

**CLASSIC AUTOMOBILE POLICY
MINNESOTA**

CLASSIC AUTOMOBILE POLICY

DECLARATIONS PAGE
Your Name and Address
Your Auto and Vehicle
Policy Period
Coverages and Amounts of Insurance

	Beginning on Page
AGREEMENT; DEFINITIONS.....	1
PART A LIABILITY COVERAGE	
Insuring Agreement; Supplementary Payments; Exclusions.....	2
Limit of Liability	3
Out of State Coverage; Financial Responsibility; Other Insurance	4
PART B MEDICAL PAYMENTS COVERAGE	
Insuring Agreement	4
Auto Show Medical Reimbursement; Exclusions; Limit of Liability; Other Insurance	5
PART C UNINSURED MOTORISTS COVERAGE	
Insuring Agreement	5
Exclusions; Limit of Liability	6
Other Insurance; Arbitration	7
PART D COVERAGE FOR DAMAGE TO YOUR COVERED AUTO	
Definitions.....	7
Insuring Agreement; Spare Parts; Exclusions; Limit of Liability	8
Loss to a Pair, Set or Parts; Payment of Loss; No Benefit to Bailee; Other Insurance; Appraisal; Vehicle Trailer	9
PART E DUTIES AFTER AN ACCIDENT OR LOSS	9
PART F GENERAL PROVISIONS	
Vehicle Insurance Requirement; Bankruptcy; Changes; Concealment or Fraud; Legal Action Against Us	10
Payment of Loss; Our Right to Recover Payment	11
Abandonment; Policy Period and Territory; Termination.....	12
Other Insurance Policies; Transfer of Your Interest in This Policy; Two or More Auto Policies; State Law.....	13

CLASSIC AUTOMOBILE POLICY

AGREEMENT

In return for payment of the premium and subject to all the terms of this policy, we will provide the coverages you have selected. All of this information is shown in the Declarations which is part of this policy. Your Classic Automobile Policy is a legal contract between you and Essentia Insurance Company.

DEFINITIONS

- A. Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations; and
 2. Your spouse, if a resident of the same household.
- B. "We", "us" and "our" refer to the Company providing insurance.

Other words and phrases are defined. They are in quotation marks when used.

- C. "Bodily injury" means bodily harm to a person and any sickness, disease, or death, to that person resulting therefrom.
- D. "Business" includes trade, profession or occupation.
- E. "Family member" means a person related to you by blood, marriage or adoption, including a minor in the custody of:
1. You; or
 2. Any related person;
- who is a resident of your household or who is temporarily residing elsewhere.
- F. "Occupying" means in, upon, getting in, on, out or off.
- G. "Property damage" means physical injury to, destruction of, or loss of use of, tangible property.
- H. "Vehicle trailer" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup, panel truck or van;
- that is used only for the transportation of "your covered auto".

- I. "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 owner during the policy period, whether as a new vehicle or replacement of a vehicle shown in the Declarations, provided that:

- a. It is in stock condition and has not been modified from the original manufactured design;
- b. You ask us to insure it within thirty days after you become the owner; and
- c. We insure all of your collector vehicles.

Under Part D – Coverage For Damage to Your Covered Auto, the limit provided on this vehicle, will be the lesser of the following:

- a. The purchase price;
- b. The verifiable value; or
- c. \$50,000.

3. Any "trailer" pulled by your "antique vehicle", "classic vehicle", or "exotic and special interest vehicle".

- J. "Antique vehicle" means a motor vehicle 25 years or more of age that:

1. Is maintained primarily for use in car club activities, exhibitions, parades, other functions of public interest or for a private collection; and
2. Is used only infrequently for other purposes.

- K. "Classic vehicle" means a motor vehicle of unique or rare design and of limited production that is an object of curiosity and:

1. Is maintained primarily for use in car club activities, exhibitions, parades, other functions of public interest or for a private collection; and
2. Is used only infrequently for other purposes.

- L. "Regular use vehicle" means a motor vehicle which is used for regular driving to work, school, shopping, errands or for general transportation and is not an "antique vehicle" or "classic vehicle."

