

Essentia Insurance Company Massachusetts Antique and Classic Automobile Insurance Policy

Please read your policy. Part of the policy is a page marked Coverage Selections Page. It shows the types and amounts of coverage you have purchased. As you read the policy, check the Coverage Selections Page to make sure it shows exactly what you intended to buy. If there is any question, call your agent or company right away.

THE COVERAGE PROVIDED BY THIS POLICY DOES NOT INCLUDE PERSONAL INJURY PROTECTION FOR OWNERS, OPERATORS OR GUEST PASSENGERS OF MOTORCYCLES WHO SUFFER BODILY INJURY WHILE OPERATING OR RIDING AS A GUEST UPON SUCH VEHICLES.

Contents

Introduction	1
Definitions	2
Our Agreement	4
Compulsory Insurance	
Part 1. Bodily Injury To Others.....	4
Part 2. Personal Injury Protection.....	5
Part 3. Bodily Injury Caused By An Uninsured Auto.....	7
Part 4. Damage To Someone Else's Property.....	10
Optional Insurance	
Part 5. Optional Bodily Injury To Others.....	12
Part 6. Medical Payments.....	13
Part 7. Collision.....	14
Part 8. Limited Collision.....	15
Part 9. Comprehensive.....	16
Part 10. Substitute Transportation.....	17
Part 11. Towing And Labor.....	17
Part 12. Bodily Injury Caused By An Underinsured Auto.....	17
General Provisions And Exclusions	20
Cancellation And Renewal	26
When There Is An Accident Or Loss	28
Coverage Selections Page	

Introduction

This insurance policy is a legal contract between the policy owner (you) and the company (we or us). It insures you and **your covered auto** for the period shown in the Coverage Selections Page.

As long as you pay your premium, we agree to provide you or others the benefits to which you or they are entitled. The exact terms and conditions are explained in the following pages.

There are two basic categories of insurance described in this policy, Compulsory Insurance and Optional Insurance.

Compulsory Insurance

There are four Parts to Compulsory Insurance. They are all required by law. Every auto registered in Massachusetts must have them.

Optional Insurance

There are eight Parts to Optional Insurance. Some of them extend the coverage or the amounts of protection provided by Compulsory Insurance. Some of them provide protection not found in Compulsory Insurance. You do not have to buy any of these eight Parts if you do not want to. Note: this policy does not offer all eight parts.

Auto insurance claims arise in hundreds of different ways. Autos are sometimes stolen or damaged. Accidents may injure people in **your covered auto**, people in other autos or **pedestrians**. You may be responsible for an accident or someone else may be. An accident may happen in Massachusetts or out of state. Different situations require different kinds of insurance.

Please read the whole policy to see what kinds of insurance are available to cover these different situations. At the same time, you should check the Coverage Selections Page to make sure it correctly indicates the coverages you purchased. Each coverage you purchased will show a premium charge next to it. If no premium charge is shown, you do not have that coverage.

Sometimes you and we will agree to change this policy. The only way that can be done is by an Endorsement added to the basic policy form. All endorsements must be in writing. They then become part of this policy.

We are pleased to have you as a customer and hope you have a safe and accident-free year. But if you need us, we are here to help you. If you have an accident or loss, or if someone sues you, contact your agent or us.

Do the same if you have any questions or complaints. If you think we have treated you unfairly at any time, you may contact the Division of Insurance, (617) 521-7777.

Definitions

Throughout this policy:

1. **We, Us or Our** – refers to the company issuing this policy.
2. **You or Your** – refers to the person(s) named in the Coverage Selections Page. This includes your spouse while a **household member**.
3. **Accident** – means an unexpected, unintended event that causes bodily injury or property damage arising out of the ownership, maintenance or use of an auto.

Other words and phrases are defined. They are in boldface when used.

4. **Antique vehicle** - means a motor vehicle twenty-five (25) years or more of age that:
 - a. Is maintained primarily for use in car club activities, exhibitions, parades, other functions of public interest or for a private collection; and
 - b. Is used only infrequently for other purposes.
5. **Classic vehicle** - means a motor vehicle of unique or rare design and of limited production, that is an object of curiosity and:
 - a. Is maintained primarily for use in car club activities, exhibitions, parades, other functions of public interest or for a private collection;
 - b. Is used only infrequently for other purposes; and
 - c. Is at least fifteen (15) years old.
6. **Special interest vehicle** - means a motor vehicle of unique or rare design which has collector value because of its limited production, specific make, model and year of manufacture, and exceptional physical condition, and:
 - a. Is used for car club activities, exhibitions, parades or other functions of public interest or for a private collection;
 - b. Is used only infrequently for other purposes; and
 - c. Is less than fifteen (15) years old.
7. **Your covered auto** – means:
 - A. Any vehicle shown in the Coverage Selections Page.
 - B. Any newly acquired vehicle or replacement of a vehicle shown in the Coverage Selections Page on the date you become owner during the policy period. Coverage is provided for newly acquired or replacement collectible vehicles of the following types:
 1. **Antique vehicles** and **Classic vehicles**, provided that:
 - a. It is in stock condition and has not been modified from the original manufactured design;
 - b. You ask us to insure it within thirty (30) days after you become the owner; and
 - c. We insure all of your collector vehicles.

Under Parts 7. Collision, 8. Limited Collision, and 9. Comprehensive, the limit provided on this vehicle will be the lesser of the following:

1. The purchase price;
2. The verifiable value; or
3. \$50,000

An endorsement must be issued to fully cover any newly acquired or replacement **antique vehicle(s)** or **classic vehicle(s)** you acquire.

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2. Special interest vehicles, provided that:

- a. It is in stock condition and has not been modified from the original manufactured design;
- b. You ask us to insure it within thirty days after you become the owner; and
- c. We insure all of your collector vehicles.

Parts 7. Collision, 8. Limited Collision and 9. Comprehensive, will not apply to any newly acquired or replacement **special interest vehicle**.

An endorsement must be issued to fully cover any newly acquired or replacement **special interest vehicle(s)** you acquire.

C. Any trailer you own that is shown in the Coverage Selections Page.

Under Parts 1. Bodily Injury To Others, 2. Personal Injury Protection, 3. Bodily Injury Caused By An Uninsured Auto, 4. Damage To Someone Else's Property, 5. Optional Bodily Injury To Others, and 6. Medical Payments, the term **your covered auto** also includes any **trailer** not described in the Coverage Selections Page as covered under those Parts while the **trailer** is attached to **your covered auto**.

- 8. Trailer** – means a vehicle designed to be pulled by a private passenger auto, motorcycle, pick-up truck, van, or similar vehicle and designed for use on public roads.
- 9. Occupying** – means in, upon, entering into, or getting out of.
- 10. Collision** – means the accidental upset of **your covered auto** or any physical contact of **your covered auto** with another object.
- 11. Household member** – means anyone living in your household who is related to you by blood, marriage, or adoption. This includes wards, step-children or foster children.
- 12. Pedestrian** – includes anyone incurring bodily injury as a result of being struck by an auto in an accident and who is not **occupying** an auto at the time of the accident.
- 13. Regular use vehicle** - means a motor vehicle which is used for regular driving to work, school, errands or for general transportation and is not an **antique vehicle** or **classic vehicle** or **special interest vehicle**.
- 14. Constructive total loss** - means a loss where the cost to repair damage to **your covered auto** will exceed the insured value of the vehicle when fully repaired.
- 15. Spare parts** – means a replacement for an item normally a part of **your covered auto** which is not currently in place on **your covered auto**.

Our Agreement

This policy is a legal contract under Massachusetts law. Because this is an auto policy, it only covers accidents and losses which result from the ownership, maintenance or use of **your covered auto(s)**. The exact protection is determined by the coverages you purchased.

We agree to provide the insurance protection you purchased for accidents which happen while this policy is in force.

You agree to pay premiums when due and to cooperate with us in case of accidents or claims.

Our contract consists of this policy, the Coverage Selections Page, any endorsements agreed upon, and your application for insurance. Oral promises or statements made by you or our agent are not part of this policy.

There are many laws relating to auto insurance. We and you must and do agree that, when those laws apply, they are part of this policy.

