - i. The value of the **auto**, when repair of prior damage increases the value of the **auto** to a condition that was better than it was prior to the **accident**; and
    - ii. The value of the increase of useful life of replaced parts that have a useful life shorter than the auto's useful life, including but not limited to, tires, batteries and struts.

Any amount payable under the terms of this coverage because of **bodily injury** sustained in an **accident** by a person who is an **insured person**

under this coverage shall be reduced by:

1. All sums paid on account of the **bodily injury** by or on behalf of the owner or operator of the uninsured vehicle and by or on behalf of any other person or organization jointly or severally liable together with the owner or operator for the **bodily injury**, including all sums paid under Part A – Liability Coverage of this policy; and
2. The amount paid and the present value of all amounts payable on account of the **bodily injury** under any worker's compensation law, disability benefits law, or any similar law.

The damages an **insured person** is entitled to recover under this Part C shall be reduced by all sums paid or payable under any valid and collectible automobile medical payments insurance coverage available to the **insured person** including, but not limited to, all sums paid under Part B, Medical Payments Coverage.

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

#### OTHER INSURANCE

If there is other applicable uninsured or underinsured motorist insurance coverage, the damages which an **insured person** is entitled to recover under this Part C shall be deemed not to exceed the highest limit of any applicable coverage. **We** will pay only **our** share of the damages. **Our** share of the damages is the proportion that **our** limit of coverage under this Part C bears to the total of all applicable coverage limits. However, any insurance **we** provide with respect to an **auto you** do not own shall be excess over any other valid and collectible uninsured or underinsured motorist coverage, except for **bodily injury** to **you** or a **family member** when **occupying your covered auto**.

**We** will not pay for any damages which would duplicate any payment made for damages under other insurance.

If any **insured person** is injured while not **occupying** a motor vehicle, the coverage provided under this policy shall be excess to any uninsured or underinsured motorist coverage provided by a policy under which that **insured person** is a named insured. If **you** are injured while not **occupying** a motor vehicle, and are also a named insured under any other policy, the damages which **you** are entitled to recover shall be deemed not to exceed the highest limit of any applicable coverage. **Our** share is the proportion that **our** Limit of Liability bears to the total of all applicable coverage limits.

#### ARBITRATION

1. If **we** and an **insured person** do not agree:

- a. Whether the **insured person** is legally entitled to recover damages under this Part C; or
  - b. As to the amount of damages either party may make a written demand for arbitration within two years of the date of the **accident**. In this event the matter or matters upon which either party do not agree shall be settled by a single neutral arbitrator, in accordance with the laws of the state. The decision made by the arbitrator may be entered as a judgment in any court having jurisdiction.
  - c. Arbitration cannot be demanded by the **insured person** prior to the **insured person** complying with all the terms and conditions of the policy.
  - d. Agreement to arbitration does not waive any of the terms and conditions of the policy.
  - e. The arbitration will be conducted before a single, neutral arbitrator.
2. Each party will:
    - a. Pay the expenses it incurs; and
    - b. Bear the expense of the arbitrator equally.
  3. Any decision of the arbitrator will be binding as to:
    - a. Whether the **insured person** is entitled to recover damages; and
    - b. The amount of damages.
    - c. The arbitrator shall have no authority to award an amount in excess of the Limit of Liability. The arbitrator shall have no authority to decide any issues other than those set forth above in 3.a. and 3.b.
  4. In no event shall **our** liability, regardless of the award of the arbitrator, exceed the limit of liability stated in the **Declarations**.
  5. If the **insured person** has or may have rights to benefits, other than non-occupational disability benefits, under any workers' compensation law, the arbitrator shall not proceed with the arbitration until the **insured person's** physical condition is stationary and ratable. In those cases in which the **insured person** claims a permanent disability, the claims shall, unless good cause be shown, be adjudicated by award or settled by compromise and release before the arbitration may proceed. Any demand or petition for arbitration shall contain a declaration under penalty of perjury, stating whether (i) the **insured person** has a workers' compensation claim; (ii) the claim has proceeded to findings and award or settlement on all issues reasonably contemplated to be determined in that claim; and (iii) if not, what reasons amounting to good cause are grounds for the arbitration to proceed immediately.
  6. Neither party shall recover its costs, expert expenses, attorneys' fees or prejudgment interest from the other. Code of Civil Procedure section 998 and Civil Code section 3291 are expressly waived by the parties.

