

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT CHANGES YOUR POLICY

UNINSURED MOTORISTS COVERAGE – GEORGIA

PART C – UNINSURED MOTORISTS COVERAGE is replaced by the following **PART C - UNINSURED MOTORISTS COVERAGE**:

INSURING AGREEMENT

A. Uninsured Motorists Coverage - “ADDED ON TO AT-FAULT LIABILITY LIMITS”

If **Uninsured Motorists Coverage** with the “**ADDED ON TO AT-FAULT LIABILITY LIMITS**” option is elected as shown in the Declarations or Schedule, and the premium for that coverage has been paid, we will pay for compensatory damages that an “insured” is legally entitled to recover from the owner or operator of an “uninsured motor vehicle” for:

1. “Bodily injury” (BI) sustained by that “insured”; and/or
2. “Property damage” (PD);

caused by a motor vehicle accident.

The owner’s or operator’s liability for these damages must:

1. Be due to a motor vehicle accident; and
2. Arise out of and be causally connected to the ownership, maintenance or use of the “uninsured motor vehicle”.

Any payment by us for this **Uninsured Motorists Coverage** is subject to the limits elected and shown in the Declarations or Schedule, and as further described in the **Limit of Liability** provision of this endorsement.

B. Uninsured Motorists Coverage - “REDUCED BY AT-FAULT LIABILITY LIMITS”

If **Uninsured Motorists Coverage** with the “**REDUCED BY AT-FAULT LIABILITY LIMITS**” option is elected as shown in the Declarations or Schedule, and the premium for that coverage has been paid, we will pay for compensatory damages that an “insured” is legally entitled to recover from the owner or operator of an “uninsured motor vehicle” for:

1. “Bodily injury” (BI) sustained by that “insured”; and/or
2. “Property damage” (PD);

caused by a motor vehicle accident.

The owner’s or operator’s liability for these damages must:

1. Be due to a motor vehicle accident; and
2. Arise out of and be causally connected to the ownership, maintenance or use of the “uninsured motor vehicle”.

Any payment by us for this **Uninsured Motorists Coverage** is subject to the limits elected and shown in the Declarations or Schedule, and as further described in the **Limit of Liability** provision of this endorsement.

C. “Insured” as used in this endorsement means:

1. You or a “family member”.
2. Any other person while “occupying” or using “your covered auto” with permission from you.
3. Any person, for damages that person is legally entitled to recover because of “bodily injury” to a person described in this definition in 1., 2., or 3. above. This does not increase our limit of liability in any accident to an amount greater than the limit that applies to the person who has sustained a “bodily injury” and is described in this definition in 1., 2., or 3. above.

However, “insured” shall NOT mean and does NOT include (unless otherwise required by law):

1. You;
2. Any "family member" or any other person related to you who resides with you; or
3. Any other person;

while "occupying", operating or otherwise using any vehicle owned by, or furnished or available for the regular use of, you, or any person related to you who resides with you, if that vehicle is not "your covered auto". To the extent such a person is or will be required by law to be an "insured", that person will only be deemed an "insured" under this coverage for "minimum limits", any and all coverage under this **PART C** for such an "insured" applies excess to all other available uninsured and/or underinsured motorist coverage, and only after all other insurance and other sources of recovery have been exhausted by payment.

