

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNINSURED MOTORISTS COVERAGE – DELAWARE

SCHEDULE

Bodily Injury Liability	\$	Each Person
	\$	Each Accident
Property Damage Liability	\$	Each Accident

I. Part C – Uninsured Motorists Coverage

Part C is replaced by the following:

Insuring Agreement

- A. We will pay damages which an "insured" is legally entitled to recover from the owner or operator of an:

1. "Uninsured motor vehicle" or "underinsured motor vehicle" because of "bodily injury":
 - a. Sustained by an "insured"; and
 - b. Caused by an accident; and
2. "Uninsured motor vehicle" because of "property damage" 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" or "underinsured motor vehicle". We will pay damages under this coverage caused by an accident with an "underinsured motor vehicle" only after the limits of liability under any liability bonds or policies applicable to the "underinsured motor vehicle" have been exhausted by payment of judgments or settlements.

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 endorsement 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. "Property damage" as used in this endorsement means injury to or destruction of:

1. "Your covered auto" (including its loss of use).
2. Any property owned by a person listed in 1. or 2. of "insured" while contained in "your covered auto".

- D. "Underinsured motor vehicle" means a land motor vehicle or trailer of any type for which the sum of the limits of liability under all bodily injury liability bonds or policies applicable at the time of the accident is not enough to pay the amount the "insured" is legally entitled to recover as damages.

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

1. 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.
2. Owned or operated by a self-insurer under any applicable motor vehicle law.

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

1. To which no liability bond or policy applies at the time of the accident.
2. To which a liability bond or policy applies at the time of the accident. In this case its limit for liability must be less than the minimum limit specified by the financial responsibility law of Delaware.

3. Which is a hit-and-run vehicle whose operator and owner cannot be identified and which hits or which causes an accident resulting in "bodily injury" or "property damage" 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. We will only accept competent evidence which may include the testimony, under oath, of a person making claim under this or any similar coverage.

4. To which a 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 owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.

- F. In addition, neither "uninsured motor vehicle" nor "underinsured motor vehicle" includes any vehicle or equipment:
 1. Owned by or furnished or available for the regular use of you or any "family member".
 2. Owned by any governmental unit or agency.
 3. Operated on rails or crawler treads.
 4. Designed mainly for use off public roads while not on public roads.
 5. While located for use as a residence or premises.

Exclusions

- A. We do not provide coverage under this endorsement for "property damage" or "bodily injury" sustained by any "insured":
 1. If that "insured" or the legal representative settles a "bodily injury" or "property damage" claim, arising out of an accident with an "uninsured motor vehicle", and such settlement prejudices our right to recover payment.

2. When "your covered auto" is being used as a public or livery conveyance. This exclusion (**A.2.**) does not apply to a share-the-expense car pool.
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.
4. For the first \$250 of the amount of "property damage" to the property of each "insured" as the result of any one accident.

B. This coverage shall not apply directly or indirectly to benefit:

1. Any insurer or self-insurer under any of the following or similar law:
 - a. Workers' compensation law; or
 - b. Disability benefits law.
2. Any insurer of property.

Limit Of Liability

- A. The limit of Bodily Injury Liability shown in the Schedule or 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 Bodily Injury Liability shown in the Schedule or 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. The limit of Property Damage Liability shown in the Schedule or in the Declarations for each accident for Uninsured Motorists Coverage is our maximum limit of liability for all "property damage" 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 Part **A** or Part **B** of 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.
- E. No payment will be made for loss paid or payable to the "insured" under Part **D** of the Policy.

Other Insurance

If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the Policy:

- 1. Any insurance we provide with respect to a vehicle:
 - a. You do not own, including any vehicle while used as 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. If the coverage under this Policy is provided:
 - a. On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.
 - b. On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis.

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" or an "underinsured 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.

II. Part F – General Provisions

- A. The **Our Right To Recover Payment** Provision of Part **F** is amended as follows:
 - 1. The provision does not apply to damages caused by an accident with an "underinsured motor vehicle".
 - 2. The provision is replaced by the following with respect to damages caused by an accident with an "uninsured motor vehicle":

Our Right To Recover Payment

If we make a payment under this Policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right up to the limits specified by the Delaware Financial Responsibility Law. That person shall do:

 - 1. Whatever is necessary to enable us to exercise our rights; and

2. Nothing after loss to prejudice them.

If we make a payment under this Policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and
 2. Reimburse us to the extent of our payment;
- up to the limits specified by the Delaware Financial Responsibility Law.

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 or any resident of your household, by us or any company affiliated with us, apply to the same accident, the maximum limit of liability under all the policies shall not exceed the highest applicable limit of liability under any one policy.