AssuranceAmerica
Insurance Company

Texas
PERSONAL CAR POLICY

P.O. Box 723128
Atlanta, GA 31139

In the event of an accident please call:

1-888-580-8134

All other calls:

1-888-952-2902

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IMPORTANT NOTICE

To obtain information or make a complaint:

You may call Assurance America Insurance Company's toll-free telephone number for information or to make a complaint at:
1-888-952-2902

You may also write to AssuranceAmerica at:
P.O. Box 723128
Atlanta, GA 31139

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:
1-800-252-3439

You may write the Texas Department of Insurance:

P. O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: http://www.tdi.texas.gov
E-mail: ConsumerProtection@tdi.texas.gov

INSURANCE WEBSITE NOTICE
To obtain price and policy form comparisons and other information relating to residential property insurance and personal automobile insurance, you may visit the Texas Department of Insurance/Office of Public Insurance Counsel website:
www.helpinsure.com

PREMIUM OR CLAIM DISPUTES:
Should you have a dispute concerning your premium or about a claim you should contact Assurance America Insurance Company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:
This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Assurance America Insurance Company's para informacion o para someter una queja al:
1-888-952-2902

Usted tambien puede escribir a AssuranceAmerica:
P.O. Box 723128
Atlanta, GA 31139

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:
1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P. O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: http://www.tdi.texas.gov
E-mail: ConsumerProtection@tdi.texas.gov

ANUNCIO DEL SITIO WEB DE SEGUROS
Para obtener formas de comparacion de precios y poliza y otra informacion acerca del seguro de propiedad residencial y del seguro de automóvil, visite el sitio web del Departamento de Seguros de Texas y la Oficina del Asesor Publico de Seguros:
www.helpinsure.com

DISPUTAS SOBRE PRIMAS O RECLAMOS: Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el Assurance America Insurance Company primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

INSURING AGREEMENT

If **you** pay **your** premium when due, **we** agree to insure you, subject to the terms of this policy, for the coverage shown on the **Declarations Page** of this policy, up to the limits of liability. If **you** make **your** initial payment by check, this policy is void and there will be no coverage at any time if the check is not honored for any reason when first presented to **your** bank. The **Declarations Page** and any endorsements issued by **us** are part of this policy contract. Please review **your Declaration Page** and policy contract immediately upon first receipt.

DEFINITIONS

Except as may otherwise be provided in this policy, the words and phrases listed below have the meaning shown here when the word or phrase appears in **bold** print. These meanings will apply whether the word or phrase appears in the singular, possessive or plural forms:

1. "**Accident**" means an unexpected and unintended event that causes **bodily injury** or **property damage** and arises out of the ownership, maintenance or use of a **car**.
2. "**Actual cash value** (ACV)" means the cost of replacing or restoring property at prices prevailing at the time of the loss, less **depreciation**, however caused.
3. "**Application**" means the form(s) provided by **us** to collect the information upon which **we** rely to decide to issue this policy and determine the proper premium to charge for the risk to be insured. This includes any supplemental **application** and coverage election, selection and rejection forms provided by **us**, and requests for additional information.
4. "**Auto business**" means motor vehicle **business** operations including:
   a. Selling;
   b. Leasing;
   c. Transporting;
   d. Delivering;
   e. Repairing;
   f. Servicing;
   g. Road testing;
   h. Cleaning;
   i. Parking;
   j. Storing;
   k. Renting; or
   l. Towing;

   any motor vehicles.
5. "**Bodily injury**" means bodily harm to a **person** and sickness, disease or death that result from it.
6. "**Business**" means a job, trade, profession, or occupation, whether full-time or part-time.
7. "**Business day**" means a day other than a Saturday, Sunday, or holiday recognized by the State of Texas.
8. "**Car**" means a land motor vehicle:
   a. of the private passenger auto type;
   b. of the pickup, utility vehicle, or van type with a gross vehicle weight of 25,000 pounds or less;
   c. designed for operation principally on public roads; and
   d. with at least 4 but not more than 6 wheels.

   However, "c**ar**" does not include any:
   a. Motorcycles, dirt bikes or all-terrain vehicles (ATVs);
   b. Golf carts;
   c. Tractors;
   d. Farm machinery;
   e. Step-vans, parcel delivery vans, cargo cutaway vans or other vans with cabs separate from the cargo area;
   f. Vehicles operated on rails or crawler treads;
   g. Recreational vehicles; or
   h. Vehicles of any type while used:
      (1) As a residence or premises; or
      (2) For office, store or display purposes.
9. "**Car sharing program**" means a system or process, operated by a business, organization, network, group, or individual, that facilitates the sharing of **cars** for use by individuals, businesses, or other entities.
10. "**Declarations Page**" means the document from **us** with respect to this policy, listing:
    a. The types of coverage **you** have elected;
    b. The limit for each coverage;
    c. The cost of each coverage;
    d. The listed **cars** covered by this policy;
    e. The coverage **you** bought for each **car**; and
    f. Other information that applies to this policy.
11. "**Delivery**" means to be engaged in the activity of transporting **persons**, property, products or goods for a fee. "**Delivery**" includes delivery of magazines, newspapers, food, and any other product.
12. "**Depreciation**" means a decrease in the value of property over a period of time due to wear and tear or obsolescence.
13. "**Driver's License**" means the certificate or license issued by a state sanctioned entity within the United States of America or its territories or possessions which authorizes a **person** to operate a **car**.
14. "**Household**" means the address where **you reside** that is shown on the **Declarations Page**.
15. "**Loss**" means direct, sudden, and accidental loss of or physical damage to **your insured car**.
16. "**Minimum limits**" means the minimum amount of liability coverage required by the Texas Motor Vehicle Safety Responsibility Act, as amended, that applies to the **owner** or operator of a **car**, with a limit for **bodily injury** to one person in any one **accident** (the **bodily injury** "per accident" limit), and with a limit for **bodily injury** to two or more persons in any one **accident** (the **bodily injury** "per accident" limit), and for **property damage** with a "per accident" limit.
17. "**Named insured**" means the **person** or **persons** shown as the policyholder on the **Declarations Page**.
18. A "**non-owned car**" means any **car**, other than **your insured car**, that is not **owned** by or furnished or available for regular or frequent use by **you** or a resident of **your household** or a non-resident spouse.
19. "**Occupying**" means to be in or upon, a **car** or engaged in the immediate act of entering into or alighting from the **car**.
20. "**Owns**" and "**Owned**" means to:

a. Hold legal title to the **car**;
b. Have legal possession of the **car** subject to a written conditional sales agreement; or
c. Have legal possession of the **car** under a lease agreement of more than 30 days.

21. "**Owner**" means the **person** or entity who:
    a. Holds legal title to the **car**;
    b. Has legal possession of the **car** subject to a written conditional sales agreement; or
    c. Has legal possession of the **car** under a lease agreement of more than 30 days.
22. "**Person**" means a natural, living human being and not a corporation, partnership, association or business name.
23. "**Property damage**" means damage to or destruction or loss of use of tangible property.
24. "**Racing**" means preparation for or participating in any race, speed, demolition, stunt, or timed contest or activity, whether organized or not, including an unplanned or spontaneous drag race on public roads.
25. "**Relative**" means a **person**:
    a. **Residing** in **your household** and related to **you** by blood, marriage or adoption, including **your** ward or foster child; or
    b. Not **residing** in the **named insured's household** at the time of the **accident** or **loss**, but only if that **person** is a spouse related to the **named insured** by marriage and who is living apart from the **named insured** during a period of separation in contemplation of divorce.

    If the **named insured** shown on the **Declarations Page** is not a **person**, no one will be a **relative**.
26. "**Reside**", "**resides**" and "**residing**" means to dwell permanently, as the **person's** primary and legal domicile.
27. "**State**" means the District of Columbia, and any state, territory or possession of the United States and any province of Canada.
28. "**Temporary substitute**" means any **car** not **owned** by **you** while being driven temporarily while any **car** described on the **Declarations Page** is not available for use due to its breakdown, repair, servicing, **loss** or destruction. Car Damage Coverage does not apply to a **temporary substitute car** or **trailer**.
29. "**Trailer**" means a non-motorized vehicle designed to be towed by a **car** on public roads. **Trailer** does not include any vehicle or device used:
    a. For a commercial or **business** purpose;
    b. As a premises for office, store or display purposes; or
    c. As a passenger conveyance.
30. "**We**", "**Us**" and "**Our**" mean the Company providing this insurance, as shown on the **Declarations Page**.
31. "**You**" and "**Your**" mean the **named insured** shown on the **Declarations Page** and spouse if a resident of the same **household** at the time of the **accident** or **loss**.
32. "**Your insured car**" means:
    a. Any **car** described on the **Declarations Page** and any **car you** replace it with subject to the following criteria. The replacement **car** will have the same coverage as the **car** it replaces. However, if the **car** being replaced had coverage under Part V – Car Damage, such coverage will apply to the replacement **car** only during the first 20 days after **you** become the **owner** unless **you** notify **us** within that 20-day period that **you** want **us** to extend coverage beyond the initial 20 days.
    b. Any additional **car** that **you** acquire ownership of during the policy period. **You** must, however, notify **us** within 20 days of its acquisition and pay any additional premium due. If **you** notify **us** more than 20 days after acquiring an additional **car**, any coverage **we** provide will begin at the time **you** notify **us**. An additional **car** will have the broadest coverage **we** provide for any **car** shown on the **Declarations Page**. If no **car** listed on the **Declarations Page** has coverage under Part V – Car Damage, this coverage will be added to the additional **car** at the time and date **you** notify **us**.

PART I - LIABILITY TO OTHERS

Insuring Agreement

We will pay damages, other than punitive or exemplary damages, for **bodily injury** or **property damage** for which any **insured person** becomes legally responsible because of an auto **accident**. Damages include prejudgment interest awarded against the **insured person**.

We have the right to investigate, negotiate and settle any claim for damages payable under this coverage as **we** deem appropriate. **We** will settle or defend, as **we** consider appropriate with attorneys hired and paid for by **us**, any claim or suit asking for these damages even if the defense is undertaken while a "Reservation of Rights" notice or "Non-Waiver" agreement is in effect.