M. "Rental vehicle" means a rented:

1. Private passenger auto, including a motor home;
2. Pickup or van; or
3. Truck with a registered gross vehicle weight of 26,000 pounds or less;

if the rate for their use is determined on a daily, weekly or monthly basis. However, "rental vehicle" does not include any such vehicle if:

1. The rental rate is determined based on a period longer than one month;
2. The term of the rental agreement is longer than one month;
3. The rental agreement has a purchase or buyout option or otherwise functions as a substitute for purchase of the vehicle; or
4. It is a "temporary loaned vehicle".

N. "Temporary loaned vehicle" means a:

1. Private passenger auto, including a motor home;
2. Pickup or van; or
3. Truck with a registered gross vehicle weight of 26,000 pounds or less;

if such vehicle is loaned as a replacement for "your covered auto" being serviced or repaired regardless of whether the customer, who is provided the replacement vehicle, is charged a fee for the use of such vehicle. However, "temporary loaned vehicle" does not include any such vehicle if it is a "rental vehicle."

PART A - LIABILITY COVERAGE

INSURING AGREEMENT

- 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 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.
- B. "Insured" as used in this Part means:
 1. You or any "family member" for the ownership, maintenance or use of "your covered auto".

2. Any person using "your covered auto".
3. For "your covered auto", any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this Part.

SUPPLEMENTARY PAYMENTS

We will pay on behalf of an "insured":

- A. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in "bodily injury" or "property damage" covered under this policy. But we are under no obligation to furnish these bonds.
- B. Premiums on appeal bonds and bonds to release attachments in any suit we defend. But we are under no obligation to furnish these bonds.
- C. Interest accruing after a judgment is entered in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.
- D. Up to \$50 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
- E. Other reasonable expense(s) incurred at our request.
- F. Prejudgment interest awarded against the "insured" on that part of the judgment we pay.

These payments will not reduce the limit of liability,

EXCLUSIONS

- A. We do not provide Liability Coverage for any "insured":
 1. Who intentionally causes "bodily injury" or "property damage".
 2. For "property damage" to property owned or being transported by that "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,

- b. "Property damage" to a:
 - (1) "Rental vehicle"; or
 - (2) "Temporary loaned vehicle".
- 4. For "bodily injury" to an employee of that "insured" during the course of employment. This exclusion (4.) does not apply to "bodily injury" to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
- 5. For that "insured's" liability arising out of the ownership or operation of "your covered auto" while it is being used to carry persons or property for a fee.
- 6. While employed or otherwise engaged in the "business" of:
 - a. Selling;
 - b. Repairing;
 - c. Servicing;
 - d. Storing; or
 - e. Parking;

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

This exclusion 6. does not apply to:

 - a. The ownership, maintenance or use of "your covered auto" by:
 - (1) You;
 - (2) Any "family member" or
 - (3) Any partner, agent or employee of you or any "family member";
 - b. The ownership maintenance or use of a "temporary loaned vehicle", or
 - c. "Property damage" to a "rental vehicle".
- 7. Maintaining or using "your covered auto" while that "insured" is employed or otherwise engaged in any "business" (other than farming or ranching) not described in Exclusion 6.

This Exclusion 7. does not apply to:

- a. The maintenance or use of a:
 - (1) Private passenger auto;
 - (2) Pickup or van

- (3) "Trailer used with a vehicle described in (1) or (2) above; or
- b. The ownership, maintenance or use of a "temporary loaned vehicle"; or
- c. Property damage to a "rental vehicle".
- 8. Using "your covered auto" without a reasonable belief that that "insured" is entitled to do so. However, this exclusion does not apply to a "family member" using "your covered auto" which is owned by you.
- 9. For "bodily injury" or "property damage" for which that "insured":
 - a. Is an insured under a nuclear energy liability policy; or
 - b. Would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy is a policy issued by any of the following or their successors:

- a. Nuclear Energy Liability Insurance Association;
- b. Mutual Atomic Energy Liability Underwriters; or
- c. Nuclear Insurance Association of Canada.

- 10. Arising out of the ownership, maintenance, or use of any vehicle other than "your covered auto". This exclusion does not apply to:
 - a. A "temporary loaned vehicle"; or
 - b. "Property damage" to a "rental vehicle".

- B. We do not provide Liability Coverage for "your covered auto" while "your covered auto" is being prepared for or is being used in any prearranged, organized or officiated race or speed contest, including practicing or testing for such an event.

