

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY.

UNINSURED/UNDERINSURED MOTORISTS COVERAGE – MINNESOTA

SCHEDULE

Coverage is provided where a premium and a limit of liability are shown for the coverage.

Description Of Vehicle	Uninsured Motorists Coverage		Underinsured Motorists Coverage	
	Limit Of Liability	Premium	Limit Of Liability	Premium
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$

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" or "underinsured 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" or "underinsured motor vehicle".

Any judgment for damages arising out of a suit brought against an uninsured or underinsured motorist is not binding on us unless we have:

1. Received reasonable notice of the commencement of the suit resulting in judgment; and
2. Had a reasonable opportunity to protect our interests in the suit.

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. "Underinsured motor vehicle" means a land motor vehicle or trailer of any type to which a bodily injury liability bond or policy applies at the time of the accident in limits equal to or greater than the minimum limits specified by the Minnesota No-Fault Automobile Insurance Act but its limit for bodily injury liability is not enough to pay the full amount the "insured" is legally entitled to recover as damages. However, "underinsured motor vehicle" does not include:

1. Any vehicle or equipment 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. An "uninsured motor vehicle".

D. "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 Minnesota.
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".

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.

"Uninsured motor vehicle" does not include:

1. An "underinsured motor vehicle".
2. Any vehicle or equipment owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who:
 - a. Denies coverage;
 - b. Is or becomes insolvent; or
 - c. Cannot provide the amounts required by that motor vehicle law.

- E. 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. 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 coverage under this endorsement for "bodily injury" sustained by any "insured":
 1. While "occupying" 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. If that "insured" or the legal representative settles the "bodily injury" claim with the owner or operator of an "uninsured motor vehicle" and such settlement prejudices our right to recover payment.
 3. While "occupying" "your covered auto" when it is being used as a public or livery conveyance to the extent that the limits of liability for this coverage exceed the minimum limits of liability required by the financial responsibility law of Minnesota. This Exclusion (A.3.) does not apply to a share-the-expense car pool.
 4. Using a vehicle without a reasonable belief that that "insured" is entitled to do so.

This Exclusion (A.4.) 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/Underinsured Motorists Coverage for punitive or exemplary damages.

Limit Of Liability

- A. The limit of liability shown in the Schedule or in the Declarations for Uninsured Motorists Coverage is our maximum limit of liability for all damages resulting from any one accident with an "uninsured motor vehicle". The limit of liability shown in the Schedule or in the Declarations for Underinsured Motorists Coverage is our maximum limit of liability for all damages resulting from any one accident with an "underinsured motor vehicle". The limit of liability applicable to Uninsured Motorists Coverage or Underinsured Motorists Coverage 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.

We will apply the limit of liability to provide any separate limits required by law for Uninsured Motorists Coverage or Underinsured Motorists Coverage. However, this provision will not change our total limit of liability.

- B. No one will be entitled to receive duplicate payments for the same elements of loss under Uninsured Motorists Coverage and:
 1. Part A or Part B of this Policy;
 2. Any Underinsured Motorists Coverage provided by the Policy; or
 3. Personal injury protection coverage.
- C. No one will be entitled to receive duplicate payments for the same elements of loss under Underinsured Motorists Coverage and:
 1. Part A or Part B of this Policy;
 2. Any Uninsured Motorists Coverage provided by this Policy; or
 3. Personal injury protection coverage.

- D. No payment will be made under either Uninsured Motorists Coverage or Underinsured Motorists Coverage for any amount which would have been paid except for the application of a deductible under personal injury protection coverage.
- E. We will not make a duplicate payment under either Uninsured Motorists Coverage or Underinsured Motorists 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.
- F. 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

- A. With respect to coverage we provided when "your covered auto" is involved in an accident, only:
1. The limit of liability for Uninsured Motorists Coverage applicable to that "your covered auto" will apply for damages for which the owner or operator of the "uninsured motor vehicle" is legally responsible.
 2. The limit of liability for Underinsured Motorists Coverage applicable to that "your covered auto" will apply for damages for which the owner or operator of the "underinsured motor vehicle" is legally responsible.
- B. If an "insured" sustains "bodily injury" while:
1. "Occupying" a vehicle:
 - a. Not owned by that person, including any vehicle while used as a temporary substitute for "your covered auto", or
 - b. Owned by you or any "family member" which is insured under one or more separate policies providing Uninsured Motorists Coverage or Underinsured Motorists Coverage; or
 2. Not "occupying" any vehicle;
- the following priorities of recovery apply:

First Priority	The Policy affording Uninsured Motorists Coverage or Underinsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the accident.
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Second Priority	Any policy affording Uninsured Motorists Coverage or Underinsured Motorists Coverage to the "insured" as a named insured or family member.
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3. Where there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.
4. Where there is applicable insurance available under the first priority:
 - a. The limit of liability applicable to the vehicle the "insured" was "occupying", under the Policy in the first priority, shall first be exhausted; and
 - b. The maximum recovery under all policies in the second priority shall not exceed the amount by which the highest limit for any one vehicle under any one policy in the second priority exceeds the limit applicable under the Policy in the first priority.
5. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of liability bears to the total of all applicable limits in the same level of priority.

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 "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 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.

Part E – Duties After An Accident of Loss

The following are added to Part E:

A person seeking Underinsured Motorists Coverage must also promptly:

- A.** Send us copies of the legal papers if a suit is brought; and
- B.** Notify us in writing of a tentative settlement between the "insured" and the insurer of an "underinsured motor vehicle" and allow us 30 days to advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of the "underinsured motor vehicle".

This notice shall:

1. Identify the "insured", the owner or operator of the "underinsured motor vehicle" and the insurer of the "underinsured motor vehicle";
2. Disclose the limits of the automobile liability insurance available to the owner or operator of the "underinsured motor vehicle"; and

3. Disclose the agreed upon amount of the tentative settlement.

Part F - General Provisions

The following is added to **Our Right To Recover Payment** provision with respect to Underinsured Motorists Coverage:

Our Right To Recover Payment

Our rights do not apply under Paragraph **A.** with respect to Underinsured Motorists Coverage if we:

1. Have been given prompt written notice of a tentative settlement between an "insured" and the insurer of an "underinsured motor vehicle"; and
2. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of written notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of written notification:

1. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage.
2. We also have a right to recover the advanced payment.