In addition to **our** limit of liability, **we** will pay all defense costs **we** incur. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted. **We** have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy. **We** are not obligated to pay for costs arising from declaratory judgment actions.

Additional Definition Used In this Part Only

As used in Part I:
"**Insured person**" or "**insured persons**" means:

a. **You** with respect to an **accident** involving **your insured car**.
b. **You**, while driving a **non-owned car** with permission of the **owner** or **person** in lawful possession of the **non-owned car**.
c. Any other **person** driving **your insured car** with **your** permission.
d. Any other **person** listed as a driver on the Declaration Page while driving **your insured car**.
e. A **relative** listed as a driver on the **Declaration Page** with respect to an **accident** while driving a **non-owned car** with permission of its **owner**.

Subject to the provisions in this policy, **we** will pay, on behalf of an **insured person**, damages for which any **insured person** becomes legally liable.

Additional Payments

For an **insured person**, **we** will pay, in addition to **our** limit of liability:

1. All costs **we** incur in the settlement of any claim or defense of any suit subject to the limitations of this policy.
2. Premiums on appeal bonds and attachment bonds required in any suit **we** defend. **We** will not pay the premium for any bonds that are more than **our** limit of liability. **We** have no duty to apply for or furnish bonds.
3. Up to $100 for a bail bond needed due to an **accident** arising out of the use of **your insured car**.
4. Other reasonable expenses, except loss of earnings, incurred at **our** request.

Exclusions

Liability coverage and duty to defend does not apply to:

1. **Bodily injury** or **property damage** arising out of the ownership, maintenance or use of a motor vehicle while it is being used as a livery service or for **delivery** at the time of **loss**. This exclusion does not apply to shared-expense car pools. This exclusion also does not apply to **you** or a **relative** unless the primary use of the vehicle is to carry property for a fee.
2. **Bodily injury** or **property damage** arising out of the ownership, maintenance or use of a motor vehicle while it is being driven by an **insured person** who is acting as a transportation network company driver and is:
   a. Logged on to a transportation network company's digital network; or
   b. Engaged in a prearranged ride.
3. **Bodily injury** or **property damage** caused intentionally by or at the direction of the **insured person** even if the **bodily injury** or **property damage** that results is not what was intended. This exclusion will not void the protection of an innocent spouse or insured.
4. **Bodily injury** or **property damage** caused by any **person** using **your insured car** without **your** express or implied permission.
5. **Bodily injury** or **property damage** with respect to which insurance is afforded under a nuclear energy liability insurance contract even if the limits of that insurance are exhausted.
6. **Bodily injury** to an employee or fellow employee of any **insured person** arising during the course of employment. Coverage does not apply to a domestic employee if benefits are payable or are required to be provided under any workers' compensation or other similar law.
7. **Bodily injury** or **property damage** arising out of **auto business** operations. This does not apply to the ownership, maintenance or use of **your insured car** by:
   a. **you**; or
   b. any **relative**; or
   c. any partner, agent or employee of **you** or any **relative**.
8. **Bodily injury** or **property damage** arising out of the ownership, maintenance or use of any motor vehicle, other than **your insured car** by an **insured person**, while in the course or scope of employment.
9. **Property damage** to any property that an **insured person owns**, rents, has charge of or is transporting including **your insured car**. This does not apply to a residence or private garage **you** do not **own**.
10. **Bodily injury** to **you** or any **insured person** listed on the **Declarations Page**. When a legal liability exists, this exclusion does not apply to the portion of the damages that is less than or equal to the minimum limit of liability insurance required by Texas Transportation Code 601 as amended.
11. **Bodily injury** or **property damage** arising out of the operation of traction engines, road rollers and graters, tractor cranes, power shovels, well drillers, and implements of animal husbandry.

12. Any liability assumed by an **insured person** under any contract or agreement.
13. **Bodily injury** or **property damage** caused by **your insured car** when it is driven, operated, or used by anyone who does not have a valid **driver's license**.
14. **Bodily injury** or **property damage** caused by **your insured car** or any **non-owned car** while **racing.**
15. **Bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **car** other than **your insured car**, which is **owned** by **you** or furnished or available for regular or frequent use by **you** or any **insured persons**.
16. Any **person** for whom the United States Government is held responsible under the Federal Tort Claim Act.
17. **Bodily injury** or **property damage** caused by war (declared or undeclared), civil war, insurrection, rebellion, revolution, nuclear reaction, radiation or radioactive contamination, or any consequence of any of these.
18. **Bodily injury** or **property damage** arising out of the loading or unloading of any motor vehicle.
19. **Bodily injury** or **property damage** arising out of the ownership, maintenance or use of an insured **car** when the insured **car** is rented to, leased to, or loaned to any **person** or organization in return for a fee. This does not apply if **you** or any **relative** lends **your insured car** to another for reimbursement of operating expenses only.
20. **Bodily injury** or **property damage** arising out of the ownership, maintenance or use of **your insured car** while being used in connection with a **car sharing program**. This exclusion also applies while **you** are driving **your insured car** to deliver it to a prearranged renter or prearranged location for pickup by a renter.
21. **Bodily injury** or **property damage** arising out of any use of **your insured car** when operated by, or under the care or control of a **person**, other than a resident **relative** or insured driver listed on this policy who holds any sale contract or purchase agreement for **your insured car**, or who is making payment to **you** or to **your** creditor on **your** behalf in exchange for or anticipation of the regular use or ownership of **your insured car**.
22. **Bodily injury** or **property damage** resulting from the ownership, maintenance, or use of **your insured car** while a person is engaged in any **business** other than **auto business** activities. This exclusion does not apply if:
    a. Business use of **your insured car** has been declared and an additional premium has been paid;
    b. **Your insured car** is being used by **you** or a **relative** for farming or ranching; or
    c. The business use in infrequent and not otherwise excluded under the policy.
23. Any payment required upon **your** final conviction for loss for a covered **car** seized by federal or state law enforcement officers as evidence in a case against **you** under Chapter 481, Texas Health and Safety Code, or under the federal Controlled Substances Act, 21 U.S.C. §801, et seq.

If a court with proper jurisdiction determines an exclusion is invalid and cannot be enforced, that exclusion is revised so it will not apply to the portion of damages that is less than or equal to the **minimum limits** of liability coverage and apply and be enforceable as to all other damages.

Limits of Liability

Regardless of the number of **insured persons**, **cars** insured under this policy, separate premiums paid or shown in the **Declarations Page**, policies issued, claims made, vehicles involved, heirs or wrongful death beneficiaries, or lawsuits brought, **we** will pay the limits of liability shown in the **Declarations Page** subject to the following:

1. The limit for "each person" is the maximum **we** will pay for **bodily injury** sustained by any one **person** in any one **accident**, and only the limit for each **person** will apply to the aggregate of claims made for such **bodily injury** and any and all claims derived from such **bodily injury** including, but not limited to, **loss** of society, **loss** of companionship, **loss** of service, **loss** of consortium and wrongful death.
2. Subject to the **bodily injury** limit for "each person", the limit for "each accident" is the maximum **we** will pay for **bodily injury** sustained by two or more **persons** in any one **accident** .
3. The **property damage** liability limit for each occurrence is the maximum **we** will pay for any damage to property in one **accident**.

No one is entitled to duplicate payments under this coverage for the same element of damages that has been paid by:

1. Any other coverage under this policy;
2. Workers' compensation or any similar insurance; or
3. Any other source.

Any damages for **bodily injury** awarded to and recoverable by a guest or passenger in:

1. **Your insured car**; or
2. A **non-owned car** being operated by an **insured person**; or

shall be reduced by any payments made to that person under either or both Personal Injury Protection and Medical Payments coverage.

The limit of liability that applies will not be increased for an **accident** because a **trailer** is attached to either **your insured car** or a **non-owned car** at the time of the **accident**.

Conformity with Financial Responsibility Laws

This policy is provided in accord with the liability coverage required by, and is subject to, and will comply with, Texas Transportation Code 601, as amended, and such other applicable Texas laws to the extent required for **bodily injury** and **property damage**. If **we** make a payment **we** would not otherwise have been obligated to make under the terms of this policy but for these laws,

an **insured person** must reimburse **us** for that payment.

Out of State Insurance

If an **accident** to which this Part I applies, occurs in any state, territory or possession of the United States of America or any territory of Canada, other than the one in which a covered vehicle is principally garaged, and the state, province or territory has:

1. A financial responsibility or similar law requiring limits of liability for **bodily injury** or **property damage** higher than the limits shown on the **Declarations Page**, this policy will provide the higher limit; or
2. A compulsory insurance or similar law requiring a non-resident to maintain insurance whenever the non-resident uses a **car** in that state, province, territory or possession, this policy will provide the greater of:
   a. The required minimum amounts and types of coverage.
   b. The limits of liability under this policy.

Other Insurance

If other motor vehicle liability insurance applies and is collectible as to an event covered by this Part I, **we** will pay the proportionate share **our** limit of liability bears to the total of all applicable liability limits. Any insurance **we** provide for a **car**, other than a covered **car**, will be excess over any other collectible insurance, self-insurance or bond.

PART II - PERSONAL INJURY PROTECTION

Insuring Agreement

Subject to the limits of liability, if **you** pay the premium for this coverage, **we** will pay Personal Injury Protection benefits because of **bodily injury** sustained by an **insured person** and resulting from a motor vehicle accident. **We** will pay reasonable damages to or for the benefit of the **insured person** up to three years from the date of the accident for:

1. The **usual and customary charge** for reasonable expenses incurred for necessary medical and funeral services.
2. 80% of an injured **insured person's** loss of income from employment. This benefit applies only if, at the time of the accident, the injured **insured person**:
   a. Was an income producer; and
   b. Was in an occupational status.

   Loss of income from employment benefits do not apply to any loss after the **insured person** dies.

   Loss of income is the difference between:
   a. Income which would have been earned had the **insured person** not been injured; and
   b. The amount of income actually received from employment during the disability.

   If the income being earned as of the date of the accident is a salary or fixed remuneration, it shall be used in determining the amount of income which would have been earned. Otherwise, the average monthly income earned during the period (not more than 12 months) preceding the accident shall be used.
3. Reasonable expenses incurred for obtaining essential services. These services must replace those an **insured person** normally would have performed:
   a. Without pay;
   b. During the period of disability; and
   c. For the care and maintenance of the family or **household**.

