

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

## STATE ENDORSEMENT – NEW HAMPSHIRE

This endorsement amends your policy to make it the equivalent of a Motor Vehicle Liability Policy as defined in New Hampshire Revised Statutes Annotated Chapter 259:61. It does not alter or waive any other terms or conditions as they appear in the Classic Auto Policy.

### DEFINITIONS

The following changes are made to the **Definitions** section:

The definition of “your covered auto” adds the following:

Any auto or “vehicle trailer” you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

- a. Breakdown;
- b. Repair;
- c. Servicing;
- d. Loss; or
- e. Destruction.

This provision does not apply to **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO**.

The following definition for “minimum limits” is added:

Throughout the policy, “minimum limits” refers to the following limits of liability as required by New Hampshire law, to be provided under a policy of automobile liability insurance:

1. \$25,000 for each person, subject to \$50,000 for each accident, with respect to “bodily injury”; and
2. \$25,000 for each accident with respect to “property damage”.

### PART A – LIABILITY COVERAGE

The **Insuring Agreement** is replaced by the following:

- A. We will pay damages for “bodily injury” or “property damage” for which any “insured” becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when the amount we pay for damages resulting from the occurrence equals the limit of liability shown in the Declarations.. We have no duty to defend any suit or settle any claim for “bodily injury” or “property damage” not covered under this policy.
- B. “Insured”, as used in this **Part A**, means:
  1. You or any “family member” for the ownership, maintenance, or use of “your covered auto” or a “vehicle you do not own”.
  2. Any person using “your covered auto”.
  3. For “your covered auto”, any person or organization but only with respect to legal responsibility for acts of omissions of a person for whom coverage is afforded under this **PART A**.
  4. You, a "family member", or a domestic servant acting within the scope of employment of any such “insured”, due to the operation of any motor vehicle, trailer or semi-trailer not owned in whole or in part by any “insured”.

Any insurance afforded under this paragraph applies only if no other valid and collectible insurance is available to the “insured”.

Under the **Supplementary Payments** provision, the following is added:

In addition to our limit of liability, we will pay on behalf of an “insured”:

Prejudgment interest awarded against the “insured” on that part of the judgment we pay. If we make an offer to pay our limit of liability, we will not pay any prejudgment interest based on that period of time after the offer.

Under the **Exclusions** provision, the following changes are made:

Exclusion G., H., J., K., L., and M. are replaced by the following:

- G. While employed or otherwise engaged in the “business”, other than farming or ranching, including but not limited to the selling, repairing, servicing, storing, parking, road testing, or delivery of any vehicle.

This Exclusion does not apply to the maintenance or use of a:

1. Private passenger auto;
2. Pickup or van; or
3. “Vehicle trailer”.

This exclusion 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”.

- H. Using “your covered auto” without a reasonable belief that that “insured” is entitled to do so. This Exclusion does not apply to a “family member” using “your covered auto” which is owned by you.

- J. In excess of the “minimum limits” for the Named Insured, or any “family member”, who is involved in any prearranged, organized, or spontaneous race with “your covered auto” or “a vehicle you do not own” or who is involved in:

1. Preparation for a race of this type, but only while in any pit area, on the track or racecourse, or its entrance or exit lanes; 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.

- K. In excess of the “minimum limits” while using “your covered auto” or “a vehicle you do not own” 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, Exclusions J.1. and K. do not apply while “your covered auto” or “a vehicle you do not own” is:

1. In a race facility’s “paddock” area or a specified show display area;
2. Being trailered from one location to another;
3. Used by you to attend a racing event as a spectator;
4. Being operated for purposes of display in any pre- or post-race parade laps; or
5. Involved in an organized event on public roads while operated within legal speed.

- L. In excess of the “minimum limits” while using “your covered auto” or “a vehicle you do not own” to prepare, practice, 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 during 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, this Exclusion L. does not apply while “your covered auto” or “a vehicle you do not own” is:

1. In a facility or a specified show display area and is not involved in any competitive or exhibition activity described in this exclusion;
  2. Being trailered from one location to another; or
  3. Used by you to attend an event as a spectator.
- M. For “bodily injury” or “property damage” the “insured” assumed under any contract or agreement. However, this exclusion does not exclude coverage for tort liability that exists independent of a contract claim.