#### TRUST AGREEMENT

If **we** pay **you** for a **loss** under this coverage:

1. **We** are entitled to recover from **you** an amount equal to such payment if there is a legal settlement made or a judgment paid on **your** behalf with or against any person or organization legally responsible for the **bodily injury**.
2. **You** must hold in trust for **us** all rights to recover money which **you** have against the person or organization legally responsible for the **bodily injury**.
3. **You** must do everything reasonable to secure **our** rights and do nothing to prejudice these rights. If **we** ask **you**, **you** must take necessary or appropriate action through a representative designated by **us**, to recover payment as damages from the responsible person or organization. **You** must execute and deliver to **us** any legal instrument or papers necessary to secure the rights and obligations of **you** and **us** as established here. An **insured person** under this coverage must do nothing before or after a **loss** to prejudice **our** rights of recovery from any uninsured wrongdoer.

#### PART D - DUTIES AFTER AN ACCIDENT OR LOSS

In the event of an **auto accident** or **loss**, **you** and any person claiming coverage under this policy must:

1. Notify **us** promptly. **You** or someone on **your** behalf must notify **us** within ten (10) days, or as soon as practicable, by calling **our** claims office during business hours or our Claims Hotline, available 24 hours a day, seven days a week. The notice must give the time, place, and circumstances of the **accident** or **loss**, the license plate numbers of the vehicles involved, and the names and addresses of injured persons and witnesses. **FAILURE TO PROMPTLY REPORT A LOSS OR ACCIDENT TO US MAY JEOPARDIZE YOUR COVERAGE UNDER THIS POLICY.**
2. Cooperate with **us** in any matter concerning a claim or suit.
3. Provide **us** access, as **we** may reasonably require, to the recorded data contained within **your covered autos** event data recorder (EDR), global positioning system (GPS) or similar device, in connection with any matter concerning an **accident**, claim or suit.
4. Submit to physical examination at **our** expense, by doctors **we** select, as often as **we** may reasonably require, and authorize **us** to obtain medical and other records.
5. Provide any written proof of **loss** under oath that **we** require.
6. Neither admit fault, assume any obligation, nor agree to incur any expense in connection with any claim or **accident**.
7. Attend hearings and trials as **we** or a court may require.
8. Send **us** promptly any legal papers received to any claim or suit.
9. Submit to statements or examinations under oath as often as **we** may reasonably require and review, sign and return the transcript to **us** as **we** may reasonably require.
10. Allow **us** to take signed or recorded statements when and as often as **we** may reasonably require. **We** may examine any insured person under oath, while not in the presence of any other insured person, about any matter relating to this insurance or the claim, including an insured person's books and financial records. The examination under oath may be audiotaped or videotaped.

A person claiming Uninsured or Underinsured Motorists coverage, or someone on his behalf, must contact the police within twenty-four (24) hours, or as soon as practicable, after the **accident** if a hit-and-run driver is involved, and must promptly send **us** copies of any legal papers if suit is brought.

A person seeking Uninsured Motorist Coverage must also:

1. Report the **accident** to the police department, sheriff's office Highway Patrol office where the **accident** occurred within 24 hours if a hit and run driver is involved.

2. File with **us** within 30 days thereafter a statement under oath that the **insured person** or his or her legal representative or the **insured person's** heirs have a cause of action arising out of the **accident** for damages against a person or persons whose identity is unascertainable along with facts in support of this statement.
3. Provide **us**, within 30 days of the date of filing, with a copy of the complaint, if a lawsuit is brought by the **insured person** against the owner or operator of the **uninsured motor vehicle** or against the owner or operator of any other vehicle in the **accident**.
4. Within a reasonable time, make available at **our** expense all pleadings and depositions, if an **insured person** brings a lawsuit against the owner or operator of the **uninsured motor vehicle** or against the owner or operator of any other vehicle in the **accident**.
5. Provide **us** with proof that the limits of liability under any liability policies applicable to an **uninsured motor vehicle** have been exhausted by payment of judgments or settlements.
6. Notify **us** or **our** agent in writing within 10 business days of the **accident** for Uninsured Motorist Property Damage coverage.

