



Constitutional
Casualty

Insurance for Auto, Home & Business

**Tow Truck
and Garage
Endorsements**

800.833.3427

www.constitutional.com

TOW TRUCK & GARAGE ENDORSEMENTS

Number	ENDT Name	Tow	Garage
CA-00-01*	Bus Auto	X	
CA-00-40*	War Excl		X
CA-01-20*	IL Chgs	X	X
CA-02-70*	IL Chgs CX/NR	X	X
CA-23-57*	Terr Excl	X	X
CA-99-44	Loss Payable	X	
CC-02	Excl of Snowplow Operations	X	
CC-05+	Excl of Custom	X	
CC-07	Named Dr Excl	X	X
CC-10*	IL Inq Notice	X	X
CC-13*	Notif Ins Pract	X	X
CC-14+	Cov Dam to Auto	X	
CC-20*	Notif Priv Pract	X	X
CC-27*	Assault & Battery	X	X
CC-55	Medical Payments Coverage	X	X
TC-04*	Firearms Excl	X	X
TC-05*	Punitive Dmg Excl	X	X
TC-06*	Animal Excl		X
TC-08*	Notice to Policy Holder	X	X
TC-11*	Garage Liab		X
TC-12*	Garage Legal		X
TC-13*	Pollution Excl	X	X
TC-15*	Serv Veh Excl		X
TC-17	Add'l Insured (Vehicle)	X	
IL 00 17*	Comm Policy Cond	X	X
CA-20-01	Add'l Ins-Lessor (for a Job)	X	X
CA-21-30*	IL Unmotorist	X	X
CA-21-38	IL Underinsured Motorist	X	
CA-99-03	Medical Payments Coverage	X	X

* Mandatory Endorsements

+ Only Comp and Coll

**WAR EXCLUSION -
GARAGE COVERAGE FORM**

This endorsement modifies insurance provided under the following:

GARAGE COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes in Liability Coverage

1. The **War** exclusion under Paragraph **B. Exclusions of Section II - Liability Coverage** is replaced by the following:

WAR

“Bodily injury”, “property damage” or “covered pollution cost or expense” arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

B. Changes in Garagekeepers Coverage

If Garagekeepers Coverage in the Garage Coverage Form is selected or the Garagekeepers Coverage - Customers’ Sound Receiving Equipment endorsement is attached, the following exclusion is added:

We will not pay for “loss” caused by or resulting from the following. Such “loss” is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the “loss”

a. War

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these

C. Changes in Medical Payments

If the Auto Medical Payments Coverage endorsement or Garage Locations And Operations Medical Payments Coverage endorsement is attached, then the exclusion which refers to declared or undeclared war or insurrection is replaced by the following:

This insurance does not apply to:

“Bodily injury”, arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected

attack, by any government, sovereign or other authority using military personnel or other agents; or

- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these:

D. If the Personal Injury Liability Coverage - Garages endorsement is attached, the following exclusions are added to Paragraph **B. Exclusions**:

This insurance does not apply to:

- 1. "Personal injury", arising directly or indirectly, out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

E. If the Broadened Coverage - Garages endorsement is attached, the following exclusion is added to Paragraph **B. Exclusions** of **Section I - Personal And Advertising Injury Liability Coverage**:

- 1. This insurance does not apply to:
 - a. "Personal and advertising injury" arising, directly or indirectly, out of:
 - (1) War, including undeclared or civil war,
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

F. Changes in Uninsured/Underinsured Motorists Coverage

If Uninsured and/or Underinsured Motorists Coverage is attached, then the following exclusions are added:

This insurance does not apply to:

WAR

- 1. "Bodily injury" or "property damage", if applicable, arising directly or indirectly, out of:
 - a. War, including undeclared or civil war,
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

G. Changes in Personal Injury Protection Coverage

- 1. If Personal Injury Protection, no-fault, or other similar coverage is attached, and:
 - a. Contains, in whole or in part, a War exclusion, that exclusion is replaced by Paragraph 2.

b. Does not contain a war exclusion, Paragraph 2 is added.

2. This insurance does not apply to:

WAR

1. "Bodily injury" or "property damage", if applicable, arising directly or indirectly, out of:
 - a. War, including undeclared or civil war,
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

H. Changes in Single Interest Automobile Physical Damage Insurance Policy

The War exclusion is replaced by the following:

- a. War, including undeclared or civil war,
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

CA 01 20 06 03

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM

GARAGE COVERAGE FORM

MOTOR CARRIER COVERAGE FORM

TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes in Liability Coverage

1. Paragraph **1.b.(3)** of the **Who Is An Insured** provision in the Business Auto, Motor Carrier and Truckers Coverage Forms and Paragraph **3.1.(2)(c)** of the **Who Is An Insured** provision in the Garage Coverage Form do not apply.
2. Our **Limit Of Insurance** applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:
 - a. \$20,000 for "bodily injury" to any one person caused by any one "accident",
 - b. \$40,000 for "bodily injury" to two or more persons caused by any one "accident", and
 - c. \$15,000 for "property damage" caused by any one "accident"

This provision will not change our total **Limit Of Insurance**.

