

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

STATE ENDORSEMENT – WASHINGTON

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 Washington 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 following definitions are replaced:

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

The Named Insured shown in the Declarations; and

Your spouse, if a resident of the same household. Spouse includes any person joined with the Named Insured under a civil union, domestic partnership, or registered partnership that is recognized by and valid under the law of the state into which such union was entered.

If the spouse or party who has entered into a domestic partnership 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 another policy listing the spouse or such party as a named insured; or
3. The end of the policy period.

“Family member” means a person related to you by blood, marriage, domestic partnership registered under Washington law, or adoption who is a resident of your household. 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. Damages include prejudgment interest awarded against the “insured”. 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**, paragraph B. is replaced by the following:

- B. For “property damage” sustained by any “insured”.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

Under the **Limit of Liability** provision, paragraph B. is replaced by the following:

- 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, with similar kind and quality, without deduction for depreciation or betterment, but we will not pay more than the “Guaranteed Value[®]” for the applicable vehicle shown in the Declarations. We will not pay for any unrepaired damage for which we have previously made payment under this policy.

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

APPRAISAL

- A. If we and you do not agree on the amount of loss, either party may make a written demand for an appraisal, and within 10 days each party shall select a competent and disinterested appraiser and notify the other party of its selection.

- B. The appraisers shall then each appraise the actual cash value and the amount of the loss, make separate findings regarding the amount of the loss for each element of the loss, and exchange their completed appraisals. If the appraisers are unable to agree on the losses, the selected appraisers shall appoint a competent and disinterested umpire and submit their differences to the umpire.
1. If the appraisers do not appoint a competent and disinterested umpire within 15 days, either appraiser may notify the commissioner, and the commissioner shall identify a registered competent and disinterested umpire that will be used according to the process that the commissioner specifies by the rule.
 2. The appraisers must make their appraisals within 30 calendar days of selection. If an appraiser needs more than 30 days, the appraiser shall provide a reasonable basis to the other appraiser before 25 days has passed. The appraiser must document the reason or reasons for the extension in their file.
 3. The amount of the loss must be determined either by agreement of the appraisers, or by agreement of 1 appraiser and the umpire. An agreement of any two is binding.
- C. Each party is responsible for their appraisal expenses, and each party is equally responsible for the cost of the umpire.
- D. Neither we nor you waive any rights under this policy by agreeing to an appraisal.
- E. Appraisal is not available when there is a dispute as to the existence of coverage.

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

- B. For all other loss or damage to your “vehicle trailer”, we will pay the amount necessary to repair or replace the property, whichever is less, with similar kind and quality, without deduction for depreciation or betterment, but we will not pay more than the “Guaranteed Value®” for the applicable “vehicle trailer” shown in the Declarations. We will not pay for any unrepaired damage for which we have previously made payment under this policy.

PART E – DUTIES AFTER AN ACCIDENT OR LOSS

B.5. is deleted.

PART F – GENERAL PROVISIONS

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

CONCEALMENT OR MISREPRESENTATION

All insurance provided by this policy will be null and void if, at any time, you or someone on your behalf intentionally conceals or misrepresents a material fact or circumstance relating to the insurance. No action or inaction by us will be deemed a waiver of this provision.

The **Excess Coverage** provision is replaced by the following:

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 there is other insurance with the same priority as this coverage, we will not pay more than our share of the covered losses or damages. Our share of the covered losses or damages is the proportion that our limit of coverage bears to the total of all applicable limits with the same priority as our coverage.

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.

Nothing in this **Excess Coverage** provision shall be deemed to provide, grant, or extend coverage that is not otherwise provided under the terms of this policy.

Under the **Exclusion of Transportation Network Company and Personal Vehicle Sharing Program Use**

provision, paragraph B.1. is replaced by the following:

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 digital network or software application or platform to connect or match passengers with drivers using a vehicle.

Under the **Legal Action Against Us** provision, the following changes are made:

Paragraph C. is replaced by the following:

- C. Under **PART D**, suit or action must start within 12 months from the time the cause of action accrues, but this time period will be extended by the number of days between the date you file your proof of loss with us and the date we deny all or part of your claim.

The following is added:

If an action is brought against us under the Insurance Fair Conduct Act, then 20 days prior to filing such an action, we and the Office of the Insurance Commissioner must be provided written notice of the basis for the cause of action. Such notice may be sent by regular mail, registered mail, or certified mail with return receipt requested.

Under the **Our Right To Recover Payment** provision, the following is added:

We shall be entitled to a recovery under paragraph A. or B. only after the person has been fully compensated for damages.

Our rights do not apply under paragraph A. with respect to Underinsured Motorists Coverage if we:

1. Have been given prompt written notice of a tentative settlement between an “insured” and the insurer of an “underinsured motor vehicle”; and
2. Fail to advance payment to the “insured” in an amount equal to the tentative settlement within a reasonable time after receipt of notification.

If we advance payment to the “insured” in an amount equal to the tentative settlement within a reasonable time after receipt of notification:

1. That payment will be separate from any amount the “insured” is entitled to recover under the provisions of Underinsured Motorists Coverage.
2. We also have a right to recover the advanced payment.

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

Unless a claim has been paid by others, we will pay any loss covered under this policy within 30 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. If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

The **Termination** provision is replaced by the following:

TERMINATION

A. Cancellation. This policy may be canceled during the policy period as follows:

1. The Named Insured shown in the Declarations may cancel by notifying us or the insurance producer of the date cancellation is to take effect in one of the following ways:
 - a. The returning of this policy to us;
 - b. Written notice prior to or on the date cancellation is to take effect by mail, facsimile, or e-mail; or
 - c. Verbal notice.

If the date of cancellation is not specified, cancellation shall take effect upon our receipt of such notice.

2. We may cancel by mailing to the Named Insured shown in the Declarations at the address shown in this policy:
 - a. At least 10 days' notice if cancellation is for nonpayment of premium or if the policy has been in effect 30 or less days; 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; or
 - b. If your driver's license or that of any driver who customarily uses "your covered auto" has been suspended or revoked, this must have occurred:
 - 1) During the policy period; or
 - 2) If the policy is a renewal, during its policy period or the 180 days immediately preceding the effective date of the renewal policy.
4. We will mail the same advance written notice of cancellation to the insurance producer, if applicable.

- B. 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 20 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.

We will mail the same advance notice of nonrenewal to the insurance producer, if applicable.

We may not refuse to renew or continue the Liability or Collision Coverage of this policy on the basis that you have made one or more claims under any:

1. Other Than Collision Coverage in **PART D**; or
 2. Towing and Labor Costs Coverage;
- of this policy.

- C. Automatic Termination. If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

We are not required to renew this policy if other coverage acceptable to you is obtained before the end of the current policy period.

D. Other Termination Provisions

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice. Included in the notice will be the reason for cancellation or nonrenewal of the policy.
2. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. Any refunded premium will be calculated pro rata from the unearned premium for the current policy period. However, making or offering to make the refund is not a condition of cancellation.
3. Any premium refund due will be sent to you as soon as possible and:
 - a. No later than 45 days after the date we send notice of cancellation if we cancel the policy; or
 - b. No later than 30 days after the date we receive notice of cancellation if you cancel the policy.
4. The effective date of cancellation stated in the notice shall become the end of the policy period.

All other policy provisions apply.