



## **CAR INSURANCE POLICY**

**This policy is a binding legal contract between YOU and US.**

YOU and any person seeking coverage under this policy have duties, described in this contract, in order for coverage to apply.

**PLEASE READ YOUR POLICY CAREFULLY**

**IF YOU HAVE ANY QUESTIONS, PLEASE  
CONTACT YOUR LOCAL AGENT**

## WHERE TO LOOK FOR POLICY INFORMATION

**This policy is a legal and binding contract between YOU and US. WE provide only those coverages shown on YOUR Declarations page with a specific premium shown. PLEASE READ THIS POLICY CAREFULLY.**

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## PREMIUM PAYMENT CONDITIONS

If all or part of the premium payment for a new policy, a renewal policy, or for a change to this policy, is by check or draft, and said check or draft is not honored by the Payor Bank, regardless of the reason, all coverage provided by this policy is rescinded for the policy period or change to this policy, as if the insurance was never purchased, regardless of whether a policy, renewal certificate, endorsement, identification card, or proof of insurance has been issued.

**YOUR** policy will be issued based on the information contained in **YOUR** application for insurance. In the event the premium remitted to **US** with **YOUR** application is not sufficient to purchase thirty days of coverage under this policy, the result will be a pro-rated policy period less than thirty days. This occurs for a variety of reasons, the most common being the addition of accidents and violations obtained from motor vehicle records ordered as part of the underwriting of **YOUR** application, which cause an increase in the premium. **YOU** will be notified of the term of **YOUR** policy, specific reasons for any difference in premium if known, and the premium required to renew **YOUR** policy for a subsequent term. If **YOU** require additional information regarding the determination of premium for **YOUR** policy, **YOU** must submit a written request for such information and **WE** must respond to **YOU** in writing within twenty-one days of receipt of **YOUR** written request. **WE** will not refund any premium when the information on the application is clearly misstated or omitted.

**YOUR** payment for renewal of this policy must be postmarked by the U.S. Post Office or received and accepted by **US** or **YOUR** local agent prior to the expiration date of this policy in order for coverage to continue without a gap in coverage. Payment of any premium amount less than 50% of the minimum payment requested in **OUR** premium billing will not be accepted by **US** and will be considered as non-payment of premium and all coverages afforded by this policy terminate on the expiration date shown on the premium billing, without any further notice from **US**. Payment of any premium amount 50% or greater but less than 100% of the thirty day minimum payment requested in **OUR** premium billing will result in a pro-rated policy period less than thirty days.

## PREMIUM RATE INCREASES

**YOUR** premium rates are determined by **OUR** rules and rates filed with **YOUR** state insurance department. Factors determining **YOUR** premium rates include, but are not limited to: garaging location of **YOUR car(s)**; type, use, age, repair cost and theft experience of **car(s)**; **OUR** experience for drivers of **YOUR** age, sex, marital status, and past driving or claims records.

**WE** use a point system for driving records, increasing premium rates for traffic violations and chargeable accidents.

However, **OUR** premium rates are also based on the frequency and severity of **accidents and losses** in **YOUR** territory, **OUR** underwriting, claims, legal, and other costs, and **OUR** right to earn a profit. Base premium rates generally increase when overall costs rise as a result of inflation.



## Key Insurance Company Privacy and Security Statement

Protecting you from loss is important to Key Insurance Company. Just as important to us is protecting your privacy and the personal information we use to provide you with superior products and service.

At Key Insurance Company, our policy is to maintain appropriate confidentiality with regard to all personal information obtained in the course of doing business with you. Our pledge to protect your privacy is reflected in this Privacy Statement which outlines our principles in collecting, using and safeguarding your personal information and information about your relationship with us.

### Collection of Personal Information

Key Insurance Company only collects personal information about you when it is necessary to conduct the business of insurance. We limit the collection of personal information to what we reasonably believe is needed to administer your account. As a result, we collect personal information from the following sources:

- Personal information you share with us either directly or through your agent, such as the information on your application, requested policy change information or other forms you may complete.
- Personal information you provide or which is obtained through the process of handling a claim, including medical information, such as from an accident report.
- Personal information about you from your transactions with us, our affiliates or others such as the number of years you have been a policyholder with Key Insurance Company or the types of coverage you purchase.
- Personal information about you from a consumer reporting agency, such as a credit report or a Motor Vehicle Report. The information in these reports may be retained by the consumer reporting agency and disclosed to others.

### Disclosure of Personal Information

Key Insurance Company does not disclose any personal information about current or former customers to anyone, except as permitted by law. We may disclose the personal information we collect as follows:

- To consumer reporting agencies for the purposes of obtaining a credit report or a Motor Vehicle Report in order to determine eligibility for coverage or to process your requested transaction.
- To your insurance agent to allow them to perform their normal insurance related services for you.
- To medical professionals in order to process your claim.
- To an insurance regulatory authority pursuant to an examination of our records or business practices.
- To law enforcement or other government agency as require by law or to report suspected fraud activities.
- To actuarial or research organizations to conduct studies regarding claims results and insurance practices provided that no individual is identified in any study or report.
- To our affiliates for processing or marketing of our insurance related products or services.
- To group policyholders for the purpose of reporting claims experience or conducting an audit of our operations.

When possible, we advise our vendors and other nonaffiliated third parties, to who we legally provide your personal information in the course of conducting our insurance business, of our privacy policy. We make every effort to use vendors whose approach to customer privacy reflects our own.

### Security of Personal Information

Key Insurance Company uses a variety of tools to maintain physical, electronic and procedural safeguards that comply with applicable federal and state regulations to guard your personal information. We restrict access to personal information about you to only those employees who need that information to provide products or services to you.

### Your Ability to Access and Correct Your Personal Information

If you wish to review your personal information, please write to the address below and provide your full name, address and policy number(s). To better protect you, please have your request notarized so that we can ensure the identity of the person requesting the information.

Within 30 business days we will honor your request by allowing you to see and copy your information in person or, if you prefer, provide you a copy of your information. You will not be given access to information collected or in connection with a claim, or a civil or criminal proceeding involving you. If medical information is contained in your file, we may request you to designate a medical professional to who we will send the information.

If you believe any of our information about you is incorrect, please notify us in writing at the address below. We will review your request and, within 30 business days, let you know if our investigation has resulted in a correction of your information. If we do not believe an error exists, you may file a statement disputing the information. We will attach the statement to your file. We will send any corrections we make or your statement to any person or organization to whom we provide your information within the past two years or how may receive your information from us in the future. Please be aware that we do not control the personal information about you obtained from other third parties such as consumer reporting agencies or Departments of Motor Vehicles. You will need to contact these third parties directly to correct your personal information. We will provide you with the name and address of these third parties.

**Notification of Change**

At Key Insurance Company, your trust is one of our most important assets. We will continually work to protect the privacy of our individual customers and will continually review our privacy policy. If at some point in the future we revise our privacy practices that affect your personal information, we will notify you prior to introducing any changes.

**For More Information or if you have Questions**

Should you have further questions regarding our privacy policy, you can contact us either by mail or phone. You may directly call at 1-877-KEYINSCO, or you can write to us at:

Key Insurance Company  
PO Box 2014  
Shawnee Mission, KS 66201

## **FRAUDULENT INSURANCE ACT**

The commission of a **FRAUDULENT INSURANCE ACT** is a serious offense and may have unexpected consequences under this policy of insurance and under the law.