   Essential services benefits apply only if, at the time of the accident, the **insured person**:
   a. Was not an income or wage producer; and
   b. Was not in an occupational status.

   Essential services do not apply to any loss after the **insured person** dies.

Personal Injury Protection is subject to the following:

1. Any dispute as to the **usual and customary charge** will be resolved between the service provider and **us**. If the **insured person** is sued for payment of any medical expense that **we** have refused to pay because:
   a. The fee is unreasonable or not the **usual and customary charge**; or
   b. The service is unnecessary;

   we will defend the **insured person** with an attorney of **our** choice. **We** will pay defense costs and any judgment against the **insured person** up to **our** limit of liability.
2. **We** have the right to review medical expenses and records to determine if reasonable and necessary for diagnosis and treatment of the **bodily injury**. A request to review medical records may be made when reasonably related to the **bodily injury** at issue in the claim for benefits.
3. **We** may refuse to pay for any portion of a medical expense:
   a. That is unreasonable because the fee for the service is greater than the fee that is the **usual and customary charge**.
   b. When the service(s) rendered is:
      (1) Not provided and prescribed by a state licensed medical or health care provider acting within the scope of that license;
      (2) Unnecessary for the treatment of the **bodily injury**; or
      (3) For the treatment of a **bodily injury** that was not caused by the **accident**.
4. **Insured persons** must submit to medical exams and tests by physicians **we** select as often as **we** reasonably require. **We** will pay for any such exams.
5. **We** may use other sources of information selected by **us** to determine if any medical

expense is reasonable and necessary and caused by an **accident**. These sources may include:

a. Exams by physicians **we** select. **We** will pay for these exams;
b. Review of medical records and test results by persons and services selected by **us**;
c. Computerized programs for analysis of medical treatment and expenses; and
d. Published sources of medical expense information.

Additional Definitions Used in this Part Only

As used in Part II:

1. "**Insured person**" and "**insured persons**" mean:
   a. **You** or a **relative**:
      i. While **occupying**; or
      ii. When struck by (while not **occupying** a motor vehicle);
      a motor vehicle designed for use mainly on public roads or a **trailer** being towed by that motor vehicle; and
   b. Any other person while **occupying your insured car** with **your** permission.
2. "**Usual and customary charge**" means an amount which **we** determine represents a customary charge for services in the geographical area in which the service is rendered. **We** shall determine the **usual and customary charge** through the use of independent sources of **our** choice.

Exclusions

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

1. In an **accident** caused intentionally by, or at the direction of that person. This exclusion will not void the protection of an innocent spouse or insured;
2. By that person while in the commission of a felony;
3. By that person while attempting to elude lawful apprehension or arrest by a law enforcement official;
4. While **occupying**, or while struck by, any motor vehicle, other than **your insured car**, which is **owned** by **you** or is furnished or available for **your** regular and frequent use; or
5. By a **relative** while **occupying**, or when struck by, any motor vehicle, other than **your insured car**, which is **owned** by a **relative** or is furnished or available for the regular use of any **relative**.

Limits of Liability

The limit of liability shown in the **Declarations Page** for this coverage is the maximum limit of liability for each **insured person** in any one **accident**. This is the most that **we** will pay regardless of the number of:

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

No one is entitled to duplicate payments under this coverage for the same element of damages that has been paid by:

1. Any other coverage under this policy; or
2. Workers' compensation or any similar insurance.

Any payment made under this coverage to a person shall be applied toward any settlement or judgment that person receives under any Liability to Others Coverage, Medical Payments Coverage or Uninsured/Underinsured Motorist Coverage provided by this policy.

Other Insurance

If there is other applicable Personal Injury Protection coverage, **we** will pay only **our** share. **Our** share is the proportion that **our** limit of liability bears to the total of all available limits. However, any insurance **we** provide with respect to a motor vehicle **you** do not **own** shall be excess over any other collectible Personal Injury Protection coverage.

Personal Injury Protection shall be primary to any Medical Payments Coverage under this policy.

Additional Duties in this Part Only

The duties listed here are in addition to all other duties listed in the REPORTING A CLAIM – INSURED'S DUTIES section.

Any person seeking Personal Injury Protection must promptly provide **us**:

1. Written proof of loss as to any claim for benefits under this coverage as soon as reasonably possible, but no later than 6 months after the date of the **accident**.
2. With reasonable medical proof of:
   a. The **bodily injury** causing loss of income.
   b. An alleged recurrence of **bodily injury** for which an original claim for benefits was made if a lapse occurs in the period of total disability or in the medical treatment of an **insured person** who:
      (1) Has received benefits under this coverage; and
      (2) Subsequently claims additional benefits based on the alleged recurrence.

Loss Payments

Benefits are payable under Personal Injury Protection Coverage periodically as claims for those benefits arise and as follows:

1. Not more frequently than once every two week period; and
2. Within 30 days after satisfactory proof of claim is received by **us**.

Assignment of Benefits

Payment for medical expenses will be paid directly to a physician or other health care provider if **we** receive a written assignment

signed by the **insured person** to whom such benefits are payable.

If **we** pay benefits directly to a physician or other health care provider, as directed by the written assignment, **we** have no obligation to pay, and have no liability for paying, those same benefits to the **insured person**.

PART III – MEDICAL PAYMENTS

Insuring Agreement

Subject to the limits of liability, if **you** pay the premium for Medical Payments Coverage, **we** will pay the **usual and customary charge** for reasonable and necessary medical and funeral services because of **bodily injury**:

1. Caused by an **accident**; and
2. Sustained by an **insured person** while operating or **occupying your insured car**.

Medical Payments Coverage is subject to the following:

1. Any dispute as to the **usual and customary charge** will be resolved between the service provider and **us**. If the **insured person** is sued for payment of any medical expense that **we** have refused to pay because:
   a. The fee is unreasonable or not the **usual and customary charge**; or
   b. The service is unnecessary;

   we will defend the **insured person** with an attorney of **our** choice. **We** will pay defense costs and any judgment against the **insured person** up to **our** limit of liability.
2. **We** will pay only for those expenses incurred within 3 years from the date of the **accident**.
3. **We** have the right to review medical expenses and records to determine if reasonable and necessary for diagnosis and treatment of the **bodily injury**. A request to review medical records may be made when reasonably related to the **bodily injury** at issue in the claim for benefits.
4. **We** may refuse to pay for any portion of a medical expense:
   a. That is unreasonable because the fee for the service is greater than the fee that is the **usual and customary charge**.
   b. When the service(s) rendered is:
      (1) Not provided and prescribed by a state licensed medical or health care provider acting within the scope of that license;
      (2) Unnecessary for the treatment of the **bodily injury**; or
      (3) For the treatment of a **bodily injury** that was not caused by the **accident**.
5. **Insured persons** must submit to medical exams and tests by physicians **we** select as often as **we** reasonably require. **We** will pay for any such exams.
6. **We** may use other sources of information selected by **us** to determine if any medical expense is reasonable and necessary and caused by an **accident**. These sources may include:
   a. Exams by physicians **we** select. **We** will pay for these exams;
   b. Review of medical records and test results by persons and services selected by **us**;
   c. Computerized programs for analysis of medical treatment and expenses; and
   d. Published sources of medical expense information.

Additional Definitions Used in this Part Only

As used in Part III:

1. "**Insured person**" or "**insured persons**" means:
   a. **You**;
   b. Any **relative**; or
   c. Any other **person occupying your insured car**, while being operated by **you** or any other **person** with **your** permission.
2. "**Usual and customary charge**" means an amount which **we** determine represents a customary charge for services in the geographical area in which the service is rendered. **We** shall determine the **usual and customary charge** through the use of independent sources of **our** choice.

Exclusions

This coverage does not apply for **bodily injury** to any **person**:

1. While **occupying your insured car** while it is being used as a livery service or for **delivery** at the time of the **loss**. This exclusion does not apply to shared-expense car pools. This exclusion also does not apply to **you** or a **relative** unless the primary use of the vehicle is to carry property for a fee.
2. Resulting from the ownership, maintenance, or use of **your insured car** while it is being driven by an **insured person** who is acting as a transportation network company driver and is:
   a. Logged on to a transportation network company's digital network; or
   b. Engaged in a prearranged ride.
3. While **occupying** any motor vehicle while used as a residence.
4. While **occupying** a vehicle other than a **car** while the vehicle is being used in the **business** or occupation of an **insured person**.
5. During the course of employment if benefits are payable or must be provided under a Workers' Compensation Law or similar law.
6. Arising out of an **accident** involving a **car** while being used by a **person** while employed or engaged in **auto business** operations. This exclusion does not apply to **you**, a **relative** or an employee of **you** or a **relative** when using **your insured car**.
7. Caused by war (declared or undeclared), civil war, insurrection, rebellion, revolution, nuclear reaction, radiation or radioactive contamination, or any consequence of any of these.

8. While **your insured car** is being driven, operated or used by a **person** who does not have a valid **driver's license**.
9. While **your insured car** is used for **racing.**
10. For whom the United States Government or its military services are required (directly or indirectly) to provide similar services to.
11. While **your insured car** is rented to, leased to, or loaned to any person or organization in return for a fee.
12. Resulting from the ownership, maintenance, or use of **your insured car** while a person is engaged in any **business** other than **auto business** activities. This exclusion does not apply if:
    a. Business use of **your insured car** has been declared and an additional premium has been paid;
    b. **Your insured car** is being used by **you** or a **relative** for farming or ranching; or
    c. The business use is infrequent and not otherwise excluded under the policy.

Limits of Liability

Regardless of the number of **insured person**(s), insured **cars**, claims made, lawsuits brought, separate premiums paid or shown in the **Declarations Page**, policies issued, or motor vehicles involved in the **accident**, **we** will pay no more than the Limit of Liability shown for this coverage on the **Declarations Page** for each **insured person**.

Any amounts payable to an insured **person** under this Part III will be reduced by any amounts paid for the same expense under any Liability to Others Coverage, Personal Injury Protection or Uninsured/Underinsured Motorist Coverage provided by this policy.

