

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

STATE ENDORSEMENT – VERMONT

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 Vermont law, to be provided under a policy of automobile liability insurance:

1. \$25,000 for each person, subject to \$50,000 for each accident, with respect to “bodily injury”; and
2. \$10,000 for each accident with respect to “property damage”.

DEFINITIONS

The definitions of “you” and “your” are replaced by the following:

Throughout this policy, “you” and “your” refer to the “named insured” shown in the Declarations: and

1. The spouse; or
2. A party who has entered into a civil union with the “named insured” under Vermont law; if a resident of the same household.

If the spouse or party who has entered into a civil union with the “named insured” ceases to be a resident of the same household during the policy period or prior to the inception of this policy, the spouse or such party will be considered “you” and “your” under this policy but only until the earlier of:

1. The end of 90 days following the spouse’s or such party’s change of residency;
2. The effective date of such party as a named insured; or
3. The end of the policy period.

The definition of “family member” is replaced by the following:

“Family member” means a person related to you by blood, marriage, civil union under Vermont law or adoption who is a resident of your household. This includes a ward or foster child.

The definition of “vehicle trailer” is replaced by the following:

“Vehicle trailer” means a vehicle designed to be pulled by a:

1. Private passenger auto; or
2. Pickup, panel truck or van.

PART A – LIABILITY COVERAGE

Under the **Insuring Agreement** provision, paragraph A. 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”. Damages include prejudgment interest awarded against the “insured”. We will settle or defend, as we consider appropriate, any claim or suit asking for damages which are payable under the terms of this policy. In addition to our limit of liability, we will pay all defense costs we incur. We have no duty to defend any suit or settle any claim for “bodily injury” or “property damage” not covered under this policy.

Under the **Limit of Liability** provision, the following is added:

If a judgment is rendered against you and we continue the suit by appeal or otherwise, no limitation of liability in this policy shall be valid unless you agree to this continuation.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

Under the **Exclusions** provision, Exclusion 10. is replaced by the following:

10. Loss or damage intentionally caused or directed by you.

The **Limit of Liability** provision is replaced by the following:

LIMIT OF LIABILITY

- A. We will 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, in case of a total loss or “constructive total loss”.
- 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 or Schedule.

The **Payment of Loss** provision is 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 10 business days after we reach agreement with you, entry of a final judgment, or the filing of an appraisal award with us.

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.

Under the **Appraisal** provision, Paragraph A is replaced by the following:

- A. If the parties cannot agree on the amount of loss, either may demand an appraisal. A decision agreed upon by any two appraisers will set the amount of loss or coverage. Binding appraisal is not permitted if the process can be demanded unilaterally, as it may deprive the insured access to the judiciary system. Binding appraisal is approvable only if both parties agree to the appraisal process.

If the appraisal process is agreed upon, each party will select a competent appraiser. The two appraisers will select an umpire. Each appraiser will set the amount of loss or coverage. If the appraisers fail to agree, they will submit their differences to an umpire.

The **Vehicle Trailer** provision is replaced by the following:

VEHICLE TRAILER

We will cover “your vehicle trailer”, less any deductible shown in the Declarations or Schedule, for up to the amount of insurance specified in the Declarations or Schedule.

Coverage is subject to all of the applicable terms and conditions of this policy.

“Your vehicle trailer” means the vehicle trailer(s) shown in the Declarations or Schedule.

PART E – DUTIES AFTER AN ACCIDENT OR LOSS

The phrase ‘or as soon as practicable’ is added after every occurrence of the word ‘promptly’.

B.4. is replaced by the following:

4. Authorize us to obtain:
 - a. Relevant medical reports; and
 - b. Other pertinent records.

The following duties are added:

A person seeking any coverage must cooperate with us by complying with the following additional duties as a condition of coverage:

1. Do not admit fault or assume any obligation to other persons.

2. Do nothing that would prejudice our rights or interests or our ability to provide a defense.
3. As often as we reasonably request, attend and answer to an examination under oath conducted by us or our representative, at a reasonable place chosen by us. We may require:
 - a. Examinations to be video and/or audio recorded.
 - b. Examinations to be done individually and outside the presence of witnesses or other persons or parties making claims. Legal counsel may be present.
 - c. Your spouse, any "family member" and/or any person related to you who resides with you to submit to examination to help us to obtain relevant information, even if that person is not making a claim under this policy.