The following Exclusions are added:

N. In excess of the “minimum limits” whose driver’s license is under suspension or revocation, while operating the motor vehicle involved in the accident. However, this Exclusion does not apply if the suspension or revocation can be directly attributed to our failure to file the necessary certification material with the director of the division of motor vehicles.

O. For the ownership, maintenance or use of:

1. Any vehicle which:
  - a. Is not a motor vehicle as defined in New Hampshire Rule 1402.2(h); or
  - b. Is designed mainly for use off public roads.

This Exclusion (10.A) does not apply:

  - a. While such vehicle is being used by an “insured” in a medical emergency;
  - b. To any trailer;
  - c. To any non-owned golf cart; or
  - d. If there is no other valid and collectible insurance available to the “insured”.
2. Any vehicle, other than “your covered auto”, which is:
  - a. Owned by you; or
  - b. Furnished for your regular use.
3. Any vehicle, other than “your covered auto”, which is:
  - a. Owned by any “family member”; or
  - b. Furnished for the regular use of any “family member”.

However, this Exclusion does not apply to you while you are maintaining or “occupying” any vehicle which is:

  - a. Owned by a “family member”; or
  - b. Furnished for the regular use of a “family member”.

Under the **Limit of Liability** provision, Paragraph C. is replaced by the following:

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and any **Uninsured Motorists Coverage** provided by this policy.

Under the **Out Of State Coverage** provision, Paragraph B. is replaced by the following:

- B. No one will be entitled to duplicate payments for the same elements of loss. This limitation does not apply to benefits received under **PART B**.

## **PART B – MEDICAL PAYMENTS COVERAGE**

The **Insuring Agreement** is replaced by the following:

### **INSURING AGREEMENT**

- A. We will pay reasonable expenses incurred for necessary medical and funeral services because of “bodily injury”:
1. Caused by an accident involving an auto; and

## 2. Sustained by an "insured".

We will pay only those expenses incurred for services rendered within 3 years from the date of the accident.

B. "Insured", as used in this **PART B**, means:

1. You or any "family member" while "occupying" or as a pedestrian when struck by:
  - a. A motor vehicle designed for use mainly on public roads; or
  - b. A trailer of any type; or
2. Any person while "occupying" "your covered auto" or any vehicle you do not own while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. Loss; or
  - e. Destruction.

Under the **Exclusions** provision, the following changes are made:

Exclusion D., E., F., I., J., and K. are replaced by the following:

- D. 1. Sustained while "occupying", or when struck by, any vehicle (other than "your covered auto") which is:
  - a. Owned by you; or
  - b. Furnished for your regular use.
- 2.. Sustained while "occupying", or when struck by, any vehicle (other than "your covered auto") which is:
  - a. Owned by any "family member"; or
  - b. Furnished for the regular use of any "family member".

However, D.2. does not apply to you.

- E. Sustained while "occupying" "your covered auto" without a reasonable belief that that "insured" is entitled to do so. This Exclusion does not apply to a "family member" using "your covered auto" which is owned by you.
- F. Sustained while "occupying" "your covered auto" when it is being used in the "business" of an "insured". This Exclusion does not apply to "bodily injury" sustained while "occupying" a:
  1. Private passenger auto;
  2. Pickup or van; or
  3. "Vehicle trailer".
- I. Sustained while "occupying" "your covered auto" or "a vehicle you do not own" when it is involved in any prearranged, organized, or spontaneous race or involved in:
  1. Preparation for a race of this type, but only while in any pit area, on the track or racecourse, or its entrance or exit lanes; 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.