#### **PART E - GENERAL PROVISIONS TERMS CONFORMED TO STATUTES**

This policy shall be deemed amended to conform to the statutes of each state if any provision fails to conform to such statutes. Any dispute as to coverages or the provisions of this policy shall be determined and governed by the law of the state listed in **your application** as **your** residence.

#### **COVERAGE DEEMED GRANTED BY OUT-OF-STATE STATUTE**

If an **accident** to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally driven, and if a statute of that state or province that is applicable to **us** deems out-of-state automobile or motor vehicle policies issued by **us** to provide particular forms or limits of coverage not provided for in this policy when **your covered auto** is involved in an **accident** in that state, then for purposes of that **accident** only, **we** will interpret **your** policy as providing the minimum coverage deemed to be provided, at the minimum amounts permitted by law, and subject to the exclusions set forth in any coverage part of this policy, to the fullest extent permissible by law. All such coverage shall be excess over any other collectible insurance, to the fullest extent permissible by law. Further, **our** obligation to pay such coverage shall be reduced by other available insurance, to the fullest extent permissible by law. Nothing contained herein constitutes a choice of law provision or consents to the application of the law of any particular state or province. No one will be entitled to duplicate payments for the same elements of loss.

#### **BANKRUPTCY**

Bankruptcy or insolvency of the insured person shall not relieve **us** of any obligations under this policy.

#### **CHANGES**

This policy, any endorsements to this policy, the **Declarations**, and **your application** contain all the agreements between **you** and **us**. Their terms may not be changed or waived except by endorsement issued by **us**. If a change requires a premium adjustment, **we** will adjust the premium as of the effective date of change.

The premium for this policy is based on the information **you** provided to **us** or other sources **we** use. **You** agree to cooperate with **us** in determining if this information is accurate and complete. **You** agree to notify **us** of any changes during the policy period. If this information is incomplete, incorrect, or changes during the policy period, **you** agree that **we** may adjust **your** premium, or take other legally permissible action.

Changes that may result in a premium change include, but are not limited to, **you** or a **family member** obtaining a driver's license or operator's permit, or changes in:

1. **Your** address;
2. **Your** garaging address;
3. **Resident** drivers and additional frequent drivers;
4. The number, type, or use classifications of **your covered autos**; and
5. Coverages, deductibles, or limits of liability.

**You** must notify **us** within 30 days of the time when a person becomes a **resident** of **your** household who was not previously listed on the policy.

#### **MISREPRESENTATION OR FRAUD**

The statements made by **you** in the **application** are deemed to be representations. If any representation contained in the **application** is false, misleading, or materially affects the acceptance or rating of the risk by **us**, by either direct misrepresentation, omission, concealment of facts, or incorrect statements, this policy will be void from its inception. If any representation contained in any notification of change is false, misleading, or materially affects the acceptance or rating of the risk by **us**, by either direct misrepresentation, omission, concealment of facts, or incorrect statement, this policy will be void from the effective date of the change. This provision shall also apply to misstatements of use and omissions of fact. **We** do not provide coverage for any insured person who has made fraudulent statements or engaged in fraudulent conduct in connection with any **accident** or **loss** for which coverage is sought under this policy. **We** may void this policy or deny coverage for fraud or misrepresentation even after the occurrence of an **accident** or **loss**. This means that **we** will not be liable for any claims or damages that would otherwise be covered. If **we** are not permitted to void this policy, any first-party claims will be reduced by the amount of any additional premium owed to **us**. Any payments made by **us** as the result of **your** fraud or misrepresentation may be recovered from **you**, or from any payments due or made to **you** under any first party coverage provided by this policy.

#### **BREACH OF WARRANTY**

If a breach of any warranty or condition contained in this policy, the **application**, or any endorsement attached hereto shall occur, such breach shall cause this insurance to be immediately void.