Compulsory Insurance

There are four Parts to Compulsory Insurance. They are called Compulsory Insurance because Massachusetts law requires you to buy all of them before you can register **your covered auto**. No law requires you to buy more than Compulsory Insurance. However, if you have financed **your covered auto**, the bank or finance company may require that you have some Optional Insurance as a condition of your loan.

The amount of your coverage and the cost of each Part is shown in the Coverage Selections Page.

Your Compulsory Insurance does not pay for any damage to **your covered auto**.

Part 1. Bodily Injury To Others

Under this Part, we will pay damages to people injured or killed by **your covered auto** in Massachusetts accidents. The damages we will pay are the amounts the injured person is entitled to collect for bodily injury through a court judgment or settlement. We will pay only if you or someone else using **your covered auto** with your consent is legally responsible for the accident. We will not pay punitive or exemplary damages. The most we will pay for injuries to one or more persons as a result of bodily injury to any one person in any one accident is \$20,000. Subject to this \$20,000 limit, the most we will pay for injuries to two or more people as the result of bodily injury to two or more people in any one accident is \$40,000. This is the most we will pay as the result of a single accident no matter how many autos or premiums are shown on the Coverage Selections Page.

We will not pay or defend:

1. For injuries to guest occupants of **your covered auto**.
2. For accidents outside of Massachusetts or in places in Massachusetts where the public has no right of access.
3. For injuries to any employees of the legally responsible person if they are entitled to benefits for the same injury under any workers' compensation law or similar law.
4. For accidents while **your covered auto** is being used as, or is available for use as, a public or livery conveyance. This does not apply to the use of **your covered auto** in a share-the-expense car pool, or in an expense reimbursement program either as a volunteer or at work.

The law provides a special protection for anyone entitled to damages under this Part. We must pay their claims even if false statements were made when applying for this policy or **your covered auto** registration. We must also pay even if you or the legally responsible person fails to cooperate with us after the accident. We will, however, be entitled to reimbursement from the person who did not cooperate or who made any false statements.

If a claim is covered by us and by another company authorized to sell auto insurance in Massachusetts, we will pay only our proportionate share. However, if someone covered under this Part is using an auto he or she does not own at the time of the accident, any other applicable insurance from the vehicle owner's auto insurance or from your **regular use vehicle** policy must pay its limits before we pay. Then, we will pay for any damages not paid by that insurance, up to the policy limits shown on your Coverage Selections Page.

Part 2. Personal Injury Protection

The benefits under this Part are commonly known as PIP or No-Fault benefits. It makes no difference who is legally responsible for the accident.

We will pay the benefits described below to you and other people injured or killed in auto accidents. For any one accident, we will pay as many people as are injured, but the most we will pay for injuries to any one person is \$8,000. This is the most we will pay no matter how many autos or premiums are shown in the Coverage Selections Page.

We will pay three kinds of benefits:

1. Medical Expenses

We will pay all reasonable expenses incurred as a result of the accident for necessary medical, surgical, X-ray and dental services. This includes prosthetic devices. It also includes ambulance, hospital, professional nursing, and funeral services.

2. Lost Wages

If an injured person is out of work because of the accident, we will pay lost wages up to 75% of his or her average weekly gross wage or equivalent for the year ending on the day immediately before the accident. We will not pay for the loss of any other type of income. If the injured person was unemployed at the time of the accident, we will pay up to 75% of the amount he or she actually lost in earning power as a result of the accident.

3. Replacement Services

We will reimburse the injured person for reasonable payments made to anyone outside his or her household for necessary services that he or she would have performed without pay for the benefit of the household, had he or she not been injured.

We will pay PIP benefits to or for:

1. You, or any other person, if injured while **occupying your covered auto** with your consent.
2. You, or anyone living in your household, if injured while **occupying** an auto which does not have Compulsory Insurance or if struck by an auto which does not have Compulsory Insurance.
3. Any **pedestrian**, including you, if struck by **your covered auto** in Massachusetts or any Massachusetts resident who, while a **pedestrian**, is struck by **your covered auto** outside of Massachusetts.

Benefits are paid only for expenses or losses actually incurred within two years after the accident.

If the accident is in Massachusetts, or if it is outside Massachusetts and the injured person does not sue for damages, we will pay benefits within a reasonable time – usually thirty days. If the accident is outside Massachusetts and the injured person does sue, then we can wait for a settlement or judgment before paying benefits.

Some people have a wage continuation program at work. If so, we will pay them only the difference between the total we would ordinarily pay under this Part and the amount of the program payments. We will, however, reimburse the program if it allows benefits to be converted into cash or additional retirement credit. Sometimes program benefits are reduced or used up because of payments to the person injured in an accident. In that case, we will pay for lost wages resulting from any other illness or injury that person has within one year of our last payment. The exact amount of our payments under this paragraph will be determined by Massachusetts law.

Some people have a policy of health, sickness, or disability insurance or a contract or agreement with a group, organization, partnership or corporation to provide, pay for, or reimburse the cost of medical expenses (health plan). If so, we will pay up to \$2,000 of medical expenses for any injured person. We will also pay medical expenses in excess of \$2,000 for such injured person which will not be paid by a health plan. Medical expenses must be submitted to the health plan to determine what the health plan will pay before we pay benefits in excess of \$2,000 under this Part. We will not pay for medical expenses in excess of \$2,000 that the health plan would have paid had the injured person sought treatment in accordance with the requirements of the health plan. In any case, our total payment for medical expenses, lost wages and replacement services will not exceed \$8,000.

Within two years after an accident, we may pay the cost of renewing or continuing in force a policy of health, sickness or disability insurance for anyone covered under this Part who is unwilling or unable to pay such cost. Our payment will not exceed the cost of renewing or continuing such policy for a period of two years after the accident. Our payment will not reduce the benefits otherwise payable under this Part.

We will not pay PIP benefits to or for:

1. Anyone who, at the time of the accident, was operating or **occupying** a motorcycle, any motor vehicle not subject to motor vehicle registration, or a motorized bicycle or moped.
2. Anyone who contributed to his or her injury by operating an auto (a) while under the influence of alcohol, marijuana, or a narcotic drug, (b) while committing a felony or seeking to avoid arrest by a police officer, or (c) with the specific intent of causing injury to himself, herself or others.
3. Anyone who is entitled to benefits under any workers' compensation law or similar law for the same injury.
4. Any person while **your covered auto** is being used as, or is available for use as, a public or livery conveyance. This does not apply to the use of **your covered auto** in a share-the-expense car pool, or in an expense reimbursement program either as a volunteer or at work.

When you purchased this Part you were given the choice of either excluding yourself, or yourself and **household members**, from some or all of the PIP coverage. The portion of each claim you may have agreed to exclude is called a "deductible". You paid a smaller premium if you chose a deductible. In that case, we will only pay up to the difference between \$8,000 and the amount of your deductible. The deductible is shown in the Coverage Selections Page.

If anyone is entitled to PIP benefits and also to benefits under another Part of this policy, we will pay from this Part first.

We will not pay PIP benefits to or for an injured person, to the extent those benefits would duplicate expenses or losses recovered by that person in a court judgment or settlement.

If anyone covered under this policy is also entitled to PIP benefits from any other auto policy, the total benefits payable will not be more than the highest amount payable under whichever one of the policies would have paid the most. Each insurer will pay only its proportionate share. We will not pay benefits under this Part which duplicate payments made under the No-Fault coverage of any other auto policy.

Part 3. Bodily Injury Caused By An Uninsured Auto

Sometimes an owner or operator of an auto legally responsible for an accident is uninsured. Some accidents involve unidentified hit-and-run autos. Under this Part, we will pay damages for bodily injury to people injured or killed in certain accidents caused by uninsured or hit-and-run autos. We will pay only if the injured person is legally entitled to recover from the owner or operator of the uninsured or hit-and-run auto. We will pay for hit-and-run accidents only if the owner or operator causing the accident cannot be identified.

Sometimes the company insuring the auto responsible for an accident will deny coverage or become insolvent. We consider such an auto to be uninsured for purposes of this Part. However, we do not consider an auto owned by a governmental unit which is self-insured, or by someone who is legally self-insured, to be an uninsured auto. We also do not consider vehicles operated on rails or crawler treads; designed mainly for use off public roads while not on public roads; while located for use as a residence or premises; or any vehicle not subject to motor vehicle registration, such as a moped, dirt bike, mini-bike, snowmobile or an all-terrain vehicle (ATV) to be an uninsured auto.