- J. Sustained while "occupying" "your covered auto" or "a vehicle you do not own" when it is 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, Exclusions I.1. and J. do not apply while “your covered auto” or “a vehicle you do not own” is:

1. In a race facility’s “paddock” area or a specified show display area;
  2. Being trailered from one location to another;
  3. Used by you to attend a racing event as a spectator;
  4. Being operated for purposes of display in any pre- or post-race parade laps; or
  5. Involved in an organized event on public roads while operated within legal speed.
- K. Sustained while “occupying” “your covered auto” or “a vehicle you do not own” when it is being used to prepare, practice, 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 during 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, this Exclusion K. does not apply while “your covered auto” or “a vehicle you do not own” is:

1. In a facility or a specified show display area and is not involved in any competitive or exhibition activity described in this exclusion;
2. Being trailered from one location to another; or
3. Used by you to attend an event as a spectator.

The following Exclusion is added:

- L. We do not provide Medical Payments Coverage for any “insured” for “bodily injury” sustained:
1. While that “insured” is operating any vehicle; and
  2. While that “insured’s” driver’s license is under suspension or revocation.

However, this exclusion does not apply if the suspension or revocation can be directly attributed to our failure to file the necessary certification material with the director of the division of motor vehicles.

Under the **Limit of Liability** provision, Paragraph B. is replaced by the following:

- B. No one will be entitled to receive duplicate benefits for the same elements of loss under this coverage and a health insurance policy.

The following provision is added:

**PAYMENT OF BENEFITS**

Benefits payable under this coverage shall not be assignable to any health care provider.

**PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO**

The **Insuring Agreement** is replaced by the following:

**INSURING AGREEMENT**

- A. We will pay for direct and accidental loss to “your covered auto” or any “non-owned auto”, including their equipment, minus any applicable deductible shown in the Declarations. If loss to more than one “your covered auto” or “non-owned auto” results from the same “collision”, only the highest applicable deductible will apply. However, we will not apply a deductible if the damage to “your covered auto” or any “non-owned auto” is caused by “collision” with an “uninsured motor vehicle” and the operator of the “uninsured

motor vehicle”:

1. Is solely at fault; and
2. Has been positively identified.

We will pay for loss to “your covered auto” 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.

If there is a loss to a “non-owned auto”, we will provide the broadest coverage applicable to any “your covered auto” shown in the Declarations.

However, for any loss to a “non-owned” auto:

1. Coverage applies on an excess basis; and
2. Our limit of liability for loss will be the lesser of the:
  - a. Actual cash value of the stolen or damaged property; or
  - b. Amount necessary to repair or replace the property with other property of like kind and quality.

However, the most we will pay for loss to:

- a. Any “non-owned auto” which is a trailer is \$1500.
- b. Electronic equipment that reproduces, receives or transmits audio, visual or data signals, which is permanently installed in the auto in locations not used by the auto manufacturer for installation of such equipment, is \$1,000.
3. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss.
4. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

B. “Non-owned auto” means:

1. Any private passenger auto, pickup, van or “vehicle trailer”, including any such vehicle rented to you or any “family member”, not owned by or furnished for the regular use of you or any “family member” while in the custody of or being operated by you or any “family member”; or
2. Any auto or “vehicle trailer” you do not own while used as a temporary substitute for “your covered auto” which is out of normal use because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. Loss; or
  - e. Destruction.

The **Limited Vehicle Fraud Coverage** provision is deleted.

Under the **Exclusions** provision, the following change is made:

The following is added to Exclusion A.:

However, this exclusion does not apply to dampness, mildew, or mold damage resulting from a covered loss.

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

**LIMIT OF LIABILITY**

- 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, 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.

## **PART F – GENERAL PROVISIONS**

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

- B. If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to:
1. The number, type, or use classification of insured vehicles;
  2. Operators using insured vehicles;
  3. The place of principal garaging of insured vehicles;
  4. Coverages, deductibles, or limits;
  5. Alterations or modifications to “your covered auto” or “your camper trailer”.

If you alter or modify your vehicle in any way you must notify us prior to the renewal.

If a change resulting from Paragraphs A. or B. requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.

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

### **CONCEALMENT OR MISREPRESENTATION**

We do not provide coverage to one or more “insureds” who, at any time:

1. Intentionally misrepresented their New Hampshire residency status or exclusive garaging status at the time of initial application or renewal. However, we do provide coverage for that “insured” for “bodily injury” or “property damage” for which that “insured” becomes legally responsible because of an auto accident.

