

# Policy Endorsement

*The following endorsement changes your policy. Please read this document carefully and keep it with your policy.*

## Maine

### Automobile Amendatory Endorsement — AU1833-5

- I. The phrase "declarations page" is replaced by "Policy Declarations" wherever it appears.
- II. The **Changes** provision is replaced by the following:

#### **Changes**

##### **Premium Changes**

The premium for each auto is based on information **we** have received from **you** or other sources. **You** agree to cooperate with **us** in determining if this information:

1. is correct;
2. is complete;
3. changes during the policy period.

**You** agree that if this information does change or is incorrect or incomplete, **we** may adjust **your** premium accordingly during the policy period.

Changes which result in a premium adjustment are contained in **our** rules. These include, but are not limited to:

1. autos which are insured by the policy. This includes any changes in the use of the autos;
2. drivers who reside in **your** household, including the ages or the marital status of the drivers;
3. coverages or coverage limits;
4. rating territory; or
5. eligibility for discounts.

Any calculation or adjustment of **your** premium will be made using the rules, rates and forms in effect for **our** use in **your** state.

##### **Coverage Changes**

When **we** broaden a coverage during the policy period without an additional charge, **you** have the new feature if **you** have the coverage to which it applies. The new feature applies on the date the change in coverage is effective in **your** state. Otherwise, the policy can be changed only by endorsement. Any change in **your** coverage will be made using the rules, rates and forms in effect for **our** use in **your** state.

- III. The **Cancellation** provision is replaced by the following:

##### **Cancellation**

**You** may cancel this policy by writing **us** the future date **you** wish to stop coverage.

During the policy period, **we** may cancel part or all of this policy by mailing notice to **you** at the address shown on the policy declarations. **We** will also mail notice to any lienholder named in the Policy Declarations. If **we** cancel because **you** did not pay the premium, **we** will mail notice of cancellation to **you** at least 15 days before the cancellation takes effect. Otherwise, **we** will mail notice of cancellation to **you** at least 25 days before the cancellation takes effect.

Proof of mailing the notice will be proof of notice. A refund, if due, will be in proportion to the time **your** policy has been in effect. Cancellation will be effective even if the refund is not made immediately. Any unearned premium amounts under \$2.00 will be refunded upon **your** request.

After **your** original policy has been in effect for 60 days, **we** will not cancel or reduce **your** coverage during the policy period unless:

1. **you** do not pay the premium when it is due.
2. **you** or anyone else who usually operates an **auto** insured under the policy has had a driver's license suspended or revoked during the policy period or, if the policy is a renewal, during its period or the preceding 180 days.  
This does not apply to the first or second suspension of a provisional license under Title 29, Section 2241-G, Subsection 1 and 2A.
3. the policy was obtained by misrepresentation or by fraud;
4. the submission of a claim has been misrepresented or fraudulent; or
5. the conditions of the policy have been violated.

If **we** do not intend to continue the policy beyond the current premium period, **we** will mail **you** a notice at least 30 days before the end of the premium period.

IV. The following provisions have been added:

**Payment**

If **you** tender a check to **us** for full or partial payment of **your** premium and the check is returned to **us** because of insufficient funds or a closed account, a \$10.00 charge will be added to **your** account balance.

**What Law Will Apply**

This policy is issued in accordance with the laws of Maine and covers property or risks principally located in Maine. Subject to the following paragraph, any and all claims or disputes in any way related to this policy shall be governed by the laws of Maine.

If a covered loss to the **auto**, a covered **auto** accident or any other occurrence for which coverage applies under this policy happens outside Maine, claims or disputes regarding that covered loss to the **auto**, covered **auto** accident or other covered occurrence may be governed by the laws of the jurisdiction in which that covered loss to the **auto**, covered **auto** accident or other covered occurrence happened, only if the laws of that jurisdiction would apply in the absence of a contractual choice of law provision such as this.

**Where Lawsuits May Be Brought**

Subject to the following two paragraphs, any and all lawsuits in any way related to this policy shall be brought, heard and decided only in a state or federal court located in Maine. Any and all lawsuits against

persons not parties to this policy but involved in the sale, administration, performance or alleged breach of this policy, or involved in any other way with this policy, shall be brought, heard and decided only in a state or federal court located in Maine, provided that such persons are subject to or consent to suit in the courts specified in this paragraph.

If a covered loss to the **auto**, a covered **auto** accident, or any other occurrence for which coverage applies under this policy happens outside Maine, lawsuits regarding that covered loss to the **auto**, covered **auto** accident, or other covered occurrence may also be brought in the judicial district where that covered loss to the **auto**, covered **auto** accident, or other covered occurrence happened.