B. Changes in Physical Damage Coverage

The **Limit Of Insurance** provision with respect to repair or replacement resulting in better than like kind or quality is replaced by the following, and supersedes any provision to the contrary:

We may deduct for betterment if:

1. The deductions reflect a measurable decrease in market value attributable to the poorer condition of, or prior damage to, the vehicle.
2. The deductions are for prior wear and tear, missing parts and rust damage that is reflective of the general overall condition of the vehicle considering its age. In this event, deductions may not exceed \$500.

C. Changes in Conditions

The **Other Insurance** Condition in the Business Auto Coverage Form, and the **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carriers Coverage Forms, is changed by the addition of the following:

Liability Coverage provided by this Coverage Form for any "auto" you do not own is primary if:

1. The "auto" is owned or held for sale or lease by a new or used vehicle dealership;
2. The "auto" is operated by an "insured" with the permission of the dealership described in Paragraph 1. while your "auto" is being repaired or evaluated; and
3. The Limit of Insurance for Liability Coverage under this policy is at least:
 - a. \$100,000 for "bodily injury" to any one person caused by any one "accident"
 - b. \$300,000 for "bodily injury" to two or more persons caused by any one "accident", and
 - c. \$50,000 for "property damage" caused by any one "accident"

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES CANCELLATION AND NONRENEWAL

CA 02 70 08 94

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The CANCELLATION COMMON POLICY Condition is replaced by the following:

CANCELLATION

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing us advance written notice of cancellation.
 - b. When this policy is in effect 61 days or more or is a renewal or continuation policy, we may cancel only for one or more of the following reasons by mailing you written notice of cancellation stating the reasons for cancellation.
 - (1) Nonpayment of premium.
 - (2) The policy was obtained through a material misrepresentation.
 - (3) Any "insured" has violated any of the terms and conditions of the policy.
 - (4) The risk originally accepted has measurably increased.
 - (5) Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured.
 - (6) A determination by the Director of Insurance that the continuation of the policy could place us in violation of the Illinois Insurance laws.
 - c. If we cancel for nonpayment of premium, we will mail you at least 10 days written notice.
 - d. If this policy is cancelled for other than nonpayment of premium and the policy is in effect:
 - (1) 60 days or less, we will mail you at least 30 days written notice.
 - (2) 61 days or more, we will mail you at least 60 days written notice.
 - e. If this policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
 - f. The effective date of cancellation stated in the notice shall become the end of the policy period.
 - g. Our notice of cancellation will state the reason for cancellation.
 - h. A copy of the notice will also be sent to your agent or broker and the loss payee.
- B. The following is added and supersedes any provision to the contrary:

NONRENEWAL

If we decide not to renew or continue this policy, we will mail you, your agent or broker and the loss payee written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will 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.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

C. MAILING OF NOTICES

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

CA 23 57 12 02

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
SINGLE INTEREST AUTOMOBILE PHYSICAL DAMAGE
INSURANCE POLICY
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

Any "bodily injury", "property damage", "personal injury", "personal and advertising injury", "loss", loss of use, rental reimbursement after "loss" or "covered pollution cost or expense", as may be defined in any applicable Coverage Form or endorsement, arising directly or indirectly out of a "a certified act of terrorism".

B. The following definition is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism".

1. The act resulted in aggregate losses in excess of \$5 million; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. Application of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, such as losses excluded by a Nuclear Hazard Exclusion or a War Or Military Action Exclusion.

LOSS PAYABLE CLAUSE

CA 99 44
(Ed. 12-90)

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GARAGE COVERAGE FORM

TRUCKERS COVERAGE FORM

BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM

- A. We will pay, as interest may appear, you and the loss payee named in the policy for "loss" to a covered "auto".
- B. The insurance covers the interest of the loss payee unless the "loss" results from conversion, secretion or embezzlement on your part.
- C. We may cancel the policy as allowed by the CANCELLATION Common Policy Condition.
Cancellation ends this agreement as to the loss payee's interest. If we cancel the policy, we will mail you and the loss payee the same advance notice.
- D. If we make any payments to the loss payee, we will obtain his or her rights against any other party.

EXCLUSION OF SNOWPLOW OPERATIONS

CC02
(Ed. 6-96)

It is agreed that the insurance afforded by this policy shall not apply with respect to any claim arising from accidents which occur while the vehicle is being operated as a snowplow and/or salt spreader, or in any fashion used for the removal/movement of snow and/or ice.

EXCLUSION OF CUSTOMIZATION

CC05+

It is agreed that the insurance afforded by this policy shall not apply to any loss to any of the equipment or custom furnishings in or upon any pick-up or van. Custom furnishings or equipment include, but are not limited to, the following:

- A. Special carpeting and insulation, furniture, bars or television receivers.
- B. Facilities for cooking and sleeping.
- C. Height-extended roofs and running boards.
- D. Custom murals or paintings.
- E. T.V. Antennas, awnings, cabanas and equipment to create additional living facilities.