This exclusion does not apply to rallies held in whole or in part on public roads.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident.
- B. In addition to this limit, we will make an additional amount available for "property

damage" to a "rental vehicle" or "temporary loaned vehicle" for which coverage is provided under this policy if the limit of liability shown in the Declarations for this coverage has been reduced to less than \$35,000 by payments for:

1. "Bodily injury"; or
2. "Property damage" to property other than a "rental vehicle" or "temporary loaned vehicle" for which coverage is provided under this policy.

This additional amount is equal to the difference between \$35,000 and that part of the limit of liability available after all payments have been made under this coverage for "bodily injury" and "property damage" to property other than a "rental vehicle" or "temporary loaned vehicle" for which coverage is provided under this policy.

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 auto accident.

We will apply the limit of liability to provide separate limits required by law for bodily injury and property damage liability. However, this provision will not change our total limit of liability.

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and;
 1. Part **B** or Part **C** of this policy; or
 2. Any Underinsured Motorists Coverage provided by this policy.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which "your covered auto" is principally garaged, we will interpret your policy for that accident as follows:

- A. If the state or province has:
 1. A financial responsibility or similar law specifying limits of liability for "bodily injury" or "property damage" higher than the limit shown in the Declarations, your policy will provide the higher specified limit.

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 the required minimum amounts and types of coverage in that state or province.

- B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

OTHER INSURANCE

If there is other applicable insurance 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 for a vehicle you do not own, other than:

1. a "temporary loaned vehicle", including "property damage" thereto or
2. "property damage" to a "rental vehicle";

shall be excess over any other collectible insurance.

PART B - MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A. We will pay reasonable expenses incurred for necessary medical and funeral services because of "bodily injury":
 1. Caused by an accident involving "your covered auto"; and
 2. Sustained by an "insured".

We will pay only those expenses incurred for services rendered within 3 years from the date of the accident.

- B. "Insured" as used in this Part means any person while "occupying" "your covered auto".

AUTO SHOW MEDICAL REIMBURSEMENT

In addition to the limit shown in the declarations for Medical Payments, we will pay up to \$5,000 for each person injured in any one accident subject to a maximum occurrence limit of \$10,000, for reasonable expenses incurred for necessary medical and funeral services because of "bodily injury" sustained by you and/or any "family member" caused by an accident while in attendance at an automobile show, vehicle auction, or similar automobile related event.

EXCLUSIONS

We do not provide Medical Payments Coverage for any "insured" for "bodily injury":

1. Sustained while "occupying" "your covered auto" when it is being used to carry persons or property for a fee.
2. Sustained while "occupying" "your covered auto" located for use as a residence or premises.
3. Occurring during the course of employment if workers' compensation benefits are required or available for the "bodily injury".
4. Sustained while "occupying," or when struck by, any vehicle other than "your covered auto".
5. Sustained while "occupying" "your covered auto" without a reasonable belief that that "insured" is entitled to do so.
6. Sustained while "occupying" "your covered auto" when it is being used in the "business" of an "insured".
7. Caused by or as a consequence of:
 - a. Discharge of a nuclear weapon (even if accidental);
 - b. War (declared or undeclared);
 - c. Civil war
 - d. Insurrection; or
 - e. Rebellion, revolution or terrorism.
8. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. Nuclear reaction;
 - b. Radiation; or
 - c. Radioactive contamination.
9. Sustained while occupying "your covered auto" when it is being prepared for or is being used in any prearranged, organized

or officiated race or speed contest, including practicing or testing for such an event.

This exclusion does not apply to rallies held in whole or in part on public roads.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident to which this policy applies. 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 **C** of this policy; or
 2. Any Underinsured Motorists Coverage provided by this policy.

OTHER INSURANCE

If other insurance also covers a loss, we will pay only our share. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

PART C - UNINSURED MOTORISTS COVERAGE

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" while "occupying" "your covered auto"; 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 damage arising out of a suit brought without our written consent is not binding on us.