Nothing in this provision **Where Lawsuits May Be Brought**, shall impair any party's right to remove a state court lawsuit to a federal court.

V. In **Part I, Automobile Liability Insurance**, the following changes are made:

A. The **Insuring Agreement** provision is replaced by the following:

**Insuring Agreement**

**We** will pay for damages an insured person is legally obligated to pay because of:

1. **bodily injury** sustained by any person; and
2. damage to, or destruction of, property.

Under these coverages, **your** policy protects an insured person from liability for damages arising out of the:

1. ownership;
  2. maintenance or use;
  3. loading or unloading;
- of an insured **auto**.

**We** will defend an insured person sued for damages which are covered by this policy. **We** will provide a defense even if the suit is groundless or false. **We** will choose the counsel. **We** may settle any claim or lawsuit if **we** believe it is proper. **We** will not defend an insured person sued for damages which are not covered by this policy.

B. The **Insured Persons** provision is replaced by the following:

**Insured Persons**

1. While using **your** insured **auto**:
  - a) **you**;
  - b) any **resident**; and
  - c) any other person using it with **your** permission.
2. While using a non-owned **auto**:
  - a) **you**;
  - b) any **resident**.
3. Any other person or organization liable for the use of an insured **auto** provided:
  - a) the **auto** is not owned or hired by the person or organization; and

b) the use is by an insured person under 1. or 2. above.

C. The following is added to the **Definitions** provision:

**Bodily Injury** means:

1. bodily injury;
2. sickness;
3. disease; or
4. death

D. The **Exclusions - What is not covered** provision is replaced by the following:

**Exclusions—What is not covered**

**We** will not pay any damages an insured person is legally obligated to pay because of:

1. **bodily injury** or property damage arising out of:
  - a) the use of **your** insured **auto** while used to carry persons or property for a charge; or
  - b) any **auto you** are driving while available for hire by the public.This exclusion does not apply to shared-expense car pools.

2. **bodily injury** or property damage arising out of business operations such as:
  - a) repairing;
  - b) servicing;
  - c) testing;
  - d) washing;
  - e) parking;
  - f) storing; or
  - g) the selling;of **autos**.

However, this exclusion does not apply to:

- a. **you**;
  - b. **resident** relatives; or
  - c. partners or employees of the partnership of **you** or a **resident** relative; when using **your** insured **auto**.
3. **bodily injury** or property damage arising out of the use of a non-owned **auto** in any business or occupation of an insured person. However, this exclusion does not apply while **you, your** chauffeur, or **your** domestic servant are using a private passenger **auto** or trailer.
  4. **bodily injury** to an employee of any insured person arising in the course of employment. Coverage does not apply to a domestic employee who is not required to be covered by workers compensation law or similar law.
  5. **bodily injury** to a co-worker in the course of employment. This exclusion does not apply to **you**
  6. damage to or destruction of property an insured person owns, is in charge of, or rents. This exclusion will not apply to:
    - a. a private residence or a garage rented by that person; or

- b. verifiable and actual loss of use of a rented **auto** for 30 days from the date of the accident.
- 7. **bodily injury** or property damage which:
  - a. may reasonably be expected to result from the intentional acts of an insured person; or
  - b. are in fact intended by an insured person.
- 8. **bodily injury** or property damage which would also be covered under nuclear energy liability insurance. This applies even if the limits of that insurance are exhausted.
- 9. **Bodily injury** or property damage arising out of the participation in any prearranged, organization, or spontaneous:
  - a. racing contest;
  - b. speed contest; or
  - c. use of an **auto** at a track or course designed or used for racing or high performance driving; or in practice or preparation for any contest or use of this type.

E. The **Limits of Liability** provision is replaced by the following:

**Limits of Liability**

The limits shown on the Policy Declarations are the maximum **we** will pay for any single **auto** accident. The limit stated for each person for **bodily injury** is **our** total limit of liability for damage because of **bodily injury** sustained by one person in any single **auto** accident. This includes damages sustained by anyone else as a result of that **bodily injury**. Subject to the limit for each person the limit stated for each occurrence is **our** total limit of liability for damages for **bodily injury** sustained by two or more persons in any single **auto** accident. For property damage, the liability limits apply to each insured **auto** as shown on the Policy Declarations. The insuring of more than one person or **auto** under this policy will not increase **our** liability limits beyond the amount shown for any one **auto**. This applies even though a separate premium is charged for each **auto**. The limits will not be increased if **you** have other auto insurance policies that apply.