A **Fraudulent Insurance Act** means any act committed by **YOU** or any person who knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to **US** or an agent, any written statement as part of, or in support of:

1. an application for the issuance of, or rating of this insurance policy; or
2. a claim for payment or other benefit under this insurance policy;

which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

## **INSURING AGREEMENT**

In return for **YOUR** premium payment when due, and subject to **OUR** premium payment conditions and/or exclusions, **WE** agree to insure **YOU** for the coverages and limits of liability for which a premium is shown on the Declarations page.

This insurance applies only to **car accidents** and **losses** which happen while this policy is in force as shown in the Declarations. **WE** do not provide coverage earlier than the date and time of **YOUR** application for insurance.

**WE** do not insure against **punitive** or **exemplary damages**, or any extra or additional sum of money that a court may award as a means of punishing a person for conduct which has been determined to be willful, wanton, oppressive, fraudulent, malicious, or for making an example of a person, or any conduct that results in such an award based on any state statute or ordinance.

This policy is issued by **US** in reliance upon the statements made in **YOUR** application for insurance. If **YOU** or the applicant made any false statements and/or omissions in **YOUR** application for insurance or in the presentation of a claim, and those false statements and/or omissions are determined to constitute a **fraudulent insurance act**, this policy may not provide any coverage. False statements on **YOUR** application for insurance can include, but are not limited to, failure to disclose: drivers residing in **YOUR** household or regularly driving **YOUR car(s)**; traffic violations and accidents; drivers license suspensions or revocations; commercial use of **YOUR car(s)**; or failure to provide **US** with **YOUR** correct residence address or garage address of **YOUR car(s)**. If false statements and/or omissions are made and determined to constitute a **fraudulent insurance act** and **WE** are required to make payment because of the financial responsibility laws of any state, or because of **OUR** obligation to a loss payee, **WE** have the right to recover all damages and expense from **YOU**.

**WE** may adjust **YOUR** policy period and/or premium rate to reflect correct driving records, or to correct erroneous underwriting or rating information on **YOUR** application for insurance to **OUR** correct rates.

The Declarations page, applicable endorsements, and **YOUR** applications for insurance are part of this policy.

## **DEFINITIONS USED IN THIS POLICY**

The following definitions apply throughout this policy, in addition to the definitions listed under each coverage of this policy:

“**WE**”, “**US**”, and “**OUR**” means Key Insurance Company.

“**YOU**” and “**YOUR**” means the person shown as the named insured on the Declarations page and that person’s spouse, if residing in the same household.

“**Bodily injury**” means bodily harm or death, caused by a **car accident**.

“**Property damage**” means physical damage to or destruction of tangible property, including loss of use, caused by a **car accident**.

“**Accident**” means a sudden and unexpected or unintentional occurrence during the policy period, resulting in **bodily injury** or **property damage** that is neither expected nor intended, arising from the ownership, maintenance or use of a **car** or a **motor vehicle**.

“**Car**” means a four wheel private passenger land motor vehicle licensed for use on public highways, including pickups, vans and utility vehicles with a rated load capacity of 2,000 pounds or less, not used for business purposes. **Car** does not include motorcycles, mopeds, or all terrain vehicles.

“**Owned car**” means a **car** **YOU** have property in, title to, or lease from a licensed **car** leasing company on a written agreement covering a continuous period of six months or more. **WE do not** consider a **car** leased from an individual or a **car** rented from a **car** rental agency as an **owned car**.

“**Replacement car**” means a **car** which **YOU** purchase, or lease from a licensed **car** leasing company on a written agreement covering a continuous period of six months or more, replacing a **car** shown on the Declarations page, provided **YOU** notify **US** within 14 days of its’ acquisition. **WE do not** consider a **car** leased from a private party, or a car rented from a **car** rental agency as a **replacement car**.

“**Non-owned car**” means a **car** (1) not shown on the Declarations page, and (2) not leased or **owned**, in whole or in part, by **YOU**, a **relative**, the spouse of a **relative**, or a driver named on **YOUR** application for insurance or added to this policy, and (3) not provided to and/or made available for regular use by **YOU**.

“**Insured car**”, for **LIABILITY, MEDICAL PAYMENTS, or UNINSURED/UNDERINSURED MOTORIST** coverage means a **car** shown on the Declarations page with a premium shown for the coverage; or a **utility trailer** towed by an **insured car**; a **replacement car**; or an additional **car** **YOU** acquire during the policy period, provided **WE** insure all **cars** **YOU** own when **YOU** acquire the additional **car** and **YOU** add it to this policy within 14 days of acquisition. **Insured car** for **LIABILITY, MEDICAL PAYMENTS, or UNINSURED/UNDERINSURED MOTORIST** coverage also includes **occasional use of non-owned cars**, with permission of the owner, by **YOU**, or by a driver named in **YOUR** application for insurance or added to this policy prior to a **loss**. **WE do not** provide coverage for repair or replacement of the non-owned **car** **YOU** borrow.

“**Insured car**” for **PERSONAL INJURY PROTECTION** coverage means a **motor vehicle** of which **YOU** or any **relative** is the owner and with respect to which the **bodily injury** liability coverage of the policy applies, for which a specific premium is charged, and to which **YOU** are required to maintain security under the Kansas Automobile Injury Reparations Act.

“**Insured car**” for **PHYSICAL DAMAGE** coverage means a **car** shown on the Declarations page with a premium shown for the coverage; or a **replacement car**, provided **YOU** notify **US** of the **replacement car** within 14 days of acquisition and the **car** being replaced appears on the Declarations page with a premium shown for **PHYSICAL DAMAGE** coverage.

“**Motor vehicle**” means a self-propelled vehicle of a kind required to be registered in Kansas, including any trailer, semi-trailer

“**Utility trailer**” means a trailer designed to be towed by a private passenger **car**, including a farm wagon or implement.

“**Loss**” means sudden and direct accidental loss of or physical damage to **YOUR insured car** that is neither intended nor expected.

“**Medical expenses**” means and includes all reasonable and necessary medical, surgical, chiropractic and dental treatment, professional nursing, hospital, X-ray, ambulance and funeral services and prosthetic devices. This also includes services recognized and permitted under the laws of Kansas for an **injured person** who relies upon spiritual means through prayer alone for healing in accordance with such person’s religious beliefs.

“**Insured person**” for **LIABILITY, PERSONAL INJURY PROTECTION, MEDICAL PAYMENT and PHYSICAL DAMAGE** coverage means **YOU** and any other person while using **YOUR insured car** with **YOUR** permission and within the scope of that permission.

“**Insured person**” for **UNINSURED/UNDERINSURED MOTORIST** coverage means **YOU** and **YOUR relative** while **occupying YOUR insured car** or while a pedestrian, and any other person **occupying YOUR insured car**. **Insured person** for **UNINSURED/UNDERINSURED MOTORIST** coverage also means any person for damages that person is entitled to recover because of **bodily injury**, to which this coverage applies, sustained by **YOU, YOUR relative**, and any other person **occupying YOUR insured car**.

“**Relative**” means a person residing in the same household as **YOU** who is related to **YOU** by blood, marriage or adoption, including a ward or foster child, and who usually makes such person’s home in the same family unit, whether or not temporarily living elsewhere.

“**Occupying**” means being in or on a **car** as an operator or passenger, or being engaged in the immediate acts of entering or exiting from a **car**.

“**Negligent entrustment**” means knowingly entrusting, lending, permitting, furnishing, or supplying an automobile to an incompetent or habitually careless driver. An incompetent driver is one, who by reason of age, experience, physical or mental condition, known habits of recklessness, or for any other reason is incapable of operating a vehicle with ordinary care.