NAMED DRIVER EXCLUSION

CC07
(Ed. 10-96)

In consideration of the premium at which this policy is written, it is agreed that all coverage afforded by this policy is void and shall not apply to any claim or suit which occurs as the result of any vehicle being operated by the following person(s):

(See Declaration for Excluded Drivers)

If the above named excluded driver is the spouse of the named insured then the following paragraph applies:

Throughout this policy form, all references to "you" and "your" is amended to refer to the named insured only and not the excluded spouse. It is also agreed this policy form is amended to delete all other reference to "family member" or "relative" residents of the same household in respect to the named insured's spouse. All other references to "spouse" in this policy form are also deleted while any vehicle is being operated by the spouse.

This endorsement cannot be cancelled or altered except by written notice from the Company.

ACCEPTED BY:

(Copy with original signature onfile with Company/Agent)

Signature of Named Insured/Date
Applicant

(Copy with original signature onfile with Company/Agent)

Signature of Named Insured/Date
Applicant (Spouse)

ACCEPTED BY:

(Copy with original signature onfile with Company/Agent)

Signature of Excluded Person Date

All other policy provisions, not in conflict herewith, apply.

ILLINOIS INQUIRY NOTICE

CC10
(Ed. 9-00)

The Constitutional Casualty Insurance Company Compliant Department is:

Compliant Department
5618 North Milwaukee Avenue
Chicago, IL 60646
1-800-833-3427
(773) 763-7100

The address of the Public Division of the Illinois Department of Insurance is:

Illinois Department of Insurance
Public Service Division
Springfield, IL 62767

NOTIFICATION OF INSURANCE PRACTICES

CC13
(Ed. 7-01)

When you applied to our Insurance Company, you entrusted us with some personal information about yourself. Like you, we are concerned with your privacy and its protection. Therefore, we want you to know about our procedures for protecting your policy, and your right and responsibilities regarding recorded information about you. As our customer, we want you to understand how we gather information, how we protect it and how you can help insure its accuracy.

This information is provided to you in accordance with the Federal Fair Credit Reporting Act, Public Law 91-508, and the Privacy Laws of your state.

WHAT KIND OF INFORMATION IS COLLECTED ABOUT YOU

We get most of our information directly from you. In most cases, the application you complete gives us all the information we need to evaluate you or your property for insurance. Should we need additional information or want to verify information you have given us, we will contract you, either by phone or mailed questionnaire. Once you have been insured with us for a period of time, your record may contain information related to any claims you made under your policy.

In some insurance transactions, we may not be able to get all the information we need directly from you. In that case, we may obtain information from outside sources at our own expense. For example, with auto insurance, we routinely obtain a record of accidents, violations and convictions from your State Motor Vehicle Department and/or C.L.U.E. Similarly, we may ask a doctor who has treated you to confirm or give us more details about medical information you have give us.

We may get information by personal or telephone; interviews or by writing members of your family, friends, neighbors, employers, insurance agents; or other insurance companies with whom you have applied for a policy, and others who you know. Sometimes, before we ask for information from one of these sources, we may ask you to sign an AUTHORIZATION, which gives us the right to proceed.

In some instances, we will have your insurance agent contact the sources described above to get the additional information we need. However, it is common for an insurance company to ask an independent source to help it verify information and add to information given on an application. There are many such companies, which are commonly called consumer reporting agencies, which are in the business of being an outside, independent source of information to insurance companies. If we retain an agency to gather information for us, we will choose one that is discreet and impartial. We may

only ask such an agency to verify the address, marital status or other information you have given us in your application. If we need more details than you have given us, we will ask the agency to prepare a consumer or investigative report.

Such reports are used to help us decide if you qualify for the insurance for which you have applied. The consumer reporting agency would: obtain information about you in the same way that we would. That is, they will contact persons you know. If the agency prepares a report on you, it may deal with your mode of living, character, general reputation and personal characteristics, such as your health, job and finances. When it is applicable, such a report could also have information on your marital status, driving record, job duties, drug or alcohol use, dangerous sport activities or any official record or criminal activity.

On insurance for homes, buildings or boats, for example, if we asked an independent agency to prepare a report, the agency would send out an investigator to view your property and verify information on your application. The report would contain information on the value and condition of your property, and would frequently contain a photograph of it. Similarly, on insurance for personal property, such as jewelry, antiques or art, you may be required to obtain a report prepared by an appraiser. Only in a rare case would we ask for an investigator or consumer report in connection with an auto policy. If we did, information in that report would relate to your driving record, use of the automobile, drug or alcohol use and similar details.

The information we receive about you from an independent reporting agency will be treated in the same confidential way in which we treat the information you gave us on your application. However, the information collected by the agency may be retained by them and later shared with others who use these reports. It will be given to others only to the extent permitted by the Federal Fair Credit Reporting Act and your state's Fair Credit Reporting Act, if it has one.

