

## COLLECTOR AUTOMOBILE AMENDATORY ENDORSEMENT – NORTH CAROLINA

The Personal Auto Policy is revised as follows:

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### DEFINITIONS

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With respect to Part D – Coverage for Damage to Your Covered Auto, the following definitions are added:

**“Antique vehicle”** means a motor vehicle 25 years or more of age that is:

1. maintained primarily for use in car club activities, exhibitions, parades, other functions of public interest or for a private collection; and
2. used only infrequently for other purposes.

**“Classic vehicle”** means a motor vehicle of unique or rare design and of limited production which was originally manufactured within the past 24 years and is an object of curiosity which is:

1. maintained primarily for use in car club activities, exhibitions, parades, other functions of public interest or for a private collection, and
2. used only infrequently for other purposes.

For purposes of this policy, a “classic vehicle” also includes a reproduction model of an “antique vehicle” or a “classic vehicle” as defined above. Reproduction model means:

1. reproduction models of vehicles older than 24 years; or
2. all vehicles which have been substantially re-manufactured.

**“Motorcycle”** means a two or three-wheeled motorized vehicle of the motorbike, motorcycle, moped or motor scooter type designed for travel on public roads, and any sidecar designed for it, if the sidecar is shown with the motorcycle in the Declarations.

**“Exotic and special interest vehicle”** means a motor vehicle typically manufactured within the past 14 years and because of its specific make, model year of manufacture, and exceptional physical condition, is considered to be increasing in value rather than depreciating in value.

The “exotic and special interest vehicle” is:

1. maintained primarily for use in exhibitions, parades, other functions of public interest or for a private collection; and
2. used only infrequently for other purposes.

For purposes of this definition, an “exotic and special interest vehicle” shall include all high performance or kit vehicles meeting the criteria set forth herein.

**“Regular use vehicle”** means a motor vehicle which is used for regular driving to work, school, shopping, errands or for general transportation and is not an “antique vehicle”, “classic vehicle” or “exotic and special interest vehicle”.

**“Structurally modified motorcycle”** includes a “motorcycle” which has had its frame or structure altered from its original manufacturing specification, including but not limited to any alteration to the geometry of its steering.

With respect to Part D – Coverage for Damage to Your Covered Auto, the following definitions are amended as follows:

**“Your covered auto”** means:

1. Any "antique vehicle", "classic vehicle" or "exotic and special interest vehicle" shown in the Declarations.
2. A "newly acquired auto".

**"Newly acquired auto"** means any:

1. "antique vehicle";
2. "classic vehicle"; or
3. "antique vehicle" or "classic vehicle" of the "motorcycle" type, but is not a reproduction or "structurally modified motorcycle"

on the date you became owner during the policy period, whether as a new vehicle or replacement of a vehicle shown in the Declarations, provided that:

1. It is in stock condition and has not been modified from the original manufactured design;
2. You ask us to insure it within 30 days after you become the owner; and
3. We insure all of your collector vehicles.

Under Part D – Coverage for Damage to Your Covered Auto, the limit provided on this vehicle will be the lesser of the following:

1. The purchase price;
2. The verifiable value; or
3. \$50,000.

An endorsement must be issued to fully cover any additional vehicles you acquire.

Part D – Coverage for Damage to Your Covered Auto is replaced by the following:

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## **PART D - COVERAGE FOR DAMAGE TO YOUR COVERED AUTO**

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### **DEFINITIONS**

- A. "Collision" means the upset or impact of "your covered auto" with another object.
- B. "Equipment" means tools stored in "your covered auto" and used for the emergency maintenance of "your covered auto".
- C. "Other than collision" includes loss to "your covered auto" caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with bird or animal; or breakage of glass. If breakage of glass is caused by a "collision", you may elect to have it considered a loss caused by "collision".

### **INSURING AGREEMENT**

We will pay for direct and accidental loss to "your covered auto", including its "equipment", minus any applicable deductible shown in the Declarations, when such loss is caused by:

1. "Other than collision" only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
2. "Collision" only if the Declarations indicate that Collision Coverage is provided for that auto.

### **MOTORCYCLE SAFETY APPAREL**

We will pay for direct physical loss to any safety equipment worn by you or any person on "your covered auto" that is a "motorcycle" at the time of an accident. Safety apparel means:

- (a) helmet;

- (b) jacket;
- (c) pants or chaps;
- (d) boots;
- (e) gloves; or
- (f) goggles;

made of leather, ballistic nylon or a similar synthetic material.

The damage to the safety apparel must occur as a direct result of the accident.

We will not pay for loss to safety equipment unless the equipment is made available for inspection after a loss. We will not pay for loss to helmets unless they comply with Federal Motor Vehicle Safety Standards.