Also, any payment **we** make under this coverage to an **insured person** shall be excess insurance over benefits paid under the provisions of any disability benefits or similar law.

No payment will be made under this coverage unless the **insured person** or his legal representative agrees in writing that any payment shall be applied toward any settlement or judgment that person receives under any Liability to Others Coverage, Personal Injury Protection or Uninsured/Underinsured Motorist Coverage provided by this policy.

Other Insurance

If there is other applicable motor vehicle medical payments insurance on a loss covered by this part:
1. **We** will not pay more than **our** share. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable medical payment insurance limits; and
2. Any insurance we provide shall be excess over any other collectible automobile insurance providing payments for medical or funeral expenses with respect to a vehicle that **you** do not **own**.

Any medical payments insurance **we** provide will be excess over any personal injury protection benefits under this or any other policy.

Assignment of Benefits

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

If **we** pay benefits directly to a physician or other health care provider, as directed by the written assignment, **we** have no obligation to pay, and have no liability for paying, those same benefits to the **insured person**.

PART IV – UNINSURED/UNDERINSURED MOTORISTS

Insuring Agreement -
Uninsured/Underinsured Motorist Bodily Injury Coverage
This coverage applies only if a premium is shown for the coverage on the **Declarations Page**.

We will pay compensatory damages, not punitive and exemplary damages, which an **insured person** is legally entitled to recover from the **owner** or operator of an **uninsured motor vehicle** because of **bodily injury**:
1. Sustained by an **insured person**; and
2. Caused by an **accident**.

The **owner's** or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

If suit is brought to determine legal liability or damages without **our** written consent, **we** are not bound by the resulting judgment.

No judgment for damages arising out of a suit brought against the **owner** or operator of an **uninsured motor vehicle** is binding on **us** unless **we** received reasonable notice of the filing of the suit resulting in the judgment and had a reasonable opportunity to protect **our** interests in the suit

As part of **our** claims handling procedures, **we** may use software that is designed to evaluate **bodily injury** under Part IV – Uninsured/ Underinsured Motorist Coverage.

Insuring Agreement -
Uninsured/Underinsured Motorist Property Damage Coverage

This coverage applies only if a premium is shown for the coverage on the **Declarations Page**.

We will pay compensatory damages, not punitive and exemplary damages, which an **insured person** is legally entitled to recover from the **owner** or operator of an **uninsured motor vehicle** because of **property damage**:

1. Sustained by an **insured person**; and
2. Caused by an **accident**.

The **owner's** or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

If suit is brought to determine legal liability or damages without **our** written consent, **we** are not bound by the resulting judgment.

No judgment for damages arising out of a suit brought against the **owner** or operator of an **uninsured motor vehicle** is binding on **us** unless **we** received reasonable notice of the filing of the suit resulting in the judgment and had a reasonable opportunity to protect **our** interests in the suit.

Additional Definitions Used In This Part Only

1. "**Insured person**" means:
   a. **You** and any **relative**;
   b. Any **person** who uses **your insured car** with **your** permission;
   c. A guest in **your insured car**; or
   d. The personal representative of any of the above.
2. "**Motor vehicle**" means every self-propelled vehicle (other than traction engines, road rollers and graders, tractor cranes, power shovels, well drills and implements of animal husbandry) which is designed for use upon a highway, and every vehicle which is propelled by electric power obtained from overhead wires but not operated upon rails.
3. "**Uninsured motor vehicle**" means:
   a. A **motor vehicle** for which there is no liability insurance.
   b. A **motor vehicle** for which one or more collectible liability bonds or policies apply at the time of the **accident** but all limits available under all bonds and policies for liability coverage:
      (1) Are less than the Uninsured/ Underinsured Motorist Coverage limit under this policy for **bodily injury** or **property damage** as applicable; or
      (2) Have been reduced by payment of claims to persons other than the **insured person** when those claims all arise from the same **accident**, to an amount less than the Uninsured/ Underinsured Motorists Coverage limit under this policy for **bodily injury** or **property damage** as applicable.
   c. A **motor vehicle** for which there is liability insurance in existence, but the insurance company writing the insurance has legally denied coverage under its policy.
   d. A **motor vehicle** for which there is liability insurance in existence, but the insurance company writing the insurance is or becomes insolvent. In the event that a partial payment is made by or on behalf of the insolvent company, **we** will pay only the amount of the difference between the partial payment and the limits of the **insured person's** uninsured motorist coverage.
   e. A **motor vehicle** for which there is no bond or security deposited in lieu of liability coverage.
   f. A **motor vehicle** for which the **owner** or operator is unknown, and which causes **bodily injury** to an **insured person** or **property damage** to property in which **an insured person** has a legal interest. Actual physical contact must have occurred between the **motor vehicle owned** or operated by the unknown **person** and the **insured person** or property of the **insured person**.
   g. A **motor vehicle** that is an underinsured motor vehicle. An underinsured motor vehicle is one to which a liability bond or policy applies at the time of the **accident**, but its limit of liability either:
      (1) Is not enough to pay the full amount the **insured person** is legally entitled to recover as damages; or
      (2) Has been reduced by payment of claims to an amount which is not enough to pay the full amount the **insured person** is legally entitled to recover as damages.
4. "**Uninsured motor vehicle**" does not mean:
   a. A **motor vehicle owned** by, or furnished or available for the regular use of, **you** or a **relative**. However, this shall not apply:
      (1) A **motor vehicle owned** by **you** or any **relative** when a thief is operating **your insured car** and causes an **insured person** to sustain **bodily injury** or **property damage**; or
      (2) A **motor vehicle** furnished or available for regular use to **you** when it is a **motor vehicle** which at the time of the **accident**:
         (a) Was provided by and **owned** by **your** employer;
         (b) Was operated by **your** co-employee; and
         (c) No liability bond or policy applies.
   b. A **motor vehicle owned** by the United States of America, Canada, a state, any other governmental entity, unit or agency unless:
      (1) The operator of the vehicle is uninsured; and
      (2) There is no statute imposing liability for damages because of **bodily injury** or **property damage** on the governmental body for an amount not less than the limit of liability of this coverage.
   c. A **motor vehicle** located for use as a residence or premises.
   d. A **motor vehicle owned** or operated by a self-insured under any applicable motor vehicle law, except a self-insured that is or becomes insolvent or that is

underinsured as described in 3(b) of the this definition above.

Exclusions

1. **We** do not provide Uninsured/Underinsured Motorist Coverage under this policy for any **insured person**:
   a. If that **person** or the legal representative settles the claim without **our** consent, unless **our** right to recover payment has not been prejudiced by such settlement or judgment.
   b. While **occupying your insured car** while it is being used as a livery service or for **delivery** at the time of **loss**. This exclusion does not apply to a share the expense car pool. This exclusion also does not apply to **you** or a **relative** unless the primary use of the vehicle is to carry property for a fee.
   c. For punitive or exemplary damages.
2. **We** do not provide Uninsured/Underinsured Motorist Coverage under this policy for any **person occupying your insured car** while it is being driven by an **insured person** who is acting as a transportation network company driver and is:
   a. Logged on to a transportation network company's digital network; or
   b. Engaged in a prearranged ride.
3. This coverage shall not apply directly or to benefit any insurer or self-insurer of any property or any insurer or self-insurer under any of the following or similar laws:
   a. Workers compensation law; or
   b. Disability benefits law.
4. This coverage shall not apply to an **insured person** while occupying, operating or maintaining any **motor vehicle** or equipment:
   a. Operated on rails or crawler treads;
   b. Designed mainly for use off public roads while not on public roads; or
   c. While located for use as a residence or premises.
5. This coverage shall not apply to an **insured person** while **occupying** or when struck by any **motor vehicle** or motorcycle **owned** by an **insured person** which is not insured under the liability section of this policy.
6. Uninsured/Underinsured Motorist Coverage is not provided for **property damage**:
   a. Sustained while **your insured car** is used or driven by a person while employed or engaged in **auto business** operations However, this exclusion does not apply to **you**, a **relative**, or an agent or employee of **you** or a **relative**, while using **your insured car**.
   b. Resulting from **racing**.
   c. Due to a nuclear reaction or radiation.
   d. For which insurance is afforded under a nuclear energy liability insurance contract.
   e. To a **motor vehicle owned** by an **insured person** but that vehicle is not **your insured car** under this policy.
   f. To **your insured car** which is not covered under this policy for Uninsured-Underinsured Motorist Coverage.
   g. To property that is damaged while it is in a vehicle described above in this exclusion in 5.e. or 5.f. above.
7. Coverage is not provided for any person for **bodily injury** or **property damage** resulting from the intentional acts of that person.
8. There is no coverage for the first $250.00 of **property damage** of an **insured person** as the result of any one **accident**.

If a court with proper jurisdiction determines an exclusion cannot be enforced under the applicable financial responsibility or compulsory insurance law, that exclusion is then revised so it will:

1. Not apply to the portion of damages that is less than or equal to the **minimum limits** required by the Texas insurance laws, as amended; and
2. Apply and be enforceable as to all other damages.

Conditions

All conditions, terms, and requirements contained in the REPORTING A CLAIM - INSURED'S DUTIES section apply as conditions precedent to uninsured/underinsured motorist coverage under this policy.

We have the burden of proof in a dispute as to whether a vehicle is an **uninsured motor vehicle**.

Any suit against **us** as to this Uninsured/ Underinsured Motorist Coverage must be brought in the county in which:

1. The policyholder or beneficiary instituting the action resided at the time of the **accident** involving the **uninsured motor vehicle**; or
2. The **accident** occurred.

Limits of Liability

The most **we** will pay is the limits of liability shown in the **Declarations Page** regardless of the number of:

1. Claims made;
2. **Your insured cars**;
3. **Trailers** shown on the **Declarations Page**;
4. Insured persons;
5. Lawsuits brought;
6. Vehicles involved in an **accident**; or
7. Premiums paid.

The amount show on the **Declarations Page** for "each person" is the most **we** will pay for all damages due to a **bodily injury** to one person.

Subject to the "each person" limit the amount shown for "each accident" is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one **accident**.

The amount shown for "each accident" for **property damage** is **our** maximum limit of liability for all **property damage** resulting from any one **accident**.

