

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

## PERSONAL INJURY PROTECTION COVERAGE – MICHIGAN

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

Benefits	Limit Of Liability
Medical Expenses	Per Person as indicated in the Declarations or Schedule
Funeral Expenses	Up to \$1,750 per person
Work Loss	Up to \$5,718* for any 30-day period
Replacement Services	\$20 per day maximum
Survivor's Loss Consisting Of Income Loss And Replacement Services	Up to \$5,718* for any 30-day period subject to a \$20 per day maximum for replacement services
* Or whatever amount is established under the Michigan Insurance Code for accidents occurring on or after the date of the change in the maximum	

The following options apply as indicated in the Declarations or Schedule:

### Coordination Of Benefits

Coordination of medical expenses (excluding Medicare or Medicaid benefits provided by the federal government) applicable to you or any "family member".

Coordination of work loss applicable to you or any "family member".

**Rejection Of Medical Expenses** – applicable to you or any "family member".

**Rejection Of Work Loss** – not applicable to an "insured" age 60 or older who has signed a form to reject this coverage.

**Deductible** – applicable to you or any "family member" if selected.

**Excess Attendant Care** – applicable to you or any "family member".

**Qualified Health Coverage** – applicable to the \$250,000 limit for medical expenses applicable to individuals.

### DEFINITIONS

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

"Your covered auto" means an "auto":

1. For which you are required to maintain security under the Michigan Insurance Code; and
2. To which the bodily injury liability coverage of this Policy applies.

The following definitions are added:

1. "Auto" means a motor vehicle or trailer operated or designed for use on public roads. It does not include:
  - a. A motorcycle or moped;
  - b. A farm tractor or other implement of husbandry which is not subject to the registration requirements of the Michigan Vehicle Code; or
  - c. A vehicle operated by muscular power or with fewer than three wheels.
2. "Auto accident" means a loss involving the ownership, operation, maintenance or use of an "auto" as an "auto" regardless of whether the accident also involves the ownership, operation, maintenance or use of a motorcycle as a motorcycle.
3. "Qualified health coverage" as used in this endorsement means either of the following:
  - a. Other health or accident coverage in which:

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- (1) Such coverage does not exclude or limit coverage for "bodily injury" sustained in an "auto accident"; and
- (2) The annual deductible for such coverage is \$6,000 or less per individual or the amount as annually adjusted by the Director of the Department of Insurance and Financial Services; or

b. Coverage provided under Parts A and B of Medicare.

4. "Attendant care" as used in this endorsement means services to assist an injured person with tasks he/she would normally do for himself/herself (e.g., eating, bathing, dressing, grooming, and medication administration). It may also involve supervision or other types of support.

"Insured" as used in this endorsement means:

1. You or any "family member" injured in an "auto accident";
2. Anyone else injured in an "auto accident" who is a resident of Michigan and is entitled to Michigan no-fault benefits as a named insured, named insured's spouse or "family member" under another policy:
  - a. While "occupying" "your covered auto";
  - b. While "occupying" any other "auto":
    - (1) Which is operated by you or any "family member"; and
    - (2) To which **PART A** of this Policy applies; or
3. Anyone else injured in an "auto accident" while "occupying" a motorcycle if the accident involves "your covered auto".

## PERSONAL INJURY PROTECTION COVERAGE

### INSURING AGREEMENT

- A. We will pay personal injury protection benefits to or for an "insured" who sustains "bodily injury". The "bodily injury" must:
  1. Be caused by accident; and
  2. Result from the ownership, maintenance or use of an "auto" as an "auto".
- B. These benefits are subject to the provisions of the Michigan Insurance Code. Subject to the limits shown in the Declarations or Schedule, personal injury protection benefits consist of the following:

1. Allowable expenses subject to limitation of Chapter 31 of the Michigan Insurance Code for:
  - a. Medical Expenses
 

Reasonable and necessary medical expenses incurred for an "insured's":

    - (1) Care;
    - (2) Recovery; or
    - (3) Rehabilitation.

This includes "attendant care".

Only semiprivate room charges will be paid unless special or intensive care is required.

- b. Funeral Expenses

Reasonable funeral and burial expenses incurred.

