

PERSONAL AUTO POLICY

Program Manager:


TRADERS INSURANCE CONNECTION, INC. 8916 Troost, Kansas City, MO 64131

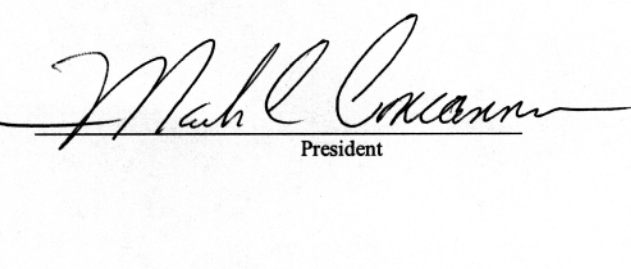
Policies Underwritten By:
TRADERS INSURANCE COMPANY
HOME OFFICE, Kansas City, Missouri
(A Stock Company herein after called the Company)

THIS POLICY COVER TOGETHER WITH THE APPLICATION, THE AUTO POLICY FORM, DECLARATIONS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEROF, COMPLETE THIS POLICY

ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION OR CONCEALS MATERIAL INFORMATION IN AN APPLIATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

In witness whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative


Secretary


President

PERSONAL AUTO POLICY

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Other changes may be made to your policy by endorsement. All of the endorsements attached to your policy are listed in the Declarations. Make certain to read the endorsements listed in the declarations in addition to the Personal Auto Policy.

AGREEMENT

If **you** pay **your** premium payments when they are due and subject to all the terms of this policy, **we** agree with **you** as follows:

IMPORTANT NOTICE!

You should read this policy very carefully and call **us** with any questions that **you** have about the terms contained in this policy.

Even if you are not at fault, **you** should call **us** at **L-800-383-1357** as soon as **you** can after any **accident you** have been in to report the loss. If **you** make a claim, **you** must keep **us** informed of **your** most current mailing address and telephone number so that **we** can communicate with **you** about the loss. **You** must notify **us** IMMEDIATELY!!! if **you** receive any papers from an attorney, claimant, or courthouse concerning any loss claimed while this policy is in force.

When **you** applied for insurance with **us**, **you** promised that the information on **your** application was true and correct. **You** also promised that **you** were not using **your** vehicle for various **business** uses. This policy was issued based upon **your** promises to **us**. This policy contains terms that allow **us** to void the policy and/or sue **you** to recover any money that **we** have to pay out based upon any misrepresentations or omissions that **you** may have made when applying for coverage with **us**.

DEFINITIONS

We have highlighted certain words in this policy in ***bold italics*** – such words should be read to have the following meanings:

Actual Cash Value – means the fair market value of any tangible property immediately before its loss taking into consideration items such as (but not limited to) the age, mileage, options, pre-loss condition, cosmetic detriments, tire tread depth, un-repaired damage or maintenance items, along with the value of similar property in the marketplace.

Automobile Related Business – means a business or job where the purpose is to rent, sell, lease, park, repair, service, store, or transport motor vehicles or trailers of any type designed for use on land.

Bodily injury – means ***bodily injury*** to a human being's body and the sickness, disease or death that results from such injury.

Business related use – means any of the following:

1. Calling on accounts, customers or prospective customers in connection with any occupation or business; or
2. Hauling or carrying people, equipment, goods, or supplies used in connection with any occupation or business; or
3. Picking up or delivering any goods, materials, products or packages in connection with any occupation or business; or
4. Driving to more than one location per day in connection with any occupation or business.

Car – means a motor vehicle with four (4) wheels mainly designed for use on public roads. ***Car*** does not include:

1. Any vehicle used as a dwelling or other premises; or
2. Any vehicle having more than four (4) wheels or a gross vehicle weight of over ten thousand (10,000) pounds; or
3. Any vehicle having less than four (4) wheels or operating on tracks; or
4. All-terrain vehicles, dune buggies, go-carts, forklifts, front-loaders, golf carts, riding garden tractors, farm tractors, or any other farming equipment.

Compulsory Insurance Law – means a law requiring a minimal level of financial responsibility or insurance coverage in order to ***own***, operate, or allow others to operate a ***car*** in the jurisdiction in which coverage under this policy is sought. This definition includes motor vehicle financial responsibility laws, compulsory insurance laws and all other laws with similar purposes.

Declarations – means the page where *we* list:

1. The types of coverage *you* have elected to buy;
2. The limit for each coverage;
3. The cost for each coverage;
4. The specific *cars* covered by this policy;
5. The types of coverage for each *car*;
6. The *named insured* under this policy; and
7. Other information applicable to this policy.

Delivery Related Business – means the ownership, maintenance, or use of any *car*, or *trailer*, or any other motor vehicle while being used to carry animals, *persons*, or property for compensation of any type, including (but not limited to) taxi services, or the delivery of food, magazines, newspapers, or any other product. This definition does not include shared-expense car pools.

Family member - means a *person* who lives in the same household as the first *person* listed as a *named insured* in the *Declarations* and is (i) related by blood, marriage or adoption to the first *person* shown in the *Declarations* as *named insured*, or (ii) is related by blood, marriage or adoption to the *resident* spouse of the first *person* shown in the *Declarations* as *named insured*. **Family member** includes a ward or foster child of the first *person* shown in the *Declarations* as *named insured*.

Insured car – means:

1. Any *car* shown in the *Declarations* that is *owned* by *you*; or
2. Any other *car* on the date *you* become *owner* of that *car* but only if:
 - a. *You* acquire the *car* during the policy period shown in the *Declarations*; and
 - b. *You* ask *us* to insure the newly acquired *car* within thirty (30) days of the date that *you* acquire the *car*; and
 - c. *You* pay any additional premium due; and
 - d. *We* insure all *cars owned* by *you*; and
 - e. No other insurance company provides coverage for that *car*.

If all the conditions set forth in subparagraph 2 above are satisfied and the *car you* acquire is in addition to any *car* shown in the *Declarations*, it will have the broadest coverage *we* provide for any *car* shown in the *Declarations*. If the *car* that *you* acquire replaces one shown in the *Declarations* (a replacement *car*), it will have the same coverage as the *car* it replaces. If the replaced *car* did not have coverage under **COVERAGE C – DAMAGE TO YOUR CAR**, *you* may add coverage for the replacement *car*. However, if *you* are adding coverage under **COVERAGE C – DAMAGE TO YOUR CAR**, such coverage will not become effective until *we* have had a chance to inspect the *car* to approve such coverage and *you* have paid any additional premium due for the coverage. If *you* do not satisfy all the conditions listed above in subparagraph 2, *you* will have no coverage of any type during or after the thirty (30) day period in which *you* obtained the *car*. The thirty (30) day notice period shall not have the effect of extending the policy term beyond its expiration or cancellation date.

3. Any *trailer owned* by *you* while drawn by or attached to a *car* described in 1 or 2 directly above.
4. Any *car* or *trailer you* do not *own* while used as a temporary substitute for any *car* described in this definition that is out of its normal use because of its breakdown, repair, servicing, loss, or destruction. This paragraph does not apply to **COVERAGE C – DAMAGE TO YOUR AUTO**.

Named insured – means only the *person* specifically listed in the *Declarations* as the *named insured* - but does not include any other *person* (including but not limited to *persons* listed in the *Declarations* or in the application for coverage) that may be described as a driver, operator, resident, spouse, or *excluded driver*.

Occupying – means in, getting in or out of an *insured car* but only as long as there is physical contact with the *car*.

Own or Owned or Owns - means that a *person*:

1. Holds legal title to a *car*; or
2. Has legal possession of a *car* that is subject to the fulfillment of a sales agreement evidenced by some form of writing; or
3. Has legal possession of a *car* that is leased to that *person* under a written agreement for a continuous period of at least six (6) months; or
4. Has legal possession of a *car* that is subject to the fulfillment of an oral sales agreement evidenced by any exchange of consideration.