The "each person" limit includes the total of all claims made for **bodily injury** and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury, or mental anguish resulting from the **bodily injury**

of another, loss of society, loss of companionship, loss of services, loss of consortium, wrongful death, and claims allowed by law for emotional distress and mental anguish as a result of observing the **accident** or **bodily injury**.

No one will be entitled to duplicate payments for the same elements of damages under this policy or from any other source.

The damages an **insured person** is legally entitled to recover from the **owner** or operator of an **uninsured motor vehicle** shall be reduced by any amount paid:

1. By or on behalf of any persons or organizations that may be legally responsible, including all sums paid under Part I of this policy;
2. Under Part II or Part III;
3. Under any workers' compensation law, disability benefits law, or similar laws; and
4. Under Part V.

Proof of Claim

You or **your relative** or someone on **your** behalf must have reported the **accident** to the police promptly and as soon as possible after the **accident**. Each **person** making a claim under this part must give **us** full details of their injuries and treatment. Proof of claim must be submitted on **our** forms unless **we** fail to provide them within 15 days after notice of the claim. **You** must allow **us** to inspect all **property damage** before it is repaired or disposed of.

Other Insurance

When a claimant occupies any vehicle, other than **your insured car** that **you** or a **relative own**, this insurance is excess over any other similar insurance available to the claimant and the insurance which applies to the occupied **motor vehicle** is primary.

If there is other applicable similar insurance available under more than one policy or provision for coverage on a **loss** covered by this Part, **we** will pay only **our** share of the damages in the following order:

First, **our** share is the proportion that **our** Limit of Liability bears to the total of all available coverage limits available to **you** as a **named insured** or covered family member.

Second, any insurance **we** provide under this Part shall be applicable to the **motor vehicle** the insured occupied at the time of the loss.

Under this Part, **we** will pay only for **our** share of the loss. **Our** share is determined as the proportion that **our** limit of liability bears to the total of all limits applicable on the same level of priority.

If **you** paid a premium for both Collision Coverage and Uninsured/Underinsured Motorist Property Damage Coverage, and both cover an **accident** resulting in **property damage**, the following apply:

1. **You** may choose which coverage applies to the **loss**.
2. If neither coverage is sufficient alone to cover all damage resulting from that single **accident**, **you** may recover under both. If doing so, **you** must:
   a. Designate one coverage as the primary coverage; and
   b. Pay the deductible applicable to that coverage.
3. The coverage **you** designate as primary must be exhausted before any recovery is made under the secondary coverage.
4. If both the primary and secondary coverages are used to pay damages from one **accident**:
   a. **You** are not required to pay the deductible applicable to the secondary coverage when the amount of the deductible otherwise applicable to the secondary coverage is the same as or less than the amount of the deductible applicable to the primary coverage; and
   b. If the amount of the deductible otherwise applicable to the secondary coverage is greater than the amount of the deductible applicable to the primary coverage, **you** shall pay the difference between the amounts of the two deductibles with respect to the secondary coverage.
5. Recovery under both the primary and secondary coverages may not exceed the actual damages suffered.

Trust Agreement

If **we** pay an **insured person** under this coverage:

1. **We** shall be subrogated to the rights of the **insured person** to whom such claim was paid against the **person** causing such injury, death, or damage to the extent that payment was made, including the proceeds recoverable from the assets of an insolvent insured. The bringing of an action against the unknown **owner** or operator, or the conclusion of such an action, shall not constitute a bar to the **insured person** if the identity of the **owner** or operator who caused the injury or damages complained of becomes known, provided that in any action brought against such **owner** or operator, **we** shall be mailed a copy of the summons issued for the defendant or defendants and any recovery against such **owner** or operator shall be paid to **us** to the extent that **we** paid the **insured person** in the action brought against such **owner** or operator. **We** shall pay **our** proportionate share of any reasonable costs and expense incurred in connection with such an action, including reasonable attorney's fees.
2. Any **insured person** to or for whom a payment is made under this Part who recovers damages from a liable person or organization, or their insurer, shall hold the proceeds of that recovery in trust for **us**.
3. Any **insured person** must do everything proper to secure **our** rights of recovery and do nothing to prejudice these rights.

4. If **we** ask an **insured person** in writing, an **insured person** shall take the necessary or appropriate action, through a representative designated by **us**, to recover payment as damages from the responsible **person** or organization. If there is a recovery, then **we** shall be reimbursed out of the recovery for expenses, costs and attorney's fee incurred in connection with this recovery.
5. **Our** rights to recovery under this Part will be satisfied only after **you** are fully compensated for **your** covered loss.

Part V - CAR DAMAGE COVERAGE

Insuring Agreement

We will pay for **loss** to **your insured car**, other than a **temporary substitute**, reduced by any applicable deductible shown in the **Declarations Page**. If **loss** to more than one of **your insured cars** results from the same collision, only the highest applicable deductible will apply. **We** will pay for **loss** to **your insured car** caused by:

1. Comprehensive only if the **Declarations Page** indicates that Comprehensive coverage is provided for that auto.
2. Collision only if the **Declarations Page** indicates that Collision Damage is provided for that auto.

This coverage applies only if a premium is shown for Collision and Comprehensive Coverage on the **Declarations Page**.

Loss caused by missiles, falling objects, fire, theft, malicious mischief or vandalism, riot or civil commotion, explosion, earthquake, windstorm, hail, water or flood, or accidental glass breakage are Comprehensive losses payable under Comprehensive coverage. **Loss** due to the hitting or being hit by an animal or bird is also payable under Comprehensive coverage, but only if there is proof that the car damage directly resulted from contact with the animal or bird.

Loss caused by **your insured car** overturning, colliding with or being hit by another object are collision losses payable under Collision Coverage.

Towing and Labor Coverage

If **you** paid the premium for Towing and Labor Coverage and it is shown on the **Declarations Page**, **we** will pay up to the limits shown on the **Declarations Page** for towing and labor costs incurred each time **your insured car** for which **you** bought this coverage is disabled as a result of any condition other than an **accident**. This includes the costs associated with emergency flat tire change, tire repair, battery jump, battery repair, fuel delivery (but not the fuel) and locksmith services each time **your insured car** is disabled as a result of any condition other than an **accident**, subject to the limits shown on the **Declarations Page** for **your insured car**. Covered labor must be performed at the time and place of disablement and does not include routine maintenance of **your insured car**. The maximum amount **we** will pay for any single disablement will be the amount shown on the **Declarations Page** for this coverage for **your insured car**. **You** must provide **us** with a verifiable receipt of the towing or labor charges incurred. This coverage does not apply to towing from entrapment in snow, mud, water or sand, more than 100 feet from a public road or highway.

Loss of Use Coverage

If **you** paid the premium for Loss of Use Coverage and it is shown on the **Declarations Page**, when **your insured car** for which **you** bought this coverage sustains **loss** due to a collision or due to a comprehensive **loss** then, whether or not the actual loss to **your insured car** is covered by the Collision Damage or Comprehensive coverage of this policy, **we** will reimburse **you** for actual expenses incurred for reasonable fares for substitute transportation, and/or necessary car rental charges **you** incur from a licensed rental car agency, while **your insured car** is inoperable due to that **loss**. **We** will pay no more than:

1. The limit shown on the **Declarations Page**; or
2. The **actual cash value** of **your insured car** at the time of **loss**.

Loss of Use Coverage is limited to the period the vehicle is inoperable or under repair.

Loss of Use Coverage will end 72 hours after **we** offer to pay the amount **we** determine is due for a total loss.

No deductible applies to Loss of Use Coverage. The limits set forth above are the most **we** will pay as the result of any one **loss**, regardless of the number of **your insured cars** listed on this policy or premiums paid.

Additional Definition

When shown in Part V in **bold** print "**special/additional equipment**" means any of the following, except when installed by the original manufacturer of **your insured car** or by the manufacturer's dealer as a manufacturer's new car option or equipment on **your insured car**:

1. Parts, accessories, ground effects and any other equipment or enhancement;
2. Any modified suspension equipment, modified engines, modified carburetor systems, modified equipment, or custom wheels, including, but not limited to:
   a. Aluminum, magnesium, chrome or alloy wheels;
   b. Special wide-tread tires or slicks;
3. Custom paint, murals, decals or graphics; special carpeting or furnishings; sunroofs, moon roofs, t-bar or height extending roofs; bubble domes or similar windows; refrigeration or cooking equipment and any equipment used for sleeping;
4. Electronic video, audio, digital or data transmitting, receiving, recording and playback device, including but not limited to:

a. Communication and audio devices, including citizen band radios, two way mobile radios, televisions, VCR, mobile cellular and other telephones, blue tooth devices, scanning monitor receivers, audio devices that record and/or play sound, including: radios; satellite radios; stereos; cassette tape decks; compact disk systems; MP3 devices; internet audio streaming devices; audio interface devices; radio scanners; and similar devices for reproducing sound;
b. GPS and other navigation systems;
c. Personal computers and internet access systems;
d. Video devices, including DVD devices, VCR's; monitors; cameras and televisions; and
e. Any accessories, cables, connectors or antennas used with any of these types of equipment.

