

GEICO

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**Maine
Family
Automobile
Insurance
Policy**

POLICY INDEX

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Whenever he, his, him, himself appears in this policy, *you* may read she, her, hers, or herself.

AGREEMENT

We, the Company named in the declarations attached to this policy, make this agreement with *you*, the policyholder. Relying on the information *you* have furnished and the declarations attached to this policy and if *you* pay *your* premium when due, we will do the following:

SECTION I Liability Coverages

Your Protection Against Claims From Others

Bodily Injury Liability

Property Damage Liability

DEFINITIONS

The words italicized in Section I of this policy are defined below.

1. **Auto business** means the business of selling, repairing, renting, leasing, brokering, servicing, storing, transporting or parking of autos.
2. **Bodily injury** means bodily injury to a person, including resulting sickness, disease or death.
3. **Farm auto** means a truck type vehicle with a gross vehicle weight of 15,000 pounds or less, that is not used for commercial purposes other than farming.
4. **Insured** means a person or organization that is described under PERSONS INSURED.
5. **Non-owned auto** means an automobile or **trailer** that is not owned by or furnished for the regular use of either *you* or a **relative**, other than a **temporary substitute auto**. An auto that is rented or leased for more than 30 days will be considered as furnished for regular use.
6. **Owned auto** means:
 - (a) a vehicle that is described in this policy and for which a premium charge is shown for these coverages;
 - (b) a **trailer** that is owned by *you*;
 - (c) a **private passenger auto**, **farm auto** or **utility auto**, ownership of which *you* acquire during the policy period or for which *you* enter into a lease during the policy period that is for a term of six months or more, if
 - (i) it replaces an **owned auto** as defined in (a) above; or
 - (ii) we insure all:
 - a) **private passenger autos**;
 - b) **farm autos**; and
 - c) **utility autos** that are owned or leased by *you* on the date of the acquisition and *you* ask us to add it to the policy no more than 30 days later;
 - (d) a **temporary substitute auto**.
7. **Personal vehicle sharing program** means a business, organization, network or group facilitating the sharing of private passenger vehicles for use by individuals or businesses.
8. **Private passenger auto** means a four-wheel private passenger, station wagon or jeep-type auto.
9. **Relative** means a person that is related to *you* by blood, marriage or adoption and who resides in *your* household. This includes a ward or foster child.
10. **Temporary substitute auto** means an automobile or **trailer**, not owned by *you*, that is temporarily used with the permission of the owner. It must be used as a substitute for the **owned auto** or **trailer** when withdrawn from normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction.
11. **Trailer** means a trailer designed to be towed by a **private passenger auto**, if it is not being used for business or commercial purposes with a vehicle other than a **private passenger auto**, **farm auto** or **utility auto**.
12. **Utility auto** means a vehicle, other than a **farm auto**, with a gross vehicle weight of 15,000 pounds or less that is of the pick-up body, van or panel truck type not used for commercial purposes.
13. **War** means:
 - (a) armed conflict among nations, whether or not declared;
 - (b) civil war;
 - (c) insurrection;
 - (d) rebellion; or
 - (e) revolution.
14. **You** and **your** means the named insured shown in the declarations or his or her spouse if he or she is a resident of the same household

LOSSES WE WILL PAY FOR YOU UNDER SECTION I

Under Section I, we will pay damages which an **insured** becomes legally obligated to pay due to:

1. **bodily injury**, that is sustained by a person; and
2. damage to or destruction of property that arises out of the ownership, maintenance or use of the **owned auto** or of a **non-owned auto**.

We will defend any suit for damages that are payable under the terms of this policy. We may investigate and settle any claim or suit.

ADDITIONAL PAYMENTS WE WILL MAKE UNDER THE LIABILITY COVERAGES

1. We will pay all investigative and legal costs that are incurred by us.
2. We will pay all court costs that are charged to an **insured** in a covered lawsuit.
3. Interest calculated on that part of a judgment that is within our limit of liability and accruing:
 - (a) Before the judgment, where owed by law, and until we pay, offer to pay, or deposit in court the amount due under this coverage;
 - (b) After the judgment, and until we pay, offer to pay, or deposit in court, the amount due under this coverage. Interest calculated after the judgment will be provided in accordance with Maine law.
4. We will pay premiums for appeal bonds in a suit that we appeal, or premiums for bonds to release attachments; but the face amount of these bonds may not exceed the applicable limit of our liability.
5. We will pay premiums for bail bonds that are paid by an **insured** and are due to traffic law violations arising out of the use of an **owned auto** or **non-owned auto**, not to exceed \$250 per bail bond.
6. We will upon request by an **insured**, provide reimbursement for the following items:
 - (a) We will pay costs that are incurred by any **insured** for first aid to others at the time of an accident involving an **owned auto** or **non-owned auto**.
 - (b) We will pay for loss of earnings up to \$50 a day, but not for other income, if we request an **insured** to attend hearings and trials.
 - (c) We will pay all reasonable costs that are incurred by an **insured** at our request.

EXCLUSIONS

When Section I Does Not Apply

Section I does not apply to any claim or suit for damage if one or more of the exclusions listed below applies.

1. Section I does not apply to any vehicle that is used to carry persons or property for compensation or a fee, including but not limited to the delivery of food or any other products. However, a vehicle that is used in an ordinary car pool on a ride or cost sharing basis is covered.
2. **Bodily injury** or property damage that is caused intentionally by or at the direction of an **insured** is not covered.
3. We do not cover **bodily injury** or property damage that is insured under a nuclear liability policy.
4. **Bodily injury** or property damage that arises from the operation of farm machinery is not covered.
5. **Bodily injury** to an employee of an **insured** that arises out of and in the course of employment by an **insured** is not covered.
However, **bodily injury** of a domestic employee of the **insured** is covered unless benefits are payable or are required to be provided under a workers' compensation law.
6. We do not cover **bodily injury** to a fellow employee of an **insured** if the fellow employee's **bodily injury** arises from the use of an auto while in the course of employment and if workers' compensation or other similar coverage is available. We will defend **you** if suit is brought by a fellow employee against **you** alleging use, ownership or maintenance of an auto by **you**.
7. We do not cover an **owned auto** while used by a person (other than **you** or a **relative**) when he is employed or otherwise engaged in the **auto business**.
8. A **non-owned auto** while maintained or used by any person is not covered while such person is employed or otherwise engaged in (1) any **auto business**, if the accident arises out of that business; (2) any other business or occupation of any **insured**, if the accident arises out of that business or occupation, except a **private passenger auto** used by **you** or **your** chauffeur or domestic servant while engaged in such other business.
9. We do not cover damage to:
 - (a) property that is owned, operated, transported or used by an **insured**; or
 - (b) property that is rented to or in charge of an **insured** other than a residence or private garage.
10. We do not cover an auto that is acquired by **you** during the policy term, if **you** have purchased other liability insurance for it.
11. We do not cover:
 - (a) the United States of America or any of its agencies;
 - (b) any person, including **you**, if covered by the Federal Tort Claims Act.
12. We do not cover **bodily injury** or property damage that results from the operation of a **non-owned auto** or **temporary substitute auto** that is designed for use principally off public roads that is not registered for use on public roads.