- D. "Family member" as used in this endorsement means and includes a person related to you by blood, marriage or adoption and who is a resident of the named insured's household, including your ward or foster child.
- E. "Minimum limits", as used in this endorsement, means the minimum amounts of liability insurance required under a financial responsibility or compulsory insurance law of the state where "your covered auto" is registered, as shown in our records, that apply to the owner or operator of a private passenger automobile. The minimum limits amount will be the each person/each accident limit required by these laws.
- F. "Property damage" as used in this endorsement, means physical harm to or destruction of:
 1. "Your covered auto" for which this coverage has been purchased; and
 2. Items of personal property owned by an "insured" and contained in that auto described directly above in 1. of this definition.
- G. "Uninsured motor vehicle" means a land motor vehicle that is:
 1. Not insured or bonded for liability at the time of the accident (or to which no deposit of cash or securities in place of insurance or bond applies);
 2. Insured or bonded for liability at the time of the accident, but the bonding or insuring company denies coverage or is, or becomes, insolvent. Before a motor vehicle shall be deemed to be an "uninsured motor vehicle" because of the insolvency of a liability insurer, we must be given notice within a reasonable time by an "insured" of the pendency of any legal proceeding against that liability insurer of which the "insured" may have knowledge. This notice must be given to us before:
 - a. The "insured" enters into any negotiation or arrangement with that liability insurer; and
 - b. We are prejudiced by any action or inaction of the "insured" as to the determination of the insolvency of that liability insurer;
 3. A motor vehicle for which the owner or operator is unknown, and that motor vehicle causes "bodily injury" to an "insured" or "property damage". If there is no physical contact with the unknown motor vehicle causing the accident, then the facts of the accident must be corroborated by competent evidence of an eyewitness other than an "insured" making a claim;
 4. Insured or bonded for liability at the time of the accident as set forth and described here below in 4.a. or b. of this definition and as determined by which coverage option applies to this policy as elected by you and as shown in the Declarations or Schedule:
 - a. If **Uninsured Motorists Coverage** with the "**ADDED ON TO AT-FAULT LIABILITY LIMITS**" option is elected as shown in the Declarations or Schedule, and the premium for that coverage has been paid, there is a liability bond or policy for that motor vehicle causing the accident and at the time of the accident but its limit of liability either:
 - (1) Is not enough to pay the full amount the "insured" is legally entitled to recover as damages for "bodily injury" or "property damage"; or
 - (2) Has been reduced by payments of other claims, or otherwise, to an amount which is not enough to pay the full amount the "insured" is legally entitled to recover as damages for "bodily injury" or "property damage"; or

- b. If **Uninsured Motorists Coverage** with the “**REDUCED BY AT-FAULT LIABILITY LIMITS**” option is elected as shown in the Declarations or Schedule, and the premium for that coverage has been paid, there is a liability bond or policy for that motor vehicle causing the accident and at the time of the accident but its limit of liability either:
- (1) Is less than the sum of the limits of liability that apply to the “insured” for **Uninsured Motorists Coverage** under this and any other policy; or
 - (2) Has been reduced by payment of other claims, or otherwise, to an amount which is less than the sum of the limits of liability that apply to the “insured” for **Uninsured Motorists Coverage** under this and any other policy.

An “uninsured motor vehicle” does NOT include any vehicle or its equipment:

1. Located for use as a residence or premises;
2. Designed for use mainly off public roads, while not on public roads;
3. Operated on rails or crawler treads;
4. Shown in the Declarations or Schedule, or insured under the liability coverage, of this policy;
5. Owned by, or furnished or available for the regular use of, you, any “family member” or any other person related to you who resides with you; or
6. Owned or operated by a self-insurer under any motor vehicle law that applies, other than a self-insurer that is or becomes insolvent or if underinsured.

ADDITIONAL TERMS & DUTIES

The coverage provided by this endorsement is also subject to these additional terms and duties:

- A. If the owner or operator of an “uninsured motor vehicle” has liability insurance, self-insurance or bond, we will not make a payment under **Uninsured Motorists Coverage** to or for an “insured” until after one of the following occurs:
1. You and we agree, in writing, to a written settlement;
 2. We have been given both:
 - a. Prompt written notice of an offer of settlement by the owner, operator or insurer of an “uninsured motor vehicle”, and
 - b. Within 30 days of that offer notice, an opportunity to advance payment to the “insured” in an amount equal to that offer of settlement so as to protect our rights to recover against the liable owner and/or operator (or its insurer); or
 3. The limits of liability under those other applicable liability policies or bonds have been exhausted by payment of judgments or settlements.
- B. Without our prior written consent, we are not bound by:
1. Any settlement for damages; or
 2. Any judgment arising out of a lawsuit;
- against the owner or operator of an “uninsured motor vehicle”.
- C. Notwithstanding the above, an “insured” may make a Limited Release settlement, in accord with and as described in Georgia Code Section 33-24-41.1, as amended, which does not release the legally liable uninsured or underinsured motorist from personal liability to the extent that there may be benefits under this **Uninsured Motorists Coverage** for the “bodily injury” sustained by that “insured” or the “property damage”.
- D. In the event of an accident involving a hit-and-run or unidentified vehicle, you or an “insured” (or someone on that person’s behalf) must contact:
1. The police (or other law enforcement with proper jurisdiction) immediately, by the quickest means of communication, after that accident, and file a written report; and