### LEGAL ACTION AGAINST US

No legal action may be brought against **us** until there has been full compliance with all the terms and conditions of this policy. In addition, under Part A – Liability Coverage of this policy, no legal action may be brought against **us** until:

1. **We** agree in writing that the **insured person** has an obligation to pay; or
2. The amount of that obligation has been finally determined by judgment after trial.

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

Under Part B –Medical Payments Coverage, no legal action may be brought against **us** on or upon this policy, or arising out of any activities of the Company in any way related to this policy, or claims **you** have presented, unless filed within two years of the **accident** or **loss**. The **insured person** and **we** agree that no cause of action shall accrue to the insured under Part C – Uninsured Motorist Coverage unless within two years from the date of the **accident**:

1. Suit for bodily injury has been filed against the uninsured motorist in a court of competent jurisdiction and notice of such suit has been given to **us**;
2. Agreement as to the amount due under the policy has been concluded; or
3. The **insured person** or **we** has formally instituted arbitration proceedings.

### OUR RIGHT TO RECOVER PAYMENT

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. **We** shall be entitled to the payment, reimbursement, and subrogation as provided in this section, regardless of whether the total amount of the recovery of the person (or his or her estate, parent or legal guardian) on account of the injury, illness or property damage is less than the actual **loss** suffered by the person (or his or her estate, parent or legal guardian).

That person shall do:

1. Whatever is necessary to enable **us** to exercise **our** rights; and
2. Nothing after **loss** to prejudice **our** rights.

If **we** make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for **us** the proceeds of the recovery; and
2. Reimburse **us** to the extent of **our** payment within 30 days of receipt of the proceeds of any recovery.

If payment is made to an **insured person** under Part B – Medical Payment Coverage, **we** are entitled to reimbursement to the extent of **our** payment, reduced by **our** share of the expenses, costs, and attorney fees incurred by the **insured person** in connection with any recovery from a liable person.

If an **insured person** under this policy makes recovery from a responsible party, other than the owner or operator of an underinsured motor vehicle, without our written consent, the **insured person's** right to payment under any affected coverage will no longer exist.

If **we** exercise our right to recovery against another, **we** will also attempt to recover any deductible incurred by an **insured person** under this policy. **We** reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. **We** reserve the right to reduce reimbursement of the deductible by the proportion that the amount **we** recover bears to the total amount of **our** subrogated claim. **We** will also reduce reimbursement of the deductible by the proportionate share of the collection expenses including attorney fees incurred with **our** recovery efforts. **We** will not recover the deductible if **you** instruct **us** not to.

### POLICY PERIOD AND TERRITORY

This policy applies only to **accidents** and **losses** that occur during the policy period as shown in the **Declarations** and within the policy territory. The policy territory is:

1. The United States of America, its territories or possessions;
2. Puerto Rico;
3. Canada; and

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

### LANGUAGE

For any legal process carried out in the United States of America or Canada, the text in English will be applied.

### CANCELLATION AND NONRENEWAL

**We** will not cancel, nonrenew or discontinue this policy solely because of the age, race, color, religion, sex, national origin or ancestry of anyone who is an insured person.

**You** may cancel this policy by returning it to **us** or an authorized agent or by advising **us** in writing as to when the cancellation is to be effective at a future date.

**We** may cancel this policy by mailing notice to **you** at the address shown on the **Declarations** or by delivering the notice to **you**. **We** may cancel this policy only for the following reasons:

1. Nonpayment of premium;
2. Discovery of fraud by the named insured in pursuing a claim under the policy. However, **we** may choose to rescind the policy based on fraud rather than cancelling.
3. For substantial increase in the hazard insured against; or

Any insured person who negligently misrepresents information described in this paragraph may avoid cancellation by furnishing corrected information to **us** within 20 days after receiving notice of cancellation and agreeing to pay any difference in premium for the policy period in which the information remained undisclosed.

