

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY.

STATE ENDORSEMENT – NEW HAMPSHIRE

This endorsement amends your policy to make it the equivalent of a Motor Vehicle Liability Policy as defined in New Hampshire Revised Statutes Annotated Chapter 259:61. It does not alter or waive any other terms or conditions as they appear in the Personal Auto Policy.

DEFINITIONS

E. "Family member" is deleted and 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.

I. "Your covered auto" adds the following:

Any auto or "vehicle trailer" you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

- a. Breakdown;
- b. Repair;
- c. Servicing;
- d. Loss; or
- e. Destruction.

This Provision does not apply to **Part D - Coverage For Damage To Your Covered Auto.**

L. is deleted.

The following Definitions are added:

- Throughout the policy, "minimum limits" refers to the following limits of liability as required by New Hampshire 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. \$25,000 for each accident with respect to "property damage".
- "Uninsured motor vehicle" means a land motor vehicle or trailer of any type:
 1. To which no bodily injury liability bond or policy applies at the time of the accident.

2. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in "bodily injury" without hitting:

- a. You or any "family member";
- b. A vehicle which you or any "family member" is "occupying"; or
- c. "Your covered auto".

If there is no physical contact with the hit-and-run vehicle the facts of the accident must be proved. We will only accept competent evidence other than the testimony of a person making a claim under this or any similar coverage.

3. To which a liability bond or policy applies at the time of the accident but the bonding or insuring company is or becomes insolvent. However, with respect to coverage for "property damage", this paragraph (3.) only applies if the bonding or insuring company is or becomes insolvent within three years of the date of the accident.

4. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company denies coverage.

- "Underinsured motor vehicle" means a land motor vehicle or trailer of any type to which a bodily injury liability bond or policy applies at the time of the accident but its limit for bodily injury liability is either:

1. Less than the limit of liability for this coverage; or
2. Reduced by payments to others injured in the accident to the amount less than the limit of liability for this coverage.

However, "underinsured motor vehicle" does not include any vehicle or equipment to which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company:

1. Denies coverage; or
2. Is or becomes insolvent.

In addition, neither "uninsured motor vehicle" nor "underinsured motor vehicle" includes any vehicle or equipment:

1. Owned by or furnished for the regular use of you or any "family member".
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

PART A - LIABILITY COVERAGE

INSURING AGREEMENT

Paragraph A. is deleted and 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.

Paragraph B., item 1. is deleted and replaced by the following:

1. You or any "family member" for the ownership, maintenance or use of any auto;

Paragraph B. is amended by adding the following:

- You, any "family member", or any domestic servant acting within the scope of employment of any such "insured", due to the operation of any motor vehicle, trailer or semi-trailer not owned in whole or in part by any "insured".

Any insurance afforded under this paragraph applies only if no other valid and collectible insurance is available to the "insured".

SUPPLEMENTARY PAYMENTS

The following provision is added:

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

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.

EXCLUSIONS

Exclusion 6. is deleted and replaced by the following:

6. While employed or otherwise engaged in the "business" of:
 - a. Selling;
 - b. Repairing;
 - c. Servicing;
 - d. Storing; and
 - e. Parking;

vehicles designed for use mainly on public highways. This includes road testing and delivery. This Exclusion (6.) does not apply to the ownership, maintenance or use of "your covered auto" by:

- a. You;
- b. Any "family member"; or
- c. Any partner, agent or employee of you or any "family member",

Exclusion 7. is deleted and replaced by the following:

7. Maintaining or using "your covered auto" while that "insured" is employed or otherwise engaged in any "business" (other than farming or ranching) not described in Exclusion 6. This Exclusion (7.) does not apply to the maintenance or use of a:
 - a. Private passenger auto;
 - b. Pickup or van; or
 - c. "Vehicle trailer".

Exclusion 8. is deleted and replaced by the following:

8. Using "your covered auto" without a reasonable belief that that "insured" is entitled to do so. This Exclusion (8.) does not apply to a "family member" using "your covered auto" which is owned by you.