Exclusions

Coverage does not apply to **loss**:

1. To **your insured car** while it is being used as a livery service or for **delivery** at the time of **loss**. This exclusion does not apply to shared expense car pools. This exclusion also does not apply to **you** or a **relative** unless the primary use of the vehicle is to carry property for a fee.
2. Resulting from the ownership, maintenance, or use of **your insured car** while it is being driven by an **insured person** who is acting as a transportation network company driver and is:
   a. Logged on to a transportation network company's digital network; or
   b. Engaged in a prearranged ride.
3. Caused by war (declared or undeclared), civil war, insurrection, rebellion, revolution, nuclear reaction, radiation or radioactive contamination, or any consequence of any of these.
4. To any **special/additional equipment**. However, if **you** have paid the premium for Special/Additional Equipment Coverage and it is shown on the **Declarations Page**, this exclusion shall not apply to the **special/ additional equipment** listed on the schedule of **special/additional equipment** in **our** records. If **you** change the **special/ additional equipment** on **your insured car**, **you** must notify **us** to change **your** listed equipment before any added **special/ additional equipment** will be covered.
5. To a camper body or **trailer** that is not listed on the **Declarations Page**.
6. Resulting from prior **loss** or damage, manufacturer's defects, wear and tear, freezing, mechanical or electrical breakdown or failure. Coverage does apply if the damage is the result of other **loss** covered by this policy.
7. To any personal property, including but not limited to wearing apparel, any personal property, tools or nonstandard equipment and racks which is permanently or temporarily attached to **your insured car** at the time of the **loss**.
8. Resulting in damage or **loss** of use to a rental vehicle.
9. To **your insured car** while being operated by a **person** specifically excluded by endorsement.
10. Arising out of or due to the use of **your insured car** for transportation of any explosive substance, flammable liquid or similarly hazardous material, except transportation, incidental to ordinary **household** or farm activities. This shall not apply to the fluids necessary for the operation of the vehicle.
11. While **your insured car** is being used for **racing**.
12. While **your insured car** is subject to any bailment lease, conditional sale, mortgage or other encumbrance not specifically declared and described on this policy.
13. Due to theft or conversion by **you**, or a **relative**. However, this does not apply to the interest of a **named insured** or the spouse of the **named insured** who **resides** in the same **household** as the **named insured** if that person did not consent to, direct, contribute to, or participate in the theft or conversion.
14. To **your insured car** caused intentionally by or at the direction of an insured person. This exclusion will not void the protection of an innocent spouse or insured.
15. While **your insured car** is driven, operated or used by a **person** who does not have a valid **driver's license**.
16. While **your insured car** is rented to, leased to, or loaned to any **person** or organization in return for a fee. This exclusion does not apply if **you** or a **relative** lends **your insured car** to another for reimbursement of operating expenses only.
17. While **your insured car** is being used in connection with a **car sharing program**. This exclusion also applies while **you** are driving **your insured car** to deliver it to a prearranged renter or prearranged location for pickup by a renter.
18. Due to destruction or confiscation by governmental or civil authorities of any vehicle because **you**, a **relative**, or an **owner** engaged in illegal activities. This includes loss due to or as a consequence of a seizure of any vehicle by federal or state law enforcement officers as evidence in a case against **you**, a **relative**, or an **owner** under Chapter 481, Texas Health and Safety Code, or the Federal Controlled Substances Act, 21 U.S.C. §801, et seq. if **you**, a **relative**, or an **owner** are convicted in such a case.
19. Resulting from the ownership, maintenance, or use of **your insured car** while a person is engaged in any **business** other than **auto business** activities. This exclusion does not apply if:
    a. business use of **your insured car** has been declared and an additional premium has been paid;
    b. **Your insured car** is being used by **you** or a **relative** for farming or ranching; or
    c. The business use is infrequent and not otherwise excluded under the policy.

20. To **your insured car** due to diminution of value or any other loss or reduction in market or resale value which may result from **loss** to property.
21. To any **non-owned car**.

Limits of Liability

Our Limit of Liability for **loss**, less any applicable deductible and the salvage value if **you** or the **owner** keep the salvage, shall not exceed the lowest of:
1. The **actual cash value** of the stolen or damaged property at the time of **loss**;
2. The amount necessary to repair the property to its pre-**loss** physical condition or replace the property with other of like kind and quality; or
3. The applicable Limit of Liability stated in the **Declarations Page**.

The amount **we** will pay under this Part:
1. Will be adjusted and reduced for **depreciation**;
2. To repair or replace will be based on the cost of parts which may be new, used, reconditioned, remanufactured or refurbished parts that are original and/or non-original manufacturer parts or equipment.

No duplicate recovery for the same elements of **loss** under this policy or from any other source is permitted. Any amount paid or payable under this Part shall be reduced by any amount paid for the same element of **loss** under the Uninsured/Underinsured Motorist Property Damage Coverage of this policy.

No Benefit to Bailee

These coverages shall not directly or indirectly benefit any **person** or organization other than **you** for **loss** to **your insured car**.

Appraisal

If **you** and **we** fail to agree on the amount of **loss,** either may demand an appraisal of the **loss**. Each will appoint a competent and disinterested appraiser. The appraisers will select a third appraiser to decide any differences. Each appraiser will state separately the **Actual Cash Value** and the amount of **loss**. The award in writing by any two appraisers will be binding and will determine the amount payable. Each party will pay the expenses of its chosen appraiser. The expenses and the cost of the third appraiser will be shared equally.

We do not waive any of **our** rights under this policy by agreeing to an appraisal of the amount of **loss**. Coverage issues or disputes under this policy may not be determined by the appraisers.

Payment of loss

At **our** option, **we** will pay the **loss** in money, or repair or replace the damaged or stolen property. **We** may, at any time before the **loss** is paid or the property is replaced by **us**, return, at **our** expense any stolen property either to **you** or to the address shown in the **Declarations Page** with payment for the resulting damage. **We** may keep all or part of the property at the agreed or appraised value, but there shall be no abandonment to **us**.

We may make payment for a **loss** to **you** or the **owner(s)** of the property. Payment for a **loss** is required only if **you** have fully complied with this contract.

We may pay the loss in money, or repair or replace the damaged or stolen property with other of like kind and quality.

Loss Payee & Lienholder's Rights

If a loss payee or lienholder is shown on the **Declarations Page** with respect to **your insured car**, any amount paid under this Part V for **loss** to that car will be paid according to **your** interest and that of the loss payee or lienholder. **We** may make separate payments according to those interests. However, with **your** consent, payment may be made directly to a repair shop when the **loss** is being repaired.

We will be subrogated to the loss payee or lienholder's rights of recovery to the extent of our payment.

Where fraud, misrepresentation, material omission, intentional damage, or conversion, secretion and/or embezzlement of **your insured car** has been committed by or at the direction of **you** or a **relative**, or where the **loss** is otherwise not covered under the terms of this policy, the Loss Payee or lienholder's interest will not be protected. **We** have no duty to make any payment to a lienholder or Loss Payee unless the **loss** is payable to **you** and all policy terms and conditions have been met.

We reserve the right to cancel the policy as permitted by policy terms. Cancellation shall terminate this agreement as to the Loss Payee's interest.

Other Insurance

If there is other applicable car damage insurance or source of recovery on a **loss** covered by this Part, **we** will pay the proportionate share **our** limit of liability bears to the total of all available sources of recovery. The deductible of this policy will be taken in a proportionate share based on the deductibles of each policy.

Other sources of recovery include, but are not limited to:
1. Any coverage provided by the motor vehicle **owner**;
2. Any other physical damage insurance available; and
3. Any other source of recovery applicable to the loss.

PART VI - ACCIDENTAL DEATH AND DISMEMBERMENT COVERAGE

If Accidental Death and Dismemberment Coverage is shown on the **Declarations Page**, **we** will pay the benefits described under the Limits of Liability in this Part V with respect to **bodily injury** sustained by the **named insured** as the result of a Covered Event specified in this Part VI.

As used in Part VI, **named insured** means only the **person(s)** listed on the policy **Declaration page** as "**named insured**" and for whom the specific premium for this coverage is paid.

Limits of Liability

If a **named insured** sustains death, dismemberment or loss of life, as described below, independent of other causes, that is the result of a Covered Event in an **accident**, **we** will pay the stated benefit to the **named insured**, subject to the aggregate limit of liability shown on the **Declarations Page**.

DEATH, DISMEMBERMENT OR LOSS OF SIGHT: If within 90 days from the date of an **accident** arising out of a Covered Event, **bodily injury** sustained by the **named insured** in that **accident** causes death, dismemberment or loss of sight, **we** will pay, as follows, but no more than the Limit of Liability shown on the **Declarations Page** for all **bodily injury**:

1. For accidental loss of life of the **named insured we** will pay the limit shown on the **Declarations Page**.
2. For loss of both hands or both Feet, **we** will pay the limit shown on the **Declarations Page**.
3. For loss of one hand and one foot **we** will pay the limit shown on the **Declarations Page**.
4. For loss of sight in both eyes **we** will pay the limit shown on the **Declarations Page**.
5. For loss of either Hand or Foot **we** will pay one-half of the limit shown on the **Declarations Page**.
6. For loss of sight in one eye **we** will pay one-half of the limit shown on the **Declarations Page**.
7. For loss of a thumb and index finger of same Hand of the **named insured we** will pay one-half of the limit shown on the **Declarations Page**.

The word "loss", as used in this Part VI, means:

1. With regard to hand or foot, complete severance through or above the wrist or ankle joint.
2. With regard to sight of eyes, entire and irrecoverable loss of sight.
3. With regard to thumb and index finger, complete severance through or above metacarpophalangeal joint.

The limit of liability shown for this coverage on the **Declarations Page** is the aggregate limit for all claims under this Part VI, and is most **we** will pay under this coverage with respect to a **named insured**, without regard to the number of:

1. **Bodily injuries** sustained by the **named insured**;
2. **Your insured cars** insured under this policy;
3. Separate premiums paid or shown on the **Declarations Page**;
4. Claims made; or
5. Vehicles involved.

COVERED EVENTS:

1. While the **named insured** is riding solely as a passenger in or on, boarding or alighting from any public conveyance, including air, licensed to carry passengers for hire; or
2. When the **named insured** sustains injuries caused by unavoidable exposure to the elements following the forced landing, stranding, sinking or wrecking of such means of transportation described above in which the **person** insured has been riding solely as a passenger; or
3. While the **named insured** is driving or riding in or on; boarding or alighting from, a **car**.

Seat Belt Coverage

The Principal Sum benefits for Accidental Death under this policy will be increased by an additional 20% of the benefit amount if death results while the **named insured** is a passenger or driver of a four-wheel private passenger automobile and the **named insured's** seat belt is properly fastened about their body.