If we use an independent reporting agency to prepare a report on you, you have the right to be personally interviewed by the information you give, the agency during an interview will be included in the report sent to us. If you wish to be interviewed, please tell us how the agency can contact you, and every effort will be made to interview you.

Even if you are not interviewed, you have the further right to request that the reporting agency provided you with a copy of the report if makes. To do so, contact your agent. We, in turn, will provide you with the name and address of any agency we have used to prepare a report on you so that you can contact them directly to find out more about that report.

WHAT WE DO WITH THE INFORMATION ABOUT YOU

Information about you will be kept in our policy records. We will refer to and use that information for purposes related to issuing and servicing insurance policies and settling claims.

Without your prior authorization, we may, as permitted by law, share information about you contained in our files with certain persons or organizations. The types of persons or organizations with which we may share information include:

1. your agent, broker or sales representative,
2. adjusters, appraisers, investigators and attorneys,
3. persons or organizations who need the information to perform a business, professional or insurance function for us such as businesses that help us with data processing or marketing.
4. other insurance companies', agents or consumer reporting agencies as it is needed in connection with any application, policy or claim involving you,
5. an insurance-support organization which is established to collect information for the purpose of detecting and preventing insurance crimes or fraudulent claims,
6. a medical professional to inform you of a medical condition of which you may not be aware,
7. persons or organizations that conduct scientific research, including actuarial studies, management audits, financial audits or program evaluations,
8. our affiliated companies or
9. to a court or governmental agencies when subpoenaed.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE FOR DAMAGE TO YOUR AUTO

EXCLUSION ENDORSEMENT

CC14
(Ed. 12-99)

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

I. Definitions

The following definition is added:

“Diminution in value” means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

II. Part D – Coverage For Damage to Your Auto

The following definition is added:

We will not pay for:

Loss to “your covered auto” or any “non-owned auto” due to “diminution in value”.

This endorsement must be attached to the Change Endorsement when issued after the policy is written.

**NOTIFICATION OF
PRIVACY PRACTICES**

CC20
(Ed. 7-01)

**DURING THE NORMAL COURSE OF PROVIDING
INSURANCE TO YOU AND THE SETTLEMENT OF CLAIMS**

FOR YOU, OR WITH YOU, NONPUBLIC PERSONAL INFORMATION IS RECEIVED. THE FOLLOWING NOTICE IS INTENDED TO INFORM YOU OF OUR PRIVACY PRACTICES PERTAINING TO THE INFORMATION WE RECEIVE.

NOTICE OF OUR PRIVACY PRACTICES

Categories of information a licensee collects

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates or others; and
- Information we receive from a consumer reporting agency.

Categories of information a licensee discloses and parties to whom the licensee discloses

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

Confidentiality and security

We restrict access to nonpublic personal information about you to those employees and agents who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

You do not need to do anything as a result of this notice. It is meant to inform you of how we protect your nonpublic financial information. You may wish to file this with your Constitutional Casualty Company policy.

ASSAULT EXCLUSION ENDORSEMENT CC27 (Ed. 7-06)

(Applicable Tow Truck and Garage Liability policies)

It is hereby understood and agreed that occurrences arising out of an assault or alleged assault committed by an insured or an employee or agent of the insured are not covered by the policy to the limits of liability, exclusion, terms and conditions of such policy which are not inconsistent herewith.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO MEDICAL PAYMENTS COVERAGE CC55 (Ed. 01-05)

This endorsement modifies insurance provided under the following:

GARAGE COVERAGE FORM

BUSINESS AUTO COVERAGE FORM

- AUTO MEDICAL PAYMENTS COVERAGE

Part A **Coverage** is replaced by the following:

We will pay reasonable expenses incurred for necessary medical and funeral expenses to the extent of the policy limits for this coverage to or for an "insured" who sustains "bodily injury" caused by an "accident", but does not include eyeglasses or

contact lenses. We will pay only those expenses incurred within one (1) year from the date of the "accident".

Under (c) Exclusions, the following is added:

- 8. To the amount of any medical expense which is paid or payable to or on behalf of the insured person under the provision of any:
 - a. Premises insurance affording benefits for medical expenses;
 - b. Individual, blanket or group accident, disability or hospitalization insurance;
 - c. Medical, surgical, hospital or funeral service, benefits for medical expenses.
 - d. Workers' compensation or disability benefits law or any similar law;
 - e. Other automobile insurance affording benefits for medical expenses
 - f. Funeral expenses in excess of \$500.00.
 - g. Dental services excess of \$500.00.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FIREARMS EXCLUSION

TC04
(Ed. 01-06)

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE FORM
- GARAGE COVERAGE FORM
- TRUCKERS COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

(The following needs to be completed only when this endorsement is issued subsequent to inception of the policy.)