“**Punitive or Exemplary Damages**” means any extra or additional sum of money that a court may award as a means of punishing a person for conduct which has been determined to be willful, wanton, oppressive, fraudulent, malicious, and /or awarded for the sake of making an example of a person, or any conduct that results in such an award based on any state statute or ordinance.

“**Occasional use**” means use of a **car**, requiring permission each time it is used, not exceeding use for a continuous period of 15 days.

### **REPORTING A CLAIM – DUTIES AFTER AN ACCIDENT OR LOSS**

If **YOU** or any person seeking any coverage under this policy are involved in an **accident** or have a **loss**, **WE** must be contacted as soon as reasonably possible. If **YOU** or any person seeking coverage under this policy fail to report an **accident** or **loss** to **US** promptly, or fail to cooperate with **US** in the investigation and settlement of an **accident** or **loss**, or fail to allow **US** to inspect **YOUR car** prior to its repair or disposal, **WE** may not provide any coverage.

**The following is information YOU or any person seeking coverage under this policy must provide US. The information must be truthful and accurate:**

- (a) **YOUR** name, address, and telephone number where **YOU** can be contacted;
- (b) the hour, date, place and facts of the **accident** or **loss**;
- (c) the name of the investigating police department, if any;
- (d) the names and addresses of all persons or witnesses involved;
- (e) the current location of **YOUR car** and whether it is drivable or not.

#### **YOUR additional duties:**

When there is an **accident** or **loss** **YOU** or any person seeking coverage under this policy must cooperate with **US** and assist **US** in any reasonable manner, which includes but is not limited to the following:

- (a) in making settlements;
- (b) by securing and giving evidence;
- (c) by delivering to **US**, within 72 hours of receipt, any correspondence or legal papers received relating to a claim or suit;
- (d) by appearing, testifying and getting witnesses to testify at hearings or trials only as **WE** shall direct;
- (e) by giving the representative(s) **WE** designate, statements, including statements under oath, as often as **WE** reasonably request and at a time and place designated by **US**.

#### **If YOUR car is damaged or stolen YOU must:**

- (a) make a report to the police, within 24 hours of the **loss**, for losses involving theft or vandalism;
- (b) protect **YOUR** damaged car. **WE** will pay any reasonable expense incurred;
- (c) show **US** the damage before repair or disposal of the **car**, when **WE** ask;
- (d) provide **US** with all pertinent records, receipts and invoices that **WE** request, or certified copies of them.

#### **YOUR additional duties:**

**YOU** and any person making claim for “**MEDICAL PAYMENTS**”, “**UNINSURED MOTORIST**” OR “**UNDERINSURED MOTORIST**” coverage must:

- (a) give **US** all details about the death, injury, treatment, and any other pertinent information **WE** request;

- (b) authorize **US** to obtain all medical reports and records. If the person is deceased or unable to act, their legal representative must authorize **US** to obtain all medical reports and records;
- (c) be examined by doctors chosen and paid by **US**, as often as **WE** reasonably require. **WE** will provide a copy of the examiner's report to the person examined upon written request of the person or their legal representative;
- (d) if the **accident** involves a "**hit and run**" vehicle, **YOU** must report the **accident** to the police, and notify **US** as soon as reasonably possible.

**YOUR additional duties:**

**YOU** must not voluntarily, except at **YOUR** own expense:

- (a) make any payment or assume any obligation to others;
- (b) incur any expenses, other than for emergency first aid to others;
- (c) enter into any settlement agreement or release with others without **OUR** knowledge and written consent;
- (d) appear in court without prior notice and notification to **US**.

**DUPLICATE PAYMENT - ALL POLICY COVERAGES**

**WE DO NOT PROVIDE DUPLICATE PAYMENT FOR ANY ACCIDENT OR LOSS COVERED UNDER MORE THAN ONE COVERAGE OR POLICY ISSUED BY US.**

**ANY PAYMENT MADE BY US TO ANY INSURED PERSON UNDER MEDICAL PAYMENTS OR PERSONAL INJURY PROTECTION COVERAGE OF ANY POLICY ISSUED BY US WILL BE DEDUCTED FROM ANY DAMAGES PAID UNDER THE LIABILITY OR UNINSURED/UNDERINSURED MOTORIST COVERAGES OF THIS POLICY.**

**LIABILITY COVERAGE**

**WE** will pay damages, excluding **punitive or exemplary damages**, for which an **insured person** is legally obligated because of **bodily injury** or **property damage** resulting from an **accident** involving an **insured car**. **WE** do not provide any coverage for claims of **negligent entrustment**.

**WE** will defend any lawsuit or settle any claim for these damages as **WE** think proper. **OUR** obligation to defend a lawsuit ends when the amount **WE** pay or offer to pay equals **OUR** limit of liability coverage.

**LIMITS OF LIABILITY**

**WE** will pay up to the limit of liability shown on the Declarations page subject to the following:

The **BODILY INJURY** liability limit for "each person" is the most **WE** will pay for **bodily injury** and loss of consortium suffered by any one person, resulting from any one **accident**, including all spousal claims and claims for care and loss of services.

The **BODILY INJURY** liability limit for "each **accident**" is the most **WE** will pay for **bodily injury** and loss of consortium suffered by two or more persons, resulting from any one **accident**, including all spousal claims and claims for care and loss of services.

The **PROPERTY DAMAGE** liability limit for "each **accident**" is the most **WE** will pay for all damage to all property, including loss of use, resulting from any one **accident**.

**WE** will pay no more than the **BODILY INJURY** or **PROPERTY DAMAGE** liability limits shown on the Declarations page for any one **car**, even though a separate premium is charged for each **car**, regardless of the number of **cars** shown on the Declarations page, or the number of **insured persons**, or the number of claims or claimants, or the number of policies issued by **US**, or the number of **cars** involved in the **accident**.

If two or more **motor vehicle** liability policies apply to the same **accident**, the total limits of liability under all such policies shall not exceed that of the policy with the highest limit of liability.

Any amount payable under this coverage, to or for an **insured person**, will be reduced by the amount of any payment made to that person under any **UNINSURED OR UNDERINSURED MOTORIST** or **MEDICAL PAYMENTS** coverage of this policy.



## ADDITIONAL PAYMENT – LIABILITY COVERAGE

When **WE** defend an **insured person**, **WE** will pay, in addition to **OUR** limit of liability:

1. All costs **WE** incur in the settlement of any claim or defense of any lawsuit, including premiums on appeal and attachment bonds, but only for bonds which are not more than **OUR** limit of liability.
2. Interest on damages awarded in any lawsuit **WE** defend until **WE** have paid, offered to pay, or deposited in court, an amount of interest equal to **OUR** limit of liability.
3. Reasonable expenses an **insured person** incurs at **OUR** request, including up to \$50 per day for actual loss of wages, if **WE** ask the **insured person** to attend hearings or a trial.
4. An **insured person's** expense for emergency first aid to others at the scene of an **accident** involving any **insured car**.

## NAMED NON-OWNER POLICY

When “**NAMED NON-OWNER**” policy is shown on the Declarations page, **WE** insure one named operator instead of a **car**. The following changes apply to the liability coverage afforded by this policy:

1. **WE do not** insure a particular **car**. **WE** insure one named operator only, the Named Insured, to drive any **non-owned car** or “**newly acquired car**”. **WE PROVIDE NO COVERAGE FOR ANY OPERATOR EXCEPT THE NAMED INSURED.**
2. The definition of **YOU** and **YOUR** is replaced in its entirety by “the person shown on the Declarations page as Named Insured and no other person”.
3. The definition of “**newly acquired car**” means any **car YOU** become the owner of if **YOU** acquire the **car** during the policy period and notify us within 14 days of acquisition.