Exclusions

This coverage does not cover any **loss**, death or **bodily injury** incurred for, or resulting from, any of the following:

1. Suicide or attempted suicide.
2. Intentional self-infliction of injury or attempted self-infliction of injury.
3. Self-destruction or attempted self-destruction.
4. Infections except infections that develop from and are caused wholly by a covered **bodily injury**.
5. War or any warlike action.
6. **Accident** occurring while operating, or learning to operate, or performing duties as a member of the crew of any aircraft.
7. Sickness or disease of any kind including surgical or medical treatment.
8. **Bodily injury** or loss occurring while the **named insured** is intoxicated or under the influence of any narcotic, unless consumed or ingested pursuant to directions from a licensed physician, in the course of treatment, without any warning from the physician or a licensed pharmacist against operating any motorized vehicle while under the influence of the narcotic.
9. While the **named insured** is driving or **occupying** a motor vehicle while **racing**.
10. Using **your insured car** as a livery service or for **delivery** at the time of **loss**. This exclusion does not apply to a share the expense car pool. This exclusion also does not apply to **you** or a **relative** unless the primary use of the vehicle is to carry property for a fee.
11. As a result of a hernia of any kind.
12. As a consequence of diabetes.

Additional Terms for Part VI

1. NOTICE OF CLAIM: Written notice of claim must be given to **us** within 20 days after any **bodily injury** covered by this Part VI, or as soon thereafter as is reasonably possible.
2. PROOF OF LOSS: Written proof of **loss** must be furnished to **us** within 90 days after the date of a covered event. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided proof is furnished as soon as reasonably possible.
3. PAYMENT OF CLAIMS: Payment for loss of life will be payable in accord with any beneficiary designation made to **us**, or if none, then to the estate of the **named insured**. Payment of **our** limit of liability to the legal representative of the estate shall be deemed discharge of **our** duties under this Part VI.
4. PHYSICAL EXAMINATION AND AUTOPSY: **We** have the right for physical examination or autopsy of the **named insured** who is making a claim under this Part VI by a licensed medical practitioner or pathologist when, and as often as **we** reasonably require, unless barred by law.
5. WORKER'S COMPENSATION: This policy is not in lieu of and does not affect any requirements for coverage by Worker's Compensation Insurance.

PART VII - GENERAL PROVISIONS

Policy Period, Territory

This policy applies only to **accidents** and **losses** that occur during the policy period as shown in the **Declarations Page** and within the policy territory. The policy territory is the United States of America, its territories or possessions, or Canada. This policy also applies to an **accident** or **loss** involving **your insured car** while being transported between ports within the policy territory.

Two or More Cars Insured

With respect to any **accident** or occurrence to which this and any other **car** policy issued to **you** by **us** applies, the total limit of **our** liability under all the policies shall not exceed the highest applicable Limit of Liability under any one policy. This policy provision does not apply to Part IV.

Claims Settlement Practices

AssuranceAmerica abides by the Texas Insurance Code when making prompt payment of claims.

Receipt of Notice of Claim

1. Not later than the 15th day of receiving written notice of a claim that reasonably apprises **us** of the facts relating to the claim, the claim is acknowledged, the investigation begins and the necessary information is requested from the claimant.
2. Additional requests for information may be made during the investigation of the claim.
3. Acknowledgement of receipt of a claim does not have to be made in writing; the company can make a record of the date, manner and content of acknowledgement.

Notice of Acceptance or Rejection of Claim

1. The written notice of acceptance or rejection of a claim will be made no later than the 15th **business day** after the date the company receives all items, statements and forms required to secure final proof of loss.
2. If there is a reasonable basis to believe that a loss resulted from arson; the claimant will be notified in writing of the acceptance or rejection of the claim not later than the 30th day after the date the insurer receives all items, statements, and forms required by the insurer.
3. If the claim is rejected, the notice will state the reasons for the rejection.
4. If the company is unable to accept or reject the claim within the period specified by 1 or 2, the company, within that same period, shall notify the claimant of the reasons that the company needs additional time. The company shall accept or reject the claim not later than the 45th day after the date the company notifies a claimant.

Payment of Claim

Once the agreement to pay a claim has been made, the company will make payment of the claim, or part of the claim, by the fifth **business day** after all the conditions of performance by the claimant have been met.

If **we** make an offer to settle a liability claim under Part I, **we** will notify the **named insured** in writing no later than the:

1. 10th day after the date **we** make an initial offer to settle a liability claim against an **insured person** under Part I; and
2. 30th day after the date a liability claim against an **insured person** under Part I is settled.

Delay in Payment of Claim

1. If the company, after receiving all items, statements, and forms reasonably requested and required under Texas Insurance Code Section 542.055, delays payment of the claim for a period exceeding the period specified by other applicable statutes or, if other statutes do not specify a period, for more than 60 days, the insurer shall pay damages and other items as provided by Section 542.060.

2. This section does not apply in a case in which it is found as a result of arbitration or litigation that a claim received by an insurer is invalid and should not be paid by the insurer.

Extension of Deadlines

1. A court may grant a request by a guaranty association for an extension of the periods for claims handling on a showing of good cause and after reasonable notice to policyholders.

2. In the event of a weather-related catastrophe or major natural disaster, as defined by the Commissioner of Insurance, the claim-handling deadlines are extended for an additional 15 days.

Liability For Violation

1. If the company is liable for a claim under an insurance policy and is not in compliance with the Prompt Payment of Claims requirements of the Texas Code, the company is liable to pay the holder of the policy or the beneficiary making the claim under the policy, in addition to the amount of the claim, interest on the amount of the claim at the rate of 18 percent a year as damages, together with reasonable attorney's fees.
2. If a suit is filed, the attorney's fees shall be taxed as part of the costs in the case.

Suits Against Us

No legal action may be brought against **us** until there has been full compliance with all terms of this policy. In addition, regarding liability coverage, no legal action may be brought against **us** until **we** agree in writing that the **insured person**, as defined under Part I, has an obligation to pay or until the amount of that obligation has been determined by judgment after trial. No one shall have any right to make **us** a party to a suit to determine the liability of an **insured person** under Part I.

Anyone claiming Car Damage Coverage may not sue **us** to determine the amount of the **loss** until after having complied with the Appraisal clause of this policy.

We have no duty to preserve or otherwise retain any salvage for any purpose, including as evidence for any type of court proceeding.

Our Recovery Rights (Subrogation & Reimbursement)

In the event of any payment under this policy under:
1. Part I, Part III, Part IV and Part V; and/or
2. Part II if the person causing or contributing to the motor vehicle **accident** cannot establish financial responsibility as required by Chapter 601, as amended of the Texas Transportation Code, for the motor vehicle being operated by that person on the date of loss;

we will be subrogated to all rights of recovery of the person to or for whom payment was made against another person or organization. This right shall be only to the extent of payments made under this policy. The person to or for whom payment was made under this policy will be required to reimburse **us** out of any monies said person receives from the party or organization liable for damages, or his or her insurance company.

The person to or for whom payment was made under this policy must cooperate with **us** and do whatever is necessary to protect **our** subrogation rights and do nothing after the **loss** to harm **our** rights.

If **we** seek recovery from a liable party:
1. **You** authorize **us** to seek recovery of any applicable deductible. But, **we** have no duty to do so, and **we** will notify **you** if **we** do not intend to proceed to collect the deductible; and
2. **You** agree to be bound by any settlement agreement entered into by **us** and the liable party, or the outcome of any arbitration **we** enter into, for those sums.

We reserve the right to compromise or settle the deductible and property damage claims against the responsible parties for less than the full amount. If the total recovery is less than the total of **our** payment and the deductible, **we** will reduce reimbursement of the deductible to **you** based on the proportion that the actual recovery bears to the total of **our** payment and the deductible.

Any reimbursement to **you** by **us** will be reduced by a proportionate share of expenses and attorney fees incurred in connection with the recovery.

If any person insured under this policy makes recovery from a responsible party without **our** written consent, that person's rights under any affected coverage will no longer exist.

If payment is made on behalf of any person insured under this policy to comply with state mandated coverage, and the policy or any subsequent change in coverage was obtained from **us** as a result of **your** material misrepresentation of the risk to be insured by **us**, which otherwise, had it been known to **us** at the time coverage was agreed to by **us**, **we** would have declined coverage or extension of coverage to **you**, **you** agree to reimburse **us** to the full extent of any **loss** and adjustment expense paid on **your** behalf as a result of **your** material misrepresentation to **us**.

Assignment

Your interest in this policy may not be assigned without **our** written consent. Upon the death or termination of the marital relationship of the **named insured** specified on the **Declarations Page**, a spouse of said **named insured** who was covered under said policy immediately prior to the death or termination of the marital relationship shall upon notice to the insurer continue to be covered under said policy for a period of 90 days following such death or termination of marital relationship or until expiration of the policy term, whichever is shorter.

Policy Changes

This policy, which includes the **Declarations Page**, endorsements issued by **us**, the **application**, and any coverage election and rejection forms, contains all agreements between **you** and **us**. Its terms may not be changed or waived except by endorsement issued by **us**. Notice to any agent or knowledge possessed by any agent or other **person** shall not change or affect a waiver on any portion of this policy nor stop **us** from exerting any rights under this policy.

If a change requires a premium adjustment, **we** will adjust **your** premium as of the effective date of the change. **We** may revise this policy form to provide more coverage without additional premium charge. If **we** revise this policy form, **our** policy will automatically provide the additional coverage as to the date the revision is effective.

The premium for this policy has been established in reliance upon the statements made by **you** in the **application** for insurance. **You** agree to cooperate with **us** in determining if this information is correct and complete and **you** will notify **us** if it changes during the policy period. If this information is incorrect, incomplete, or changes during the policy period, **we** may adjust **your** premium during the policy period or take other appropriate action. To properly insure **your** car, **you** must promptly notify **us** when:

1. **You** change **your** address;
2. Any resident operators are added or deleted; or
3. **You** acquire an additional or replacement vehicle.

Cancellations and Non-Renewal

The **named insured** may cancel this policy by returning it to **us** or by advising **us** when at a future date the cancellation is to be effective.

We may cancel by mailing notice to the **named insured** shown in the **Declarations Page** at the last known address appearing on **our** records. Notice of cancellation will be mailed at least:

1. 10 days before the effective date of cancellation; or
2. 30 days before the effective date of cancellation if this policy is to be cancelled on any 12 month anniversary of the policy's original effective date.

We may cancel this policy for any lawful reason:

1. While the policy has been in effect less than 60 days; or
2. At each 12 month anniversary of the policy's original effective date.