2. Work Loss

Up to 85% of an "insured's" actual loss of income from work. We will pay a higher percentage if the "insured" gives us reasonable proof that net income is more than 85% of gross income. The most we will pay in any 30-day period for this benefit is the amount shown in the Declarations or Schedule unless another amount is established by law. Any income an "insured" earns during the 30-day period is included in determining the income benefit we will pay. This benefit is payable for loss sustained during the three

years after the accident. It does not apply after an "insured" dies. We will prorate this benefit for any period less than 30 days.

### 3. Replacement Services

Reasonable expenses for obtaining services to replace those an "insured" would have done:

- a. Without pay; and
- b. For the benefit of that "insured" or that "insured's" dependents.

This benefit is payable for loss sustained during the three years after the accident. It does not apply after an "insured" dies.

### 4. Survivor's Loss

#### a. Income Loss

The contributions a deceased "insured's" spouse and dependents would have received as dependents, if the "insured" had not died. The contributions must be tangible things of economic value, not including services.

#### b. Replacement Services

Reasonable expenses incurred for obtaining services to replace those a deceased "insured" would have done for that "insured's" spouse and dependents. The most we will pay in any 30-day period for the total of these benefits is the amount shown in the Declarations or Schedule unless another amount is established by law. These benefits are payable for loss sustained during the three years after the accident. A deceased "insured's" spouse must have either:

- (1) Resided with; or
- (2) Been dependent on;

the "insured" at the time of death. The benefits end for a spouse at remarriage or death.

Any other person who was dependent upon the deceased "insured" at the time of death qualifies for benefits if, and as long as, that dependent is:

- (1) Under age 18; or
- (2) Physically or mentally unable to earn a living; or
- (3) In a full-time formal program of academic or vocational education or training.

## EXCLUSIONS

### A. We do not provide **Personal Injury Protection Coverage** for "bodily injury":

- 1. To any "insured" who intentionally caused the "bodily injury".
- 2. Sustained by any "insured" willingly operating or willingly using an "auto" that was taken unlawfully, and such "insured" knew or should have known that the "auto" was taken unlawfully.
- 3. Sustained by any "insured" while not "occupying" an "auto" if the accident takes place outside Michigan. However, this Exclusion A.3. does not apply to:
  - a. You; or
  - b. Any "family member".
- 4. To you while "occupying", or struck by while not "occupying", any "auto":
  - a. Owned or registered by you; and
  - b. Which is not "your covered auto".
- 5. Sustained by the owner or registrant of an "auto" involved in the accident and for which the security required under the Michigan Insurance Code is not in effect.

6. Sustained by a named insured's spouse or any "family member" entitled to Michigan no-fault benefits as a named insured under another policy providing similar coverage except while an operator or passenger of a motorcycle involved in the accident.
7. Sustained while "occupying", or struck by while not "occupying", an "auto" (other than "your covered auto") if:
  - a. Operated by you or any "family member"; and
  - b. The owner or registrant has the security required under the Michigan Insurance Code.

This Exclusion A.7 does not apply to:

- a. You; or
  - b. Any "family member".
8. Sustained while "occupying" an "auto" located for use as a residence or premises.
  9. Sustained while "occupying" a public auto for which the security required under the Michigan Insurance Code is in effect. This Exclusion A.9. does not apply to "bodily injury" to you or a "family member" while a passenger in a:
    - a. School bus;
    - b. Certified common carrier;
    - c. Bus operated under government sponsored transportation program;
    - d. Bus operated by or servicing a nonprofit organization;
    - e. Bus operated by a watercraft, bicycle or horse livery used only to transport passengers to or from a destination point;
    - f. Taxicab; or.
    - g. Motor vehicle insured under a policy for which the named insured has elected not to maintain personal injury protection coverage or to which an exclusion related to "qualified health coverage" applies under such policy.
  10. Sustained by you or any "family member" while "occupying" an "auto" which is owned or registered by:
    - a. Your employer; or
    - b. Any "family member's" employer; and
 for which the security required under the Michigan Insurance Code is in effect.
  11. Sustained while "occupying" an "auto" other than "your covered auto":
    - a. For which the owner or registrant is not required to provide security under the Michigan Insurance Code; and
    - b. Which is being operated by you or a "family member" outside Michigan.

This Exclusion A.11. does not apply to:

- a. You or any "family member"; or
  - b. Medical or funeral expense benefits.
12. Arising out of the ownership, operation, maintenance or use of a parked "auto". This Exclusion A.12. does not apply if:
    - a. The "auto" was parked in such a way as to cause unreasonable risk of the "bodily injury"; or
    - b. The "bodily injury" resulted from physical contact with:
      - (1) Equipment permanently mounted on the "auto" while the equipment was being used; or
      - (2) Property being lifted onto or lowered from the "auto"; or

c. The "bodily injury" was sustained while "occupying" the "auto".