This Part is Compulsory. You must have limits of \$20,000 per person and \$40,000 per accident. However, you may want to buy more protection. If so, we must sell you limits up to \$35,000 per person and \$80,000 per accident, provided you have purchased at least these limits for Part 5. Optional Bodily Injury To Others. Higher limits may be purchased if agreed upon by you and by us.

We will pay damages to or for:

1. You, while **occupying your covered auto**, while **occupying** an auto you do not own, or if injured as a **pedestrian**.
2. Any **household member**, while **occupying your covered auto**, while **occupying** an auto not owned by you, or if injured as a **pedestrian**. If there are two or more policies which provide coverage at the same limits, we will only pay our proportionate share. We will not pay damages to or for your spouse, or any **household member** who has an auto policy of his or her own or who is covered by any auto policy of another **household member** providing uninsured auto insurance with higher limits.
3. Anyone else while **occupying your covered auto**. We will not pay damages to or for anyone else who has an auto policy of his or her own. We will not pay damages to or for anyone who is covered by an auto policy of another **household member** providing uninsured auto insurance.
4. Anyone else for damages he or she is entitled to recover because of injury to a person covered under this Part.

If you are injured while **occupying your covered auto** and you have two or more autos insured with us with different limits, we will only pay up to the limits shown in your Coverage Selections Page for the auto you are **occupying** when injured.

If a claim is covered by us and by another company, we will pay only our proportionate share. However, if you are injured while **occupying** an auto you do not own at the time of the accident, any other applicable insurance from the vehicle owner's auto insurance or from your **regular use vehicle** policy must pay its limits before we pay. Then, we will pay for any damages not paid by that insurance, up to the policy limits shown on your Coverage Selections Page.

If you are injured as a **pedestrian** and you have two or more auto policies which provide coverage:

1. This policy will pay only after the limits of your **regular use vehicle** insurance policy, or any other collectible insurance, have been paid in full.
2. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.

We will not pay damages to anyone under this Part while **your covered auto** is being used as, or is available for use as, a public or livery conveyance. This does not apply to the use of **your covered auto** in a share-the-expense car pool or in an expense reimbursement program either as a volunteer or at work.

We will not pay damages to or for you, if struck by, or while **occupying** an auto you own and which does not have compulsory auto insurance.

Likewise, we will not pay damages to or for any **household member** if struck by, or while **occupying** an auto owned by that **household member** which does not have compulsory auto insurance.

The most we will pay for damages to or for anyone injured while using **your covered auto** without the consent of the owner is \$35,000 per person and \$80,000 per accident, or the limits you purchased, whichever is less.

We will reduce the damages an injured person is entitled to recover by:

1. The amount recovered from any legally responsible person provided the injured person is fully paid for his or her damages for bodily injury.
2. The amount paid under a workers' compensation law or similar law.
3. Any expenses that are payable or would have been payable, except for a deductible, under the PIP coverage of this policy or any other auto policy.

We will pay the balance of the damages up to the limits shown for this Part in your Coverage Selections Page.

The decision as to whether an injured person is entitled to recover damages from the legally responsible owner or operator will be by agreement between us and the injured person. The amount of the damages, if any, will be determined in the same way. Arbitration will be used if no agreement can be reached. Unless otherwise agreed, all monetary awards not paid within thirty (30) days after the receipt of the award shall bear interest from the date of award at the rate allowed by statute. In no event may a demand for arbitration be the first notice of claim. We must be given sufficient notice of claim to conduct a reasonable investigation and attempt settlement before arbitration can be filed.

If an injured person settles a claim as a result of an accident covered under this Part, we will pay that person only if the claim was settled with our consent. We will not be bound under this Part by any judgment resulting from a lawsuit brought without our written consent. We will not unreasonably withhold our consent.

The most we will pay for injuries to one or more persons as a result of bodily injury to any one person in any one accident is shown in the Coverage Selections Page as the "per person" limit. Subject to this limit, the most we will pay for injuries to two or more people as the result of bodily injury to two or more people in any one accident is shown in the Coverage Selections Page as the per accident limit. This is the most we will pay as the result of a single accident.

The limits of two or more autos or policies shall not be added together, combined, or stacked, to determine the limits of coverage available to anyone covered under this Part. This applies regardless of the number of autos involved, persons covered, claims made, or premiums shown in the Coverage Selections Page.

We will not make payments under this Part which duplicate payments under the uninsured auto insurance of any other auto policy.

This Part will not benefit any insurer or self-insurer under a workers' compensation law or any similar law.

Part 4. Damage To Someone Else's Property

Under this Part, we will pay for damage or destruction of the tangible property of others caused by an accident and arising from the ownership, maintenance or use of **your covered auto**, including loading or unloading. The amount we will pay is the amount which the owner of the property is legally entitled to collect for property damage through a court judgment or settlement. We will pay only if you, a **household member**, or someone else using **your covered auto** with your consent is legally responsible for the accident. The amount we will pay includes, if any, applicable sales tax and the loss of use of the damaged property. The amount we will pay does not include compensation for physical damage to, or towing or recovery of, **your covered auto** or other auto used by you or a **household member** with the consent of the owner, or any decreased value or intangible loss claimed to result from the property damage unless otherwise required by law.

We will not pay for property damage which occurs:

1. While **your covered auto** is being used as a public or livery conveyance. This does not apply to the use of **your covered auto** in a share-the-expense car pool arrangement or in an expense reimbursement program either as a volunteer or at work.
2. While any auto is being used by anyone in the course of his or her employment in the business of selling, servicing, repairing or parking autos.
3. While anyone is using a vehicle in the course of any business other than the business of selling, servicing, repairing or parking autos.
4. While you or any **household member** is using an auto which you or any **household member** owns or uses regularly unless a premium for this Part is shown for that auto in the Coverage Selections Page.
5. To an auto or other property owned by you or the legally responsible person. Similarly, we will not pay for damage to an auto or other property, except for a private residence or garage, which you or the legally responsible person rents or has in his or her care.
6. When the property damage is caused by anyone using **your covered auto** without your consent.

The most we will pay for damage resulting from any one accident is shown in the Coverage Selections Page. This is the most we will pay as the result of a single accident no matter how many autos or premiums are shown in the Coverage Selections Page.

If a claim is covered by us and by another company, we will pay only our proportionate share. However, if someone covered under this Part is using an auto he or she does not own at the time of the accident, any other applicable insurance from the vehicle owner's auto insurance or from your **regular use vehicle** policy must pay its limits before we pay. Then, we will pay for any damages not paid by that insurance, up to the policy limits shown on your Coverage Selections Page.

Under this Part, we may have to pay for property damage even if you or the legally responsible person fails to give us prompt notice of the accident. In that case we may be entitled to reimbursement from that person.

This Part is Compulsory. You must have limits of at least \$5,000. However, you may want to buy more protection. Higher limits may be purchased if agreed upon by you and by us.

Optional Insurance

There are eight separate Parts to Optional Insurance. They are called Optional Insurance because they are not required by law. The amount of insurance and cost of any of these Parts you purchased is shown in the Coverage Selections Page.

We must sell you any or all of the Optional Insurance coverages you wish. These are subject to certain deductibles and limits specified in Massachusetts law. However, the law states that we may refuse to sell Part 7. Collision, Part 8. Limited Collision and Part 9. Comprehensive in certain specified instances.

Because Part 7. Collision and Part 8. Limited Collision duplicate each other in many ways, you may buy one of them but not both. If you do not buy either one, you still have the right to sue people who damage **your covered auto** but we will not provide any assistance to you under this policy.