Named Insured*

Endorsement Effective* Policy Number*

Countersigned by*

(Authorized Representative)

The following exclusion is added to SECTION II - LIABILITY COVERAGE B Exclusions:

This insurance does not apply to any of the following:

FIREARMS

"Bodily injury" or "property damage" resulting from the ownership, possession, entrustment, loading unloading, discharge or any other use of any firearm.

*item may be left blank if shown elsewhere in the coverage forms.

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUNITIVE OR EXEMPLARY DAMAGE TC05
EXCLUSION ENDORSEMENT - ILLINOIS (Ed. 1-06)

PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION

This policy does not apply to a claim of or indemnification for punitive or exemplary damages.

Punitive or exemplary damages are damages in excess of the amount needed to compensate for bodily injury or property damage where are imposed in order to punish you due to your particularly wanton, willful or malicious character in order to make an example of or to punish you. Punitive or exemplary damages also include any damages awarded pursuant to statute in the form of double, treble or other multiple damages in excess of compensatory damages brought against you for a claim falling within coverage provided under the policy, seeking both compensatory and punitive damages, when We will afford a defense to such action, however, we have no obligation to pay for any costs, interest, or damages attributable to punitive or exemplary damages.

ANIMAL EXCLUSION

TC06
(Ed. 1-06)

This policy does not provide coverage for bodily injury, medical payments or property damage sustained by any party caused by any animal kept, owned, maintained, housed and/or upon the premises insured by this policy.

NOTICE TO POLICYHOLDER

TC08
(Ed. 1-06)

All new drivers hired during the term of this policy must be immediately reported to the company. Failure to report may result in termination of this policy. Report new drivers to your agent.

POLLUTION EXCLUSION

TC13
(Ed. 1-06)

This endorsement modifies the insurance provided under the policy as follows. This policy does not apply to:

- A. "bodily injury" or "property damage" arising out of the actual, alleged, or threatened discharge, dispersal, release or escape of "pollutants" or the loading or unloading of such "pollutants."
- B. "bodily injury" or "property damage" caused by exposure or asbestos or materials or products containing asbestos.
- C. "bodily injury" or "property damage" arising out of a caused by lead, paint containing lead, or any other substance or material containing lead.
- D. any legal obligation of any insured for indemnification or contribution the to damages arising out of "bodily injury" or "property damage" caused by lead, paint containing lead, or any other substance or material containing lead.
- E. any loss, cost, expenses, or damages arising out of any:
 - (1) request, demand, or order that any insured or others test for, monitor, cleanup, remove, contain, treat,

- detoxify, or neutralize, or in any way respond to, or assess the effects of “pollutants”; or
- (2) claim or suit relating to testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to, or assessing the effects of “pollutants”.

As used in this Insurance:

“Pollutants” mean any noise, or solid, semi-solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals, biological and etiologic agents or materials, electromagnetic or ionizing radiation and energy, genetically engineered materials, carcinogenic and mutagenic materials, “waste” and any irritant or contaminant.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE VEHICLE EXCLUSION

TC15
(Ed. 01-06)

This endorsement modifies insurance provided under the following:

Garage Liability Policy

This coverage does not apply to service vehicles equipped with a wrecker body, mobile hoist, flat bed, or any other system installed for the purpose of lifting, carrying, or towing another vehicle.

“Waste” includes any materials to be disposed, recycled, reconditioned, or reclaimed

This exclusion does not apply to “bodily injury” or “property damage” caused by heat, smokes or fumes from a hostile fire. A “hostile fire” means a fire that becomes uncontrollable or breaks out from where it was intended to be.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED
ENDORSEMENT**

TC17

This endorsement modifies the insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

(The following needs to be completed only when this endorsement is issued subsequent to inception of the policy.)

Named Insured:*

Endorsement Effective:*

Policy Number:*

Countersigned by:*

(Authorized Representative)

The following individual and/or entity is added as an Additional Insured:*

This will apply only with respect to liability arising out of operations performed for such Additional Insured by or on behalf of the Named Insured. The inclusion of additional interest or interests will not operate to increase the limit of our liability.

*May be left blank if shown elsewhere on the policy
All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
COMMON POLICY CONDITIONS IL 00 17 11 98

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and use concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as

they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give your reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

ADDITIONAL INSURED—LESSOR

CA 20 01
(Ed. 1-87)

This endorsement modifies the insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement effective*

at 12:01 A.M. standard time

Named Insured*

Countersigned by*

(Authorized Representative)

SCHEDULE*

Insurance Company

Policy Number

Effective Date

Expiration Date

Named Insured

Address

Additional Insured (Lessor)

Designation or Description of Leased "Autos"

Coverages	Limit of Insurance*
Liability \$	Each "Accident"
Personal injury Protection (or equivalent no-fault coverage) \$	
Comprehensive	ACTUAL CASH VALUE OR COST OF REPAIR WHICHEVER IS LESS; MINUS: \$ For Each Covered "Auto"
Collision	ACTUAL CASH VALUE OR COST OF REPAIR WHICHEVER IS LESS; MINUS: \$ For Each Covered "Auto"
Specified Causes of Loss	ACTUAL CASH VALUE OR COST OF REPAIR WHICHEVER IS LESS; MINUS: \$ For Each Covered "Auto"

A. Any "leased auto" designated or described in the Schedule or in the Declarations will be considered a covered "auto" you own and not a covered "auto" you hire or borrow for a covered "auto" that is a "leased auto" WHO IS AN INSURED is changed to include as an "insured" the lessor named in the Schedule or in the Declarations.