#### **TRANSFER OF YOUR INTEREST IN THIS POLICY**

Interest in this policy may not be assigned or transferred without our written consent. However, if **you** die, coverage will be provided until the end of the policy period for:

1. Any person specifically named as an operator on the **Declarations**; and
2. The legal representative of the deceased person while acting within the scope of his or her duties as a legal representative. If **your covered auto** is sold, coverage will terminate as to that **auto** when the buyer takes possession of the **auto** and will not transfer to the new owner.

#### **TWO OR MORE AUTO POLICIES**

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

#### **POLICY AND/OR FILING FEES**

A Policy Fee and Filing Fee, if any, as set forth under the **Declarations** of this policy, is fully earned upon issuance of the policy and is not refundable.

#### **ADDITIONAL PREMIUM DUE - LOSS SETTLEMENT**

In the event of additional premium due to the incorrect rating of this policy, **we** shall have the right to correct the premium in accordance with **our** published rates and underwriting rules. If a **loss** occurs under the policy **we** shall have the option to deduct such additional premium from any loss settlement.

#### **CLAIMS SETTLEMENT**

To assist **us** in determining the amount of damages, expenses, or loss payable under the terms of this policy, **we** may use estimating, appraisal, or injury evaluation systems developed by **third parties or us** and may include the use of computer software, databases and other specialized technology.

#### **NAMED DRIVER EXCLUSION**

If **you** have elected to exclude a driver who may, by law, be excluded, all coverages, including Uninsured Motorist Coverage and including **our** duty to defend under the policy shall not apply nor shall they accrue to the benefit of **you**, any third party claimant, or any other person, while any **auto** is being operated by the driver that has been excluded (listed on the **Application** and/or **Declarations** and/or a Named Driver Exclusion acknowledgment), regardless of where the person resides or whether the person is licensed to drive.

This exclusion applies to the policy, or any continuation, renewal, or replacement of the policy by the **named insured**, or reinstatement within 30 days of any lapse thereof.

#### **PUNITIVE DAMAGES**

This insurance shall not apply to punitive or exemplary damages. **We** will not provide any defense, or pay for any claim, settlement, judgment, or other award of punitive or exemplary damages under any Part of this policy.

#### **RESCISSION**

**We** retain the right to void this policy from its beginning if **we** receive a down payment that is returned unpaid for any reason. Coverage under this policy is contingent upon **us** receiving full, final and complete payment of the down payment of the premium, and **we** will not cover **losses** of any kind that occur after the inception of the policy if **your** down payment is returned unpaid. **We** reserve the right to void this policy from its beginning if **we** determine that **you** have provided incomplete, inaccurate or false information in **your application**.

#### **POLLUTION EXCLUSION**

As used in this exclusion, pollutants include but are not limited to any solid, liquid, gaseous, or thermal substance, irritant, or contaminant including but not limited to smoke, vapor, soot, fumes, acids, alkalis, toxic chemicals, and waste. Waste includes but is not limited to materials that may be recycled, reconditioned, or reclaimed, whether or not known to contain pollutants or result in environmental damage. It is agreed that this insurance does not provide coverage for **bodily injury** or **property damage** arising out of, or resulting from, the intentional or unintentional, actual, alleged, or threatened discharge, release, dispersal, seepage, or escape of pollutants contained in any property:

1. Transported by, towed by, loaded into, or unloaded from **your covered auto**;
2. Otherwise in the course of transit;
3. Stored, disposed of, treated, or processed in or upon **your covered auto**. This exclusion does not apply if:
  - a. The pollutants are emitted directly from an auto part designed by its manufacturer to hold, store, receive, or dispose of such pollutants;
  - b. The **bodily injury** or **property damage** does not arise out of the operation of any equipment or device mounted on an **auto** chassis or used to raise or lower workers; and
  - c. The **bodily injury** or **property damage** does not arise out of the operation of any air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, or well servicing equipment.
4. Containing the pollutants before or after the pollutants are moved from the place of acceptance, delivery, disposal, or abandonment, for movement into, onto, or from **your covered auto**. This exclusion does not apply if:
  - a. The **pollutants** or any property in which they are contained are upset, overturned, or damaged as a result of the maintenance or use of **your covered auto**; or
  - b. The discharge, dispersal, release, or escape of the pollutants is caused directly by such upset, overturn, or damage.

