

Amendment of Policy Provisions - Florida

This endorsement changes the policy. Please read it carefully.

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

I. DEFINITIONS

A. Definition **F.** is replaced with the following:

“Family member” means a person related to you by blood, marriage, registered domestic partnership under Florida law, or adoption who is a resident of your household. This includes a ward or foster child.

B. Part 2 of K. "Newly Acquired Auto" is deleted and replaced with the following:

Coverage for a "newly acquired auto" is provided as described below. If you ask us to insure a "newly acquired auto" after the specified time period described below has elapsed, any coverage we provide will begin when you request the coverage.

- a. For any coverage provided in this policy except **Coverage for Damage to Your Auto**, a "newly acquired auto" will have the broadest coverage we provide for any vehicle shown in the Declarations. Coverage begins on the date you become the owner. However, for this coverage to apply to an additional “newly acquired auto”, you must ask us to insure it within 30 days after you become the owner.

If a "newly acquired auto" replaces a vehicle shown in the Declarations, coverage is provided for this vehicle without your having to ask us to insure it.

- b. Collision Coverage for a "newly acquired auto" begins on the date you become the owner. However, for the coverage to apply, you must ask us to insure it within:
 - (1) 30 days after you become the owner if Collision Coverage applies to at least one auto listed on the Declarations. In this case, the "newly acquired auto" will have the broadest coverage we now provide for any auto shown in the Declarations.
 - (2) Four days after you become the owner if Collision Coverage does not apply to at least one auto. If you comply with the four day requirement and a loss occurs before you ask us to insure the "newly acquired auto", a collision deductible of \$500 will apply.

c. Other Than Collision Coverage for a "newly acquired auto" begins on the date you become the owner. However, for this coverage to apply, you must ask us to insure it within:

(1) 30 days after you become the owner if Other Than Collision Coverage applies to at least one auto listed on the Declarations. In this case, the "newly acquired auto" will have the broadest coverage we now provide for any auto shown in the Declarations.

(2) Four days after you become the owner if Other Than Collision Coverage does not apply to at least one auto. If you comply with the 4 day requirement and a loss occurs before you ask us to insure the "newly acquired auto", an Other Than Collision deductible of \$500 will apply.

C. The following definitions are added:

- L. "Collector auto" means any "classic auto", "exotic auto" or "antique auto" shown in the Declarations that is;
1. maintained primarily for use in car club activities, parades, exhibitions, other functions of public interest or for a private collection; and
 2. used infrequently for other purposes.
- M. "Antique vehicle" means a vintage auto or motor cycle manufactured more than 25 years prior to the current year.. Antique vehicles are rarely driven and typically transported by trailer.
- N. "Classic vehicle" means a motor vehicle of limited production or availability, unique or rare design, and recognized for its aesthetic value. For purposes of this policy, a classic vehicle also includes a reproduction of a collector auto.
- O. "Exotic vehicle" means a motor vehicle that is less than 20 years old that has not been altered from its original factory specifications. Exotic vehicles are of unique design and are part of a limited production. An exotic vehicle's value is derived in part from its performance and the artistic nature of its bodywork and interior.
- P. "Regular use vehicle" means a vehicle used for general transportation, including:
- a. Driven to work, school or to perform errands; or
 - b. Used during the course of your business or occupation; or
 - c. Used as a substitute or back-up for any vehicle used as a. or b. above.

II. PART A - LIABILITY COVERAGE

Part A is amended as follows:

A. The following exclusion is added:

10. We will not provide Liability Coverage for "bodily injury" to you or any person whenever the ultimate beneficiary of the indemnification is you or a "family member".

B. Paragraph A. of the Limit of Liability Provision is deleted and replaced by the following:

The limit of liability shown in the Declarations for each person for Bodily Injury Liability is our maximum limit of liability for all damages. This limit includes damages for care, loss of services, death or any derivative damages sustained by any person, arising out of "bodily injury" sustained by any one person in any one auto accident. Subject to this limit for each person, the limit of liability shown in the Declarations for each accident for Bodily Injury Liability is our maximum limit of liability for all damages for "bodily injury" resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all "property damage" resulting from any one auto accident.

This is the most we will pay regardless of the number of:

1. "Insureds";
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

C. The **Other Insurance** Provision is replaced with the following:

OTHER INSURANCE

If there is other applicable liability insurance, we will pay only our share of loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance.

