

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY.

VALUE-ADDED ENDORSEMENT - TEXAS

This additional insurance is provided for no extra premium subject to the provisions of this endorsement and in compliance with all applicable provisions of the Classic Auto Policy to which it is attached.

DEFINITIONS

Definition I. is replaced by the following:

I. "Your covered auto" means:

1. Any "antique vehicle" or "classic vehicle" shown in the Declarations.
2. A "newly acquired collector vehicle".

The following words and phrases are defined with respect to the coverage provided by this endorsement:

"Auto accident" means "bodily injury" due to an accident sustained by you or a "family member" involving the ownership, operation, maintenance or use of "your covered auto" as a vehicle.

"Automotive Tools" includes tools and portable equipment used in the maintenance of collector vehicles. This also includes:

- ◆ portable carts or cases used to store covered tools;
- ◆ accessories for covered tools whether attached or not.

"Personal Effects" includes items usually carried by tourists and travelers, which you own and use or wear, while temporarily located in the vehicle, except as limited below.

Personal Effects does not include:

- ◆ "Equipment"; "Spare Parts"; or "Automotive Tools";
- ◆ Accounts, bills, checks, credit or debit cards, currency, deeds, documents, evidences of debt, gift cards or certificates, letters of credit, money, notes, or securities;
- ◆ Portable digital or electronic devices, cell phones, or laser or radar detection devices, including their accessories; or
- ◆ Tapes, disks or other media used with equipment described immediately above.

"Newly acquired collector vehicle" means any "antique vehicle" or "classic vehicle", you become owner of during the policy period.

"Replacement vehicle" means any "newly acquired collector vehicle" that replaces a vehicle shown in the Declarations.

"Additional vehicle" means any "newly acquired collector vehicle" that is not a "replacement vehicle".

PART A – LIABILITY COVERAGE

SUPPLEMENTARY PAYMENTS is amended as follows:

The amount shown under item D. for loss of earnings is increased from up to \$50 per day to up to \$1,000 per day.

PART A – LIABILITY COVERAGE and PART B – MEDICAL PAYMENTS

The following coverage is added:

TEMPORARY EXCESS WORLDWIDE COVERAGE FOR OWNED AND NEWLY ACQUIRED COLLECTOR VEHICLES

If you purchase a new “antique vehicle” or “classic vehicle”, or temporarily relocate “your covered auto” shown in the Schedule or Declarations, outside the United States of America, its territories or possessions, or Canada, your coverage under **Part A – Liability Coverage** and **Part B - Medical Payments** will apply to the operation or use of that vehicle by you or any “family member” subject to the following provisions:

1. The insured vehicle is not in any country, territory or waterway in which The Office of Foreign Assets Control ("OFAC") of the US Department of the Treasury has administered and enforced economic and trade sanctions.
2. An underlying policy of automobile liability insurance is purchased or provided at or above the minimum liability limits required by the country or jurisdiction in which the vehicle is being operated. We will pay only that part of a covered loss that exceeds the limit of liability of that underlying policy; or, absent such underlying policy, the minimum liability limits required by the country or jurisdiction in which the vehicle is being operated or liability limits of \$50,000 USD per person/\$100,000 USD per accident, whichever is lower. However, under no circumstances will we pay more than the limit of liability shown in the Declarations page of this policy.
3. This coverage extension applies for 90 days from the date of purchase or the day “your covered auto” arrives in the foreign country or jurisdiction. However, this period may be extended by us in writing.

LEGAL ACTION AGAINST US

Under this Temporary Excess Worldwide Coverage For Owned and Newly Acquired Collector Vehicles provision, any legal action seeking damages must be brought in the United States of America.

WARNING

In Mexico, and other countries, only liability coverage purchased from a local licensed insurance company will meet the auto insurance requirements of that country. Failure to purchase any required insurance policy could result in fines or other penalties.