13. We do not cover **bodily injury** or property damage that results from nuclear exposure or explosion including resulting fire, radiation or contamination is not covered.
14. We do not cover **bodily injury** or property damage that results from bio-chemical attack or exposure to bio-chemical agents is not covered.
15. Section I does not apply:
 - (a) To **bodily injury** or property damage caused by an auto driven in or preparing for any racing, speed or demolition contest or stunting activity of any nature, whether or not prearranged or organized.
 - (b) To the operation or use of a motor vehicle on a track designed primarily for racing or high speed driving. This does not apply if the vehicle is being used in connection with an activity other than racing, high speed driving or any competitive driving.
16. We do not cover any liability assumed under any contract or agreement.
17. We do not cover punitive or exemplary damages recovered or potentially recoverable from any insured arising from the use or abuse of alcohol, medication or drugs.
18. We do not cover **bodily injury** or property damage due to the discharge of a weapon or the throwing or ejecting of any projectile is not covered.
19. An order of restitution awarded in a criminal proceeding or equitable action is not covered.
20. There is no coverage under this Section for any person or organization while any motor vehicle is operated, maintained or used as part of personal vehicle sharing facilitated by a **personal vehicle sharing program**.

PERSONS INSURED

Who Is Covered

Section I applies to the following as **insureds** with regard to an **owned auto**:

1. **you**;
2. **your relatives**;
3. any other person using the auto with **your** permission. The actual use must be within the scope of that permission;
4. any other person or organization for his or its liability because of acts or omissions of an **insured** under 1., 2. or 3. above.

Section I applies to the following with regard to a **non-owned auto**:

1. (a) **you**;
- (b) **your relatives** when using a **private passenger auto**, **farm auto** or **utility auto** or **trailer**.

Such use by **you** or **your relatives** must be:

- (a) with the permission; or
 - (b) reasonably believed to be with the permission of the owner and within the scope of that permission.
2. a person or organization, not owning or hiring the auto, regarding his or its liability because of acts or omissions of an **insured** under 1. above.
The limits of liability stated in the declarations are the most we will pay regardless of the number of **insureds** involved in the occurrence.

FINANCIAL RESPONSIBILITY LAWS

When this policy is certified as proof of financial responsibility for the future under the provisions of a motor vehicle financial responsibility law, this liability insurance will comply with the provisions of that law. The **insured** agrees to reimburse us for payments that are made by us which we would not have had to make except for this agreement.

OUT OF STATE INSURANCE

When the policy applies to the operation of a motor vehicle when outside of **your** state, we agree to increase **your** coverages to the extent that is required of out-of-state motorists by local law. This additional coverage will be reduced to the extent that **you** are protected by another insurance policy. No person can be paid more than once for any item of loss.

LIMITS OF LIABILITY

Regardless of the number of autos or **trailers** to which this policy applies:

1. The limit of bodily injury liability that is stated in the declarations as applicable to "each person" is the most we will pay for all damages, including damages for care and loss of services, because of **bodily injury** that is sustained by one person as the result of one occurrence.
2. The limit of such liability that is stated in the declarations as applicable to "each occurrence" is, subject to the above provision respecting each person, the most we will pay for all such damages, including damages for care and loss of services, because of **bodily injury** that is sustained by two or more persons as the result of any one occurrence.
3. The limit of property damage liability stated in the declarations as applicable to "each occurrence" is the most we will pay for all damages because of injury to or destruction of the property of one or more persons or organizations, including the loss of use of the property as the result of any one occurrence.

OTHER INSURANCE

If the **insured** has other insurance against a loss that is covered by Section I of this policy, we will not owe more than our pro-rata share of the total coverage available.

Any insurance that we provide for losses arising out of the ownership, maintenance or use of a vehicle that **you** do not own shall be excess over other insurance that is valid and collectible.

CONDITIONS

The following conditions apply to Section I:

1. NOTICE

As soon as possible after an occurrence, written notice must be given to us or to our authorized agent stating:

- (a) the identity of the **insured**;
- (b) the time, place and details of the occurrence;
- (c) the names and addresses of the injured, and of any witnesses; and
- (d) the names of the owners and the description and location of any damaged property.

If a claim or suit is brought against an **insured**, he must promptly send to us each demand, notice, summons or other process received.

2. TWO OR MORE AUTOS

If this policy covers two or more autos, the limit of coverage applies separately to each. An auto and an attached **trailer** are considered to be one auto.

3. ASSISTANCE AND COOPERATION OF THE INSURED

The **insured** will cooperate and assist us, if we request:

- (a) in the investigation of the occurrence;
- (b) in making settlements;
- (c) in the conduct of suits;
- (d) in enforcing any right of contribution or indemnity against any legally responsible person or organization that is due to **bodily injury** or property damage;
- (e) at trials and hearings;
- (f) in securing and giving evidence; and
- (g) by obtaining the attendance of witnesses.

Only at his own cost will the **insured**:

- (a) make a payment;
- (b) assume any obligation; or
- (c) incur any cost

other than for first aid to others.

4. ACTION AGAINST US

No suit will lie against us:

- (a) unless the **insured** has fully complied with all of the policy's terms and conditions, and
- (b) until the amount of the **insured's** obligation to pay has been finally determined, either:
 - (i) by a final judgment against the **insured** after an actual trial; or
 - (ii) by written agreement of the **insured**, the claimant and us.

A person or organization, or the legal representative of either, who secures a judgment or written agreement, may then sue to recover up to the policy limits.

No person or organization, including the **insured**, has a right under this policy to make us a defendant in an action to determine the **insured's** liability.

Bankruptcy or insolvency of the **insured** or his estate will not relieve us of our obligations.

5. SUBROGATION

When payment is made under this policy, we will be subrogated to all of the **insured's** rights of recovery against others. The **insured** will help us to enforce these rights. The **insured** will do nothing after loss to prejudice these rights.

This means that we will have the right to sue for or otherwise recover the loss from anyone else who may be held responsible.

SECTION II Auto Medical Payments

Protection For You And Your Passengers For Medical Expenses

DEFINITIONS

The definitions of terms shown under Section I apply to this Coverage. In addition, under this Coverage, **occupying** means:

- (a) in; or
- (b) upon; or
- (c) entering into; or
- (d) alighting from.