It is agreed that this insurance does not provide coverage for any **loss**, cost, liability, or expense arising out of any judicial, administrative, or other governmental order, direction, or request that **you** test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize **pollutants** or environmental damage.

## **PART F - ROADSIDE ASSISTANCE BENEFITS**

### **ROADSIDE ASSISTANCE**

Roadside Assistance is available 24 hours a day, every day of the year in the United States of America and Canada (except Alaska and Hawaii). Your coverage begins from the date shown on your policy if it includes this 24-hour Roadside Assistance benefit and ends with the expiration of your policy, except if your prior cancels your policy. You will only have to pay for non-covered costs or expenses that exceed three hundred dollars (\$300.00) maximum per event of Towing, Collision and winching assistance and one hundred dollars (\$100.00) maximum per event for all other assistance benefits. The coverage extends to you, the policy holder, for the vehicle listed on your insurance policy, hereinafter referred to as "Covered Vehicle." The service will be provided to any driver of a Covered Vehicle and must be a Covered Service under these Terms and Conditions.

All Roadside Assistance services are provided by Driven Solutions, Inc. (Driven), with administrative offices at 3410 Midcourt Road, Suite 215, Carrollton, TX 75006.

CALL TOLL FREE AT 1-866-562-3265 from the US, and a service vehicle will be sent immediately to assist you. Important: Please remain in your vehicle when the service provider arrives, unless it is not safe, as they cannot service an unattended vehicle. In the event that the service cannot be obtained through DRIVEN, you will receive an authorization number to receive a reimbursement for the payments made according to the benefit and coverage program for the services received independently. You must first contact DRIVEN to receive authorization to obtain independent services. **ASSISTANCE OBTAINED THROUGH ANY SOURCE OTHER THAN DRIVEN IS NOT COVERED AND IS NOT REIMBURSABLE.**

Below, we list Covered Services, subject to the three hundred dollars (\$300.00) maximum per Trailer, Collision and winching assistance event and one hundred dollars (\$100.00) maximum per event for all other assistance benefits along the way. There will be a limit of two (2) Events covered in a twelve (12) month period of coverage.

- (1.) Towing Assistance - When Towing is necessary, the Covered Vehicle will be towed to the nearest service center or any location requested by the Insured, up to \$300.00 maximum benefit limit per event.
- (2.) Collision Assistance - If the Covered Vehicle is involved in a collision or accident and towing assistance is required, Driven will provide assistance to take your vehicle to the nearest garage or to any location requested by the insured up to \$300.00 maximum benefit limit per event.
- (3.) Winching Assistance - Extraction of a vehicle shall be provided when the Covered Vehicle is stuck in a ditch or other inaccessible area, as long as said location is maximum fifty (50) feet from a paved road or highway. Extraction service is not covered when driving the Covered Vehicle off road or on unpaved surfaces.
- (4.) Battery service - If a battery failure occurs, jump start will be provided to start the Covered Vehicle.
- (5.) Assistance for a Flat Tire - The Service consists of removing the flat tire from the Covered Vehicle and replacing it with a spare tire that's with the Covered Vehicle.
- (6.) Fuel Service, Oil, Liquid and Water - Delivery of an emergency supply of fuel, oil, liquid or water to the Covered Vehicle at the site of inability, when the covered vehicle has an immediate need. You must pay the cost of fuel or other liquid upon delivery.
- (7.) Locksmith Assistance - If your keys are locked inside your Covered Vehicle, assistance will be provided to enter the Covered Vehicle.

