

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

STATE ENDORSEMENT - PENNSYLVANIA

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 Pennsylvania 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. \$5,000 for each accident with respect to "property damage".

DEFINITIONS

The following definitions are added:

"Noneconomic loss" means pain and suffering and other nonmonetary detriment.

"Serious injury" means an injury resulting in death, serious impairment of body function or permanent serious disfigurement.

"Loaner vehicle" means a motor vehicle provided to you by a "motor vehicle dealer" while "your covered auto" is being transported, serviced, repaired or inspected by that "motor vehicle dealer" when an "insured" has custody of or is operating that motor vehicle and when the "motor vehicle dealer" has provided such motor vehicle without financial remuneration in the form of a fee, rental or lease charge paid directly by any "insured".

"Motor vehicle dealer" means a person required to be licensed under the act of December 22, 1983 (P.L. 306, No. 84), known as the Board of Vehicles Act, who is engaged in the business of buying, selling or exchanging new or used vehicles or an interest in new or used vehicles, regardless of whether the vehicles are owned by that person. The term includes persons engaged in consignment sales for a seller, but does not include a person issued an identification number by the Department of Transportation, unless the board has also issued a dealer license to the person.

PART A – LIABILITY COVERAGE

The **Insuring Agreement** provision is replaced by the following:

INSURING AGREEMENT

- 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 pay damages for "bodily injury" for which any "insured" becomes legally responsible because of an auto accident involving a "loaner vehicle". 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. We have no duty to defend any suit or settle any claim for "bodily injury" or "property damage" not covered under this policy.
- B. "Insured" as used in this Part means:
 1. You or any "family member" for the ownership, maintenance or use of "your covered auto" or a "loaner vehicle".
 2. Any person using "your covered auto" or a "loaner vehicle".
 3. For "your covered auto" or a "loaner vehicle", any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this part.

Under the **Supplementary Payments** provision, the following is added:

Prejudgment interest awarded against the “insured” on the part of the judgment we pay. Any prejudgment interest awarded against the “insured” is subject to the applicable Pennsylvania Rules of Civil Procedure.

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

Exclusion 5. is replaced by the following:

5. For that “insured’s” liability arising out of the ownership or operation of “your covered auto” or a “loaner vehicle” while it is being used to carry persons or property for a fee.

Exclusion 7. is replaced by the following:

7. Maintaining or using “your covered auto” or a “loaner vehicle” while that “insured” is employed or otherwise engaged in any “business” (other than farming or ranching) not described in Exclusion 6.

Exclusion 8. is replaced by the following:

8. Using “your covered auto” or a “loaner vehicle” without a reasonable belief that that “insured” is entitled to do so.

Exclusion 10. is replaced by the following:

10. Arising out of the ownership, maintenance or use of a vehicle other than “your covered auto” or a “loaner vehicle”.

Under the **Other Insurance** provision, the following is added:

Any insurance we provide for a “loaner vehicle” will be primary.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

The **Insuring Agreement** provision is replaced by the following:

INSURING AGREEMENT

We will pay for direct or accidental loss to “your covered auto” or a “loaner vehicle” including its “equipment” minus any applicable deductible shown in the Declarations or Schedule, when such loss is caused by:

- A. “Other than collision” only if the Declarations or Schedule indicate that Other Than Collision Coverage is provided for that auto or for the auto for which a “loaner vehicle” has been provided.
- B. “Collision” only if the Declarations or Schedule indicate that Collision Coverage is provided for that auto or for the auto for which a “loaner vehicle” has been provided.

Any deductibles shown in the Declarations or Schedule for “your covered auto” shall also apply to the auto’s “loaner vehicle”.

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

Exclusion A.7. is replaced by the following:

7. Loss to equipment designed for the reproduction of sound not permanently installed in “your covered auto” or a “loaner vehicle”.

The following is added to Exclusion A.10.:

This Exclusion does not apply to victims of abuse.

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.