We will not pay under any of the Optional Insurance coverages:

1. If the accident happens while **your covered auto** is being used as, or available for use as, a public or livery conveyance. This does not apply to the use of **your covered auto** in a share-the-expense car pool arrangement or in an expense reimbursement program either as a volunteer or at work.
2. For loss of any items used in the reproduction of sound, unless they have been permanently installed in the auto. However, we will pay for the loss of any such item if it operates in the auto exclusively and only when used in combination with the components permanently installed in the auto. Tapes, discs, and records are not covered.
3. For loss of or damage to a citizens band radio, two-way mobile radio, telephone or scanning monitor receiver, including their related equipment. We will pay, however, for such loss or damage if this equipment is permanently installed in the opening of the dash or console normally used by the auto manufacturer for the installation of a radio or a telephone.
4. For loss or damage to equipment designed for the detection or avoidance of any law enforcement speed measuring device. This does not apply to electronic equipment designed solely for safety warning systems.
5. For injury or damage that is intentionally caused by you, a **household member** or anyone else using **your covered auto** with your consent.
6. While any auto is being used by anyone in the course of his or her employment in the business of selling, servicing, repairing, or parking autos.
7. While anyone is using a vehicle in the course of any business other than the business of selling, servicing, repairing, or parking autos.

Part 5. Optional Bodily Injury To Others

Under this Part, we will pay damages to people injured or killed in an accident if you or a **household member** is legally responsible for the accident and such accident arises out of the ownership, maintenance or use of **your covered auto** by you or the **household member**. We will also pay damages if someone else using **your covered auto** with your consent is legally responsible for the accident. The damages we will pay are the amounts the injured person is entitled to collect for bodily injury through a court judgment or settlement. We will not pay punitive or exemplary damages.

This Part is similar to Compulsory Part 1. Bodily Injury To Others. It pays for accidents involving **your covered auto** in Massachusetts and does not pay for the benefit of anyone using **your covered auto** without your consent. Unlike the Compulsory Part, this Part does provide coverage for injuries to guest occupants and for accidents occurring outside Massachusetts.

We will not pay or defend:

1. For injuries to employees of the person using the auto who are injured in the course of employment.
2. For injuries resulting from an accident while you, or any **household member**, is using an auto which you or any **household member**, owns or uses regularly, unless a premium for this Part is shown for that auto in the Coverage Selections Page.
3. For any liability assumed under any other contract or agreement.

Your policy will automatically apply to an accident that occurs in any other State or Canadian province if you have purchased coverage under this Part. If the state or province has a:

1. Financial responsibility law or similar law requiring limits of liability for bodily injury or property damage higher than the limits you have purchased, your policy will provide the higher required limits.
2. Compulsory insurance or similar law requiring **your covered auto** to have insurance whenever it is used in the state or province, your policy will provide at least the required minimum amounts and types of coverage.

The limits shown for this Part in the Coverage Selections Page are the total limits you have under Compulsory Part 1. Bodily Injury To Others and this Part. This means that the Compulsory limits are included within the limits shown in the Coverage Selections Page for this Part and are not in addition to them.

The most we will pay for injuries to one or more persons as a result of bodily injury to any one person in any one accident is shown in the Coverage Selections Page as the "per person" limit for the auto involved in that accident. Subject to this limit, the most we will pay for injuries to two or more people as the result of bodily injury to two or more people in any one accident is shown in the Coverage Selections Page as the "per accident" limit for the auto involved in that accident. This is the most we will pay as the result of a single accident no matter how many autos or premiums are shown in the Coverage Selections Page.

If a claim is covered by us and by another company, we will pay only our proportionate share. However, if someone covered under this Part is using an auto he or she does not own at the time of the accident, any other applicable insurance from the vehicle owner's auto insurance or from your **regular use vehicle** policy must pay its limits before we pay. Then, we will pay for any damages not paid by that insurance, up to the policy limits shown on your Coverage Selections Page.

Any payments we make to anyone or for anyone under Part 3. Bodily Injury Caused By An Uninsured Auto will reduce the amount of damages that person is entitled to recover from anyone covered under this Part.

We will also pay up to \$250 for the cost of bail bonds required as a result of an accident covered under this Part including bail bonds for traffic law violations related to the accident.

We must sell you limits up to \$35,000 per person and \$80,000 per accident if you want to buy them. Higher limits may be purchased if agreed upon by you and by us.

Part 6. Medical Payments

Under this Part, we will pay reasonable expenses for necessary medical and funeral services incurred as a result of an accident.

We will pay for expenses resulting from bodily injuries to anyone **occupying your covered auto** at the time of the accident. We will also pay for expenses resulting from bodily injuries to you or any **household member** if struck by an auto or if **occupying** someone else's auto at the time of the accident. We will not pay for expenses resulting from injuries to:

1. Anyone injured while in a vehicle which had been placed off the public roads for use as a residence.
2. Anyone injured in the course of employment in selling, servicing, repairing or parking autos if that person is entitled to workers' compensation benefits.
3. Anyone employed by you or your spouse who is injured in the course of employment. This exception does not apply to any domestic employee who is not entitled to any workers' compensation benefits.
4. Anyone injured while **occupying** an auto without a reasonable belief that he or she had the consent of the owner to do so.
5. You or any **household member**, while **occupying** or struck by an auto owned or regularly used by you or any household member unless a premium for this Part is shown for that auto in the Coverage Selections Page.
6. Any person who contributed to his or her injury by operating an auto (a) while under the influence of alcohol, marijuana, or a narcotic drug, (b) while committing a felony or seeking to avoid arrest by a police officer, or (c) with the specific intent of causing injury to himself, herself or others.
7. Anyone who is entitled to benefits under workers' compensation law or similar law for the same injury.

No payments will be made under this Part that duplicate payments made for the same bodily injuries under Parts 1. Bodily Injury To Others, 2. Personal Injury Protection, 3. Bodily Injury Caused By An Uninsured Auto, 5. Optional Bodily Injury To Others, or 12. Bodily Injury Caused By An Underinsured Auto of this Policy. In addition, no payments will be made under this Part that duplicate payments made for the same bodily injuries under any other auto insurance policy or under a health insurance policy covering the injured person.

We will not pay for expenses incurred more than two years after the date of the accident. We will not pay under this Part for any expenses that are payable, or would have been payable except for a deductible, under the PIP coverage of this policy or any other auto policy.

The most we will pay for any one person as a result of any one accident is shown in the Coverage Selections Page. That amount is also the most we will pay as the result of a single accident no matter how many autos or premiums are shown in the Coverage Selections Page.

If someone covered under this Part is also entitled to Medical Payments coverage under another auto policy issued to you or any **household member**, we will pay only our proportionate share. If someone covered under this Part is using an auto he or she does not own at the time of the accident, the owner's Medical Payments insurance must pay its limit before we pay. Then, we will pay up to the limit shown in your Coverage Selections Page for any expenses not covered by that insurance.

We will not pay benefits under this Part which duplicate payments made under the Medical Payments coverage of any other auto policy.

We must sell you limits of \$5,000 per person if you want to buy them. Higher limits may be purchased if agreed upon by you and us.

Part 7. Collision

Under this Part, we will pay for any direct and accidental damage to **your covered auto** caused by a **collision**. It does not matter who is at fault.

In case of a total loss or **constructive total loss**, we will pay the guaranteed value limit shown in the Coverage Selections Page for each scheduled vehicle, which is agreed to be the value of **your covered auto**. We will not pay for any decrease in value claimed to result from the loss.

For all other loss or damage to **your covered auto**, we will pay the amount necessary to repair the property or replace it with similar kind and quality, whichever is less, without regard to depreciation or betterment, but we will not pay more than the insured limit per vehicle shown in the Coverage Selections Page.

We will also pay reasonable and necessary expenses for towing, recovery and storage of **your covered auto**.

In all cases we will subtract the deductible amount you selected. Unless you selected a different amount, the law sets your deductible at \$500. Your deductible is shown in the Coverage Selections Page.

The deductible amount shown in the Coverage Selections Page for Part 7. Collision does not apply to **your covered auto** if:

1. That auto was legally parked when struck by another auto owned by an identified person.
2. That auto was struck in the rear by another auto moving in the same direction and owned by an identified person.
3. The operator of the other auto was convicted of any of the following violations:
 - a. Operating under the influence of alcohol, marijuana or a narcotic drug.
 - b. Driving the wrong way on a one-way street.
 - c. Operating at an excessive rate of speed.
 - d. Any similar violation of any similar law of another state in which the accident occurs.