Owner – means a *person* who:

1. Holds legal title to a *car*; or
2. Has legal possession of a *car* that is subject to the fulfillment of a sales agreement evidenced by some form of writing; or
3. Has legal possession of a *car* that is leased to that *person* under a written agreement for a continuous period of at least six (6) months; or
4. Has legal possession of a *car* that is subject to the fulfillment of an oral sales agreement evidenced by any exchange of consideration.

Person – means a human being that has been born and has lived outside the womb at the time of the occurrence for which coverage is sought.

Property Damage – means physical damage to, the destruction of, or loss of use of tangible property.

Relative - means a *person* who is a *resident* of *your* household and is related by blood, marriage, or adoption to the *named insured*. **Relative** includes a ward or foster child of the *named insured*.

Resident – means a *person* who lives with *you*, whether or not that *person* is a member of *your* household, and includes (but is not limited to) *you*, and any *person* who is a *family member* or *relative*.

Secondary insured – means a *person* listed in the *Declarations* as a *secondary insured*.

Special Equipment – means any equipment that is not available from the manufacturer of the *car* described in the *Declarations* for that make, model and model year.

Trailer – means a vehicle (including farm wagons or implements) designed to be towed by a *car*.

We, Us and Our - means the company providing this insurance.

You and Your – mean the *named insured* listed in the *Declarations* and that *person's* spouse provided that the spouse lives in the same household as the *named insured*.

*** If any of the words defined above appear in this policy and are not highlighted they shall be read to have their common meanings as generally used in the English language.

WHAT YOU MUST DO UNDER THIS POLICY

We have no duty to provide coverage under this policy unless any *person* seeking coverage under this policy fully complies with the following duties:

- A. Even if any *person* seeking coverage under this policy is not at fault for an *accident*, such *person* must call *us* as soon as possible after an *accident* to report the loss; and must provide *us* with the names and addresses of any witnesses to the *accident* and any *persons* known to have suffered *bodily injury* or *property damage* as a result of the *accident*.
- B. A *person* seeking any coverage must:
 1. Keep *us* informed of any changes to their address within three working days of changing their address; and
 2. Keep *us* informed of any changes to their telephone number within three (3) working days of making changes to their telephone number; and
 3. Cooperate with *us* in the investigation, settlement and defense of any claim or suit. Such cooperation includes but is not limited to:
 - a) Communicating with any attorney appointed to defend that *person*;
 - b) Attending, and getting witnesses to attend, depositions, hearings and trials;
 - c) Securing and giving evidence;
 - d) Completing documents required in litigation;
 - e) Making settlements; and
 4. Promptly send *us* copies of any notices or legal papers received in connection with the *accident* or loss; and
 5. Submit, as often as *we* reasonably require:
 - a) To physical exams and mental exams by physicians *we* select and *we* pay for;

- b) To an examination under oath and sign the same; and
- 6. Authorize *us* to obtain:
 - a) Medical reports; and
 - b) Other pertinent records; and
- 7. Submit a written proof of loss under oath when required by *us*.
- C. A *person* seeking Coverage C-Damage To Your Car must also:
 - 1. Take reasonable steps after loss to protect *your insured car* and equipment or any non-owned *car* and equipment from further loss. *We* will pay reasonable expenses incurred to do this; and
 - 2. Notify the police, within twenty four (24) hours, if *your insured car* or any non-owned *car* is stolen or vandalized; and
 - 3. Permit *us* to inspect and appraise the damaged property before its repair or disposal.

STANDARD POLICY TERMS

BANKRUPTCY

Bankruptcy or insolvency of an insured *person* shall not relieve *us* of any obligations under this policy. In case execution of a judgment against an insured *person* is returned unsatisfied solely because of the insolvency or bankruptcy of an insured *person* in an action brought by an injured *person* or his/her personal representative, then an action may be maintained by the injured *person* or his or her personal representative against *us* under the terms of the policy for the amount of the judgment in the action not exceeding the amount of the limits of liability set forth in the *Declarations*. Notwithstanding this provision, *we* reserve all rights *we* have under the laws of the state in which the judgment was entered to challenge the reasonableness of the judgment and its amount.

CHANGES

- A. This policy contains all the agreements between *you* and *us*. Its terms may not be changed or waived except by a written endorsement issued by *us*.
- B. If there is a change to the information used to develop the policy premium, *we* may adjust *your* premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:
 - 1. The number, type or use classification of *insured car(s)*;
 - 2. Drivers using *insured car(s)*;
 - 3. The place of principal garaging of *insured car(s)*;
 - 4. Coverage, deductible or limits.

If a change resulting from **A.** or **B.** requires a premium adjustment, *we* will make the premium adjustment in accordance with *our* manual rules and such adjustment shall be calculated as of the effective date of the endorsement.

- C. If *we* make a change that broadens coverage under this edition of *your* policy without additional premium charge, such change will automatically apply to *your* policy as of the date *we* implement the change in *your* state. This Paragraph (C.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:
 - 1. A subsequent edition of *your* policy; or
 - 2. An Amendatory Endorsement

FRAUD, MISREPRESENTATIONS AND OMISSIONS

- A. *We* do not provide coverage for any *person* who knowingly with intent to defraud has made fraudulent statements or engaged in fraudulent conduct in connection with any *accident* or loss for which coverage is sought under this policy.
- B. *We* do not provide coverage for any *person* if *you* (or anyone on *your* behalf) who knowingly with intent to defraud made fraudulent statements or misrepresented or concealed anything material in the presentation of *your* application for insurance.

- C. If **you** (or anyone on **your** behalf) who knowingly with intent to defraud has fraudulent statements, material misrepresentations or omitted any material fact in **your** application for this policy then **you** shall repay **us** for any payments or costs **we** incur as a result of providing coverage based upon such fraudulent statements, material misrepresentations, or omitted material fact. Costs include (but are not limited to) attorney fees, settlement payments, investigation fees and reports, postage, copying charges, deposition fees, mileage and fees for experts.
- D. If **you** or any **person** seeking coverage under this policy knowingly with intent to defraud make any fraudulent statements or engage in fraudulent conduct in connection with any **accident** or loss for which coverage is sought under this policy and **your** state restricts **our** right to rescind all or any portion of this policy, then **you** shall repay **us** for any payments or costs **we** incur associated with such payments that **we** would not have had to make if **our** right to rescind was not limited. Costs include (but are not limited to) attorney fees, settlement payments, investigation fees and reports, postage, copying charges, deposition fees, mileage, and fees for experts.
- E. If a **Compulsory Insurance Law** requires **us** to make payments that would otherwise be excluded from coverage under **COVERAGE A – LIABILITY** of this policy, then **you** shall repay **us** for any such payments or costs **we** incur associated with such payments that **we** would not have otherwise had to make.

In the event **we** are required to make any payment, **our** obligation shall be limited to those coverages or benefits the law restricts **us** from rescinding. **Our** obligations will not include any other coverage or benefit that the applicable law does not restrict **us** from rescinding.

LEGAL ACTION AGAINST US

No legal action may be brought against **us** until there has been full compliance with all the terms of this policy. In addition, under **COVERAGE A - LIABILITY**, no legal action may be brought against **us** until the amount of that obligation has been finally determined by judgment after actual trial, and appeal, if any, or agreement between a **person** seeking coverage under this policy, an injured **person** and **us**.

No **person** or organization has any right under this policy to bring **us** into any action to determine the liability of any **person** who might seek coverage under this policy.

OUR RIGHT TO RECOVER PAYMENT

- A. If **we** make a payment under this policy and the **person** to (or for) whom payment was made has a right to recover damages from another **we** shall be subrogated to that right. That **person** shall:
 1. Do whatever is necessary to enable **us** to exercise **our** rights; and
 2. Do nothing after loss to prejudice **our** rights; and
 3. Hold in trust for **us** such rights of recovery; and
 4. Do whatever is necessary to secure these rights; and
 5. Execute and deliver to **us** any instruments and papers as may be appropriate to secure that **person's** and **our** rights.

However, **our** rights in this Paragraph (A.) do not apply under **Coverage C - Damage to Your Car**, against any **person** using **your insured car** with **your** consent to do so, so long as that **person** does not go outside the scope of that consent.