PART F – GENERAL PROVISIONS

The **Regular Use Vehicle Requirement** provision is replaced by the following:

REGULAR USE VEHICLE REQUIREMENT – PURCHASING & MAINTAINING OTHER INSURANCE COVERAGE FOR YOU AND YOUR REGULAR USE VEHICLE

- A. This policy provides the coverage(s) you have elected and paid for, but only for your ownership, maintenance and use of "your covered auto". In no event will this policy:
 1. Provide coverage for any vehicles other than "your covered auto"; or
 2. Be your primary personal vehicle insurance; or
 3. Provide insurance for any auto or other motor vehicle, other than "your covered auto", with respect to exposures or legal obligations arising out of the ownership, maintenance or use of that vehicle if it is owned by or regularly used by you, a "family member" or any other relative that resides with you.
- B. As a condition of the issuance of this policy, you have represented and agreed to the following:
 1. You must own a "regular use vehicle" listed on, and insured by, a separate insurance policy, and the separate insurance policy for that vehicle must:
 - a. Be in-force with at least the types and amounts of coverage elected by you for this policy.
 - b. Satisfy all minimum state insurance requirements, including but not limited to minimum requirements for liability coverage, uninsured motorist coverage and underinsured motorist coverage (as may be required by law), and personal injury protection ("PIP") coverage (in states where PIP is required).
 - c. Remain in-force as described in 1.a. directly above during all policy periods, including renewal and reinstatement policy periods, and be maintained, without reduction of coverage or limits of liability (except for reduction of the aggregate limits therein in connection with an accident or loss solely by amounts paid in settlement of claims or in satisfaction of awards or judgments), with respect to your "regular use vehicle" and any other vehicle not listed on this policy but that is owned by and/or furnished or available for the regular use of, you, a "family member" or a relative who resides with you.
 - d. Be primary for, and satisfy, all minimum state insurance requirements related to vehicle ownership or use, except with respect to the use of "your covered auto" for which this policy applies.
 2. If you fail to maintain a "regular use vehicle" insured by a separate insurance policy that satisfies the minimum state insurance requirements, the insurance afforded by this policy shall apply in the same manner as if such policy had been maintained in force by you with underlying coverage on a primary basis. If we are required by law to provide any coverage with respect to the use of a "regular use vehicle" and/or any other vehicle, including any vehicle not listed on this policy but owned by and/or furnished or available for the regular use of, you, a "family member" or a relative who resides with you:
 - a. Coverage under this policy shall be excess to any and all other insurance, contingent insurance, self-insurance, liability bonds, certification of financial responsibility, and/or any other source of protection or recovery;

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- b. The amount we may be required to pay is limited to the minimum types and limits of such coverage required by law; and
 - c. You agree that if we are compelled by law to provide any coverage under this insurance policy with respect to the use of any vehicle other than “your covered auto”, all coverage and limits of liability other than the minimum types and limits required by law are rejected with respect to the use of that vehicle.
3. To the extent allowed by law, we have the right to rescind, cancel and/or not renew this policy if at any time during the policy period you do not have a separate insurance policy in effect with at least all of the coverages provided by this policy, and all of the types of coverage required by law, and with at least equal or higher limits of liability as this policy.

The **Private Pleasure Use** provision is replaced by the following:

PRIVATE PLEASURE USE

Coverage will not apply if “your covered auto” is:

- A. Rented or leased to any person for a fee;
- B. Used to carry persons or property for a fee, or for any commercial use unless prior written consent has been obtained from us; or
- C. Used for any illegal act by a named insured or “family member”.

The **Concealment or Fraud** provision is replaced by the following:

CONCEALMENT OR FRAUD

We do not provide coverage for any “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 replaced by the following:

LEGAL ACTION AGAINST US

No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under **PART A** or **Accidental Death Coverage**:

- 1. No legal action may be brought against us until:
 - a. We agree in writing that the “insured” has an obligation to pay; or
 - b. The amount of that obligation has been finally determined by judgment after trial.
- 2. No legal action may be brought against us after one year from the date the terms of either a. or b. above have been met.

However:

- a. Your right to bring legal action against us is not conditioned upon your compliance with the **Appraisal** provision of **PART D**.
- b. Under **PART A** or **Accidental Death Coverage**, payment of any judicial judgment or claim by you for any of our liability shall not bar you from any action or right of action against us. No person or organization has any right under this policy to bring us into any action to determine the liability of an “insured”.