## FINANCIAL RESPONSIBILITY LAWS

When **WE** certify this policy as “Proof of Financial Responsibility” by filing an SR-22 or other financial responsibility form in a particular state, this policy will comply with the minimum financial responsibility requirements, and only those minimums, in that state.

## OTHER INSURANCE

For a **car** shown on the Declarations page or a **replacement car**, if there is any other liability insurance which covers **YOUR** or any **insured person's** liability applicable to an **accident**, then this policy, including our obligation to defend, will apply only as excess above any other insurance.

If this policy is a “**NAMED NON-OWNER**” policy, or for an **accident** involving an **insured person's occasional use** of a **non-owned car**, **OUR LIABILITY** coverage applies as excess coverage only, payable over any other applicable liability insurance.

## LIABILITY COVERAGE EXCLUSIONS

**PLEASE READ CAREFULLY. THESE ARE SITUATIONS WHICH ARE NOT COVERED BY THE LIABILITY COVERAGE SECTION OF THIS INSURANCE POLICY.**

1. Any **car**, while used to carry people or property for a fee, except a shared-expense carpool.
2. Intentional or expected damage caused by **YOU**, at the direction of **YOU**, a **relative**, or by any other person using **YOUR insured car**.
3. Any **car**, located inside a facility for racing, for the purpose of competing in or practicing or preparing for any prearranged or organized racing, speed contest, pulling activity, or demolition or stunt driving to the extent that the limits of liability for this coverage exceed the limits of liability required by the Kansas Automobile Injury Reparations Act.
4. **Bodily injury** to an employee or fellow employee of an **insured person**, arising in the course of employment, except **YOUR** domestic employee who is not covered, or required to be covered, by workman's compensation benefits.
5. Any obligation of an **insured person** to indemnify another for **bodily injury** to the **insured person's** employee due to an **accident** arising out of and in the course of such employee's employment.
6. Damage to property owned by, rented to, used by, in the custody of, or being transported by, an **insured person**, except damage to a residence or private garage leased or rented to an **insured person**.
7. **Bodily injury** or **property damage** involving the ownership, maintenance or use of any motor vehicle not shown on the Declarations page, except coverage provided by this policy for **replacement cars**, newly acquired additional **cars**, or **occasional use of non-owned cars**.

8. **Bodily injury or property damage** caused by the handling of property before it is moved from the place where it is accepted by the **insured person** for movement into or onto the **insured car**, or after it is moved from the **insured car** to the place where it is finally delivered by the **insured person**.
9. **Bodily injury or property damage** caused by the movement of property by a mechanical device, other than a hand truck, not attached to the **insured car**.
10. **Bodily injury or property damage** caused by the dumping, discharge or escape of irritants, pollutants or contaminants. However, this exclusion does not apply if the discharge is sudden and accidental.
11. **Bodily injury or property damage** for which an **insured person** is an insured under a nuclear energy liability policy.
12. Any damages sustained while a **car** is driven or in the care, custody or control of any person, except **YOU**, while engaged in the business of selling, servicing, repairing, storing, parking, delivering, or testing motor vehicles.
13. Liability assumed by **YOU** under any contract or agreement.
14. **Bodily injury or property damage** caused by any **car YOU** have sold, rented, leased or relinquished ownership of.
15. Any obligations for which the United States Government could be liable under the Federal Tort Claim Act.
16. **Bodily injury or property damage** caused by any person using a **car** without your expressed or implied consent.

## PERSONAL INJURY PROTECTION

We will pay in accordance with the Kansas Automobile Injury Reparations Act personal injury protection benefits for **medical expenses, rehabilitation expenses, work loss, essential service expenses, funeral expenses and survivor's loss** incurred with respect to **bodily injury** sustained by an **injured person** caused by a **car accident** arising out of the ownership, operation, maintenance or use of a **motor vehicle**.

### ADDITIONAL DEFINITIONS – PERSONAL INJURY PROTECTION

“**Damages**” means the cost of compensating those who suffer **bodily injury** from a **car accident**.

“**Essential service expenses**” means appropriate and reasonable expenses incurred in obtaining ordinary and necessary services in lieu of those that, but for the **bodily injury**, the **injured person** would have performed for the benefit of such person or such person's family.

“**Funeral expenses**” means funeral, burial or cremation expense incurred.

“**Injured person**” means **YOU** or any **relative** if that person sustains **bodily injury** while **occupying a motor vehicle** or, while a **pedestrian**, through being struck by a **motor vehicle**. **Injured person** also means any other person, who sustains **bodily injury** while **occupying** or operating the **insured car**, with **YOUR** permission, or while a **pedestrian**, through being struck by the **insured car**.

“**Monthly earnings**” means one-twelfth of the annual earnings, at the time the **bodily injury** was sustained, of an **injured person** who is regularly employed or self-employed, or one twelfth of the anticipated annual earnings of an **injury person** who is not regularly employed or self-employed, or who is unemployed, from the time he or she would reasonably have been expected to be so employed. Anticipated annual earnings of an unemployed **injured person** who has previously been employed or self-employed shall be calculated by averaging the annual compensation of such person for a period not to exceed five years preceding the year of such person's **bodily injury**, during which such person was employed, or with respect to **survivor's loss** in the event of death of an **injured person**, who was a social security recipient or a retirement or pension benefit recipient, or both, at the time of such **injured person's** death, one twelfth of the annual amount of the difference between the annual amount of social security benefits or retirement benefits, or both, which the **injured person** was receiving at the time of such person's death and the annual amount of social security benefits or retirement benefits, or both, that the **survivor** is receiving after the time of such **injured person's** death.

“**Pedestrian**” means any person not **occupying** a self-propelled vehicle.

“**Rehabilitation expenses**” means all reasonable expenses incurred for necessary psychiatric services, occupational therapy and such occupation training and retraining as may be reasonably necessary to enable the **injured person** to obtain suitable employment.

“**Survivor**” means a deceased **injured person's** spouse, or child under the age of eighteen, where such **injured person's** death resulted from **bodily injury**.

“**Survivor's loss**” means total allowances to all **survivors** for loss after an **injured person's** death to such person's **monthly earnings**, and **essential service expenses** incurred after such person's death, reduced by the amount of any expenses of the **survivors** which have been avoided by reason of such person's death.

“**Work loss**” means loss during the **injured person's** lifetime of **monthly earnings** due to such person's inability to engage in available and appropriate gainful activity, provided the **bodily injury** sustained is the proximate cause of such liability.