There will be no duplication of payments made under the Bodily Injury Liability and Property Damage Liability and Uninsured Motorists Coverages of this policy.

An **auto** and an attached trailer are considered one **auto**. Also, an **auto** and a mounted camper unit, topper, cap or canopy are considered one **auto**.

If a single each occurrence limit is stated on the Policy Declarations for Automobile Liability Insurance, the limit will be the maximum amount of **our** liability for both **bodily injury** and property damage arising out of any single **auto** accident.

VI. In **Part II, Automobile Medical Payments**, the following changes are made:

A. Paragraph 1. of the **Insuring Agreement** provision is replaced by the following:

**We** will pay to or on behalf of an insured person all reasonable expenses for medical services actually incurred by an insured person for necessary medical treatment, services or products actually provided to the insured person. Payments will be made only when bodily injury, sickness, disease or death are caused by an **auto** accident.

Covered expenses are:

- 1) ambulance;
- 2) medical;
- 3) surgical;
- 4) X-ray;
- 5) dental;
- 6) orthopedic and prosthetic devices;
- 7) professional nursing services;
- 8) pharmaceutical;
- 9) eyeglasses;
- 10) hearing aids; and
- 11) funeral expenses.

B. The following provision is added:

**Unreasonable Or Unnecessary Medical Expenses**

If the insured person incurs medical expenses which are unreasonable or unnecessary, **we** may refuse to pay for those medical expenses. **We** may also contest the charges. Unreasonable medical expenses are fees for medical services which are substantially higher than the usual and customary charges for those services. Unnecessary medical expenses are fees for medical services which are not usually and customarily performed for treatment of the injury. Unnecessary expenses include fees for an excessive

- 1) number;
- 2) amount; or
- 3) duration;

of medical services. If the insured person is sued by a medical services provider because **we** refuse to pay contested medical expenses, **we** will pay defense costs. **We** will also pay any resulting judgment against the insured person. **We** will choose the counsel. The insured person must cooperate with **us** in the defense of any claim or lawsuit. If **we** ask the insured person to attend hearings or trials, **we** will pay up to \$50 per day for the loss of wages or salary. **We** will also pay any other reasonable expense incurred at our request.

C. Under the **Insured Autos** provision, item 4 is replaced by the following:

4. A non-owned four-wheel private passenger **auto** used with the owner's permission. The **auto** must not be available for or furnished for the regular use of an insured person.

D. Under, **Exclusions —What is not covered**, the following exclusion is added:

6. Resulting from injury sustained by any person participation in any prearranged organized, or spontaneous:
  - a. racing contest;
  - b. speed contest; or
  - c. use of an **auto** at a track or course designed or used for racing or high performance driving; or in practice or preparation for any contest or use of this type.

E. The following provision is added:

**Subrogation Rights**

When **we** pay, an insured person's right of recovery from anyone else becomes **ours** up to the amount **we** have paid. The insured person must protect these rights and help **us** enforce them.

F. The **Proof of Claim; Medical Reports** provision is replaced by the following:

**Proof of Claim; Medical Reports**

As soon as possible any person making a claim must give **us** written proof of claim. It must include all details **we** may need to determine the amounts payable. **We** may also require any person making a claim to submit to questioning under oath and to sign the transcript.

The injured person may be required to take medical examinations by physicians **we** choose. The examinations may be as often as **we** reasonable require. **You** must give **us** authorization to obtain medical reports and other records pertinent to the claim.

VII. In **Part III Automobile Death Indemnity Insurance**, under **Exclusions — What is not covered**, the following exclusion is added:

5. resulting from injury sustained by any person arising out of the participation in any prearranged, organized or spontaneous:
  - a. racing contest;
  - b. speed contest; or
  - c. use of an **auto** at a track or course designed or used for racing or high performance driving; or in practice or preparation for any contest or use of this type.

VIII. In **Part IV Automobile Disability Income Protection**, under **Exclusions — What is not covered**, the following exclusion is added:

6. resulting from injury sustained by any person arising out of the participation in any prearranged, organized or spontaneous:
  - a. racing contest;
  - b. speed contest; or
  - c. use of an **auto** at a track or course designed or used for racing or high performance driving; or in practice or preparation for any contest or use of this type.

IX. In **Part V — Uninsured Motorists Insurance**, the following changes are made:

A. The **Insuring Agreement** provision is replaced by the following:

**We** will pay damages for **bodily injury** which an insured person is legally entitled to recover from the owner or operator of an uninsured **auto**. Injury must be caused by an accident. Injury must arise out of the:

1. ownership;
2. maintenance; or
3. use of an uninsured **auto**.