B. "Insured" as used in this Part means any person "occupying" "your covered auto".

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. In this case its limit for bodily injury liability must be less than the minimum limit for bodily injury liability specified by the financial responsibility law of the state in which "your covered auto" is principally garaged.
3. Which is a hit and run vehicle whose operator or owner cannot be identified and which hits:
 - a. You or any "family member" while "occupying" "your covered auto"; or
 - b. "Your covered auto".
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".
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured Motorists Coverage for "bodily injury" sustained:

1. By an "insured" while "occupying", or when struck by, any motor vehicle owned by that "insured" which is not insured for this

coverage under this policy. This includes a trailer of any type used with that vehicle.

2. By any "family member" while "occupying", or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.

B. 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 without our consent.
2. While "occupying" "your covered auto" when it is being used to carry persons or property for a fee.
3. Using "your covered auto" without a reasonable belief that that "insured" is entitled to do so.
4. While "occupying" any vehicle other than "your covered auto".
5. While "occupying" "your covered auto" when it is being prepared for or is being used in any prearranged, organized or officiated race or speed contest, including practicing or testing for such an event.

This exclusion does not apply to rallies held in whole or in part on public roads

C. 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.

D. 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 this coverage is our maximum limit of liability for all damages 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 insurance available under one or more policies or provisions of coverage:

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance we provide with respect to a vehicle you do not own shall be excess over any collectible insurance providing coverage on a primary basis.
3. 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", 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 "named insured" lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by 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 the state in which "your covered auto" is principally garaged. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made in writing 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.

PART D - COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

DEFINITIONS

- A. "Other than collision" includes loss to "your covered 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" with another object.
- C. "Equipment" means tools stored in "your covered auto" and used for the emergency maintenance of "your covered auto".

INSURING AGREEMENT

We will pay for direct and accidental loss to "your covered 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.

SPARE PARTS

We will pay up to \$250 for direct and accidental loss or damage to "spare parts" for "your covered auto".

"Spare parts" means a replacement for an item normally a part of "your covered auto" which is not currently in place on "your covered auto".

This coverage does not:

- 1. Increase the limit of liability for "your covered auto" as stated under Part D in the Declarations.
- 2. Include parts held for sale by you or property of others in your care, custody or control.

EXCLUSIONS

A. We will not pay for:

- 1. Loss or damage caused by insects or vermin; inherent defect; dampness, mildew, mold, rot or rust; temperature extremes; mechanical or electrical breakdown or failure; wear and tear; gradual deterioration; or loss of use.
- 2. Loss or damage caused by any repairing, renovating or refinishing process unless the process results in a fire or explosion. We will pay only for damage caused by the fire or explosion.

3. Road damage to tires unless caused by "other than collision" covered by this policy.

4. Loss due to or as a consequence of war (declared or undeclared), civil war, insurrection, rebellion, revolution, terrorism, government confiscation or repossession.

5. Loss due to nuclear reaction, nuclear radiation or radioactive contamination. We will pay for direct loss by fire resulting from any of these.

6. Loss to any data or sound receiving or transmitting equipment designed for use as a citizens band radio; two-way mobile radio; telephone; facsimile machine; or scanning monitor receiver; including its antennas or accessories.

This exclusion does not apply if the equipment is permanently installed in the dash or console opening normally used by the auto manufacturer for the installation of a radio.

7. Loss to equipment designed for the reproduction of sound not permanently installed in "your covered auto".

8. Loss to tapes, records, compact discs or other sound reproducing devices designed for use with sound reproducing equipment.

9. Loss to "spare parts" caused by theft unless the loss results from forcible entry into the place where your "spare parts" are normally kept; into "your covered auto" itself; or into a securely locked compartment. All losses caused by theft must have visible marks of forcible entry.

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

11. Loss to "your covered auto" as a result of anyone causing you to voluntarily part with it as a result of any trick or scheme.

12. Loss caused by or resulting from "your covered auto" being prepared for or being used in any prearranged, organized or officiated race or speed contest, including practicing or testing for such an event.

This exclusion does not apply to rallies held in whole or in part on public roads

LIMIT OF LIABILITY

- A. We will pay the limit shown under Coverage D in the Declarations for each scheduled vehicle, which is agreed to be the value of "your covered auto", in case of a total loss or "constructive total loss".
- B. For all other loss or damage to "your covered auto", we will pay the amount necessary to repair or replace the property, whichever is less, provided you actually repair or replace the property, with similar kind and quality, without regard to depreciation or betterment, but we will not pay more than the agreed limit per vehicle shown under Coverage D in the Declarations.