## PERSONAL INJURY PROTECTION COVERAGE EXCLUSIONS

This coverage does not apply to **bodily injury** sustained by:

1. **YOU** or any **relative** while **occupying** any **motor vehicle** owned by **YOU**, other than an **insured car**; or
2. anyone operating the **insured car** without **YOUR** expressed or implied consent, or outside the scope of that consent; or
3. anyone who causes intentional **bodily injury** to him or herself; or
4. anyone who is an intentional converter of a **motor vehicle** at the time such **bodily injury** is sustained; or
5. anyone who is injured as a result of conduct within the course of a business of repairing, servicing or otherwise maintaining **motor vehicles** unless such conduct occurred off the business premises; or
6. anyone who is injured as a result of conduct in the course of loading or unloading a **motor vehicle** unless the conduct occurred while **occupying** such **motor vehicle**; or
7. by anyone, other than **YOU**, if such person is the owner of a **motor vehicle** with respect to which security is required by the Kansas Automobile Injury Reparations Act; or
8. anyone, other than **YOU**, injured while **occupying** or when struck by any **motor vehicle**, other than the **insured car**, with respect to which the security required by the Kansas Automobile Injury Reparations Act is in effect; or
9. anyone, other than **YOU**, who is not a resident of Kansas while not **occupying** the **insured car**; or
10. anyone who is injured as a result of the use of any **car** **YOU** have sold, rented, leased or relinquished ownership of; or

## LIMITS OF PERSONAL INJURY PROTECTION

Regardless of the number of persons or organizations insured, policies or bonds applicable, claims made or **insured cars** to which this coverage applies, the most **WE** will pay for personal injury protection benefits for **bodily injury** sustained by any one **injured person** in any one **car accident** is limited as follows:

**Medical expenses** shall not include **rehabilitation expenses**. The maximum amount payable shall not exceed \$4,500.

**Rehabilitation expenses** shall not include **medical expenses**. The maximum amount payable shall not exceed \$4,500.

**Work loss** shall not exceed \$900 per month for a period of no more than one year after the date the **injured person** first becomes unable to engage in available and appropriate gainful activity. **Work loss** shall be limited to 85% of any such **work loss** unless such amount payable is deemed includable in gross income for federal income tax purposes.

**Essential service** expenses incurred during the lifetime of the **injured person** shall not exceed \$25 per day for a period not to exceed 365 days after the date such expenses are first incurred.

**Funeral expenses** shall not exceed \$2,000.

**Survivor's loss** shall not exceed \$900 per month for the loss of **monthly earnings** of the **injured person** and shall not exceed \$25 per day for **essential service expenses**. All **survivor's loss** shall be paid for a period not to exceed one year after the **injured person's** death, less the number of months the **injured person** received **work loss** prior to his or her death.

Any amount payable by **US** under the terms of this coverage shall be reduced by the amount payable on account of such **bodily injury** under any workmen's compensation law or any other similar medical or disability benefits law.

No claim for **PERSONAL INJURY PROTECTION** benefits shall be made after two years from the date of the **bodily injury**.

## POLICY PERIOD, TERRITORY

This coverage applies only to **car accidents** which occur during the policy period in the state of Kansas and with respect to **YOU** and resident **relatives**, while **occupying**, or as a **pedestrian** when struck by, any **motor vehicle**, outside the state of Kansas but within the United States of America, its' territories or possessions and Canada.

## ACTION AGAINST COMPANY

No action shall lie against **US** unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this coverage.

## NOTICE

In the event of a **car accident**, written notice containing particulars sufficient to identify the **injured persons**, and also reasonably obtainable information respecting the time, place and circumstances of the **car accident** shall be given by or on behalf of each **injured person** to **US** or any of **OUR** authorized agents as soon as practicable. If any **injured person**, such person's legal representative or such person's **survivors** shall institute legal action to recover **damages** for **bodily injury**

against a person or organization who is or may be liable in tort therefore, a copy of the summons and complaint or other process served in connection with such legal action shall be forwarded as soon as practicable to **US** by such **injured person**, such person's legal representative or such person's **survivors**.

Any **injured person** who has received benefits and who makes a claim or institutes legal action against any person or organization legally responsible for the **bodily injury** shall give notice of such claim or action to **US** by personal service or by registered or certified mail.

### **MEDICAL REPORTS; PROOF OF CLAIM**

As soon as practicable the **injured person** or someone on such person's behalf shall give to **us** written proof of claim, including full particulars of the nature and extent of the **bodily injuries**, treatment and rehabilitation received and contemplated, and such other information as may assist **US** in determining the amount due and payable. The **injured person** shall submit to physical and mental examinations by physicians selected and paid by **US** when and as often as **WE** may reasonably require.

### **REIMBURSEMENT AND SUBROGATION**

In the event of recovery by the **injured person**, such person's dependents or personal representatives by judgment, settlement or otherwise against a tortfeasor pursuant to K.S.A. 40-3117, or the law of the appropriate jurisdiction, **WE** shall be subrogated to the extent of duplicative personal injury protection benefits provided to date of such recovery and shall have a lien against such recovery and **WE** may intervene in any action to protect and enforce such lien. Whenever any judgment in any such action, settlement or recovery otherwise shall be recovered by the **injured person**, such person's dependents or personal representatives prior to the completion of personal injury protection benefits, the amount of such judgment, settlement or recovery otherwise actually paid and recovered which is in excess of the amount of personal injury protection benefits paid to the date of recovery or such judgment, settlement or recovery otherwise shall be credited against future payments of said personal injury protection benefits.

In the event an **injured person**, such person's dependents or personal representative fails to commence an action against such tortfeasor within 18 months after the date of the **auto accident** resulting in **bodily injury**, such failure shall operate as an assignment to **US** of any cause of action in tort which the **injured person**, the dependents of such person or personal representatives of such person may have against such tortfeasor for the purpose and to the extent of recovery of **damages** which are duplicative of personal injury protection benefits. **WE** may enforce the same in such person's own name or in the name of the **injured person**, representative or dependents of the **injured person** for their benefit as their interest may appear by proper action in any court of competent jurisdiction.

In the event of a recovery pursuant to K.S.A. 60-258a, and amendments thereto, **OUR** right of subrogation shall be reduced by the percentage of negligence attributable to the **injured person**.

Pursuant to this section, the court shall fix attorney fees which shall be paid proportionately by **US** and the **injured person**, such person's dependents or personal representatives in the amounts determined by the court.

### **OTHER INSURANCE**

If two or more insurers or self-insurers are liable to pay personal injury protection benefits for the same injury to any one **injured person**, the maximum benefits payable from all applicable policies shall be the highest limit of any one policy providing such personal injury protection benefits. Personal injury protection coverage shall be afforded in accordance with the following order of priorities, under the policy providing the security required by the Kansas Automobile Injury Reparations Act to:

- FIRST: any **motor vehicle** owned by the **injured person**;
- SECOND: the **motor vehicle** the **injured person** was **occupying** or struck by at the time of the **car accident**; or
- THIRD: the **insured car**, for injury sustained by a resident relative of **YOUR** household while **occupying** or when struck by any **motor vehicle** outside the state of Kansas, who is not a named insured under a separate policy.

### **PAYMENT OF BENEFITS**

Personal injury protection benefits payable under this policy shall be overdue if not paid within 30 days after **WE** are furnished written notice of the fact of covered **bodily injury** and of the amount of the **damages**. **Work loss** payable under this policy shall be paid not less than every two weeks after such notice.

If such written notice is not furnished as to the entire claim, any partial amounts supported by written notice is overdue if not paid within 30 days after such written notice is furnished. Any part or all of the remainder of the claim that is subsequently supported by written notice is overdue if not paid within 30 days after such written notice is furnished to **US**. All overdue payments shall bear simple interest at the rate of 18% per year.

## MEDICAL PAYMENTS COVERAGE

If a premium is shown on the Declarations page for **MEDICAL PAYMENTS** coverage, **WE** will pay reasonable and necessary **medical expenses** incurred by an **insured person**, as a result of a **car accident**, up to **OUR** limit of liability. **WE** will pay expenses incurred within one year from the date of the **car accident**.

For **MEDICAL PAYMENTS** coverage, an “**insured person**” means **YOU**, a **relative**, or a driver named on **YOUR** application for insurance or added to this policy prior to a **loss**, or any other person operating or **occupying YOUR insured car**, provided that use or occupancy is with **YOUR** permission and within the scope of that permission.