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C. With respect to a “loaner vehicle”:

1. For a total loss or “constructive total loss”, we will pay the actual cash value of a “loaner vehicle” up to the limit shown for **PART D** in the Declarations or Schedule for the “your covered auto” for which the “loaner vehicle” has been provided.
2. For all other loss or damage, we will pay the amount necessary to repair or replace the property, whichever is less, provided you or the “motor vehicle dealer” actually repair or replace the property, but we will not pay more than the limit shown for **PART D** in the Declarations or Schedule for the “your covered auto” for which the “loaner vehicle” has been provided.

Under the **Other Insurance** provision, the following is added:

Any insurance we provide for a “loaner vehicle” will be primary.

Under the **Vehicle Trailer** provision, the second paragraph is replaced by the following:

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

PART E – DUTIES AFTER AN ACCIDENT OR LOSS is replaced by the following:

PART E – DUTIES AFTER AN ACCIDENT OR LOSS

If an accident or loss occurs, the following must be done for the terms of the policy to apply:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must cooperate with us by complying with the following duties as a condition of coverage:
 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Do not admit fault or assume any obligation to other persons.
 3. Do nothing that would prejudice our rights or interests or our ability to provide a defense.
 4. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 5. 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.
 6. Authorize us to obtain:
 - a. Medical reports; and
 - b. Other pertinent records.
 7. Submit a proof of loss when required by us.
- C. A person seeking Uninsured Motorists Coverage must also:
 1. Promptly notify the police if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage For Damage To Your Covered Auto must also:
 1. Take reasonable steps after loss to protect “your covered auto” and its equipment from further loss. We will pay reasonable expenses incurred to do this.

2. Promptly notify the police if “your covered auto” is stolen.
3. Permit us to inspect and appraise the damaged property before its repair or disposal.

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;
 - 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

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

CONCEALMENT OR FRAUD

If you intentionally conceal or misrepresent any material fact relating to this insurance before or after a loss:

1. Within the first 59 days the policy has been in effect, the policy will be rescinded;
2. After the policy has been in effect 60 days or more, the coverages relating to the misrepresentation will be voided for the insured who committed the fraudulent act or made the material misrepresentation, if the act or misrepresentation could not have reasonably been discovered by us within the first 59 days the policy was in force and the undisclosed information would have prompted us to decline the risk.

Under the **Payment of Loss** provision, the second paragraph is replaced by the following:

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 **Our Right To Recover Payment** provision, Paragraph B. is replaced by the following:

- B. If we make a payment under this policy, and the person to or for whom payment is made recovers damages from another, that person shall:
 1. Hold in trust for us the proceeds of the recovery; and
 2. Reimburse us to the extent of our payment less reasonable attorneys' fees, costs and expenses incurred by that person in collecting our share of the recovery.

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

Cancellation 2. is replaced by the following:

2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. At least 30 days' notice:
 - (1) For nonpayment of premium; or
 - (2) If the notice is mailed within the first 60 days this policy is in effect and this is not a renewal or continuation policy;
 - b. At least 60 days' notice if the policy was obtained through material misrepresentation or for any other reason permitted by state law.

Our right to cancel this policy is subject to the limitations contained in the applicable Pennsylvania Statutes.

Cancellation 3. is deleted.

Nonrenewal is replaced by the following:

Nonrenewal. If we decide not to renew or continue this policy, we will mail to the named insured shown in the Declarations at the address shown in this policy at least 60 days' notice before the end of the policy period.

However, our right to nonrenew this policy is subject to the limitations contained in the applicable Pennsylvania Statutes.

Automatic Termination deletes the last paragraph (beginning “If you obtain other insurance...”).

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

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

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;
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 **Constitutionality Clause** and **Excess Coverage** provisions are added:

CONSTITUTIONALITY CLAUSE

The premium for, and the coverages of, this policy have been established in reliance upon the provisions of the Pennsylvania Motor Vehicle Financial Responsibility Law. In the event a court, from which there is no appeal, declares or enters a judgment the effect of which is to render the provisions of such statute invalid or unenforceable in whole or in part, we will have the right to recompute the premium payable for the policy and void or amend the provisions of the policy, subject to the approval of the Insurance Commissioner.

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.