**We** will not pay any punitive or exemplary damages.

If an insured person sues a person believed to be responsible for the accident without **our** consent, **we** are not bound by any resulting judgment.

B. Under **An uninsured auto is:** provision, item 4. is replaced by the following:

4. a hit-and-run **motor vehicle** which causes **bodily injury** to an insured person. The identity of the operator and the owner of the vehicle must be unknown. The accident must be reported within 24 hours to the proper authorities. **We** must be notified within 30 days. If the insured person was occupying a vehicle at the time of the accident, **we** have a right to inspect it.

C. **An uninsured auto is not:** is replaced by the following:

An uninsured or underinsured auto is not:

1. a **motor vehicle** that is lawfully self-insured.
2. a **motor vehicle** insured under Part I of this policy.

D. Under the **Definitions** provision, the following is added:

5. **Bodily Injury**" means:
  - a) bodily injury;
  - b) sickness;
  - c) disease; or
  - d) death.

E. **Exclusions—What is not covered** is replaced by the following:

**Exclusions—What is not covered**

**We** will not pay any damages an insured person is legally entitled to recover because of:

1. **bodily injury** or property damage to any person who makes a settlement without **our** written consent.
2. **bodily injury** or property damage sustained while:
  - a) in;
  - b) on;
  - c) getting into or out of; or
  - d) when struck by;a vehicle owned by **you** or a **resident** relative which is not insured for this coverage.
3. **bodily injury** or property damage sustained while:
  - a) in:
  - b) on:
  - c) getting into or out of;a vehicle **you** own which is insured for this coverage under another policy.
4. **bodily injury** or property damage, if the payment would directly or indirectly benefit any workers compensation or disability benefits insurer. This includes a self insurer.
5. property damage, if the payment would directly or indirectly benefit any insurer of property.
6. property damage. Unless the Policy Declarations specifically indicates that coverage is afforded under the uninsured motorists coverage.

7. **bodily injury** or property damage arising out of the participation in any prearranged, organized, or spontaneous:
  - a. racing contest;
  - b. speed contest; or
  - c. use of an auto at a track or course designed or used for racing or high performance driving; or in practice or preparation for any contest or use of this type.

F. **Limits of Liability** is replaced by the following:

**Limits of Liability**

The coverage limit shown on the Policy Declarations for:

1. each person is the total limit for all damages arising out of **bodily injury** to one person in any one **motor vehicle** accident. This includes all damages which are sustained by anyone else as a result of that **bodily injury**.
2. each accident is the total limit for all damages arising out of **bodily injury** to two or more persons in any one **motor vehicle** accident. The limit is subject to the limit for "each person" .

These limits are the maximum **we** will pay for any one **motor vehicle** accident regardless of the number of:

1. claims made;
2. vehicles or persons shown on the Policy Declarations; or
3. vehicles involved in the accident.

The Uninsured Motorists Coverage limits apply to each insured **motor vehicle** as shown on the Policy Declarations.

Damages payable will be reduced by:

1. all amounts paid by the owner or operator of the uninsured **auto** or anyone else responsible. This includes all sums paid under the bodily injury liability coverage of this or any other **auto** policy.
2. all amounts payable under:
  - a) any workers compensation law;
  - b) disability benefits law, or similar law; and
  - c) Automobile Medical Payments, or any similar automobile medical payments coverage.

We are not obligated to make any payment for **bodily injury** under this coverage which arises out of the use of an underinsured **motor vehicle** until after all limits of liability protection have been exhausted by payment of judgments or settlements. This applies to all liability protection in effect and applicable at the time of the accident.

G. The **Proof of Claim; Medical Reports** provision is replaced by the following:

**Proof of Claim; Medical Reports**

Any person making claim must give **us** written proof of claim. The proof of claim must be given to **us** as soon as possible. It must include all details **we** may need to determine the amounts payable.

The insured person may be required to take medical examinations as often as **we** reasonably require. **We**

**We** will choose the physicians. **We** must be given authorization to obtain medical reports and copies of records.

X. In **Part VI Protection Against Loss To The Auto**, the following changes are made:

A. Under the **Coverage HH, Auto Comprehensive Insurance** provision the following language is added:

By agreement between **you** and **us**, the deductible amount will not be subtracted from a glass breakage loss if the glass is repaired rather than replaced.