PAYMENTS WE WILL MAKE

Under this Coverage, we will pay all reasonable expenses that are for necessary:

- (a) medical;
- (b) surgical;
- (c) x-ray; and
- (d) dental services;
- (e) prosthetic devices; and
- (f) ambulance;
- (g) hospital;
- (h) professional nursing; and
- (i) funeral

services that are actually incurred by an **insured** within three years from the date of the accident.

This Coverage applies to:

1. **you** and each **relative** who sustains **bodily injury** caused by accident:
 - (a) while **occupying** the **owned auto**; or
 - (b) while **occupying** a **non-owned auto** if **you** or **your relative** reasonably believe that **you** have the owner's permission to use the auto and the use is within the scope of that permission; or
 - (c) when struck as a pedestrian by an auto or **trailer**.
2. any other person who sustains **bodily injury** that is caused by accident while **occupying** the **owned auto** while being used by:
 - (a) **you**;
 - (b) a resident of **your** household; or
 - (c) other persons with **your** permission.

EXCLUSIONS

When Section II Does Not Apply

1. There is no coverage for **bodily injury** that is sustained by any occupant of an **owned auto** that is used to carry persons or property for compensation or a fee, including but not limited to the delivery of food or any other products. However, a vehicle that is used in an ordinary car pool on a ride sharing or cost sharing basis is covered.
2. There is no coverage for an **insured** while **occupying** a vehicle that is located for use as a residence or premises.
3. **You** and **your relatives** are not covered for **bodily injury** that is sustained while **occupying** or when struck by:
 - (a) a farm-type tractor or other equipment designed for use principally off public roads, while not upon public roads; or
 - (b) a vehicle that is operated on rails or crawler treads
4. There is no coverage for persons that are employed in the **auto business**, if the accident arises out of that business and if benefits are required to be provided under a workers' compensation law.
5. **Bodily injury** sustained due to **war** is not covered.
6. The United States of America or any of its agencies are not covered as an **insured**, a third party beneficiary, or otherwise.
7. Section II does not apply:
 - (a) To **bodily injury** caused by an auto driven in or preparing for any racing, speed or demolition contest or stunting activity of any nature, whether or not prearranged or organized.
 - (b) To the operation or use of a motor vehicle on a track designed primarily for racing or high speed driving. This does not apply if the vehicle is being used in connection with an activity other than racing, high speed driving or any competitive driving.

This exclusion only applies to covered medical payments which exceed \$2,000.
8. There is no coverage for **bodily injury** that results from nuclear exposure or explosion including resulting fire, radiation or contamination.
9. There is no coverage for **bodily injury** that results from bio-chemical attack or exposure to bio-chemical agents.
10. There is no coverage under this Section for any person or organization while any motor vehicle is operated, maintained or used as part of personal vehicle sharing facilitated by a **personal vehicle sharing program**.

LIMIT OF LIABILITY

The limit of liability for medical payments that is stated in the declarations as applying to "each person" is the limit we will pay for all costs incurred by or on behalf of each person who sustains **bodily injury** in one accident. This applies regardless of the number of persons that are insured or the number of autos or **trailers** to which this policy applies.

OTHER INSURANCE

If the **insured** has other medical payments insurance against a loss that is covered by Section II of this policy, we will not owe more than our pro rata share of the total coverage available.

Any insurance we provide to a person who sustains **bodily injury** while **occupying** a vehicle that **you** do not own shall be excess over any other insurance that is valid and collectible.

CONDITIONS

The following conditions apply to this Coverage:

1. NOTICE

As soon as possible after an accident, written notice must be given to us or to our authorized agent stating:

- (a) the identity of the **insured**;
- (b) the time, place and details of the accident; and
- (c) the names and addresses of the injured, and of any witnesses.

2. TWO OR MORE AUTOS

If this policy covers two or more autos, the limit of coverage applies separately to each. An auto and an attached **trailer** are considered to be one auto.

3. ACTION AGAINST US

Suit will not lie against us unless the **insured** has fully complied with all of the policy terms.

4. MEDICAL REPORTS - PROOF AND PAYMENT OF CLAIMS

As soon as possible, the injured person or his representative will furnish us with written proof of claim, under oath if required. At our request, he will give us written authority to obtain medical reports and copies of records.

The injured person will submit to an examination by doctors chosen by us and at our expense as we may reasonably require.

We may pay either:

- (a) the injured person;
- (b) the doctor; or
- (c) other persons or organizations rendering medical services.

These payments are made without regard to fault or legal liability of the **insured**.

5. SUBROGATION

When we make a payment under this coverage, our procedures for medical payments subrogation will be in accordance to Maine law. The persons receiving payment will do whatever is necessary to secure our rights and will do nothing to prejudice them. This means that we may have the right to sue for or otherwise recover the loss from anyone else who may be held responsible.

SECTION III

Physical Damage Coverages

Your Protection For Loss Or Damage To Your Car

DEFINITIONS

The definitions of the terms **auto business, farm auto, personal vehicle sharing program, private passenger auto, relative, temporary substitute auto, utility auto, you** and **war** under Section I apply to Section III also. Under this Section, the following special definitions apply:

1. **Actual cash value** is the replacement cost of the auto or property less **depreciation**.

2. **Betterment** is improvement of the auto or property to a value greater than its pre-loss condition.

3. **Collision** means **loss** that is caused by:

- (a) upset of the covered auto; or
- (b) its collision with another object, including an attached vehicle.

4. **Custom parts or equipment** means paint, equipment, devices, accessories, enhancements, and changes, other than those which are original manufacturer installed, which:

- (a) Are permanently installed or attached; or
- (b) Alter the appearance or performance of a vehicle; this includes any electronic equipment, antennas, and other devices used exclusively to send or receive audio, visual, or data signals, or to play back recorded media, other than those which are original manufacturer installed, that are permanently installed in the **owned auto** or a newly acquired vehicle using bolts or brackets, including slide-out brackets.

5. **Depreciation** means a decrease or loss in value to the auto or property due to:

- (a) use; (b) disuse;
- (c) physical wear and tear; (d) age;
- (e) outdatedness; or (f) other causes.

6. **Insured** means:

(a) regarding the **owned auto**:

- (i) **you** and **your relatives**;
- (ii) a person or organization maintaining, using or having custody of the auto with **your** permission, if his use is within the scope of that permission.

(b) regarding a **non-owned auto**; **you** and **your relatives**, using the auto, if the actual operation or use is with the permission or is reasonably believed to be with the permission of the owner and is within the scope of that permission.