## MEDICAL PAYMENTS COVERAGE EXCLUSIONS

**PLEASE READ CAREFULLY. THESE ARE SITUATIONS WHICH ARE NOT COVERED BY THIS POLICY. WE DO NOT PROVIDE MEDICAL PAYMENTS COVERAGE FOR:**

1. **Bodily injury** sustained while **occupying** any vehicle used as a residence or premises.
2. Medical care which the United States Government or its’ military services is required to provide to their employees, members, or dependents.
3. **Bodily injury** incurred during the course and scope of employment, if benefits are payable or required to be provided by workman’s compensation.
4. **Bodily injury** sustained while operating, **occupying**, or being struck by, any vehicle, except a motor vehicle.
5. **Bodily injury** sustained by any person while **occupying** or being struck by any **car** leased or owned, in whole or in part, by **YOU**, a **relative**, the spouse of a **relative**, or a named driver on **YOUR** application for insurance or added to this policy, except a car shown on the Declarations page with a premium paid for **MEDICAL PAYMENTS** coverage.
6. **Bodily injury** sustained by any person while using the **insured car** in the commission of a crime or illegal occupation other than a minor traffic violation.
7. Liability assumed by **YOU** under any contract or agreement.
8. **Bodily injury** sustained by any person while using any **car YOU** have sold, rented, leased or relinquished ownership of.
9. Any obligations for which the United States Government could be liable under the Federal Tort Claim Act.

## MEDICAL PAYMENTS LIMITS

**WE** will pay no more than **OUR** highest limit of liability for **MEDICAL PAYMENTS** coverage shown on the Declarations page for “each person”, regardless of the number of vehicles or premiums shown, the number of **insured persons**, the number of policies issued by **US**, the number of claims or claimants, or the number of vehicles involved in the **accident**.

## OTHER INSURANCE

For injuries sustained in an **accident** while an **insured person** is a pedestrian or **occupying a car** shown on the Declarations page, a **replacement car**, or a newly acquired additional **car**, if there is any other **MEDICAL PAYMENTS** coverage applicable, then this policy will apply only as excess above any other insurance.

When this policy is issued as a “**NAMED NON-OWNER**” policy, or when occupying a **car** or utility trailer **YOU** do not own, **OUR MEDICAL PAYMENTS** coverage applies as excess coverage only, over any other applicable coverage.

## UNINSURED/UNDERINSURED MOTORIST COVERAGE

**WE** will pay damages, excluding **punitive or exemplary damages**, which an **insured person** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle**, for **bodily injury**:

1. Sustained by an **insured person**; and
2. Caused by a **car accident**.

The owner’s or operator’s liability for these damages must result from the ownership, maintenance or use of the **uninsured motor vehicle** or **underinsured motor vehicle**.

Any judgment for damages arising out of a suit filed without **OUR** having been given notice of the suit is not binding on **US**.

## ADDITIONAL DEFINITIONS – UNINSURED/UNDERINSURED MOTORIST COVERAGE

“**Uninsured**” means a **motor vehicle** or trailer of any type which is not insured at the time of the accident, by a **bodily injury** liability policy or bond in the minimum amount prescribed by state law or is insured but with an insurer or bonding company which becomes insolvent or denies coverage.

**Uninsured** also includes a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes an **accident** resulting in **bodily injury** without hitting:

1. **YOU** or any **relative**;
2. A vehicle which **YOU** or any **relative** are occupying; or
3. **YOUR insured** car.

If there is no physical contact with the hit-and-run vehicle, the facts of the **accident** must be proved. **WE** will only accept competent evidence other than the testimony of a person making claim under this or any similar coverage.

“**Underinsured**” means a **motor vehicle** or trailer of any type which is insured at the time of the **accident** by a **bodily injury** liability policy or bond but its limit for **bodily injury** liability is less than the limit of liability for this coverage. However, **Underinsured** does not include any vehicle or equipment to which a **bodily injury** liability policy or bond applies at the time of the accident but the bonding or insuring company becomes insolvent or denies coverage.

**Uninsured** and **Underinsured** does not include a **motor vehicle** or any equipment:

1. Leased or owned, in whole or in part, or furnished or available for the regular use of **YOU**, a **relative**, the spouse of a **relative**, or a driver named in **YOUR** application for insurance or added to this policy.
2. Leased or owned by a self-insurer under any financial responsibility, motor carrier or similar law.
3. Leased or owned by a governmental agency or unit.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

## UNINSURED/UNDERINSURED MOTORIST COVERAGE EXCLUSIONS

**PLEASE READ CAREFULLY. THESE ARE SITUATIONS WHICH ARE NOT COVERED BY THIS POLICY. WE DO NOT PROVIDE UNINSURED/UNDERINSURED MOTORIST COVERAGE FOR:**

1. **Bodily injury** sustained by an **insured person** while **occupying**, or when struck by, any **uninsured motor vehicle** owned by or provided for the regular use of the **insured person**. This includes a trailer of any type used with that vehicle.
2. **Bodily injury** sustained by an **insured person** if the **insured person** or their legal representative accepts a settlement or secures a judgment for a **bodily injury** claim that prejudices **OUR** right to recover payment unless **WE** have given written consent to settle or sue.
3. **Bodily injury** sustained by an **insured person** using a vehicle without a reasonable belief that the **insured person** is entitled to do so. This does not apply to a **relative** using **YOUR insured car** which is owned by **YOU**.
4. Direct or indirect benefit of any insurer or self-insurer under any worker’s compensation or disability benefits law.
5. Any **car YOU** have sold, rented, leased or relinquished ownership of.

## LIMITS OF LIABILITY – UNINSURED/UNDERINSURED MOTORIST COVERAGE

This coverage limit provided for **UNINSURED/UNDERINSURED MOTORISTS** coverage applies separately to damages caused by an **accident** with an **uninsured motor vehicle** or **underinsured motor vehicle**.

The maximum amount **WE** will pay for any one **accident** is limited as follows:

1. The **UNINSURED/UNDERINSURED MOTORIST** liability limit shown on the Declarations page for “each person” is the maximum amount **WE** will pay to anyone for **bodily injury** to any one **insured person** for any one **accident**, including damages for care, loss of services or death.
2. Subject to the **UNINSURED/UNDERINSURED MOTORIST** liability limit shown on the Declarations page for “each person”, the **UNINSURED/UNDERINSUED MOTORIST** liability limit shown on the Declarations page for “each

**accident**", is the maximum amount **WE** will pay to anyone for **bodily injury** to two or more insured persons for any one **accident**, including damages for care, loss of services or death.

3. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and the **LIABILITY** and **MEDICAL PAYMENTS** coverages of this policy.
4. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be held legally responsible.
5. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any workers' compensation or similar law or personal injury protection coverage.

### **ADDITIONAL DUTY**

A person seeking coverage for damages caused by an **accident** with an **underinsured motor vehicle** must:

1. Provide **US** with written notice, by certified mail, of a tentative settlement between the **insured person** and the insuring company of the owner or operator of the **underinsured motor vehicle**; and
2. Allow **US** 60 days after receipt of the written notice to advance payment to that **insured person**, in an amount equal to the tentative settlement, to preserve **OUR** rights against the insuring company, owner or operator of such **underinsured motor vehicle**.

Written notice of a tentative settlement must include written documentation of all damages incurred, copies of all medical bills, and written authorization or a court order to obtain reports from all employers and medical providers.

### **OTHER INSURANCE**

If there is other insurance available under one or more policies or provisions of coverage that is/are similar to the insurance provided under this part of the policy, then:

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing such coverage on either a primary or excess basis.
2. Any insurance **WE** provide under this policy shall be excess over any other applicable insurance.