- B. If **we** make a payment under this policy and the **person** to (or for) whom payment is made recovers damages from another:
 1. That **person** shall hold in trust for **us** the proceeds of the recovery; and
 2. That **person** shall reimburse **us** to the extent of **our** payment.

POLICY PERIOD AND TERRITORY

- A. This policy applies only to **accidents** and losses that occur:
 1. During the policy period as shown in the **Declarations**; and
 2. Within the policy territory.
- B. The policy territory is:
 1. The United States of America, its territories or possessions; and
 2. Canada.

This policy also applies to loss to, or **accidents** involving, **your insured car** while being transported between U.S. and Canadian ports.

TERMINATION

- A. **Cancellation.** This policy may be cancelled during the policy period as follows:
 1. The **named insured** shown in the **Declarations** may cancel by:
 - a) Returning this policy to **us**; or

- b) Giving *us* advance written notice of the date cancellation is to take effect.
- 2. *We* may cancel by mailing to the *named insured* shown in the *Declarations* at the address shown in this policy:
 - a) At least 10 days notice if cancellation is for nonpayment of premium; or
 - b) At least 30 days notice in all other cases.
- 3. Except as provided for herein *we* will cancel only for the reasons set forth below:
 - a) For non-payment of premium; or
 - b) If *you* or any driver who lives with *you* or customarily uses *your insured car*:
 - (1) Has had his or her driver's license suspended or revoked during the policy period; or
 - (2) Is or becomes subject to epilepsy or heart attacks, and such individual can not produce a certificate from a physician testifying to his or her ability to operate a motor vehicle; or
 - (3) Is or has been convicted, during the 36 months immediately proceeding the effective date of this policy or during the policy period for:
 - (a) Any felony; or
 - (b) Criminal negligence resulting in death, homicide or assault, arising out of the operation of a motor vehicle; or
 - (c) Operating a motor vehicle while in an intoxicated condition or while under the influence of drugs; or
 - (d) Leaving the scene of an accident without stopping to report; or
 - (e) Theft of a motor vehicle; or
 - (f) Making false statements in an application for a driver's license; or
 - (g) A third moving violation, committed within a period of 18 months, of (i) any regulation limiting the speed of motor vehicles, (ii) any of the provisions in the motor vehicle laws of any state, the violation of which constitutes a misdemeanor or traffic infraction, or (iii) any ordinance traffic infraction, or ordinance which prohibits the same acts as a misdemeanor stature of the uniform act regulating highways, whether or not the violations were repetitions of the same offense or different offenses.
 - c) Fraud or misrepresentation of a material fact by *you* or by someone acting under *your* authority;
 - d) If *you* violate any of the terms and conditions of this policy; or
 - e) Any other reason permitted by the law.

The provisions of this Paragraph (A.3.) restricting the reasons for which *we* may cancel this policy shall not apply if the policy has been in effect less than sixty (60) days at the time notice of cancellation is mailed or delivered by *us*, unless it is a renewal policy.

- B. **Non-renewal.** If *we* decide not to renew or continue this policy, *we* will mail notice to the *named insured* at the latest address filed with *us* on or behalf of the named insured. *We* will only non-renew or refuse to continue the liability and personal injury protection coverages of this policy if:
 - 1. One of the reasons listed in paragraph A3 of the Cancellation provisions above exist; or
 - 2. The commissioner of insurance requires or permits *us* to reduce *our* premium volume; or
 - 3. *We* have ceased doing business in the state of Kansas; or
 - 4. *We* have competent medical evidence which shows that *you* or a *family member, relative* or *resident* have a physical or mental disability which impairs that persons ability to drive in a safe and reasonable manner; or
 - 5. *We* discover that there are substantial unfavorable underwriting factors which pertain to *you*, or a *family member, relative* or *resident* which could not have reasonably been discovered by *us* when this policy was issued or last renewed; or
 - 6. *We* are otherwise permitted by the laws of the state of Kansas.
- C. **Automatic Termination.**
 - 1. If *we* offer to renew or continue this policy and *you* or *your* representatives do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that *you* have not accepted *our* offer.
 - 2. If *you* obtain other insurance on an *insured car*, any insurance provided by this policy will terminate as to that *car* on the effective date of the other insurance.
 - 3. When a person other than *you* becomes the owner of a car listed on this policy as an *insured car*, any insurance provided by this policy will terminate.
- D. **Acceptance Of Late Premium Payments.** *We* may accept late premium payments, but reserve the right to reject such payments. *Your* late payment, even if *we* elect to accept it, may result in a gap in coverage or the issuance of a replacement policy, or both. All coverage elections, rejections, driver exclusions and other policy

terms, including the representations **you** made in the procurement of **your** policy shall apply to the reinstated, rewritten, renewal or replacement policy.

E. Other Termination Provisions.

1. All cancellation and non-renewal notices shall be sent by United States Postal Service first class mail, unless otherwise provided for under this policy or by the laws of the state where this policy was issued;
2. **We** may deliver any notice instead of mailing it;
3. Proof that any cancellation or non-renewal notice was mailed shall be sufficient proof of notice;
4. Any notice of cancellation or non-renewal shall be deemed delivered upon mailing by **us** to **you**;
5. The notice of cancellation or non-renewal period shall commence on the date **we** deposit such notice in the mail;
6. If this policy is cancelled, **you** may be entitled to a premium refund. If so, **we** will send **you** the refund. If **we** cancel, **we** will refund **you** the pro rata unearned premium. If **you** cancel, **we** will refund **you** ninety percent (90%) of the pro rata unearned premium, which shall be subject to the minimum earned premium for the policy.

However, **we** will refund **you** the full pro rata unearned premium if:

c) **You** cancel this policy because:

- (1) **You** have disposed of **your insured car** and **you** insure another **car** with **us** under a new policy, to become effective within thirty (30) days of the effective date of cancellation of this policy; or
- (2) **Your insured car** has been repossessed under the terms of a financing agreement; or
- (3) **You** are entering the armed forces of the United States of America; or
- (4) **Your insured car** was stolen or destroyed and **you** request cancellation:
 - (a) Within thirty (30) days following the date **your insured car** was stolen or destroyed; or
 - (b) Within fifteen (15) days of the time **we** determine **your insured car** was destroyed or if stolen, to be unrecoverable.

d) **You** cancel this policy but there remains in force with **us** a policy in **your** name insuring another **car**.

Making or offering to make the refund is not a condition of cancellation.

7. The effective date of cancellation stated in the notice shall become the end of the policy period;
8. The following rules will govern when **your** payment will be considered delivered by **us**:
 - a) If **you** mail **your** payment, **your** payment will be considered delivered to **us** on the earlier of:
 - (1) The United States Postal Service postmark date on the envelope containing **your** payment if the postmark date is before the cancellation date.
 - (2) The day after the United States Postal Service postmark date on the envelope containing **your** payment if the postmark date is on or after the cancellation date.
 - (3) The day **we** receive **your** payment in **our** office if the envelope containing **your** payment is metered or is not postmarked.
 - e) If **you** deliver **your** pay to **us** or our agent and receive a receipt, **your** payment will be considered delivered to **us** on the earlier of :
 - (1) The date and time of **your** payment receipt if **you** received a dated and time stamped receipt.
 - (2) The date after the date on **your** receipt if **you** received a dated receipt without a time stamp.
 - c) In all other circumstances, **your** payment will be considered delivered to **us** on the day after **your** payment is collected and processed by **us**.

Nothing in Paragraphs **E.1.** through **E.8.** above shall affect **our** right to rescind this policy or any coverage provided hereunder, except as may be restricted under the laws of the state where this policy was issued.

TRANSFER OF YOUR INTEREST IN THIS POLICY

- A. **Your** rights and duties under this policy may not be assigned without **our** written consent. However, if a **named insured** shown in the **Declarations** dies, coverage will be provided for:
 1. The **named insured's** surviving spouse if such spouse was a **resident** in the **named insured's** household at the time of death of the **named insured**. Coverage applies to the spouse as if a **named insured** shown in the **Declarations**; and
 2. A legal representative of the deceased **named insured** as if a **named insured** shown in the **Declarations**. This applies only with respect to the representative's legal responsibility to maintain or use **your insured car**.
- B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTO POLICIES

If this policy and any other auto insurance policy issued by **us** apply to the same **accident**, the maximum limit of **our** liability under all policies shall not exceed the highest applicable limit of liability under any one policy.

