

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

### STATE ENDORSEMENT – NORTH DAKOTA

**SUBJECT TO THE PROVISIONS OF THIS POLICY, CONTRACTUAL LIABILITY COVERAGE IS PROVIDED FOR “PROPERTY DAMAGE” TO PRIVATE PASSENGER MOTOR VEHICLES RENTED UNDER WRITTEN CONTRACT FOR 30 CONTINUOUS DAYS OR LESS, PURSUANT TO THE PROVISIONS OF THE NORTH DAKOTA STATUTES. THEREFORE, DEPENDING ON THE PROVISIONS CONTAINED IN THE RENTAL CONTRACT, IT MAY NOT BE NECESSARY TO PURCHASE COVERAGE FOR “PROPERTY DAMAGE” TO PRIVATE PASSENGER MOTOR VEHICLES RENTED FOR 30 CONTINUOUS DAYS OR LESS. PRIVATE PASSENGER MOTOR VEHICLES INCLUDE STATION WAGONS, MINIVANS, VANS, AND PICKUPS AND DOES NOT INCLUDE MOTOR HOMES, MOTORCYCLES, OR TRUCKS OTHER THAN PICKUPS.**

The following amendments change the policy. Please read your entire policy for full details about your coverages.

Throughout the policy and endorsements attached to it, minimum limits means the following limits of liability as required by North Dakota law, to be provided under a policy of automobile liability insurance:

- A. \$25,000 for each person, subject to \$50,000 for each accident, with respect to “bodily injury”; and
- B. \$25,000 for each accident with respect to “property damage”.

#### 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”. 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 the amount we pay for damages resulting from the occurrence equals the limit of liability shown in the Declarations through 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 **Supplementary Payments** provision, paragraph F. is added:

In addition to our limit of liability, we will pay on behalf of an “insured”:

- F. 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.

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

Exclusion A. is replaced by the following:

- A. 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. However, this exclusion does not apply to an innocent co-insured if the loss arises out of domestic violence or abuse and the perpetrator of the loss is criminally prosecuted for the act causing the loss.

Exclusion D. is replaced by the following:

- D. For “property damage” to property:

1. Rented to;
  2. Used by; or
  3. In the care of;
- that “insured”.

This exclusion does not apply to:

1. “Property damage” to a residence or private garage; or
2. Liability assumed under written contract for “property damage” to a private passenger motor vehicle rented by you or a “family member” for 30 continuous days or less.

## PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

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

- G. Loss or damage intentionally caused or directed by you or a “family member”. An intentional act includes any voluntary act that a reasonable person could foresee may cause injury or damage. However, this exclusion does not apply to an innocent co-insured if the loss arose out of domestic violence and the perpetrator of the loss is criminally prosecuted for the act causing the loss or abuse and the perpetrator of the loss is criminally prosecuted for the act causing the loss.

If we pay a claim pursuant to Exclusion G., our payment to the “insured” is limited to that “insured’s” insurable interest in the property less any payments we first made to other parties with a legal secured interest in the property. In no event will we pay more than the **Limit of Liability**.

## PART F – GENERAL PROVISIONS

Under the **Excess Coverage** provision, the following is added:

With respect to **PART D**, 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. However, any insurance we provide with respect to a vehicle that is not “your covered auto”, shall be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the non-owned auto;
2. Any other applicable physical damage insurance;
3. Any contractual liability coverage provided for rented vehicles under **PART A** of the policy; and
4. Any other source of recovery applicable to the loss.

With respect to **PART A** and **PART B**, any insurance we provide for a vehicle you do not own, including any vehicle while used as a temporary substitute for “your covered auto”, will be primary insurance if the vehicle is insured under a policy affording coverage to a Named Insured engaged in the “business” of:

1. Selling;
2. Repairing;
3. Servicing;
4. Storing;
5. Leasing;
6. Renting; or
7. Parking;

motor vehicles. This applies only if an “insured”:

1. Is operating the vehicle; and
2. Is neither the person engaged in such “business” nor that person's employee or agent.

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

A. Cancellation, paragraph 3. is replaced by the following:

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 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.

However, in the event the driver's license of an operator is suspended or revoked, before cancelling this policy we will offer to continue the policy with a provision excluding coverage when that person whose driver's license is suspended or revoked is operating a motor vehicle. If such offer is accepted, we will issue an endorsement to that effect;

- c. If the policy was obtained through material misrepresentation; or
- d. For any other reason permitted by state law.

B. Nonrenewal is replaced by the following:

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 30 days before the end of the policy period. If the policy period is other than 1 year, we will have the right not to renew or continue it only at each anniversary of its original effective date.

All other policy provisions apply.