Our limit of liability for safety apparel for each accident will be the lesser of:

- a. The actual cash value of the safety apparel;
- b. The cost to repair or replace the damaged safety apparel with others of like kind and quality; or
- c. The difference between the value of the safety apparel prior to the accident and immediately following the accident.

However, in no event will our limit of liability for Safety Apparel exceed \$500 per helmet per accident, and not more than a combined total of \$1,000 for all Safety Apparel damaged in any one accident.

#### **SPARE PARTS**

We will pay up to \$750, or the amount shown on the Declarations for "Spare Parts", for direct and accidental loss or damage to "spare parts" for "your covered auto".

"Spare parts" means a replacement for an item normally a part of "your covered auto" which is not currently in place on "your covered auto".

This coverage does not:

- 1. Increase the limit of liability for "your covered auto" as stated under Coverage D in the Declarations.
- 2. Include parts held for sale by you or property of others in your care, custody or control.

#### **CAR COVERS**

We will pay up to \$250 for direct and accidental loss or damage to a car cover or car bra used for "your covered auto". This coverage does not increase the limit of liability for "your covered auto" as stated under Coverage D in the Declarations.

#### **EXCLUSIONS**

A. We will not pay for:

- 1. Loss or damage caused by insects; inherent defect; dampness, mildew, mold, rot or rust; temperature extremes; mechanical or electrical breakdown or failure; wear and tear; gradual deterioration; or loss of use.
- 2. Loss or damage caused by any repairing, renovating or refinishing process unless the process results in a fire or explosion. We will pay only for damage caused by the fire or explosion.
- 3. Road damage to tires unless caused by "other than collision" covered by this policy.
- 4. Loss due to or as a consequence of war (declared or undeclared), civil war, insurrection, rebellion, revolution, government confiscation or repossession.
- 5. Loss due to nuclear reaction, nuclear radiation or radioactive contamination. We will pay for direct loss by fire resulting from any of these.

6. Loss to any data or sound receiving or transmitting equipment designed for use as a citizens band radio; two-way mobile radio; telephone; facsimile machine; or scanning monitor receiver; including its antennas or accessories.

This exclusion does not apply if the equipment is permanently installed in the dash or console opening normally used by the auto manufacturer for the installation of a radio.

7. Loss to equipment designed for the reproduction of sound not permanently installed in "your covered auto".
8. Loss to tapes, records, compact discs or other sound reproducing devices designed for use with sound reproducing equipment.
9. Loss to "spare parts" caused by theft unless the loss results from forcible entry into the place where your "spare parts" are normally kept; into "your covered auto" itself; or into a securely locked compartment. All losses caused by theft must have visible marks of forcible entry.
10. Loss or damage intentionally caused or directed by you or any "family member".
11. Loss to "your covered auto" as a result of anyone causing you to voluntarily part with it as a result of any trick or scheme.
12. Loss caused by or resulting from "your covered auto" being:

- a. Involved in any prearranged, organized, or spontaneous race or involved in:

1. preparation for a race of this type, but only while in the "paddock" or on the track or racecourse; or
2. practicing or qualifying for a race of this type.

A race includes any contest for speed or endurance, whether against another competitor or against a time measuring device.

- b. Being used at a:

1. racing facility; or
2. facility or roadway temporarily designated for speed, time, racing, or performance driving events. This includes, but is not limited to, the use of "your covered auto" at a performance or racing driving school, a rally in excess of the legal speed limit, or a closed road rally.

However, Sections a. and b. of this exclusion do not apply while "your covered auto" is:

- i) On display in a race facility's "paddock" area and is not being prepared for a race or a specified show display area;
  - ii) Being trailered from one location to another;
  - iii) Used by you to attend a racing event as a spectator;
  - iv) Being operated for purposes of display in any pre-or post-race parade laps; or
  - v) Involved in an organized event on open, public roads while operated within legal speed.
- c. Being used to prepare, practice or qualify for, or participate in, any of the following activities, regardless of where they take place:
1. forced hydraulic bouncing competitions or exhibitions;
  2. pulling against another vehicle, or pulling of a weighted object competitions or exhibitions, but not including trailer pulling;
  3. stereo thumping competitions or exhibitions; or

4. any other similar competitive or exhibition activity that a reasonable person could foresee may cause injury or damage.

However, Section c., of this exclusion does not apply while "your covered auto" is:

- 1) On display in a facility or a specified show display area and is not involved in any competitive or exhibition activity described in this Section;
  - 2) Being trailered from one location to another; or
  - 3) Used by you to attend an event as a spectator.
13. Loss or damage to "your covered auto" that is a "motorcycle" which occurs while it is being used as a public or livery conveyance.
  14. Loss or damage to "your covered auto" that is a "motorcycle" resulting from its use in any field games.