Exclusion 10. is deleted and replaced by the following:

10. We do not provide Liability Coverage for the ownership, maintenance or use of:
 - A. Any vehicle which:
 1. Is not a motor vehicle as defined in New Hampshire Rule 1402.2(h); or
 2. Is designed mainly for use off public roads.

This Exclusion (10.A) does not apply:

- i. While such vehicle is being used by an "insured" in a medical emergency;
 - ii. To any trailer;
 - iii. To any non-owned golf cart; or
 - iv. If there is no other valid and collectible insurance available to the "insured".
- B. Any vehicle, other than "your covered auto", which is:
 1. Owned by you; or
 2. Furnished for your regular use.

- C. Any vehicle, other than "your covered auto", which is:

1. Owned by any "family member"; or
2. Furnished for the regular use of any "family member".

However, this Exclusion (10.C.) does not apply to you while you are maintaining or "occupying" any vehicle which is:

- i. Owned by a "family member"; or
- ii. Furnished for the regular use of a "family member".

The following exclusion is added:

- We do not provide Liability Coverage in excess of the "minimum limits" for:

The named insured, or any "family member", whose driver's license is under suspension or revocation, while operating the motor vehicle involved in the accident. However, this exclusion does not apply if the suspension or revocation can be directly attributed to our failure to file the necessary certification material with the director of the division of motor vehicles.

LIMIT OF LIABILITY

Paragraph C. is deleted and replaced by the following:

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
 1. **Part C** of this policy; or
 2. Any **Underinsured Motorists Coverage** provided by this policy.

OUT OF STATE COVERAGE

Paragraph B. is deleted and replaced by the following:

- B. No one will be entitled to duplicate payments for the same elements of loss. This limitation does not apply to benefits received under **Part B – Medical Payments Coverage**.

The **Other Insurance** Provision is replaced by:

OTHER INSURANCE

If there is other applicable liability insurance 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 for a vehicle you do not own, including any vehicle or "vehicle trailer" while used as a temporary substitute for "your covered auto", shall be excess over any other collectible insurance.

PART B - MEDICAL PAYMENTS COVERAGE

The **Insuring Agreement** is deleted and replaced by:

INSURING AGREEMENT

A. We will pay reasonable expenses incurred for necessary medical and funeral services because of "bodily injury":

1. Caused by an accident involving an auto; and
2. Sustained by an "insured".

We will pay only those expenses incurred for services rendered within 3 years from the date of the accident.

B. "Insured" as used in this Part means:

1. you or any "family member" while "occupying" or as a pedestrian when struck by:
 - a. a motor vehicle designed for use mainly on public roads; or
 - b. a trailer of any type; or
2. any person while "occupying" "your covered auto" or any vehicle you do not own while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. Loss; or
 - e. Destruction.

EXCLUSIONS

Exclusion 4. is deleted and replaced by the following:

4. a. Sustained while "occupying", or when struck by, any vehicle (other than "your covered auto") which is:
 - (1) Owned by you; or
 - (2) Furnished for your regular use.
- b. Sustained while "occupying", or when struck by, any vehicle (other than "your covered auto") which is:
 - (1) Owned by any "family member"; or
 - (2) Furnished for the regular use of any "family member".

However, this Exclusion (4.b.) does not apply to you.

Exclusion 5. is deleted and replaced by the following:

5. Sustained while "occupying" "your covered auto" without a reasonable belief that that "insured" is entitled to do so. This Exclusion (5.) does not apply to a "family member" using "your covered auto" which is owned by you.

Exclusion 6. is deleted and replaced by the following:

6. Sustained while "occupying" "your covered auto" when it is being used in the "business" of an "insured". This Exclusion (6.) does not apply to "bodily injury" sustained while "occupying" a:
 - a. Private passenger auto;
 - b. Pickup or van; or
 - c. "Vehicle trailer".

The following exclusion is added:

- We do not provide Medical Payments Coverage for an "insured" for "bodily injury" sustained:
 - a. While that "insured" is operating any vehicle; and
 - b. While that "insured's" driver's license is under suspension or revocation.