B. LOSS PAYABLE CLAUSE

1. We will pay you and the lessor named in this endorsement for "loss" to a "leased auto", as interest may appear.
2. The insurance covers the interest of the lessor unless the "loss" results from fraudulent acts or omissions on your part.
3. If we make any payments to the lessor, we will obtain his rights against any other party.

C. CANCELLATION

1. If we cancel the policy, we will mail notice to the lessor in accordance with the CANCELLATION Common Policy Condition.
2. If you cancel the policy, we will mail notice to the lessor.
3. Cancellation ends this agreement.

D. The lessor is not liable for payment of your premiums.

E. ADDITIONAL DEFINITION

The following is added to the DEFINITIONS Section:

“Leased auto” means an “auto” leased or rented to you including any substitute, replacement or extra “auto” needed to meet seasonal or other needs, under a lease or rental agreement that requires you to provide direct primary insurance for the lessor.

*Entries may be left blank if shown elsewhere in this policy for this coverage.

ILLINOIS UNINSURED MOTORISTS COVERAGE

CA 21 30
(Ed. 4-91)

This endorsement modifies the insurance provided under the following:

- BUSINESS AUTO COVERAGE FORM
- GARAGE COVERAGE FORM
- TRUCKERS COVERAGE FORM

A. COVERAGE

1. We will pay all sums the “insured” is legally entitled to recover as compensatory damages from the owner or driver of an “uninsured motor vehicle”. The damages must result from “bodily injury” sustained by the “insured” caused by an “accident”. The owner’s or driver’s liability for these damages must result from the ownership, maintenance or use of the “uninsured motor vehicle”.
2. If this insurance provides a limit in excess of the amounts required by the applicable law where a covered “auto” is principally garaged, we will pay only after all liability bonds or policies have been exhausted by judgments or payments.
3. Any judgment for damages arising out of a “suit” brought without your written consent to us is not binding on us.

B. WHO IS AN INSURED

1. You
2. If you are an individual, any “family member”.
3. Anyone else “occupying” a covered “auto” or a temporary substitute for a covered “auto”. The covered “auto” must be out of service because of its breakdown, repair, servicing, loss or destruction.
4. Anyone for damages he or she is entitled to recover because of “bodily injury” sustained by another “insured”.

C. EXCLUSIONS

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

D. LIMIT OF INSURANCE

1. Regardless of the number of covered "autos", insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for UNINSURED MOTORISTS INSURANCE shown in the Declarations.

We will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:

- a. \$20,000 for "bodily injury" to any one person caused by any one "accident" and
- b. \$40,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

2. Any amount payable under this coverage shall be reduced by:
 - a. All sums paid or payable under any workers' compensation, disability benefits or similar law; and
 - b. All sums paid by or for anyone who is legally responsible, including all sums paid under this Coverage Form's LIABILITY COVERAGE.
3. Any amount paid under this coverage will reduce the amount an "insured" may be paid under this Coverage Form's LIABILITY COVERAGE.
4. Punitive or exemplary damages.

E. CHANGES IN CONDITIONS

The CONDITIONS are changed for UNINSURED MOTORISTS COVERAGE as follows:

1. OTHER INSURANCE is replaced by the following:

For any covered "auto" you own, this coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible primary uninsured motorists coverage.

If this Coverage Form and any other Coverage Form or policy providing similar insurance apply to the same "accident", the maximum limit of insurance under all Coverage Forms or policies shall be the highest applicable limit of insurance under any one coverage Form or policy.

When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our coverage Form bears to the total of the limits of all the coverage Forms and policies covering on the same basis.

2. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS is changed by adding the following:
- a. Promptly notify the police if a hit-and-run driver is involved; and
 - b. Promptly send us copies of the legal papers if a “suit” is brought.

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US does not apply.

4. The following Conditions are added:

If we make any payment and the “insured” recovers from another party, the “insured” shall hold the proceeds in trust for us and pay us back the amount we have paid.

ARBITRATION

- a. If we and an “insured” disagree whether the “insured” is legally entitled to recover damages from the owner or driver of an “uninsured motor vehicle” or do not agree as to the amount damages, then the disagreement will be settled in accordance with the rules of the American Arbitration Association. However, if the “insured” requests, we and the “insured” will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the “insured’s” request, either party may request that arbitration be submitted to the American Arbitration Association. We will bear all the expenses of the arbitration except when the “insured’s” recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law.

If this occurs, the “insured” will be responsible for payments of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the “insured’s” recovery exceeds the statutory minimum.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the “insured” lives. Local rules of law as to arbitration procedure and evidence will apply. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding.