However, we will not waive the deductible if the operator of the auto covered under this Part was also convicted of one of the above violations.

4. You are entitled to recover in court against an identified person for some reason other than those listed above.

If we pay for a total loss or **constructive total loss** of **your covered auto**, we will suspend the Collision Coverage for that auto until it passes a motor vehicle inspection test.

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We will not pay for damage to any auto which is owned or regularly used by you or a **household member** unless a premium for this Part is shown for that auto in the Coverage Selections Page.

We will not pay for any liability assumed under any other contract or agreement.

We will not pay for a **collision** loss for an accident which occurs while **your covered auto** is being operated by a **household member** who is not listed as an operator on this policy. Payment is withheld when the **household member**, if listed, would require the payment of additional premium on this policy because:

1. The **household member** would be classified as an inexperienced operator, or
2. More points would be assigned under a merit rating plan.

You must notify us within sixty (60) days after a person who will operate **your covered auto** becomes a **household member**, if that person was not a **household member** on the effective date of your policy. In the same manner, you must notify us if a **household member**, who will operate **your covered auto**, becomes a licensed operator.

Part 8. Limited Collision

Under this Part, we will pay in some situations for direct and accidental damage to **your covered auto** caused by a **collision**.

In case of a total loss or **constructive total loss**, we will pay the guaranteed value limit shown in the Coverage Selections Page for each scheduled vehicle, which is agreed to be the value of **your covered auto**. We will not pay for any decrease in value claimed to result from the loss.

For all other loss or damage to **your covered auto**, we will pay the amount necessary to repair the property or replace it with similar kind and quality, whichever is less, without regard to depreciation or betterment, but we will not pay more than the insured limit per vehicle shown in the Coverage Selections Page.

We will also pay reasonable and necessary expenses for towing, recovery and storage of **your covered auto**.

In all cases we will subtract the deductible amount you selected. Unless you selected a different amount, the law sets your deductible at \$500. Your deductible is shown in the Coverage Selections Page.

We will not pay for damage to any auto which is owned or regularly used by you or a **household member** unless a premium for this Part is shown for that auto in the Coverage Selections Page.

We will not pay for any liability assumed under any other contract or agreement.

We will not pay for a loss for an accident which occurs while **your covered auto** is being operated by a **household member** who is not listed as an operator of this policy. Payment is withheld when the **household member**, if listed, would require the payment of additional premium on this policy because:

1. The **household member** would be classified as an inexperienced operator, or
2. More points would be assigned under a merit rating plan.

You must notify us within sixty (60) days after a person who will operate **your covered auto** becomes a **household member** if that person was not a **household member** on the effective date of your policy. In the same manner, you must notify us if a **household member**, who will operate **your covered auto**, becomes a licensed operator.

The protection under this Part is not as broad as under Part 7. Collision coverage but the premium is considerably less.

We only pay under this Part for multiple car accidents in which the driver of the auto we are covering was no more than 50% at fault. We will not pay if the owner of the other auto cannot be identified. We are required to determine whether the driver of the auto we are covering was more than 50% at fault. We will notify you of our decision.

As long as the driver of the auto covered under this Part was not more than 50% at fault, his or her percentage of fault will not affect the amount of our payment.

We will consider the driver of the auto covered under this Part to be no more than 50% at fault if:

1. That auto was legally parked when struck by another auto.
2. That auto was struck in the rear by another auto moving in the same direction.
3. The operator of the other auto was convicted of certain violations of law. However, we will not pay if the operator of the auto covered under this Part was also convicted of one of the same violations.
4. That driver is entitled to recover in court against an identified person for some reason other than those listed above.

If we pay for the total loss or **constructive total loss** of **your covered auto**, we will suspend the Limited Collision Coverage for that auto until it passes a motor vehicle inspection test.

Part 9. Comprehensive

Under this Part, we will pay for direct and accidental damage to or loss of **your covered auto** other than damage caused by **collision**.

In case of a total loss or **constructive total loss**, we will pay the guaranteed value limit shown in the Coverage Selections Page for each scheduled vehicle, which is agreed to be the value of **your covered auto**. We will not pay for any decrease in value claimed to result from the loss.

For all other loss or damage to **your covered auto**, we will pay the amount necessary to repair the property or replace it with similar kind and quality, whichever is less, without regard to depreciation or betterment, but we will not pay more than the insured limit per vehicle shown in the Coverage Selections Page.

We will also pay reasonable and necessary expenses for towing, recovery and storage of **your covered auto**.

We will subtract the deductible amount you selected. Unless you selected a different amount, the law sets your deductible at \$500. Your deductible is shown in the Coverage Selections Page. Your deductible does not apply to glass breakage.

However, the provision above which states that the deductible does not apply to glass breakage is replaced for any auto which lists a \$100 deductible for glass breakage in the Coverage Selections Page, as follows:

We will pay for glass breakage, but in all cases we will subtract the deductible amount of \$100.

If you have glass breakage and other damage to **your covered auto** that is covered by your Part 9. Comprehensive coverage, this \$100 glass deductible applies in addition to the deductible you selected for your Part 9. Comprehensive coverage.

We will not pay for such damage or loss to any auto which is owned or regularly used by you or a **household member** unless a premium for this Part is shown for that auto in the Coverage Selections Page. This Part is not a substitute for Part 7. Collision or Part 8. Limited Collision.

We will not pay for any liability assumed under any other contract or agreement.

We consider glass breakage when not involving other collision loss, and the following types of losses to be Comprehensive and not Collision losses: losses caused by vandalism, fire and theft, missiles, falling objects, larceny, explosion, earthquake, windstorm, hail, water, flood, malicious mischief, riot or contact with a bird or animal.

If **your covered auto** is stolen, you must report the theft to us and the police.

If **your covered auto** is found, we will pay the cost of transporting it to your last address shown in the Coverage Selections Page. However, our total payment for transporting the auto and for repairs will not be more than the insured limit of the auto shown in the Coverage Selections Page.

If **your covered auto** is damaged by fire, you must report the loss to us and the fire department.

Massachusetts law requires that if we pay for the total loss or **constructive total loss** of **your covered auto** as a result of a fire or theft, we may suspend coverage for a fire or theft loss under this Part for any replacement auto unless it is made reasonably available for our inspection within two Registry of Motor Vehicles business days following the day you acquired it. We may also raise your deductible unless you install an approved anti-theft device in the replacement auto.

Part 10. Substitute Transportation

Coverage offered through the optional Traveling Collector Endorsement (AC 00 51 MA).

Part 11. Towing And Labor

Not available under this policy.

Part 12. Bodily Injury Caused By An Underinsured Auto

Sometimes an owner or operator of an auto legally responsible for an accident is underinsured. Under this Part, we will pay damages for bodily injury to people injured or killed as a result of certain accidents caused by someone who does not have enough insurance.

We will only pay if the injured person is legally entitled to recover from the owners or the operators of all underinsured autos. Such injured person has a claim under this Part when the limits for auto bodily injury liability insurance covering the owners and operators of the legally responsible autos are:

1. Less than the limits shown for this Part in your Coverage Selections Page; and
2. Not sufficient to pay for the damages sustained by the injured person.

However, we do not consider vehicles: operated on rails or crawler treads; designed mainly for use off public roads while not on public roads; while located for use as a residence or premises; or any vehicle not subject to Massachusetts motor vehicle registration, such as a moped, dirt bike, mini-bike, snowmobile or an all-terrain vehicle (ATV); to be an underinsured auto.

We will pay damages to or for:

1. You, while **occupying your covered auto**, while **occupying** an auto you do not own, or if injured as a **pedestrian**.
2. Any **household member**, while **occupying your covered auto**, while **occupying** an auto not owned by you, or if injured as a **pedestrian**. If there are two or more policies which provide coverage at the same limits, we will only pay our proportionate share. We will not pay damages to or for your spouse or any **household member** who has an auto policy of his or her own. We will not pay damages to or for anyone who is covered by an auto policy of another **household member** providing underinsured auto insurance with higher limits.
3. Anyone else while **occupying your covered auto**. We will not pay damages to or for anyone else who has a Massachusetts auto policy of his or her own. We will not pay damages for anyone who is covered by an auto policy of another **household member** providing underinsured auto coverage.
4. Anyone else for damages he or she is entitled to recover because of injury to a person covered under this Part.