However, this exclusion does not apply if the suspension or revocation can be directly attributed to our failure to file the necessary certification material with the director of the division of motor vehicles.

LIMIT OF LIABILITY

Paragraph B. is deleted and replaced by the following:

- B. No one will be entitled to receive duplicate benefits for the same elements of loss under this coverage and a health insurance policy.

The **Other Insurance** Provision is deleted and replaced by the following:

OTHER INSURANCE

If there is other applicable insurance 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 for a vehicle you do not own, including any vehicle or "vehicle trailer" while used as a temporary substitute for "your covered auto", shall be excess over any other collectible insurance.

The following provision is added:

PAYMENT OF BENEFITS

Benefits payable under this coverage shall not be assignable to any health care provider.

PART D - COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

The **Insuring Agreement** is deleted and replaced by the following:

INSURING AGREEMENT

- A. We will pay for direct and accidental loss to "your covered auto" or any "non-owned auto", including their equipment, minus any applicable deductible shown in the Declarations. If loss to more than one "your covered auto" or "non-owned auto" results from the same "collision", only the highest applicable deductible will apply. However, we will not apply a deductible if the damage to "your covered auto" or any "non-owned auto" is caused by "collision" with an "uninsured motor vehicle" and the operator of the "uninsured motor vehicle":
 1. Is solely at fault; and
 2. Has been positively identified.

1. Is solely at fault; and
2. Has been positively identified.

We will pay for loss to "your covered auto" caused by:

1. Other than "collision" only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
2. "Collision" only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a "non-owned auto", we will provide the broadest coverage applicable to any "your covered auto" shown in the Declarations.

However, for any loss to a "non-owned" auto:

1. Coverage applies on an excess basis; and
2. Our limit of liability for loss will be the lesser of the:
 - a. Actual cash value of the stolen or damaged property; or
 - b. Amount necessary to repair or replace the property with other property of like kind and quality.

However, the most we will pay for loss to:

- a. Any "non-owned auto" which is a trailer is \$1500.
- b. .Electronic equipment that reproduces, receives or transmits audio, visual or data signals, which is permanently installed in the auto in locations not used by the auto manufacturer for installation of such equipment, is \$1,000.
3. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss.
4. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.
- B. "Collision" means the upset of "your covered auto" or a "non-owned auto" or their impact with another vehicle or object.

Loss caused by the following is considered other than "collision":

1. Missiles or falling objects;
2. Fire;
3. Theft or larceny;
4. Explosion or earthquake;
5. Windstorm;
6. Hail, water or flood;
7. Malicious mischief or vandalism;
8. Riot or civil commotion;
9. Contact with bird or animal; or
10. Breakage of glass.

However, coverage for other than "collision" losses is not restricted to the above listed causes of loss.

If breakage of glass is caused by a "collision", you may elect to have it considered a loss caused by "collision".

C. "Non-owned auto" means:

1. Any private passenger auto, pickup, van or "vehicle trailer", including any such vehicle rented to you or any "family member", not owned by or furnished for the regular use of you or any "family member" while in the custody of or being operated by you or any "family member"; or
2. Any auto or "vehicle trailer" you do not own while used as a temporary substitute for "your covered auto" which is out of normal use because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. Loss; or
 - e. Destruction.

EXCLUSIONS

Exclusion 1. adds the following:

However, this exclusion (1.) does not apply to dampness, mildew, or mold damage resulting from a covered loss.

Exclusion 11. is deleted and replaced by the following:

11. Loss or damage to "your covered auto" as a result of the criminal acts of any person. However, this provision does not apply to any person who had no knowledge of or who did not participate in the criminal act.

The **Payment of Loss** Provision is deleted and replaced by the following:

PAYMENT OF LOSS

Unless a claim has been paid by others, we will pay any loss covered under this policy within 5 working 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.

The right of salvage belongs to us. You may, at your option, purchase the salvage from us. You must advise us of your intent prior to our making payments under the terms of this policy.