F. ADDITIONAL DEFINITIONS

The following are added to the DEFINITIONS Section:

1. “Family member” means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. “Occupying” means in, upon, getting in, on, out or off.
3. “Uninsured motor vehicle” means a land motor vehicle or trailer:
 - a. For which no liability bond or policy at the time of an “accident” provides at least the amounts required by the applicable law where a covered “auto” is principally garaged; or
 - b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - c. Which is a hit-and-run vehicle and neither the driver

nor owner can be identified. The vehicle must hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying".

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned operated by any self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed for use mainly off public roads while not on public roads.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ILLINOIS UNDERINSURED
MOTORISTS COVERAGE**

CA 21 38
(Ed. 04-01)

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective*

Countersigned By:

Named Insured*

(Authorized Representative)

SCHEDULE

Limit of Insurance

\$ Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. COVERAGE

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "underinsured motor vehicle." The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the

ownership, maintenance or use of the “underinsured motor vehicle”.

2. We will pay only after all liability bonds or policies have been exhausted by payment of judgments or settlements, unless:
 - a. We have been given prompt written notice of a “tentative settlement” and decide to advance payment to the insured in an amount equal to that “tentative settlement” within 30 days after receipt of notification or
 - b. We and an “insured” have reached a settlement agreement”.
3. Any judgment for damages arising out of a “suit” brought without written notice to us is not binding on us.

B. WHO IS AN INSURED

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are “insureds”:
 - a. The Named Insured and any “family members”
 - b. Anyone else “occupying” a covered “auto” or a temporary substitute for a covered “auto”. The covered “auto” must be out of service because of its breakdown, repair, servicing, “loss” or destruction.
 - c. Anyone else “occupying” an “auto” you do not own that is a covered “auto” under this Coverage Form for Liability Insurance.
 - d. Anyone for damages he or she is entitled to recover because of “bodily injury” sustained by another “insured”.
2. A partnership, limited liability company, corporation or any other form of organization, then the following are “insured’s”:
 - a. Anyone “occupying” a covered “auto” or a substitute for a covered “auto”. The covered “auto” must be out of service because of its breakdown, repair, servicing, “loss” or destruction.
 - b. Anyone else “occupying” an “auto” you do not own that is a covered “auto” under this Coverage Form for Liability Insurance.
 - c. Anyone for damages he or she is entitled to recover because of “bodily injury” sustained by another “insured”.

C. EXCLUSIONS

This insurance does not apply to any of the following:

1. The direct or indirect benefit of any insurer under any workers’ compensation, disability benefits or similar law.
2. “Bodily Injury” sustained by:
 - a. An individual Named Insured while “occupying” or when struck by any vehicle owned by that Named Insured that is not covered “auto” for Underinsured Motorists Coverage under this Coverage Form;
 - b. Any “family member” while “occupying” or when struck by any vehicle owned by that “family member” that is not a covered “auto” for Underinsured Motorists Coverage under this Coverage Form; or
 - c. Any “family member” while “occupying” or when struck by any vehicle owned by the Named Insured that is

insured for Underinsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. Punitive or exemplary damages.

D. LIMIT OF INSURANCE

1. Regardless of the number of covered “autos”, “insured’s”, premiums paid, claims made or vehicles involved in the “accident”, the most we will pay for all damages resulting from any one “accident” is the Limit of Insurance for Underinsured Motorists Insurance shown in this endorsement.
2. Except in the event of a “settlement agreement”, the Limit of Insurance for this coverage shall be reduced by all sums paid or payable:
 - a. By or for anyone who is legally responsible, including all sums paid under this Coverage Form’s Liability Coverage.
 - b. Under any worker’s compensation, disability benefits or similar law. However, the Limit of Insurance for this coverage shall not be reduced by any sums paid or payable under Social Security disability limits.
 - c. Under any automobile medical payment coverage.
3. In the event of a “settlement agreement”, the maximum Limit of Insurance for this coverage shall be the amount by which the limit of insurance for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the “underinsured motor vehicle”.
4. No one will be entitled to receive duplicate payments for the same elements of “loss” under this Coverage Form and any Liability Coverage Form.

E. CHANGES IN CONDITIONS

The Conditions are changed for Underinsured Motorists Insurance Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance—Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage.

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) 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 on a

primary basis.

- (2) 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 on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit or Loss is changed by adding the following:

- a. Give us written notice of a “tentative settlement” and allow us to advance payment in an amount equal to that settlement within 30 days after receipt of notification to preserve our rights against the owner or operator of the “underinsured motor vehicle”.
- b. File “suit” against the owner or operator of the “underinsured motor vehicle” prior to the conclusion of a “settlement agreement”. Such “suit” cannot be abandoned or settled without giving us written notice of a “tentative settlement” and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the “underinsured” motor vehicle”.
- c. Promptly send us copies of the legal papers if a “suit” is brought.