We may cancel at any time for any of the following reasons:

1. **You** do not pay the required premium when due;
2. **You** submit a fraudulent claim;
3. Loss of driving privileges through suspension or revocation of **your** operator's license or motor vehicle registration, or that of a principal operator of **your insured car**, provided, however, **we** will not cancel **you** if **you** complete a Named Driver Exclusion endorsement for the principal operator whose license or registration has been suspended or revoked; or
4. If the Texas Department of Insurance determines continuation of this policy would result in a violation of the Texas Insurance Code or any other law governing the business of insurance in the State of Texas.

The cancel reasons listed above do not apply at any 12 month anniversary of the policy's original effective date.

We may not cancel based solely on the fact that **you** are an elected official.

With respect to cancellation, this policy is neither severable nor dividable. Any cancellaton will be effective for all persons and all vehicles.

If this policy is cancelled, coverage will not be provided as of the date and time shown in the notice of cancellation.

Upon cancellation, **you** may be entitled to a premium refund. However, **our** making or offering of a refund is not a notice or condition of cancellation. **We** charge a fully earned policy fee for each policy term.

If this policy is cancelled, any refund due will be computed on a daily pro-rata basis and be mailed no later than 15 **business days** after the effective date of cancellation.

We may decide not to renew or continue this policy at any 12-month anniversary date of the original effective date of the policy. If **we** decide to not to renew or non-continue this policy, **we** will mail notice of nonrenewal to the named insured shown on the **Declarations Page**at the last known address appearing in our records. Notice will be mailed at least 30 days before the end of the policy period. **We** will not refuse to renew solely because of the age of an insured person or solely because **you** are an elected official.

Automatic Termination

Coverage for **your insured car** shall terminate automatically:

1. When a person, other than **you** or a **relative**, becomes the **owner** of the vehicle;
2. If, at any time **you** obtain other insurance on **your insured car**. Any insurance provided by this policy will terminate as to that vehicle on the effective date of the other insurance; or
3. If **we** offer to renew or continue **your** policy and **you** or **your** representative do not accept the offer. The policy will automatically terminate at the end of the current policy period.

Proof of Notice

Proof of mailing of any notice will be sufficient proof of notice.

Conditional Reinstatement

If **we** mail a cancellation notice because **you** did not pay the required premium when due and **you** then tender payment by check, draft, or other remittance which is not honored upon first presentation, **your** policy will terminate on the date and time shown on the cancellation notice. This means that **we** will not be liable under this policy for claims or damages after the date and time indicated on the cancellation notice.

Our Right to Rescind for Fraud and Misrepresentation

We have the right to void this policy and rescind it from its inception if **we** can show at trial either of the following:

1. **You** provided false material information in **your application**. This policy is issued in reliance upon information provided on **your application**. **We** will void this policy from inception if **you**:
   a. Made false statements or representations to **us** as to any material fact or circumstance;
   b. Concealed or misrepresented any material fact or circumstance; or
   c. Engaged in fraudulent conduct;

   at the time of **application**, and **we** can show that the matter misrepresented:
   a. Was material to the risk; or
   b. Contributed to the **accident** or **loss** on which this policy became due and payable.
2. That a misrepresentation, including a false statement, was made in a proof of loss or death in connection with any **accident** or **loss** for which coverage or benefits are sought under this policy. **We** will void this policy from inception if **you**:
   a. Made a misrepresentation, including a false statement, in a proof of loss or death; and
   b. **We** can show that the misrepresentation was:
      (1) Fraudulently made;
      (2) Misrepresented a fact material to the question of **our** liability under this policy; and
      (3) Misled **us** and caused **us** to waive or lose a valid defense to the policy.

No coverage is provided for any **accident** or **loss** if **we** void this policy as described above in this section. However, if **we** void this policy, it will not affect, and **we** will provide for, the **minimum limits** of liability coverage as required by the financial responsibility laws of Texas, as amended, for innocent third parties. **You** and any persons who have participated in any concealment, fraud, or misrepresentation described above shall be jointly and severally liable to reimburse **us** for any payment **we** make.

We are entitled to reimbursement of all of **our** attorney fees, costs and expenses from any person insured under this policy who contests **our** rescission or voiding of this policy, if **we** prevail at trial.

Policy Conformed to Statutes

Terms of this policy that are in conflict with the statutes or other applicable law of the State of Texas are hereby amended to conform to the applicable law. Disputes as to this policy's coverage or provisions shall be governed by the law of the State of Texas.

Fraudulent Claims

We do not provide coverage for, or payment to, any **person who** intentionally makes misrepresentations in connection with any **accident** or **loss** (for which coverage is sought under this policy) which are designed to deceive **us**.

Conditions Precedent

There is no coverage provided under this policy until there has been full compliance with all of the terms and conditions of this policy.

Coverage under this policy is conditioned on **our** receipt of complete payment of the initial down-payment of premium. This policy is void as if never issued and **we** will not cover any claims or damages of any kind that occur if **your** down-payment is:

1. Not honored by **your** bank or financial institution for any reason; or
2. Returned to **us** unpaid.

However, if **we** void this policy, it will not affect, and **we** will provide for, the **minimum limits** of liability coverage. **You** shall reimburse **us** for any payment **we** make.

REPORTING A CLAIM – INSURED'S DUTIES

Notice of an Accident or Loss

In the event of an **accident** or **loss**, it must be reported to **us** as soon as practicable. The report must give time, place and circumstances of the **accident** or **loss** including the names and addresses of all known injured parties and all known witnesses involved in the **accident** or **loss**.

Other Duties

Anyone claiming any coverage under the policy must:

1. Cooperate with **us** and assist **us** in any matter concerning a claim or lawsuit.
2. Refuse to assume any obligation or incur any unreasonable and unnecessary expenses at the time of the **accident** or **loss**.
3. Immediately send **us** any legal papers relating to any claim or lawsuit.
4. Submit to physical examination at **our** expense by doctors **we** select as often as **we** may reasonably require.

5. Authorize **us** to obtain medical, wage and other records reasonably related to the **accident**. Any medical records requested will pertain to the **bodily injury** arising from an **accident**.
6. Provide any written proof of **loss** that **we** require.
7. Submit to statements or examinations under oath and subscribe to the same as **we** may reasonably require. **We** may require that such statements or examinations be recorded and videotaped, as well as conducted individually and outside the presence of witnesses or other persons seeking coverage or benefits under this policy. However, a minor shall have the right to have a parent or guardian present during the examination.
8. Provide **us** with any personal financial information **we** request for underwriting, policy servicing or claims handling purposes, or provide **us** with written authorization to obtain such information. This includes such information as social security numbers, credit history and any other related information. AssuranceAmerica limits both the collection and use of customer information to the minimum needed to administer **our** business.
9. Attend hearings, depositions and trials as requested.
10. Take reasonable steps after **loss** to protect **your insured car** and its equipment from further **loss**. If **you** fail to do so, any further damage will not be covered under this policy. **We** will pay reasonably necessary expenses incurred in providing that protection.
11. Report the total theft of the **car** to the police promptly and as soon as practicable after the **loss**.
12. Allow **us** to inspect and appraise the damage to **your insured car** before its repair or disposal.
13. If a hit and run motorist is involved, adequate proof of loss and a statement under oath must be filed with **us** within 30 days of **our** request or as soon as practicable.

Anyone claiming Uninsured/Underinsured Motorist Coverage must contact the police within 24 hours, or as soon as is 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.

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IN WITNESS WHEREOF, the Company has caused this policy to be executed and attested.

President

Secretary

THE FOLLOWING ENDORSEMENT APPLIES ONLY IF FORM NUMBER E-5 APPEARS ON **YOUR** DECLARATIONS.

NAMED DRIVER, NON-OWNED VEHICLE

In consideration of the rate of premium at which this policy is written, it is hereby understood and agreed: This endorsement amends **your** policy as to the protection provided by Liability Coverage and Car Damage Coverage (Collision and Comprehensive Coverage).

Definitions

The definitions of "**you**" and "**your**" are deleted and replaced as follows: "**you**" and "**your**" means only the **person** named on the **Declarations Page** of the policy.

Liability Coverage's - Definitions

The definition of "**insured person**" or "**insured persons**" is deleted and replaced as follows: "**Insured person**" means "**you**".

The definition of "**your insured car**" is deleted and replaced as follows: "**Your insured car**" means any auto, not **owned** by **you** or provided for **your** regular use, being used by **you**.

Car Damage Coverage

No coverage is provided under this section for Collision and Comprehensive coverages.

E-5 (09/16)

THE FOLLOWING ENDORSEMENT APPLIES ONLY IF FORM NUMBER E-6 APPEARS ON **YOUR** DECLARATIONS.

NAMED DRIVER EXCLUSION

EXCLUSION OF NAMED DRIVERS AND PARTIAL REJECTION OF COVERAGES

In consideration of the reduced premium charged and/or for the company accepting this risk, specific named drivers are excluded from coverage. The coverage provided by this policy shall not apply to any claims when those claims result from the vehicle being used, driven, operated or manipulated by any excluded driver. This agreement applies to any otherwise applicable coverage, including:

1. Part I – Liability to Others;
2. Part II - Personal Injury Protection;
3. Part III - Medical Payments;
4. Part IV - Uninsured / Underinsured Motorists; and
5. Part V – Car Damage.

This agreement will remain in effect for the term of the policy and for each:

1. Renewal;
2. Reinstatement;
3. Substitute;
4. Replacement; and
5. Amended policy;

unless the company is notified in writing otherwise.

This exclusion applies to **your insured car** and any **car** to which coverage may extend under any portion of this policy. This exclusion applies whether or not the excluded drivers have permission to operate the vehicle. The insured agrees to pay the company for any and all sums, costs and expenses incurred by the company if the company becomes legally liable for a loss, which is excluded under this agreement. Reimbursement is limited to loss that occurs while the excluded driver is operating the vehicle.

Provisions set forth in this endorsement supersede and remove from the policy any contrary provisions. This endorsement also serves as a rejection of:

1. Part II - Personal Injury Protection; and
2. Part IV - Uninsured/Underinsured Motorist Coverage;

while **your insured car** or other **car** is operated by the excluded driver.

E-6 (09/16)