However, we will provide primary insurance for a vehicle you do not own if:

1. The vehicle is leased by you under a written rental or lease agreement; and

2. The face of the rental or lease agreement contains, in at least 10-point type. The following language:

The valid and collectible liability insurance of any authorized rental or leasing driver is primary for the limits of liability coverage required by FLA. STAT. SECTION 324.021(7).

D. The following provision is added:

FEDERAL EMPLOYEES USING AUTOS IN GOVERNMENT BUSINESS

If this policy is issued to a federal employee using an auto in government business, the following provision is added:

The following are not “insureds” under **Part A**:

1. The United States of America or any of its agencies.
2. Any person with respect to “bodily injury” or “property damage” resulting from the operation of an auto by that person as an employee of the United States Government. This applies only if the provisions of Section 2679 of Title 28, United States Code as amended, require the Attorney General of the United States to defend that person in any civil action which may be brought for the “bodily injury” or “property damage”

III. PART D – COVERAGE FOR DAMAGE TO YOUR AUTO

Part D. is amended as follows:

A. The following is added to paragraph A of the Insuring Agreement:

We will pay under Other Than Collision Coverage for the cost of repairing or replacing the damaged windshield on “your covered auto” without a deductible. We will pay only if the Declaration indicates that Other Than Collision Coverage applied.

B. The following is added to paragraph C “Non-owned auto” means:

3. Any vehicle you lease or rent for a period not greater than 90 days.

C The **Transportation Expense** provision is replaced with the following:

TRANSPORTATION EXPENSES AND TEMPORARY EMERGENCY LIVING

1. We will pay without a deductible, up to a maximum of \$5,000 for reasonable additional expenses you incur for:
 - a. transportation expenses ;
 - b. meals, lodging and phone expenses if you are more than 50 miles from your closest residence; and
 - c. expenses for which you become legally responsible in the event of a loss to a "non-owned auto".

We will pay for such expenses if the loss is caused by:

- a. Other than "collision" only if Other Than Collision Coverage is provided for an auto on your Declarations.
 - b. "Collision" only if Collision Coverage is provided for provided for an auto on your Declarations.
2. Our payment will be limited to that period of time reasonably required to repair "your covered auto" or "non-owned auto". In the event of a total loss, our payment will be limited to that period of time until we pay the loss.

The following provisions are added to Part D

1. WAIVER OF COLLISION DEDUCTIBLE

When there is a loss to "your covered auto" insured for Collision Coverage under this policy, we will pay the full Collision Coverage deductible if:

- a. The loss involves an "uninsured motor vehicle", as the term is defined in items 1. and 4. of the "uninsured motor vehicle" definition in the Uninsured Motorist Coverage endorsement;
- b. You are legally entitled to recover the full amount of the loss from the owner or operator of the "uninsured motor vehicle".

Subject to the above, if you are legally entitled to recover only a percentage of the loss, we will pay that percentage of your deductible. If the amount of the loss is less than your deductible, we will pay the percentage of the loss you are legally entitled to recover.

In no event will we pay more than the amount of the loss.

The **Arbitration and Duties after an Accident or Loss** Provisions on the Uninsured Motorists Coverage endorsement apply to the **Waiver of Collision Deductible** Provision.

2. AUTO LOAN/LEASE COVERAGE

If there is a total loss to "your covered auto", we will pay any unpaid amount due on the lease or loan for "your covered auto" less:

- a. The amount paid under Part D – Coverage for Damage to Your Auto of the policy; and
- b. Any:
 1. Overdue lease/loan payments at the time of loss;
 2. Financial penalties imposed under a lease for high mileage;
 3. Security deposits not refunded by a lessor;
 4. Cost for extended warranties, Credit, Life insurance, Health, Accident or Disability insurance purchased with the loan or lease; and
 5. Carry-over balances from previous loans or leases.

3. COVERAGE FOR ACCIDENTAL DEPLOYMENT OF AN AIRBAG

We will pay the full cost to repair or replace an airbag system that accidentally deploys and is not caused by a collision or other than collision loss. There is no deductible for this coverage.

4. AUTO LOCK COVERAGE

If the keys to "your covered auto" or "non-owned auto" are lost or stolen, and we are notified of the loss within 72 hours, we will pay up to \$1,500 for the following:

- a. The cost to replace or duplicate keys; or
- b. The labor costs to retrieve keys accidentally locked in the vehicle; or
- c. The cost to re-key the locks when the vehicle is stolen and then recovered or the keys are lost or stolen.