7. **Loss** means direct and accidental loss of or damage to:
 - (a) the auto, including its equipment; or
 - (b) other insured property.
8. **Non-owned auto** means a **private passenger auto, farm auto, utility auto** or **trailer** that is:
 - (a) not owned by; or
 - (b) not furnished for the regular use of either **you** or **your relatives**, except a **temporary substitute auto**. **You** or **your relative** must be using the auto or trailer within the scope of permission that is given by its owner. An auto that is rented or leased for more than 30 days is furnished for regular use.
9. **Owned auto** means:
 - (a) any vehicle that is described in this policy and for which a specific premium charge indicates that there is coverage;
 - (b) a **private passenger auto, farm auto** or **utility auto** or a **trailer**, ownership of which is acquired by **you** during the policy period or for which **you** enter into a lease during the policy period for a term of six months or more; if
 - (i) it replaces an **owned auto** as described in (a) above, or
 - (ii) we insure all **private passenger autos, farm autos, utility autos** and **trailers** that are owned or leased by **you** on the date of such acquisition and **you** request us to add it to the policy within 30 days afterward;
 - (c) a **temporary substitute auto**.
10. **Trailer** means a trailer that is designed to be towed by a **private passenger auto** and which is not used as a home, residence, office, store, display or passenger trailer. **Trailer** does not mean a trailer with built-in sleeping facilities designed for recreational or camping use.

LOSSES WE WILL PAY FOR YOU

Comprehensive (Excluding Collision)

1. We will pay for each **loss**, less the applicable deductible, that is caused other than by **collision**, to the **owned auto** or **non-owned auto**. This includes breakage of glass and **loss** that is caused by:

| | | | | |
|-------------------------|----------------------|-----------------|-------------------------------------|------------|
| (a) missiles; | (b) falling objects; | (c) fire; | (d) lightning; | (e) theft; |
| (f) larceny; | (g) explosion; | (h) earthquake; | (i) colliding with a bird or animal | |
| (j) windstorm; | (k) hail; | (l) water; | (m) flood; | |
| (n) malicious mischief; | (o) vandalism | (p) riot; or | (q) civil commotion. | |

At the option of the **insured**, breakage of glass caused by **collision** may be paid under the Collision Coverage, if it is included in the policy.

2. We will pay, up to \$200 per occurrence, less any deductible shown in the declarations, for **loss** to personal effects due to:

| | | |
|-------------------------------------|----------------------|--------------------|
| (a) fire; | (b) lightning; | (c) flood; |
| (d) theft of the entire automobile; | (e) falling objects; | (f) earthquake or; |
| | | (g) explosion. |

 The property must be owned by:
 - (a) **you** or a **relative**; and
 - (b) must be in or upon an **owned auto**.

3. **Losses** arising out of a single occurrence shall be subject to no more than one deductible.

Collision

1. We will pay for **collision loss** to the **owned auto** or **non-owned auto** for the amount of each **loss** less the applicable deductible.
2. We will pay up to \$200 per occurrence, less the applicable deductible, for **loss** to personal effects that is due to a **collision**. The property must be owned by **you** or a **relative**, and it must be in or upon an **owned auto**.
3. **Losses** that arise out of a single occurrence shall be subject to no more than one deductible.

ADDITIONAL PAYMENTS WE WILL MAKE UNDER THE PHYSICAL DAMAGE COVERAGES

1. We will reimburse the **insured** for transportation expenses that are incurred during the period beginning 48 hours after a theft of the entire auto that is covered by Comprehensive Coverage under this policy has been reported to us and the police. Payment ends when the auto is returned to use or we pay for the **loss**. This payment will not exceed \$25 per day nor \$750 per **loss**.
2. We will pay general average and salvage charges for which the **insured** becomes legally liable when the auto is being transported.

EXCLUSIONS

When The Physical Damage Coverages Do Not Apply

1. We do not cover an auto used to carry persons or property for compensation or a fee, including but not limited to the delivery of food or any other products. However, a vehicle that is used in an ordinary car pool on a ride sharing or cost sharing basis is covered.
2. We do not cover **loss** that is due to **war**.
3. We do not cover **loss** to a **non-owned auto** when it is used by the **insured** in the **auto business**.
4. There is no coverage for **loss** caused by and limited to:
 - (a) wear and tear;
 - (b) freezing; or
 - (c) mechanical or electrical breakdown or failure unless that damage results from a covered theft.
5. We do not cover road damage to tires.
6. We do not cover **loss** due to radioactivity.
7. We do not cover **loss** to any tape, wire, record disc or other medium for use with a device designed for the recording and/or reproduction of sound.
8. We do not cover **loss** to any radar or laser detector.
9. We do not cover **trailers** when used for business or commercial purposes with vehicles other than **private passenger auto, farm auto or utility autos**.
10. We do not cover loss to an:
 - (a) **owned auto**; or
 - (b) **non-owned auto** that results from destruction, impoundment, confiscation or seizure of a vehicle by governmental or civil authorities due to its use by **you**, a **relative** or a permissive user of the vehicle in illegal activities.
11. There is no coverage for loss that results from nuclear exposure or explosion including resulting fire, radiation or contamination.
12. There is no coverage for loss that results from bio-chemical attack or exposure to bio-chemical agents.
13. Section III does not apply:
 - (a) To any **loss** caused by participation in or preparing for any racing, speed, or demolition contest or stunting activity of any nature, whether or not prearranged.
 - (b) To any **loss** caused by the operation or use of a motor vehicle on a track designed primarily for racing or high speed driving. This does not apply if the vehicle is being used in connection with an activity other than racing, high speed driving or any competitive driving.
14. We do not cover **loss** for **custom parts or equipment**, in excess of \$1,000, unless the existence of those **custom parts or equipment** has been previously reported to us and an endorsement to the policy has been issued.
15. There is no coverage for any liability assumed under any contract or agreement.
16. There is no coverage for **loss** resulting from:
 - (a) the acquisition of a stolen vehicle;
 - (b) any governmental, legal or other action to return a vehicle to its legal, equitable, or beneficial owner, or anyone claiming an ownership interest in the vehicle;
 - (c) any confiscation, seizure or impoundment of a vehicle by governmental authorities; or
 - (d) the sale of an **owned auto**.
17. There is no coverage under this Section for any person or organization while any motor vehicle is operated, maintained or used as part of personal vehicle sharing facilitated by a **personal vehicle sharing program**.
18. There is no coverage for any damage arising out of, resulting from, caused by or attributed to electromagnetic radiation including but not limited to electromagnetic radiation caused by solar flare, solar wind, solar radiation, solar activity, solar phenomena, solar storm, magnetic storm or magnetic field.