The following coverage is added by this endorsement:

ACCIDENTAL DEATH BENEFIT**INSURING AGREEMENT**

We will pay the Accidental Death Benefit in the event of your death or the death of a “family member” when:

1. “bodily injury” is a direct result of an “auto accident” involving “your covered auto” which is listed in the Declarations with Bodily Injury or Combined Single Limits; and
2. death occurs within 90 days after the date of the accident.

For purposes of Accidental Death Benefit coverage:

- a. “your covered auto” does not include a vehicle you do not own, or a vehicle with fewer than four wheels; and
- b. a limited benefit may be extended to a pet owned by you or any “family member” occupying “your covered auto” at the time of the accident.

EXCLUSIONS

We do not provide any Accidental Death Benefit for “bodily injury”:

1. caused by or resulting from an intentional act committed by or at the direction of any “named insured” or “family member”;
2. when the “auto accident” occurs while you or a “family member” is operating or is a passenger on a motorcycle;

3. when the "auto accident" occurs while you or a "family member" is engaged in illegal activities;
4. sustained while "occupying" "your covered auto" when it is being used to carry persons or property for a fee;
5. sustained while "occupying" "your covered auto" located for use as a residence or premises;
6. occurring during the course of employment if workers' compensation benefits are required or available for the "bodily injury";
7. sustained while "occupying" "your covered auto" when it is being used in any "business";
8. 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 or revolution;
9. from or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. Nuclear reaction;
 - b. Radiation; or
 - c. Radioactive contamination;
10. caused by suicide or attempted suicide, whether sane or insane;
11. while "your covered auto" is:
 - a. involved in any prearranged, organized, or spontaneous race or involved in:
 1. preparation for a race of this type, but only while in the "paddock" or on the track or racecourse; or
 2. practicing or qualifying for a race of this type.

A race includes any contest for speed or endurance, whether against another competitor or against a time measuring device.
 - b. used at a:
 1. racing facility; or
 2. facility or roadway temporarily designated for speed, time, racing, or performance driving events. This includes, but is not limited to, the use of "your covered auto" at a performance or racing driving school, a rally in excess of the legal speed limit, or a closed road rally.

However, sections a. and b. of this exclusion do not apply while "your covered auto" is:

- i.) on display in a race facility's "paddock" area and is not being prepared for a race or a specified show display area;
- ii.) being trailered from one location to another;
- iii.) used by you to attend a racing event as a spectator;
- iv.) being operated for purposes of display in any pre- or post-race parade laps; or
- v.) involved in an organized event on open, public roads while operated within legal speed.
- c. being used to prepare, practice or qualify for, or participate in, any of the following activities, regardless of where they take place:
 1. forced hydraulic bouncing competitions or exhibitions;
 2. pulling against another vehicle, or pulling of a weighted object during competitions or exhibitions, but not including trailer pulling;
 3. stereo thumping competitions or exhibitions; or
 4. any other similar competitive or exhibition activity that a reasonable person could foresee may cause injury or damage.

However, section c. of this exclusion does not apply while "your covered auto" is:

- i.) on display in a facility or a specified show display area and is not involved in any competitive or exhibition activity described in this section;
- ii.) being trailed from one location to another; or
- iii.) used by you to attend an event as a spectator;

LIMIT OF LIABILITY

The limit of liability is \$10,000 for all deaths resulting from any one "auto accident". At your option, up to \$500 of this limit may be applied to pets. This is the most we will pay regardless of the number of:

- 1. Covered persons or pets;
- 2. Claims made;
- 3. Vehicles or premiums shown in the Declarations;
- 4. Vehicles involved in the accident; or
- 5. Lawsuits brought.

This coverage will be primary and will not be reduced or be used to reduce any other coverage provided by this policy.

PAYMENT OF BENEFIT

The Accidental Death Benefit will be paid as follows:

- 1. If the deceased person is survived by a spouse who was a resident of the same household at the time of the "auto accident", benefits for death are payable to such spouse;
- 2. If the deceased was a minor or a pet, benefits for death are payable to you;
- 3. If 1. or 2. above do not apply, benefits for death are payable to the deceased person's estate.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

LIMITED WAIVER OF COLLISION DEDUCTIBLE

When there is a loss to "your covered auto" insured for "collision" coverage:

- 1. no deductible will apply if the loss was caused by a collision with another auto insured by us; or
- 2. up to \$2,500 of any applicable deductible will be waived if the loss is determined to be less than 50% your fault.