DISHONORED CHECKS, PAYMENTS OR TRANSACTIONS

If **your** payment to start **your** initial or renewal policy is made by any method other than cash (hereinafter check or transaction) and the bank or other institution on which it is drawn does not honor it when **we** present it for payment, then **we** reserve the right to cancel **your** policy for non-payment of premium. The exercise of such right to cancel **your** policy shall not constitute an agreement by **us** to make such an election or to provide notice of cancellation in the future.

If **you** make an installment payment with a check or other type of transaction and the bank or other institution on which it is drawn does not honor that check or transaction when **we** present it for payment, then **we** shall have the right to cancel **your** policy for non-payment of premium.

We may elect to give **you** an opportunity to correct any default in **your** obligation to pay premiums associated with dishonored checks or transactions. Any such opportunity will be provided at **our** sole discretion and will be delivered to **you** in writing. Failure to receive notice of such opportunity shall mean that **we** have elected not to extend it to **you**.

If **we** provide **you** notice of cancellation, then **we** will make all efforts to collect any dishonored check or transaction to cover any premiums that may be due for the coverage provided up to the cancellation date. These efforts to collect a dishonored check or transaction, even if successful, will not cause **your** coverage to extend beyond the cancellation date and time set forth in the notice of cancellation. The cancellation will remain in effect even if **we** ultimately collect or **you** replace the dishonored check or transaction. **We** will refund to **you** any remaining balance due to **you** after all coverage up to the cancellation date has been paid.

We also reserve the right to pursue all efforts to collect the maximum amount of any fees (including attorney fees) which, **we** are permitted by law to charge and collect because of **your** dishonored check(s) or transaction(s). **Our** efforts to collect these fees, even if successful, will not (i) cause **your** coverage to extend beyond the cancellation date and time set forth in the notice of cancellation, if **we** cancelled **your** policy or (ii) cause any coverage to be available at any time under **your** policy, if **we** voided **your** policy.

OUR RIGHT TO COLLECT EXTRA PREMIUMS

We developed the premium for **your** policy based upon the information **you** provided to **us** when **you** applied for coverage. If **we** learn that the information **you** provided to **us** was incorrect in any way, **we** have the right to unilaterally adjust **your** premiums to reflect the additional information and to collect any additional premium **you** may owe **us** based on that adjustment. The adjustment shall be effective on the date **your** policy first became effective, even if it is a prior term, and shall apply to any renewals, reinstatements, or rewrites of **your** policy.

COVERAGE A – LIABILITY

You only have those portions of this coverage that are listed in the **Declarations** with a premium charge and deductible, and then only to the limits of liability shown in the **Declarations**.

INSURING AGREEMENT

We will pay damages for **bodily injury** or **property damage** that any **insured driver** becomes legally liable for because of a **car accident**. **We** will investigate, settle or defend (as **we** consider appropriate) any claim or suit asking for such damages. In addition to **our** limit of liability, **we** will pay all defense costs **we** incur. **Our** duty to settle or defend ends when **our** limit of liability for this coverage has been exhausted by any means, including (but not limited to) by settlement, payment on a judgment or deposit in court. **We** have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

A. Insured driver as used in, **COVERAGE A-LIABILITY**, means:

1. **You** for the ownership, maintenance or use of any **car** or **trailer**;
2. Any **family member** who does not **own** a **car** for the maintenance or use of any **car** or **trailer**;
3. Any **person** using an **insured car** with **your** consent, if the use is within the scope of that consent. Any coverage that **we** provide to a **person** using an **insured car** with **your** consent shall be excess to any other insurance coverage available to the **person** using an **insured car** with **your** consent. Any **person** using an **insured car** without **your** consent or outside the scope of that consent shall only be afforded coverage under this policy if mandated by a **Compulsory Insurance Law** of the state in which any **accident** occurs and then

only to the extent mandated by law with such coverage being excess to any other insurance coverage available to the *person* using an *insured car*.

4. A *secondary insured* for the ownership, maintenance, and use of an *insured car*. Coverage does not extend to a *secondary insured* for the ownership, maintenance, and use of any *car* or *trailer*, except for an *insured car*, unless the *secondary insured* also qualifies for coverage as *your family member*.

EXCLUSIONS – WHAT WE DO NOT COVER:

If an applicable *Compulsory Insurance Law* renders any exclusion under this policy to be unenforceable, *we* will provide only those types of coverage required by such law and only in the minimum amounts required. However, if any other insurance policy covers *our insured's* liability and provides the minimum limits required by the *Compulsory Insurance Law* the exclusion provisions of this policy shall be deemed to be fully enforceable. If a *Compulsory Insurance Law* requires *us* to make payment to third parties that would otherwise be excluded below, *we* expressly reserve the right to seek recovery for such payment from any *person* or *persons* responsible for the *accident* involved with the payment.

- A. *We* do not provide any coverage under Coverage A –Liability:
 1. For *bodily injury* or *property damage* purposefully or intentionally caused by that *insured driver*;
 2. For *property damage* to property owned or being transported by that *insured driver* or a *named insured*;
 3. For *property damage* to property rented to, used by, or in the care of that *insured driver* or a *named insured*. This does not apply to *property damage* to a residence or private garage rented to an *insured driver*;
 4. For *bodily injury* to any employee or fellow employee of an *insured driver* during the course of or arising out of his or her employment or any other *business* activity. This exclusion (A.6.) does not apply to *bodily injury* to a domestic employee unless workers' compensation benefits are required or available for that domestic employee;
 5. For *bodily injury* or *property damage* resulting from the operation, maintenance, or use of a *car* in a *delivery related business*;
 6. For *bodily injury* or *property damage* resulting from the operation, maintenance, or use of a *car* in an *automobile related business*. This includes road testing and delivery;
 7. Unless *we* have so agreed and charged an additional premium for the *business related use* of a *car*;
 8. For *bodily injury* or *property damage* resulting from any use of a *car* without the *owner's* express or implied consent or outside the scope of that consent;
 9. For *bodily injury* or *property damage* resulting from any pre-arranged or organized or any other type of racing, speed or demolition contests, stunting activity, or in practice or preparation for any such contest or activity;
 10. For punitive damages, exemplary damages or damages for aggravating circumstances. Punitive and exemplary damages and damages for aggravating circumstances are the type of damages that may be imposed to punish wrongdoers, and deter others from similar conduct;
 11. For any liability assumed by any *insured driver* under any contract or agreement;
 12. For any obligation for which the United States of America is liable under the Federal Tort Claims Act;
 13. For any damages to any *person* who would be covered for such damages under a nuclear energy liability policy.
- B. *We* do not provide Liability Coverage for the ownership, maintenance or use of:
 1. Anything not defined as a *car*;
 2. Any *car*, other than an *insured car* that is *owned* by *you*, or is furnished or available for *your* regular use;
 3. Any *car*, other than an *insured car* that is (i) *owned* by any *family member* or *relative* (ii) or is available for the regular use of any *family member* or *relative*;
 4. Any *car* that:
 - a) Is *owned* by, registered to, leased or rented to an employer of *you* or any *family member* or *relative*; or
 - b) Is rented while it is used in connection with an *insured driver's* employment or business; or
 - c) Has been operated or rented by or in the possession of *you*, a *family member* or a *relative* during any part of each of the last twenty-one (21) or more consecutive days.
- C. *We* do not provide Liability Coverage for any occupant of a *car*, who is not the driver of that *car*. This exclusion does not apply to *you* when *you* are a passenger in an *insured car*.