LOSS TO A PAIR, SET OR PARTS

In case of a loss to a pair or set we will repair or replace any part to restore the pair or set to its value before the loss.

In case of loss or damage to any part of an insured item consisting of several parts, we are liable only for the value of the lost or damaged part.

PAYMENT OF LOSS

Unless a claim has been paid by others, we will pay any loss covered under this policy within 5 business days after we reach agreement with you, entry of a final judgment, or the filing of an appraisal award with us.

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 you or to 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.

The right of salvage belongs to us. You may, at your option, purchase the salvage from us. You must advise us of your intent prior to our making payments under the terms of this policy.

NO BENEFIT TO BAILEE

No person or organization having custody of the property who is paid or to be paid for services shall benefit from this coverage.

OTHER INSURANCE

If there is other applicable similar insurance 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.

APPRAISAL

- A. If we and you do not agree on the amount of loss, and:
 - 1. The amount of loss is \$10,000 or less, the loss shall be submitted to appraisal.
 - 2. The amount of loss is greater than \$10,000, either party may demand an appraisal of the loss.

In the event of an appraisal, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- 1. Pay its chosen appraiser; and
 - 2. Bear the expenses of the appraisal and umpire equally.
- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

VEHICLE TRAILER

"Your vehicle trailer" is covered only for physical loss or damage to the trailer itself.

We will cover "your vehicle trailer" for up to the amount of insurance, and less any applicable deductible, 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 E - DUTIES AFTER AN ACCIDENT OR LOSS

- A. We, or our authorized representative, must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
 - 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 - 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.

3. Submit, as often as we reasonably require:
 - a. To physical exams by physicians we select. We will pay for these exams.
 - b. To examination under oath and subscribe the same.
4. Authorize us to obtain:
 - a. Medical reports; and
 - b. Other pertinent records.
5. Submit a proof of loss when required by us.
- C. A person seeking Uninsured Motorists Coverage must also:
 1. Promptly notify the police if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
 1. Take reasonable steps after a loss to protect "your covered auto" or any "non-owned auto" and their equipment from further loss. We will pay reasonable expenses incurred to do this.
 2. Promptly notify the policy if "your covered auto" or any "non-owned auto" is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F - GENERAL PROVISIONS

VEHICLE INSURANCE REQUIREMENT

Minnesota statutes 65B.41 to 65B.71 mandate coverages of Bodily Injury and Property Damage Liability, Personal Injury Protection and Uninsured and Underinsured Motorists, according to state "no-fault" laws. This policy complies with Minnesota Statutes 65B.41 to 65B.71 for the coverages specified.

BANKRUPTCY

Bankruptcy, insolvency or dissolution of the "insured" shall not relieve us of any obligations under this policy.

CHANGES

- A. This policy contains all the agreements between you and us. Its terms may not be changed or waived except by written endorsement issued by us.
- B. If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to:
 1. The number, type or use classification of insured vehicles;
 2. Operators using insured vehicles;
 3. The place of principal garaging of insured vehicles;
 4. Coverages, deductibles or limits;
 5. Alterations or modifications to "your covered auto".

If you alter or modify your vehicle in any way you must notify us in writing within 30 days.

If a change resulting from paragraphs A. or B. requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.

- C. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (C.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:
 1. A subsequent edition of your policy; or
 2. An Amendatory Endorsement.

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. This provision does not apply to **Part A - Liability Coverage**.

LEGAL ACTION AGAINST US

- A. 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. no legal action may be brought against us until:

1. We agree in writing that the "insured" has an obligation to pay; or
2. The amount of that obligation has been finally determined by judgment after trial.

B. No person(s) or organization(s) has any right under this policy to bring us into any action to determine the liability of an "insured".

C. Under Part **D**, suit or action must start within 24 months of the date of loss, but this time period will be extended by the number of days between the date you file your proof of loss with us and the date we deny all or part of your claim.

PAYMENT OF LOSS

Payment of loss, with all your indebtedness to us being first deducted, will be made within five 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.

If we pay a total loss or a "constructive total loss" for any of "your covered auto(s)" shown in the Declarations, all coverage under this policy for such covered auto(s) will terminate simultaneously upon payment of the loss. The amount we will pay for a total loss or "constructive total loss" of "your covered auto" shall be reduced by any amount previously paid for repairs not completed at the time of the total loss.