LIMIT OF LIABILITY

The limit of our liability for **loss**:

1. is the **actual cash value** of the property at the time of the **loss**;
2. will not exceed the prevailing competitive price to repair or replace the property at the time of **loss**, or any of its parts including parts from non-original equipment manufacturers, with other that is of like kind and quality and will not include compensation for any diminution of value that is claimed to result from the **loss**. Although **you** have the right to choose any repair facility or location, the limit of liability for repair or replacement of such property is the prevailing competitive price which is the price we can secure from a competent and conveniently located repair facility. At **your** request, we will identify a repair facility that will perform the repairs or replacement at the prevailing competitive price;
3. to personal effects arising out of one occurrence is \$200;
4. to a **trailer** that is not owned by **you** is \$500;

5. for **custom parts or equipment** is limited to the **actual cash value** of the **custom parts or equipment**, not to exceed the **actual cash value** of the vehicle. However, the most we will pay for **loss to custom parts or equipment** is \$1,000, unless the existence of those **custom parts or equipment** has been previously reported to us and an endorsement to the policy has been added.

Actual cash value of property will be determined at the time of the **loss** and will be adjusted for:

- (a) **depreciation**;
- (b) **betterment**; and for
- (c) physical condition.

OTHER INSURANCE

If the **insured** has other insurance against a **loss** that is covered by Section III, we will not owe more than our pro-rata share of the total coverage that is available.

Any insurance we provide for a vehicle that **you** do not own shall be excess over any other insurance that is valid and collectible.

CONDITIONS

The following conditions apply only to the Physical Damage Coverages:

1. NOTICE

As soon as possible after a **loss**, written notice must be given to us or to our authorized agent stating:

- (a) the identity of the **insured**;
- (b) a description of the auto or **trailer**;
- (c) the time, place and details of the **loss**; and
- (d) the names and addresses of any witnesses.

In case of theft, the **insured** must promptly notify the police. In the case of theft of the entire auto, the **insured** must promptly notify the police that the vehicle was stolen. To be eligible as a covered **loss**, the police report must acknowledge and classify the report as theft of a motor vehicle. The **insured** must cooperate fully: with the policy investigation, with the prosecution of any person(s) charged with theft and any civil suit brought by **us** against the person(s) responsible to recover for the **loss**.

2. TWO OR MORE AUTOS

If this policy covers two or more autos or **trailers**:

- (a) the limit of coverage; and
- (b) any deductibles apply separately to each.

3. ASSISTANCE AND COOPERATION OF THE INSURED

The **insured** will cooperate and assist us, if requested:

- (a) in the investigation of the **loss**;
- (b) in making settlements;
- (c) in the conduct of suits;
- (d) in enforcing any right of subrogation against any legally responsible person or organization;
- (e) at trials and hearings;
- (f) in securing and giving evidence; and
- (g) by obtaining the attendance of witnesses.

4. ACTION AGAINST US Suit will not lie against us unless:

- (a) the policy terms have been complied with; and
- (b) until 30 days after proof of loss is filed and the amount of **loss** is determined.

If we retain salvage, we have no duty to preserve or otherwise retain the salvage for any purpose, including as evidence for any civil or criminal proceeding. If **you** ask us immediately after a **loss** to preserve the salvage for inspection, we will do so for a period not to exceed 30 days. **You** may purchase the salvage from us if **you** wish.

5. INSURED'S DUTIES IN EVENT OF LOSS

In the event of **loss** the **insured** will:

- (a) Protect the auto, whether or not the **loss** is covered by this policy. Further **loss** due to the **insured's** failure to protect the auto will not be covered. Reasonable expenses that are incurred for this protection will be paid by us.
- (b) File with us, within 91 days after **loss**, his sworn proof of loss including all information that we may reasonably require.
- (c) At our request, the **insured** will exhibit the damaged property.

6. APPRAISAL

If we and the **insured** do not agree on the amount of **loss**, either may, within 60 days after proof of loss is filed, demand an appraisal of the **loss**. In that event, we and the **insured** will each select a competent appraiser. The appraisers will select a competent and disinterested umpire. The appraisers will state separately the **actual cash value** and the amount of the **loss**. If they fail to agree, they will submit the dispute to the umpire. An award in writing of any two will determine the amount of **loss**. We and the **insured** will each pay his chosen appraiser. We will bear equally the other expenses of the appraisal and umpire.

We will not waive our rights by any of our acts relating to appraisal.

7. PAYMENT OF LOSS

We may at our option:

- (a) pay for the **loss**; or
- (b) repair or replace the damaged or stolen property.

At any time before the **loss** is paid or the property is replaced, we may return any stolen property to **you** or to the address shown in the declarations at our expense with payment for the covered damage. We may take all or part of the property at the agreed or appraised value, but there will be no abandonment to us. We may settle claims for **loss** either with the **insured** or with the owner of the property.

8. NO BENEFIT TO BAILEE

This insurance does not apply directly or indirectly to the benefit of a carrier or other bailee for hire that is liable for the **loss** of the auto.

9. SUBROGATION

When payment is made under this policy, we will be subrogated to all of the **insured's** rights of recovery against others. The **insured** will help us to enforce these rights. The **insured** will do nothing after **loss** to prejudice these rights.

This means that we will have the right to sue for or otherwise recover the **loss** from anyone else who may be held responsible.

10. ASSIGNMENT

With respect to Section III, Physical Damage Coverages, an Assignment of interest under this policy will not bind us without our consent. Any nonconforming assignment shall be void and invalid. Moreover, the assignee of a nonconforming assignment shall acquire no rights under this contract and we shall not recognize any such assignment.

SECTION IV

Uninsured Motorists Coverage

Protection For You And Your Passengers For Injuries Caused By Uninsured And Hit-And-Run Motorists
DEFINITIONS

The definitions of terms for Section I apply to Section IV, except for the following special definitions:

- 1. Hit-and-run auto** is a motor vehicle that causes **bodily injury** to an **insured** and whose operator or owner cannot be identified, if the **insured** or someone on his behalf:
- (a) reports the accident within 24 hours to a police, peace or judicial officer or to the Commissioner of Motor Vehicles;
 - (b) files with us within 30 days a statement setting forth the facts of the accident and claiming that he has a cause of action for damages against a person that is unidentified; and
 - (c) makes available for inspection, at our request, the auto that was **occupied** by the **insured** at the time of the accident.

The **hit-and-run auto** does not have to make contact with the **insured** or the vehicle the **insured** is **occupying** if it can be proved through competent evidence that the **bodily injury** was caused by the unidentified owner or operator.

2. Insured means:

- (a) the named insured shown in the declarations; and
- (b) his or her spouse if a resident of the same household;
- (c) **relatives** of (a) above if residents of his household;
- (d) any other person while **occupying** an **owned auto**;
- (e) any person who is entitled to recover damages because of **bodily injury** sustained by an **insured** under (a), (b), (c) or (d) above.

If there is more than one **insured**, our limit of liability will not be increased.

3. Insured auto is an auto:

- (a) that is described in the declarations and that is covered by the bodily injury liability coverage of this policy;
- (b) that is temporarily substituted for an **insured auto** when it is withdrawn from normal use because of its:
 - (i) breakdown;
 - (ii) repair;
 - (iii) servicing;
 - (iv) loss; or
 - (v) destruction, or
- (c) that is operated by **you** or **your** spouse if a resident of the same household.

