

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

STATE ENDORSEMENT – INDIANA

Throughout the policy and endorsements attached to it, reference to minimum limits means the following limits of liability as required by Indiana 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".

PART A – LIABILITY COVERAGE

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

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 on behalf of an "insured" using "your covered auto" shall first be exhausted.

PART B – MEDICAL PAYMENTS COVERAGE

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

OTHER INSURANCE

If there is other applicable auto medical payments 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 an "insured" who sustains "bodily injury" while "occupying" "your covered auto" shall first be exhausted.

PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO

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

OTHER INSURANCE

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 for "your covered auto" shall be excess to that of a person engaged in the "business" of:

1. Storing;
2. Parking;
3. Servicing; or
4. Repairing

motor vehicles, if the loss occurs while "your covered auto" is under that person's control or the control of that person's employee or agent.

PART F – GENERAL PROVISIONS

The second paragraph of the **Payment of Loss** Provision is deleted and 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".

The **Our Right To Recover Payment** Provision is deleted and replaced by the following:

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, we shall be subrogated to that right. That person shall do:

1. Whatever is necessary to enable us to exercise our rights; and
2. Nothing after loss to prejudice them.

We shall be subrogated to that right with respect to:

1. Coverage other than Uninsured Motorists Coverage or Underinsured Motorists Coverage even if the person has not been fully compensated for damages.
2. Uninsured Motorists Coverage or Underinsured Motorists Coverage only after the person has been fully compensated for damages.

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However, our rights in this Paragraph (A.) do not apply with respect to:

1. Damages the person is legally entitled to recover from the owner or operator of an "underinsured motor vehicle" if we:
 - a. Have been given prompt written notice of both a tentative settlement, between an "insured" and the insurer of an "underinsured motor vehicle", and certification of the liability coverage limits of the owner or operator of an "underinsured motor vehicle"; and
 - b. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days 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.
 2. **Part D**, against any person using "your covered auto" with a reasonable belief that that person is entitled to do so.
- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
1. Hold in trust for us the proceeds of the recovery; and
 2. Reimburse us to the extent of our payment. However, any reimbursement due to us shall be reduced by our pro rata share of any reasonable and necessary costs and expenses, including deposition costs, witness fees and attorney's fees, incurred in bringing the claim.

This Paragraph (B.) applies with respect to:

1. Coverage other than Uninsured Motorists Coverage or Underinsured Motorists Coverage, even if the person to or for whom payment is made has not been fully compensated for damages.
 2. Uninsured Motorists Coverage or Underinsured Motorists Coverage, only after the person has been fully compensated.
- C. If we make a payment under this policy because the insurer of the "uninsured motor vehicle" or "underinsured motor vehicle" is or becomes insolvent, our rights under Paragraph A. or B. with respect to Uninsured Motorists Coverage or Underinsured Motorists Coverage:
1. Apply against the insured of the insolvent insurer only for amounts paid by us in excess of the limits of liability of the insolvent insurer's policy.
 2. Do not apply against the Indiana Guaranty Association.

The **Termination** Provision is amended as follows:

A. Cancellation, 3.c. is deleted and 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:
 - c. For fraud, willful misrepresentation or concealment on the part of any insured in respect to a material fact or circumstance relating to the issuance or continuation of this policy.

The following is added:

Any other reason permitted by state law.

The **Amendatory Endorsements** Provision is deleted.

The following provision is added:

NOTICE

Your notice to our authorized agent shall be deemed to be notice to us.

All other policy provisions apply.