

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

## STATE ENDORSEMENT – NORTH DAKOTA

**SUBJECT TO THE PROVISIONS OF THIS POLICY, CONTRACTUAL LIABILITY COVERAGE IS PROVIDED FOR "PROPERTY DAMAGE" TO PRIVATE PASSENGER MOTOR VEHICLES RENTED UNDER WRITTEN CONTRACT FOR 30 CONTINUOUS DAYS OR LESS, PURSUANT TO THE PROVISIONS OF THE NORTH DAKOTA STATUTES. THEREFORE, DEPENDING ON THE PROVISIONS CONTAINED IN THE RENTAL CONTRACT, IT MAY NOT BE NECESSARY TO PURCHASE COVERAGE FOR "PROPERTY DAMAGE" TO PRIVATE PASSENGER MOTOR VEHICLES RENTED FOR 30 CONTINUOUS DAYS OR LESS. PRIVATE PASSENGER MOTOR VEHICLES INCLUDE STATION WAGONS, MINIVANS, VANS, AND PICKUPS AND DOES NOT INCLUDE MOTOR HOMES, MOTORCYCLES, OR TRUCKS OTHER THAN PICKUPS.**

### DEFINITIONS

The definition of "Family member" is deleted and replaced by the following:

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

The following is added to the **DEFINITIONS** Section:

Throughout the policy, "minimum limits" refers to the following limits of liability as required by North Dakota 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

#### INSURING AGREEMENT

Paragraph A. of the **INSURING AGREEMENT** is deleted and 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 our limit of liability for this coverage has been exhausted by payment of judgments or settlements. We have no duty to defend any suit or settle any claim for "bodily injury" or "property damage" not covered under this policy.

#### SUPPLEMENTARY PAYMENTS

Paragraph F. is added to the **SUPPLEMENTARY PAYMENTS** provision as follows:

We will pay on behalf of an "insured":

- F. 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.

Exclusion 1. is deleted and replaced by the following:

We do not provide Liability Coverage for any "insured":

1. Who intentionally causes "bodily injury" or "property damage". However, this exclusion does not apply to an innocent co-insured if the loss arises out of domestic violence.

Exclusion 3. is deleted and replaced by the following:

We do not provide Liability Coverage for any "insured":

3. For "property damage" to property:
  - a. Rented to;
  - b. Used by; or

- c. In the care of; that "insured".

This exclusion (3.) does not apply to:

- a. "Property damage" to a residence or private garage; or
- b. Liability assumed under written contract for "property damage" to a private passenger motor vehicle rented by you or any "family member" for 30 continuous days or less.

## **OTHER INSURANCE**

The **OTHER INSURANCE** provision is deleted and replaced by the following:

If there is other applicable liability insurance:

1. 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.
2. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance, including any applicable physical damage insurance provided under another policy. However, any insurance we provide for a vehicle you do not own, including any vehicle while used as a temporary substitute for "your covered auto", will be primary insurance if the vehicle is insured under a policy affording coverage to a named insured engaged in the "business" of:
  - a. Selling;
  - b. Repairing;
  - c. Servicing;
  - d. Storing;
  - e. Leasing;
  - f. Renting; or
  - g. Parking;
 motor vehicles. This applies only if an "insured":
  - a. Is operating the vehicle; and
  - b. Is neither the person engaged in such "business" nor that person's employee or agent.

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

### **OTHER INSURANCE**

The **OTHER INSURANCE** provision of Part B is deleted and replaced by the following:

If there is other applicable auto medical payments insurance:

1. 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.
2. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance. However, any insurance we provide for a vehicle you do not own, including any vehicle while used as a temporary substitute for "your covered auto", will be primary insurance if the vehicle is insured under a policy affording coverage to a named insured engaged in the "business" of:
  - a. Selling;
  - b. Repairing;
  - c. Servicing;
  - d. Storing;
  - e. Leasing;
  - f. Renting; or

- g.** Parking;  
motor vehicles. This applies only if an "insured":
  - a.** Is operating the vehicle; and
  - b.** Is neither the person engaged in such "business" nor that person's employee or agent.

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

### **EXCLUSIONS**

Exclusion 10. is deleted and replaced by the following:

A. We will not pay for:

- 10. Loss or damage intentionally caused or directed by you or any "family member". However, this exclusion does not apply to an innocent co-insured if the loss arose out of domestic violence.

### **OTHER INSURANCE**

The **OTHER INSURANCE** provision of Part D is deleted and replaced by the following:

If other sources of recovery also cover the loss, 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. However, any insurance we provide with respect to a "non- owned auto" shall be excess over any other collectible source of recovery including, but not limited to:

- 1. Any coverage provided by the owner of the "non-owned auto";
- 2. Any other applicable physical damage insurance;
- 3. Any contractual liability coverage provided for rented vehicles under Part A of the policy; and
- 4. Any other source of recovery applicable to the loss.

### **VEHICLE TRAILER**

The **VEHICLE TRAILER** provision is deleted and replaced by the following:

We will cover "your vehicle trailer", less a \$250.00 deductible per loss, 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.

## **PART F – GENERAL PROVISIONS**

### **TERMINATION**

The **TERMINATION** provision in Part F is deleted and replaced by the following:

A. 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 this policy has been in effect less than 60 days at the time notice of cancellation is mailed and this is not a renewal or continuation policy; or
  - b. At least 20 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, in the event an operator has had his driver's license suspended or revoked, before cancelling this policy we will offer to continue the policy with a provision excluding coverage when that person who has had his driver's license suspended or revoked is operating a motor vehicle. If such offer is accepted, we will issue an endorsement to that effect.
  - c. If the policy was obtained through material misrepresentation.

#### B. 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.

#### C. 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.

#### D. 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. 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.
3. The effective date of cancellation stated in the notice shall become the end of the policy period