#### **LIMIT OF LIABILITY**

- A. We will pay the limit shown under Coverage D in the Declarations for each scheduled vehicle, which is agreed to be the value of "your covered auto", in case of a total loss or "constructive total loss".
- B. For all other loss or damage to "your covered auto", we will pay the amount necessary to repair or replace the property, whichever is less, provided you actually repair or replace the property, with similar kind and quality, without regard to depreciation or betterment, but we will not pay more than the agreed limit per vehicle shown under Coverage D in the Declarations.

#### **LOSS TO A PAIR, SET OR PARTS**

In case of a loss to a pair or set we will repair or replace any part to restore the pair or set to its value before the loss.

In case of loss or damage to any part of an insured item consisting of several parts, we are liable only for the value of the lost or damaged part.

#### **PAYMENT OF LOSS**

Unless a claim has been paid by others, we will pay any loss covered under this policy within 30 days after we reach agreement with you, entry of a final judgment, or the filing of an appraisal award with us.

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to you or to the address shown in this policy. If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

The right of salvage belongs to us. You may, at your option, purchase the salvage from us. You must advise us of your intent prior to our making payments under the terms of this policy.

#### **NO BENEFIT TO BAILEE**

No person or organization having custody of the property who is paid or to be paid for services shall benefit from this coverage.

#### **OTHER INSURANCE**

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

#### **APPRAISAL**

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

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

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

### **VEHICLE TRAILER**

"Your vehicle trailer" is covered only for physical loss or damage to the trailer itself.

We will cover "your vehicle trailer", less any applicable deductible shown in the Declarations, for up to the amount of insurance specified in the Declarations.

Coverage is subject to all of the applicable terms and conditions of this policy.

"Your vehicle trailer" means the vehicle trailer(s) shown in the Declarations.

With respect to Part D – Coverage for Damage to Your Covered Auto, the following provisions are added. These provisions replace any similar provision under **PART F – GENERAL PROVISIONS**.

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## **PART D – PROVISIONS**

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### **CHANGES**

Premium adjustment may be made as the result of a change in alterations or modifications to "your covered auto". If you alter or modify your vehicle in any way you must notify us in writing within 30 days.

### **LEGAL ACTION AGAINST US**

Under Part D, suit or action must start within 12 months of the date of loss, but this time period will be extended by the number of days between the date you file your proof of loss with us and the date we deny all or part of your claim.

### **REGULAR USE VEHICLE REQUIREMENT**

This policy provides coverage for your "antique vehicle", "classic vehicle" and/or "exotic and special interest vehicle" shown in the Declarations. You must own a "regular use vehicle" which must be insured by a separate insurance policy which must be in effect for the entire time this policy is in effect. In no event will this policy serve as your only auto coverage.

### **PRIVATE PLEASURE USE**

Coverage will be suspended if "your covered auto" is:

- A. Rented or leased to any person for a fee;
- B. Used to carry persons or property for a fee, or for any commercial use unless prior written consent has been obtained from us;
- C. Used for any illegal act by any person.

### **PAYMENT OF LOSS**

Payment of loss, with all your indebtedness to us being first deducted, will be made within 30 days after we either reach agreement with you, a final judgment is entered in the court, or an arbitration award is filed with us.

If we pay a total loss or a "constructive total loss" for any of "your covered auto(s)" shown in the Declarations, all coverage under this policy for such covered auto(s) will terminate simultaneously upon payment of the loss. In that event the policy premium shall be fully earned as respects such covered auto(s). The amount we will pay for a total loss or "constructive total loss" of "your covered auto(s)" shall be reduced by any amount previously paid for repairs not completed at the time of the total loss.

"Constructive total loss" means a loss where the cost to repair damage to "your covered auto" will exceed the agreed value of the vehicle when fully repaired.

**ABANDONMENT**

There can be no abandonment of "your insured property" to us.

"Your insured property" means "your covered auto", "spare parts" and/or personal effects.

**OTHER INSURANCE POLICIES**

This policy provides coverage for your "antique vehicle", "classic vehicle" and/or "exotic and special interest vehicle" and applies only to the vehicle(s) shown in the Declarations. Any other vehicles you own should be insured by a separate policy. In no event will this policy provide coverage for any vehicles other than those shown in the Declarations, or which are added to this policy by endorsement

**TWO OR MORE AUTO POLICIES**

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

**STATE LAW**

Any part of this policy that conflicts with state law is automatically changed to conform to the law.

**AMENDATORY ENDORSEMENTS**

Any provision in a state amendatory endorsement that revises Part D – Coverage for Damage to Your Covered Auto does not apply to this policy. Any provision in a state amendatory endorsement that revises definitions "Your covered auto" and/or "Newly acquired auto" does not apply with respect to Part D – Coverage for Damage to Your Covered Auto.