

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

STATE ENDORSEMENT – ALASKA

This endorsement forms part of your policy, and replaces or changes the policy terms, as set forth below. Please read your entire policy for full details about your coverages.

If the Declarations or Schedule indicate that this policy provides only **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO**, the following statement applies:

THIS POLICY PROVIDES INSURANCE ONLY AGAINST DAMAGE TO THE MOTOR VEHICLE. THIS POLICY DOES NOT INSURE AGAINST BODILY INJURY, DEATH, OR PROPERTY DAMAGE LIABILITY AND DOES NOT SATISFY THE MANDATORY MOTOR VEHICLE LIABILITY INSURANCE REQUIREMENTS OF AS 28.22.011.

The following amendment changes the policy and deletes the **Amendatory Endorsements** provision under **PART F**.

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

1. \$50,000 for each person, subject to \$100,000 for each accident, with respect to “bodily injury”; and
2. \$25,000 for each accident with respect to “property damage”.

DEFINITIONS

Under **Definitions**, the following amendments are made:

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

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

The following definition is added:

“Rental vehicle” means a:

1. Private passenger auto;
2. Pickup or van; or
3. Trailer;

rented to you or any “family member” from any person or organization licensed under applicable state laws to engage in the “business” of renting vehicles to the public while in the custody of or being operated by you or any “family member”. These vehicles could include those rented through a personal vehicle sharing program.

However, a “rental vehicle” does not include any vehicle rented for the regular use of you or any “family member”.

PART A – LIABILITY COVERAGE

The following is added:

“Your covered auto”, as used in this **PART A**, also includes a “rental vehicle”.

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 our limit of liability for this coverage has been exhausted. 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, the following amendments are made:

Exclusion 1. is replaced by the following:

1. 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 if the loss is caused by an act of domestic violence by another insured and not the insured who is claiming loss. The insured who claims loss must cooperate in any investigation and must not have contributed to the loss.

Exclusion 11. is deleted.

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

If the Declarations or Schedule shows a combined single limit for “bodily injury” and “property damage”, the limit of liability for a single accident shall not be exhausted until each of the legally required minimums for bodily injury liability and property damage liability is paid, whether or not such payment causes the liability for the policy in question to exceed the stated amount.

Under the **Out of State Coverage** provision, A.2. is replaced by the following:

2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage, or higher limits, if purchased under this policy.

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

However, the coverage under this policy, if applicable to any “rental vehicle”, shall be paid in the following order of priority and subject to the limit of liability of each applicable policy or coverage, as directed in Alaska Statutes § 21.96.020(f)(4):

1. From a policy or coverage purchased by the operator from the person who has the vehicle available for rent;
2. From a policy or coverage covering the operator of a rented vehicle but not purchased from the person who has the vehicle available for rent; and
3. From a policy or coverage of the person who has the vehicle available for rent.

PART B – MEDICAL PAYMENTS COVERAGE

Under the **Insuring Agreement** provision, paragraph B. is replaced by the following:

- B. “Insured”, as used in this **PART B**, means any person while “occupying” “your covered auto” or any pedestrian when struck by “your covered auto”.

Under the **Exclusions** provision, Exclusion 7.e. deletes the words ‘or terrorism’.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

The following is added:

“Your covered auto”, as used in this **PART D**, also includes a “rental vehicle”.

The **Spare Parts** provision is amended as follows:

The limit is increased from \$250 to \$750, or the amount shown in the Declarations or Schedule for “Spare Parts”.

The following provision is added:

CAR COVERS

We will pay up to \$250 for direct and accidental loss or damage to a car cover or car bra used for “your covered auto”. This coverage does not increase the limit of liability for “your covered auto” as stated under **PART D** in the Declarations or Schedule.

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

Exclusion A.1. deletes the words 'insects or vermin', and the following is added:

However, this exclusion does not apply to mold damage that results from a covered loss.

Exclusion A.4. deletes the word 'terrorism'.

Exclusion A.10. is replaced by the following:

10. Loss or damage intentionally caused or directed by you or any "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 if the loss is caused by an act of domestic violence by another insured and not the named insured who is claiming loss. The insured who claims loss must cooperate in any investigation and must not have contributed to the loss.

Exclusion A.11. is deleted.

