

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF POLICY PROVISIONS – OREGON

I. Definitions

The **Definitions** Section is amended as follows:

A. The following definitions are replaced:

1. Throughout this policy, "you" and "your" refer to the named insured shown in the Declarations; and:

- a. The spouse; or
- b. A party who has entered into a domestic partnership with the named insured legally recognized under Oregon law;

if a resident of the same household.

If the spouse or party who has entered into a domestic partnership with the named insured ceases to be a resident of the same household during the policy period or prior to the inception of this policy, the spouse or such party will be considered "you" and "your" under this policy but only until the earlier of:

- a. The end of 90 days following the spouse's or such party's change of residency;
- b. The effective date of another policy listing the spouse or such party as a named insured; or
- c. The end of the policy period.

2. "Family member" means a person related to you by blood, marriage, domestic partnership under Oregon law or adoption who is a resident of your household. This includes a ward or foster child.

B. The following is added to the **Definitions** Section:

Throughout the policy, "minimum limits" refers to the following limits of liability as required by Oregon law, to be provided under a policy of automobile liability insurance:

1. If this policy has been certified as proof of financial responsibility because the "insured" has been convicted of driving under the influence of intoxicants:
 - a. \$50,000 for each person, subject to \$100,000 for each accident, with respect to "bodily injury"; and
 - b. \$20,000 for each accident with respect to "property damage"; or

2. In all other cases:

- a. \$25,000 for each person, subject to \$50,000 for each accident, with respect to "bodily injury"; and
- b. \$20,000 for each accident with respect to "property damage".

II. Part A – Liability Coverage

The **Other Insurance** Provision in Part A is replaced by the following:

Other Insurance

If there is other applicable liability insurance, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. Any insurance we provide for a vehicle you do not own, including any vehicle while used as a temporary substitute for "your covered auto", shall be excess over any other collectible insurance.

However, we will provide primary insurance for a vehicle you do not own if such vehicle is owned by a self-insurer as qualified under the Oregon Financial Responsibility Law, unless otherwise agreed to by the self-insurer.

III. Part D – Coverage For Damage To Your Auto

The **Appraisal** Provision is replaced by the following:

Appraisal

1. If we and you do not agree on the amount of loss, then an appraisal of the loss may be made. However, both parties must agree to appraisal and to be bound by the results of that appraisal. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the expenses of the appraisal and umpire equally.

However, we will reimburse you for reasonable appraisal costs if the final appraisal decision is greater than the amount of our last offer prior to incurring appraisal costs.

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

IV. Part F – General Provisions

Part F is amended as follows:

- A. The **Termination** Provision is replaced by the following:

Termination

Cancellation

This policy may be cancelled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. Returning this policy to us; or
 - b. Giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. At least 10 days' notice:
 - (1) If cancellation is for nonpayment of premium; or
 - (2) If notice is mailed during the first 60 days this policy is in effect and this is not a renewal or continuation policy; or
 - b. At least 30 days' notice in all other cases.
3. After this policy is in effect for 60 days, or if this is a renewal or continuation policy, we will cancel only:
 - a. For nonpayment of premium; or
 - b. If your driver's license or that of:
 - (1) Any driver who lives with you; or
 - (2) Any driver who customarily uses "your covered auto";has been suspended or revoked. This must have occurred:
 - (1) During the policy period if this is not a renewal or continuation policy; or
 - (2) If this is a renewal or continuation policy, during the policy period or the 180 days immediately preceding this policy's effective date.However, we will not cancel this policy if your driver's license or that of:
 - (1) Any driver who lives with you; or
 - (2) Any driver who customarily uses "your covered auto";

has been suspended, pursuant to ORS 809.280 (7) or (9), based on a nondriving offense; or

- c. For fraud or material misrepresentation affecting this policy or in the presentation of a claim; or
- d. If any person seeking recovery violates any of the terms or conditions of this policy.

Nonrenewal

If we decide not to renew or continue this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 30 days before the end of the policy period. Subject to this notice requirement, if the policy period is:

1. Less than six months, we will have the right not to renew or continue this policy every six months, beginning six months after its original effective date.
2. Six months or longer, but less than one year, we will have the right not to renew or continue this policy at the end of the policy period.
3. One year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

Automatic Termination

If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If you obtain other insurance on "your covered auto", any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance.

Other Termination Provisions

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. If we cancel, we will refund you the pro rata unearned premium. If you cancel, we will refund you 90% of the pro rata unearned premium. However, making or offering to make the refund is not a condition of cancellation.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.

B. The Transfer Of Your Interest In This Policy
Provision is replaced by the following:

Transfer Of Your Interest In This Policy

A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

1. The surviving:
 - a. Spouse; or
 - b. Party who has entered into a domestic partnership with the named insured legally recognized under Oregon law;

if resident in the same household at the time of death. Coverage applies to the spouse or party who has entered into a domestic partnership with the named insured as if a named insured shown in the Declarations; and

2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use "your covered auto".

B. Coverage will only be provided until the end of the policy period.

V. Named Non-owner Coverage Endorsement

If the Named Non-owner Coverage Endorsement is attached to this policy, the provisions of the Named Non-owner Coverage Endorsement apply except as follows:

The **Definitions** Section is amended as follows:

The definition of "family member" is replaced by the following:

B. "Family member" means a person related to you by blood, marriage, domestic partnership under Oregon law or adoption who is a resident of your household. This includes a ward or foster child, if:

1. The person is a resident of your household; and
2. The Schedule or Declarations indicate that coverage is provided for the named individual and "family members".

This endorsement must be attached to the Change Endorsement when issued after the policy is written.