When this policy is issued as a "NAMED NON-OWNER" policy, or when occupying a **car** or **utility trailer** **YOU** do not own, **OUR UNINSURED/UNDERINSURED MOTORIST** coverage applies as excess coverage only, over any other applicable coverage.

### **ARBITRATION**

After a dispute has arisen, an appraisal or arbitration may take place if **YOU** and **WE** fail to agree on the amount of the loss. However, an appraisal or arbitration will take place only if both **YOU** and **WE** agree, voluntarily, to have the loss appraised or arbitrated.

If so agreed, 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.

Unless both parties agree otherwise, arbitration will take place in the county in which the **insured person** lives. Local rules of law as to procedure and evidence will apply. Any decision agreed to by the arbitrators will not be binding.

### **PHYSICAL DAMAGE COVERAGE**

**WE** will pay for **covered** direct and **accidental loss** or for damage resulting in physical contact to **YOUR insured car**, including its' equipment which was purchased and installed as standard or optional factory equipment from the manufacturer of the car, **MINUS YOUR DEDUCTIBLE SHOWN ON THE DECLARATIONS PAGE**. **YOUR** deductible will be subtracted from each **accident** or **loss**.

**WE** will not pay for depreciation, mileage, or loss of value to **YOUR insured car**, caused by a **covered loss**. Diminished market value is not a covered loss. **WE** will not pay for loss of use, loss of profits or post-repair diminution in value as these do not constitute a **covered** direct loss to **YOUR insured car**. **WE** are not obligated to restore the value of the **car** to that prior to the loss.

**WE** may pay the **loss** in money, or repair or replace a damaged or stolen **car**. **WE** will pay the cost of repairs based on a competitive estimate approved by **US**, or an estimate written by **US** based on competitive prices charged by licensed repair

shops in the area where the car is to be repaired. **WE** may keep all or part of **YOUR insured car**, upon payment to **YOU** of its' agreed or appraised value. **YOU** may not abandon the damaged **car** to **US**. **WE** may at any time before the **loss** is paid or the **car** replaced, return **YOUR insured car**, at **OUR** expense, to **YOU**, or to the address shown on the Declarations page, and repair, or pay **YOU** for any resulting damage.

If **YOUR insured car** is stolen, commencing 48 hours after **YOU** report the theft to the police, **WE** will pay **YOUR** rental car, taxi cab, or "common carrier" transportation expense, up to \$10 per day for a maximum of 30 days, until **YOUR insured car** is recovered, or until we offer to pay **YOU** for the **car**. **YOU** must provide **US** with written proof of **YOUR** cost of transportation.

### **ADDITIONAL DEFINITIONS – PHYSICAL DAMAGE COVERAGE**

"**Covered**" means **loss** involving actual physical contact or collision between **YOUR insured car** and another object, bird or animal, or upset of **YOUR insured car**, or **loss** caused by fire, theft, larceny, vandalism, malicious mischief, missiles, falling objects, windstorm, hail, earthquake, water or flood.

"**Accidental**" means a sudden and direct, unexpected event, arising from the ownership, maintenance or use of **YOUR insured car**.

"**Actual cash value**" means the amount it would cost to replace **YOUR insured car** with a **car** of "like kind and quality", determined by the market value, age, mileage and condition of **YOUR insured car** at the time of **loss**.

### **LIMIT OF LIABILITY – PHYSICAL DAMAGE COVERAGE**

**OUR** maximum payment for **PHYSICAL DAMAGE** coverage is the lesser of:

1. The **actual cash value** of **YOUR insured car**, at the time of **loss**, less any applicable deductible.
2. The amount necessary to repair or replace **YOUR insured car**, at the time of **loss**, less any applicable deductible. Repair or replacement may be made with materials or equipment of "like kind and quality", which may include used, reconditioned, refurbished or aftermarket parts.
3. If **WE** repair **YOUR insured car** with new parts or equipment, **WE** may deduct depreciation and/or betterment. Lack of availability of parts or equipment for repair, shall not constitute the basis for a total loss of **YOUR insured car**.

**OUR** limit of liability is capped at the cost of returning **YOUR** damaged **insured car** to substantially the same physical, operating, and mechanical condition as existed before the loss.

### **PHYSICAL DAMAGE COVERAGE EXCLUSIONS**

**PLEASE READ CAREFULLY. THESE ARE SITUATIONS WHICH ARE NOT COVERED BY THIS POLICY. WE DO NOT PROVIDE PHYSICAL DAMAGE COVERAGE FOR:**

1. Any person involved in an **accident** or **loss** while committing or participating in a crime or an illegal occupation, other than a minor traffic violation.
2. Any **car**, while participating in any prearranged or organized racing, speed contest, pulling activity, demolition or stunt driving.
3. Any **car** used in a business, unless **YOU** have told **US**, and **WE** have agreed to cover that use, prior to an **accident** or **loss**.
4. Damage resulting from manufacturer's defects, wear and tear, freezing, mechanical or electrical breakdown or failure, or road damage to tires.
5. Any equipment, parts or accessories which were not purchased and permanently installed as standard or optional equipment from the manufacturer of the **car**. Examples of equipment, parts, or accessories not covered are:
  - (a) Two way radios (including CB radios), telephones, radio telephones, any device designed for audio or visual recording, amplification, or reproduction including components, accessories, tapes, records, disks or other similar devices.
  - (b) Chrome, alloy, aluminum, magnesium wheels or any custom wheels, or any custom tires or racing slicks.
  - (c) Sun roof, moon roof, T-bar roof, landau roof, bubble dome or window roof, or any custom roof.
  - (d) Tachometers, pressure gauges, engine parts or accessories, or equipment used to either mechanically or structurally modify the performance or appearance of **YOUR car**.
  - (e) Custom paint, striping, decals, murals, graphics, chroming, any custom decorations, upholstery or interior furnishings, including but not limited to, carpet, insulation, furniture, bars, cooking and sleeping facilities.
  - (f) Awnings, TV antennas, CB or other special antennas.



- (g) Tools or personal effects.
  - (h) Travel trailers, campers or custom enclosures for pickup trucks.
  - (i) Alarm or security systems, radar detectors, or electronic equipment.
6. **Loss to YOUR insured car** due to confiscation by any governmental authority, or from any illegal occupation or transportation.
  7. **Loss** or damage to **YOUR insured car** which happened while this policy was not in force.
  8. Embezzlement of **YOUR insured car**, when **YOU** give someone **YOUR car**, or permission to use **YOUR car** and they **do not** return it.
  9. **Loss** to any additional **car YOU** acquire until **YOU** notify **US** of its acquisition, allow **US** to inspect it, and **WE** agree to provide coverage.
  10. **Loss to a non-owned car.**
  11. Liability assumed by **YOU** under any contract or agreement.
  12. Any **car YOU** have sold, rented, leased or relinquished ownership of.
  13. Any obligations for which the United States Government could be liable under the Federal Tort Claim Act.

### **LOSS PAYEE PROVISIONS**

If a loss payee is shown on the Declarations page or on an endorsement to this policy, **WE** may make payment for **PHYSICAL DAMAGE** coverage to **YOU** and/or the loss payee, as interests may appear.

No loss payee shall have any rights greater than **YOUR** rights under this policy.

When **WE** pay a loss payee, **WE** shall be subrogated to the loss payee's right of recovery, to the extent of **OUR** payment.

### **APPRAISAL**

After a dispute has arisen, an appraisal or arbitration may take place if **YOU** and **WE** fail to agree on the amount of the loss. However, an appraisal or arbitration will take place only if both **YOU** and **WE** agree, voluntarily, to have the loss appraised or arbitrated.