The following exclusion is added:

Loss to, or loss of use of, a "rental vehicle" rented by:

- a. You; or
- b. Any "family member";

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that "family member", pursuant to the provisions of any applicable rental agreement or state law.

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.

However, we will not pay more than the Guaranteed Value® per vehicle shown under **PART D** in the Declarations or Schedule.

No payment will be made under this coverage for loss paid under Uninsured/Underinsured Motorists Property Damage Coverage of this policy or any similar insurance under any other policy.

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

However, the coverage under this policy, if applicable to any "rental vehicle", shall be paid in the following order of priority and subject to the limit of liability of each applicable policy or coverage, as directed in Alaska Statutes § 21.96.020(f)(4):

1. From a policy or coverage purchased by the operator from the person who has the vehicle available for rent;
2. From a policy or coverage covering the operator of a rented vehicle but not purchased from the person who has the vehicle available for rent; and
3. From a policy or coverage of the person who has the vehicle available for rent.

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

APPRAISAL

- A. If you and we fail to agree on the amount of loss, either may make written demand upon the other for an appraisal of the loss. In this event, within 10 days of the demand, each party will choose a competent appraiser and will notify the other of the appraiser selected. The two appraisers will promptly choose a competent and impartial umpire. Not later than 15 days after the umpire has been chosen, unless this time period is extended by the umpire, each appraiser will separately state, in writing, the actual cash

value and the amount of loss. If the appraisers submit a written report of an agreement on the actual cash value and the amount of loss to us, that agreement will be binding on you and us. If the appraisers fail to agree, they will promptly submit their differences to the umpire. A decision agreed to by one of the appraisers and the umpire will be binding on you and us.

B. Each party will:

1. Pay its own counsel or adjuster fees; and
2. Bear those other expenses and fees which are incurred as a result of the appraisal as determined by the umpire.

C. Neither party waives any rights under this policy by agreeing to an appraisal.

PART E – DUTIES AFTER AN ACCIDENT OR LOSS

The following is added to paragraph B.3.b.:

Such person has the right to have counsel present during any examination taken under oath.

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 motorists coverage and underinsured motorists 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. If other insurance covers a loss, we will pay only our share. Our share is the proportion that our limit of liability bears to the total of all applicable limits. The most we will pay for all covered damages shall not exceed the actual amount of loss associated with each accident. However, any insurance we provide for a “rental vehicle” will be primary insurance, except any such insurance will be excess over any other coverage an insured purchases from the owner of the “rental vehicle”;
 - 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 **Concealment or Fraud** provision is replaced by the following:

CONCEALMENT OR FRAUD

We do not provide coverage for any “insured” who has:

- A. Made fraudulent statements;
- B. Engaged in fraudulent conduct; or
- C. Omitted or concealed facts or made incorrect statements;

in connection with the application for insurance or any accident or loss for which coverage is sought under this policy, provided such statements or conduct were material to the acceptance of the risk or the hazard assumed, or we in good faith would not have issued the policy or would have issued it differently, if the true facts had been known.

Under the **Legal Action Against Us** provision, paragraph C. is replaced by the following:

- C. Under **PART D**, suit or action must start within 3 years of the date we deny all or part of your claim.

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 **Termination** provision, the following amendments 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 last known by us:
 - a. At least 20 days' notice:
 - (1) If cancellation is for nonpayment of premium; or
 - (2) If cancellation is for the reasons as listed in paragraph 3.b.
 - b. At least 30 days' notice in all other cases.

If you are 70 years of age or older and have made a written request to us, we will also mail notice to your designee.

Cancellation 3.c. is replaced by the following:

- c. For any other reason permitted by state law.

B. Nonrenewal is replaced by the following:

Nonrenewal. If we decide not to renew or continue this policy, we will mail written notice by first class mail and obtain a certificate of mailing from the United State Postal Service to the Named Insured shown in the Declarations at the address last known by us. We may also transmit the notice by electronic means to the last known electronic address of the agent, if applicable, and the Named Insured, if an electronic confirmation of receipt by the intended parties is obtained. Written notice will be mailed at least 45 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.

Other Termination Provisions 2. is replaced by the following:

2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. If you or we cancel, we will refund you the pro rata unearned premium.

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 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

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, or arises out of, using "your covered auto" in any type of activity associated or connected with any 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.

For purposes of this exclusion, 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.

All other policy provisions apply.