However, Exceptions b. and c. to this Exclusion A.12. do not apply to any employee that has Michigan workers' disability compensation benefits available and who sustains "bodily injury" in the course of employment while loading, unloading or doing mechanical work on an auto, unless the injury arises from the use or operation of another vehicle.

13. Sustained in an "auto accident" by you or any "family member" while an operator or passenger of a motorcycle, if the owner, registrant or operator of the "auto" has provided security for that "auto" as required under the Michigan Insurance Code.
14. Sustained by anyone who is not a resident of Michigan unless, at the time of the accident, such person is the owner of a motor vehicle which is registered in Michigan and for which the security required under the Michigan Insurance Code is in effect.

B. We do not provide **Personal Injury Protection Coverage** for:

1. Medical expenses for you or any "family member":
  - a. To the extent that similar benefits are paid or payable under any other insurance, service, benefit or reimbursement plan (excluding Medicare or Medicaid benefits provided by the federal government); and
  - b. If Coordination Of Benefits for medical expenses is indicated in the Declarations or Schedule.
2. Work loss for you or any "family member":
  - a. To the extent that similar benefits are paid or payable under any other insurance, service, benefit or reimbursement plan; and
  - b. If Coordination Of Benefits for work loss is indicated in the Declarations or Schedule.
3. Work loss for an "insured" age 60 or older if:
  - a. Rejection Of Work Loss is indicated in the Declarations or Schedule; and
  - b. That "insured" has signed a form rejecting the work loss benefit.
4. Medical expenses for the named insured if such named insured is covered under "qualified health coverage" as defined in this endorsement; "qualified health coverage" is indicated in the Declarations or Schedule; and the Declarations or Schedule indicates that coverage for medical expenses is excluded for such named insured.
5. Medical expenses for the named insured's spouse or any "family member" if such person is covered under "qualified health coverage" as defined in this endorsement; "qualified health coverage" is indicated in the Declarations or Schedule; and the Declarations or Schedule indicates that. coverage for medical expenses is excluded.
6. Medical expenses for you or any "family member" if rejection of medical expenses is indicated in the Declarations or Schedule and the named insured has signed a form rejecting coverage for medical expenses.

#### **LIMIT OF LIABILITY**

A. The limits of liability shown in the Declarations or Schedule for **Personal Injury Protection Coverage** are the most we will pay for each "insured" injured in any one accident, 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 no-fault benefits.

B. Any amount payable under this insurance shall be reduced by:

1. Any amounts paid, payable or required to be provided by state or federal law except any amounts paid, payable or required to be provided by Medicare or Medicaid, provided that the benefits:
  - a. Serve the same purpose as personal injury protection benefits paid or payable to an "insured" under this Policy; and
  - b. Are provided or required to be provided as a result of the same accident for which this insurance is payable. However, this insurance shall not be reduced by any amount of workers' compensation benefits, if workers' compensation benefits that are required to be provided are not available to an "insured".
2. Any deductible you elect. However, the deductible applies only to you and any "family member".

#### C. **Excess Attendant Care**

If **Excess Attendant Care** is indicated in the Declarations or Schedule, we will pay up to the limit shown after the Personal Injury Protection Medical Expense limit is exhausted.

**Excess Attendant Care** coverage is only available if a Personal Injury Protection Medical Expense limit is selected and subject to the following:

1. The limit applies separately to each injured insured person in any one loss;
2. The limit for this coverage is only available for "attendant care" costs incurred; and
3. The same hourly limitations as "attendant care" pursuant to Chapter 31 of the Michigan Insurance Code, Section 3157(10).

#### **PART E – DUTIES AFTER AN ACCIDENT OR LOSS**

B. is amended as follows:

- B. A person seeking any coverage must:
  1. Is replaced by the following:
    1. Cooperate with us in the investigation or settlement of any claim.
  2. Does not apply.
  - 3.b. Does not apply.
  5. Is replaced by the following:
    5. Submit a written proof of claim when required by us.

The following duty is added:

A person seeking coverage must promptly send us copies of the legal papers if a suit is brought.

