

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

STATE ENDORSEMENT – MARYLAND

The following amendments change the policy. Please read your entire policy for full details about your coverages.

Throughout the policy and endorsements attached to it, reference to minimum limits means the following limits of liability as required by Maryland law, to be provided under a policy of automobile liability insurance:

1. \$30,000 for each person, subject to \$60,000 for each accident, with respect to “bodily injury”; and
2. \$15,000 for each accident with respect to “property damage”.

DEFINITIONS

The following definition is added:

“First-class mail tracking method” means a method that provides evidence of the date that a piece of first-class mail was accepted for mailing by the United States Postal Service, including a certificate of mail and an electronic mail tracking system used by the United States Postal Service.

“First-class mail tracking method” does not include a certificate of bulk mailing.

PART A – LIABILITY COVERAGE

Under **Exclusions**, Exclusions 2., 5. and 6. are replaced by the following:

We do not provide Liability Coverage for any “insured”:

2. For “property damage” to property owned or being transported by that “insured”, to the extent that the limits of liability for this coverage exceed the limits of liability required by the Maryland Vehicle Laws Required Security.
5. For that “insured’s” liability arising out of the ownership or operation of “your covered auto” while it is being used to carry persons for a fee.
6. While employed or otherwise engaged in the “business” of:
 - a. Selling;
 - b. Repairing;
 - c. Servicing;
 - d. Storing; or
 - e. Parking.

vehicles designed for use mainly on public highways. This includes road testing and delivery. This Exclusion (6.) does not apply to the ownership, maintenance or use of “your covered auto” by:

- a. You;
- b. Any “family member”; or
- c. Any partner, agent or employee of you or any “family member”.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

The **Limit of Liability** provision is replaced by the following:

LIMIT OF LIABILITY

- A. We will pay the limit shown under **PART D** in the Declarations or Schedule for the applicable vehicle, which is agreed to be the Guaranteed Value® of “your covered auto”, inclusive of any applicable taxes and fees, 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 Guaranteed Value® per vehicle shown under **PART D** in the Declarations or Schedule.

PART E – DUTIES AFTER AN ACCIDENT OR LOSS

The lead-in paragraph to **PART E** is replaced by the following:

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

Paragraph B. is replaced by the following:

- B. An “insured” seeking coverage must:
1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 3. Submit, as often as we reasonably require:
 - a. To physical exams by physicians we select. We will pay for these exams.
 - b. To examination under oath and subscribe the same.
 4. Authorize us to obtain:
 - a. Medical reports; and
 - b. Other pertinent records.
 5. Submit written proof of loss when required by us.

The following duties are added:

A person seeking any coverage must cooperate with us by complying with the following additional duties as a condition of coverage:

1. Do not admit fault or assume any obligation to other persons.
2. Do nothing that would prejudice our rights or interests or our ability to provide a defense.
3. As often as we reasonably request, attend and answer to an examination under oath conducted by us or our representative, at a reasonable place chosen by us. We may require:
 - a. Examinations to be video and/or audio recorded.
 - b. Examinations to be done individually and outside the presence of witnesses or other persons or parties making claims. Legal counsel may be present.
 - c. Your spouse, any “family member” and/or any person related to you who resides with you to submit to examination to help us to obtain relevant information, even if that person is not making a claim under this policy

PART F – GENERAL PROVISIONS

The **Regular Use Vehicle Requirement** provision is replaced by the following:

REGULAR USE VEHICLE REQUIREMENT – PURCHASING & MAINTAINING OTHER INSURANCE COVERAGE FOR YOU AND YOUR REGULAR USE VEHICLE

- A. This policy provides the coverage(s) you have elected and paid for, but only for your ownership, maintenance and use of “your covered auto”. In no event will this policy:
1. Provide coverage for any vehicles other than “your covered auto”; or
 2. Be your primary personal vehicle insurance; or
 3. Provide insurance for any auto or other motor vehicle, other than “your covered auto”, with respect to exposures or legal obligations arising out of the ownership, maintenance or use of that vehicle if it is owned by or regularly used by you, a “family member” or any other relative that resides with you.
- B. As a condition of the issuance of this policy, you have represented and agreed to the following:
1. You must own a “regular use vehicle” listed on, and insured by, a separate insurance policy, and the separate insurance policy for that vehicle must:

- a. Be in-force with at least the types and amounts of coverage elected by you for this policy.
 - b. Satisfy all minimum state insurance requirements, including but not limited to minimum requirements for liability coverage, uninsured motorist coverage and underinsured motorist coverage (as may be required by law), and personal injury protection (“PIP”) coverage (in states where PIP is required).
 - c. Remain in-force as described in 1.a. directly above during all policy periods, including renewal and reinstatement policy periods, and be maintained, without reduction of coverage or limits of liability (except for reduction of the aggregate limits therein in connection with an accident or loss solely by amounts paid in settlement of claims or in satisfaction of awards or judgments), with respect to your “regular use vehicle” and any other vehicle not listed on this policy but that is owned by and/or furnished or available for the regular use of, you, a “family member” or a relative who resides with you.
 - d. Be primary for, and satisfy, all minimum state insurance requirements related to vehicle ownership or use, except with respect to the use of “your covered auto” for which this policy applies.
2. If you fail to maintain a “regular use vehicle” insured by a separate insurance policy that satisfies the minimum state insurance requirements, the insurance afforded by this policy shall apply in the same manner as if such policy had been maintained in force by you with underlying coverage on a primary basis. If we are required by law to provide any coverage with respect to the use of a “regular use vehicle” and/or any other vehicle, including any vehicle not listed on this policy but owned by and/or furnished or available for the regular use of, you, a “family member” or a relative who resides with you:
 - a. Coverage under this policy shall be excess to any and all other insurance, contingent insurance, self-insurance, liability bonds, certification of financial responsibility, and/or any other source of protection or recovery;
 - b. The amount we may be required to pay is limited to the minimum types and limits of such coverage required by law; and
 - c. You agree that if we are compelled by law to provide any coverage under this insurance policy with respect to the use of any vehicle other than “your covered auto”, all coverage and limits of liability other than the minimum types and limits required by law are rejected with respect to the use of that vehicle.
 3. To the extent allowed by law, we have the right to cancel and/or not renew this policy if at any time during the policy period you do not have a separate insurance policy in effect with at least all of the coverages provided by this policy, and all of the types of coverage required by law, and with at least equal or higher limits of liability as this policy.

Under the **Changes** provision, the last paragraph of B. is replaced by the following:

If a change resulting from paragraphs A. or B. we will make the premium adjustment in accordance with our manual rules. Any return premium of \$5 or less will be waived unless you request the actual amount be returned.

The **Concealment or Fraud** provision is replaced by the following:

FRAUD

We do not provide coverage for an “insured” who has made fraudulent statements or engaged in fraudulent conduct in connection with any accident or loss for which coverage is sought under this policy.

However, we will provide liability coverage to such “insured” for damages sustained by any person who has not made fraudulent statements or engaged in fraudulent conduct if such damages result from an accident which is otherwise covered under this policy.

Under the **Legal Action Against Us** provision, C. is replaced by the following:

- C. Under **PART D**, suit or action must start within three (3) years from the date it accrues.

Under the **Payment of Loss** provision, the second paragraph is replaced by the following:

If we pay a total loss or a “constructive total loss” for any of “your covered auto(s)” shown in the Declarations or Schedule, all coverage under this policy for such covered auto(s) will terminate simultaneously upon payment of the loss. 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 or “constructive total loss”.

The **Termination** provision is revised as follows:

Cancellation 2. and 3. are replaced by the following:

2. We may cancel by mailing to the named insured shown in the Declarations at the last address known by us:
 - a. At least 10 days’ notice by “first-class mail tracking method” if cancellation is for nonpayment of premium;
 - b. At least 15 days’ notice by “first-class mail tracking method” if notice is mailed during the first 45 days this policy is in effect and this is not a renewal or a continuation policy; or
 - c. At least 45 days’ notice by certified mail for all other notices.
3. After this policy is in effect for 45 days, or if this is a renewal or continuation policy, we will cancel only:
 - a. For nonpayment of premium; or
 - b. Subject to the exception set forth below, 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 for reasons related to the driving record of the driver. This must have occurred:
 - (1) During the policy period; or
 - (2) Since the last anniversary of the original effective date if the policy period is other than 1 year.