LIMIT OF LIABILITY

- A. The limit of liability shown in the *Declarations* for each *person* for Bodily Injury Liability is *our* maximum limit of liability for all damages arising out of *bodily injury* to one *person* in any *car accident*, such damages include, but are not limited to - damages for past or future care or medical expenses, loss of past or future

earnings, and general damages for past or future pain and suffering. **Bodily injury** to one **person** includes all injury and damages to others deriving out of and resulting from this **bodily injury**, and all emotional distress sustained by other **persons** who do not sustain **bodily injury** such damages include, but are not limited to - costs for care or medical services, loss of companionship or services, loss of consortium, loss of support, claims for emotional distress, and wrongful death. Subject to this limit for each **person**, the limit of liability shown in the **Declarations** for each **accident** for Bodily Injury Liability is **our** maximum limit of liability for all damages for **bodily injury** resulting from any one **accident**. The limit of liability shown in the **Declarations** for each **accident** for Property Damage Liability is **our** maximum limit of liability for all damages resulting from **property damage** resulting from any one **accident**. Nothing in this section shall be read to allow stacking of any coverage available under this policy. The limit of liability is the most **we** will pay regardless of the number of:

1. **Persons** who may be eligible for coverage;
 2. Claims made;
 3. **Cars** or premiums shown in the **Declarations**; or
 4. **Cars** involved in the **accident**.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and any other coverage that may be provided under this policy including, but not limited to, Uninsured Motorists Coverage, Underinsured Motorists Coverage, Medical Payments Coverage or Personal Injury Protection Benefits.

OUT OF STATE COVERAGE

If an **insured driver** under this coverage is in another state and, as a non-resident, becomes subject to that state's motor vehicle compulsory insurance, financial responsibility or similar law:

- A. The policy will be interpreted to give the coverage required by the law for a non-resident; and
- B. The coverage so given replaces any coverage in this policy to the extent required by the law for an **insured driver's** maintenance or use of an **insured car**.

Any coverage so extended shall be reduced to the extent other coverage applies to the **accident**. In no event shall a **person** collect more than once for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified under any law as future proof of financial responsibility, this policy shall comply with the law to the extent required. **You** must repay **us** for any payment **we** would not have had to make under the terms of this policy except for this agreement.

OTHER INSURANCE

If there is other liability coverage available under one or more policies or provisions of coverage:

- A. Any insurance **we** provide with respect to any **insured driver** other than **you**, or a **family member** who does not **own a car** shall be excess over any collectible insurance otherwise available to the **insured driver**;
- B. Any insurance **we** provide with respect to a **car you** do not **own** shall be excess over any collectible insurance providing coverage to such **car**.

If the coverage under this policy is provided:

- A. On a primary basis, **we** will pay only **our** share of the loss that must be paid under insurance providing coverage on a primary basis. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis;
- B. On an excess basis, **we** will pay only **our** share of the loss that must be paid under insurance providing coverage on an excess basis. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis;
- C. Nothing in this section shall be read to allow the stacking of any coverage included anywhere within this policy.

COVERAGE B- DAMAGE TO YOUR CAR

You only have those portions of this coverage that are listed in the **Declarations** with a premium charge and deductible, and then only to the limits of liability shown in the **Declarations**.

INSURING AGREEMENT

- A. **We** will pay for direct and accidental loss to an **insured car** or any **non-owned car**, including its equipment, minus any applicable deductible shown in the **Declarations**. Loss as it is defined in this section means direct

and accidental loss of or damage to an *insured car* and its equipment. Loss does not mean any difference in the market value of an *insured car* immediately before the loss and the market value of an *insured car* after repairs from the loss are completed. *We* will pay for loss to an *insured car* caused by:

1. *Other than collision* only if the *Declarations* indicate that Other Than Collision Coverage is provided for that *car*;
2. *Collision* only if the *Declarations* indicate that Collision Coverage is provided for that *car*;

If there is a loss to a *non-owned car*, *we* will provide the broadest coverage applicable to any *insured car* shown in the *Declarations*.

- B.** *Collision* means the upset of an *insured car* or a *non-owned car* or their impact with another vehicle or object.

Loss caused by the following is considered *other than collision*.

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

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

- C.** As used in **COVERAGE B – DAMAGE TO YOUR CAR**, *non-owned car* means:

1. Any *car* or *trailer* not *owned* by or furnished or available for the regular use of *you*, any *family member*, or any *relative* while in the custody of or being operated by *you* or any *family member*; or
2. Any *car* or *trailer* not *owned* by *you*, a *family member* or *relative* while used as a temporary substitute for an *insured car* which is temporarily out of normal use because of its:
 - a) Breakdown;
 - b) Repair;
 - c) Servicing;
 - d) Loss; or
 - e) Destruction.

Non-owned car does not include (i) any *car* provide to *you* or a *family member* for demonstration purposes or (ii) any *car* provided by an *automobile related business* to *you*, a *family member* or a *relative* for use as a temporary substitute for an *insured car* while it is out of normal use because of its breakdown, repair or servicing.

TRANSPORTATION EXPENSES

In addition *we* will pay, without application of a deductible, up to Fifteen dollars (\$15) per day, to a maximum of Four hundred fifty dollars (\$450), for:

- A.** Transportation expenses incurred by *you* in the event of the total theft of an *insured car*. This applies only if the *Declarations* indicate that Other Than Collision Coverage is provided for that *car*.
- B.** Loss of use expenses that *you* become legally liable for in the event of the total theft of a *non-owned car*. This applies only if the *Declarations* indicate that Other Than Collision Coverage is provided for any *non-owned car*.

We will pay only the transportation expenses incurred during the period:

- A.** Beginning forty eight (48) hours after the theft; and
- B.** Ending when *your insured car* or the *non-owned car* is returned to use or *we* pay for its loss.

EXCLUSIONS

We will not pay for:

1. Loss to *your insured car* or any *non-owned car* which occurs while it is being used in a *delivery related business*;
2. Damage due to and confined to:
 - a) Wear and tear;
 - b) Freezing;
 - c) Mechanical or electrical breakdown or failure; or
 - d) Road damage to tires;

This exclusion (2.) does not apply if the damage results from the total theft of *your insured car* or any *non-owned car*.

3. Loss due to or as a consequence of:
 - a) Radioactive contamination;
 - b) Discharge of any nuclear weapon (even if accidental);
 - c) War (declared or undeclared);
 - d) Civil war;
 - e) Insurrection; or
 - f) Rebellion or revolution;
4. Loss to:
 - a) Any electronic equipment designed for the reproduction of sound, including but not limited to:
 - (1) Radios and stereos;
 - (2) Tape decks; or
 - (3) Compact disc players or DVD players;
 - b) Any other electronic equipment that receives or transmits audio, visual or data signals, including, but not limited to:
 - (1) Citizens band radios;
 - (2) Telephones;
 - (3) Two-way mobile radios;
 - (4) Scanning monitor receivers;
 - (5) Televisions, video cassette players or digital video disc players;
 - (6) Television monitor receivers;
 - (7) Any video recording device including video cassette recorders;
 - (8) Any audio recording device including audio cassette recorders;
 - (9) Personal computers of any type or size including hand held computing devices;
 - c) Tapes, records, discs or other media used with equipment described in a. or b.;
 - d) Any other accessories used with equipment described in a. or b.