3. Legal Action Against Us is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us Under this Coverage Form must be brought within two years after the date of the “accident”. However, this Paragraph 3.b. does not apply if, within two year after the date of the “accident”.
 - (1) Arbitration proceedings have commenced in accordance with the provisions of this Coverage Form; or
 - (2) The "Insured" has filed an action for “bodily injury” against the owner or operator of an “underinsured motor vehicle”, and such action is:
 - (a) filed in a court of competent jurisdiction; and
 - (b) not barred by the applicable statute of limitations.

In the event that the two year time limitation identified in this condition does not apply, the applicable state statute of limitations will govern legal action against us under this Coverage Form.

4. The following is added to Transfer Of Rights Of Recovery Against Other To Us:

Transfer of Rights Of Recovery Against Others To Us B does not apply to damages caused by an “accident” with an “underinsured motor vehicle” if we:

- a. Have been given written notice of a “tentative settlement” between an “insured” and the insurer of an “underinsured motor vehicle”, and
- b. Fail to advance payment to the “insured” in an amount equal to the “tentative settlement” written 30 days after receipt of the notice.

If we advance payment to the “insured” in an amount equal to the “tentative settlement” within 30 days after receipt of notice:

- a. That payment will be separate from any amount the “insured” is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We will also have a right to recover the advanced payment.

However, in the event of a “settlement agreement”, we shall be entitled to recover only for amounts which exceed the limit of liability bonds or policies applicable to the owner or operator of the “underinsured motor vehicle”.

5. The following Conditions are added:

REIMBURSEMENT AND TRUST

If we make any payment and the “insured” recovers from another party, the “insured” shall hold the proceeds in trust for us and pay us back the amount we have paid.

However, in the event of a “settlement agreement”, we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the “underinsured motor vehicle”.

ARBITRATION

- a. If we and an “insured” disagree whether the “insured” is legally entitled to recover damages from the owner or driver of an “underinsured motor vehicle” or do not agree as to the amount of the damages, then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the “insured” lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

F. ADDITIONAL DEFINITIONS

As used in this endorsement:

1. “Family Member” means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured’s household, including a ward or foster child.
2. “Occupying” means in, upon, getting in, on, out or off.
3. “settlement agreement” means we and an “insured” agree that the “insured” is legally entitled to recover, from the owner or operator of the “underinsured motor vehicle”, damages for “bodily injury” and, without arbitration, agree also as to the amount of damages. Such agreement is final and binding regardless of any subsequent judgment or settlement reached by the “insured” with the owner or operator of the “underinsured motor vehicle”.

4. "Tentative settlement" means an offer from the owner or operator of the "underinsured motor vehicle" to compensate an "insured" for damages incurred because of "bodily injury" sustained in an accident involving an "underinsured motor vehicle".
5. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but their limits are less than the limit of this coverage. However, "underinsured motor vehicle" does not include any vehicle:
 - a. Owned or operated by any self-insurer under any applicable motor vehicle law.
 - b. Owned by a governmental unit or agency.
 - c. Designed for use mainly off public roads while not on public roads.
 - d. Which is an "underinsured motor vehicle".

CA 99 03
(Ed. 7-00)

AUTO MEDICAL PAYMENTS COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM

INSURING AGREEMENT

A. We will pay reasonable expenses insured for necessary medical and funeral services to the extent of the policy limits for this coverage because of "bodily injury", but does not include eyeglasses or contact lenses.

1. Caused by accident; and
2. Sustained by an "insured".

We will pay only those expenses incurred for services rendered within 1 year from the date of the accident;

Provided that no such payment shall be made unless the person to or for whom such payment is made shall have executed a written agreement that the amount of such payment shall be applied toward the settlement of any claim or the satisfaction of any judgement for damages entered in this favor, against any insured because of bodily injury arising out of any accident to which the Liability Coverage applies.

B. "Insured" as used in the Part means:

1. You or any "family member":
 - a. While "occupying"; or
 - b. As a pedestrian when struck by:
A motor vehicle designed for use mainly on public roads or a trailer of any type.
2. Any other person while "occupying" "your covered auto."

EXCLUSIONS

We do not provide Medical Payments Coverage for any "insured" for "bodily injury":

1. Sustained while "occupying" any motorized vehicle having fewer than four wheels.

2. Sustained while “occupying” “your covered auto” when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. sustained while “occupying” any vehicle located for use as a residence or premises.
4. Transporting person(s) in the course of any commercial activity.
5. Occurly during the course of employment if workers’ compensation benefits are required or available for the “bodily injury.” There will be no coverage for an occurrence wherein there is a claim made for the workers’ compensation benefits and any recovery is made therefrom. Such an event will place that occurrence outside of any coverage for the bodily injury or medical damages under this policy.
6. Sustained while “occupying,” or when struck by, any vehicle (other than “your covered auto”) which is:
 - a. Owned by you; or
 - b. Furnished or available for your regular use.
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
 - B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and:
 1. Part A or Part C of this policy; or
 2. Any Underinsured Motorists Coverage provided by this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.