But the term **insured auto** does not include:

- (a) an auto that is used to carry passengers or goods for hire, except in a car pool;
- (b) an auto that is being used without the owner's permission; or
- (c) under subparagraphs (b) and (c) above, an auto that is owned by or that is furnished for the regular use of an **insured**.

4. **Occupying, occupied, occupies** means:
 - (a) in;
 - (b) upon;
 - (c) entering into; or
 - (d) alighting from.
5. **Relative** means a person that is related to **you** by blood, marriage or adoption and who resides in **your** household. This includes a ward or foster child.
6. **State** includes:
 - (a) the District of Columbia;
 - (b) the territories and possessions of the United States; and
 - (c) the provinces of Canada.
7. **Underinsured auto** is an auto for which the total of all bodily injury liability insurance that is available in the event of an accident is less than the applicable limit of liability under this coverage.
8. **Uninsured auto** is a motor vehicle which has no bodily injury liability bond or insurance policy applicable with liability limits that comply with the financial responsibility law of the **state** in which the **insured auto** is principally garaged at the time of an accident. This term also includes an auto whose insurer is or becomes insolvent or denies coverage.
The term **uninsured auto** does not include:
 - (a) an **insured auto**;
 - (b) an auto that is owned or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
 - (c) a land motor vehicle or **trailer** that is operated on rails or crawler-treads or that is located for use as a residence or premises; or
 - (d) a farm-type tractor or equipment that is designed for use principally off public roads, except while used upon public roads.

LOSSES WE PAY

Under the Uninsured Motorists Coverage we will pay damages for **bodily injury**:

- (a) that is caused by accident which the **insured** is legally entitled to recover from the owner or operator of an **uninsured auto**, an **underinsured auto** or a **hit-and-run auto** that arise out of the ownership, maintenance or use of that auto.
- (b) sustained by an **insured** that is caused by accident which the **insured** is legally entitled to recover from the owner or operator of an **uninsured auto**, an **underinsured auto** or a **hit-and-run auto** that arise out of the ownership, maintenance or use of that auto.

The amount of the **insured's** recovery for these damages will be set by agreement between the **insured** or his representative and us. The dispute may be arbitrated if we do not agree.

EXCLUSIONS

When Section IV Does Not Apply

1. This Coverage does not apply to **bodily injury** to an **insured** if the **insured** or his legal representative has made a settlement or has been awarded a judgment of his claim without our prior written consent.
2. **Bodily injury** to an **insured**:
 - (a) while **occupying**; or
 - (b) through being struck by an **uninsured auto** owned by an **insured** or a **relative** is not covered.
3. The Uninsured Motorists Coverage will not benefit any:
 - (a) worker's compensation insurer;
 - (b) self insurer; or
 - (c) disability benefits insurer.
4. We do not cover any person while **occupying** a vehicle that is described in the declarations on which Uninsured Motorists Coverage is not carried.
5. This coverage does not apply to a **relative** who is afforded Uninsured Motorists coverage for a motor vehicle he owns.
6. **Bodily injury** that results from nuclear exposure or explosion including resulting fire, radiation or contamination is not covered.
7. **Bodily injury** that results from bio-chemical attack or exposure to bio-chemical agents is not covered.
8. This coverage does not apply to any liability assumed under any contract or agreement.

9. Section IV does not apply:
- (a) To damage caused by an **insured's** participation in or preparing for any racing, speed, or demolition contest or stunting activity of any nature, whether or not prearranged.
 - (b) To damage caused by an **insured's** operation or use of a motor vehicle on a track designed primarily for racing or high speed driving. This does not apply if the vehicle is being used in connection with an activity other than racing, high speed driving or any competitive driving.
10. Regardless of any other provision of this policy, we do not cover punitive or exemplary damages.
11. There is no coverage under this Section for any person or organization while any motor vehicle is operated, maintained or used as part of personal vehicle sharing facilitated by a **personal vehicle sharing program**.

LIMITS OF LIABILITY

Regardless of the number of autos or **trailers** to which this policy applies:

1. The limit of liability for Uninsured Motorists Coverage stated in the declarations for "each person" is the most that we will pay for all damages, including those that are for care or loss of services, due to **bodily injury** that is sustained by one person as the result of one accident.
2. The limit of liability stated in the declarations as applicable to "each accident" is, subject to the above provision respecting each person, the most that we will pay for all such damages, including damages that are for care and loss of services, because of **bodily injury** that is sustained by two or more persons as the result of one accident.
3. When coverage is afforded to two or more autos, the limits of liability shall apply separately to each auto as stated in the declarations but shall not exceed the highest limit of liability that is applicable to one auto.
If separate policies with us are in effect for **you** or for any person in **your** household, they may not be combined to increase the limit of our liability for a loss.

The amount payable under this Coverage will be reduced by all amounts:

- (a) paid by or for all persons or organizations that are liable for the injury;
- (b) paid or payable under the Bodily Injury Coverage or Medical Payments Coverage of this policy; or (c) paid or payable under any:
 - (i) worker's compensation law;
 - (ii) disability benefits law; or
 - (iii) any similar law.

OTHER INSURANCE

When an **insured occupies** an auto that is not described in this policy, this insurance is excess over any other similar insurance that is available to the **insured**. The insurance which applies to the **occupied** auto is primary. Except as provided above, if the **insured** has other similar insurance available to him and applicable to the accident, the damages will be deemed not to exceed the higher of the applicable limits of liability of this insurance and the other insurance. If the **insured** has other insurance against a loss that is covered by the Uninsured Motorist provisions of this policy, we will not be liable for more than our pro-rata share of the total coverage available.

ARBITRATION

Except as set forth in the last sentence of this paragraph, any dispute arising between any **insured** and us regarding:

- (a) the extent to which the **insured** is legally entitled to recover against an owner or operator of an **uninsured auto** (i.e., issues of liability); or
- (b) the amount of damages that are sustained by the **insured**

may be arbitrated. However, neither the **insured** nor we will be required to arbitrate unless arbitration is expressly required by state law. Binding arbitration will not be used to resolve disputes regarding:

- (a) policy interpretation;
- (b) the existence of this Coverage in a particular policy; or
- (c) the application of this Coverage to a particular claim or claimant.

We will be obligated to pay no more than the applicable policy limits for this Coverage regardless of whether an arbitration results in an award that is in excess of the applicable policy limits for this Coverage as defined in this policy. Unless otherwise required by state law, the method, manner and format of any arbitration process will be subject to agreement by **you** and us. Each party will pay his or its chosen arbitrator. They will bear equally the expenses of the third arbitrator and all other expenses of the arbitration. An award by any two arbitrators up to the per-person financial responsibility or compulsory liability insurance limit of the state in which the policy is rated shall be binding upon the parties. When an award exceeds this per-person limit, either party shall have the right to a trial on all of the issues in a court of competent jurisdiction. This right must be exercised within 60 days of the award. Where such right is exercised by either party, the judgment of the arbitrators will not be binding upon either party.