**The following items are not included as part of the roadside assistance services: Coverage will not be provided in case the emergencies arise from the use of toxic substances or narcotics, or the use of the covered vehicle in a crime act. Cost of parts/spare parts, spare keys, liquids, lubricants or fuel, the cost of installing products or materials. Towing when it is not an emergency or other non-emergency service. Any service available through a valid manufacturer's warranty or service. Service that is not emergency or remove snow tires or chains. Remove snow around a vehicle. Tire Repair. Motorcycles, trucks with capacity of one and a half ton (US), taxis, limousines, or other commercial vehicles. Recreational vehicles (including self-powered RVs), camping trailers, motor homes, or any vehicle in tow. All and all taxes, tolls or fines. The damage or disablement by fire, flood or vandalism. Towing from or repair work done in a service station, garage or repair shop. Tow assistance provided by another than a licensed service station or garage; vehicle storage costs. Service in a vehicle that is not in a safe condition to be towed or to obtain service or that may cause damage to the vehicle that will be towed or serviced. Towing or service on the roads without periodic maintenance, such as sandy beaches, open fields, forests and areas designated as non-passable due to construction. Towing by order of an officer of the law related to obstruction of traffic, reservoir, abandonment, illegal parking, or other violations of the law. Services received independently from DRIVEN without prior authorization from DRIVEN. Repeated Services of a Covered Vehicle in need of routine maintenance or repair. Only two (2) Covered Services per period of twelve (12) months of coverage. THIS SERVICE IS NOT FOR ROADSIDE ASSISTANCE REIMBURSABLE.**

#### **1. ASSISTANCE REQUEST.**

In the event of an Roadside Assistance situation and before initiating any action, the Insured must call the **DRIVEN** assistance telephone **numbers**, providing the following information:

- a) Indicate the telephone number where **DRIVEN** can contact the Insured or his representative, as well as all the information that the customer service representative may request to locate you.
- b) Name and number of the insured certificate or policy.
- c) Indicate the place where the eventuality occurred.
- d) Description of occurrence.
- e) If family, indicate the relationship.
- f) Appoint as its attorney the one appointed by **DRIVEN** (if applicable).
- g) Provide the necessary elements of the location of the assistance situation, as well as cooperate with the proper monitoring of the

service with the respective authorities.

h) Refrain from making arrangements or expenses without consulting **DRIVEN**.

i) Notify **DRIVEN** of address change.

j) The medical and legal team of **DRIVEN** will have free access to the histories and clinical files, as well as the criminal record of the insured to know their situation, if such access is denied, **DRIVEN** will not be obliged to provide any of the Assistance Services.

k) Any other document requested by **DRIVEN**, as long as it is reasonable in terms of the law.

It is the insured's responsibility to make any claim correctly.

#### **OBLIGATIONS OF THE BENEFICIARY AND/OR COMPANION (S).**

**1.- ASSISTANCE REQUEST:** In case of presenting an assistance situation, and before initiating any action, the Insured must call **DRIVEN**, at the telephone number **1-866-562-3265 from the USA**, providing the following information:

1. Full name of the insured

2. Policy number of your car insurance and term.

3. Indicate the place where you are and the telephone number in which you can be contacted, or all the necessary data to locate it and that the customer service representative requests.

4. Describe in detail the problem and the type of service required.

**2. SECURITY MEASURES:** The beneficiary and/or companion(s) are obliged to execute all acts that tend to avoid or diminish assistance situations. As well as abstaining from making arrangements or expenses without having previously consulted **DRIVEN**.

2.1. The reimbursement of the services contracted by the Insured will not be paid without the prior consent of **DRIVEN** and without complying with the requirements mentioned in this policy. Except in the case that prevents you from communicating with it or with third parties responsible for providing such services.

**3. CLAIMS:** Any claim resulting from an **EVENT** and/or relative to an assistance situation must be presented before leaving the USA by telephone and immediately to the toll-free number designated in the policy. All required documentation must be submitted in writing within 90 calendar days of the date on which the event occurs. **DRIVEN** will make the payments and indemnities referred to in this policy, provided that this does not generate profit for the insured.