If we make a payment for “bodily injury” or “property damage” for which that “insured” becomes legally responsible, we are entitled to reimbursement for all such payments in accordance with the Our Right To Recover Payment provision contained in this endorsement.

2. Intentionally concealed or misrepresented a material fact;
3. Engaged in fraudulent conduct; or
4. Made a false statement;

relating to this insurance.

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

- C. Under **PART D**, suit or action must start within 3 years from:
1. The date of loss; or
  2. The date of discovery of the loss, provided the loss could not have reasonably been discovered at the time of the accident or damage, had an “insured” exercised reasonable diligence.

However, 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.

Under the **Our Right To Recover Payment** provision, the following is added:

If we make a payment under :

**PART A** of this policy and any “insured” under this policy has intentionally misrepresented their New Hampshire residency status or exclusive garaging status at the time of initial application or renewal, that “insured” shall reimburse us to the extent of our payment.

The **Payment of Loss** provision is replaced by the following:

### **PAYMENT OF LOSS**

Unless a claim has been paid by others, payment of loss, with all your indebtedness to us being first deducted, will be made within 5 working days after we either reach agreement with you, a final judgment is entered in

the court, or an arbitration or appraisal award is filed with us.

We may pay for loss in money, or repair or replace your damaged or stolen property. We may, at our expense, return your 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.

If we pay a total loss or a “constructive total loss” for “your covered auto” or “your camper trailer” listed in the Declarations, all coverage under this policy for such covered vehicle 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” or “your camper trailer” shall be reduced by any amount previously paid for repairs not completed at the time of the total loss or “constructive total loss”.

The **Private Pleasure Use** provision is replaced by the following:

**PRIVATE PLEASURE USE**

Coverage will be capped at the “minimum limits” if “your covered auto” or “your camper trailer” is:

- A. Rented or leased to any person for a fee;
- B. Used to carry persons or property for a fee, or any commercial use unless prior written consent has been obtained from us; or
- C. Used for any illegal act by any person. This provision does not apply to any person who had no knowledge of or who did not participate in the illegal act.

Under the **Regular Use Vehicle Requirement – Purchasing and Maintaining Other Insurance Coverage for You and Your Regular Use Vehicle** provision, paragraph B. 3. Is replaced by the following:

3. 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, we will assess the Ineligible Risk Surcharge.

Under the **Excess Coverage** provision, paragraph A is replaced by the following:

- A. Coverage under this policy applies on a primary basis with respect to “your covered auto” only when no other insurance policy applies, and shall be excess to all other insurance, whether that insurance is considered primary, secondary, or excess. If there is other insurance with the same priority as this coverage, we will not pay more than our share of the covered losses or damages. Our share of the covered losses or damages is the proportion that our limit of coverage bears to the total of all applicable limits with the same priority as our coverage. However, any insurance we provide for a “vehicle you do not own”, including any vehicle or “vehicle trailer” while used as a temporary substitute for “your covered auto”, shall be excess over any other collectible insurance.

Under the **Termination** provision, the following changes are made:

- A. Cancellation, Items 2. and 3. are replaced by the following:
  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 45 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 the named insured is not a resident of the state of New Hampshire at the time the policy is

issued or renewed, unless the insured vehicle is exclusively garaged in New Hampshire when the policy is issued or renewed.

B. Nonrenewal is replaced by the following:

Nonrenewal. If we decide not to renew or continue this policy due to one of the reasons listed above in A. 3., we will mail notice to the Named Insured shown in the Declarations at the address shown in the policy. Notice will be mailed at least 45 days before the end of the policy period. Subject to this notice requirement, we will have the right not to renew or continue it only at each anniversary of its original effective date.

C. Automatic Termination, second paragraph is deleted.

D. Other Termination Provisions, Item 2. is replaced by the following:

2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals. However, making or offering to make the refund is not a condition of cancellation.

All other policy provisions apply.