If so agreed, each party must select and pay a licensed appraiser. The two appraisers will separately provide a written "**actual cash value**" and amount of loss report. If the two appraisers disagree on the amount of **loss**, and **WE** and **YOU** **do not** agree to a settlement in an amount between the two appraisals within 15 days, the two appraisers will select a disinterested third licensed appraiser to act as umpire, to provide a written decision determining the amount payable. Each party will split the cost of the umpire equally.

### **OTHER INSURANCE**

If **YOU** have other insurance that covers **loss** or damage to **YOUR insured car**, then this policy will apply only as excess above any other insurance.

## **GENERAL POLICY PROVISIONS**

### **TERRITORY**

This policy only applies to **accidents** and **losses** which happen within the United States of America, its' territories or possessions, Puerto Rico, or Canada. **THIS POLICY PROVIDES NO COVERAGE IN MEXICO.**

### **POLICY CHANGES**

This policy contains all agreements between **YOU** and **US** and may not be changed or waived, except by a written endorsement issued by **US**. If **WE** revise this policy to provide more coverage without additional premium, **YOUR** policy will automatically provide the additional coverage as of the date the revision is effective.

**YOU** have the duty to inform **US** of any change of **YOUR** mailing address, the garaging address of **YOUR insured car(s)**, **replacement** or newly acquired car(s), and/or additional drivers residing in **YOUR** household or regularly driving **YOUR insured car(s)**.

## CANCELLATION OF POLICY MID-TERM

**YOU** may cancel this policy during the policy period by giving **US** advance written notice of the date cancellation is to take effect.

If **WE** cancel this policy, **WE** will provide **YOU** with the reason for **OUR** decision. **OUR** notice of cancellation will be mailed at the U.S. Post Office to the address shown on the Declarations page. Proof of mailing the notice is proof of cancellation.

**WE** have the right to cancel **YOUR** policy:

1. at any time for non-payment of premium with at least a 10 day notice of cancellation.
2. within the first 60 days **YOUR** policy is in effect for any reason with at least a 30 day notice of cancellation.
3. after the first 60 days **YOUR** policy is in effect with at least a 30 day notice of cancellation, but only for the following reasons:
  - a. If **YOU** or a **relative**, or other driver residing in **YOUR** household or using **YOUR insured car** has had their drivers license suspended or revoked during the policy;
  - b. Upon discovery of an act, omission, material misrepresentation or fraud in the obtaining of this policy or in the presentation of a claim;
  - c. For violation of any term or condition of this policy;
  - d. If **YOU** or a **relative**, or other driving residing in **YOUR** household or using **YOUR insured car**, is or becomes subject to epilepsy or heart attacks, and such individual cannot produce a certificate from a physician testifying to such person's ability to operate a **motor vehicle**;
  - e. If **YOU** or a **relative**, or other driver residing in **YOUR** household or using **YOUR insured car**, is or has been convicted during the 36 months immediately preceding the effective date of the policy or during the policy period for any of the following:
    1. any felony;
    2. criminal negligence, resulting in death, homicide or assault, arising out of the operation of a **motor vehicle**;
    3. operating a **motor vehicle** while in an intoxicated condition or while under the influence of drugs;
    4. leaving the scene of a **car accident** without stopping to report;
    5. theft of a **motor vehicle**;
    6. making false statements in an application for a driver's license;
    7. a third moving violation, committed within a period of 18 months of any regulation limiting the speed of **motor vehicles**;
    8. a third moving violation, committed within a period of 18 months of any of the provisions in the motor vehicle laws of any state, the violation of which constitutes a misdemeanor or traffic infraction;
    9. a third moving violation, committed within a period of 18 months of any ordinance or traffic infraction which prohibits the same acts as a misdemeanor statute of the uniform act regulating traffic on highways, whether or not the violations were repetitious of the same offense or were different offenses.

## NON-RENEWAL OF POLICY BY US

**WE** have the right to non-renew **YOUR** policy for any lawful reason as permitted by the laws of the State of Kansas. If **WE** non-renew **YOUR** policy, **WE** will provide **YOU** with the reason for **OUR** decision. **OUR** notice of non-renewal will be mailed at the U.S. Post Office to the address shown on the Declarations page at least 30 days in advance of the non-renewal date. If **YOU** fail to pay **YOUR** premium prior to the date of non-renewal, **YOUR** policy will expire at the earlier date. If **WE** have mailed **YOU** a notice of non-renewal, **WE** will not accept any late payments. Proof of mailing the notice is proof of non-renewal.

## AUTOMATIC TERMINATION

Notice of non-renewal is not required if **WE** have offered renewal or a replacement policy, or if **YOU** tell **YOUR** agent or **US** that **YOU** intend to cancel or not renew this policy. If **WE** have offered renewal or a replacement policy and **YOU** or **YOUR** representative do not accept our offer, this policy will automatically terminate at the end of the current policy period. If **YOU** fail to pay the required renewal premium when due, that shall mean **YOU** have not accepted our offer.

If **YOU** obtain other insurance on **YOUR insured car**, any similar insurance provided by this policy will terminate as to that **car** on the effective date of the other insurance.

### **PREMIUM REFUNDS**

Upon termination of this policy, **YOU** may be entitled to a premium refund. If so, **WE** will mail it to the address shown on the Declarations page, but a refund or offer of refund is not a condition of policy termination. All premium refunds, except policy and expense fees, will be computed on a pro-rata basis. Policy and expense fees are fully earned at policy inception and non-refundable.

### **TRANSFER OF POLICY**

This policy may not be assigned to another person or organization without **OUR** written consent. If **YOU** die, this policy covers **YOUR** legal representative while temporarily acting on **YOUR** behalf, or any other person having proper temporary custody of **YOUR insured car**, until a legal representative is appointed or until the expiration of the current policy period, whichever is earlier. This provision does not apply to **YOUR** assignment of post-loss **PERSONAL INJURY PROTECTION** benefits.

If any **insured car** is sold, there is no automatic transfer of any coverage under this policy to the new owner without **OUR** written consent.

### **OUR RECOVERY RIGHTS**

In the event of any payment by **US** under this policy, **WE** are entitled to all rights of recovery of any person or organization **WE** paid, against any other party or organization who may be liable to **YOU** for the same or similar payment. **YOU** or any person **WE** paid must sign any legal papers and deliver them to **US** within 72 hours of receipt and do whatever else is necessary to assist **US** in the effort to recover such payments. **YOU** or anyone **WE** paid must do nothing to prejudice **OUR** rights of recovery. If **we** decide to take legal action to effect recovery, **WE** will select the attorney and pay all related expense.

### **BANKRUPTCY**

**WE** are not relieved of any obligation under this policy because of the bankruptcy or insolvency of any **insured person**.

### **ACTION AGAINST US**

**YOU** may not sue **US** unless **YOU** have fully complied with all provisions of this policy. **WE** may not be sued under the liability coverage afforded by this policy until the **insured person's** legal liability has been decided, either by judgment against that person or by written agreement of that person, the claimant and **US**. **WE** may not be made a party to an action against an **insured person** to determine a person's liability.

If, for any reason deemed necessary by **US**, separate legal counsel is required for **YOU** or any other person, **WE** will only pay for legal counsel approved by **US** in writing.

### **POLICY TERMS COMPLY WITH THE LAWS OF KANSAS**

The provisions of this policy shall be interpreted in accordance with the laws of the State of Kansas.

  
Mark D. James, III - President