This exclusion (4.) does not apply to:

- a) Equipment designed solely for the reproduction of sound and accessories used with such equipment if such equipment and accessories are permanently installed in the opening originally designed for such equipment by the manufacturer of *your insured car* or any *non-owned car*; or
 - b) Any other electronic equipment that is:
 - (1) Necessary for the normal operation of the *car* or the monitoring of the *car's* operating system; or
 - (2) An integral part of the same unit housing any sound reproducing equipment described in a. and permanently installed in the opening of the dash or console of *your insured car* or any *non-owned car* normally used by the manufacturer for the installation of a radio.
5. Loss to *your insured car* or any *non-owned car* due to destruction or confiscation by governmental or civil authorities;
 6. Loss to a camper body or *trailer you own* that is not shown in the *Declarations*. This exclusion (6.) does not apply to a camper body or *trailer you*:
 - a) Acquire during the policy period; and
 - b) Ask *us* to insure within thirty (30) days after *you* become the *owner*;
 7. Loss to any *non-owned car* when used without the *owner's* consent or outside the scope of that consent;
 8. Loss to:
 - a) Awnings or cabanas; or
 - b) Equipment designed to create additional living facilities;
 9. Loss to equipment designed or used for the detection or location of radar;
 10. Loss to any custom furnishing or equipment in or upon any pickup or van. Custom furnishings or equipment include but are not limited to:
 - a) Special carpeting and insulation, furniture or bars;
 - b) Facilities for cooking and sleeping;
 - c) Height-extending roofs;
 - d) Custom murals, paintings or other decals or graphics; or
 - e) Televisions or television receiving equipment;
 11. Loss to any *non-owned car* being maintained or used by any *person* in an *automobile related business*;

12. Loss to any *non-owned car* being maintained or used by any *person* while employed or otherwise engaged in any *business* not described in exclusion 11. This exclusion (12.) does not apply to the maintenance or use by *you* of a *non-owned car* which is a private passenger auto or *trailer*;
13. Diminution in the *actual cash value* of *your insured car* or any *non-owned car* associated with any loss thereto and any resulting damages or repairs;
14. While being used for any *business related use*, except as approved by *us* and for extra premium paid.
15. *We* will not pay for:
 - a) Loss to any caddy, case or container designed for use in carrying stereo tapes, cassettes, cartridges or disks;
 - b) Loss to any special antennas designed to be used with any radio, two way communications equipment, telephones or video equipment including televisions;
 - c) Loss to any T-bar roof, bubble-dome, bubble window, sunroof, moon roof or any customized roof treatment;
 - d) Loss to any custom paint work or custom tape type striping;
 - e) Loss to any equipment or accessories that change the use or appearance of the interior or exterior of the vehicle;
 - f) Loss to any non-factory installed chrome, reverse chrome, alloy or magnesium wheels, chrome engine accessories, racing slicks, other special tires, tachometer or pressure gauges;
 - g) Loss to any other *Special equipment* as described in the policy or endorsements attached to the policy;
 - h) Loss to any equipment unless declared and an additional premium paid.

LIMIT OF LIABILITY

- A. *Our* limit of liability for loss will be the lesser of the:
 1. *Actual cash value* of the stolen or damaged property; or
 2. Amount necessary to repair or replace the property. The amount necessary to repair or replace the property does not include any difference in the market value of *your insured car* immediately prior to the loss and the market value of *your insured car* after repairs from the loss are completed; or
 3. The decrease in value of the damage property caused by the loss.
 However, the most *we* will pay for loss to any *non-owned car* that is a *trailer* is Five hundred dollars (\$500).
- B. An adjustment for depreciation and physical condition will be made in determining *actual cash value* at the time of loss.

PAYMENT OF LOSS

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:

1. *You*; or
2. The address shown in this policy.

If *we* return stolen property *we* will pay for any damage resulting from the theft. *We* may keep all or part of the property at an agreed or appraised value. If *we* pay for loss in money, *our* payment will include the applicable sales tax for the damaged or stolen property but only if *you* are required to pay sales tax on a replacement vehicle.

However, if the loss is a total loss to *your insured car* or any *non-owned car* and *we* elect either to pay for the loss in money or offer a comparable replacement vehicle, *our* payment for loss will include the following items actually incurred incident to transfer of evidence of ownership of a comparable replacement vehicle other than payment for any applicable deductible shown in the *Declarations*:

1. Applicable taxes;
2. License fees; and
3. Other fees.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, *we* will pay only *our* share of the loss. *Our* share is the proportion that *our* limit of liability bears to the total of all applicable limits. However, any insurance *we* provide with respect to a *non-owned car* shall be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the *owner* of the *non-owned car*;
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

APPRAISAL

An appraisal of the loss may be made if *you* and *we* do not agree on the amount of loss. However, an appraisal will be made only if both *you* and *we* agree, voluntarily, to have the loss appraised. *We* do not waive any of *our* rights under this policy by agreeing to an appraisal. An appraisal decision will not be binding on either party.

USE OF NON-ORIGINAL MANUFACTURER PARTS

In the repair of *your insured car* under this coverage, *we* may require or specify the use of parts not made by the original manufacturer. These parts are required to be at least equal in terms of fit, quality, performance, and warranty to the original manufacturer parts they replace.

LOSS PAYABLE

Loss or damage under this policy shall be paid, as interest may appear, to *you* and the loss payee shown in the *Declarations*. *We* will give the same advance notice of cancellation to the loss payee as *we* give to the *named insured* shown in the *Declarations*; provided, however, failure to give such notice to the loss payee shall not affect the validity of the notice provided to *you*. If coverage for damage to *your insured car* is provided because of *our* failure to give notice to the loss payee, then such coverage shall be limited to the loss payee's interest and shall not include any interest *you* may have in *your covered car*.

When *we* pay the loss payee, *we* shall, to the extent of payment, be subrogated to the loss payee's rights of recovery against any party, including, but not limited to, *you*.

LOSS PAYEE DEDUCTIBLE

The deductible amount applicable to losses adjusted with and payable to the loss payee for their interest shall be Five-hundred dollars (\$500) under *Collision Coverage* and Five-hundred dollars (\$500) under *Other Than Collision Coverage*; however, such deductible shall apply only when an *insured car* is a total loss or when loss or damage causes it to be repossessed by or surrendered to the loss payee's interest. All other losses shall be subject to the deductible amounts stated in the policy *Declarations*.

COVERAGE C - UNINSURED MOTORISTS COVERAGE – KANSAS

You only this coverage if it is listed in the *Declarations* with a premium charge and then only to the extent of the coverages and limits of liability listed therein.

INSURING AGREEMENT

- A. *We* will pay compensatory damages which an *insured* is legally entitled to recover from the *owner* or operator of an *uninsured motor vehicle* or *underinsured motor vehicle* because of:
1. *Bodily injury* sustained by an *insured* and caused by an *accident*; and
 2. The *owner's* or operator's liability for these damages must arise out of the ownership, maintenance or use of an *uninsured motor vehicle* or *underinsured motor vehicle*.
- B. *Insured* as used in this Part means:
1. *You*;
 2. Any *family member* that does not own a *car*;
 3. Any *family member* that owns a *car*, but only while *occupying your insured car*; or
 4. Any other *person occupying your insured car* with the express consent of *you* or a *family member*.
- C. *Uninsured motor vehicle* means a land motor vehicle or *trailer* of any type:
1. To which no liability bond or policy applies at the time of the *accident*, by or through any *person* or organization, including, but not limited to, any *owner*, operator, or occupant.
 2. To which a liability bond or policy does apply at the time of the *accident*, but the amount of such bond or policy is less than the minimum limit for liability specified by the financial responsibility laws of the state of Kansas.
 3. Which is a hit-and-run vehicle whose operator or *owner* cannot be identified and causes an accident resulting in *bodily injury* provided that the *insured person*, or someone on his or her behalf, reports the accident to the police or civil authority within twenty-four (24) hours or as soon as practicable after the *accident*.

If there is no physical contact with the hit-and-run vehicle the facts of the *accident* must be proved. *We* may request supporting evidence other than the testimony of a *person* making a claim under this or any similar coverage to support the validity of such claim.

4. To which a liability bond or policy applies at the time of the accident but the bonding or insuring company:
 - a) Denies coverage; or
 - b) Is or becomes insolvent within one year after an accident.

However, **uninsured motor vehicle** does not include any vehicle or equipment:

1. Shown on the *declarations page of this policy*.
 2. **Owned** by or furnished or available for the regular use of **you** or any **family member**, any **relative** or any **resident**.
 3. **Owned** or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer that is or becomes insolvent.
 4. That is a non-owned vehicle for which coverage is provided under Coverage A – Liability.
 5. That is an underinsured motor vehicle.
 6. Is **owned** by any governmental unit or agency.
 7. Operated on rails or crawler treads.
 8. Designed mainly for use off public roads while not on public roads.
 9. While located for use as a residence or premises.
- D. **Underinsured motor vehicle** means a land motor vehicle or **trailer** of any type to which a **bodily injury** liability bond or policy applies at the time of the **accident** but the amount paid for **bodily injury** under that bond or policy to an **insured** is not enough to pay the full amount the **insured** is legally entitled to recover as damages. However, in the event that the limits of a liability bond or policy applicable to an **underinsured motor vehicle** is equal to or greater than the limits of liability listed for Underinsured Motorists Coverage in the **Declarations** then such vehicle shall not be deemed to be an **underinsured motor vehicle** for the purposes of this coverage.