2. Us within 30 days of, or as soon as practicable after, that accident.

EXCLUSIONS

- A. **Uninsured Motorists Coverage** does NOT cover “bodily injury” to an “insured” or any person and does not cover “property damage”:
 1. If the claim is settled (and in a manner not in accord with a Limited Release, as allowed in Georgia Code Section 33-24-41.1, as amended) and our rights are prejudiced.
 2. That occurs while using or “occupying” a vehicle without permission from the owner of the vehicle. This does not apply to you or a “family member” when using or “occupying” “your covered auto”.
 3. That occurs while “your covered auto” is being used as a public or livery conveyance or for any delivery of persons or property for compensation or a fee. This exclusion (A.3.) does not apply to shared expense car pools.
- B. **Uninsured Motorists Coverage** shall NOT apply, directly or indirectly, to benefit any:
 1. Workers’ compensation or disability benefits insurer;
 2. Self-insurer under any workers’ compensation, or disability benefits or similar law;
 3. Government body or agency; or
 4. Insurer or self-insurer of property.
- C. We do NOT provide any coverage of any kind for any punitive or exemplary damages, however named, and we do not cover any and all:
 1. Damages that are separate from sums intended to provide compensation, and are instead intended or awarded to:
 - a. Punish or deter wrongful, malicious or unlawful conduct by any person or party; or
 - b. Fine, penalize or impose a statutory penalty; and
 2. Attorney fees, interest, costs or other fees awarded in connection with the award of any such punitive or exemplary damages.
- D. There is no coverage for, and no term or provision under this **PART C** creates, any type of property or physical damage coverage for or related to any:
 1. Any type of property unless expressly included within the definition of “property damage” herein, and the terms of this **PART C** apply to provide “property damage” coverage.
 2. Deductible amount, or other unpaid portions of loss or damage, for which you or an “insured” are responsible for under this or any other policy or source of recovery.
 3. “Property damage” or damages arising from “property damage”, which has been paid by any other property or physical damage insurance or other similar source of recovery.

LIMIT OF LIABILITY

Our **Uninsured Motorists Coverage** limit of liability, which is the most we will pay, is the limit shown in the Declarations or Schedule. That limit is subject to the following terms:

- A. The most we will pay for all covered damages is:
 1. The limit for each person shown in the Declarations or Schedule, which shall:
 - a. Apply for all claims due to “bodily injury” to one person in any one accident; and
 - b. Include all claims allowed by law and incurred by persons other than the person who sustains the actual “bodily injury” that results from an accident. These claims include, but are not limited to, derivative or independent claims (however labeled and where allowed by law) for: wrongful death; loss of consortium, companionship, society, support and services; and emotional distress or mental anguish as a result of seeing the accident or “bodily injury”.

2. If the limit shown in the Declarations or Schedule shows a per person and per accident limit for “bodily injury”, that per accident limit:
 - a. Shall apply for “bodily injury” to two or more persons in any one accident; and
 - b. Is subject to the “bodily injury” limit for “each person” as described above.
3. If the limit shown in the Declarations or Schedule shows a separate limit of “property damage” for each accident for **Uninsured Motorists Coverage**, that limit is the most we will pay for all covered damages for or related to “property damage” resulting from any one accident.

However:

1. If only a single per accident limit is shown as the limit of liability in the Declarations or Schedule for **Uninsured Motorists Coverage**, that amount shown is the most we will pay for the total of all covered damages resulting from any one accident. We will comply with any law requiring us to provide any separate limits, but this does not increase the total limit of liability that applies to each accident.
 2. Our payment will not include, and you are responsible for (when applicable), the amount of any deductible that applies as shown in the Declarations or Schedule.
 3. Notwithstanding the limits set forth above, if a person is required by law to be an “insured” even though that person was “occupying”, operating or otherwise using any vehicle owned by, or furnished or available for the regular use of, you, a “family member” or any other person related to you who resides with you, at the time of the accident and that vehicle is not “your covered auto” shown in the Declarations or Schedule of this policy, the most we will pay for all covered damages is the “minimum limits” for any such person. This does not increase our limit of liability in any accident to an amount greater than the limit that is otherwise set forth above.
- B. There will be no adding, stacking or combining of limits for any one covered accident no matter the number of:
1. Injured persons, claims or lawsuits asserted;
 2. Vehicles or trailers involved in the accident;
 3. Insureds on this policy or involved in the accident; or
 4. Vehicles or premiums shown in the Declarations or Schedule.
- C. If this policy was purchased with **Uninsured Motorists Coverage** with the “**ADDED ON TO AT-FAULT LIABILITY LIMITS**” option elected as shown in the Declarations or Schedule, the total damages an “insured” is legally entitled to recover for “bodily injury” or “property damage” from the owner or operator of the “uninsured motor vehicle” shall be reduced by any amount paid:
1. To the “insured” because of “bodily injury” or “property damage” by or on behalf of any persons or parties that may be legally responsible for the injury, including, but not limited to, all amounts paid under **PART A – LIABILITY COVERAGE** of this policy;
 2. Under **PART B – MEDICAL PAYMENTS COVERAGE** and/or **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO**;
 3. Because of “bodily injury” under any workers’ compensation law; and
 4. From any other source of recovery, including any other insurance policy.
- D. If this policy was purchased with **Uninsured Motorists Coverage** with the “**REDUCED BY AT-FAULT LIABILITY LIMITS**” option elected as shown in the Declarations or Schedule, our limit of liability for **Uninsured Motorists Coverage**, as shown on the Declarations or Schedule, shall be reduced by any amount paid or to be paid because of “bodily injury” or “property damage”:
1. To the “insured” by or on behalf of any persons or parties that may be legally responsible for the injury, including, but not limited to, all amounts paid under **PART A – LIABILITY COVERAGE** of this policy; and
 2. Under **PART B – MEDICAL PAYMENTS COVERAGE** and/or **PART D – COVERAGE FOR DAMAGE TO YOUR COVERED AUTO** of this policy; and

3. Under any workers' compensation law.
- E. Duplicate payments will not be allowed or made for the same element of damages, expense or loss that has been or will be paid by any other coverage under this policy, any other policy or by any other source.
- F. If the Declarations or Schedule shows you have purchased Uninsured Motorists Property Damage Coverage, the limit shown is the most we will pay for all covered "property damage" sustained in any one accident, and is subject to the following:
 1. For "property damage", we shall not pay more than the lowest of the:
 - a. "Property damage" limits shown in the Declarations or Schedule for Uninsured Motorists Property Damage Coverage;
 - b. Guaranteed Value® of the damaged property, as shown in the Declarations or Schedule, at the time of the accident, if the damaged property is "your covered auto";
 - c. Cost of repair or replacement; or
 - d. If there is damage to personal property which is contained within "your covered auto" at the time of the accident, actual cash value of that property.
 2. Our payment will not include, and you are responsible for (when applicable), the amount of:
 - a. Any deductible that applies as shown in the Declarations or Schedule for "property damage" for **Uninsured Motorists Coverage**.
 - b. The salvage value if you or the owner retains salvage. 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.

OTHER INSURANCE

If there is other uninsured and/or underinsured motorists coverage, or similar type of insurance or source of recovery, that applies or is available under one or more policies:

- A. Except when the "insured" is "occupying" "your covered auto" and sustains "bodily injury", the coverage under this policy, if applicable, shall be excess to all other insurance, whether that insurance is considered primary, secondary or excess. If there is other insurance with the same priority as this coverage for an "insured's" "bodily injury", we will not pay more than our share of the covered damages or loss. Our share of the covered damages or loss is the proportion that our limit of coverage under **Uninsured Motorists Coverage** bears to the total of all applicable limits with the same priority as this coverage.
- B. As to any "property damage", or damages arising from "property damage", which has been paid by any other property or physical damage insurance or other similar source of recovery, then there is no coverage for the same under this **PART C**.

In issuing this policy of insurance we have relied upon your representation that you will purchase and maintain other insurance providing this coverage on a primary basis with respect to you, "family members" and any other person related to you who resides with you. However, this insurance shall be primary to such other insurance for any "insured" for "bodily injury" while "occupying" or using "your covered auto".

Under **PART F - GENERAL PROVISIONS**, the following is added to the **TWO OR MORE AUTO POLICIES** provision:

This policy provision and limitation does not apply to **PART C – UNINSURED MOTORISTS COVERAGE**, if and when required by Georgia law, as amended.

All other policy provisions apply.