However, in the event this policy insures more than one person as a:

 - (1) Named insured;
 - (2) Person living in the named insured’s household; or
 - (3) Driver who customarily uses “your covered auto”,
and at least one, but not all, of these persons has had their driver’s license suspended or revoked, before canceling this policy we will offer to continue the policy with a provision excluding coverage when the person or persons who have had their driver’s license suspended or revoked are operating “your covered auto”. If such offer is accepted, we will issue an endorsement to that effect.
 - c. If the policy was obtained through material misrepresentation.

Nonrenewal is replaced by the following:

Nonrenewal. If we decide not to renew or continue this policy we will mail notice by certified mail to the named insured shown in the Declarations at the address last known by us. Notice will be mailed at least 45 days before the end of the policy period. Subject to this notice requirement, if the policy period is other than 1 year, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

Automatic Termination is revised by deleting the last paragraph.

Other Termination Provisions is replaced by the following:

Other Termination Provisions

1. Unless otherwise specified under Cancellation or Nonrenewal, proof of mailing of any notice shall be sufficient proof of notice.

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2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will refund the pro rata unearned premium.

If this policy is financed by a premium finance company, the refund, if any, will be the pro rata gross unearned premium and will exclude any expense constant, administrative fee or nonrefundable charge filed with and approved by the insurance commissioner.

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.

The **Other Insurance Policies** provision is deleted.

The **State Law** provision is replaced by the following:

If any policy exclusion, limitation, term, condition or other policy provision is determined to be invalid and unenforceable by a court with proper jurisdiction, then that exclusion, limitation, term, condition or other policy provision will:

1. Be changed to the extent necessary to conform to the law;
2. Not apply to the amount of the covered damages or loss that is less than or equal to the minimum amounts of coverage required by law; and
3. Be construed, to the extent permitted by law, to exclude any coverage that is not required by law to be provided, and exclude all amounts greater than the minimum amounts of coverage required by law.

The **Amendatory Endorsements** provision is deleted.

The following is added:

EXCESS COVERAGE

Coverage under this policy applies on a primary basis only with respect to “your covered auto”, and shall be co-primary on a pro rata basis with any other insurance, self-insurance, bonds or certificate that applies on a primary basis.

If we are required by applicable law, or by a court with proper jurisdiction, to provide any insurance under this policy that would not otherwise be covered by the terms of this policy, the coverage provided under this policy shall be:

1. Excess to any and all other insurance, contingent insurance, self-insurance, liability bonds, certification of financial responsibility, and/or any other source of protection or recovery; and
2. Limited to the minimum types of coverage and the minimum limits required by that law.

The following total policy exclusion is added:

EXCLUSION OF TRANSPORTATION NETWORK COMPANY & PERSONAL VEHICLE SHARING PROGRAM USE

A. There is no coverage of any kind under this policy for any accident, loss, “bodily injury”, “property damage” or any other damage, expense or loss for any person or any party that results from, arises out of, or is related to any person operating or using “your covered auto” or any other vehicle in any type of activity associated or connected with any:

1. Transportation network company (TNC). This includes the ownership, maintenance, use, occupancy or possession of any vehicle during the period of time from the moment a participating driver in a TNC logs on to the TNC’s online-enabled application or platform until that driver logs off of the online-enabled application or platform, or the passenger exits the vehicle, whichever is later; or
2. Personal vehicle sharing program, use or activity.

B. For purposes of this exclusion:

1. Transportation network company (TNC) means any type of organization or entity that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers using a personal vehicle.

2. Personal vehicle sharing program means a group or legal entity engaged in the business or activity of facilitating or promoting the sharing of private passenger vehicles for noncommercial use by individuals other than the vehicle's owner.

All other policy provisions apply.