"Constructive total loss" means a loss where the cost to repair damage to "your covered auto" will exceed the agreed value of the vehicle when fully repaired.

OUR RIGHT TO RECOVER PAYMENT

A. If we make 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. That person shall do:

1. Whatever is necessary to enable us to exercise our rights; and
2. Nothing after loss to prejudice our rights.

However, our rights in this paragraph (A.) do not apply under Part **D**, against any person using "your covered auto" with a reasonable belief that that person is entitled to do so.

B. 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.

C. Our rights under Paragraph **A.** with respect to all coverages do not apply against:

1. The person or organization legally responsible for damages, if we also insure that person or organization for the same loss or damages; or
2. Any "insured".

D. Our rights under Paragraph **A.** with respect to all coverages do not apply against:

A person 21 years of age or older who:

1. sold, bartered, furnished or gave to, or purchased for a person under the age of 21 years alcoholic beverages that caused the intoxication of that person; and
2. permitted the consumption of alcoholic beverages that caused the intoxication of the person under the age of 21.

This paragraph applies when the under age, intoxicated person causes an injury, loss or damage for which payment is made under this policy.

E. With respect to Part **D.**, we shall be entitled to a recovery from the amount we receive under Paragraph **A.** or **B.** only after the person has been fully compensated for any applicable deductible.

F. Our rights in Paragraphs **A.** and **B.** are subject to any applicable limitations contained in the Minnesota statutes.

ABANDONMENT

There can be no abandonment of "your insured property" to us.

"Your insured property" means "your covered auto", "spare parts" and/or personal effects.

POLICY PERIOD AND TERRITORY

A. This policy applies only to accidents and losses which occur:

1. During the policy period as shown in the Declarations; and
2. Within the policy territory.

B. The policy territory is:

1. The United States of America, its territories or possessions; or
2. Canada.

This policy also applies to loss to, or accidents involving, "your covered auto" while being transported between their ports.

TERMINATION

Cancellation. This policy may be canceled 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 to the named insured shown in the Declarations at the address shown in this policy 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 is given and this is not a renewal or continuation policy; or
 - b. Giving to the named insured shown in the Declarations at the address shown in this policy at least 30 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 any driver who is not a named insured under any other policy; and who:
 - (1) Lives with you; or
 - (2) Customarily uses "your covered auto";

has been suspended or revoked as the result of a moving traffic violation or because the driver refused to be tested under the implied consent law, Section 169.121, subdivision 1, paragraph (a). 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; or

- c. If the policy was obtained through material misrepresentation.

Nonrenewal. If we decide not to renew or continue this policy, we will (subject to the provisions of the laws of the State of Minnesota) mail notice to the named insured shown in the Declarations at the address shown in this policy. The named insured will be provided with a minimum of 60 days advanced notice of our intention not to renew or continue this policy. 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. 1 year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

However, even if we fail to comply with the above paragraph, this policy will terminate:

1. At the end of the current policy period, if:
 - a. You fail to pay the required renewal/continuation premium when due; or
 - b. We offer to renew or continue and you or your representative do not accept.

2. On the effective date of any other auto insurance policy you obtain for "your covered auto" designated in both policies.

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 canceled, you may be entitled to a premium refund. The premium refund, if any, will be computed according to our manual.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.

OTHER INSURANCE POLICIES

This policy provides coverage for your "antique vehicle" and/or "classic vehicle" and applies only to the vehicle(s) shown in the Declarations. Any other vehicles you own should be insured by a separate policy. In no event will this policy provide coverage for any vehicles other than those shown in the Declarations, or which are added to this policy by endorsement. However, any insurance we provide with respect to a "temporary loaned vehicle" shall be excess over any other collectible insurance.

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:
 - 1. The surviving spouse if a resident in the same household at the time of death. Coverage applies to the spouse as though a "named insured" shown in the Declarations; and
 - 2. The legal representative of the deceased person as though 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".
- B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTO POLICIES

If this policy and any other auto insurance policy issued to you by us apply to the same accident, the maximum limit of our liability under all the policies shall not exceed the highest applicable limit of liability under any one policy.

STATE LAW

Any part of this policy that conflicts with state law is automatically changed to conform to the law.