PART F—GENERAL PROVISIONS

The **Regular Use Vehicle Requirement** Provision is deleted.

The **Changes** Provision is deleted and replaced by:

CHANGES

- A. This policy contains all the agreements between you and us. Its terms may not be changed or waived except by written endorsement issued by us.
- B. If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to:

1. The number, type or use classification of insured vehicles;
 2. Operators using insured vehicles;
 3. The place of principal garaging of insured vehicles; or
 4. Coverages, deductibles or limits.
- C. If a change resulting from paragraphs (A.) or (B.) requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.
- D. If you alter or modify your vehicle in any way during the policy period, you must inform us prior to renewal.
- E. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph **(E.)** does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:
1. A subsequent edition of your policy; or
 2. An Amendatory Endorsement.

The **Private Pleasure Use** Provision is deleted and replaced by the following:

PRIVATE PLEASURE USE

Coverage will be capped at the “minimum limits” if “your covered auto” is:

- A. Rented or leased to any person for a fee;
- B. Used to carry persons or property for a fee, or any commercial use unless prior written consent has been obtained from us; or
- C. Used for any illegal act by any person. This provision does not apply to any person who had no knowledge of or who did not participate in the illegal act.

The **Concealment or Fraud** Provision is replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

We do not provide coverage to one or more “insureds” who, at any time:

1. Falsely attested to being a New Hampshire resident, on the Statement of Residency required by N.H. Rev. Stat. Ann. Section 417-A. However, we do provide coverage for that “insured” for “bodily injury” or “property damage” for which that “insured” becomes legally responsible because of an auto accident.

If we make a payment for “bodily injury” or “property damage” for which that “insured” becomes legally responsible, we are entitled to reimbursement for all such payments in accordance with the Our Right To Recover Payment provision contained in this endorsement.

2. Intentionally concealed or misrepresented a material fact;
3. Engaged in fraudulent conduct; or
4. Made a false statement;

relating to this insurance.

LEGAL ACTION AGAINST US

Paragraph C. is deleted and replaced by the following:

- C. Under Part D, suit or action must start within 3 years from:
 1. The date of loss; or
 2. The date of discovery of the loss, provided the loss could not have reasonably been discovered at the time of the accident or damage, had an “insured” exercised reasonable diligence.

However, 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.

PAYMENT OF LOSS

The first two paragraphs are deleted and replaced by the following:

Payment of loss, less any applicable deductible and/or outstanding policy premium due the Company, will be made within 5 working days after we reach agreement with you, a final judgment is entered in the court, or an arbitration award is filed with us.

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.

OUR RIGHT TO RECOVER PAYMENT

The following provision is added:

If we make a payment under:

1. **Part C** of this policy, we shall be entitled to a recovery under paragraph A. or B. only after the person has been fully compensated for damages.
2. **Part A** or **Part C** of this policy and any "insured" under this policy has falsely attested to being a New Hampshire resident on the Statement of Residency required by N.H. Rev. Stat. Ann. Section 417-A, that "insured" shall reimburse us to the extent of our payment.

TERMINATION

A. Cancellation, 2. and 3. are deleted and 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 10 days notice:
 - (1) If cancellation is for nonpayment of premium; or
 - (2) If notice is mailed during the first 60 days this policy is in effect and

this is not a renewal or continuation policy; or

- b. At least 45 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. failure to sign the New Hampshire Statement of Residency form as required by NH RSA 417-A:3; or
 - c. any other reason permitted by law.

B. Nonrenewal is deleted and replaced by the following:

- 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 the policy. Notice will be mailed at least 45 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 it only at each anniversary of its original effective date.

C. Automatic Termination, second paragraph is deleted.

D. Other Termination Provisions, 2. is deleted and 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. The premium refund, if any, will be computed according to our manuals. The refund, in some instances, may be less than the pro rata cost of the insurance for the refund portion of the policy period. However, making or offering to make the refund is not a condition of cancellation.

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

The **Amendatory Endorsements** Provision is deleted.

All other policy provisions apply.