SPARE PARTS

This limit is increased to:

- 1. \$1,500; or
- 2. the amount shown in the declarations for "Spare Parts".

LIMIT OF LIABILITY

Sections A. and B. are replaced by the following:

- A. We will pay the limit shown under **Part D** in the Declarations for each scheduled vehicle, which is agreed to be the guaranteed value of "your covered auto", in case of a total loss or "constructive total loss". This limit of liability shown for each vehicle is increased by two percent at the end of each three month period after the policy effective date. Upon expiration of the policy period, the limit reverts back to the guaranteed value shown in the Declarations. This amount is used to process your renewal unless you request a change in the amount of insurance to which we must also agree.
- 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 guaranteed value per vehicle shown under **Part D** in the Declarations.

The following coverage applies to “your covered auto” listed in the Declarations if the loss or damage is caused by:

- a. “Other than collision”, only if the Declarations indicate that Other Than Collision Coverage is provided for “your covered auto.”
- b. “Collision”, only if the Declarations indicate that Collision Coverage is provided for “your covered auto.”

► **LOSS OF USE AND TRIP INTERRUPTION EXPENSES**

We will pay, without application of a deductible, up to a maximum limit of \$1,500 for reasonable:

- 1. Temporary expenses incurred by you for transportation, lodging and meals in the event of direct and accidental loss to "your covered auto" caused by "collision" or "other than collision";
- 2. Expenses of up to \$20 per day, or the amount for which you become legally responsible, in the event of a covered loss to an auto not owned by or furnished or available for your regular use which is a replacement for “your covered auto”; and
- 3. Unrecoverable, pre-paid expenses for your attendance at collector vehicle events, such as pre-registration fees.

This coverage applies only if:

- a. the loss to "your covered auto" occurs more than 50 miles from its customary garaging; and
- b. "your covered auto" is withdrawn from use for at least 24 hours.

LIMIT OF LIABILITY

- A. Our payment for these expenses will be limited to that period of time reasonably required to:
 - 1. Resume travel under a prearranged itinerary; or
 - 2. Return home.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and **Part D** of the policy.

EXCLUSIONS

We will not pay for loss to, or loss of use of, a rental vehicle rented by you if a rental vehicle company is precluded from recovering such loss or loss of use from you, pursuant to the provisions of any applicable rental agreement or state law.

► **AUTOMOTIVE TOOLS COVERAGE**

We will pay up to \$250 for direct and accidental loss or damage to "Automotive Tools" for "your covered auto", subject to a deductible of \$25. This coverage does not include tools used in any business, or property of others in your care, custody or control.

However, we will not pay for loss to "Automotive Tools" caused by theft unless the loss results from forcible entry.

► **PERSONAL EFFECTS COVERAGE**

We will pay up to \$250 for direct and accidental loss or damage to your “Personal Effects” while in "your covered auto", subject to a deductible of \$25.

However, we will not pay for loss to “Personal Effects” caused by theft unless the loss results from forcible entry into "your covered auto".

► **VEHICLE VALUABLE PAPERS COVERAGE**

We will pay up to \$250 for direct and accidental loss or damage to vehicle valuable papers and records while in "your covered auto", subject to a deductible of \$25. This coverage includes the cost to research lost information on valuable papers and records for which duplicates do not exist.

However, we will not pay for loss to valuable papers and records caused by theft unless the loss results from forcible entry into "your covered auto". All losses caused by theft must have visible marks of forcible entry.

For purposes of this coverage, "your covered auto's" valuable papers and records includes but is not limited to printed or written materials such as an owner's handbook, parts or service manuals or sales literature.

