

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

PROPERTY PROTECTION COVERAGE – MICHIGAN

This coverage is subject to the provisions of this endorsement and in return for the premium paid and compliance with all applicable provisions of the Classic Auto Policy to which it is attached.

DEFINITIONS

The definition of "your covered auto" is replaced by the following:

"Your covered auto" means an "auto":

1. Which you own;
2. For which you are required to maintain security under the Michigan Insurance Code; and
3. To which the property damage liability coverage of this policy applies.

The following definition is added:

"Auto" means a motor vehicle or trailer operated or designed for use on public roads. However, "auto" does not include:

1. A motorcycle or moped;
2. A farm tractor or other implement of husbandry which is not subject to the registration requirements of the Michigan Vehicle Code; or
3. A vehicle operated by muscular power or with fewer than three wheels.

"Insured" as used in this endorsement means:

1. You or any "family member" for the ownership, maintenance or use of any "auto". This applies only if **PART A – LIABILITY COVERAGE** of this policy applies to that "auto".
2. Any person using "your covered auto" which is owned by you.

PROPERTY PROTECTION COVERAGE

INSURING AGREEMENT

We will pay, for an "insured", "property damage":

1. Caused by an accident; and
2. Resulting from the ownership, maintenance or use of an "auto" as an "auto".

This coverage is subject to the provisions of the Michigan Insurance Code. Property protection benefits apply only to accidents which happen in Michigan.

EXCLUSIONS

We do not provide **Property Protection Coverage** for "property damage":

1. Intentionally caused by any claimant.
2. To the property of any "insured" using "your covered auto" without your expressed or implied consent.
3. To "your covered auto" or its contents.
4. To any vehicle which is not "your covered auto" or its contents. This Exclusion 4. does not apply if the vehicle was:
 - a. Damaged by "your covered auto"; and
 - b. Parked in such a way as not to cause unreasonable risk of the "property damage".
5. To property owned by either:
 - a. You; or
 - b. Any "family member";

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if you or any "family member" were the:

- a. Owner;
- b. Operator; or
- c. Registrant;

of an "auto" involved in the accident which caused the "property damage".

- 6. Resulting from an accident involving an "auto" not owned by, but used by:

- a. You; or
- b. Any "family member";

to the extent the owner or registrant has the security required under the Michigan Insurance Code.

- 7. To any property while an "auto" is located for use as a residence or premises.

- 8. Occurring within the course of the business of:

- a. Repairing;
- b. Servicing; or
- c. Otherwise maintaining;

motor vehicles.

- 9. Resulting from an accident involving "your covered auto" used by a person who is not a resident of Michigan unless, at the time of the accident, such person is the owner of a motor vehicle registered in Michigan and for which the security required by Michigan Insurance Code is in effect.

LIMIT OF LIABILITY

Our maximum limit of liability for **Property Protection Coverage** for all "property damage" resulting from any one auto accident is \$1,000,000. 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 Schedule;
- 4. Vehicles involved in the accident; or
- 5. Insurers providing property protection insurance.

However, we will pay the lesser of:

- 1. Reasonable repair costs; or
- 2. Replacement costs minus depreciation.

We will also pay, where applicable, the value of loss of use.

PART E – DUTIES AFTER AN ACCIDENT OR LOSS

Duty B.1. is replaced by the following:

A person seeking any coverage must:

- 1. Cooperate with us in the investigation or settlement of any claim.

The following duties are added:

A person seeking payment must:

- 1. Take reasonable steps after an accident, at our expense, to protect the damaged property. Any "property damage" due to failure to protect the property will not be paid under this insurance.
- 2. Permit us to inspect and appraise the damaged property before its repair or disposal.

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PART F – GENERAL PROVISIONS

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 the terms of this coverage. In addition, no legal action may be brought against us later than one year from the date of the accident causing the "property damage".

The **Our Right to Recover Payment** provision is amended as follows:

Paragraph A. of the provision does not apply.

The following is added to Paragraph B.:

Our right is subject to any applicable limitations stated in the Michigan Insurance Code.

The following provisions are added:

DUPLICATION OF BENEFITS

No one will be entitled to duplicate payments for the same elements of loss under this coverage regardless of the number of:

1. Vehicles covered; or
2. Insurers (including self-insurers) providing security in accordance with the Michigan Insurance Code or any other similar law.

PREMIUM RECOMPUTATION

The Michigan Insurance Code places certain limitations on a person's right to sue for damages. The premium for the policy reflects these limitations. A court from which there is no appeal can declare any of these limitations unenforceable. If this occurs, we will have the right to recompute the premium. You may choose to delete any coverage as the result of the court's decision. In that event, we will compute any refund of premium on a pro rata basis.

All other policy provisions apply.