B. Sound System Coverage, Coverage ZA, is replaced by the following.

**Coverage ZA  
Sound System Coverage**

**We** will pay for loss to:

1. a **sound system** permanently installed in **your auto** by:
  - a) bolts;
  - b) brackets; or
  - c) other means; and
2. its antennas or other devices in or on **your auto** used specifically with that system.

Coverage ZA, Sound System Coverage, applies only if comprehensive insurance is in effect under this policy. This coverage makes **sound systems** insured property under the terms of both the collision and the comprehensive coverage. This includes antennas or other devices used specifically with the **sound systems**. The limit of **our** liability is shown on the Policy Declarations. The coverage only applies when the Policy Declarations shows a premium charge for Coverage ZA.

C. **Coverage UU, Rental Reimbursement** provision is replaced by the following:

**Coverage UU  
Rental Reimbursement Coverage**

If **you** have collision or comprehensive coverage under this policy and the loss involves either coverage, **we** will repay **you** for **your** cost of renting an **auto** from a rental agency or garage. **We** will not pay more than the dollar amount per day that is shown on the Policy Declarations. **We** will not pay mileage charges.

If **your** insured **auto** is stolen, payment for transportation expenses will be made under the terms of paragraph 3. under **Additional Payments We Will Make**. However, the limits for this coverage will apply if they exceed the limits stated under **Additional Payments We Will Make**.

If **your** insured **auto** is disabled by a collision or a comprehensive loss, coverage starts the day after the loss. If it is drivable, coverage starts the day after the **auto** is taken to the garage for repairs.

Coverage will end when one of the following occurs:

1. if the **auto** is disabled by a collision or a comprehensive loss, when the repairs are completed or the **auto** is replaced;
2. if the **auto** is stolen, when **we** offer settlement or **your auto** is returned to use; or

3. thirty full days of coverage.

D. Under the **Definitions** provision the following changes are made:

1. The definition of **Camper unit** is replaced by the following:

**Camper unit** means a demountable unit designed to be used as temporary living quarters. It includes all equipment and accessories built into and forming a permanent part of the unit. A **camper unit** does not include:

- a) caps, tops or canopies designed for use as protection of the cargo area of a utility **auto**;
- b) radio or television antennas;
- c) awnings;
- d) cabanas; or
- e) equipment which is designed to create additional off highway living facilities.

2. The following definition is added:

**Sound system** means any device within the insured **auto** that is designed for:

- a) voice or video transmission;
- b) voice, video or radar signal reception;
- c) recording or playing back recorded material; or
- d) supplying power to cellular or similar telephone equipment.

and which is installed in a location other than the one designed by the auto's manufacturer for that device.

E. Under **Exclusions—What is not covered**, the following changes are made:

1. Item 8 is replaced by the following:

8. loss to any **sound system** within **your auto**.

Coverage under this Part will not apply to any device in or on the **auto** which is designed for use with that system.

This exclusion will not apply if **you** have purchased Coverage ZA.

2. The following item is added:

Loss or damage arising out of the participation in any prearranged, organized, or spontaneous:

- a. racing contest;
- b. speed contest; or
- c. use of an **auto** at a track or course designed or used for racing or high performance driving; or in practice or preparation for any contest or use of this type.

F. The **Limits Of Liability** provision is replaced by the following:

### **Limits Of Liability**

**Our** limit of liability is the least of:

1. The actual cash value of the property or damaged part of the property at the time of loss. This may include a deduction for depreciation; or
2. The cost to repair or replace the property or part to its physical condition at the time of loss. This may include using:
  - a) parts produced by or for the vehicle's manufacturer; or
  - b) parts from other sources including, but not limited to, parts from non-original equipment manufacturers, subject to state laws and regulations that apply; or
3. \$500, if the loss is to a covered trailer which is not described on the Policy Declarations.

Any deductible that applies will then be subtracted.

If **we**, at **our** option, elects to pay for the cost to repair or to replace the property or part, **our** liability does not include any decrease in the property's value, however measured, resulting from the:

1. loss and/or repair; or
2. replacement.

If repair or replacement results in the betterment of the property or part, **you** may be responsible for the amount of the betterment. The amount **you** may be responsible for is subject to state laws and regulations that apply.

An **auto** and attached trailer are considered separate **autos**. **You** must pay the deductible, if any, on each. Only one deductible will apply to an **auto** with a mounted **camper unit**. If unmounted, a separate deductible will apply to the **auto** and **camper unit**.

When more than one coverage is applicable to the loss, **you** may recover under the broadest coverage but not both. However, any sound system coverage will always apply.

All other terms and conditions of the policy apply.