Under the **Payment of Loss** provision, the first two paragraphs are replaced by the following:

Payment of loss, will be made within 10 business days after we either reach agreement with you, a final judgment is entered in the court, or an arbitration award is filed with us.

If we pay a total loss or a “constructive total loss” for any of “your covered auto(s)” shown in the Declarations or Schedule, 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”.

Under the **Termination** provision, the following changes are made:

Cancellation 2. is replaced by the following:

2. We may cancel by:
 - a. Giving the named insured shown in the Declarations at the address shown in this policy at least 15 days notice by certified mail or certificate of mailing if cancellation is for nonpayment of premium; or
 - b. Mailing by certified mail to the named insured shown in the Declarations at the address shown in this policy at least 45 days notice in all other cases.

Nonrenewal is replaced by the following:

Nonrenewal. If we decide not to renew or continue this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 45 days before the end of the policy period. Subject to this notice requirement, if the policy period is other than 1 year, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

Other Termination Provisions adds the following:

We will give notice of cancellation to the loss payee stated in the policy if the named insured shown in the Declarations requests cancellation of:

- a. The entire policy; or
- b. Any **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO** afforded under this policy to any “your covered auto” for which the loss payee has an insurable interest.

If we decide to cancel this policy, the same method of mailing the notice of cancellation to the named insured shown in the Declarations will also be used to notify the loss payee stated in the policy.

The **Transfer Of Your Interest In This Policy** provision is replaced by the following:

TRANSFER OF YOUR INTEREST IN THIS POLICY

- A. 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, coverage will be provided for :

1. The surviving:
 - a. Spouse; or
 - b. Party who entered into a civil union with the “named insured” under Vermont law;

if resident in the same household at the time of death. Coverage applies to the spouse or party who entered into a civil union with a “named insured” as if a named insured shown in the Declarations; and
2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative’s legal responsibility to maintain or use “your covered auto”.

- B. Coverage will only be provided until the end of the policy period.

The **Amendatory Endorsements** provision is deleted.

The **Other Insurance Policies** provision is deleted.

The **State Law** provision is replaced by the following:

STATE LAW

If any policy exclusion, limitation, term, condition or other policy provision is determined to be invalid and unenforceable by a court with proper jurisdiction, then that exclusion, limitation, term, condition or other policy provision will:

1. Be changed to the extent necessary to conform to the law;

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2. Not apply to the amount of the covered damages or loss that is less than or equal to the minimum amounts of coverage required by law; and
3. Be construed, to the extent permitted by law, to exclude any coverage that is not required by law to be provided, and exclude all amounts greater than the minimum amounts of coverage required by law.

The following is added:

EXCESS COVERAGE

Coverage under this policy applies on a primary basis only with respect to "your covered auto", and shall be co-primary on a pro rata basis with any other insurance, self-insurance, bonds or certificate that applies on a primary basis.

If we are required by applicable law, or by a court with proper jurisdiction, to provide any insurance under this policy that would not otherwise be covered by the terms of this policy, the coverage provided under this policy shall be:

1. Excess to any and all other insurance, contingent insurance, self-insurance, liability bonds, certification of financial responsibility, and/or any other source of protection or recovery; and
2. Limited to the minimum types of coverage and the minimum limits required by that law.

The following total policy exclusion is added:

EXCLUSION OF TRANSPORTATION NETWORK COMPANY & PERSONAL VEHICLE SHARING PROGRAM USE

- A. There is no coverage of any kind under this policy for any accident, loss, "bodily injury", "property damage" or any other damage, expense or loss for any person or any party that results from, arises out of, or is related to any person operating or using "your covered auto" or any other vehicle in any type of activity associated or connected with any:
 1. Transportation network company (TNC). This includes the ownership, maintenance, use, occupancy or possession of any vehicle during the period of time from the moment a participating driver in a TNC logs on to the TNC's online-enabled application or platform until that driver logs off of the online-enabled application or platform, or the passenger exits the vehicle, whichever is later; or
 2. Personal vehicle sharing program, use or activity.
- B. For purposes of this exclusion:
 1. Transportation network company (TNC) means any type of organization or entity that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers using a personal vehicle.
 2. Personal vehicle sharing program means a group or legal entity engaged in the business or activity of facilitating or promoting the sharing of private passenger vehicles for noncommercial use by individuals other than the vehicle's owner.

All other policy provisions apply.