If a claim is covered by us and by another company, we will pay only our proportionate share. However, if you are injured while **occupying** an auto you do not own at the time of the accident, any other applicable insurance from the vehicle owner's auto insurance or from your **regular use vehicle** policy must pay its limits before we pay. Then, we will pay for any damages not paid by that insurance, up to the policy limits shown on your Coverage Selections Page.

If you are injured as a **pedestrian** and you have two or more auto policies which provide coverage:

1. This policy will pay only after the limits of your **regular use vehicle** insurance policy, or any other collectible insurance, have been paid in full.
2. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit of any one vehicle under any insurance providing coverage on either a primary or excess basis.

We will not pay to or for:

1. You, while **occupying** an auto you own unless a premium charge is shown for that auto in your Coverage Selections Page.
2. Anyone injured while using an auto without the consent of the owner.
3. Any **household member** if struck by, or while **occupying** an auto owned by that **household member** which does not have Massachusetts compulsory auto insurance.
4. Punitive or exemplary damages.

We will reduce the damages an injured person is entitled to recover by:

1. The total amount collected from the automobile bodily injury liability insurance covering the legally responsible owners and operators of all insured autos.
2. The amount recovered from any legally responsible person provided the injured person is fully paid for his or her damages for bodily injury.
3. The amount paid under a workers' compensation law or similar law.
4. Any expenses that are payable or would have been payable, except for a deductible, under the PIP coverage of this policy or any other auto policy.

If only one person sustains bodily injury, we will pay any unpaid damages up to the difference between the total amount collected from the auto bodily injury liability insurance covering the legally responsible owners and operators of all insured autos and the "per person" limit shown for this Part in your Coverage Selections Page. This is the most we will pay for injuries to one or more persons as the result of bodily injury to any one person in any one accident.

Subject to the "per person" limit, if two or more people sustain bodily injury and are entitled to coverage under this Part, we will pay any unpaid damages up to the difference between the auto bodily injury liability insurance "per accident" limit covering the legally responsible owners and operators and the "per accident" limit shown for this Part in your Coverage Selections Page. This is the most we will pay for injuries to two or more people as the result of bodily injury to two or more people in any one accident.

The decision as to whether an injured person is legally entitled to recover damages from the legally responsible owner or operator will be by agreement between us and the injured person. The amount of damages, if any, will be determined in the same way. Arbitration will be used if no agreement can be reached. Unless otherwise agreed, all monetary awards not paid within thirty (30) days after receipt of the award shall bear interest from the date of the award at the rate allowed by statute. In no event may a demand for arbitration constitute first notice of claim. We must be given sufficient notice of claim to conduct a reasonable investigation and attempt settlement before arbitration can be filed.

If an injured person settles a claim as a result of an accident covered under this Part, we will pay that person only if the claim was settled with our consent. We will not be bound under this Part by any judgment resulting from a lawsuit brought without our written consent. We will not, however, unreasonably withhold our consent.

The limits of two or more autos or policies shall not be added together, combined or stacked, to determine the limits of coverage available to anyone covered under this Part, regardless of the number of autos involved, persons covered, claims made, or premiums shown in the Coverage Selections Page.

We will not make payments under this Part which duplicate payments under the underinsured auto insurance of any other auto policy.

This Part will not benefit any insurer or self-insurer under a workers' compensation law or any similar law.

General Provisions And Exclusions

This section of the policy contains general provisions which, unless otherwise noted, apply to all your coverages. It also describes some situations in which policy benefits will not be paid.

1. Where You Are Covered

Compulsory Part 1. Bodily Injury To Others only covers accidents in Massachusetts. All the other Parts provide coverage for accidents and losses which happen in the United States or Canada. We consider United States territories and possessions and Puerto Rico to be part of the United States. We will pay for accidents and losses which happen while **your covered auto** is being transported between ports of the United States and Canada. **Your covered auto** is not covered in any other country.

2. Our Duty To Defend You And Our Right To Settle

We have the right to defend any lawsuit brought against anyone covered under this policy for damages which might be payable under this policy. We also have a duty to defend any such lawsuit, even if it is without merit, but our duty to defend ends when we tender, or pay to any claimant or to a court of competent jurisdiction, with the court's permission, the maximum limits of coverage under this policy. We may end our duty to defend at any time during the course of the lawsuit, by tendering, or paying the maximum limits of coverage under the policy, without the need for a judgment or settlement of the lawsuit or a release by the claimant.

We have the right to settle any claim or lawsuit as we see fit. If any person covered under this policy settles a claim without our consent, we will not be bound by that settlement.

3. Additional Costs We Will Pay

We will pay, in addition to the limits shown for Compulsory Part 1. Bodily Injury To Others and Part 5. Optional Bodily Injury To Others and Part 4. Damage To Someone Else's Property:

- A.** Premiums on appeal bonds and premiums on bonds to release attachments for an amount up to the applicable limits you selected in any suit we defend.
- B.** Interest on that part of a judgment or arbitration award that is within our limits of liability which accrues after the judgment or award in any matter we defend. We will not pay interest that accrues after we have offered to pay up to the limits you selected.
- C.** Up to \$40 a day for loss of earnings, but not for loss of other income, to any person covered under this policy who attends hearings or trials at our request.
- D.** Other reasonable expenses incurred at our request.

4. Transfer Of Your Interest In This Policy

Your rights and duties under this policy may not be assigned without our written consent. However, if you die, we will continue coverage for the period of this policy for:

- A. Your spouse, if a **household member** at your death.
- B. Any legal representative to the extent he or she is responsible for maintenance or use of **your covered auto**.
- C. Any person having proper temporary custody of **your covered auto**.

Under Part 7. Collision, Part 8. Limited Collision, and Part 9. Comprehensive, an assignment of interest under this policy will not bind us without our knowledge or consent. Any improper assignment shall be void and invalid. The assignee shall acquire no rights under this contract and we shall not recognize any such assignment. This limitation on assignment shall not affect our right to subrogation under this policy.

5. Our Right To Be Repaid

- A. Sometimes we may make a payment under this policy to you or to someone else who has a separate legal right to recover damages from others. In that case, those legal rights may be exercised by us. Anyone receiving payment under those circumstances must do nothing to interfere with those rights. He or she must also do whatever is necessary to help us recover for ourselves up to the amount we have paid. If we then recover more than we paid, we will pay that person the excess, less his or her proportionate share of the costs of recovery, including reasonable attorney's fees.
 - 1. Any amount recovered, because of a payment we make under Part 3. Bodily Injury Caused By An Uninsured Auto or Part 12. Bodily Injury Caused By An Underinsured Auto of this policy shall first be applied to any unpaid damages due that person. Such unpaid damages must be a part of a claim settled with our consent or a part of a judgment resulting from a lawsuit brought with our written consent.
 - 2. Any balance then remaining shall be applied to the amounts we have paid under Part 3. Bodily Injury Caused By An Uninsured Auto or Part 12. Bodily Injury Caused By An Underinsured Auto. We will reduce the amount we will pay that person by his or her proportionate share of the costs of recovery including reasonable attorney's fees.
- B. Sometimes you or someone else may recover money from the person legally responsible for an accident and also receive money from us for the same accident. If so, the amount we paid must be repaid to us to the extent that you or someone else recovers. If you or someone else recover money from the person legally responsible for the accident and also receive money from us for the same accident as a payment under Part 3. Bodily Injury Caused By An Uninsured Auto or Part 12. Bodily Injury Caused By An Underinsured Auto of this policy, we must be repaid for any amounts so paid but only to the extent that such recovery exceeds any unpaid damages due that person under a claim settled with our consent or judgment resulting from a lawsuit brought with our written consent.
- C. Whenever we are entitled to repayment from anyone, the amount owed us can be reduced by our proportionate share of the costs of recovering the money, including reasonable attorneys' fees.

6. When You Have More Than One Auto Policy With Us

You may have more than one policy with us covering the same accident. In that case, the most we will pay is the highest amount payable under the applicable coverage in any one of those policies.