TRUST AGREEMENT

When we make a payment under this Coverage:

1. We will be entitled to be paid that amount out of any settlement or judgment that the **insured** recovers from any person or organization that is legally responsible for the **bodily injury**.

2. The **insured** will:
 - (a) hold in trust for our benefit all rights of recovery which he may have against any person or organization that is responsible for these damages;
 - (b) do whatever is necessary to secure all rights of recovery; and
 - (c) do nothing after the loss to prejudice these rights.
3. At our written request, the **insured**, in his own name, will take, through a designated representative, appropriate actions necessary to recover payment for damages from the legally responsible person or organization. The **insured** will pay us out of the recovery for our expenses, costs and attorneys' fees.
4. The **insured** will provide us with any needed documents to secure his and our rights and obligations.

CONDITIONS

These conditions apply only to the Uninsured Motorists Coverage:

1. NOTICE As soon as possible after an accident, notice must be given to us or to our authorized agent stating:
 - (a) the identity of the **insured**;
 - (b) the time, place and details of the accident; and
 - (c) the names and addresses of the injured, and of any witnesses.
 If the **insured** or his legal representative files suit before we make a settlement under this Coverage, he must immediately provide us with a copy of the pleadings.
2. ASSISTANCE AND COOPERATION OF THE **INSURED**

After we receive notice of a claim, we may require the **insured** to take any action that is necessary to preserve his recovery rights against any allegedly legally responsible person or organization. We may require the **insured** to make that person or organization a defendant in any action against us.
3. ACTION AGAINST US

Suit will not lie against us unless the **insured** or his legal representative have fully complied with all of the policy terms.
4. PROOF OF CLAIM - MEDICAL REPORTS

As soon as possible, the **insured** or other person that is making claim must give us written proof of claim, under oath if required. This will include details of:

 - (a) the nature and extent of injuries;
 - (b) treatment; and
 - (c) other facts which may affect the amount payable.

Proof of claim must be made on forms that are furnished by us unless we have not furnished these forms within 15 days after we receive notice of the claim.

The injured person will submit to examination by doctors that are chosen by us, at our expense, as we may reasonably require. In the event of the **insured's** incapacity or death, his legal representative must, at our request, authorize us to obtain medical reports and copies of records.
5. PAYMENT OF LOSS Any amount due will be paid:
 - (a) to the **insured** or his authorized representative;
 - (b) if the **insured** is a minor, to his parent or guardian; or
 - (c) if the **insured** is deceased, to his surviving spouse; otherwise
 - (d) to a person that is authorized by law to receive the payment; or to a person that is legally entitled to recover payment for the damages.

We may, at our option, pay an amount that is due in accordance with (d) above.

SECTION V General Conditions

These conditions apply to all Coverages that are in this policy.

1. TERRITORY

This policy applies only to accidents, occurrences or losses during the policy period within:

 - (a) the United States of America;
 - (b) its territories or possessions; or
 - (c) Canada; or
 - (d) when the auto is being transported between ports thereof.
2. PREMIUM

When you dispose of, acquire ownership of, or replace a:

 - (a) **private passenger auto**;
 - (b) **farm auto**; or
 - (c) **utility auto**,

any necessary premium adjustment will be made as of the date of the change and will be made in accordance with our manuals.

3. CHANGES

The terms and provisions of this policy cannot be waived or changed, except by an endorsement that is issued to form a part of this policy. We may revise this policy during its term to provide more coverage without an increase in premium. If we do so, **your** policy will automatically include the broader coverage when it is effective in **your** state. The premium for each auto is based on the information that we have in **your** file. **You** agree:

- (a) that we may adjust **your** policy premiums during the policy term if any of this information on which the premiums are based is incorrect, incomplete or changed.
- (b) that **you** will cooperate with us in determining if this information is correct and complete.
- (c) that **you** will notify us of any changes in this information.

Any calculation or recalculation of **your** premium or changes in **your** coverage will be based on the rules, rates and forms on file, if required, for our use in **your** state.

4. ASSIGNMENT

Your rights and duties under this policy may not be assigned without our written consent. If **you** die, this policy will cover **your** surviving spouse, if covered under the policy prior to **your** death. Until the policy term expires, we will also cover:

- (a) the executor or administrator of **your** estate, but only while he is operating an **owned auto** and only while he is acting within the scope of his duties; and
- (b) any person having proper custody of and operating the **owned auto**, as an **insured**, until the appointment and qualification of the executor or the administrator of **your** estate.

5. POLICY PERIOD

Unless otherwise cancelled, this policy will expire as is shown in the declarations. But, it may be continued by our offer to renew and **your** acceptance by payment of the required renewal premium prior to the expiration date. Each period will begin and expire at 12:01 A.M. local time at **your** address as stated in the declarations.

6. CANCELLATION BY THE **INSURED**

You may cancel this policy by providing notice to us stating when, after the notice, cancellation will be effective. If this policy is cancelled, **you** may be due a refund of premium. The refund of premium, if any, will be computed according to our manuals.

7. CANCELLATION BY US

We may cancel this policy by mailing to **you**, at **your** last known address, written notice stating when the cancellation will be effective.

We will mail this notice so that **you** receive it:

- (a) 10 days in advance if the proposed cancellation is for non-payment of premium or any of its installments when due;
- (b) 20 days in advance in all other cases.

A Post Office certificate of mailing shall be proof of receipt by **you** on the 5th day after mailing. The policy will cease to be in effect as of the date and hour stated in the notice. If this policy is cancelled, **you** may be entitled to a premium refund. The premium refund, if any, will be computed according to our manuals. Payment or tender of unearned premium is not a condition of cancellation.

8. CANCELLATION BY US IS LIMITED

After this policy has been in effect for 60 days or, if the policy is a renewal policy, we will not cancel except for any of the following reasons:

- (a) **You** do not pay the initial premium on other than a renewal policy or any additional premiums for this policy or fail to pay any premium installment when due to us or our agent.
- (b) There is fraud or material misrepresentation affecting the policy or the presentation of a claim.
- (c) A violation of the policy terms or conditions.
- (d) **You** or any operator who either resides in the same household or customarily operates any auto insured under this policy has a driver's license suspended, other than a first or second suspension under Title 29-A, section 2471, subsection 2, or a suspension under Title 28-A, section 2052, or revoked during the policy term or, if the policy is a renewal policy, during its term or the 180 days immediately preceding its effective date.

Our failure to cancel for any of the reasons above will not obligate us to renew the policy.

