

## STATE ENDORSEMENT — LOUISIANA

The following amendment changes the policy. Please read your entire policy for full details about your coverages.

Throughout the policy and endorsements attached to it, reference to minimum limits means the following limits of liability, as required by the Louisiana Motor Vehicle Safety Responsibility Law, to be provided under a policy of automobile liability insurance:

1. \$15,000 for each person, subject to \$30,000 for each accident, with respect to "bodily injury"; and
2. \$25,000 for each accident with respect to "property damage".

### DEFINITIONS

The following definition is added:

"Temporary substitute vehicle" means a loaner vehicle provided to you or any "family member" by a person engaged in the business of selling, repairing or servicing motor vehicles while any "antique vehicle" or "classic vehicle" shown in the Declarations is being serviced or repaired.

The following is added to I. "Your Covered Auto."

3. Any "temporary substitute vehicle"; and
4. A rental private passenger vehicle.

### PART A — LIABILITY COVERAGE

Paragraph A. of the **Insuring Agreement** is replaced by the following:

- A. We will pay damages for "bodily injury" or "property damage" for which any "insured" becomes legally responsible because of an auto accident involving "your covered auto". We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted by payment of judgments or settlements.

The following is added to the **Supplementary Payments** Provision:

In addition to our limit of liability we will pay on behalf of an "insured":

Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we make an offer to pay our limit of liability, we will not pay any prejudgment interest based on that period of time after the offer.

### EXCLUSIONS

The first sentence is deleted and replaced by the following.

We do not provide Liability Coverage for the "insured":

Exclusions 1., 5., 6., 7. and 8. are deleted and replaced by the following:

1. Who intentionally causes "bodily injury" or "property damage". An intentional act includes any voluntary act that a reasonable person could foresee may cause injury or damage.
5. For that "insured's" liability arising out of the ownership or operation of "your covered auto" while it is being used as a public or livery conveyance." This Exclusion (5.) does not apply to a share-the-expense carpool.
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 Exclusion (6.) only applies to the extent that the limits of liability for this coverage exceed the limits of liability required by the Louisiana Motor Vehicle Safety Responsibility Law. This includes road testing and delivery.

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.) only applies to the extent that the limits of liability for this coverage exceed the limits of liability required by the Louisiana Motor Vehicle Safety Responsibility Law.

8. Using "your covered auto" without express or implied permission that the "insured" is entitled to do so.

The **Other Insurance** Provision is replaced by the following:

#### **OTHER INSURANCE**

1. If "your covered auto" is not a "temporary substitute vehicle" or a rental private passenger vehicle, and if there is other applicable liability 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.
2. If "your covered auto" is a "temporary substitute vehicle" or a rental private passenger vehicle, the following priorities of recovery apply:

##### **FIRST PRIORITY**

Any source of recovery purchased by an "insured" for the "temporary substitute vehicle" or rental private passenger vehicle.

##### **SECOND PRIORITY**

Any policy affording Liability Coverage to an "insured" as a named insured or "family member". If there is other applicable liability 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.

##### **THIRD PRIORITY**

Any policy affording Liability Coverage to the owner of the "temporary substitute vehicle" or rental private passenger vehicle.

#### **PART B — MEDICAL PAYMENTS COVERAGE**

Paragraph A. of the **Insuring Agreement** is replaced by the following:

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

We will pay only those expenses incurred within 3 years from the date of the accident. However, if the "bodily injury" is diagnosed within 1 year of the date of the accident and reported to us within 3 years of the date of the accident, we will not limit the time period in which we will pay reasonable expenses incurred for necessary medical and funeral services resulting from such "bodily injury".

#### **EXCLUSIONS**

Exclusion 1. is replaced by the following:

1. Sustained while "occupying" "your covered auto" when it is used as a public or livery conveyance.

Exclusion 5. is replaced by the following:

5. Sustained while "occupying" "your covered auto" without express or implied permission that the "insured" is entitled to do so.

#### **PART D — COVERAGE FOR DAMAGE TO YOUR COVERED AUTO**

The following is added to the **Insuring Agreement** Provision:

For a direct and accidental loss to a “your covered auto” that is not shown in the Declarations (“temporary substitute vehicle” or rental private passenger vehicle) we will provide the broadest coverage applicable to any “your covered auto” shown in the Declarations.

## EXCLUSIONS

Exclusion 10. is deleted and replaced by the following:

10. Loss or damage intentionally caused or directed by you or any “family member”. An intentional act includes any voluntary act that a reasonable person could foresee may cause injury or damage.

The following is added:

We will not pay for loss of or damage to “your covered auto” occurring while the operator of “your covered auto” has a blood alcohol content above the legal limit for the operation of a motor vehicle, or is under the influence of any controlled dangerous substance pursuant to La. Rev. Stat. Ann. 14:98.

The **Limit of Liability** Provision is deleted and replaced by the following:

## LIMIT OF LIABILITY

- A. In the event of a total loss or a “constructive total loss”, we will:
  1. Pay the limit shown under **PART D** in the Declarations or Schedule for the applicable vehicle, which is agreed to be the Guaranteed Value® of “your covered auto”, inclusive of any applicable taxes and fees, unless “your covered auto” is a “temporary substitute vehicle” or a rental private passenger vehicle.
  2. Pay the Actual Cash Value (ACV) if “your covered auto” is a “temporary substitute vehicle” or a rental private passenger vehicle.
- B. For all other loss or damage to “your covered auto” which is not a “temporary substitute vehicle” or a rental private passenger vehicle, 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 or Schedule.
- C. For all other loss or damage to “your covered auto” that is a “temporary substitute vehicle” or a rental private passenger vehicle, we will pay the amount necessary to repair or replace the property, whichever is less, provided the property is actually repaired or replaced, but we will not pay more than the Actual Cash Value (ACV.)