#### **EXCLUSIONS:**

The assistance benefits described in the following cases will not be provided:

a) When the beneficiary and/or occupant(s) do not provide accurate and timely information, which due to its nature does not allow the situation to be adequately addressed.

b) When the beneficiary and/or occupant(s) cannot confirm to be beneficiaries of the assistance service.

c) When the beneficiary and/or occupant(s) fail to comply with any of the obligations indicated in this policy.

d) When the driver of the vehicle does not identify himself as the beneficiary or occupant.

e) When the beneficiary is not in the place of the service requested.

f) When the covered vehicle has been illegally entered into the country.

g) When the assistance situation derives from fraud or bad faith of the Insured or the driver of the vehicle or has been derived from any intentional mishap.

h) For misuse or improper use of the vehicle without the consent of the Insured, as in the case of theft, abuse of trust.

i) Vehicles with modifications different from the original ones of manufacture, if these directly influenced the accident or the composure.

j) Assistance and/or expenses of vehicle occupants free of charge, as a consequence of the so-called "aventones", "rides" or "hitchhiking".

k) **Qualitas** shall not be liable for delays or non-compliance due to force majeure or to the administrative or political characteristics of the place where the services are to be provided.

l) The provider can be independent contractors, therefore, **Qualitas** will be responsible for the provision of the services in accordance with the stipulations of this policy, will not be responsible in any case for the deficiencies incurred by such providers, regardless of whether they are chosen by **Qualitas**, have the appropriate qualifications and are competent according to the service levels in place, time and circumstance in which the services are provided.

m) Service will not be considered as an alarm blockage, maintenance work, car inspections, major repairs and repair of parts made directly by the user or by third parties, if these directly influenced in the accident or breakdown of the vehicle covered, accumulators discharged, gasoline, car stuck in puddles and sand.

n) The covered vehicle will not be towed with cargo or wounded people, nor maneuvers if it is stuck or stuck in potholes or ravines.

ñ) The user flees from the scene.

o) Direct violations of the Regulations of Transit Effective and Applicable in the federative entity and/or the General Law of Communication applicable and in force in the place in which it is located.

Services are excluded when they are direct or indirect derived of:

i. Situations of assistance occurred during trips made by the beneficiary and/or companion(s) against the prescription of a doctor.

ii. By suicide and/or injuries caused by the attempt by the insured.

iii. For illnesses or pathological produced by the voluntary ingestion of alcohol, drugs, toxic substances, narcotics or medications without medical prescription; the assistance and/or expenses derived from mental illnesses will not be covered

either;

iv. For services related to the acquisition or use of prostheses, glasses or pregnancy.

v. No medical transfer service will be given to pregnant women during the last ninety days before the date of delivery.

vi. During nature phenomena of an extraordinary nature, such as floods, earthquakes, volcanic eruptions or cyclonic storms;

vii. During acts and/or acts derived from terrorism, riot or popular tumults;

viii. For acts and/or acts of armed forces, even if these are carried out in times of peace;

ix. As a result of events related to radioactive energy; or any other cause of force majeure.

Everything not covered by these particular conditions will be ruled by the provisions of the General Conditions of the policy of which this benefit is a part.

#### **DOCUMENTS DELIVERY**

Under the terms and conditions of the Policy, the Insured must inform or deliver as soon as possible to the person or persons designated by QUALITAS the summons, demands, experiments, court orders, notifications, as well as any other correspondence or legal documentation received from part of the administrative or judicial authorities and that relate directly or indirectly to the events covered in this contract.

#### **RESPONSIBILITIES OF THE INSURED**

1. The Insured must report any need for assistance as soon as possible by calling the toll-free number provided.

2. The Insured must cooperate with **DRIVEN**, must provide all the necessary information and complete all the necessary documents so that the necessary service can be provided.

3. The Insured shall under no circumstances make arrangements or incur any expenses without first consulting with **DRIVEN** and obtaining its approval, except in the cases of exceptions stipulated in this document.

4. The Insured must take the pertinent measures to prevent any damage or to diminish the effects of any act in which the service provided in this contract is necessary.

The parties agree that once the requirements of origin of the claim have been satisfied before the INSURANCE COMPANY, DRIVEN will send them to THE INSURANCE COMPANY for the restitution of the credited amount.

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**If you have any problem with your policy or a claim please contact Qualitas Insurance Company at:**

**101 West Broadway, Ste.1270  
San Diego, CA 92101  
Toll Free 1(844) 765-6380**

President  
Qualitas Insurance Company