

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

STATE ENDORSEMENT – NEW JERSEY

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 New Jersey law, to be provided under a standard 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. \$25,000 for each accident with respect to “property damage”.

DEFINITIONS

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

The definition of “you” and “your” is replaced by the following:

Throughout this policy, “you” and “your” refer to:

1. The “named insured” shown in the Declarations;
2. The spouse, if a resident of the same household; or
3. A party who has entered into a civil union with the “named insured”, legally recognized under New Jersey 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, the spouse or such party will be considered “you” and “your” under this policy but only until 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 New Jersey law, or adoption who is a resident of your household and who is listed as an authorized driver in the application. This includes a ward or foster child.

PART A – LIABILITY COVERAGE

Under the **Insuring Agreement**, 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. 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.

Under the **Exclusions** provision, Exclusion 1 is replaced by the following:

1. Who intentionally causes “bodily injury” or “property damage”, however, this exclusion will not apply to deny payment to a co-“insured”, who did not cooperate in or contribute to the creation of the loss, if the loss arose out of domestic violence.

PART B – MEDICAL PAYMENTS COVERAGE

Under the **Exclusions** provision, the following exclusions are added:

We do not provide Medical Payments Coverage for any “insured” for “bodily injury” sustained:

While “occupying” a vehicle insured for personal injury protection coverage; or

While a pedestrian, and:

- a. Caused by a vehicle insured for personal injury protection coverage; or

- b. As a result of being struck by an object propelled by or from a vehicle insured for personal injury protection coverage.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

Under the **Exclusions** provision, Exclusion A.4. is replaced by the following:

- A. We will not pay for:
 - 4. Loss due to or as a consequence of war (declared or undeclared), civil war, insurrection, rebellion, revolution or terrorism.

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.

Under the **Payment Of Loss** provision, the following is added:

If we pay the amount necessary to repair the stolen or damaged property, you have the option to use either:

- 1. An auto repair facility that we have an arrangement with; or
- 2. An auto repair facility of your choice;

in any repairs to the auto.

If you choose to use an auto repair facility, other than an auto repair facility that we have an arrangement with, we will pay you in accordance with the terms and conditions, including price, provided by the auto repair facility that we have an arrangement with.

The following provision is added and applies in place of any conflicting policy provision:

MANDATORY INSPECTION

- 1. We have the right to inspect any:
 - a. “Antique vehicle”;
 - b. “Classic vehicle”; or
 - c. “Camper Trailer”;

which you insure or intend to insure for **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO** under this policy.

If the **Reproduction Models; Exotic, and Special Interest Vehicle Endorsement** is attached to this policy, we also have the right to inspect any “exotic and special interest vehicle” which you insure or intend to insure for **PART D** under this policy.

- 2. We do not provide **PART D** for any additional or replacement vehicle you acquire during the policy period until after you:
 - a. Notify us; and
 - b. Request coverage for that vehicle.

However, this paragraph 2. does not apply to a replacement vehicle for the 3 day period beginning on the date you acquire the replacement vehicle if:

- a. You acquire the vehicle during the policy period; and

- b. We provided **PART D** on the vehicle you replaced for at least 12 months prior to the date of replacement.

For each of the following which falls within the 3 day period, we will extend the period 1 day:

- a. Saturday;
 - b. Sunday; or
 - c. New Jersey State holiday.
3. When we require an inspection you must:
- a. Cooperate; and
 - b. Make the vehicle available for inspection.

PART E – DUTIES AFTER AN ACCIDENT OR LOSS

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 other than "your covered auto", 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 the time of application or renewal of insurance 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 **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 the policy.

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, 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. and 3. are replaced by the following:

- 2. We may cancel by mailing by certified mail or United States Postal Service certificate of mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. At least 15 days' but not more than 30 days' notice if cancellation is for nonpayment of premium; or
 - b. At least 20 days' notice in all other cases.
- 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;
- b. If your driver's license or motor vehicle registration has been suspended or revoked. This must have occurred:
 - (1) During the policy period; or
 - (2) Since the last anniversary of the original effective date if the policy period is other than one year
- c. If the driver's license of:
 - (1) Any driver who lives with you; or
 - (2) Any driver who customarily uses "your covered auto";
 has been suspended or revoked for one or more convictions for serious motor vehicle violations as set forth in N.J.A.C. 11:3-8.10. This must have occurred:
 - (1) During the policy period; or
 - (2) Since the last anniversary of the original effective date if the policy period is other than 1 year.
- d. If you provided false or misleading information in connection with any application for insurance, renewal of insurance or claim for benefits under this policy.

Nonrenewal is replaced by the following:

Nonrenewal.

- 1. If we decide not to renew or continue this policy and one or more motor vehicles insured under this policy is subject to the New Jersey Automobile Reparation Reform Act, we will mail notice by certified mail or United States Postal Service certificate of mailing to the named insured shown in the Declarations at the address shown in this policy. Notice will:
 - a. Be mailed not less than 60 and not more than 90 days before the end of the policy period; and
 - b. Include:
 - (1) The specific reason for the nonrenewal; and
 - (2) Any other information required by New Jersey law or regulation.

We will only nonrenew or refuse to continue this policy if:

- a. You are an ineligible person as defined in N.J.A.C. 11:3-34; or
- b. In the five years immediately preceding notice of nonrenewal, you or any driver insured under this policy had at least two of the following in any combination:
 - (1) An at-fault accident;
 - (2) A moving violation for which four or more automobile insurance eligibility points were assessed; or
 - (3) A failure to maintain the coverage mandated by N.J.S.A. 39:6A-3, without lapse, as required; or
- c. You or any driver insured under this policy provided false or misleading information in connection with any application for insurance, renewal of insurance or claim for benefits under this policy; or
- d. You or any driver insured under this policy failed to provide after written request by us, the minimum information necessary to accurately rate this policy under the terms and conditions set forth by the commissioner in regulations; or
- e. If you no longer meet the company's acceptance criteria as permitted by the New Jersey Department of Banking and Insurance.

At-fault accident as used in this provision means any accident involving a driver insured under this policy:

- a. Where a driver is proportionately responsible based on the number of vehicles involved; and
 - b. Which results in a payment by us of at least \$1,000.00.
2. If we decide not to renew or continue this policy and no motor vehicle insured under this policy is subject to the New Jersey Automobile Reparation Reform Act, we will mail notice by certified mail or United States Postal Service certificate of mailing to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 60 days before the end of the policy period.
 3. We will have the right not to renew or continue this policy at each anniversary of its original effective date.

Under Other Termination Provisions, Paragraph 1. is deleted.

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

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 has entered into a civil union with the "named insured" legally recognized under New Jersey law;

if a resident in the same household at the time of death. Coverage applies to the spouse or party who has entered into a civil union with the "named insured" as though a "named insured" shown in the Declarations; and
 2. The legal representative of the deceased person as though 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 **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; and
2. Be construed, to the extent permitted by law, to exclude any coverage that is not required by law to be provided or otherwise covered by this policy.

The **Amendatory Endorsements** provision is deleted.

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 coverage required by that law or court.

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.