EXCLUSIONS – WHAT WE DO NOT COVER

- A. **We** do not provide Uninsured Motorists Coverage for **bodily injury** sustained by any **person** or **insured** while **occupying** or when struck by any motor vehicle owned by **you**, any family member, any relative or any resident that is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
- B. **We** do not provide Uninsured Motorists Coverage for any **person** that settles, without our written consent, any claim against an owner or operator of an **uninsured motor vehicle**. This exclusion does not apply if such settlement does not prejudice **our** right to recover payment.
- C. **We** do not provide Uninsured Motorists Coverage for **bodily injury** sustained by any **insured**:
 1. If that insured or their legal representative settles a **bodily injury** claim without **our** written consent.
 2. Using or **occupying** a vehicle without the **owner's** consent or outside the scope of that consent.
- D. This coverage shall not apply directly or indirectly to benefit:
 1. Any insurer or self-insurer under any of the following or similar law:
 - a) Workers' compensation law; or
 - b) Disability benefits law.
 2. Any insurer of property.
- E. **We** do not provide Uninsured Motorists Coverage for punitive or exemplary damages or damages for aggravating circumstances which are the type of damages imposed to:
 1. Punish a wrongdoer; or
 2. Deter others from similar conduct.
- F. **We** do not provide Uninsured Motorists Coverage for any loss arising directly or indirectly out of instances, occurrences or allegations of criminal activity by **you**, a **family member**, a **relative** or any **insured**.
- G. **We** do not provide Uninsured Motorists Coverage with respect to any claim against any occupant of an **Uninsured motor vehicle** who is not the driver of that vehicle.

LIMIT OF LIABILITY

- A. **Our** limit of liability for each **insured** under this coverage is the limit of liability shown in the **Declarations** for each **person** for Uninsured Motorists Coverage or Underinsured Motorists Coverage and is **our** maximum limit of liability for all damages arising out of **bodily injury** to one **person** in any **car accident**. Such damages include, but are not limited to, damages for past or future medical expenses, loss of past or future earnings, and general damages for past or future pain and suffering. **Bodily injury** to one **person** includes all injury and damages to others deriving out of and resulting from this **bodily injury**, and all emotional distress sustained by other **persons** who do not sustain **bodily injury**. Such damages included, but are not limited to, costs for care or medical services, loss of companionship or services, loss of consortium, loss of support, claims for emotional distress, and wrongful death. Subject to this limit for each **person**, the limit of liability shown in the **Declarations** for each accident for Uninsured Motorists Coverage or Underinsured Motorists Coverage is **our**

maximum limit of liability for all damages for ***bodily injury*** resulting from any one ***accident***. The limit of liability is the most ***we*** will pay regardless of the number of:

1. ***Persons*** who may be eligible for coverage;
 2. Claims made;
 3. ***Cars*** or premiums shown in the ***Declarations***; or
 4. ***Cars*** involved in the accident.
- B. Any amounts otherwise payable for damages under this coverage shall be reduced by all sums paid because of ***bodily injury*** by or on behalf of ***persons*** or organizations who may be legally responsible. This includes all sums paid under any liability coverage, personal injury protection coverage and or medical payments coverage available under this policy, or any workers compensation law, disability benefits law, or similar law.
- C. Any payment under this coverage will reduce any amount that ***insured*** is entitled to recover for the same damages under **Coverage A - Liability, Coverage I – Personal Injury Protection** and or **Coverage B – Medical Payments**.
- D. No one will be entitled to duplicate payments for the same element of damages.
- E. The coverage limit provided for Uninsured Motorists Coverage and Underinsured Motorists Covers applies separately to damages caused by an accident with an ***uninsured motor vehicle*** or ***underinsured motor vehicle***.

OTHER INSURANCE

If an ***insured*** sustains ***bodily injury*** as a pedestrian or while occupying any other vehicle other than an ***insured car***, this coverage applies only on an excess basis to any other applicable Uninsured Motorists Coverage. Subject to this provision, ***we*** are liable only for ***our*** share. ***Our*** share is that percentage of the damages that the limit of liability of this coverage bears to the total of all uninsured motor vehicle coverage applicable to the ***accident***.

If an ***insured*** under this part is not ***you, your spouse, or a family member*** who does not ***own a car***, ***we*** shall only provide coverage under this part on an excess basis over any other Uninsured Motorists Coverage available to that ***insured***.

INSURED'S DUTIES UNDER THIS PART

- A. A ***person*** seeking Uninsured Motorists Coverage under this part must:
1. Promptly send ***us*** copies of the legal papers if a suit is brought;
 2. Give ***us*** written notification by certified mail of any tentative settlement between the ***insured*** and the insurer of the ***uninsured motor vehicle*** and allow us 60 days to advance payment to that ***insured*** equal to the tentative settlement to preserve our rights against the insurer, ***owner***, or operator of such ***uninsured motor vehicle***;
 3. As requested provide ***us*** with written documentation of all economic losses including but not limited to medical records, employment records, income tax records, and insurance records;
 4. As requested provide ***us*** with authorizations or court orders allowing us to obtain medical records, employment records, income tax records and insurance records; and
 5. As requested provide ***us*** with authorizations or court orders allowing ***us*** to obtain medical records, employment records, income tax records and insurance records.

PART III:

COVERAGE D - PERSONAL INJURY PROTECTION

You only have those portions of this coverage that are listed in the Schedule shown in this section or shown in the ***Declarations*** with a limit of liability and a premium charge and then only to the extent of the coverages listed in such Schedule or ***Declarations***.

Personal Injury Protection Benefits	Limit of Liability
Medical Expenses	\$4,500 per person
Rehabilitation Expenses	\$4,500 per person
Wage Loss	Up to \$900 per month for 12 months
Essential Services	\$25 per day for a maximum of 365 days
Funeral Expenses	\$2,000 per person
Survivor's Loss	Up to \$900 per month for "wage loss" And \$25 per day for maximum of 365 days For essential services

WHAT WE PAY UNDER THIS COVERAGE

As required by the **Kansas Automobile Injury Reparations Act**, *we* will pay for ***bodily injury*** to an ***insured*** (as an ***insured*** is defined under **COVERAGE D**) caused by an ***accident*** involving the ownership, maintenance, or use of a ***motor vehicle*** (as ***motor vehicle*** is defined under **COVERAGE D**), benefits for:

- A. Medical Expense:** Reasonable charges incurred for necessary medical, psychological, surgical, X-ray, and dental services, including eyeglasses, hearing aids, and prosthetic devices and necessary, ambulance, hospital and nursing services. Medical services include services recognized under Kansas law for an ***insured*** who relies upon religious healing alone. Otherwise, health care services must be provided by providers licensed by the Board of Healing Arts or by licensed psychologists. However, the term Medical Expenses does not include the portion of any charge for a room in any hospital, clinic, nursing home or extended care facility in excess of the reasonable and customary charge for semi-private accommodations unless intensive care is medically required. Medical expenses do not include rehabilitation expenses as defined below.
- B. Rehabilitation Expense:** Are reasonable expenses incurred for necessary psychiatric, or psychological services; occupational therapy or training reasonably needed so an ***insured*** can obtain suitable work. The services, training or therapy must be recognized and be medically accepted; be reasonable and appropriate; contribute to the rehabilitation; and be reasonable in relation to the probable rehabilitation effect. Rehabilitation expenses do not include medical expenses.
- C. Wage Loss:** This covers the loss of an ***insured's monthly wages*** when an ***insured*** cannot work because of ***bodily injury*** received in a ***motor vehicle accident***. The ***bodily injury*** must be the proximate cause of the ***insured's*** inability to work; and are subject to the limits stated under this coverage. Wage loss benefits shall be paid for no more than one year after the date an ***insured*** first becomes unable to work.
 - 1.** With respect to an ***insured*** who was employed at the time of loss, wage loss benefits shall be calculated as one-twelfth of the ***insured's*** anticipated annual earnings at the time of loss or the maximum wage loss benefits shown in the Schedule above or in the ***Declarations*** whichever is less.
 - 2.** With respect to an ***insured*** who was unemployed at the time of loss, one-twelfth of the ***insured's*** anticipated annual earnings for the time the ***insured*** would reasonably been expected to be regularly employed or the maximum wage loss benefits show in the Schedule above or in the ***Declarations*** whichever is less. If an unemployed ***insured*** had been previously employed, *we* will average the ***insured's*** annual earnings for up to five years before the year of the accident to determine the anticipated annual earnings.
 - 3.** For both employed and unemployed ***insured's*** wage loss benefits shall be paid at the rate of 100% of monthly earnings. However, if wage loss benefits are not to be included for federal income tax purposes, wage loss benefits shall be limited to 85% of monthly earnings.
- D. Essential Services:** Are reasonable expenses incurred by the ***insured*** for ordinary and necessary services the ***insured*** would have completed but for his/her ***bodily injury***. These services could be for the benefit of the ***insured*** or for a ***family member***. The benefit period for essential services begins on the date the first expenses are incurred.
- E. Funeral Expenses:** Are expenses incurred for the funeral, burial, or cremation of an ***insured***.
- F. Survivor's Loss:** These benefits are paid to a surviving spouse or minor child of an ***insured*** and include the ***wage loss*** benefits and ***essential services*** benefits that would have been available to the ***insured*** but for his/her death. Survivor's loss benefits are payable for one year after the ***insured's*** death less the number of months the ***insured*** had received benefits for wage loss. Expenses the survivors would have incurred but avoided because of the ***insured's*** death are also subtracted from the amount of benefits available under this coverage. If the deceased ***insured*** was receiving social security, retirement, or pension benefits (or both) at the time of his/her death, the wage loss portion of survivor's loss benefit shall be calculated as being one twelfth of the difference between the annual amount of social security benefits, retirement benefits, or both that the ***insured*** was receiving at the time of his/her death and the annual amount of the same benefits the survivor receives after the ***insured's*** death.

DEFINITIONS UNDER THIS COVERAGE:

As used in **COVERAGE I** the following terms in ***bold italics*** have shall mean:

Insured – means:

- A.** A ***named insured*** and any ***family members*** of the first ***named insured*** who do not own a ***car*** and who suffers ***bodily injury*** while ***occupying*** any ***motor vehicle*** or by being struck by any ***motor vehicle*** while a pedestrian.
- B.** Any other ***person*** who suffers ***bodily injury*** while ***occupying your insured car*** or through direct physical contact with ***your insured car*** while not ***occupying*** other ***motor vehicle***.

Motor vehicle – means any motorized vehicle of any kind required to be registered in Kansas including any ***trailer*** or semi-trailer designed for use with such vehicle. ***Motor vehicle*** does not include motorized bicycles also know as mopeds.

PAYMENTS UNDER THIS COVERAGE:

Benefits due under this coverage shall be overdue if not paid within thirty days after *we* are furnished with written notice of a covered loss including the amount of such loss. Wage loss benefits shall be paid not less than every two weeks after such notice.

If written notice is not furnished for the entire claim, any partial amounts supported by written notice of are overdue if not paid within 30 days after such notice furnished. Any part or all of the remaining claim that is subsequently supported by written notice is overdue if not paid within 30 days after *we* receive notice of such claim.

All overdue payments shall bear simple interest at the rate of 18% per year.

IF THERE IS OTHER INSURANCE

If any *insured* under this policy is also an *insured* under another policy or would be *insured* by a self-insurer for personal injury protection benefits the maximum amount payable for such benefits shall be the highest applicable limit available under any one policy.

If *you* or a **family member** sustain *bodily injury* while *occupying*, or when struck by a *motor vehicle*, other than the *insured car*, any coverage provided by this policy shall be excess to any coverage provided by such *motor vehicle*.

LIMIT OF OUR LIABILITY

The most *we* will pay for any claim shall be the limits of liability shown in the Schedule shown above in this coverage or in the *Declarations* for each *insured* injured in any one *motor vehicle accident* regardless of the number of *insureds*, policies or bonds applicable, claims made or the number of *insured cars* to which this coverage applies. Any amounts otherwise payable under this coverage shall be reduced by any payments received because of the *bodily injury* under workers compensation law.

WHAT WE WILL NOT PAY – EXCLUSIONS

We will not provide benefits under this coverage as follows:

- A. To *you*, a *family member*, *relative*, *resident*, or any other *person*, while *occupying* any *motor vehicle* other than an *insured car* shown in the *Declarations* that is *owned* by *you*.
- B. To any *person* who is operating an *insured car* without *your* consent or outside the scope of *your* consent.
- C. To any *person* if such *bodily injury* was intentionally caused by that *person*.
- D. To any *person* resulting from conduct involving an *automobile related business*.
- E. To any *person* from conduct involved in loading or unloading a *motor vehicle*. This exclusion does not apply while that *person* is *occupying* a *motor vehicle*.
- F. To any *person* other than a *named insured* if that *person* is an *owner* of *motor vehicle* that must be *insured* under the requirements of the Kansas Automobile Injury Reparations Act.
- G. Any *person* other than a *named insured* while *occupying*, or struck by another *motor vehicle* other than an *insured car* that is insured as required by the Kansas Automobile Injury Reparations Act.
- H. Any *person* other than a *named insured* or any *family member* who is neither a resident of Kansas, nor *occupying your insured car*.
- I. To any *person* who makes a claim for *bodily injury* more than two years from the date of such injury.

WHAT A PERSON SEEKING COVERAGE D MUST DO

A *person* seeking coverage under **COVERAGE D** must do the following:

- A. Promptly give *us* notice of any accident. The notice should identify the *insured* and tell *us* how, when, and where the accident happened.
- B. Submit to physical or mental exams *we* select as often as *we* require. *We* will pay for these exams.
- C. Give *us* full written proof of any claim including, all details concerning the *insured's bodily injury* and the treatment of such injury and any other information that may assist *us* in determining the amount due and payable. The *insured* shall sign all release forms necessary for *us* to obtain the *insured's* health care records.

STANDARD TERMS FOR COVERAGE I

The following terms are added for this coverage.

Our Right To Recover Payment

- A. If *we* make a payment under this coverage and the *insured* to or for whom such payment is made has the right to recover damages from another and such *insured* fails to bring legal action against another within 18 months after the date of the accident resulting in *bodily injury*, such failure shall result in an assignment to *us* (to the extent of *our* payment) of any cause of action that the *insured* may have for *bodily injury*. *We* may enforce such action in the *insured's* name for their benefit as their interest may appear by proper action in a court of competent jurisdiction. The court may affix attorney fees to be shared by *us* and the *insured* in amounts determined by the court.

- B.** If *we* make payment under this coverage and the *insured* to or for whom payment is made recovers damages from another, *we* shall be subrogated to the extent of *our* payment. *We* shall have a lien against such recovery and *we* may intervene in any action to protect and enforce this lien. If the *insured* recovers damages before the completion of personal injury protection benefits, the amount of damages recovered that exceeds *our* payment of personal injury protection benefits to date shall be credited against additional payments of such benefits. *Our* right of subrogation shall be reduced by the percentage of negligence attributed to the *insured*.

Territory Restriction

Coverage under Coverage D – Personal Injury Protection do not apply to an *insured person*, other than *you* or a *family member*, who sustains *bodily injury* in an *accident* that occurs outside of the state of Kansas.

Other Provisions

- A.** In the event that there is a conflict between the provisions of this endorsement and the provisions of this policy, the provisions of this endorsement shall be controlling over the provisions of the policy.
- B.** Provisions of this policy that may be in conflict with the Kansas Automobile Injury Reparations Act are amended to comply with the law.