#### **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 after one year from the date of the accident causing the injury unless:

1. Written notice of the injury has been given to us within one year from the date of the accident; or
2. We have already paid any personal injury protection benefits for the injury.

If either 1. or 2. applies, you may bring action against us. Action must be brought within one year from the date the most recent medical or funeral expense or work or survivor's loss was incurred. The commencement of an action and the recovery of benefits is tolled from the date of a specific claim for payment of personal injury protection benefits until the date we formally deny the claim. Such tolling does not apply if the person claiming the benefits fails to pursue the claim with reasonable diligence. No one may recover benefits for any portion of the loss incurred more than one year before the date on which the action was begun.

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

Paragraph A. is replaced by the following:

- A. If we make a payment under this coverage and the person to or for whom payment was made has a right to recover damages from the owner or operator of a motor vehicle, and that owner or operator is an uninsured motorist, 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 them.

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:

#### **COORDINATION OF BENEFITS**

1. When Coordination of Medical Benefits is displayed in the Declarations or Schedule, it is agreed that the following is added to Exclusion B.1. of the **PERSONAL INJURY PROTECTION COVERAGE – MICHIGAN** endorsement:

If the Declarations or Schedule indicate Coordination of Medical Benefits, the amount payable for this benefit shall be subject to a \$500 deductible per accident.

However, if the claimant or injured party (named insured or "family member"):

- a. Has coverage of the type described in B.1.a. above, through other sources which applies to medical expenses due to an auto accident; and
- b. Which is in effect at the time of the loss;

The deductible shall be waived for that loss.

2. When Coordination of Work Loss is displayed in the Declarations or Schedule, it is agreed that the following is added to Exclusion B.2. of the **PERSONAL INJURY PROTECTION COVERAGE – MICHIGAN** endorsement:

If the Declarations or Schedule indicate Coordination of Work Loss, the amount payable for this benefit shall be subject to a \$500 deductible per accident.

However, if the claimant or injured party (named insured or "family member"):

- a. Has coverage of the type described in B.2.a. above, through other sources which applies to work loss due to an auto accident; and
- b. Which is in effect at the time of the loss;

The deductible shall be waived for that loss.

#### **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.

An "insured" who sustains "bodily injury" resulting from an "auto accident" which shows evidence of the involvement of an "auto" while an operator or passenger of a motorcycle shall claim insurance benefits in the following order of priority:

1. The insurer of the owner or registrant of the "auto" involved in the accident.
2. The insurer of the operator of the "auto" involved in the accident.
3. The "auto" insurer of the operator of the motorcycle involved in the accident.

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4. The "auto" insurer of the owner or registrant of the motorcycle involved in the accident.

If personal injury protection benefits are payable under two or more policies in the same order of priority, the benefits are only payable up to an aggregate coverage limit that equals the highest available coverage limit under any one of the policies.

#### **OTHER INSURANCE**

If Medical Expenses are payable under more than one policy with the same order of priority, benefits are only payable up to an aggregate coverage limit that equals the highest available coverage limit under any one of the policies.

If an "insured" is a named insured under this Policy and that "insured" is insured as a spouse or as a "family member" under another policy providing similar coverage, Medical Expenses benefits for such named insured are only payable up to the Limit of Liability shown in the Declarations or Schedule for each person under this Policy.

#### **PREMIUM RECOMPUTATION**

The Michigan Insurance Code places certain limitations on a person's right to sue for damages. The premium for this 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 can choose to delete any coverage as the result of the court's decision. If you do, we will compute any refund of premium on a pro rata basis.

#### **QUALIFIED HEALTH COVERAGE INELIGIBILITY**

The named insured shall notify us when "qualified health coverage" has been terminated for the named insured, named insured's spouse or any "family member" if the Declarations or Schedule indicates that coverage for medical expenses is excluded for the named insured, named insured's spouse or any "family member". In such case, the named insured shall obtain coverage for personal injury protection benefits within 30 days after the effective date of the termination of "qualified health coverage".

If it is determined that the named insured, named insured's spouse or any "family member" did not have "qualified health coverage" in effect at the time an accident occurred which resulted in "bodily injury" to that named insured, named insured's spouse or "family member" after the 30-day period in which the "qualified health coverage" has elapsed, and the named insured did not obtain personal injury protection coverage within such period, such injured person is not entitled to medical expenses benefits under this Policy.

All other policy provisions apply.