► **VEHICLE VIN THEFT AND FRAUDULENT TITLE COVERAGE**

We will pay, without a deductible, for expenses reasonably and necessarily incurred by you to establish ownership as a result of the fraudulent and unlawful use of the Vehicle Identification Number (VIN) by others. We will also pay for the loss of the vehicle if the title of "your covered auto" is shown to be fraudulent, you did not know it was fraudulent, and the vehicle is confiscated by a public authority. This includes reasonable attorney fees with prior notice and approval by us.

LIMIT OF LIABILITY

Our limit of liability during any one policy period shall be the lesser of:

- A. The cost to establish ownership and clear the title;
- B. The guaranteed value; or
- C. \$50,000.

Part 2. of **LIMITED VEHICLE FRAUD COVERAGE** provided in the Enthusiasts Essentials Endorsement, AC 01 90, is deleted.

The following coverage is added:

► **COVERAGE FOR ACCIDENTAL DEPLOYMENT OF AN AIRBAG**

In addition, we will pay, without application of a deductible, up to \$1,500 for the cost to repair or replace an airbag passive restraint system that accidentally deploys when not caused by a "collision" or "other than collision" loss.

► **VEHICLE LOCK COVERAGE**

In addition, we will pay, without application of a deductible, up to \$1,500 for a loss to keys for "your covered auto" which includes:

- A. The cost to duplicate or replace lost or stolen keys;
- B. The labor costs to retrieve keys accidentally locked in the vehicle; or
- C. The cost to re-key the vehicle locks when the keys are lost, stolen, or the vehicle is stolen and then recovered.

OTHER SOURCES OF RECOVERY

Any insurance we provide with respect to the additional coverage under Part D of this endorsement shall be excess over any other collectible source of recovery.

PART E – DUTIES AFTER AN ACCIDENT OR LOSS

This provision is amended as follows:

A person seeking the Accidental Death Benefit must also provide us a notarized copy of the deceased person's death certificate and any other proof of claim, under oath, if required.

PART F – GENERAL PROVISIONS

LEGAL ACTION AGAINST US

This provision is replaced by the following:

No legal action may be brought against us under the Accidental Death Benefit until there has been full compliance with all the terms of this policy.

TRANSFER OF YOUR INTEREST IN THIS POLICY

This provision is replaced by the following:

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, the Accidental Death Benefit will be provided for any surviving "insured" named in the Schedule or in the Declarations until the end of the policy period.

The following provision is added:

NEWLY ACQUIRED COLLECTOR VEHICLES

Coverage for an "additional vehicle" or "replacement vehicle" is provided as described below.

- A. For any coverage provided in this policy except Coverage for Damage to Your Covered Auto, an "additional vehicle" and a "replacement vehicle" will have the broadest coverage we now provide for any collector vehicle shown in the Declarations. Coverage begins on the date you become the owner. However, for this coverage to apply to an "additional vehicle", you must ask us to insure it within 90 days after you become the owner. If you ask us to insure an "additional vehicle" after the 90 days has elapsed, any coverage we provide for an "additional vehicle" will begin at the time you request the coverage. For a "replacement vehicle", coverage is provided for this vehicle without your having to ask us to insure it.
- B. For a "replacement vehicle", Coverage for Damage to Your Covered Auto will be the same as the coverage for the vehicle being replaced. However, you must notify us within 90 days of the date you became the owner if you wish to add or continue coverage for damage for the "replacement vehicle".
- C. For an "additional vehicle", Coverage for Damage to Your Covered Auto will be the broadest coverage provided under the policy for any covered vehicle shown in the declarations. However, you must notify us within 90 days of the date you became the owner if you wish to add or continue coverage for damage to the "additional vehicle".
- D. When automatic Coverage for Damage to Your Covered Auto is provided on a "newly acquired collector vehicle" within 90 days of the date you become the owner, the limit provided on the "newly acquired collector vehicle" will be the lesser of the following:
 - 1. the purchase price;
 - 2. the verifiable value; or
 - 3. the highest agreed value shown on the declarations page.
- E. If you ask us to add or continue Coverage for Damage to Your Covered Auto for a "newly acquired collector vehicle", coverage will begin at the agreed value at the time you request the coverage for the "newly acquired collector vehicle".

All other provisions of the policy apply.