However, claims made under Part 3. Bodily Injury Caused By An Uninsured Auto and Part 12. Bodily Injury Caused By An Underinsured Auto are treated differently. The difference is explained in the description of the coverage for that Part.

7. If You Go Bankrupt

Bankruptcy or insolvency of any person covered under this policy does not relieve us of any of our obligations under this policy.

8. We Do Not Pay For Nuclear Losses Or War Losses

We will not pay under Part 4. Damage To Someone Else's Property and Part 5. Optional Bodily Injury To Others for any person who is an insured under a nuclear energy liability policy or who would be an insured under such a policy had it not already exhausted its limits.

We will not pay under Part 6. Medical Payments, Part 7. Collision, Part 8. Limited Collision or Part 9. Comprehensive for losses or damage caused by radioactive contamination or by acts of war, insurrection, rebellion or revolution or any act incident to any of these.

9. We Do Not Pay For Ordinary Wear Or Tear

We will not pay for damage to **your covered auto** which is due solely to ordinary wear and tear, freezing, mechanical or electrical failure, or for ordinary road damage to tires. We will, however, pay for this damage if it is the result of some other loss which is covered by this policy.

10. If We Pay For A Total Loss

If we pay for the total loss or **constructive total loss** of **your covered auto**, we have the right, if we so choose, to take title to that auto. We also have the right, if we so choose, to take any damaged part for which we pay. 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 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.

11. Repair And Payment After A Collision Or Loss; If We Disagree On The Amount Of Damage (Parts 7, 8 and 9)

Under Part 7. Collision, Part 8. Limited Collision, and Part 9. Comprehensive, you must allow us to have the auto appraised after a collision or loss. If we have a direct payment plan approved by the Commissioner of Insurance, we will pay you in accordance with the appraisal and allow you to select a repair shop of your choice. For a partial loss if you choose not to have **your covered auto** repaired, or if we do not receive your Repair Certificate Form, or, when requested, you do not make **your covered auto** available for reinspection within a reasonable period of time following repair, our payments automatically reduce the insured value limit of **your covered auto** if you have further claims. If you later give us proof of proper repair, the insured value limit will be increased.

If you choose not to accept payment under our direct payment plan or we do not have such a plan, and you have **your covered auto** repaired in accordance with the appraisal, you must send us a Completed Work Claim Form. We must pay you within seven days after receiving the form.

If we fail to pay you within seven days after receipt of the Completed Work Claim Form, you have the right to sue us. If a court decides that we were unreasonable in refusing to pay you on time, you are entitled to double the amount of damage plus costs and reasonable attorneys' fees. We will pay the repair shop directly if you request and the repair shop certifies that it meets certain requirements. If you choose not to have **your covered auto** repaired, or if we do not receive your Completed Work Claim Form, we will determine the amount of decrease in the insured value limit of **your covered auto** and pay you that amount less your deductible. Our payment reduces the insured value limit of **your covered auto** if you have further claims. If you later give us proof of proper repair, the insured value limit will be increased. We have a right to inspect all repairs.

Sometimes there may be a disagreement as to the amount of money we owe for losses or damage to an auto. If so, Massachusetts law sets forth a method of settling the disagreement. Either you or we can, within sixty (60) days after you file your proof of loss, demand in writing that appraisers be selected. The appraisers must then follow a procedure set by law to establish the amount of damage. Their decision will be binding on you and us. You and we must share the cost of the appraisal.

12. Sales Tax

Under Part 7. Collision, Part 8. Limited Collision, and Part 9. Comprehensive we will pay, subject to your deductible, all sales taxes applicable to the loss of an auto or damage to an auto. However, in any event we will not pay more than the insured value limit.

13. Secured Lenders

When your Coverage Selections Page shows that a lender has a secured interest in **your covered auto**, we will make payments under Part 7. Collision, Part 8. Limited Collision, and Part 9. Comprehensive according to the legal interests of each party.

The secured lender's right of payment will not be affected by your acts or neglect except that we will not pay if the loss of or damage to **your covered auto** is the result of conversion, embezzlement, or secretion by you or any **household member**. Also, we will not pay the secured lender if the loss of or damage to **your covered auto** is the result of arson, theft or any other means of disposal committed by you or at your direction.

When we pay any secured lender we shall, to the extent of our payment have the right to exercise any of the secured lender's legal rights of recovery. If you do not file a proof of loss as provided in this policy, the secured lender must do so within thirty (30) days after the loss or damage becomes known to the secured lender.

In order for us to cancel the rights of any secured lender shown in the Coverage Selections Page, a notice of cancellation must be sent to the secured lender as provided in this policy.

14. No Benefits To Anyone In The Auto Business

Coverage under Part 5. Optional Bodily Injury To Others, Part 6. Medical Payments, Part 7. Collision, Part 8. Limited Collision, Part 9. Comprehensive and Part 12. Bodily Injury Caused By An Underinsured Auto shall not in any way benefit any person or organization having possession of **your covered auto** for the purpose of servicing, repairing, parking, storing, or transporting it or for any similar purpose.

15. Trailers

When a **trailer** is attached to **your covered auto**, we consider **your covered auto** and **trailer** together to be one auto in applying the limits shown on the Coverage Selections Page under Bodily Injury To Others, Damage To Someone Else's Property and Optional Bodily Injury To Others (Parts 1, 4 and 5).

16. Premiums For Extensions Or Renewals

The premium we will charge for any extension or renewal of this policy will be in accordance with our rates and rules in effect at the time of the effective date of the extension or renewal.

17. False Information

If you or someone on your behalf gives us false, deceptive, misleading or incomplete information in any application or policy change request and if such false, deceptive, misleading or incomplete information increases our risk of loss, we may refuse to pay claims under any or all of the Optional Insurance Parts of this policy. Such information includes the description and the place of garaging of the vehicles to be insured, the names of all **household members** and customary operators required to be listed and the answers given for all listed operators. We may also limit our payments to those amounts that we are required to sell under the compulsory coverages of this policy.

18. Changes Which Affect Premium

If the information contained in your application changes before this policy expires, we have the right to adjust your premium to reflect such changes. You must inform us of any changes which may have a material effect on your insurance coverage or premium charges. This includes the description, ownership, alterations or modifications to **your covered auto**, type of usage and place of garaging of **your covered auto**. It also includes the **household members** and individuals who customarily operate **your covered auto**.

If you alter or modify your vehicle in any way you must notify us in writing within thirty (30) days.

If a change described in this section requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.

19. Pre-Insurance Inspection

Not applicable under this policy

20. Spare Parts

Under Part 7. Collision, Part 8. Limited Collision and Part 9. Comprehensive we will pay up to \$750, or the amount shown in the Coverage Selections Page, for **spare parts**.

This coverage does not:

- A. Increase the insured limit for **your covered auto** as stated under Part 7. Collision, Part 8. Limited Collision and Part 9. Comprehensive in the Coverage Selections Page.
- B. Include parts held for sale by you or property of others in your care, custody or control.

We will not pay for loss to **spare parts** caused by theft unless the loss results from forcible entry into the place where your spare parts are normally kept; into **your covered auto** itself; or into a securely locked compartment. All losses caused by theft must have visible marks of forcible entry.

21. Loss To Pair, Set Or Parts

Under Part 7. Collision, Part 8. Limited Collision, and Part 9. Comprehensive we will pay, subject to your deductible, loss to a pair or set. We will repair or replace any part to restore the pair or set to its value before the loss. In case of loss or damage to any part of an insured item consisting of several parts, we are liable only for the value of the lost or damaged part.

22. 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 insured limit for **your covered auto** as stated under Part 7. Collision, Part 8. Limited Collision and Part 9. Comprehensive in the Coverage Selections Page.

23. We Do Not Pay For Loss Caused By The Repair Or Renovation Process

Under Part 7. Collision, Part 8. Limited Collision and Part 9. Comprehensive we will not pay for loss or damage caused by any repairing, renovating, or refinishing process unless the process results in a fire or explosion. We will pay only for damage caused by fire or explosion.

24. You May Not Abandon Your Property

There can be no abandonment of **your insured property** to us. **Your insured property** means **your covered auto**, **spare parts** and/or personal effects.

