

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## UNINSURED MOTORISTS COVERAGE – ARIZONA

The following notice is added:

Any reference to Part **C** – Uninsured Motorists Coverage in any attached endorsement is replaced with Uninsured Motorists Coverage – Arizona.

### I. Part C – Uninsured Motorists Coverage

Part **C** is replaced by the following:

#### INSURING AGREEMENT

- A. We will pay compensatory damages which an "insured" is legally entitled to recover from the owner or operator of an "uninsured motor vehicle" because of "bodily injury":

1. Sustained by an "insured"; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the "uninsured motor vehicle".

Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

- B. "Insured" as used in this Part means:

1. You or any "family member".
2. Any other person "occupying" "your covered auto".
3. Any person for damages that person is entitled to recover because of "bodily injury" to which this coverage applies sustained by a person described in 1. or 2. above.

- C. "Uninsured motor vehicle" means a land motor vehicle or trailer of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident but its limit for bodily injury liability is less than the minimum limit for bodily injury liability specified by the financial responsibility law of Arizona.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in "bodily injury" without hitting:
  - a. You or any "family member";
  - b. A vehicle which you or any "family member" are "occupying"; or
  - c. "Your covered auto".

If there is no physical contact with the hit-and-run vehicle the facts of the accident must be proved. The person making the claim shall provide corroboration that the unidentified motor vehicle caused the accident. Corroboration means any additional and confirming testimony, fact or evidence that strengthens and adds weight or credibility to such person's representation of the accident.

4. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company:

- a. Denies coverage; or
- b. Is or becomes insolvent.

However, "uninsured motor vehicle" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any "family member" unless there is no Liability Coverage available under Part **A** of this policy to respond for damages sustained by an "insured".
2. Operated on rails or crawler treads.
3. Designed mainly for use off public roads while not on public roads.
4. While located for use as a residence or premises.

#### EXCLUSIONS

- A. We do not provide Uninsured Motorists Coverage for "bodily injury" sustained by any "insured":

1. If that "insured" or the legal representative settles the "bodily injury" claim and such settlement prejudices our right to recover payment.
2. While "occupying" "your covered auto" when it is being used as a public or livery conveyance. This Exclusion (**A.2.**) does not apply:
  - a. To a share-the-expense car pool; or
  - b. When "your covered auto" is being used in the course of volunteer work for a tax-exempt organization as described in ARIZ. REV. STAT. ANN. Section 43-1201(4).
3. Using a vehicle without a reasonable belief that that "insured" is entitled to do so. This Exclusion (**A.3.**) does not apply to a

"family member" using "your covered auto" which is owned by you.

- B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
  - 1. Workers' compensation law; or
  - 2. Disability benefits law.
- C. We do not provide Uninsured Motorists Coverage for punitive or exemplary damages.

#### **LIMIT OF LIABILITY**

- A. The limit of liability shown in the Declarations for each person for Uninsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care, loss of services or death, arising out of "bodily injury" sustained by any one person in any one accident. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Uninsured Motorists Coverage is our maximum limit of liability for all damages for "bodily injury" resulting from any one accident.

This is the most we will pay regardless of the number of:

- 1. "Insureds";
  - 2. Claims made;
  - 3. Vehicles or premiums shown in the Declarations; or
  - 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
  - 1. Part **A** or Part **B** of this policy; or
  - 2. Any Underinsured Motorists Coverage provided by this policy.
- C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- D. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
  - 1. Workers' compensation law; or
  - 2. Disability benefits law.

#### **OTHER INSURANCE**

If there is other applicable similar insurance available under more than one policy or provision of coverage:

- 1. Any insurance we provide with respect to a vehicle:
  - a. You do not own, including any vehicle while used as a temporary substitute for "your covered auto"; or

- b. Owned by you or any "family member" which is not insured for this coverage under this policy;

shall be excess over any collectible insurance providing such coverage on a primary basis.

- 2. 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.

#### **ARBITRATION**

- A. If we and an "insured" do not agree:
  - 1. Whether that "insured" is legally entitled to recover damages; or
  - 2. As to the amount of damages which are recoverable by that "insured";

from the owner or operator of an "uninsured motor vehicle", then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Each party will:
  - 1. Pay the expenses it incurs; and
  - 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by at least two of the arbitrators will be binding as to:
  - 1. Whether the "insured" is legally entitled to recover damages; and
  - 2. The amount of damages. This applies only if the amount does not exceed the minimum limit for bodily injury liability specified by the financial responsibility law of Arizona. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

#### **II. Part F – General Provisions**

Part **F** is amended as follows with respect to Uninsured Motorists Coverage:

- A. The **Our Right To Recover Payment** Provision is replaced by the following:

If we make a payment and the person to or for whom payment was made has a right to

recover damages from the owner or operator of an "uninsured motor vehicle" we shall be subrogated to that right. That person shall do:

- a. Whatever is necessary to enable us to exercise our rights; and
- b. Nothing after loss to prejudice them.

- B.** The **Two Or More Auto Policies** Provision is replaced by the following:

#### **TWO OR MORE AUTO POLICIES**

If this policy and any other auto insurance policy issued to you by us apply to the same accident, only one of the policies will apply to the accident. You will select the one policy that will apply.

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