There is no deductible for this coverage.

5. TOWING COVERAGE

If "your covered auto" is disabled as a result of a covered loss, we will pay the reasonable cost to tow "your covered auto" to a repair facility and for labor performed at the place of disablement.

6. SPARE PARTS

We will pay up to \$1,000 in total if spare parts you own as replacement parts for your “collector auto” are lost or damaged unless an exclusion applies. There is no deductible for this coverage.

The **EXCLUSION** Provision is amended as follows:

1. The following exclusion is deleted:
 - a. Exclusion (5), loss to any electronic equipment that receives or transmits audio, visual, or data signals and any accessories used with such equipment.
2. The following exclusions are added:
 15. The actual or perceived loss in market or resale value of an auto which results from a direct or accidental loss.
 16. Loss to a “collector auto” caused by insects, birds or vermin, inherent defect, dampness, mildew, mold, rot or rust, temperature extremes or gradual deterioration.
 17. Loss to a “collector auto” caused by any repairing, renovating or refinishing process unless the process results in a fire or explosion. We will only pay for the damage caused by the fire or explosion.

E. The **Limit of Liability** Provision is replaced with the following:

1. Our Limit of Liability for loss will be the lesser of:
 - a. The Agreed Value stated in the Declarations or, for any auto without an Agreed Value stated in the Declarations, the actual cash value of the stolen or damaged property;
 - b. The amount necessary to repair or replace the property with other property of like kind and quality without application of depreciation; or
 - c. \$1,500 for loss to any “Non-owned auto” which is a trailer.

However, our payment will be reduced by any amount paid for a previous loss to the same vehicle if the prior damage has not been repaired.

2. Any applicable deductible shown in the Declarations will reduce our payment for loss. In the event of a Total Loss, no deductible will apply. An auto will be considered a Total Loss when:

- a. the costs of labor and parts to repair the auto plus the salvage value are greater than or equal to the Agreed Value; or,
- b. the entire auto is stolen, not recovered and we offer to settle the loss.

D. The **Appraisal** Provision of Part **D** is replaced with the following:

APPRAISAL

- A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. Upon notice of a demand for appraisal, the opposing party may, prior to appraisal, demand mediation of the dispute. The demand must be in accordance with the Mediation provision found in part F of the policy. Mediation must be completed before a demand for appraisal can be made.
- B. In the event of a demand for appraisal, each party will select an impartial appraiser. The appraisers will state separately the actual cash value and the amount of the loss. If they fail to agree, they will submit their differences to the umpire. The two appraisers will select an umpire. A decision agreed to by any two will be binding. Each party will:
 1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and the umpire equally.
- C. We do not waive any of our rights under this policy by agreeing to an appraisal.

V. PART F – GENERAL PROVISIONS

- A. The following provision is added;

MEDIATION

In any claim filed with us for:

1. Loss resulting from “bodily injury” in an amount of \$10,000 or less;
2. “Property damage”; or
3. Loss to “your covered auto” or any “non-owned auto”;

either party may demand mediation of the claim, prior to taking legal action. Mediation can be requested by filing a written request with the Department of Financial Services on a form which may be obtained from the Department. The request must state:

1. Why mediation is being requested; and
2. The issues in dispute which are to be mediated.

Only one mediation may be requested for each claim, unless all parties agree to further mediation. A party demanding mediation shall not be entitled to demand or request mediation after a suit is filed relating to the same facts already mediated.

The Department shall randomly select mediators. Each party may reject one mediator, either before or after the opposing side has rejected a mediator. The mediator will notify the parties of the date, time and place of the mediation conference. This conference will be held within 45 days of the mediation request. If feasible, the conference may be held by telephone.

The mediation shall be conducted as an informal process and formal rules of evidence and procedure need not be observed. Participants must:

1. Have authority to make a binding decision; and
2. Mediate in good faith.

If the mediator determines that both parties have mediated in good faith, the costs of the mediation shall be shared equally by both parties

B. The Policy Period and Territory Provision is deleted and replaced with the following:

This policy applies only to accidents and losses which occur:

1. During the policy period as shown in the Declarations; and
2. Anywhere in the world.

If you borrow, lease or rent, a "non-owned auto" outside the United States, its territories or possessions, Puerto Rico, or Canada, the coverage provided by this policy will apply to the use or operation of that vehicle by you or any "family member" provided:

1. That the mandated insurance is purchased or provided for the vehicle being operated, as defined by the country or jurisdiction. . Our limit of liability will be only the part of a covered loss that exceeds the limit of liability of that policy.