The **Payment of Loss** Provision is deleted and replaced by the following:

## PAYMENT OF LOSS

Unless a claim has been paid by others, we will pay any loss covered under this policy within 30 days after receipt of a satisfactory proof of loss.

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.

We will, upon written request, furnish forms of proof of loss for completion by any person claiming to have a loss under this policy.

The **Other Insurance** Provision is deleted and replaced by the following:

## OTHER SOURCES OF RECOVERY

1. If “your covered auto” is not a “temporary substitute vehicle” or a rental private passenger vehicle, and if other sources of recovery also cover the loss, 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.

2. If “your covered auto” is a “temporary substitute vehicle” or a rental private passenger vehicle, the following priorities of recovery apply:

**FIRST PRIORITY**

Any source of recovery purchased by an “insured” for the “temporary substitute vehicle” or the rental private passenger vehicle.

**SECOND PRIORITY**

Any source of recovery applicable to the “insured” as a named insured or “family member”. If there is other applicable liability 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.

**THIRD PRIORITY**

Any source of recovery applicable to the owner of the “temporary substitute vehicle” or the rental private passenger vehicle.

The **Appraisal** Provision is replaced by the following:

**APPRAISAL**

- A. If we and you do not agree on the amount of loss, then an appraisal of the loss may be made. However, both parties must agree to the appraisal. If so agreed, each party will select a competent 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 not 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.

**PART E — DUTIES AFTER AN ACCIDENT OR LOSS**

The introductory paragraph is deleted and replaced by the following:

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us.

**PART F — GENERAL PROVISIONS**

In the **Changes** Provision, the last paragraph of provision B. 5. is deleted and replaced by the following.

If a change resulting from paragraphs (A.) or (B.) requires a premium adjustment, we will compute the premium adjustment on a pro rata basis.

Paragraph B. of the **Private Pleasure Use** Provision is replaced by the following:

Coverage will be suspended if “your covered auto” is:

- B. Used in any “business” unless prior written consent has been obtained from us.
1. With respect to PART A – LIABILITY COVERAGE, this provision does not apply to a public or livery conveyance that is a share-the-expense car pool.
  2. With respect to PART C – UNINSURED MOTORISTS COVERAGE, this provision does not apply to a share-the-expense car pool or when “your covered auto” is being used as a public or livery conveyance. For any other “business” use, this provision only applies to the extent that the limits of liability for PART C – UNINSURED MOTORISTS COVERAGE exceed the state’s required minimum limits; or

The **Concealment or Fraud** Provision is deleted and replaced by the following:

**CONCEALMENT OR FRAUD**

If an “insured” makes a false statement which was made with the intent to deceive and is material to the risk, we will not provide coverage for the “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.

The **Legal Action Against Us** Provision is amended as following:

1. This provision does not apply to **Part A - Liability Coverage, Part B - Medical Payments Coverage and Part C - Uninsured Motorists Coverage.**
2. This provision is replaced by the following with respect to **Part D - Coverage For Damaged To Your Auto:**

No legal action may be brought against us until there has been full compliance with all the terms of this policy. Suit or action must start within 24 months of the date of loss.

The first two paragraphs of the **Payment of Loss** Provision are replaced by the following:

Payment of loss, with all your indebtedness to us being first deducted, will be made within 30 days after receipt of a satisfactory proof of loss.

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(s)" shall be reduced by any amount previously paid for repairs not completed at the time of the total loss or "constructive total loss".

The **Our Right to Recover Payment** Provision is replaced by the following:

#### **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 an express or implied permission that that person is entitled to do so.

- B. Our right to recover is subordinate to the insured person's right to be fully compensated for his damages.

#### **TERMINATION**

- A. Cancellation, 1., 2., and 3. are deleted and replaced by the following:

1. The named insured shown in the Declarations may cancel by giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in the policy:

- a. At least 10 days' notice if cancellation is for nonpayment of premium;
- b. At least 30 days' notice in all other cases.

Notice of cancellation must be sent by certified mail except if:

- a. We cancel only for nonpayment of premium; or
  - b. The policy has been in effect less than 60 days at the time notice of cancellation is mailed and this is not a renewal or continuation policy.
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:
      - (1) Any driver who lives with you; or
      - (2) Any driver who customarily uses "your covered auto";

has been suspended or revoked. This must have occurred:

- (1) During the policy period if this is not a renewal or continuation policy; or
- (2) If this is a renewal or continuation policy, during the policy period or the 180 days immediately preceding this policy's effective date.

- c. In the event of fraud or material misrepresentation in presentation of a claim; or
- d. For any other reason permitted by state law.

D. Other Termination Provisions is deleted and replaced by the following

D. Other Termination Provisions

- 1. If the law in effect in Louisiana at the time this policy is issued, renewed or continued:
  - a. Requires a longer notice period;
  - b. Requires a special form of or procedure for giving notice; or
  - c. Modifies any of the stated termination reasons;
 we will comply with those requirements.
- 2. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
- 3. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. If you cancel the policy we will send you the refund within 30 days after the effective date of cancellation. However, making or offering to make the refund is not a condition of cancellation.
- 4. The premium refund, if any, will be the pro rata unearned premium.
- 5. The effective date of cancellation stated in the notice shall become the end of the policy period.

The **Amendatory Endorsements** Provision is deleted.

All other policy provisions apply.