

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

STATE CONFORMANCE ENDORSEMENT - ALASKA

I. DEFINITIONS

Definition E. "family member" is replaced by:

E. "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.

II. PART A LIABILITY COVERAGE

Liability Coverage is amended as follows:

INSURING AGREEMENT

Paragraph A. of 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 our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for "bodily injury" or "property damage" not covered under this policy.

EXCLUSIONS

Exclusion 1. is replaced by:

1. Who intentionally causes "bodily injury" or "property damage".

However, this exclusion does not apply if the loss is caused by an act of domestic violence by another insured and not the insured who is claiming loss. The insured who claims loss must cooperate in any investigation and must not have contributed to the loss.

Exclusion 11. is deleted.

Exclusion 12. is added:

12. We do not provide Liability Coverage for "non-owned autos".

However, this exclusion does not apply to the extent that the limits of liability for this coverage do not exceed the "minimum limits" of liability.

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OUT OF STATE COVERAGE

A.2. is replaced by:

2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage, or higher limits, if purchased under this policy.

III. PART B — MEDICAL PAYMENTS COVERAGE

Part B is amended as follows:

Paragraph B. is replaced by:

B. "Insured" as used in this Part means any person while "occupying" "your covered auto" or any pedestrian when struck by "your covered auto".

Exclusion 7.e.:

The words "or terrorism" are deleted.

V. PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

A. DEFINITIONS

Definitions A., B. and C. are replaced by:

A. "Other than collision" includes loss to "your covered auto" or "non-owned auto" caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with bird or animal; or breakage of glass. If breakage of glass is caused by a "collision", you may elect to have it considered a loss caused by "collision".

B. "Collision" means the upset or impact of "your covered auto" or "non-owned auto" with another object.

C. "Equipment" means tools stored in "your covered auto" or "non-owned auto" and used for the emergency maintenance of "your covered auto".

B. The following is added:**D. "Non-owned auto" means:**

1. Any private passenger auto, pickup, van or "trailer" not owned by or furnished or available 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 "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.

C. The Insuring Agreement is replaced by:**INSURING AGREEMENT**

We will pay for direct and accidental loss to "your covered auto" or any "non-owned auto", including its "equipment", minus any applicable deductible shown in the Declarations, when such loss is 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.

D. SPARE PARTS is changed as follows:

The limit is increased from \$250 to \$750, or the amount shown in the Declarations for "Spare Parts".

E. The following section is added:**CAR COVERS**

We will pay up to \$250 for direct and accidental loss or damage to a car cover or car bra used for "your covered auto". This coverage does not increase the limit of liability for "your covered auto" as stated under Coverage D in the declarations.

F. Under EXCLUSIONS, the following changes apply:**1. Under exclusion A.1:**

- a. the word "vermin" is deleted

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b. The following is added:

However, this exclusion does not apply to mold damage that results from a covered loss.

2. Under exclusion A.4, the word "terrorism" is deleted.**3. Exclusion A. 10. is deleted and replaced by the following:**

10. Loss or damage intentionally caused or directed by you or any "family member".

However, this exclusion does not apply if the loss is caused by an act of domestic violence by another insured and not the named insured who is claiming loss. The insured who claims loss must cooperate in any investigation and must not have contributed to the loss.

4. The following exclusions are added:

12. Loss to any "non-owned auto" being maintained or used by any person while employed or otherwise engaged in the "business" of:

- a. Selling;
- b. Repairing;
- c. Servicing;
- d. Storing; or
- e. Parking;

vehicles designed for use on public highways. This includes road testing and delivery.

13. Loss to, or loss of use of, a "non-owned auto" rented by:

- a. You; or
- b. Any "family member";

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that "family member", pursuant to the provisions of any applicable rental agreement or state law.

5. Under AMENDMENT OF POLICY PROVISIONS – ALASKA, endorsement PP 01 97, part III. A. is deleted.**G. Under LIMIT OF LIABILITY the following paragraph is added:**

C. For all loss or damage to a "non-owned auto":

1. 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 installed a "non-owned auto" 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.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss.
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

H. PAYMENT OF LOSS

Paragraph one of this provision is replaced by:

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

- 1. You; or
- 2. 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.

I. OTHER INSURANCE is replaced by
OTHER SOURCES OF RECOVERY in
 AMENDMENT OF POLICY PROVISIONS –
 ALASKA, endorsement PP 01 97.

VI. PART F — GENERAL PROVISIONS

LEGAL ACTION AGAINST US

Part C is replaced by:

- C. Under Part D, suit or action must start within 3 years of the date we deny all or part of your claim.

CONCEALMENT OR FRAUD provision is replaced by:

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We do not provide coverage for any "insured" who has:

- 1. made fraudulent statements;
- 2. engaged in fraudulent conduct; or
- 3. omitted or concealed facts or made incorrect statements;

in connection with the application for insurance or any accident or loss for which coverage is sought under this policy, provided such statements or conduct were material to the acceptance of the risk or the hazard assumed, or we in good faith would not have issued the policy or would have issued it differently, if the true facts had been known.