25. Other Insurance

This policy provides coverage for your **antique vehicle**, **classic vehicle**, and/or **special interest vehicle** and applies only to the vehicle(s) shown in the Coverage Selections Page. Any other vehicles you own should be insured by a separate policy. In no event will this policy provide coverage for any vehicles you own other than those shown in the Coverage Selections Page, or which are added to this policy by endorsement.

26. We Will Not Pay for Damage From Insects, Inherent Defect, Effects Of Temperature, Moisture Or Loss of Use.

We will not pay for loss or damage caused by insects, inherent defect, dampness, mildew, mold, rot or rust, temperature extremes, or loss of use.

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27. Regular Use Vehicle Requirement

This policy provides coverage for your **antique vehicle**, **classic vehicle** and/or **special interest vehicle** shown in the Coverage Selections Page. You must own a regular use vehicle which must be insured by a separate insurance policy which must be in effect for the entire time this policy is in effect. In no event will this policy serve as your only auto coverage.

Cancellation And Renewal

Cancellation

Cancellation of this policy is something you should ordinarily have no reason to worry about.

You can cancel any of the Optional Insurance Parts at any time by giving us or your agent at least twenty (20) days written notice. Because all of the Compulsory Insurance Parts are required, you cannot cancel any of them separately. You can cancel all of the policy by giving us or your agent at least twenty (20) days written notice.

We can cancel all or any part of this policy including your Compulsory Insurance if:

1. You have not paid your premiums.
2. We find that you were responsible for fraud or material misrepresentation when you applied for this policy or any extension or renewal of it.
3. The driver's license or auto registration of you, or any person who resides in your household and usually operates an auto insured under this policy, has been under suspension or revocation during the policy period.
4. You fail to comply with a request for a safety inspection test for a vehicle for which a total damage has been paid.

We can cancel this policy up to ninety (90) days after the policy's renewal effective date if you have failed to complete a renewal application and return it to us at least thirty (30) days before the expiration date of the previous policy.

We can cancel Part 7. Collision, Part 8. Limited Collision, and Part 9. Comprehensive on a vehicle:

1. Customarily driven by or owned by persons who have within the last five years been convicted of vehicular homicide, auto related fraud, or auto theft, or
2. Customarily driven by or owned by persons who have within the last five years made an intentional and material misrepresentation in making claim under those coverages, or
3. Customarily driven or owned by persons who have within the last three years, been convicted of any category of driving under the influence of alcohol or drugs, or
4. For which a salvage title has been issued by the Registrar of Motor Vehicles unless a new certificate of title has been issued in accordance with Massachusetts law, or
5. Designated as a high-theft vehicle which does not have at least a minimum anti-theft or auto recovery device as prescribed by the Commissioner of Insurance.
6. If you fail to comply with a request for a motor vehicle safety inspection test for a vehicle that was previously totaled in a prior accident.

We may also cancel:

1. Part 7. Collision and Part 8. Limited Collision on a vehicle customarily driven by or owned by persons who, within three years preceding the effective date of this policy, have been involved in four or more at-fault auto accidents. An at-fault is one in which you or any person who customarily drives **your covered auto** was more than 50% at fault; and
2. Part 9. Comprehensive on a vehicle customarily driven by or owned by persons who have two or more total auto theft or fire insurance claims within the three years immediately preceding the effective date of this policy.

If the driver's license or auto registration of anyone residing in your household who usually operates **your covered auto** has been under suspension or revocation during the policy period, we may suspend coverage for that person under any of the Optional Insurance Parts of the policy. We may also reduce the limits available for that person under Part 3. Bodily Injury Caused By An Uninsured Auto and Part 4. Damage To Someone Else's Property to the minimum limits we are required to sell.

We can cancel coverage limits which are higher than the limits we are required by law to sell you and any coverages designed to reduce the deductibles set by law for reasons other than those listed above if we do so within the first ninety (90) days of the policy period.

Automatic Termination

Massachusetts law provides that your policy automatically terminates and a Notice of Cancellation will not be sent to you when:

1. You return the registration plates for **your covered auto** to the Registry of Motor Vehicles.
2. You purchase a new policy with another company covering **your covered auto** and a new Certificate of Insurance is filed with the Registry of Motor Vehicles.
3. You transfer title to **your covered auto**, and you do not register another auto. In this case, the policy will terminate thirty (30) days from the date of transfer of title.

However, if more than one auto is described in the Coverage Selections Page, the termination of coverage applies only to the auto involved in any of the situations described above.

Legal Notice Requirement

Any notice of cancellation will be sent to you at your last address shown in the Coverage Selections Page at least twenty (20) days prior to the effective date. A notice sent by regular mail for which a certificate of mailing receipt has been obtained from the United States Postal Service will be considered sufficient notice.

In order for us to cancel the rights of any secured lender shown in the Coverage Selections Page, a notice of cancellation must also be sent to the secured lender in a similar manner.

If we cancel this policy in its entirety, the cancellation is not effective unless we send the required notice to the Registry of Motor Vehicles.

If this policy is cancelled by you or us, the amount of your refund will be determined by a pro rata table based on the number of days the policy was in effect. No refund of premium will be sent to you upon cancellation of the policy until we receive a receipt showing that the registration plates assigned to the insured motor vehicle have been returned to the Registry of Motor Vehicles or other document showing that you have replaced the insurance required by law.

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If you think that we have cancelled your policy illegally, you can appeal to the Board of Appeals on Motor Vehicle Liability Policies and Bonds. Your cancellation notice will explain how to appeal.

Renewal

If we decide not to renew this policy or any of its Parts, we must mail our notice to your agent or to you at your last address shown in the Coverage Selections Page at least forty-five (45) days before your policy runs out. A notice sent by regular mail for which a certificate of mailing receipt has been obtained from the United States Postal Service will be considered sufficient notice. If we require a renewal application, and you fail to complete and return it to us within the specified time, we then have the right to cancel the renewal policy.

When There Is An Accident Or Loss

First, Help Any Injured Person

Call an ambulance or the police and, of course, cooperate with them. Do whatever is reasonable to protect the auto from further damage or loss. Where there is coverage provided by this policy, we will pay for any reasonable expenses incurred in doing this.

Second, Notify The Police, Registry Or Fire Department

Under Massachusetts law, notice to the local or state police and the Registry of Motor Vehicles is required within five days if there is anyone injured in an accident, no matter how slight the injury, or if there is reason to believe that there has been over \$1,000 in total property damage.

Within twenty-four (24) hours, notify both the police and us if **your covered auto** is stolen or if you have been involved in a hit-and-run accident. You must report a fire loss to the fire department. The notice to the police or the fire department must be on the form required by law.

Third, File The Claim With Us

We do not know about accidents or losses until you or someone else notifies us. We, or our agent, must be notified promptly of the accident or loss by you or someone on your behalf. The notification should include as many details as possible, including names and addresses of drivers, injured persons and witnesses. If you or any person seeking payment under this policy fail to notify us promptly of any accident or claim under Parts 2. Personal Injury Protection, 3. Bodily Injury Caused By An Uninsured Auto, 6. Medical Payments, or 12. Bodily Injury Caused By An Underinsured Auto of this policy, we may not be required to pay claims under any of these parts.

If you are filing a claim for damage to **your covered auto**, you or someone on your behalf must file a proof of loss within ninety-one (91) days after the accident.

Fourth, Cooperate With Us

After an accident or loss, you or anyone else covered under this policy must cooperate with us in the investigation, settlement and defense of any claim or lawsuit. We must be sent copies of all legal documents in connection with the accident or loss.

We may also require you and any person seeking payment under any part of this policy to submit to an examination under oath at a place designated by us, within a reasonable time after we are notified of the claim.

If anyone makes a claim or seeks payment under Part 2. Personal Injury Protection, Part 3. Bodily Injury Caused By An Uninsured Auto, Part 6. Medical Payments, or Part 12. Bodily Injury Caused By An Underinsured Auto, we have a right to require that person to be examined by doctors selected by us. If anyone seeks continuing payments under any of these Parts, we may also require additional examinations at reasonable intervals. We will pay for these examinations. We must also be authorized to obtain medical reports and other records pertinent to the claim.

Failure to cooperate with us may result in the denial of the claim.

Remember: Defensive Driving Can Save Your Life And Your Money