In Mexico and other countries, liability coverage must be purchased from a locally licensed insurance company to meet the liability requirements of that country. Failure to comply with this requirement may leave you uninsured with regard to liability coverage under the local law and subject to fines and other penalties.

2. The use, lease or rental, of the "non-owned auto" is for a period less than 90 days.

This coverage also applies to a temporarily relocated "covered auto" and "newly acquired vehicles."

C. The Termination Provision is amended as follows:

TERMINATION

Cancellation

This policy may be cancelled during the policy period as follows:

1. The named insured may cancel by:
 - a. Returning this policy to us; or
 - b. Giving us advanced written notice of the date of cancellation is to take effect.
2. The named insured:
 - a. May not cancel this policy, if it provides Personal Injury Protection and Property Damage Liability Coverage, during the first 60 days following the date of issuance or renewal unless:
 1. "Your covered auto" has been totally destroyed and is no longer operable;
 2. The named insured transfers ownership of "your covered auto"; or
 3. The named insured obtains other insurance on "your covered auto"; or
 4. The named insured is a member of the United States Armed Forces and is called to or on active duty outside of the United States.
 - b. May cancel for any reason after this policy is in effect for 60 days.
3. If this is a new policy, we will not cancel for nonpayment of premium during the first 60 days after issuance. However, we may cancel if a check used to pay us is dishonored for any reason.
4. After this policy is in effect for 60 days, we will cancel only:
 - a. For nonpayment of premium; or
 - b. If the drivers license of you or any driver that regularly uses "your covered auto" has been suspended or revoked.

This must have occurred during:

1. The policy period; or

2. The 180 days immediately preceding the original effective date of the policy; or
 - c. If the policy was obtained through material misrepresentation or fraud.
5. Except as provided in Section 6. , we may cancel by sending notice by registered or certified mail. This notice will be sent to the named insured shown in the Declarations at the address shown in the policy:
- a. At least 10 days notice if cancellation is for nonpayment of premium; or
 - b. At least 45 days notice in all other cases
6. In the event that we determine that you have been charged an incorrect premium for coverage requested in your application for insurance, we will mail you notice of any additional premium due. If within 15 days of the notice of additional premium due (or longer time period as specified in the notice), you fail to either:
- a. Pay the additional premium and maintain this policy in force under its original terms; or
 - b. Cancel this policy and demand a refund of any unearned premium;

Then this policy shall be cancelled effective 15 days from the date of the notice or a longer time period specified in the notice.

Nonrenewal

If we decide not to renew or continue this policy, we will mail advance notice to the named insured shown in the Declarations at the address shown in this policy. This notice will be sent at least 45 days before the end of the policy period. Notice will be sent by registered or certified mail. Subject to this notice requirement, if the policy period is:

1. Less than 6 months, we will have the right not to renew or continue this policy every 6 months, beginning 6 months after its original effective date.
2. 6 months or longer, but less than one year, we will have the right not to renew or continue this policy at the end of the policy period
3. 1 year or longer, we will have the right not to renew or continue this policy at each anniversary of its original effective date.

We will not refuse to renew or continue the policy solely because:

1. You were convicted of one or more traffic violations which did not involve an accident or cause revocation or suspension of your driving privilege unless you have been convicted of, or plead guilty to:
 - a. Two such traffic violations within an 18 month period;
 - b. Three or more such traffic violations within a 36 month period; or
 - c. Exceeding the lawful speed limit by more than 15 miles per hour; or
2. You have had an accident.

However we may refuse to renew or continue this policy if, at the time of nonrenewal, you have had two or more at-fault accidents, or three or more accidents regardless of fault, within the current 3-year period.

Automatic Termination

If we offer to renew or continue this policy and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Your failure to pay the required premium when due shall mean that you have not accepted our offer.

If you obtain other insurance on “your covered auto”, any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance.

Other Termination Provisions

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. In the event of cancellation by you, we will refund any premium due you on a pro-rata basis, within 30 days after the effective date of the policy cancellation or receipt of notice or request for cancellation, whichever is later. If we cancel this policy we will mail any unearned premium within 15 days after the effective date of the policy cancellation. If we do not mail any return premium within the applicable periods stated above, we will pay you 8 percent interest on the amount due. If the unearned premium is not mailed within 45 days after the applicable period, you may bring an action against us for the amount due.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.