

## STATE CONFORMANCE ENDORSEMENT - VERMONT

The following amendment changes the policy to conform with Vermont state laws. Please read your entire policy for full details about your coverages.

### DEFINITIONS

Definitions is amended as follows:

1. The definitions of "you" and "your" are replaced by the following:

Throughout this policy, "you" and "your" refer to the "named insured" shown in the Declarations:  
and

1. The spouse; or
2. A party who has entered into a civil union with the "named insured" under Vermont law;  
if a resident of the same household.

If the spouse or party who has entered into a civil union with the "named insured" ceases to be a resident of the same household during the policy period or prior to the inception of this policy, the spouse or such party will be considered "you" and "your" under this policy but only until the earlier of:

1. The end of 90 days following the spouse's or such party's change of residency;
2. The effective date of such party as a named insured; or
3. The end of the policy period.

2. Definition F. "Family member" is deleted and replaced by the following:

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

3. Definition H. "Vehicle trailer" is deleted and replaced by the following:

"Vehicle trailer" means a vehicle designed to be pulled by a:

1. Private passenger auto; or
2. Pickup, panel truck or van.

4. Definition I. "Your covered auto" is deleted and replaced by the following:

"Your covered auto" means:

1. Any "antique vehicle" or "classic vehicle" shown in the Declarations.
2. Any "antique vehicle" or "classic vehicle" on the date you became the owner during the policy period, provided that it replaces one shown in the Declarations. Under Part D - Coverage For Damage To Your Covered Auto, this automatic coverage for replacement vehicles will be:
  - no greater than the highest appraisal for a vehicle already on the policy, or
  - no greater than the replacement vehicle's most recent appraisal, whichever is lower.
3. Any newly acquired "antique vehicle" or "classic vehicle" which is in addition to any vehicle shown in the declarations on the date you became the owner during the policy period. You must ask us to insure it within 30 days after you became the owner. Under Part D -

Coverage For Damage To Your Covered Auto, this automatic coverage for newly acquired vehicles will be:

- no greater than the highest appraisal for a vehicle already on the policy, or
- no greater than the newly acquired vehicle's most recent appraisal, whichever is lower.

## **PART A - LIABILITY COVERAGE**

Part A is amended as follows:

1. Paragraph A. of the Insuring Agreement is replaced by the following:

### **INSURING AGREEMENT**

We will pay damages for "bodily injury" or "property damage" for which any "insured" becomes legally responsible because of an auto accident involving "your covered auto". Damages include prejudgment interest awarded against the "insured". We will settle or defend, as we consider appropriate, any claim or suit asking for damages which are payable under the terms of this policy. In addition to our limit of liability, we will pay all defense costs we incur. We have no duty to defend any suit or settle any claim for "bodily injury" or "property damage" not covered under this policy.

2. The following is added to the Limit of Liability Provision:

If a judgment is rendered against you and we continue the suit by appeal or otherwise, no limitation of liability in this policy shall be valid unless you agree to this continuation.

## **PART D - COVERAGE FOR DAMAGE TO YOUR COVERED AUTO**

Part D is amended as follows:

1. Exclusion 10 is deleted and replaced by the following:

Loss or damage intentionally caused or directed by you.

2. Exclusion 11 is deleted.

3. Under the Payment of Loss provision, the first paragraph is revised to read as follows:

### **PAYMENT OF LOSS**

Unless a claim has been paid by others, we will pay any loss covered under this policy within 10 business days after we reach agreement with you, entry of a final judgment, or the filing of an appraisal award with us.

4. The Vehicle Trailer provision is replaced by the following.

### **VEHICLE TRAILER**

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**

Part F is amended as follows:

1. The Private Pleasure Use provision is replaced by the following:

### **PRIVATE PLEASURE USE**

Coverage will not apply if "your covered auto" is:

- A. Rented or leased to any person for a fee;
- B. Used to carry persons or property for a fee, or for any commercial use unless prior written consent has been obtained from us; or
- C. Used for any illegal act by any person.

2. The Concealment or Fraud provision is replaced by the following:

### **CONCEALMENT OR FRAUD**

We do not provide coverage for any "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.

3. The Legal Action Against Us provision is replaced by the following:

### **LEGAL ACTION AGAINST US**

No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A or Accidental Death Coverage:

1. No legal action may be brought against us until:
  - a. We agree in writing that the "insured" has an obligation to pay; or
  - b. The amount of that obligation has been finally determined by judgment after trial.
2. No legal action may be brought against us after one year from the date the terms of either a. or b. above have been met.

However:

1. Your fight to bring legal action against us is not conditioned upon your compliance with the Appraisal Provision of Part D.
2. Under Part A or Accidental Death Coverage, payment of any judicial judgment or claim by you for any of our liability shall not bar you from any action or fight of action against us. No person or organization has any right under this policy to bring us into any action to determine the liability of an "insured".

4. Under Payment of Loss, the first paragraph is revised to read as follows:

**PAYMENT OF LOSS**

Payment of loss, with all your indebtedness to us being first deducted, will be made within 10 business days after we either reach agreement with you, a final judgment is entered in the court, or an arbitration award is filed with us.

5. The Termination provision is replaced by the following:

**TERMINATION**

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:
  - a. Giving the named insured shown in the Declarations at the address shown in this policy at least 15 days notice by certified mail or certificate of mailing if cancellation is for nonpayment of premium; or
  - b. Mailing by certified mail to the named insured shown in the Declarations at the address shown in this policy at least 45 days notice in all other cases.
3. When this policy is in effect for 60 days or more, 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; or
      - (2) Since the last anniversary of the original effective date if the policy period is other than 1 year.
  - c. If the policy was obtained through material misrepresentation

### 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 45 days before the end of the policy period. Subject to this notice requirement, if the policy period is:

1. Less than 6 months, we will have the right not to renew or continue this policy every 6 months, beginning 6 months after its original effective date.
2. 6 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. 1 year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

### 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.

### 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.
4. We will give notice of cancellation to the loss payee stated in the policy if the named insured shown in the Declarations requests cancellation of:
  - a. The entire policy; or
  - b. Any Coverage for Damage to Your Auto afforded under this policy to any "your covered auto" for which the loss payee has an insurable interest.
5. If we decide to cancel this policy, the same method of mailing the notice of cancellation to the named insured shown in the Declarations will also be used to notify the loss payee stated in the policy.
6. The Transfer Of Your Interest In This Policy Provision is replaced by the following:

#### **Transfer Of Your Interest In This Policy**

- A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for :

The surviving:

a. Spouse; or

b. Party who entered into a civil union with the “named insured” under Vermont law;

If resident in the same household at the time of death. Coverage applies to the spouse or party who entered into a civil union with a “named insured” as if a named insured shown in the Declarations; and

1. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative’s legal responsibility to maintain or use “your covered auto”
2. Coverage will only be provided until the end of the policy period.