9. RENEWAL

We will not refuse to renew this policy unless written notice of our refusal to renew is mailed to **you**, at **your** last known address and it is received by **you** at least 30 days prior to the expiration date. A Post Office certificate of mailing shall be proof of receipt by **you** on the third day after mailing.

We will refuse to renew only if our refusal is based upon a reason for which the policy could have been cancelled or it is based upon one or more of the following grounds which occurred during the 36 month period preceding the yearly anniversary date of the policy:

- (a) Convictions - **you** or any operator who either resides in the same household or customarily operates an auto insured under this policy is convicted of any of the following:
 - (i) Operating a motor vehicle while intoxicated or impaired by the consumption of alcohol or drugs;
 - (ii) Homicide or assault arising out of the use or operation of a motor vehicle, criminal negligence in the use or operation of a motor vehicle resulting in the injury or death of another person or use or operation of a motor vehicle directly or indirectly in the commission of a felony;
 - (iii) Operating a motor vehicle in excess of the speed limit or in a reckless manner where injury or death results therefrom;
 - (iv) Operating a motor vehicle in excess of the speed limit or reckless driving or any combination thereof on 3 or more occasions;
 - (v) Operating a motor vehicle insured under this policy without a valid license or registration in effect, except when the person convicted had possessed a valid license or registration which had expired and was subsequently renewed, or during a period of revocation or suspension thereof or in violation of the limitations set forth on the operator's license;
 - (vi) Operating a motor vehicle while attempting to avoid apprehension or arrest by a law enforcement officer;
 - (vii) Filing or attempting to file a false or fraudulent automobile insurance claim or knowingly aiding or abetting in the filing or attempted filing of any such claim;
 - (viii) Leaving the scene of an accident without reporting;
 - (ix) Filing a false document with the Secretary of State or the Bureau of Motor Vehicles or using a license or registration obtained by filing a false document with the Secretary of State or the Bureau of Motor Vehicles;
 - (x) Operating a motor vehicle in a race or speed test; or
 - (xi) Knowingly permitting or authorizing an unlicensed driver to operate a motor vehicle insured under this policy.
- (b) Accidents - **you** or any other person who operates a motor vehicle insured under this policy is individually or are aggregately involved in 2 or more vehicle accidents while operating a motor vehicle insured under this policy, or under another policy issued by the same insurer for a motor vehicle in the same household, resulting in either personal injury or property damage in excess of \$1,000. Any of the following occurrences involving a motor vehicle operated by **you** or such other person shall not be considered an accident when:
 - (i) the motor vehicle was struck from the rear;
 - (ii) the motor vehicle was struck while parked;
 - (iii) only the operator of another motor vehicle involved in the accident was convicted of a crime, offense or violation contributing to the accident; or
 - (iv) You or any other operator of the motor vehicle insured under this policy, or we, were reimbursed by or on behalf of a person responsible for the accident or have a judgment against that person.

When more than one motor vehicle is insured by this policy, the aggregate number of accidents that would permit nonrenewal of the policy or policies insuring those vehicles must be increased by one for each additional motor vehicle insured.

- (c) Insurability - when there is a material change in a motor vehicle insured under this policy which so substantially increases the hazard insured against as to render the motor vehicle uninsurable in accordance with our underwriting standards in effect at the time the policy was issued or last renewed; provided that if the insured motor vehicle is uninsurable for physical damage coverages only, we will offer to renew the policy without the physical damage coverages.

This policy will expire without notice if any of the following conditions exist:

- (a) **You** do not pay any premium as we require to renew this policy.
- (b) **You** have informed us or our agent that **you** wish the policy to be cancelled or not renewed.
- (c) **You** do not accept our offer to renew.

10. OTHER INSURANCE

If other insurance is obtained on **your owned auto**, any similar insurance afforded under this policy for that auto will terminate on the effective date of the other insurance.

11. DIVIDEND PROVISION

You are entitled to share in a distribution of the surplus of the Company as is determined by its Board of Directors from time to time.

12. DECLARATIONS

By accepting this policy, **you** agree that:

- (a) the statements that are in **your** application and that are in the declarations are **your** agreements and representations;
- (b) this policy is issued in reliance upon the truth of these representations; and
- (c) this policy, along with the application and declaration sheet, embodies all agreements relating to this insurance. The terms of this policy cannot be changed orally.

13. FRAUD AND MISREPRESENTATION

Coverage is not provided to any person who knowingly conceals or misrepresents any material fact or circumstance relating to this insurance:

- (a) at the time of application; or
- (b) at any time during the policy period; or
- (c) in connection with the presentation or settlement of a claim.

14. EXAMINATION UNDER OATH

The **insured** or any other person that is seeking coverage under this policy must submit to examination under oath by any person that is named by us when and as often as we may require.

15. DISPOSAL OF VEHICLE

If **you**:

- (a) relinquish possession of a leased vehicle; or
- (b) sell or otherwise relinquish ownership of an **owned auto** any coverage provided by this policy for that vehicle will terminate on the date **you** do so.

16. TERMS OF POLICY CONFORMED TO STATUTES

Any terms of this policy that are in conflict with the statutes of Maine are amended to conform to those statutes.

17. CHOICE OF LAW

The policy and any amendment(s) and endorsement(s) are to be interpreted pursuant to the laws of the state of Maine.

SECTION VI - AMENDMENTS AND ENDORSEMENTS

1. SPECIAL ENDORSEMENT

UNITED STATES GOVERNMENT EMPLOYEES

- A.** Under the Property Damage coverage of Section I, we provide coverage to United States Government employees, civilian or military, using
 - 1. Motor vehicles that are owned or leased by the United States Government or by any of its agencies, or
 - 2. Rented motor vehicles that are used for United States Government business, when such use is with the permission of the United States Government. Subject to the limits described in paragraph B. below, we will pay sums **you** are legally obligated to pay for damage to these vehicles.
- B.** The following limits apply to this Coverage:
 - 1. A \$100 deductible applies to each occurrence.
 - 2. For vehicles described in A.1. above, our liability shall not exceed the lesser of the following:
 - a. the **actual cash value** of the property at the time of the occurrence; or
 - b. the cost to repair or replace the property, or any of its parts with other of like kind and quality; or
 - c. two months basic pay of the **insured**; or
 - d. the limit of Property Damage liability coverage stated in the declarations.
 - 3. For vehicles described in A.2. above, our liability shall not exceed the lesser of the following:
 - a. the **actual cash value** of the property at the time of the occurrence; or
 - b. the cost to repair or replace the property, or any of its parts with other of like kind and quality; or
 - c. the limit of Property Damage liability coverage stated in the declarations.

This insurance is excess over other valid and collectible insurance.

W. C. E. Robinson
Secretary

O. M. Nicely
President